Iowa General Assembly
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House File 2289

H-8024

Amend House File 2289 as follows:

1. Page 2, after line 7 by inserting:

<Sec. ___. Section 68B.39, Code 2011, is amended to read as follows:

68B.39 Supreme court rules.

1. The supreme court of this state shall prescribe rules establishing a code of ethics for officials and employees of the judicial branch of this state, and the immediate family members of the officials and employees. Rules prescribed under this paragraph shall include provisions relating to the receipt or acceptance of gifts and honoraria, interests in public contracts, services against the state, and financial disclosure which are substantially similar to the requirements of this chapter. The rules shall not require disclosure of certified shorthand reporter compensation authorized pursuant to section 602.3202.

2. The supreme court of this state shall also prescribe rules which relate to activities by officials and employees of the judicial branch which constitute conflicts of interest.

Sec. ___. Section 232.41, Code 2011, is amended to read as follows:

232.41 ~~Reporter~~ Certified shorthand reporter required.

~~Stenographic notes or mechanical or electronic recordings shall be taken~~ A certified shorthand reporter shall take stenographic notes of all court hearings held pursuant to this division unless waived by the parties. The child shall not be competent to waive the reporting requirement, but waiver may be made for the child by the child's counsel or guardian ad litem. Matters which must be reported under the provisions of this section shall be reported in the same manner as required in section 624.9.

Sec. ___. Section 232.94, Code 2011, is amended to read as follows:

232.94 ~~Reporter~~ Certified shorthand reporter required.

~~Stenographic notes or electronic or mechanical recordings shall be taken~~ A certified shorthand reporter shall take stenographic notes of all court hearings held pursuant to this division unless waived by the parties. The child shall not be competent to waive the reporting requirement, but waiver may be made for the child by the child's counsel or guardian ad litem. Matters which must be reported under the provisions of this section shall be reported in the same manner as required in section 624.9.

Sec. ___. Section 232.115, Code 2011, is amended to

read as follows:

232.115 ~~Reporter~~ Certified shorthand reporter required.

~~Stenographic notes or electronic or mechanical recordings shall be taken~~ A certified shorthand reporter shall take stenographic notes of all court hearings held pursuant to this division unless waived by the parties. The child shall not be competent to waive the reporting requirement, but waiver may be made for the child by the child's counsel or guardian ad litem. Matters which must be reported under the provisions of this section shall be reported in the same manner as required in section 624.9.

Sec. ___. Section 602.1102, subsection 6, Code 2011, is amended to read as follows:

6. ~~Court~~ Appointed certified shorthand reporters.

Sec. ___. Section 602.1214, subsection 4, Code 2011, is amended to read as follows:

4. The district court administrator shall employ and supervise all employees of the district court except ~~court~~ certified shorthand reporters, clerks of the district court, employees of the clerks of the district court, juvenile court officers, and employees of juvenile court officers.

Sec. ___. NEW SECTION. **602.1219 Civil trial — proper jurisdiction.**

A civil jury trial shall be held in a county with proper jurisdiction over the proceeding, unless there are grounds for a change of venue. Venue for a civil jury trial shall not be determined based upon the residency of the judicial officer presiding over the trial.

Sec. ___. Section 602.1301, subsection 2, paragraph a, subparagraph (6), Code 2011, is amended to read as follows:

(6) ~~Court~~ certified shorthand reporters.

Sec. ___. Section 602.1502, subsections 2 and 3, Code 2011, are amended to read as follows:

2. ~~Court~~ Certified shorthand reporters who are employed on an emergency basis in the district court shall be paid not more than their usual and customary fees, while employed by the court. Payments shall be made at least once each month.

3. ~~Court~~ Certified shorthand reporters shall be paid compensation for transcribing their notes as provided in section 602.3202, but shall not work on outside depositions during the hours for which they are compensated as a court employee.

Sec. ___. Section 602.1612, subsection 4, Code 2011, is amended to read as follows:

4. A retired justice or judge may be authorized by the order of assignment to appoint a temporary ~~court~~ certified shorthand reporter, who shall receive the compensation and expense reimbursement provided by law for a regular ~~court~~ certified shorthand reporter in the court to which the justice or judge is assigned.

Sec. ___. Section 602.2104, subsection 2, Code 2011, is amended to read as follows:

2. In case of a hearing before the commission, written notice of the charge and of the time and place of hearing shall be mailed to a judicial officer or an employee of the judicial branch at the person's residence at least twenty days prior to the time set for hearing. Hearing shall be held in the county where the judicial officer or employee of the judicial branch resides unless the commission and the judicial officer or employee of the judicial branch agree to a different location. The judicial officer shall continue to perform judicial duties during the pendency of the charge and the employee shall continue to perform the employee's assigned duties, unless otherwise ordered by the commission. The attorney general shall prosecute the charge before the commission on behalf of the state. A judicial officer or employee of the judicial branch may defend and has the right to participate in person and by counsel, to cross-examine, to be confronted by the witnesses, and to present evidence in accordance with the rules of civil procedure. A complete record shall be made of the evidence by a ~~court~~ certified shorthand reporter. In accordance with its findings on the evidence, the commission shall dismiss the charge or make application to the supreme court to retire, discipline, or remove the judicial officer or to discipline or remove an employee of the judicial branch.

Sec. ___. Section 602.3201, Code 2011, is amended to read as follows:

602.3201 Requirement of certification — use of title.

A person shall not engage in the profession of shorthand reporting unless the person is certified pursuant to this chapter, or otherwise exempted pursuant to section 602.6603, subsection ~~4~~ 6. Only a person who is certified by the board may assume the title of certified shorthand reporter, or use the abbreviation C.S.R., or any words, letters, or figures to indicate that the person is a certified shorthand reporter.

Sec. ___. Section 602.3202, Code 2011, is amended to read as follows:

602.3202 Transcript fee.

1. Certified shorthand reporters are entitled to receive compensation for transcribing their official notes as set by rule of the supreme court, to be paid for in all cases by the party ordering the transcription.

2. This section shall not be used to offset or reduce the compensation paid to a certified shorthand reporter as a court employee and any effort to confiscate compensation received for transcribing a certified shorthand reporter's official notes pursuant to this section shall be considered a taking.

Sec. ___. NEW SECTION. **602.3204 Transcription delay — unpaid leave.**

A party to an appeal may petition the supreme court requesting the court find that an unreasonable delay in the preparation of the appeal transcript has occurred. Upon a finding that an unreasonable delay has occurred the court may place the appointed certified shorthand reporter on unpaid leave until the transcript is completed.

Sec. ___. NEW SECTION. **602.3205 Certified shorthand reporter liaison duties.**

1. The appointed certified shorthand reporters in each judicial district shall designate an appointed certified shorthand reporter in the judicial district to act as a liaison with the clerk of the supreme court to ensure appeal transcripts from the judicial district are handled in a timely manner.

2. If an appointed certified shorthand reporter is placed on unpaid leave pursuant to section 602.3204, the certified shorthand reporter liaison or the liaison's designee for the judicial district shall reassign the remaining appointed certified shorthand reporters within the judicial district to ensure that any proceeding requiring a stenographic record is recorded.

Sec. ___. Section 602.6603, Code 2011, is amended to read as follows:

602.6603 ~~Court reporters~~ Appointment of certified shorthand and uncertified shorthand reporters and duties.

1. Each district judge shall appoint a ~~court~~ certified shorthand reporter who shall, upon the request of a party in a civil or criminal case, report the evidence and proceedings in the case, and perform all duties as provided by law.

2. Each district associate judge may appoint a ~~court~~ certified shorthand reporter, subject to the approval of the chief judge of the judicial district.

1 The chief judge of each judicial district shall
2 calculate the certified shorthand reporter-to-district
3 associate judge ratio in the judicial district as of
4 January 1, 2009. Any subsequent calculation of the
5 certified shorthand reporter-to-district associate
6 judge ratio in the judicial district shall not fall
7 below the ratio that existed on January 1, 2009.
8 Certified shorthand reporters appointed by a district
9 judge or otherwise assigned to a district judge shall
10 not be included in the calculation of the ratio under
11 this subsection.
12 3. A district associate judge shall use a certified
13 shorthand reporter, upon the request of a party, for
14 all criminal trials or hearings, juvenile proceedings,
15 and in civil cases where the amount in controversy
16 exceeds the small claims jurisdictional amount pursuant
17 to section 631.1.
18 4. An appointed certified shorthand reporter not
19 presently involved with reporting the evidence and
20 proceedings in a case with a judge may be reassigned to
21 other judicial branch duties as specified by the chief
22 judge or certified shorthand reporter liaison pursuant
23 to section 602.3205.
24 ~~3.~~ 5. If a chief judge of a judicial district
25 determines that it is necessary to employ an additional
26 ~~court~~ certified shorthand reporter because of an
27 extraordinary volume of work, or because of the
28 temporary illness or incapacity of a regular ~~court~~
29 certified shorthand reporter, the chief judge may
30 appoint a temporary ~~court~~ certified shorthand reporter
31 who shall serve as required by the chief judge.
32 ~~4.~~ 6. If a regularly appointed ~~court~~ certified
33 shorthand reporter becomes disabled, or if a vacancy
34 occurs in a regularly appointed ~~court~~ certified
35 shorthand reporter position, and notwithstanding
36 any other provision of the law to the contrary, the
37 judge may appoint a competent uncertified shorthand
38 reporter for a period of time of up to six months,
39 upon verification by the chief judge that a diligent
40 but unsuccessful search has been conducted to appoint
41 a certified shorthand reporter to the position and,
42 in a disability case, that the regularly appointed
43 ~~court~~ certified shorthand reporter is disabled. An
44 uncertified shorthand reporter shall not be reappointed
45 to the position unless the reporter becomes a certified
46 shorthand reporter within the period of appointment
47 under this subsection. If an uncertified shorthand
48 reporter is appointed pursuant to this subsection, the
49 uncertified shorthand reporter shall be treated as a
50 certified shorthand reporter for all purposes including

oaths, fees, and other official duties.

7. If a reassignment occurs pursuant to section 602.3205 and a proceeding requiring a stenographic record is unable to be recorded, the chief judge, notwithstanding any other provision of the law to the contrary, may contract with a certified or uncertified shorthand reporter who has not been appointed as a shorthand reporter for the judicial branch to ensure that any proceeding requiring a stenographic record is recorded. If an uncertified shorthand reporter is appointed pursuant to this subsection, the uncertified shorthand reporter shall be treated as a certified shorthand reporter for all purposes including oaths, fees, and other official duties.

~~5.~~ 8. Except as provided in ~~subsection 4~~ subsections 6 and 7, a person shall not be appointed to the position of ~~court~~ certified shorthand reporter of the district court unless the person has been certified as a shorthand reporter by the board of examiners under article 3.

~~6.~~ 9. Each ~~court~~ certified shorthand reporter shall take an oath faithfully to perform the duties of office, which shall be filed in the office of the clerk of district court.

~~7.~~ 10. A ~~court~~ certified shorthand reporter may be removed for cause with due process by the judicial officer making the appointment.

~~8.~~ 11. If a judge dies, resigns, retires, is removed from office, becomes disabled, or fails to be retained in office and the judicial vacancy is eligible to be filled, the ~~court~~ certified shorthand reporter appointed by the judge shall serve as a ~~court~~ certified shorthand reporter, as directed by the chief judge or the chief judge's designee, until the successor judge appoints a successor ~~court~~ certified shorthand reporter. The ~~court~~ certified shorthand reporter shall receive the reporter's regular salary and benefits during the period of time until a successor ~~court~~ certified shorthand reporter is appointed or until the currently appointed ~~court~~ certified shorthand reporter is reappointed.>

2. Page 2, after line 26 by inserting:

<Sec. ___. Section 602.8102, subsection 99, Code 2011, is amended to read as follows:

99. Collect jury fees and ~~court~~ certified shorthand reporter fees as required by chapter 625.

Sec. ___. Section 602.8103, subsection 4, paragraphs g, h, and j, Code 2011, are amended to read as follows:

g. ~~Court~~ Certified shorthand reporters' notes and

1 certified transcripts of those notes in civil cases,
2 ten years after final disposition of the case. For
3 purposes of this section, *"final disposition"* means one
4 year after dismissal of the case, after judgment or
5 decree without appeal, or after procedendo or dismissal
6 of appeal is filed in cases where appeal is taken.
7 *h.* ~~Court~~ Certified shorthand reporters' notes and
8 certified transcripts of those notes in criminal cases,
9 ten years after dismissal of all charges, or ten years
10 after the expiration of all sentences imposed or the
11 date probation is granted, whichever later occurs. For
12 purposes of this subsection, *"sentences imposed"* include
13 all sentencing options pursuant to section 901.5.
14 *j.* ~~Court~~ Certified shorthand reporters' notes
15 and certified transcripts of those notes in mental
16 health hearings under section 229.12 and substance
17 abuse hearings under section 125.82, ninety days after
18 the respondent has been discharged from involuntary
19 custody.
20 Sec. ___. Section 602.9206, unnumbered paragraph 1,
21 Code 2011, is amended to read as follows:
22 Section 602.1612 does not apply to a senior judge
23 but does apply to a retired senior judge. During the
24 tenure of a senior judge, if the judge is able to
25 serve, the judge may be assigned by the supreme court
26 to temporary judicial duties on courts of this state
27 without salary for an aggregate of thirteen weeks out
28 of each twelve-month period, and for additional weeks
29 with the judge's consent. A senior judge shall not be
30 assigned to judicial duties on the supreme court unless
31 the judge has been appointed to serve on the supreme
32 court prior to retirement. While serving on temporary
33 assignment, a senior judge has and may exercise all
34 of the authority of the office to which the judge is
35 assigned, shall continue to be paid the judge's annuity
36 as senior judge, shall be reimbursed for the judge's
37 actual expenses to the extent expenses of a district
38 judge are reimbursable under section 602.1509, may, if
39 permitted by the assignment order, appoint a temporary
40 ~~court~~ certified shorthand reporter, who shall be paid
41 the remuneration and reimbursement for actual expenses
42 provided by law for a reporter in the court to which
43 the senior judge is assigned, and, if assigned to
44 the court of appeals or the supreme court, shall be
45 given the assistance of a law clerk and a secretary
46 designated by the court administrator of the judicial
47 branch from the court administrator's staff. Each
48 order of temporary assignment shall be filed with the
49 clerks of court at the places where the senior judge
50 is to serve.

1 Sec. ___. Section 622.53, Code 2011, is amended to
2 read as follows:
3 **622.53 Judicial record — state or federal courts.**
4 A judicial record of this state, including the
5 filed certified shorthand notes of the official ~~court~~
6 certified shorthand reporter as transcribed or of
7 a court of the United States may be proved by the
8 production of the original judicial record, or a
9 copy of ~~it~~ the original judicial record certified by
10 the clerk or person having the legal custody of ~~it~~
11 the original judicial record, authenticated by the
12 custodian's seal of office, if there is a seal. That
13 of another state may be proved by the attestation
14 of the clerk and the seal of the court annexed, if
15 there is a seal, together with a certificate of a
16 judge, chief justice, or presiding magistrate that the
17 attestation is in due form of law.
18 Sec. ___. Section 624.9, Code 2011, is amended to
19 read as follows:
20 **624.9 Detailed report of trial.**
21 In all appealable actions triable by ordinary or
22 equitable proceedings, any party thereto shall be
23 entitled to have reported the whole proceedings upon
24 the trial or hearing, and the court shall direct ~~the~~
25 a certified shorthand reporter to make such report
26 in writing, ~~or~~ shorthand, or by stenographic means
27 which shall contain the date of the commencement of
28 the trial, the proceedings impaneling the jury, and
29 any objections thereto with the rulings thereon, the
30 oral testimony at length, and all offers thereof,
31 all objections thereto, the rulings thereon, the
32 identification as exhibits, by letter or number
33 or other appropriate mark, of all written or other
34 evidence offered, and by sufficient reference thereto,
35 made in the report, to make certain the object or
36 thing offered, all objections to such evidence and the
37 rulings thereon, all motions or other pleas orally made
38 and the rulings thereon, the fact that the testimony
39 was closed, the portions of arguments objected to, when
40 so ordered by the court, all objections thereto with
41 the rulings thereon, all oral comments or statements
42 of the court during the progress of the trial, and
43 any exceptions taken thereto, the fact that the
44 jury is instructed, all objections and exceptions to
45 instructions given by the court on its own motion, the
46 fact that the case is given to the jury, the return
47 of the verdict and action thereon of whatever kind,
48 and any other proceedings before the court or jury
49 which might be preserved and made of record by bill of
50 exceptions, and shall note that exception was saved by

1 the party adversely affected to every ruling made by
2 the court.
3 Sec. ___. Section 625.8, subsection 2, Code 2011,
4 is amended to read as follows:
5 2. The clerk of the district court shall tax as
6 a court cost a fee of forty dollars per day for the
7 services of a ~~court~~ certified shorthand reporter.
8 Sec. ___. Section 631.11, subsection 3, Code 2011,
9 is amended to read as follows:
10 3. *Record.* Upon the trial, the judicial magistrate
11 shall make detailed minutes of the testimony of each
12 witness and append the exhibits or copies thereof to
13 the record. The proceedings upon trial shall not be
14 reported by a certified ~~court~~ certified shorthand
15 reporter, unless the party provides the reporter at
16 such party's expense. If the proceedings are not
17 reported by a certified ~~court~~ certified shorthand
18 reporter, the magistrate shall cause the proceedings
19 upon trial to be recorded electronically, and both
20 parties shall be notified in advance of that recording.
21 If the proceedings have been recorded electronically,
22 the recording shall be retained under the jurisdiction
23 of the magistrate unless appealed, and upon appeal
24 shall be transcribed only by a person designated by the
25 court under the supervision of the magistrate.
26 Sec. ___. Section 631.13, subsection 4, paragraph
27 a, unnumbered paragraph 2, Code 2011, is amended to
28 read as follows:
29 If the record, in the opinion of the deciding judge,
30 is inadequate for the purpose of rendering a judgment
31 on appeal, the judge may order that additional evidence
32 be presented relative to one or more issues, and may
33 enter any other order which is necessary to protect the
34 rights of the parties. The judge shall take minutes of
35 any additional evidence, but the hearing shall not be
36 reported by a certified ~~court~~ shorthand reporter.
37 Sec. ___. Section 908.2, subsection 2, Code 2011,
38 is amended to read as follows:
39 2. The magistrate may order the alleged parole
40 violator confined in the county jail or may order
41 the alleged parole violator released on bail under
42 terms and conditions as the magistrate may require.
43 Admittance to bail is discretionary with the magistrate
44 and is not a matter of right. A person for whom bail
45 is set may make application for amendment of bail to
46 a district judge or district associate judge having
47 jurisdiction to amend the order. The motion shall
48 be promptly set for hearing and a stenographic record
49 shall be made of the hearing.>
50 3. Title page, by striking lines 1 and 2 and

1 inserting <An Act relating to the nomination and
2 appointment of certain judicial officers, the use of
3 court reporters, and the location of jury trials.>

_____
KAUFMANN of Cedar

House File 2309 - Introduced

HOUSE FILE 2309
BY RUNNING-MARQUARDT

A BILL FOR

1 An Act relating to the period for renewal of a foster care
2 license.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5644HH (6) 84
ad/nh

H.F. 2309

Section 1. Section 237.5, subsection 1, Code 2011, is amended to read as follows:

1. An individual or an agency shall apply for a license by completing an application to the administrator upon forms furnished by the administrator. The administrator shall issue or reissue a license if the administrator determines that the applicant or licensee is or upon commencing operation will provide child foster care in compliance with this chapter. ~~A~~ An initial license for an individual is valid for one year from the date of issuance. After the first two years of licensure, a license for an individual is valid for two years from the most recent date of issuance except that the administrator, within the administrator's discretion and based upon the performance of the licensee, may require annual renewal of the license or may issue a provisional license pursuant to subsection 3. A license for an agency is valid for up to three years from the date of issuance for the period determined by the administrator in accordance with administrative rules providing criteria for making the determination. The license shall state on its face the name of the licensee, the type of facility, the particular premises for which the license is issued, and the number of children who may be cared for by the facility on the premises at one time. The license shall be posted in a conspicuous place in the physical plant of the facility, except that if the facility is in a single-family home the license may be kept where it is readily available for examination upon request.

Sec. 2. Section 237.5A, Code 2011, is amended to read as follows:

237.5A Foster parent training.

1. As a condition for initial licensure, each individual licensee shall complete thirty hours of foster parent training offered or approved by the department. However, if the licensee has completed relevant training or has a combination of completed relevant training and experience,

H.F. 2309

and the department deems such training or combination to be an acceptable equivalent to all or a portion of the initial licensure training requirement, or based upon the circumstances of the child and the licensee the department finds there is other good cause, the department may waive all or a portion of the training requirement. Prior to ~~annual~~ renewal of licensure, each individual licensee shall also annually complete six hours of foster parent training. The training shall include but is not limited to physical care, education, learning disabilities, referral to and receipt of necessary professional services, behavioral assessment and modification, self-assessment, self-living skills, and biological parent contact. An individual licensee may complete the training as part of an approved training program offered by a public or private agency with expertise in the provision of child foster care or in related subject areas. The department shall adopt rules to implement and enforce this training requirement.

2. A licensee who is unable to complete six hours of foster parent training annually prior to ~~annual~~ licensure renewal because the licensee is engaged in active duty in the military service shall be considered to be in compliance with the training requirement for ~~annual~~ licensure renewal.

Sec. 3. RULES. The department of human services shall adopt rules to implement the provisions of this Act.

EXPLANATION

This bill relates to the renewal period for foster care licensing. The bill amends Code section 237.5 to increase the time period a license for an individual is valid from one to two years after the individual has been licensed for an initial two-year period. However, the bill provides that an administrator of the department of human services as defined by Code chapter 237 may require annual renewal of the individual license or may issue a provisional license even after this initial two-year period of licensure within the administrator's discretion based upon the performance of the licensee. The

H.F. 2309

1 bill also states that an individual licensee shall annually
2 complete six hours of foster parent training prior to licensure
3 renewal rather than completing six hours of training prior to
4 the annual licensure renewal.
5 The bill requires the department of human services to adopt
6 rules to implement the Act.

House File 2310 - Introduced

HOUSE FILE 2310
BY CHAMBERS

A BILL FOR

1 An Act exempting from the inheritance tax any agricultural land
2 passing to nieces or nephews and including an applicability
3 provision.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5543YH (3) 84
mm/sc

H.F. 2310

Section 1. Section 450.10, subsection 6, Code Supplement 2011, is amended to read as follows:

6. *a.* Property, interest in property, or income passing to the surviving spouse, and parents, grandparents, great-grandparents, and other lineal ascendants, children including legally adopted children and biological children entitled to inherit under the laws of this state, stepchildren, and grandchildren, great-grandchildren, and other lineal descendants, is not taxable under this section.

b. Agricultural land passing to a niece or nephew is not taxable under this section. For purposes of this paragraph, *"agricultural land"* means real property owned by a person in tracts of ten acres or more and not laid off into lots of less than ten acres or divided by streets and alleys into parcels of less than ten acres, and that has been used for the production of agricultural commodities during three out of the past five years. Such use of property includes but is not limited to the raising, harvesting, handling, drying, or storage of crops used for feed, food, seed, or fiber; the care or feeding of livestock; the handling or transportation of crops or livestock; the storage, treatment, or disposal of livestock manure; and the application of fertilizers, soil conditioners, pesticides, and herbicides on crops. *"Agricultural land"* includes land on which is located farm residences or outbuildings used for agricultural purposes and land on which is located facilities, structures, or equipment for agricultural purposes. *"Agricultural land"* includes land taken out of agricultural production for purposes of environmental protection or preservation.

Sec. 2. APPLICABILITY. This Act applies to estates of decedents dying on or after July 1, 2012.

EXPLANATION

This bill exempts agricultural land passing to a niece or nephew from the inheritance tax. "Agricultural land" is defined in the bill.

H.F. 2310

1 The bill applies to estates of decedents dying on or after
2 July 1, 2012.

House File 2311 - Introduced

HOUSE FILE 2311
BY BRANDENBURG

A BILL FOR

1 An Act providing an exemption from the computation of the state
2 individual income tax of certain dividends and net capital
3 gain from the sale or exchange of qualified capital stock
4 and including effective date and retroactive applicability
5 provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5158YH (1) 84
mm/sc

H.F. 2311

1 Section 1. Section 422.7, Code Supplement 2011, is amended
2 by adding the following new subsection:
3 NEW SUBSECTION. 57. *a.* Subtract, to the extent included,
4 the extraordinary dividends from, and net capital gain from
5 the sale or exchange of, the capital stock of the qualified
6 corporation for which an election is made pursuant to paragraph
7 *"b"*.
8 *b.* (1) A resident individual is entitled to make one
9 irrevocable lifetime election to exclude the extraordinary
10 dividends from, and net capital gain from the sale or exchange
11 of, the capital stock of one qualified corporation which
12 capital stock was acquired by the resident individual on
13 account of employment by such qualified corporation or while
14 employed by such qualified corporation.
15 (2) The election shall apply to all subsequent
16 extraordinary dividends and sales or exchanges of the elected
17 capital stock, provided it is capital stock in the same
18 qualified corporation and was acquired on account of employment
19 by such qualified corporation or while employed by such
20 qualified corporation.
21 (3) The election shall apply to transfers of the capital
22 stock by inter vivos gift from the electing individual to the
23 electing individual's spouse or lineal descendants, or to a
24 trust for the benefit of the individual's spouse or lineal
25 descendants. This subparagraph shall apply to a spouse only if
26 the spouse was married to the electing individual on the date
27 of the extraordinary dividend or sale or exchange or the date
28 of death of the electing individual.
29 (4) If a resident individual dies without making an
30 election, the surviving spouse or, if there is no surviving
31 spouse, the oldest surviving lineal descendant may make the
32 election that would have qualified under subparagraph (3).
33 (5) The election shall be made by including a written
34 statement with the taxpayer's state income tax return for
35 the taxable year in which the election is made. The written

H.F. 2311

1 statement shall identify the qualified corporation that issued
2 the capital stock, the grounds for the election under this
3 paragraph, a statement that the taxpayer elects to have this
4 paragraph apply, and any other information required by the
5 department. The department shall provide appropriate forms
6 for making elections and reporting exclusions pursuant to this
7 subsection.
8 *c.* For purposes of this subsection:
9 (1) *"Capital stock"* means common or preferred stock, either
10 voting or nonvoting. *"Capital stock"* does not include stock
11 rights, stock warrants, stock options, or debt securities.
12 (2) *"Electing individual"* means a resident individual who
13 makes an election under paragraph *"b"*, subparagraph (1).
14 (3) *"Extraordinary dividend"* means any dividend paid on
15 capital stock exceeding twenty percent of the fair market value
16 of the capital stock as of the date the dividend is declared.
17 (4) *"Lineal descendant"* means children of the electing
18 individual, including legally adopted children and biological
19 children, stepchildren, grandchildren, great-grandchildren, and
20 any other lineal descendants of the electing individual.
21 (5) (a) *"Qualified corporation"* means a corporation which,
22 at the time an election is made under paragraph *"b"*, meets the
23 following conditions:
24 (i) The corporation has been in existence and actively doing
25 business in this state for at least three years.
26 (ii) The corporation has at least five shareholders.
27 (iii) The corporation has at least two shareholders or
28 groups of shareholders who are not related and who each
29 own at least ten percent of the capital stock. Two persons
30 are considered to be related when, under section 318 of the
31 Internal Revenue Code, one is a person who owns, directly or
32 indirectly, capital stock that if directly owned would be
33 attributed to the other person, or is the brother, sister,
34 aunt, uncle, cousin, niece, or nephew of the other person who
35 owns capital stock either directly or indirectly.

H.F. 2311

1 (b) A qualified corporation shall include any member of
2 an affiliated group, as defined in section 422.32, if the
3 affiliated group includes a member that has been in existence
4 and actively doing business in this state for at least three
5 years.
6 (c) A qualified corporation shall include any corporation
7 that was a party to a reorganization that was entirely or
8 substantially tax free if such reorganization occurred during
9 or after the employment of the electing individual.
10 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
11 immediate importance, takes effect upon enactment.
12 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies
13 retroactively to January 1, 2012, for tax years beginning on
14 or after that date.
15 EXPLANATION
16 This bill grants an Iowa resident one irrevocable
17 lifetime election to exclude from state income taxation the
18 extraordinary dividends and net capital gain from the sale or
19 exchange of the capital stock of one qualified corporation.
20 Several requirements must be met for stock to qualify as
21 capital stock of a qualified corporation. First, the stock
22 must be either voting or nonvoting, common or preferred
23 stock. Stock rights, stock warrants, stock options, and debt
24 securities do not qualify. Second, the corporation that issued
25 the stock must be in existence and actively doing business in
26 Iowa for at least three years. A corporation that is part of an
27 affiliated group will qualify if the affiliated group includes
28 a member that has been in existence and actively doing business
29 in Iowa for at least three years. Third, the corporation that
30 issued the stock must have at least five shareholders, and two
31 of the shareholders must not be related and must each own at
32 least 10 percent of the stock. Fourth, the stock must have
33 been acquired by the Iowa resident on account of employment
34 with the corporation or while employed by the corporation. A
35 corporation will qualify if it is a party to a reorganization

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1 that was entirely or substantially tax free as long as the
2 reorganization occurred during or after the Iowa resident's
3 employment.
4 The election shall apply to all subsequent extraordinary
5 dividends and sales of the elected capital stock, provided
6 it is capital stock in the same qualified corporation and
7 was acquired on account of employment by the corporation or
8 while employed by the corporation. "Extraordinary dividends"
9 are defined as any dividend which exceeds 20 percent of the
10 fair market value of the stock as of the date the dividend is
11 declared.
12 The bill provides that the election applies to transfers
13 of the capital stock by inter vivos gift from the electing
14 individual to a spouse or lineal descendant, or to a trust for
15 the benefit of the taxpayer's spouse or lineal descendant. The
16 election will apply to a spouse only if the spouse was married
17 to the electing individual on the date of the extraordinary
18 dividend or sale or exchange or the date of the individual's
19 death.
20 If, after making a valid inter vivos transfer of stock that
21 meets all the requirements for an election, an Iowa resident
22 dies without making an election, the surviving spouse, or if
23 there is no surviving spouse, the oldest surviving lineal
24 descendant may make the election.
25 An election is made by including a written statement with the
26 taxpayer's Iowa income tax return for the taxable year in which
27 the election is made. The written statement shall identify
28 the qualified corporation that issued the capital stock, the
29 grounds for the election, a statement that the taxpayer elects
30 to have the exclusion apply, and any other information required
31 by the department of revenue. The department of revenue is
32 required to provide appropriate forms for making elections and
33 reporting exclusions.
34 The bill takes effect upon enactment and applies
35 retroactively to January 1, 2012, for tax years beginning on

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1 or after that date.

House File 2312 - Introduced

HOUSE FILE 2312
BY WINDSCHITL

A BILL FOR

1 An Act relating to rules for compensation under the medical
2 assistance program of individuals holding certain positions
3 in nursing facilities.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5529YH (7) 84
pf/nh

H.F. 2312

1 Section 1. RULES RELATING TO COMPENSATION OF NURSING
2 FACILITY EMPLOYEES. The department of human services shall
3 amend administrative rules adopted pursuant to chapter 249A
4 relating to limitations of expenses relating to a reasonable
5 allowance of compensation for services of owners of nursing
6 facilities or their immediate relatives under the medical
7 assistance program as specified in 441 IAC 81.6(11)(h) to
8 provide all of the following:
9 1. With regard to what constitutes compensation, the rules
10 shall provide that the costs of benefits, excluding employment
11 taxes but including group health insurance, retirement plans,
12 and education or other benefits, shall not be included in the
13 computation of the base maximum allowed compensation amount.
14 However, the costs attributable to such benefits shall not
15 exceed twenty percent of the amount that constitutes such base
16 maximum allowed compensation amount. A nursing facility shall
17 provide documentation of the costs of any benefits excluded
18 from the compensation for any related party.
19 2. In determining reasonableness of compensation, the facts
20 and circumstances of the case shall include whether the nursing
21 facility is located in a rural or urban area.
22 3. Beginning July 1, 2012, in determining the base maximum
23 allowed compensation for an administrator on a biannual
24 basis, the maximum allowed compensation amounts for such
25 administrators shall be calculated based upon the previous
26 year´s averages of all nonrelated party administrators and
27 shall be increased or decreased by the inflation factor
28 specified in 441 IAC 81.6(18).
29 4. Beginning July 1, 2012, the maximum allowed compensation
30 for any other employee of a facility who has a five percent
31 or greater interest in ownership of the facility shall not
32 exceed seventy-five percent of the amount allowed for the
33 administrator of the facility.
34 Sec. 2. ADMINISTRATIVE RULES. The department of human
35 services may adopt emergency rules under section 17A.4,

H.F. 2312

1 subsection 3, and section 17A.5, subsection 2, paragraph "b",
2 to implement the provisions of this Act, and the rules shall
3 be effective immediately upon filing unless a later date is
4 specified in the rules. Any rules adopted in accordance with
5 this section shall also be published as a notice of intended
6 action as provided in section 17A.4.
7 EXPLANATION
8 This bill directs the department of human services to amend
9 administrative rules relating to what constitutes compensation
10 for services of owners of nursing facilities or their immediate
11 relatives under the medical assistance program. Benefits such
12 as group health insurance, retirement plans, and education or
13 other benefits are not to be included in the computation of the
14 base maximum allowed compensation amount, but are limited to 20
15 percent of such base maximum allowed compensation amount. The
16 determination of reasonableness of compensation is to include
17 whether the facility is located in a rural or urban area; the
18 determination of the base maximum allowed compensation for
19 an administrator is to include a comparison with all other
20 administrators plus an inflation amount; and the determination
21 of compensation for other employees who have at least a 5
22 percent ownership interest in the facility is not to exceed
23 75 percent of the amount allowed for the administrator of the
24 facility. The bill provides for adoption of emergency rules.

House File 2313 - Introduced

HOUSE FILE 2313
BY WINDSCHITL

A BILL FOR

1 An Act relating to the registration and titling of military
2 vehicles.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5795YH (2) 84
dea/nh

H.F. 2313

1 Section 1. Section 321.30, subsection 2, Code 2011, is
2 amended to read as follows:
3 2. *a.* Unless otherwise provided for in this chapter, the
4 department or the county treasurer shall refuse registration
5 and issuance of a certificate of title unless the vehicle bears
6 a manufacturer's label pursuant to 49 C.F.R. pt. 567 certifying
7 that the vehicle meets federal motor vehicle safety standards.
8 *b.* A military vehicle, other than a vehicle that runs on
9 continuous tracks or wheels and tracks, that was originally
10 manufactured for and sold directly to the armed forces of the
11 United States in conformity with contractual specifications,
12 as provided in 49 C.F.R. § 571.7, may be registered and issued
13 a certificate of title if the owner provides satisfactory
14 evidence to the department that the vehicle is substantially
15 in compliance with federal motor vehicle safety standards.
16 The department may adopt rules as necessary concerning the
17 registration and titling of military vehicles in accordance
18 with this chapter.
19 EXPLANATION
20 Under current law, military vehicles which are retired from
21 use by the United States armed forces are not eligible for
22 registration and titling in this state because they do not
23 have a manufacturer's label certifying that the vehicle meets
24 federal motor vehicle safety standards. Although federal law
25 does not allow the application of the manufacturer's label on
26 military vehicles, some of those vehicles do meet federal motor
27 vehicle safety standards. This bill allows the department
28 of transportation to register certain military vehicles that
29 were manufactured in conformance with United States military
30 requirements, other than a vehicle that runs on continuous
31 tracks or wheels and tracks, if the owner provides satisfactory
32 evidence that the vehicle is substantially in compliance
33 with federal motor vehicle safety standards. The department
34 is authorized to adopt rules as necessary concerning the
35 registration of military vehicles.

House File 2314 - Introduced

HOUSE FILE 2314
BY WINDSCHITL

A BILL FOR

1 An Act creating exemptions from the computation of net
2 income for the individual and corporate income tax and
3 the franchise tax of amounts paid to and received from a
4 health care sharing ministry and including retroactive
5 applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5507YH (3) 84
mm/sc

H.F. 2314

1 Section 1. Section 422.7, Code Supplement 2011, is amended
2 by adding the following new subsection:
3 NEW SUBSECTION. 57. Subtract the following:
4 *a.* To the extent not otherwise deducted in computing
5 adjusted gross income, amounts paid by an individual as a
6 subscriber in a health care sharing ministry that meets the
7 requirements of section 505.22.
8 *b.* To the extent not otherwise deducted in computing
9 adjusted gross income, amounts paid on behalf of an employee of
10 the taxpayer to a health care sharing ministry that meets the
11 requirements of section 505.22, which payment is part of the
12 employee's subscription in the health care sharing ministry.
13 *c.* To the extent included, amounts received as a member of
14 a health care sharing ministry that meets the requirements of
15 section 505.22.
16 Sec. 2. Section 422.9, subsection 2, Code Supplement 2011,
17 is amended by adding the following new paragraph:
18 NEW PARAGRAPH. *j.* If the taxpayer has a deduction for
19 health care sharing ministry expenses under the Internal
20 Revenue Code, the taxpayer shall recompute for the purposes of
21 this subsection the amount of the deduction under the Internal
22 Revenue Code by excluding from health care sharing ministry
23 expenses the amounts subtracted under section 422.7, subsection
24 57, paragraph *"a"*.
25 Sec. 3. Section 422.35, Code Supplement 2011, is amended by
26 adding the following new subsection:
27 NEW SUBSECTION. 26. Subtract, to the extent not already
28 excluded, amounts paid on behalf of an employee of the taxpayer
29 to a health care sharing ministry that meets the requirements
30 of section 505.22, which payment is part of the employee's
31 subscription in the health care sharing ministry.
32 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
33 retroactively to January 1, 2012, for tax years beginning on
34 or after that date.
35 EXPLANATION

H.F. 2314

1 This bill creates exemptions from the individual and
2 corporate income tax and the franchise tax for certain
3 expenses related to a health care sharing ministry. A health
4 care sharing ministry is an organization which, through its
5 publication to subscribers, solicits funds for the payment of
6 medical expenses of other subscribers, and which otherwise
7 meets the requirements of Code section 505.22.
8 The bill exempts from the computation of net income for
9 the individual income tax amounts paid by an individual as a
10 subscriber in a health care sharing ministry, amounts paid
11 on behalf of an employee of the taxpayer to a health care
12 sharing ministry, and amounts received as a member of a health
13 care sharing ministry. In the event any amount paid by an
14 individual as a subscriber in a health care sharing ministry
15 is allowed as a deduction from federal adjusted gross income,
16 those amounts shall not be allowed as a deduction from Iowa net
17 income in addition to the exemption provided in the bill.
18 The bill also exempts from the computation of net income for
19 the corporate income tax and the franchise tax amounts paid on
20 behalf of an employee of the taxpayer to a health care sharing
21 ministry.
22 The bill applies retroactively to January 1, 2012, for tax
23 years beginning on or after that date.

House Joint Resolution 2008 - Introduced

HOUSE JOINT RESOLUTION 2008
BY HEATON, L. MILLER, FRY,
SHAW, and BRANDENBURG

HOUSE JOINT RESOLUTION

1 A Joint Resolution nullifying a department of human services
2 rule relating to reimbursement of physicians for services
3 rendered in a facility setting, and including an effective
4 date.
5 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5945YH (4) 84
pf/rj

H.J.R. 2008

1 Section 1. The amendment to 441 Iowa administrative code,
2 rule 79.1, subrule (7), paragraph (b), as appearing in ARC
3 9959B, as published in the Iowa administrative bulletin, volume
4 XXXIV, number 14, dated January 11, 2012, p. 968, is nullified.
5 Sec. 2. EFFECTIVE UPON ENACTMENT. This joint resolution,
6 being deemed of immediate importance, takes effect upon
7 enactment.
8 EXPLANATION
9 This joint resolution nullifies the amendment to the
10 department of human services rule providing for reimbursement
11 paid to physicians for services rendered in a facility setting.
12 The amendment to the rule provides for adjustment of the
13 reimbursement by a percentage differential that is equal to
14 the percentage difference between the Medicare nonfacility and
15 facility fee schedule amounts for Iowa. By nullifying the
16 amendment to the rule, the reimbursement will remain based on
17 an adjustment factor as determined by the department.
18 This joint resolution takes effect upon enactment.

House Resolution 114 - Introduced

HOUSE RESOLUTION NO. 114

BY DEYOE, BALTIMORE, HEDDENS, and WESSEL-KROESCHELL

1 A Resolution honoring Dr. Gregory L. Geoffroy's
2 remarkable achievements as President of Iowa State
3 University.
4 WHEREAS, Iowa State University, one of America's
5 greatest land-grant universities, has become even more
6 preeminent under the leadership of President Gregory
7 L. Geoffroy; and
8 WHEREAS, in 2001, Dr. Geoffroy capped an already
9 distinguished academic career as a professor of
10 chemistry, department head, and college dean,
11 by assuming the post of President of Iowa State
12 University; and
13 WHEREAS, in the following decade, President
14 Geoffroy has led Iowa State in its quest to be the best
15 university in the nation by advancing the land-grant
16 values of education, research, and service, and putting
17 science and technology to work; and
18 WHEREAS, in only ten years, President Geoffroy has
19 led the university to some incredible achievements
20 including:
21 1. Record enrollments including an all-time high of
22 29,887 in 2011.
23 2. Record sponsored funding with $388.1 million in
24 2010.
25 3. The largest comprehensive fundraising campaign
26 in university history, totalling $867 million.
27 4. A renewal of the campus infrastructure with
28 more than two dozen building projects completed or in

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1 progress.
2 5. More than doubling the number of endowed faculty
3 positions to 158.
4 6. Iowa State University being named "a technology
5 powerhouse" in a report to the National Science
6 Foundation.
7 7. Reducing campus energy consumption by 10 percent
8 through the Live Green! sustainability initiative.
9 8. The highest graduation rate for student-athletes
10 in the Big 12 conference.
11 9. A truly remarkable record of achievement by the
12 university's faculty, staff, and students; and
13 WHEREAS, in his tenure at Iowa State University,
14 President Geoffroy has ushered the university into the
15 21st century and positioned the university for an even
16 brighter future; NOW THEREFORE,
17 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, That
18 the House of Representatives thanks Dr. Gregory L.
19 Geoffroy for a decade of service to the people of Iowa,
20 and honors his tireless efforts to make Iowa State
21 University a world-class institution.

House Resolution 115 - Introduced

HOUSE RESOLUTION NO. 115
BY HORBACH

1 A Resolution to recognize March 30, 2012, as Vietnam
2 Veterans Day.
3 WHEREAS, the Vietnam Conflict was fought in Vietnam
4 from 1961 to 1975; and
5 WHEREAS, United States Armed Forces members began
6 serving in an advisory role to the South Vietnamese in
7 1961 because it was believed that if South Vietnam fell
8 to a Communist government then Communism would spread
9 throughout the rest of Southeast Asia; and
10 WHEREAS, in 1965, United States Armed Forces ground
11 combat units arrived in Vietnam, and by the end of that
12 year there were 80,000 United States troops in Vietnam,
13 peaking with approximately 543,000 troops in 1969; and
14 WHEREAS, on January 27, 1973, the Treaty of Paris
15 was signed, requiring the release of all United
16 States prisoners of war held in North Vietnam and the
17 withdrawal of all United States Armed Forces from South
18 Vietnam; and
19 WHEREAS, the withdrawal of United States Armed
20 Forces from Vietnam was completed on March 30,
21 1973; and
22 WHEREAS, America's military involvement in Vietnam
23 became unpopular, so that the men and women who
24 survived, along with the more than 58,000 brave men and
25 women who fought and died, were caught in a crossfire
26 of public debate and denied the proper respect and
27 gratitude they deserved for serving our country; and
28 WHEREAS, these noble veterans endured harsh

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1 conditions and inhumane treatment and should be
2 remembered for their selfless service, having fulfilled
3 their duty with the highest degree of valor and giving
4 of themselves in the name of freedom and for the rights
5 of all Americans; and
6 WHEREAS, their sacrifice has been integral to
7 preserving our cherished way of life; and
8 WHEREAS, it is fitting that we extend our admiration
9 and heartfelt gratitude to those servicemen and
10 servicewomen who served on the battlefields of Vietnam
11 and returned safely, to those who returned home scarred
12 of body and mind, and to those who were killed or are
13 still missing; NOW THEREFORE,
14 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, That
15 the House of Representative recognizes March 30, 2012,
16 as Vietnam Veterans Day and urges all Iowans to take
17 time on that date to honor those members of the United
18 States Armed Forces who served in Vietnam.

House Resolution 116 - Introduced

HOUSE RESOLUTION NO. 116

BY DEYOE, BALTIMORE, HEDDENS, and WESSEL-KROESCHELL

1 A Resolution congratulating Dan Shechtman of the Iowa
2 State University College of Engineering, the United
3 States Department of Energy's Ames Laboratory, and
4 Technion-Israel Institute of Technology on his
5 receipt of the 2011 Nobel Prize in Chemistry.
6 WHEREAS, Dr. Shechtman serves as a professor
7 of materials science and engineering at Iowa State
8 University; research scientist at the United
9 States Department of Energy's Ames Laboratory; and
10 distinguished professor at Technion-Israel Institute of
11 Technology in Haifa, Israel; and
12 WHEREAS, on the morning of April 8, 1982, Dr.
13 Shechtman discovered the existence of quasicrystals, a
14 new atomic structure for solid materials; and
15 WHEREAS, this structure was previously thought
16 to be impossible by the scientific and engineering
17 community; and
18 WHEREAS, Dr. Shechtman endured significant
19 skepticism and criticism from professional peers but
20 stood firm in his convictions and in the accuracy and
21 import of this discovery; and
22 WHEREAS, Dr. Shechtman's findings were independently
23 confirmed by other researchers around the world,
24 including scientists at the United States Department of
25 Energy's Ames Laboratory and Iowa State University; and
26 WHEREAS, the discovery of quasicrystals resulted in
27 textbooks being rewritten; and
28 WHEREAS, the discovery of quasicrystals has

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1 increased knowledge and the fundamental understanding
2 of solid materials; and
3 WHEREAS, in 2004, Dr. Shechtman joined Iowa State
4 University as a professor of materials science and
5 engineering in the College of Engineering and the
6 United States Department of Energy's Ames Laboratory,
7 as a research scientist; and
8 WHEREAS, he continues to teach students and conduct
9 research in Iowa; and
10 WHEREAS, in recognition of his groundbreaking
11 scientific achievements, the Royal Swedish Academy of
12 Sciences awarded Dr. Shechtman the 2011 Nobel Prize in
13 Chemistry; NOW THEREFORE,
14 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, That
15 the House or Representatives honors Dr. Dan Shechtman
16 for his groundbreaking discovery of quasicrystals,
17 his perseverance, and his contributions to teaching
18 and research at Iowa State University and the Ames
19 Laboratory, which culminated in his receipt of the 2011
20 Nobel Prize in Chemistry.

House Study Bill 645 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON STATE GOVERNMENT BILL BY CHAIRPERSON COWNIE)

A BILL FOR

1 An Act relating to government operations and efficiency,
2 school elections, eliminating certain tax credits,
3 making appropriations, and including effective date and
4 applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6025YC (10) 84
ec/rj

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1 DIVISION I
2 GOVERNMENT INFORMATION TECHNOLOGY SERVICES
3 Section 1. Section 8A.205, subsection 2, paragraph g, Code
4 2011, is amended to read as follows:
5 *g.* Encourage participating agencies to utilize duplex
6 printing and a print on demand strategy to reduce printing
7 costs, publication overruns, excessive inventory, and obsolete
8 printed materials.
9 Sec. 2. DEPARTMENT OF ADMINISTRATIVE SERVICES —
10 INFORMATION TECHNOLOGY COORDINATION AND MANAGEMENT.
11 1. The department of administrative services, in accordance
12 with the requirements of 2010 Acts, chapter 1031, and Code
13 section 8A.202, subsection 2, paragraph "g", to coordinate and
14 manage information technology services within the department,
15 shall establish a schedule by which all departments subject
16 to the requirements of that Act and chapter 8A shall comply
17 with these requirements. The schedule shall provide for
18 implementation of the requirements to all affected state
19 agencies and departments by December 31, 2013. The department
20 shall submit a copy of the schedule to the general assembly
21 by July 31, 2012, and shall provide periodic updates to the
22 general assembly on the progress of meeting the time deadlines
23 contained in the schedule.
24 2. In procuring information technology as provided in
25 section 8A.207, the department of administrative services
26 should explore strategies of procuring information technology
27 through leasing.
28 DIVISION II
29 PERSONNEL AND BENEFITS
30 Sec. 3. NEW SECTION. **8A.440 Group health insurance —**
31 **family enrollment.**
32 1. If a state employee covered by a collective bargaining
33 agreement entered into pursuant to chapter 20 and the state
34 employee's spouse, who is also a state employee, are both
35 members of a state group health insurance plan for employees

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of the state established under chapter 509A, the employee and the spouse shall be required to enroll in a single family group health insurance plan.

2. If a state employee not covered by a collective bargaining agreement as provided in chapter 20 and the state employee's spouse, who is also a state employee, are both members of a state group health insurance plan for employees of the state established under chapter 509A, the employee and spouse shall be required to enroll in a single family group health insurance plan for both state employees in the same manner as is required under the collective bargaining agreement that covers the greatest number of state employees in the state government entity employing the state employee.

Sec. 4. NEW SECTION. **9.8 Employee classifications.**

In addition to public employees listed in section 20.4, public employees of the secretary of state who hold positions that are classified in the information technology series are excluded from chapter 20.

Sec. 5. Section 97B.1A, subsection 26, paragraph a, subparagraph (1), subparagraph division (d), Code Supplement 2011, is amended to read as follows:

(d) For a member of the general assembly, the total compensation received by a member of the general assembly, ~~whether paid in the form of per diem or annual salary,~~ exclusive of ~~expense~~ expenses, per diem, and ~~travel~~ allowances paid to a member of the general assembly ~~except as otherwise provided in this subparagraph division~~. ~~Wages includes per diem payments paid to members of the general assembly during interim periods between sessions of the general assembly. Wages also includes daily allowances to members of the general assembly for nontravel expenses of office during a session of the general assembly, but does not include the portion of the daily allowance which exceeds the maximum established by law for members from Polk county.~~

Sec. 6. Section 97B.1A, subsection 26, paragraph a,

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1 subparagraph (2), subparagraph divisions (h) and (i), Code
2 Supplement 2011, are amended to read as follows:
3 (h) Reimbursements of employee business expenses ~~except for~~
4 ~~those expenses included as wages for a member of the general~~
5 ~~assembly~~.
6 (i) Payments for allowances ~~except for those allowances~~
7 ~~included as wages for a member of the general assembly~~.
8 Sec. 7. GROUP HEALTH INSURANCE COVERAGE FOR STATE
9 EMPLOYEES.
10 1. The state's executive and judicial branch authorities
11 responsible for negotiating the collective bargaining
12 agreements entered into under chapter 20 shall engage in
13 discussions with the applicable state employee organizations
14 to renegotiate provisions involving health insurance coverage
15 of state employees and their families in order to achieve cost
16 savings for the state. The discussions shall include but
17 are not limited to a requirement for a state employee who is
18 covered by a collective bargaining agreement and whose spouse
19 is also a state employee, where both the state employee covered
20 by the agreement and the spouse are members of a state group
21 health insurance plan for employees of the state established
22 under chapter 509A, to enroll in a single family group health
23 insurance plan for both state employees.
24 2. If collective bargaining agreements are renegotiated
25 to achieve cost savings pursuant to subsection 1, the cost
26 savings provisions shall also apply to state employees who are
27 not covered by collective bargaining as provided in chapter
28 20 and are members of a state group health insurance plan for
29 employees of the state established under chapter 509A.
30 3. Beginning on the effective date of this section, a state
31 legislator or legislative staff member whose spouse is a state
32 employee, where both employees are members of a state group
33 health insurance plan for employees of the state established
34 under chapter 509A, shall be required to enroll in a single
35 family group health insurance plan for both employees.

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1 Sec. 8. DEPARTMENT OF ADMINISTRATIVE SERVICES —
2 HUMAN RESOURCES ADMINISTRATION STUDY. The department of
3 administrative services shall conduct a study to examine the
4 feasibility of issuing a request for proposals to enter into
5 a contract with a private entity for the provision of human
6 resources services provided by the department of administrative
7 services for state employees, to include management of
8 human resources, employee benefits, payroll, payroll tax
9 administration, and workers' compensation. The study shall
10 identify potential cost savings, legal requirements, and other
11 relevant issues, in considering entering into a contract with a
12 private entity for the provision of human resources services
13 for state employees. The department shall submit a report to
14 the general assembly detailing the results of its study by
15 January 1, 2013.
16 Sec. 9. APPLICABILITY. The section of this division of this
17 Act enacting section 8A.440, applies to collective bargaining
18 agreements entered into on or after the effective date of that
19 section of this division of this Act.
20 Sec. 10. EFFECTIVE UPON ENACTMENT. The following sections
21 of this division of this Act, being deemed of immediate
22 importance, take effect upon enactment:
23 1. The section of this division enacting section 8A.440.
24 2. The section of this division relating to group health
25 insurance coverage for state employees.
26 3. The section of this division relating to applicability.
27 DIVISION III
28 MEDICATION THERAPY MANAGEMENT
29 Sec. 11. NEW SECTION. **8A.441 Medication therapy management.**
30 1. As used in this section, unless the context otherwise
31 requires:
32 *a. "Eligible employee"* means an employee of the state, with
33 the exception of an employee of the state board of regents or
34 institutions under the state board of regents, for whom group
35 health plans are established pursuant to chapter 509A providing

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1 for third-party payment or prepayment for health or medical
2 expenses.
3 *b. "Medication therapy management"* means a systematic
4 process performed by a licensed pharmacist, designed to improve
5 quality outcomes for patients and lower health care costs,
6 including emergency room, hospital, provider, and other costs,
7 by optimizing appropriate medication use linked directly to
8 achievement of the clinical goals of therapy. Medication
9 therapy management shall include all of the following services:
10 (1) A medication therapy review and in-person consultation
11 relating to all medications, vitamins, and herbal supplements
12 currently being taken by an eligible individual.
13 (2) A medication action plan, subject to the limitations
14 specified in this section, communicated to the individual and
15 the individual's primary care physician or other appropriate
16 prescriber to address issues including appropriateness,
17 effectiveness, safety, drug interactions, and adherence. The
18 medication action plan may include drug therapy recommendations
19 to prescribers that are needed to meet clinical goals and
20 achieve optimal patient outcomes.
21 (3) Documentation and follow-up to ensure consistent levels
22 of pharmacy services and positive outcomes.
23 2. *a.* The department shall utilize a request for proposals
24 process and shall enter into a contract for the provision of
25 medication therapy management services for eligible employees
26 who meet any of the following criteria:
27 (1) An individual who takes four or more prescription drugs
28 to treat or prevent two or more chronic medical conditions.
29 (2) An individual with a prescription drug therapy problem
30 who is identified by the prescribing physician or other
31 appropriate prescriber, and referred to a pharmacist for
32 medication therapy management services.
33 (3) An individual who meets other criteria established by
34 the third-party payment provider contract, policy, or plan.
35 *b.* The contract shall require the entity to provide annual

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1 reports to the general assembly detailing the costs, savings,
2 estimated cost avoidance and return on investment, and improved
3 patient outcomes related to the medication therapy management
4 services provided. The entity shall guarantee demonstrated
5 annual savings for overall health care costs, including
6 emergency room, hospital, provider, and other costs, with
7 savings including associated cost avoidance, at least equal
8 to the program's costs with any shortfall amount refunded to
9 the state. The contract shall include terms, conditions,
10 and applicable measurement standards associated with the
11 demonstration of savings. The department shall verify the
12 demonstrated savings reported by the entity was achieved in
13 accordance with the agreed upon measurement standards. The
14 entity shall be prohibited from using the entity's employees to
15 provide the medication therapy management services and shall
16 instead be required to contract with licensed pharmacies,
17 pharmacists, or physicians.
18 *c.* The department may establish an advisory committee
19 comprised of an equal number of physicians and pharmacists
20 to provide advice and oversight in evaluating the results of
21 the program. The department shall appoint the members of the
22 advisory committee based upon designees of the Iowa pharmacy
23 association, the Iowa medical society, and the Iowa osteopathic
24 medical association.
25 *d.* The fees for pharmacist-delivered medication therapy
26 management services shall be separate from the reimbursement
27 for prescription drug product or dispensing services; shall
28 be determined by each third-party payment provider contract,
29 policy, or plan; and must be reasonable based on the resources
30 and time required to provide the service.
31 *e.* A fee shall be established for physician reimbursement
32 for services delivered for medication therapy management as
33 determined by each third-party payment provider contract,
34 policy, or plan, and must be reasonable based on the resources
35 and time required to provide the service.

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1 *f.* If any part of the medication therapy management
2 plan developed by a pharmacist incorporates services which
3 are outside the pharmacist's independent scope of practice
4 including the initiation of therapy, modification of dosages,
5 therapeutic interchange, or changes in drug therapy, the
6 express authorization of the individual's physician or other
7 appropriate prescriber is required.
8 Sec. 12. EFFECTIVE UPON ENACTMENT. This division of this
9 Act, being deemed of immediate importance, takes effect upon
10 enactment.
11 DIVISION IV
12 STATE PHYSICAL RESOURCES
13 Sec. 13. STATE EMPLOYEE WORK ENVIRONMENT ANALYSIS
14 AND REPORT. By September 30, 2012, the department of
15 administrative services shall conduct a high level needs
16 analysis of state employee work stations and office standards,
17 focusing on reducing square footage needs and creating
18 healthy, productive, and efficient work environments. Overall
19 objectives of the analysis shall include improving employee
20 density; properly allocating space for individual and group
21 work; improving worker health and safety; improving technology
22 integration; and improving energy efficiency and sustainability
23 in state offices. The department shall submit findings and
24 recommendations to the capitol planning commission and to the
25 legislative government oversight committees by October 30,
26 2012.
27 Sec. 14. DEPARTMENT OF NATURAL RESOURCES — SALE OF REAL
28 PROPERTY. During the fiscal period beginning on the effective
29 date of this division of this Act, and ending June 30, 2013,
30 the department of natural resources shall identify and sell
31 real property under the control of the department, the sale
32 of which is not otherwise prohibited by federal law, that
33 is not utilized for state parks and forests in sufficient
34 acreage that shall generate at least twenty million dollars.
35 Notwithstanding any provision of law to the contrary, the

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1 department of natural resources shall be authorized to
2 sell real property and moneys received for the sale of real
3 property pursuant to this section shall be deposited in the
4 Iowa resources enhancement and protection fund established in
5 section 455A.18.
6 Sec. 15. EFFECTIVE UPON ENACTMENT. This division of this
7 Act, being deemed of immediate importance, takes effect upon
8 enactment.
9 DIVISION V
10 FILM PROJECT AND TAX CREDIT PROGRAM
11 Sec. 16. Section 2.48, subsection 3, paragraph c,
12 subparagraph (5), Code 2011, is amended by striking the
13 subparagraph.
14 Sec. 17. Section 15.119, subsection 2, paragraph b, Code
15 Supplement 2011, is amended by striking the paragraph.
16 Sec. 18. Section 422.7, subsection 52, Code Supplement
17 2011, is amended by striking the subsection.
18 Sec. 19. Section 422.33, subsections 23 and 24, Code
19 Supplement 2011, are amended by striking the subsections.
20 Sec. 20. Section 422.35, subsection 23, Code Supplement
21 2011, is amended by striking the subsection.
22 Sec. 21. Section 422.60, subsections 10 and 11, Code
23 Supplement 2011, are amended by striking the subsections.
24 Sec. 22. Section 533.329, subsection 2, paragraphs f and g,
25 Code Supplement 2011, are amended by striking the paragraphs.
26 Sec. 23. REPEAL. Sections 15.391, 15.392, 15.393, 422.11T,
27 422.11U, 432.12J, and 432.12K, Code and Code Supplement 2011,
28 are repealed.
29 Sec. 24. EFFECTIVE UPON ENACTMENT. This division of this
30 Act, being deemed of immediate importance, takes effect upon
31 enactment.
32 Sec. 25. RETROACTIVE APPLICABILITY. This division of this
33 Act applies retroactively to January 1, 2012, for tax years
34 beginning on or after that date.
35 Sec. 26. APPLICABILITY. This division of this Act does not

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1 apply to contracts or agreements entered into on or before the
2 effective date of this division of this Act.
3 DIVISION VI
4 HUMAN SERVICES — FOOD ASSISTANCE PROGRAM
5 Sec. 27. FOOD ASSISTANCE PROGRAM — AUTHORITY TO RESTRICT
6 USE OF BENEFITS. The department of human services shall submit
7 a request to the United States department of agriculture for
8 authorization for a waiver, pilot project, or other approach
9 for restricting the use of food assistance benefits, as
10 administered by the state under the federal supplemental
11 nutrition assistance program, for food items with a low
12 nutritional value. The request shall be submitted within 60
13 days of the effective date of this division of this Act. The
14 department shall regularly report on the status of the request
15 to the members of the joint appropriations subcommittee on
16 health and human services and the legislative services agency.
17 Sec. 28. EFFECTIVE UPON ENACTMENT. This division of this
18 Act, being deemed of immediate importance, takes effect upon
19 enactment.
20 DIVISION VII
21 MENTAL HEALTH SERVICES
22 Sec. 29. Section 225C.6, subsection 1, paragraph k, Code
23 Supplement 2011, is amended to read as follows:
24 *k.* Coordinate activities with the governor's developmental
25 disabilities council and the mental health planning council,
26 created pursuant to federal law. The commission shall receive
27 any official reports from the two councils and shall consider
28 any recommendations made in the reports. The commission shall
29 work with other state agencies on coordinating, collaborating,
30 and communicating concerning activities involving persons with
31 disabilities.
32 Sec. 30. Section 426B.5, subsection 2, paragraph c, Code
33 Supplement 2011, is amended to read as follows:
34 *c.* ~~A~~ The mental health and disability services commission
35 created in section 225C.5 shall serve as the risk pool board

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1 ~~is created~~ and shall fulfill the duties of the risk pool board
2 in accordance with this section. ~~The board shall consist of~~
3 ~~two county supervisors, two county auditors, a member of the~~
4 ~~mental health and disability services commission who is not a~~
5 ~~member of a county board of supervisors, a member of the county~~
6 ~~finance committee created in chapter 333A who is not an elected~~
7 ~~official, a representative of a provider of mental health or~~
8 ~~developmental disabilities services selected from nominees~~
9 ~~submitted by the Iowa association of community providers, and~~
10 ~~two central point of coordination process administrators,~~
11 ~~all appointed by the governor, and one member appointed by~~
12 ~~the director of human services. All members appointed by~~
13 ~~the governor shall be subject to confirmation by the senate.~~
14 ~~Members shall serve for three-year terms. A vacancy shall~~
15 ~~be filled in the same manner as the original appointment.~~
16 ~~Expenses and other costs of the risk pool board members~~
17 ~~representing counties shall be paid by the county of origin.~~
18 ~~Expenses and other costs of risk pool board members who do~~
19 ~~not represent counties shall be paid from a source determined~~
20 ~~by the governor.~~ The mental health and disability services
21 commission may appoint a risk pool advisory committee which may
22 include the interests comprising the risk pool board under this
23 section, Code 2011, to make recommendations to the commission
24 regarding the risk pool board decisions and other functions
25 required by this section. Staff assistance ~~to the~~ for risk
26 pool board decision making shall be provided by the department
27 of human services and counties. Actuarial expenses and other
28 direct administrative costs shall be charged to the pool.
29 DIVISION VIII
30 OPERATIONAL EFFICIENCIES
31 Sec. 31. STATE DEPARTMENT AND AGENCY LIMITATIONS ON
32 MAIL. Notwithstanding any provision of the law to the
33 contrary, state departments and agencies shall not, unless
34 otherwise required for purposes of pursuing legal action or
35 by federal law, provide departmental or agency notices or

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1 information by mail. Departments shall provide information
2 or notices through the department's internet site or through
3 electronic mail.
4 DIVISION IX
5 REGULATORY REVIEW
6 Sec. 32. Section 17A.4, subsections 3 and 7, Code 2011, are
7 amended to read as follows:
8 3. When an agency for good cause finds that notice and
9 public participation would be unnecessary, impracticable, or
10 contrary to the public interest, the provisions of subsection 1
11 shall be inapplicable. The agency shall incorporate in each
12 rule issued in reliance upon this provision either the finding
13 and a brief statement of the reasons for the finding, or a
14 statement that the rule is within a very narrowly tailored
15 category of rules whose issuance has previously been exempted
16 from subsection 1 by a special rule relying on this provision
17 and including such a finding and statement of reasons for the
18 entire category. If the administrative rules review committee
19 by a ~~two-thirds~~ majority vote, the governor, or the attorney
20 general files with the administrative code editor an objection
21 to the adoption of any rule pursuant to this subsection, that
22 rule shall cease to be effective one hundred eighty days after
23 the date the objection was filed. A copy of the objection,
24 properly dated, shall be forwarded to the agency at the time of
25 filing the objection. In any action contesting a rule adopted
26 pursuant to this subsection, the burden of proof shall be on
27 the agency to show that the procedures of subsection 1 were
28 impracticable, unnecessary, or contrary to the public interest
29 and that, if a category of rules was involved, the category was
30 very narrowly tailored.
31 7. Upon the vote of ~~two-thirds~~ a majority of its members the
32 administrative rules review committee may delay the effective
33 date of a rule seventy days beyond that permitted in section
34 17A.5, unless the rule was promulgated under section 17A.5,
35 subsection 2, paragraph "b". This provision shall be utilized

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1 by the committee only if further time is necessary to study
2 and examine the rule. Notice of an effective date that was
3 delayed under this provision shall be published in the Iowa
4 administrative code and bulletin.
5 Sec. 33. Section 17A.8, subsection 9, Code 2011, is amended
6 to read as follows:
7 9. Upon a vote of ~~two-thirds~~ a majority of its members, the
8 administrative rules review committee may delay the effective
9 date of a rule until the adjournment of the next regular
10 session of the general assembly. The committee shall refer a
11 rule whose effective date has been delayed to the speaker of
12 the house of representatives and the president of the senate
13 who shall refer the rule to the appropriate standing committees
14 of the general assembly. A standing committee shall review
15 a rule within twenty-one days after the rule is referred to
16 the committee by the speaker of the house of representatives
17 or the president of the senate and shall take formal committee
18 action by sponsoring a joint resolution to disapprove the rule,
19 by proposing legislation relating to the rule, or by refusing
20 to propose a joint resolution or legislation concerning the
21 rule. The standing committee shall inform the administrative
22 rules review committee of the committee action taken concerning
23 the rule. If the general assembly has not disapproved of the
24 rule by a joint resolution, the rule shall become effective.
25 The speaker of the house of representatives and the president
26 of the senate shall notify the administrative code editor of
27 the final disposition of each rule delayed pursuant to this
28 subsection. If a rule is disapproved, it shall not become
29 effective and the agency shall rescind the rule. This section
30 shall not apply to rules made effective under section 17A.5,
31 subsection 2, paragraph "b".
32 DIVISION X
33 LOCAL GOVERNMENT
34 Sec. 34. Section 39.2, subsection 4, paragraph c, Code 2011,
35 is amended to read as follows:

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1 *c.* For a school district or merged area, in the odd-numbered
2 year, the first Tuesday in February, the first Tuesday in
3 April, the last Tuesday in June, or the ~~second~~ first Tuesday
4 ~~in September~~ after the first Monday in November. For a school
5 district or merged area, in the even-numbered year, the first
6 Tuesday in February, the first Tuesday in April, the second
7 Tuesday in September, or the first Tuesday in December.
8 Sec. 35. Section 260C.12, subsection 1, Code 2011, is
9 amended to read as follows:
10 1. The board of directors of the merged area shall organize
11 at the first regular meeting in ~~October~~ December following the
12 regular school election. Organization of the board shall be
13 effected by the election of a president and other officers from
14 the board membership as board members determine. The board
15 of directors shall appoint a secretary and a treasurer who
16 shall each give bond as prescribed in section 291.2 and who
17 shall each receive the salary determined by the board. The
18 secretary and treasurer shall perform duties under chapter 291
19 and additional duties the board of directors deems necessary.
20 However, the board may appoint one person to serve as the
21 secretary and treasurer. If one person serves as the secretary
22 and treasurer, only one bond is necessary for that person. The
23 frequency of meetings other than organizational meetings shall
24 be as determined by the board of directors but the president
25 or a majority of the members may call a special meeting at any
26 time.
27 Sec. 36. Section 260C.13, subsection 1, Code 2011, is
28 amended to read as follows:
29 1. The board of a merged area may change the number of
30 directors on the board and shall make corresponding changes
31 in the boundaries of director districts. Changes shall be
32 completed not later than ~~June~~ August 1 of the year of the
33 regular school election. As soon as possible after adoption
34 of the boundary changes, notice of changes in the director
35 district boundaries shall be submitted by the merged area to

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1 the county commissioner of elections in all counties included
2 in whole or in part in the merged area.
3 Sec. 37. Section 273.8, subsection 2, paragraphs a and b,
4 Code 2011, are amended to read as follows:
5 *a.* Notice of the election shall be published by the area
6 education agency administrator not later than ~~July~~ September 15
7 of the odd-numbered year in at least one newspaper of general
8 circulation in the director district. The cost of publication
9 shall be paid by the area education agency.
10 *b.* A candidate for election to the area education agency
11 board shall file a statement of candidacy with the area
12 education agency secretary not later than ~~August~~ October 15 of
13 the odd-numbered year, on forms prescribed by the department
14 of education. The statement of candidacy shall include the
15 candidate's name, address, and school district. The list of
16 candidates shall be sent by the secretary of the area education
17 agency in ballot form by certified mail to the presidents of
18 the boards of directors of all school districts within the
19 director district not later than ~~September~~ November 1. In
20 order for the ballot to be counted, the ballot must be received
21 in the secretary's office by the end of the normal business
22 day on ~~September~~ November 30 or be clearly postmarked by an
23 officially authorized postal service not later than ~~September~~
24 November 29 and received by the secretary not later than noon
25 on the first Monday following ~~September~~ November 30.
26 Sec. 38. Section 273.8, subsection 4, paragraph a, Code
27 2011, is amended to read as follows:
28 *a.* The board of directors of each area education agency
29 shall meet and organize at the first regular meeting in ~~October~~
30 December following the regular school election at a suitable
31 place designated by the president. Directors whose terms
32 commence at the organizational meeting shall qualify by taking
33 the oath of office required by section 277.28 at or before the
34 organizational meeting.
35 Sec. 39. Section 273.8, subsection 6, Code 2011, is amended

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to read as follows:

6. *Change in directors.* The board of an area education agency may change the number of directors on the board and shall make corresponding changes in the boundaries of director districts. Changes shall be completed not later than ~~July~~ September 1 of ~~a fiscal~~ the odd-numbered year for the director district conventions to be held the following ~~September~~ November.

Sec. 40. Section 277.1, Code 2011, is amended to read as follows:

277.1 Regular election.

The regular election shall be held biennially on the ~~second~~ first Tuesday ~~in September~~ after the first Monday in November of each odd-numbered year in each school district for the election of officers of the district and merged area and for the purpose of submitting to the voters any matter authorized by law.

Sec. 41. Section 277.20, Code 2011, is amended to read as follows:

277.20 Canvassing returns.

~~On the next Friday after~~ After the regular school election, the county board of supervisors shall canvass the returns made to the county commissioner of elections from the several precinct polling places and the absentee ballot counting board, ascertain the result of the voting with regard to every matter voted upon and cause a record to be made thereof, all as required by section 50.24. Special elections held in school districts shall be canvassed at the time and in the manner required by that section. The board shall declare the results of the voting for members of boards of directors of school corporations nominated pursuant to section 277.4, and the commissioner shall at once issue a certificate of election to each person declared elected. The board shall also declare the results of the voting on any public question submitted to the voters of a single school district, and the commissioner shall

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1 certify the result as required by section 50.27.
2 The abstracts of the votes cast for members of the board
3 of directors of any merged area, and of the votes cast on any
4 public question submitted to the voters of any merged area,
5 shall be promptly certified by the commissioner to the county
6 commissioner of elections who is responsible under section 47.2
7 for conducting the elections held for that merged area.
8 DIVISION XI
9 ONGOING PROGRAM REVIEW
10 Sec. 42. NEW SECTION. **8.71 Ongoing program review — repeal**
11 **dates.**
12 1. The general assembly finds that a regular review of
13 the programs and projects administered by state government is
14 necessary to determine whether each program and project is
15 effectively and efficiently meeting the needs for which created
16 and whether the needs remain applicable. The general assembly
17 further finds that a regular, systematic review process can
18 identify the programs and projects that are no longer relevant
19 or functioning at a desirable level and can eliminate or
20 reorganize those programs and projects so that state resources
21 can be used most effectively or diverted to other priorities.
22 2. The state government efficiency review committee
23 established in section 2.69 shall propose legislation for
24 consideration by the Eighty-fifth General Assembly, 2014
25 session, providing a staggered schedule for establishing an
26 automatic repeal date for each program or project administered
27 by a department of state government over the succeeding
28 five-year period. The review committee shall consult with
29 the office of the governor and the department of management
30 in formulating the staggered schedule and the office and
31 department shall cooperate in providing necessary information
32 requested by the committee. The repeal date provisions shall
33 be implemented in a manner so that any program or project that
34 is reauthorized by law is again subject to automatic repeal
35 five years after reauthorization.

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DIVISION XII
IOWA JOBS BOARD

Sec. 43. Section 12.87, subsection 12, Code Supplement 2011, is amended to read as follows:

12. Neither the treasurer of state, the Iowa ~~jobs board~~ finance authority, nor any person acting on behalf of the treasurer of state or the Iowa ~~jobs board~~ finance authority while acting within the scope of their employment or agency, is subject to personal liability resulting from carrying out the powers and duties conferred by this section and sections 12.88 through 12.90.

Sec. 44. Section 16.193, subsection 1, Code Supplement 2011, is amended to read as follows:

~~1.~~ The ~~Iowa finance~~ authority~~, subject to approval by the Iowa jobs board,~~ shall adopt administrative rules pursuant to chapter 17A necessary to administer the Iowa jobs program and Iowa jobs II program. The authority shall ~~provide the board with assistance in implementing administrative functions,~~ be responsible for providing technical assistance and application assistance to applicants under the programs, negotiating contracts, and providing project follow up. ~~The authority, in cooperation with the board, may conduct negotiations on behalf of the board with applicants regarding terms and conditions applicable to awards under the program.~~

Sec. 45. Section 16.194, subsection 2, Code 2011, is amended to read as follows:

2. A city or county or a public organization in this state may submit an application to the ~~Iowa jobs board~~ authority for financial assistance for a local infrastructure competitive grant for an eligible project under the program, notwithstanding any limitation on the state's percentage in funding as contained in section 29C.6, subsection 17.

Sec. 46. Section 16.194, subsection 4, unnumbered paragraph 1, Code 2011, is amended to read as follows:

The ~~board~~ authority shall consider the following criteria in

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evaluating eligible projects to receive financial assistance under the program:

Sec. 47. Section 16.194, subsection 7, Code 2011, is amended to read as follows:

7. In order for a project to be eligible to receive financial assistance from the ~~board~~ authority, the project must be a public construction project pursuant to subsection 1 with a demonstrated substantial local, regional, or statewide economic impact.

Sec. 48. Section 16.194, subsection 8, unnumbered paragraph 1, Code 2011, is amended to read as follows:

The ~~board~~ authority shall not approve an application for assistance for any of the following purposes:

Sec. 49. Section 16.194, subsection 9, paragraph b, Code 2011, is amended to read as follows:

b. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the ~~board~~ authority. The ~~board~~ authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

Sec. 50. Section 16.194, subsection 10, Code 2011, is amended to read as follows:

10. The ~~board~~ authority shall ensure that funds obligated under this section are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

Sec. 51. Section 16.194A, subsections 2, 7, 9, and 10, Code 2011, are amended to read as follows:

2. A city or county in this state that applies the smart planning principles and guidelines pursuant to sections 18B.1 and 18B.2 may submit an application to the ~~Iowa jobs board~~ authority for financial assistance for a local infrastructure competitive grant for an eligible project under the program, notwithstanding any limitation on the state's percentage in

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funding as contained in section 29C.6, subsection 17.

7. In order for a project to be eligible to receive financial assistance from the ~~board~~ authority, the project must be a public construction project pursuant to subsection 1 with a demonstrated substantial local, regional, or statewide economic impact.

9. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the ~~board~~ authority. The ~~board~~ authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

10. The ~~board~~ authority shall ensure that funds obligated under this section are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

Sec. 52. Section 16.194A, subsection 4, unnumbered paragraph 1, Code 2011, is amended to read as follows:

The ~~board~~ authority shall consider the following criteria in evaluating eligible projects to receive financial assistance under the program:

Sec. 53. Section 16.194A, subsection 8, unnumbered paragraph 1, Code 2011, is amended to read as follows:

The ~~board~~ authority shall not approve an application for assistance for any of the following purposes:

Sec. 54. Section 16.195, Code Supplement 2011, is amended to read as follows:

16.195 Iowa jobs program application review.

1. Applications for assistance under the Iowa jobs program and Iowa jobs II program shall be submitted to the ~~Iowa finance~~ authority for review and approval. ~~The authority shall provide a staff review and evaluation of applications to the Iowa jobs program review committee referred to in subsection 2 and to the Iowa jobs board.~~

2. ~~A review committee composed of members of the board~~

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1 ~~as determined by the board shall review Iowa jobs program~~
2 ~~applications submitted to the board and make recommendations~~
3 ~~regarding the applications to the board.~~ When reviewing the
4 applications, the ~~review committee and the~~ authority shall
5 consider the project criteria specified in sections 16.194 and
6 16.194A. The ~~board~~ authority shall develop the appropriate
7 level of transparency regarding project fund allocations.
8 3. Upon approval of an application for financial assistance
9 under the program, the ~~board~~ authority shall notify the
10 treasurer of state regarding the amount of moneys needed to
11 satisfy the award of financial assistance and the terms of the
12 award. The treasurer of state shall notify the ~~Iowa finance~~
13 authority any time moneys are disbursed to a recipient of
14 financial assistance under the program.
15 Sec. 55. Section 16.197, Code 2011, is amended to read as
16 follows:
17 **16.197 Limitation of liability.**
18 ~~A member of the Iowa jobs board, a person acting on behalf of~~
19 ~~the board while acting within the scope of their employment or~~
20 ~~agency,~~ The authority or the treasurer of state, shall not be
21 subject to personal liability resulting from carrying out the
22 powers and duties of the ~~board~~ authority or the treasurer, as
23 applicable, in sections ~~16.192~~ 16.193 through ~~16.196~~ 16.195.
24 Sec. 56. IOWA JOBS BOARD — TRANSITION PROVISIONS —
25 LIMITATION OF LIABILITY.
26 1. Any contract or agreement issued or entered into by the
27 Iowa jobs board relating to the provisions of this division
28 of this Act, in effect on the effective date of this division
29 of this Act, shall continue in full force and effect and
30 any responsibility of the board relative to the contracts or
31 agreements as provided in those contracts or agreements shall
32 be transferred to the Iowa finance authority.
33 2. A member of the Iowa jobs board or a person acting on
34 behalf of the board while acting within the scope of that
35 person's employment or agency shall not be subject to personal

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1 liability resulting from carrying out the powers and duties
2 of the board prior to the effective date of this division of
3 this Act, as applicable, in sections 12.87 through 12.90 and in
4 sections 16.192 through 16.196, Code 2011.
5 Sec. 57. REPEAL. Sections 16.191, 16.192, and 16.196, Code
6 and Code Supplement 2011, are repealed.
7 DIVISION XIII
8 BOARDS AND COMMISSIONS
9 Sec. 58. Section 190A.3, subsection 4, Code 2011, is amended
10 to read as follows:
11 4. The ~~farm-to-school council~~ department of agriculture and
12 land stewardship and the department of education shall actively
13 seek financial or in-kind contributions from organizations or
14 persons to support the program.
15 Sec. 59. Section 216.3, Code 2011, is amended by striking
16 the section and inserting in lieu thereof the following:
17 **216.3 Civil rights commission — director.**
18 1. The human rights board, established in section 216A.3,
19 shall serve as the Iowa state civil rights commission.
20 2. The governor shall appoint a director, subject to
21 confirmation by the senate, who shall serve as the executive
22 officer of the commission.
23 Sec. 60. Section 216.4, Code 2011, is amended to read as
24 follows:
25 **216.4 Compensation and expenses — rules.**
26 Commissioners shall be paid a per diem as specified in
27 section 7E.6 and shall be reimbursed for actual and necessary
28 expenses incurred while on official commission business. All
29 per diem and expense moneys paid to commissioners shall be paid
30 from funds appropriated to the commission. The commission
31 shall adopt, amend or rescind rules as necessary for the
32 conduct of its meetings. A quorum shall consist of ~~four~~
33 ~~commissioners~~ six voting members of the commission.
34 Sec. 61. Section 256.9, subsection 55, paragraph j, Code
35 Supplement 2011, is amended by striking the paragraph.

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1 Sec. 62. REPEAL. Section 190A.2, Code 2011, is repealed.
2 DIVISION XIV
3 OBSOLETE PROVISIONS
4 Sec. 63. Section 84A.5, subsection 7, paragraphs a and c,
5 Code Supplement 2011, are amended by striking the paragraphs.
6 Sec. 64. Section 97B.1A, subsection 8, paragraph b,
7 subparagraph (8), Code Supplement 2011, is amended by striking
8 the subparagraph.
9 Sec. 65. REPEAL. Sections 84A.7, 84A.9, and 84A.10, Code
10 2011, are repealed.
11 Sec. 66. REPEAL. Section 15.112, Code Supplement 2011, is
12 repealed.
13 Sec. 67. REPEAL. Chapters 15C, 15D, and 28K, Code 2011,
14 are repealed.
15 EXPLANATION
16 This bill relates to government efficiency, including other
17 matters related to the operation of state and local government.
18 DIVISION I —— GOVERNMENT INFORMATION TECHNOLOGY SERVICES.
19 This division amends Code section 8A.205, concerning digital
20 government, to encourage state agencies to utilize duplex
21 printing. This division of the bill also directs the
22 department of administrative services (DAS) to establish a
23 schedule for departments to comply with information technology
24 coordination and management requirements of Code chapter
25 8A. In addition, DAS is encouraged to procure information
26 technology for participating agencies through leasing.
27 DIVISION II —— PERSONNEL AND BENEFITS. This division enacts
28 new Code section 8A.440 to provide that collective bargaining
29 agreements negotiated after the effective date of this section
30 of the bill shall include provisions requiring state employees
31 whose spouse is also a state employee enroll in a family group
32 health insurance plan for both employees. The bill provides
33 that this new Code section takes effect upon enactment.
34 This division also directs those state entities negotiating
35 collective bargaining agreements to enter into discussions

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1 with employee organizations representing state employees to
2 renegotiate provisions in the agreement to provide that state
3 employees whose spouse is also a state employee enroll in a
4 family group health insurance plan for both employees. If the
5 agreements are renegotiated, the changed provisions shall also
6 apply to state employees who are not covered by a collective
7 bargaining agreement. In addition, this division of the bill
8 applies the same family group health insurance requirement to a
9 state legislator and legislative staff. These provisions of
10 the bill take effect upon enactment.
11 This division of the bill also excludes employees of the
12 secretary of state who hold positions that are classified
13 in the information technology series from Code chapter 20,
14 relating to public employee collective bargaining.
15 This division of the bill also amends Code section
16 97B.1A(26), concerning the definition of wages for purposes
17 of the Iowa public employees' retirement system (IPERS) for
18 members of the general assembly. The division provides that
19 per diem payments to members of the general assembly and daily
20 allowance paid to members of the general assembly are not
21 considered wages for purposes of IPERS.
22 This division also requires DAS to conduct a study to
23 consider the feasibility of entering into a contract with a
24 private entity to provide human resources services currently
25 provided by DAS to state employees. DAS is required to submit
26 a report to the general assembly relative to the study by
27 January 1, 2013.
28 DIVISION III —— MEDICATION THERAPY MANAGEMENT. This
29 division of the bill relates to medication therapy management.
30 The bill codifies the pilot program for medication therapy
31 management implemented on July 1, 2010, for eligible state
32 employees, making the program an ongoing program and directing
33 DAS to utilize a request for proposals process and to enter
34 into a contract to continue the program. This division of the
35 bill takes effect upon enactment.

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1 DIVISION IV — STATE PHYSICAL RESOURCES. This division
2 of the bill requires that DAS conduct an analysis of state
3 employee workstations and office standards by September 30,
4 2012. The division further requires the department to submit
5 findings and recommendations to the capitol planning commission
6 and the legislative government oversight committees by October
7 30, 2012.
8 This division of the bill also requires the department of
9 natural resources to identify and sell real property prior to
10 and during FY 2012-2013 in sufficient acreage to generate at
11 least $20 million for deposit in the Iowa resources enhancement
12 and protection fund.
13 This division takes effect upon enactment.
14 DIVISION V — FILM PROJECT AND TAX CREDIT PROGRAM. This
15 division of the bill repeals the film, television, and video
16 project promotion program within the economic development
17 authority. The bill also repeals the various tax credits and
18 tax exclusions provided under the program. The repeal takes
19 effect immediately upon enactment and applies retroactively
20 to January 1, 2012, for tax years beginning on or after that
21 date. The division does not impact existing contracts or
22 agreements entered into on or before the effective date of this
23 division of the bill. The division makes changes corresponding
24 to the repeal of the program and the related tax credits and
25 exclusions.
26 DIVISION VI — HUMAN SERVICES — FOOD ASSISTANCE PROGRAM.
27 This division of the bill requires the department of human
28 services to request authorization from the United States
29 department of agriculture to allow the state to restrict the
30 use of food assistance benefits for food items with a low
31 nutritional value. The state administers the food assistance
32 benefits, formerly known as food stamps, under the federal
33 supplemental nutritional assistance program (SNAP).
34 The department is directed to submit the request within
35 60 days of the bill division's effective date and to report

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1 regularly on the status of the request to the members of the
2 joint appropriations subcommittee on health and human services
3 and the legislative services agency.
4 The division takes effect upon enactment.
5 DIVISION VII — MENTAL HEALTH SERVICES. Code section
6 225C.6, concerning the duties of the mental health and
7 disability services commission, is amended to provide that the
8 commission shall receive and consider any official reports
9 from the governor's developmental disabilities council and the
10 mental health planning council.
11 Code section 426B.5(2), concerning the risk pool board
12 for mental health, mental retardation, and developmental
13 disabilities services, is amended by eliminating the risk pool
14 board and providing that the mental health and disability
15 services commission serve as the risk pool board.
16 DIVISION VIII — OPERATIONAL EFFICIENCIES. This division
17 provides that each state department and agency shall not use
18 mail to provide departmental notices and information unless
19 otherwise required by federal law or for the purposes of legal
20 action. The bill provides that departments utilize their
21 internet sites or electronic mail for this purpose.
22 DIVISION IX — REGULATORY REVIEW. Code chapter 17A,
23 relating to the administrative rules review committee (ARRC),
24 is amended to provide that action by ARRC to object to or to
25 delay a rule may be approved by a majority vote and not by a
26 two-thirds vote.
27 DIVISION X — LOCAL GOVERNMENT. This division of the bill
28 changes the date of regular school elections for local school
29 districts, merged areas, and area education agencies. The bill
30 moves the date of the regular school election from the second
31 Tuesday in September in odd-numbered years to the first Tuesday
32 after the first Monday in November of odd-numbered years, which
33 is the date of the regular city election.
34 Because area education agency board directors are elected at
35 the director district conventions by members of school boards,

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1 the bill also changes the date of their election from September
2 to November in the odd-numbered year.
3 DIVISION XI — ONGOING PROGRAM REVIEW. This division of
4 the bill addresses regular review of programs and projects
5 administered by executive branch departments by providing for
6 implementation of an organized system of ongoing repeal dates
7 for the programs and projects. Code section 8.2 defines the
8 term "department" to mean any executive department, commission,
9 board, institution, bureau, office, or other agency of the
10 state government, that uses, expends, or receives any state
11 funds.
12 New Code section 8.71 states legislative findings as to the
13 purposes for performing a regular review of state programs and
14 projects. The state government efficiency review committee is
15 directed to propose legislation for the Eighty-fifth General
16 Assembly, 2014 session, providing a staggered schedule for
17 establishing an automatic repeal date for each program or
18 project administered by a department over the succeeding
19 five-year period. The review committee is required to
20 consult with the office of the governor and the department of
21 management in formulating the staggered schedule and the office
22 and the department are required to cooperate in providing
23 information requested by the committee. The repeal date
24 provisions are required to be implemented in a manner so that
25 any program or project that is reauthorized by law is again
26 subject to automatic repeal five years after reauthorization.
27 DIVISION XII — IOWA JOBS BOARD. This division of this bill
28 eliminates the Iowa jobs board and provides that any duties
29 or responsibilities of the Iowa jobs board shall become the
30 responsibility of the Iowa finance authority. The division of
31 the bill also repeals Code section 16.196, concerning the Iowa
32 jobs restricted capitals fund and associated appropriations.
33 The division also provides transition provisions relative to
34 any contracts or agreements entered into by the Iowa jobs board
35 and provides for a limitation of personal liability for actions

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1 by a member or agent of the board taken prior to the effective
2 date of this division of the bill relative to the duties of the
3 board.
4 DIVISION XIII — BOARDS AND COMMISSIONS. This division
5 of the bill repeals the farm-to-school council and provides
6 that the human rights board serve as the Iowa civil rights
7 commission.
8 DIVISION XIV — OBSOLETE PROVISIONS. This division of
9 the bill removes obsolete language from the Code relating
10 to programs administered by the department of workforce
11 development which are no longer active or funded.
12 The programs removed are the Iowa conservation corps, the
13 statewide mentoring program, and the new employment opportunity
14 program. The Iowa conservation corps was established to
15 provide public services jobs for certain specified segments of
16 the population in conservation-related areas. The statewide
17 mentoring program was established to recruit, screen, train,
18 and match individuals in mentoring relationships. The new
19 employment opportunity program was established to assist
20 individuals in underutilized segments of the workforce to gain
21 and retain employment.
22 This division of the bill repeals Code section 15.112,
23 relating to matching funds for a farmworks national
24 demonstration project; Code chapter 15C, relating to a world
25 trade center; Code chapter 15D, relating to the midwest nuclear
26 compact; and Code section 28K, relating to mid-America port
27 agreement. Code chapter 15D contains provisions relating to
28 repeal and withdrawal from the compact.

House Study Bill 646 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON MILLER)

A BILL FOR

1 An Act relating to redesign of publicly funded mental
2 health and disability services by requiring certain core
3 services and addressing other services and providing
4 for establishment of regions, making appropriations, and
5 including effective date and applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6075HC (2) 84
jp/rj

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1 DIVISION I
2 CORE SERVICES
3 Section 1. Section 331.439, Code Supplement 2011, is
4 amended by adding the following new subsection:
5 NEW SUBSECTION. 9A. *a.* Beginning July 1, 2012, the county
6 management plan for mental health services shall provide that
7 an individual's eligibility for individualized services shall
8 be determined by the level of care utilization system for
9 psychiatric and addiction services, developed by the American
10 association of community psychiatrists, or other standardized
11 functional assessment methodology approved for this purpose by
12 the state commission.
13 *b.* Beginning July 1, 2012, the county management plan
14 for intellectual disability services shall provide that an
15 individual's eligibility for individualized services shall
16 be determined by the supports intensity scale, developed by
17 the American association on intellectual and developmental
18 disabilities, or other standardized functional assessment
19 methodology approved for this purpose by the state commission.
20 *c.* Beginning July 1, 2012, the county management plan
21 for brain injury services shall provide that an individual's
22 eligibility for individualized services shall be determined
23 in accordance with a standardized functional assessment
24 methodology approved for this purpose by the state commission.
25 Sec. 2. NEW SECTION. **331.439A Regional service system**
26 **management plan.**
27 1. The mental health and disability services provided
28 by counties operating as a region shall be delivered in
29 accordance with a regional service system management plan
30 approved by the region's governing board and implemented by
31 the regional administrator in accordance with this section.
32 The requirements for a regional service system management plan
33 shall be specified in rule adopted by the state commission.
34 A regional service system management plan is subject to
35 the approval of the regional governing board and the state

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1 commission.
2 2. The provisions of a regional service system management
3 plan shall include but are not limited to all of the following:
4 *a.* An approved policies and procedures manual for the use of
5 county, state, and other funding administered by the region. A
6 service system management plan for each county in the region
7 shall be defined in the manual. Once the regional manual
8 is approved, an amendment to the manual shall be submitted
9 to the department of human services at least forty-five
10 days prior to the date of implementation of the amendment.
11 Prior to implementation of an amendment to the manual, the
12 amendment must be approved by the director of human services in
13 consultation with the state commission.
14 *b.* For informational purposes, a regional service system
15 management plan review submitted by the regional administrator
16 to the department of human services by December 1 of each year.
17 The annual review shall incorporate an analysis of the data
18 associated with the regional service systems managed during
19 the preceding fiscal year by the region. The annual review
20 shall also identify measurable outcomes and results showing the
21 region's progress in fulfilling the purposes listed in section
22 225C.1 and in achieving the disability services outcomes and
23 indicators identified by the state commission pursuant to
24 section 225C.6.
25 *c.* For informational purposes, a three-year strategic plan
26 submitted every three years by the regional administrator to
27 the department of human services. The strategic plan shall
28 describe how the region will proceed to attain the plan's
29 goals and objectives, and the measurable outcomes and results
30 necessary for moving the regional services system toward an
31 individualized, community-based focus in accordance with
32 section 225C.1. The initial three-year strategic plan shall be
33 submitted by April 1, 2015, and by April 1 of every third year
34 thereafter.
35 *d.* The regional administrator's plans to implement the

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1 regional service system management plan and other service
2 management functions in a manner that seeks to achieve all of
3 the following purposes identified in section 225C.1 for persons
4 who are covered by the regional plan or are otherwise subject
5 to the regional service system's management functions. The
6 regional plan shall describe how the regional service system
7 will accomplish all of the following purposes:
8 (1) The regional service system seeks to empower persons
9 to exercise their own choices about the amounts and types of
10 services and other support to receive.
11 (2) The regional service system seeks to empower the persons
12 to accept responsibility, exercise choices, and take risks.
13 (3) The regional service system seeks to provide services
14 and other support that are individualized, provided to produce
15 results, flexible, and cost-effective.
16 (4) The regional service system seeks to provide services
17 and other support in a manner which enhances the ability of the
18 persons to live, learn, work, and recreate in communities of
19 their choice.
20 *e.* Measures to address the needs of individuals who have two
21 or more co-occurring mental health, intellectual disability,
22 brain injury, or substance-related disorders and individuals
23 with specialized needs.
24 3. The region may either directly implement a system
25 of service management and contract with service providers,
26 or contract with a private entity to manage the regional
27 service system, provided all requirements of this section
28 are met by the private entity. The regional service system
29 shall incorporate service management and clinical assessment
30 processes developed in accordance with applicable requirements.
31 4. The regional service system management plan for a region
32 shall include but is not limited to all of the following
33 elements, which shall be specified in administrative rules
34 adopted by the state commission:
35 *a.* The enrollment and eligibility process.

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1 *b.* The scope of services included in addition to the core
2 services required by this part of this chapter.
3 *c.* The method of plan administration.
4 *d.* The process for managing utilization and access to
5 services and other assistance.
6 *e.* The quality management and improvement processes.
7 *f.* The risk management provisions and fiscal viability of
8 the plan, if the region contracts with a private entity.
9 *g.* The access points for services.
10 *h.* The requirements for designation of targeted case
11 management providers which shall be designed to provide
12 consumer choice, prohibit a provider from referring consumers
13 to services administered by the provider, and include other
14 provisions to ensure compliance with federal requirements for
15 conflict-free case management.
16 *i.* A plan for a systems of care approach in which multiple
17 public and private agencies partner with families and
18 communities to address the multiple needs of the individuals
19 and their families involved with the regional service system.
20 *j.* A plan to assure effective crisis prevention, response,
21 and resolution.
22 *k.* A plan for provider network formation and management.
23 *l.* A plan for provider reimbursement approaches that
24 includes approaches other than fee-for-service and to
25 compensate the providers engaged in a systems of care approach
26 and other nontraditional providers.
27 *m.* If the region applies any provider licensing,
28 certification, or accreditation requirements in addition to
29 those required by the state, the procedures for implementing
30 the requirements.
31 *n.* Service provider payment provisions.
32 *o.* Financial forecasting measures.
33 *p.* A process for resolving grievances.
34 *q.* Measures for implementing interagency and multisystem
35 collaboration and care coordination.

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1 5. A region may provide assistance to service populations
2 with disabilities to which the counties comprising the region
3 have historically provided assistance but who are not included
4 in the service management provisions required under subsection
5 2, subject to the availability of funding.
6 6. If a region determines that the region cannot provide
7 services for the fiscal year in accordance with the regional
8 plan and remain in compliance with applicable budgeting
9 requirements, the region may implement a waiting list for
10 the services. The procedures for establishing and applying
11 a waiting list shall be specified in the regional plan. If
12 a region implements a waiting list for services, the region
13 shall notify the department of human services. The department
14 shall maintain on the department's internet site an up-to-date
15 listing of the regions that have implemented a waiting list and
16 the services affected by each waiting list.
17 7. The director's approval of a regional plan shall not be
18 construed to constitute certification of the respective county
19 budgets or of the region's budget.
20 Sec. 3. NEW SECTION. **331.439B Financial eligibility**
21 **requirements.**
22 A person must comply with all of the following financial
23 eligibility requirements to be eligible for services under the
24 regional service system:
25 1. The person must have an income equal to or less than
26 one hundred fifty percent of the federal poverty level, as
27 defined by the most recently revised poverty income guidelines
28 published by the United States department of health and human
29 services, is eligible for disability services public funding.
30 It is the intent of the general assembly to consider increasing
31 this income eligibility provision to two hundred percent of the
32 federal poverty level, contingent upon implementation of the
33 federal Patient Protection and Affordable Care Act beginning in
34 January 2014.
35 2. *a.* A region or a service provider contracting with

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1 the region may apply a copayment requirement for a particular
2 service to a person with an income equal to or less than one
3 hundred fifty percent of the federal poverty level, provided
4 the disability service, uniform copayment standards, and the
5 copayment amounts comply with rules adopted by the state
6 commission.
7 *b.* A person with an income above one hundred fifty percent
8 of the federal poverty level may be eligible subject to a
9 copayment or other cost-sharing arrangement, in accordance with
10 limitations adopted in rule by the state commission.
11 *c.* A provider under the regional service system of a service
12 that is not funded by the medical assistance program under
13 chapter 249A may waive the copayment or other cost-sharing
14 arrangement if the provider is fully able to absorb the cost.
15 3. A person who is eligible for federally funded services
16 and other support must apply for such services and support.
17 4. The person is in compliance with resource limitations
18 identified in rule adopted by the state commission. The
19 limitation shall be derived from the federal supplemental
20 security income program resource limitations. A person with
21 resources above the federal supplemental security income
22 program resource limitations may be eligible subject to
23 limitations adopted in rule by the state commission. If a
24 person does not qualify for federally funded services and other
25 support but meets income, resource, and functional eligibility
26 requirements for regional services, the following types of
27 resources shall be disregarded:
28 *a.* A retirement account that is in the accumulation stage.
29 *b.* A burial, medical savings, or assistive technology
30 account.
31 Sec. 4. NEW SECTION. **331.439C Diagnosis — functional**
32 **assessment.**
33 1. A person must comply with all of the following
34 requirements to be eligible for mental health services under
35 the regional service system:

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1 *a.* The person complies with financial eligibility
2 requirements under section 331.439B.
3 *b.* The person is at least eighteen years of age and is a
4 resident of this state.
5 *c.* The person has had at any time during the preceding
6 twelve-month period a diagnosable mental health, behavioral, or
7 emotional disorder. The diagnosis shall be made in accordance
8 with the criteria provided in the diagnostic and statistical
9 manual of mental disorders, fourth edition text revised,
10 published by the American psychiatric association, and shall
11 not include the manual's "V" codes identifying conditions other
12 than a disease or injury. The diagnosis shall also not include
13 substance-related disorders, dementia, antisocial personality,
14 or developmental disabilities, unless co-occurring with another
15 diagnosable mental illness.
16 *d.* The person's eligibility for individualized services
17 shall be determined by the level of care utilization system for
18 psychiatric and addiction services, developed by the American
19 association of community psychiatrists, or other standardized
20 functional assessment methodology approved for this purpose by
21 the state commission.
22 2. A person must comply with all of the following
23 requirements to be eligible for intellectual disability or
24 other developmental disability services under the regional
25 service system:
26 *a.* The person complies with financial eligibility
27 requirements under section 331.439B.
28 *b.* The person is at least eighteen years of age and is a
29 resident of this state.
30 *c.* The person has a diagnosis of intellectual disability or
31 an intelligence quotient of seventy or less or has a diagnosis
32 of developmental disability other than intellectual disability.
33 *d.* The person's eligibility for individualized services
34 shall be determined by the supports intensity scale, developed
35 by the American association on intellectual and developmental

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1 disabilities, or other standardized functional assessment
2 methodology approved for this purpose by the state commission.
3 3. A person must comply with all of the following
4 requirements to be eligible for brain injury services under the
5 regional service system:
6 *a.* The person complies with financial eligibility
7 requirements under section 331.439B.
8 *b.* The person is at least eighteen years of age and is a
9 resident of this state.
10 *c.* The person has a diagnosis of brain injury.
11 *d.* The person's eligibility for individualized services
12 shall be determined in accordance with a standardized
13 functional assessment methodology approved for this purpose by
14 the state commission.
15 Sec. 5. NEW SECTION. **331.439D Mental health core services.**
16 1. For the purposes of this section, unless the context
17 otherwise requires:
18 *a.* *"Crisis stabilization facility"* means an institution,
19 place, building, or agency with restricted means of egress
20 designed to provide accommodation, board, and the services
21 of a mental health professional on a short-term basis of no
22 more than five days to three or more individuals who present
23 in the facility with acute psychiatric needs. The goal of a
24 crisis stabilization facility is to decrease the severity of an
25 individual's condition to allow transition of the individual
26 to a less restrictive facility.
27 *b.* *"Domain"* means a range of services that can be provided
28 depending upon an individual's service needs.
29 2. Each of the providers of the core services and services
30 provided under a required service domain shall be capable of
31 working with individuals who have co-occurring disabilities or
32 specialized needs. It is the intent of the general assembly
33 that services have adequate reimbursement to ensure the
34 financial viability necessary to achieve desired outcomes and
35 fidelity to accepted service models.

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1 3. A regional service system shall provide the following
2 core mental health service domains, subject to the availability
3 of funding:
4 *a.* Acute care and crisis intervention services.
5 *b.* Mental health treatment.
6 *c.* Mental health disorder prevention.
7 *d.* Community living.
8 *e.* Employment.
9 *f.* Recovery supports.
10 *g.* Family supports.
11 *h.* Physical health and primary care services.
12 *i.* Justice system-involved services.
13 4. A regional service system shall provide the following
14 specific core mental health services, subject to the
15 availability of funding:
16 *a.* Peer-run self-help centers.
17 *b.* Psychiatric emergency services to provide a range of
18 crisis intervention and diversion services. The services shall
19 include but are not limited to providing a crisis stabilization
20 facility.
21 *c.* Subacute residential services.
22 *d.* Jail diversion.
23 *e.* Assertive community treatment.
24 *f.* Community support services, supportive community living,
25 and case management.
26 *g.* Health homes.
27 *h.* Supported employment and education.
28 *i.* Family support services.
29 *j.* Transportation.
30 5. A regional service system may provide funding for other
31 appropriate services or other support. In considering whether
32 to provide such funding, a region may consider the following
33 criteria:
34 *a.* Applying a person-centered planning process to identify
35 the need for the services or other support.

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1 *b.* The efficacy of the services or other support is
2 substantiated by an evidence base.
3 *c.* A determination that the services or other support
4 provides an effective alternative to existing services that
5 have been shown by the evidence base to be ineffective, to not
6 yield the desired outcome, or to not support the principles
7 outlined in Olmstead v. L.C., 527 U.S. 581 (1999).
8 Sec. 6. NEW SECTION. **331.439E Intellectual disability and**
9 **other developmental disability core services.**
10 1. A regional service system shall provide funding of
11 intellectual disability services that are not funded by the
12 medical assistance program. In addition, to the extent funding
13 is available, a regional service system shall also provide
14 funding of developmental disability services for persons with a
15 developmental disability other than an intellectual disability.
16 In selecting the services eligible for the funding, a region
17 shall consider the following criteria:
18 *a.* Applying a person-centered planning process to identify
19 the need for the services or other support.
20 *b.* The efficacy of the services or other support is
21 substantiated by an evidence base.
22 *c.* A determination that the services or other support
23 provides an effective alternative to existing services that
24 have been shown by the evidence base to be ineffective, to not
25 yield the desired outcome, or to not support the principles
26 outlined in Olmstead v. L.C., 527 U.S. 581 (1999).
27 2. The core services provided by a region shall include all
28 of the services for adults with an intellectual disability or a
29 developmental disability that were mandated by law and covered
30 in the service management plans of the counties comprising the
31 region under section 331.439, Code 2011, as of June 30, 2012,
32 other than those services funded by the medical assistance
33 program under chapter 249A. The provision of the core services
34 is subject to availability of funding. The core services shall
35 include all of the following, unless covered by the medical

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1 assistance program:
2 *a.* Case management.
3 *b.* Homemaker-home health aide services.
4 *c.* Respite care.
5 *d.* Home and vehicle modification.
6 *e.* Supported community living.
7 *f.* Outpatient mental health services.
8 *g.* Evaluation.
9 *h.* Sheltered workshop services.
10 *i.* Work activity services.
11 *j.* Adult day care.
12 *k.* Residential care facility services.
13 *l.* Residential care facility for persons with an
14 intellectual disability services.
15 *m.* Intermediate care facility for persons with an
16 intellectual disability services.
17 *n.* Supported community living.
18 *o.* Inpatient care at a state mental health institute.
19 *p.* Inpatient care at a state resource center.
20 *q.* Inpatient care at a community hospital.
21 *r.* Diagnostic evaluation related to a civil commitment
22 proceeding.
23 *s.* Transportation related to a civil commitment.
24 *t.* Legal representation for commitment.
25 *u.* Mental health advocate.
26 3. A region shall transition from and replace the services
27 under subsection 2 with services that expand and support
28 the community support and integration principles outlined
29 in Olmstead v. L.C., 527 U.S. 581 (1999) and the purposes
30 identified in section 225C.1.
31 4. The core services for persons with an intellectual
32 disability or a developmental disability shall include all of
33 the following:
34 *a.* Efforts to support the availability of best practice
35 health and primary care services in local communities.

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1 *b.* Efforts to provide best practice family support services
2 to help families to maintain a family member with a disability
3 at home.
4 Sec. 7. NEW SECTION. **331.440B Regional service system**
5 **financing.**
6 1. *a.* The financing of a regional mental health and
7 disability service system is limited to a fixed budget amount.
8 The fixed budget amount shall be the amount identified in a
9 regional service system management plan and budget for the
10 fiscal year. The region shall be authorized an allowed growth
11 factor adjustment as established by statute for services
12 addressed by the regional plan. The statute establishing
13 the allowed growth factor adjustment shall establish the
14 adjustment for the fiscal year which commences two years from
15 the beginning date of the fiscal year in progress at the time
16 the statute is enacted.
17 *b.* Based upon information contained in regional plans and
18 budgets and proposals made by representatives of the regions,
19 the state commission shall recommend an allowed growth factor
20 adjustment to the governor by November 15 for the fiscal year
21 which commences two years from the beginning date of the fiscal
22 year in progress at the time the recommendation is made. The
23 allowed growth factor adjustment may address various costs
24 including but not limited to the costs associated with new
25 consumers of services, service cost inflation, and investments
26 for economy and efficiency. In developing the service
27 cost inflation recommendation, the state commission shall
28 consider the cost trends indicated by the regional financial
29 reports. The governor shall consider the state commission's
30 recommendation in developing the governor's recommendation for
31 an allowed growth factor adjustment for such fiscal year. The
32 governor's recommendation shall be submitted to the general
33 assembly at the time the governor's proposed budget for the
34 succeeding fiscal year is submitted in accordance with chapter
35 8.

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1 2. A region shall implement its regional service system
2 management plan in a manner so as to provide adequate funding
3 of services for the entire fiscal year by budgeting for
4 ninety-nine percent of the funding anticipated to be available
5 for the regional plan for the fiscal year. A region may expend
6 all of the funding anticipated to be available for the regional
7 plan.
8 Sec. 8. IMPLEMENTATION OF ACT. Section 25B.2, subsection 3,
9 shall not apply to this division of this Act.
10 Sec. 9. CODE EDITOR. The Code editor may codify the Code
11 provisions enacted by this division of this Act as a new part
12 of chapter 331, division III.
13 Sec. 10. APPLICABILITY. The provisions of this division of
14 this Act enacting new Code sections 331.439A through 331.439E,
15 and section 331.440B apply beginning on July 1, 2013.
16 DIVISION II
17 WORKFORCE DEVELOPMENT AND REGULATION
18 Sec. 11. NEW SECTION. **225C.6C Mental health and disability**
19 **services workforce development workgroup.**
20 1. The department of human services shall convene and
21 provide support to a mental health and disability services
22 workforce development workgroup to address issues connected
23 with assuring that an adequate workforce is available in the
24 state to provide mental health and disability services. The
25 workgroup shall report at least annually to the governor
26 and general assembly providing findings, recommendations,
27 and financing information concerning the findings and
28 recommendations.
29 2. The membership of the workgroup shall include all of the
30 following:
31 *a.* The director of the department of aging or the director's
32 designee.
33 *b.* The director of the department of corrections or the
34 director's designee.
35 *c.* The director of the department of education or the

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1 director's designee.
2 *d.* The director of human services or the director's
3 designee.
4 *e.* The director of the department of public health or the
5 director's designee.
6 *f.* The director of the department of workforce development
7 or the director's designee.
8 *g.* At least three staff of regional administrators
9 appointed by the community services affiliate of the Iowa state
10 association of counties.
11 *h.* At least three individuals receiving mental health and
12 disability services or involved relatives of such individuals.
13 *i.* At least three providers of mental health and disability
14 services.
15 *j.* A representative of the entity under contract with
16 the department to provide mental health managed care for the
17 medical assistance program.
18 *k.* One or more representatives of the institutions under
19 the control of the state board of regents who are knowledgeable
20 concerning the mental health and disability services workforce.
21 *l.* Other persons identified by the workgroup.
22 3. In addition to the members identified in subsection
23 2, the membership of the workgroup shall include four
24 members of the general assembly serving in a nonvoting, ex
25 officio capacity. One member shall be designated by each
26 of the following: the majority leader of the senate, the
27 minority leader of the senate, the speaker of the house of
28 representatives, and the minority leader of the house of
29 representatives. A legislative member serves for a term as
30 provided in section 69.16B.
31 4. Except as provided in subsection 3 for legislative
32 appointments, the workgroup shall determine its own rules of
33 procedure, membership terms, and operating provisions.
34 5. The workforce development measures considered for
35 recommendation by the workgroup shall include but are not

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1 limited to all of the following:
2 *a.* Provide for the college of direct support or comparable
3 internet-based training to be available at no charge to all
4 service providers.
5 *b.* Require every direct support professional to demonstrate
6 a level of competency in core curricula.
7 *c.* Provide financial incentives for those providers who
8 support direct care staff in securing a voluntary certification
9 from the national alliance for direct support professionals or
10 a comparable certification or accreditation body.
11 *d.* Change the rate reimbursement methodologies to allow
12 providers to bill direct care staff development costs as a
13 direct expense rather than as an indirect cost.
14 *e.* Implement regional service system staffing capability
15 to provide positive behavior supports training and to mount a
16 crisis intervention and prevention response that is based on a
17 model successfully tested in this state.
18 *f.* Make technical assistance available to service providers
19 for issues such as crisis intervention, sheltered workshop
20 conversion, and other approaches to modernize services.
21 *g.* Implement co-occurring disability cross training for
22 mental health professionals as well as training for primary
23 care practitioners on intellectual disability and developmental
24 disability behavioral issues.
25 Sec. 12. NEW SECTION. **225C.6D Regional service system —**
26 **outcomes and performance measures committee.**
27 1. The department shall establish an outcomes and
28 performance measures committee to recommend to the department
29 and the commission's specific outcomes and performance measures
30 to be utilized by the regional mental health and disability
31 services system. The membership of the committee shall include
32 regional administrator and departmental staff, individuals
33 receiving mental health and disability services or involved
34 relatives of such individuals, providers of mental health and
35 disability services, a representative of the person under

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1 contract with the department to provide mental health managed
2 care for the medical assistance program, a representative
3 of the institutions under the control of the state board of
4 regents who is knowledgeable concerning mental health and
5 disability services, a representative of the department's task
6 force to address the decision in Olmstead v. L.C., 527 U.S. 581
7 (1999), and other stakeholders.
8 2. To the extent possible, the committee shall seek to
9 provide outcome and performance measures recommendations
10 that are consistent across the mental health and disability
11 services populations addressed. The committee shall also
12 evaluate data collection requirements utilized in the regional
13 service system to identify the requirements that could be
14 eliminated or revised due to the administrative burden involved
15 or the low degree of relevance to outcomes or other reporting
16 requirements.
17 Sec. 13. NEW SECTION. **225C.6E Regional service system —**
18 **regulatory requirements.**
19 1. The departments of inspections and appeals, human
20 services, and public health shall comply with the requirements
21 of this section in their efforts to improve the regulatory
22 requirements applied to the regional service system
23 administration and service providers.
24 2. The three departments shall work together to establish
25 a process to streamline accreditation, certification, and
26 licensing standards applied to the regional service system
27 administration and service providers.
28 3. The departments of human services and inspections and
29 appeals shall jointly review the standards and inspection
30 process applicable to residential care facilities.
31 4. The three departments shall do all of the following in
32 developing regulatory requirements applicable to the regional
33 service system administration and service providers:
34 *a.* Consider the costs to administrators and providers in the
35 development of quality monitoring efforts.

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1 *b.* Develop uniform, streamlined, and statewide cost
2 reporting standards and tools.
3 *c.* Make quality monitoring information, including services,
4 quality, and location information, easily available and
5 understandable to all citizens.
6 *d.* Establish standards that are clearly understood and are
7 accompanied by interpretive guidelines to support understanding
8 by those responsible for applying the standards.
9 *e.* Develop a partnership with providers in order to
10 improve the quality of services and develop mechanisms for the
11 provision of technical assistance.
12 *f.* Develop consistent data collection efforts based on
13 statewide standards and make information available to all
14 providers.
15 *g.* Evaluate existing provider qualification and monitoring
16 efforts to identify duplication and gaps, and align the efforts
17 with valued outcomes.
18 *h.* Streamline and enhance existing standards.
19 *i.* Consider how accreditations can be used for the
20 certification of provider qualifications.
21 5. The three departments shall seek to increase the number
22 of staff dedicated to oversight of service providers.
23 DIVISION III
24 COMMUNITY MENTAL HEALTH CENTER AMENDMENTS
25 Sec. 14. Section 230A.106, subsection 2, paragraph c, as
26 enacted by 2011 Iowa Acts, chapter 121, section 16, is amended
27 to read as follows:
28 *c. Day treatment, partial hospitalization, or psychosocial*
29 *rehabilitation services.* Such services shall be provided as
30 structured day programs in segments of less than twenty-four
31 hours using a multidisciplinary team approach to develop
32 treatment plans that vary in intensity of services and the
33 frequency and duration of services based on the needs of the
34 patient. These services may be provided directly by the center
35 or in collaboration or affiliation with other appropriately

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1 accredited providers. In lieu of day treatment, partial
2 hospitalization, or psychosocial rehabilitation services, the
3 center may provide an assertive community treatment program.
4 Sec. 15. Section 230A.110, subsection 1, as enacted by
5 2011 Iowa Acts, chapter 121, section 20, is amended to read as
6 follows:
7 1. The division shall recommend and the commission shall
8 adopt standards for designated community mental health
9 centers and comprehensive community mental health programs,
10 with the overall objective of ensuring that each center
11 and each affiliate providing services under contract with a
12 center furnishes high-quality mental health services within
13 a framework of accountability to the community it serves.
14 The standards adopted shall conform with federal standards
15 applicable to community mental health centers and shall be
16 in substantial conformity with the applicable behavioral
17 health standards adopted by the joint commission, formerly
18 known as the joint commission on accreditation of health care
19 organizations, ~~and~~ or other recognized national standards for
20 evaluation of psychiatric facilities unless in the judgment of
21 the division, with approval of the commission, there are sound
22 reasons for departing from the standards.
23 DIVISION IV
24 REGIONAL SERVICE SYSTEM
25 Sec. 16. NEW SECTION. **331.438A Definitions.**
26 As used in this part, unless the context otherwise requires:
27 1. *"Department"* means the department of human services.
28 2. *"Disability services"* means the same as defined in
29 section 225C.2.
30 3. *"Population"* means the population shown by the latest
31 preceding certified federal census or the latest applicable
32 population estimate issued by the United States census bureau,
33 whichever is most recent.
34 4. *"Regional administrator"* means the administrative entity
35 formed by agreement of the counties participating in a region

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1 to function on behalf of those counties in accordance with this
2 part.
3 5. *"State commission"* means the mental health and disability
4 services commission created in section 225C.5.
5 Sec. 17. NEW SECTION. **331.438B Mental health and disability**
6 **services regions — criteria.**
7 1. Local access to mental health and disability services for
8 children and adults shall be provided by counties organized in
9 a regional service system. The regional service system shall
10 be implemented in stages in accordance with this section.
11 2. Formation of a mental health and disability services
12 region is subject to approval of the director of human services
13 and the mental health and disability services commission.
14 3. Each county in the state shall participate in an approved
15 mental health and disability services region. A mental health
16 and disability services region shall comply with all of the
17 following requirements:
18 *a.* The counties comprising the region are contiguous.
19 *b.* The region has at least three counties.
20 *c.* The combined general population of the counties
21 comprising a region shall be at least two hundred thousand
22 persons and not more than seven hundred thousand persons.
23 However, the director of human services, with the approval
24 of the commission, may grant a waiver from this requirement
25 if there is convincing evidence that compliance with the
26 requirement is not workable.
27 *d.* The region has the capacity to provide required core
28 services and perform required functions.
29 *e.* At least one community mental health center or a
30 federally qualified health center with providers qualified
31 to provide psychiatric services, either directly or with
32 assistance from psychiatric consultants, is located within the
33 region, has the capacity to provide outpatient services for the
34 region, and is either under contract with the region or has
35 provided documentation of intent to contract with the region

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1 to provide the services.
2 *f.* A hospital with an inpatient psychiatric unit or a state
3 mental health institute is located in or within reasonably
4 close proximity to the region, has the capacity to provide
5 inpatient services for the region, and is either under contract
6 with the region or has provided documentation of intent to
7 contract with the region to provide the services.
8 *g.* The regional administrator structure proposed for or
9 utilized by the region has clear lines of accountability and
10 the regional administrator functions as a lead agency utilizing
11 shared county staff or other means of limiting administrative
12 costs.
13 4. County formation of a mental health and disability
14 services region is subject to all of the following:
15 *a.* On or before November 1, 2012, counties voluntarily
16 participating in a region have complied with all of the
17 following formation criteria:
18 (1) The counties forming the region have been identified
19 and the board of supervisors of the counties have approved a
20 written letter of intent to join together to form the region.
21 (2) The proposed region complies with the requirements in
22 subsection 3.
23 (3) The department provides written notice to the boards
24 of supervisors of the counties identified for the region in
25 the letter of intent that the counties have complied with the
26 requirements in subsection 3.
27 *b.* Upon compliance with the provisions of paragraph *"a"*, the
28 participating counties are eligible for technical assistance
29 provided by the department.
30 *c.* During the period of November 2, 2012, through January
31 1, 2013, a county that has not agreed to be part of a region
32 in accordance with paragraph *"a"* shall be assigned by the
33 department to a region.
34 *d.* On or before June 30, 2013, all counties shall be part of
35 a region that is in compliance with the provisions of paragraph

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1 *"a"* other than meeting the November 1, 2012, date.
2 *e.* On or before June 30, 2014, all counties shall be
3 in compliance with all of the following mental health and
4 disability services region implementation criteria:
5 (1) The board of supervisors of each county participating in
6 the region has voted to approve a chapter 28E agreement.
7 (2) The duly authorized representatives of all the counties
8 participating in the region have signed the chapter 28E
9 agreement that is in compliance with section 331.438C.
10 (3) The county board of supervisors' or supervisors'
11 designee members and other members of the region's governing
12 board have been appointed in accordance with section 331.438C.
13 (4) Executive staff for the region's regional administrator
14 have been identified or engaged.
15 (5) An initial draft of a regional service management
16 transition plan has been developed which identifies the steps
17 to be taken by the region to do all of the following:
18 (a) Designate access points for the disability services
19 administered by the region.
20 (b) Designate the region's targeted case manager provider
21 funded by the medical assistance program.
22 (c) Identify the service provider network for the region.
23 (d) Define the service access and service authorization
24 process to be utilized for the region.
25 (e) Identify the information technology and data management
26 capacity to be employed to support regional functions.
27 (f) Establish business functions, funds accounting
28 procedures, and other administrative processes.
29 (g) Comply with data reporting and other information
30 technology requirements adopted by the state commission.
31 (6) The department and the state commission have approved
32 the region's chapter 28E agreement and the initial draft of the
33 regional management transition plan.
34 *f.* If the department, with the concurrence of the state
35 commission, determines that a region is in substantial

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1 compliance with the implementation criteria in paragraph *"e"*
2 and has sufficient operating capacity to begin operations, the
3 region may commence partial or full operations prior to July
4 2014.
5 Sec. 18. NEW SECTION. **331.438C Regional governance**
6 **structure.**
7 1. The counties comprising a mental health and disability
8 services region shall enter into an agreement under chapter
9 28E to form a regional administrator under the control of a
10 governing board to function on behalf of those counties.
11 2. The governing board shall comply with all of the
12 following requirements:
13 *a.* The membership of the governing board shall consist
14 of one or more board of supervisor members from each county
15 comprising the region or their designees. The decisions
16 involving the local public funding administered by the
17 governing board and the regional administrator shall be made
18 by these members.
19 *b.* The membership of the governing board shall also consist
20 of at least three individuals who utilize mental health and
21 disability services or actively involved relatives of such
22 individuals. These members shall be designated in a manner
23 so as to represent the geographic areas of the region and to
24 provide balanced representation for the various disability
25 groups utilizing the services provided through the region.
26 *c.* The membership of the governing board shall not include
27 representatives of service providers or the department.
28 *d.* The governing board shall have a regional advisory
29 committee consisting of individuals who utilize services or
30 actively involved relatives of such individuals, service
31 providers, and regional governing board members.
32 3. The regional administrator shall be under the control of
33 the governing board. The regional administrator shall enter
34 into performance-based contracts with the department for the
35 regional administrator to manage, on behalf of the counties

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1 comprising the region, the mental health and disability
2 services that are not funded by the medical assistance program
3 under chapter 249A and for coordinating with the department the
4 provision of mental health and disability services that are
5 funded under the medical assistance program.
6 Sec. 19. NEW SECTION. **331.438D Regional finances.**
7 1. The funding under the control of the governing board
8 shall be maintained in a combined account, in separate county
9 accounts that are under the control of the governing board, or
10 pursuant to other arrangements authorized by law that limit the
11 administrative burden of such control while facilitating public
12 scrutiny of financial processes.
13 2. The administrative costs of the regional administrator
14 shall be limited to five percent of expenditures. Expenditures
15 considered to be administrative costs shall be determined in
16 accordance with law.
17 3. The funding provided pursuant to performance-based
18 contracts with the department shall be credited to the account
19 or accounts under the control of the governing board.
20 Sec. 20. NEW SECTION. **331.438E Regional governance**
21 **agreements.**
22 1. In addition to compliance with the applicable provisions
23 of chapter 28E, the chapter 28E agreement entered into by the
24 counties comprising a mental health and disability services
25 region in forming the regional administrator to function on
26 behalf of the counties shall comply with the requirements of
27 this section.
28 2. The organizational provisions of the agreement shall
29 include all of the following:
30 *a.* A statement of purpose, goals, and objectives of entering
31 into the agreement.
32 *b.* Identification of the governing board membership and the
33 terms, methods of appointment, voting procedures, and other
34 provisions applicable to the operation of the governing board.
35 *c.* The identification of the executive staff of the regional

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1 administrator serving as the single point of accountability for
2 the region.
3 *d.* The counties participating in the agreement.
4 *e.* The time period of the agreement and terms for
5 termination or renewal of the agreement.
6 *f.* The circumstances under which additional counties may
7 join the region.
8 *g.* Methods for dispute resolution and mediation.
9 *h.* Methods for termination of a county's participation in
10 the region.
11 *i.* Provisions for formation and assigned responsibilities
12 for one or more advisory committees consisting of individuals
13 who utilize services or actively involved relatives of such
14 individuals, service providers, governing board members, and
15 other interests identified in the agreement.
16 3. The administrative provisions of the agreement shall
17 include all of the following:
18 *a.* Responsibility of the governing board in appointing and
19 evaluating the performance of the chief executive officer of
20 the regional administrator.
21 *b.* A specific list of the functions and responsibilities of
22 the regional administrator's chief executive officer and other
23 administrative staff.
24 *c.* Specification of the functions to be carried out by each
25 party to the agreement and by any subcontractor of a party to
26 the agreement. A contract with a provider network shall be
27 separately addressed.
28 4. The financial provisions of the agreement shall include
29 all of the following:
30 *a.* Methods for pooling, management, and expenditure of the
31 funding under the control of the regional administrator. If
32 the agreement does not provide for pooling of the participating
33 county moneys in a single fund, the agreement shall specify how
34 the participating county moneys will be subject to the control
35 of the regional administrator.

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1 *b.* Methods for allocating administrative funding and
2 resources.
3 *c.* Contributions and uses of initial funding or related
4 contributions made by the counties participating in the
5 region for purposes of commencing operations by the regional
6 administrator.
7 *d.* Methods for acquiring or disposing of real property.
8 *e.* A process for determining the use of savings for
9 reinvestment.
10 *f.* A process for performance of an annual independent audit
11 of the regional administrator.
12 Sec. 21. NEW SECTION. **331.438F County of residence —**
13 **services to residents — service authorization appeals —**
14 **disputes between counties or regions and the department.**
15 1. For the purposes of this section, unless the context
16 otherwise requires:
17 *a.* *"County of residence"* means the county in this state in
18 which, at the time a person applies for or receives services,
19 the person is living in the county and has established an
20 ongoing presence with the declared, good faith intention of
21 living in the county for a permanent or indefinite period of
22 time. The county of residence of a person who is a homeless
23 person is the county where the homeless person usually sleeps.
24 *"County of residence"* does not mean the county where a person is
25 present for the purpose of receiving services in a hospital,
26 a correctional facility, a halfway house for community-based
27 corrections or substance-related treatment, a nursing facility,
28 an intermediate care facility for persons with an intellectual
29 disability, or a residential care facility, or for the purpose
30 of attending a college or university.
31 *b.* *"Homeless person"* means the same as defined in section
32 48A.2.
33 *c.* *"Person"* means a person who is a United States citizen or
34 a qualified alien as defined in 8 U.S.C. § 1641.
35 2. If a person appeals a service authorization or

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1 other services-related determination made by a regional
2 administrator, the appeal shall be heard in a contested
3 case proceeding by a state administrative law judge. The
4 administrative law judge's decision shall be considered a final
5 agency decision under chapter 17A.
6 3. If a county of residence is part of a mental health and
7 disability services region that has agreed to pool funding and
8 liability for services, the responsibilities of the county
9 under law regarding such services shall be performed on behalf
10 of the county by the regional administrator. The county of
11 residence or the county's mental health and disability services
12 region, as applicable, is responsible for paying the public
13 costs of the mental health and disability services that are
14 not covered by the medical assistance program under chapter
15 249A and are provided in accordance with the region's approved
16 service management plan to persons who are residents of the
17 county or region.
18 4. *a.* The dispute resolution process implemented in
19 accordance with this subsection applies to residency disputes.
20 The dispute resolution process is not applicable to disputes
21 involving persons committed to a state facility pursuant to
22 chapter 812 or rule of criminal procedure 2.22, Iowa court
23 rules, or to disputes involving service authorization decisions
24 made by a region.
25 *b.* If a county, region, or the department, as applicable,
26 receives a billing for services provided to a resident
27 in another county or region, or objects to a residency
28 determination certified by the department or another county's
29 or region's regional administrator and asserts either that the
30 person has residency in another county or region or the person
31 is not a resident of this state or the person's residency
32 is unknown so that the person is deemed a state case, the
33 person's residency status shall be determined as provided in
34 this section. The county or region shall notify the department
35 of the county's or region's assertion within one hundred

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1 twenty days of receiving the billing. If the county or region
2 asserts that the person has residency in another county or
3 region, that county or region shall be notified at the same
4 time as the department. If the department disputes a residency
5 determination certification made by a regional administrator,
6 the department shall notify the affected counties or regions
7 of the department's assertion.
8 *c.* The department, county, or region that received the
9 notification, as applicable, shall respond to the party that
10 provided the notification within forty-five days of receiving
11 the notification. If the parties cannot agree to a settlement
12 as to the person's residency status within ninety days of the
13 date of notification, on motion of any of the parties, the
14 matter shall be referred to the department of inspections and
15 appeals for a contested case hearing under chapter 17A before
16 an administrative law judge assigned in accordance with section
17 10A.801 to determine the person's residency status.
18 *d.* (1) The administrative law judge's determination
19 of the person's residency status is a final agency action,
20 notwithstanding contrary provisions of section 17A.15.
21 The party that does not prevail in the determination or
22 subsequent judicial review is liable for costs associated with
23 the proceeding, including reimbursement of the department
24 of inspections and appeals' actual costs associated with
25 the administrative proceeding. Judicial review of the
26 determination may be sought in accordance with section 17A.19.
27 (2) If following the determination of a person's residency
28 status in accordance with this section, additional evidence
29 becomes available that merits a change in that determination,
30 the parties affected may change the determination by mutual
31 agreement. Otherwise, a party may move that the matter be
32 reconsidered by the department, county, or region, or by the
33 administrative law judge.
34 *e.* (1) Unless a petition is filed for judicial review,
35 the administrative law judge's determination of the person's

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1 residency status shall result in one of the following:
2 (a) If a county or region is determined to be the person's
3 residence, the county or region shall pay the amounts due and
4 shall reimburse any other amounts paid for services provided by
5 the other county or region or the department on the person's
6 behalf prior to the determination.
7 (b) If it is determined that the person is not a resident
8 of this state or the person's residency is unknown so that the
9 person is deemed to be a state case, the department shall pay
10 the amounts due and shall reimburse the county or region, as
11 applicable, for any payment made on behalf of the person prior
12 to the determination.
13 (2) The payment or reimbursement shall be remitted within
14 forty-five days of the date the decision was issued. After
15 the forty-five-day period, a penalty of not greater than one
16 percent per month may be added to the amount due.
17 Sec. 22. CODE EDITOR. The Code editor shall codify the
18 provisions of this division of this Act enacting new sections
19 in chapter 331, as a new part of division IV, tentatively
20 numbered part 2A.
21 Sec. 23. APPLICABILITY. The provisions of this division
22 of this Act enacting new sections in chapter 331, except
23 as specifically provided by the provisions, are applicable
24 beginning July 1, 2013.
25 DIVISION V
26 SUBACUTE CARE FACILITIES FOR PERSONS WITH SERIOUS AND
27 PERSISTENT MENTAL ILLNESS
28 Sec. 24. NEW SECTION. **135P.1 Definitions.**
29 As used in this chapter, unless the context otherwise
30 requires:
31 1. *"Department"* means the department of inspections and
32 appeals.
33 2. *"Direction"* means authoritative policy or procedural
34 guidance for the accomplishment of a function or an activity.
35 3. *"Licensee"* means the holder of a license issued to

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1 operate a subacute care facility for persons with serious and
2 persistent mental illness.
3 4. *"Mental health professional"* means the same as defined
4 in section 228.1.
5 5. *"Physician"* means a person licensed under chapter 148.
6 6. *"Psychiatric services"* means services provided under
7 the direction of a physician which address mental, emotional,
8 medical, or behavioral problems.
9 7. *"Rehabilitative services"* means services to encourage and
10 assist restoration of a resident's optimum mental and physical
11 capabilities.
12 8. *"Resident"* means a person who is eighteen years of age
13 or older and has been admitted by a physician to a subacute
14 care facility for persons with serious and persistent mental
15 illness.
16 9. *"Treatment care plan"* means a plan of care and services
17 designed to eliminate the need for acute care by improving
18 the condition of a person with serious and persistent mental
19 illness. Services must be based upon a diagnostic evaluation,
20 which includes an examination of the medical, psychological,
21 social, behavioral, and developmental aspects of the person's
22 situation, reflecting the need for inpatient care.
23 10. *"Subacute care facility for persons with serious and*
24 *persistent mental illness"* or *"subacute care facility"* means an
25 institution, place, building, or agency with restricted means
26 of egress designed to provide accommodation, board, and the
27 services of a licensed psychiatrist for a period exceeding
28 twenty-four consecutive hours to three or more individuals who
29 primarily have serious and persistent mental illness, diagnosis
30 of a co-occurring disorder, and are not related to the owner
31 within the third degree of consanguinity.
32 11. *"Supervision"* means direct oversight and inspection of
33 the act of accomplishing a function or activity.
34 Sec. 25. NEW SECTION. **135P.2 Purpose.**
35 The purpose of this chapter is to provide for the

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1 development, establishment, and enforcement of basic standards
2 for the operation, construction, and maintenance of a
3 subacute care facility which will ensure the safe and adequate
4 diagnosis, evaluation, and treatment of the residents.
5 Sec. 26. NEW SECTION. **135P.3 Nature of care — seclusion**
6 **room — admissions.**
7 1. A subacute care facility shall utilize a team of
8 professionals to direct an organized program of diagnostic
9 services, psychiatric services, and rehabilitative services
10 to meet the needs of residents in accordance with a treatment
11 care plan developed for each resident under the supervision of
12 a licensed psychiatrist. The goal of a treatment care plan
13 is to transition residents to a less restrictive environment,
14 including a home-based community setting. Social and
15 rehabilitative services shall be provided under the direction
16 of a mental health professional.
17 2. The licensed psychiatrist providing supervision of
18 the subacute care facility shall evaluate the condition of
19 each resident no less than two times each month and shall be
20 available to residents of the facility on an on-call basis
21 at all other times. The subacute care facility may employ a
22 seclusion room meeting the conditions described in 42 C.F.R. §
23 483.364(b) with approval of the licensed psychiatrist of the
24 facility or by order of the resident's physician.
25 3. An admission to the subacute care facility is subject
26 to a physician's written order certifying that the individual
27 being admitted requires regular oversight by a licensed
28 psychiatrist and requires no greater degree of care than that
29 which the facility to which the admission is made is licensed
30 to provide and is capable of providing.
31 4. A subacute care facility does not constitute an
32 *"institution for mental diseases"* within the meaning of 42
33 U.S.C. § 1396d(i).
34 Sec. 27. NEW SECTION. **135P.4 Licensure.**
35 1. A person shall not establish, operate, or maintain a

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1 subacute care facility unless the person obtains a license for
2 the subacute care facility under this chapter.
3 2. An intermediate care facility for persons with mental
4 illness licensed under chapter 135C may convert to a subacute
5 care facility by providing written notice to the department
6 that the facility has employed a full-time psychiatrist and
7 desires to make the conversion.
8 Sec. 28. NEW SECTION. **135P.5 Application for license.**
9 An application for a license under this chapter shall be
10 submitted on a form requesting information required by the
11 department, which may include affirmative evidence of the
12 applicant's ability to comply with the rules for standards
13 adopted pursuant to this chapter. An application for a license
14 shall be accompanied by the required license fee which shall
15 be credited to the general fund of the state. The initial and
16 annual license fee is twenty-five dollars.
17 Sec. 29. NEW SECTION. **135P.6 Inspection — conditions for**
18 **issuance.**
19 The department shall issue a license to an applicant under
20 this chapter if the department has ascertained that the
21 applicant's facilities and staff are adequate to provide the
22 care and services required of a subacute care facility and if
23 the applicant has been awarded a certificate of need pursuant
24 to chapter 135.
25 Sec. 30. NEW SECTION. **135P.7 Denial, suspension, or**
26 **revocation of license.**
27 The department may deny an application or suspend or revoke
28 a license if the department finds that an applicant or licensee
29 has failed or is unable to comply with this chapter or the
30 rules establishing minimum standards pursuant to this chapter
31 or if any of the following conditions apply:
32 1. It is shown that a resident is a victim of cruelty or
33 neglect due to the acts or omissions of the licensee.
34 2. The licensee has permitted, aided, or abetted in the
35 commission of an illegal act in the subacute care facility.

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1 3. An applicant or licensee acted to obtain or to retain a
2 license by fraudulent means, misrepresentation, or submitting
3 false information.
4 4. The licensee has willfully failed or neglected to
5 maintain a continuing in-service education and training program
6 for persons employed by the subacute care facility.
7 5. The application involves a person who has failed to
8 operate a subacute care facility in compliance with the
9 provisions of this chapter.
10 Sec. 31. NEW SECTION. **135P.8 Provisional license.**
11 The department may issue a provisional license, effective
12 for not more than one year, to a licensee whose subacute care
13 facility does not meet the requirements of this chapter if,
14 prior to issuance of the license, the applicant submits written
15 plans to achieve compliance with the applicable requirements
16 and the plans are approved by the department. The plans shall
17 specify the deadline for achieving compliance.
18 Sec. 32. NEW SECTION. **135P.9 Notice and hearings.**
19 The procedure governing notice and hearing to deny an
20 application or suspend or revoke a license shall be in
21 accordance with rules adopted by the department pursuant to
22 chapter 17A. A full and complete record shall be kept of the
23 proceedings and of any testimony. The record need not be
24 transcribed unless judicial review is sought. A copy or copies
25 of a transcript may be obtained by an interested party upon
26 payment of the cost of preparing the transcript or copies.
27 Sec. 33. NEW SECTION. **135P.10 Rules.**
28 The department of inspections and appeals, in consultation
29 with the department of human services and affected professional
30 groups, shall adopt and enforce rules setting out the standards
31 for a subacute care facility and the rights of the residents
32 admitted to a subacute care facility. The department of
33 inspections and appeals and the department of human services
34 shall coordinate the adoption of rules and the enforcement of
35 the rules in order to prevent duplication of effort by the

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1 departments and of requirements of the licensee.
2 Sec. 34. NEW SECTION. **135P.11 Complaints alleging**
3 **violations — confidentiality.**
4 1. A person may request an inspection of a subacute care
5 facility by filing with the department a complaint of an
6 alleged violation of an applicable requirement of this chapter
7 or a rule adopted pursuant to this chapter. The complaint
8 shall state in a reasonably specific manner the basis of the
9 complaint. A statement of the nature of the complaint shall be
10 delivered to the subacute care facility involved at the time of
11 or prior to the inspection. The name of the person who files a
12 complaint with the department shall be kept confidential and
13 shall not be subject to discovery, subpoena, or other means
14 of legal compulsion for its release to a person other than
15 department employees involved in the investigation of the
16 complaint.
17 2. Upon receipt of a complaint made in accordance with
18 subsection 1, the department shall make a preliminary review
19 of the complaint. Unless the department concludes that the
20 complaint is intended to harass a subacute care facility or a
21 licensee or is without reasonable basis, it shall within twenty
22 working days of receipt of the complaint make or cause to be
23 made an on-site inspection of the subacute care facility which
24 is the subject of the complaint. The department of inspections
25 and appeals may refer to the department of human services
26 any complaint received by the department of inspections and
27 appeals if the complaint applies to rules adopted by the
28 department of human services. The complainant shall also
29 be notified of the name, address, and telephone number of
30 the designated protection and advocacy agency if the alleged
31 violation involves a facility with one or more residents with a
32 developmental disability or mental illness. In any case, the
33 complainant shall be promptly informed of the result of any
34 action taken by the department in the matter.
35 3. An inspection made pursuant to a complaint filed under

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1 subsection 1 need not be limited to the matter or matters
2 referred to in the complaint; however, the inspection shall
3 not be a general inspection unless the complaint inspection
4 coincides with a scheduled general inspection. Upon arrival
5 at the subacute care facility to be inspected, the inspector
6 shall show identification to the person in charge of the
7 subacute care facility and state that an inspection is to
8 be made, before beginning the inspection. Upon request of
9 either the complainant or the department, the complainant or
10 the complainant's representative or both may be allowed the
11 privilege of accompanying the inspector during any on-site
12 inspection made pursuant to this section. The inspector may
13 cancel the privilege at any time if the inspector determines
14 that the privacy of a resident of the subacute care facility to
15 be inspected would be violated. The dignity of the resident
16 shall be given first priority by the inspector and others.
17 Sec. 35. NEW SECTION. **135P.12 Information confidential.**
18 1. The department's final findings regarding licensure
19 shall be made available to the public in a readily available
20 form and place. Other information relating to the subacute
21 care facility is confidential and shall not be made available
22 to the public except in proceedings involving licensure, a
23 civil suit involving a resident, or an administrative action
24 involving a resident.
25 2. The name of a person who files a complaint with the
26 department shall remain confidential and is not subject to
27 discovery, subpoena, or any other means of legal compulsion for
28 release to a person other than an employee of the department or
29 an agent involved in the investigation of the complaint.
30 3. Information regarding a resident who has received or is
31 receiving care shall not be disclosed directly or indirectly
32 except as authorized under section 217.30.
33 Sec. 36. NEW SECTION. **135P.13 Judicial review.**
34 Judicial review of the action of the department may be sought
35 pursuant to the Iowa administrative procedure Act, chapter 17A.

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1 Notwithstanding chapter 17A, a petition for judicial review of
2 the department's actions under this chapter may be filed in the
3 district court of the county in which the related subacute care
4 facility is located or is proposed to be located. The status
5 of the petitioner or the licensee shall be preserved pending
6 final disposition of the judicial review.
7 Sec. 37. NEW SECTION. **135P.14 Penalty.**
8 A person who establishes, operates, or manages a subacute
9 care facility without obtaining a license under this chapter
10 commits a serious misdemeanor. Each day of continuing
11 violation following conviction shall be considered a separate
12 offense.
13 Sec. 38. NEW SECTION. **135P.15 Injunction.**
14 Notwithstanding the existence or pursuit of another remedy,
15 the department may maintain an action for injunction or other
16 process to restrain or prevent the establishment, operation, or
17 management of a subacute care facility without a license.
18 Sec. 39. Section 249A.26, subsection 2, Code 2011, is
19 amended by adding the following new paragraph:
20 NEW PARAGRAPH. *d.* Notwithstanding any provision of
21 this chapter to the contrary, for services provided to
22 eligible persons in a subacute care facility for persons
23 with serious and persistent mental illness licensed under
24 chapter 135P, the daily rate shall be equal to the sum of
25 the direct care Medicare-certified hospital-based nursing
26 facility patient-day-weighted median and the nondirect
27 care Medicare-certified hospital-based nursing facility
28 patient-day-weighted median.
29 Sec. 40. IMPLEMENTATION OF ACT. Section 25B.2, subsection
30 3, shall not apply to this division of this Act.
31 DIVISION VI
32 CONFORMING AMENDMENTS — CENTRAL POINT OF COORDINATION, LEGAL
33 SETTLEMENT, AND DISPUTE RESOLUTION PROCESSES
34 Sec. 41. Section 218.99, Code 2011, is amended to read as
35 follows:

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1 **218.99 Counties to be notified of patients' personal**
2 **accounts.**
3 The administrator in control of a state institution shall
4 direct the business manager of each institution under the
5 administrator's jurisdiction which is mentioned in section
6 331.424, subsection 1, paragraph *"a"*, subparagraphs (1) and
7 (2), and for which services are paid under section 331.424A, to
8 quarterly inform the regional administrator of the county of
9 ~~legal settlement's entity designated to perform the county's~~
10 ~~central point of coordination process~~ residence of any patient
11 or resident who has an amount in excess of two hundred dollars
12 on account in the patients' personal deposit fund and the
13 amount on deposit. The administrators shall direct the
14 business manager to further notify the ~~entity designated to~~
15 ~~perform the county's central point of coordination process~~
16 regional administrator of the county of residence at least
17 fifteen days before the release of funds in excess of two
18 hundred dollars or upon the death of the patient or resident.
19 ~~If the patient or resident has no county of legal settlement,~~
20 ~~notice shall be made to the director of human services and the~~
21 ~~administrator in control of the institution involved.~~
22 Sec. 42. Section 222.2, subsection 3, Code 2011, is amended
23 by striking the subsection.
24 Sec. 43. Section 222.2, Code 2011, is amended by adding the
25 following new subsection:
26 NEW SUBSECTION. 5A. *"Regional administrator"* means the same
27 as defined in section 331.438A.
28 Sec. 44. Section 222.10, Code 2011, is amended to read as
29 follows:
30 **222.10 Duty of peace officer.**
31 When any person with mental retardation departs without
32 proper authority from an institution in another state and
33 is found in this state, any peace officer in any county in
34 which such patient is found may take and detain the patient
35 without warrant or order and shall report such detention to the

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1 administrator. The administrator shall provide for the return
2 of the patient to the authorities in the state from which the
3 unauthorized departure was made. Pending return, such patient
4 may be detained temporarily at one of the institutions of this
5 state governed by the administrator or by the administrator of
6 the division of child and family services of the department
7 of human services. The provisions of this section relating
8 to the administrator shall also apply to the return of other
9 nonresident persons with mental retardation having legal
10 ~~settlement~~ residency outside the state of Iowa.
11 Sec. 45. Section 222.13, Code 2011, is amended to read as
12 follows:
13 **222.13 Voluntary admissions.**
14 1. If an adult person is believed to be a person with mental
15 retardation, the adult person or the adult person's guardian
16 may ~~submit a~~ request ~~through the central point of coordination~~
17 ~~process for~~ the ~~county board of supervisors~~ regional
18 administrator of the adult person's county of residence in
19 writing to apply to the superintendent of any state resource
20 center for the voluntary admission of the adult person either
21 as an inpatient or an outpatient of the resource center.
22 ~~After determining the legal settlement of the adult person as~~
23 ~~provided by this chapter, the board of supervisors~~ The regional
24 administrator, on behalf of the board of supervisors shall, on
25 forms prescribed by the department's administrator, apply to
26 the superintendent of the resource center in the district for
27 the admission of the adult person to the resource center. An
28 application for admission to a special unit of any adult person
29 believed to be in need of any of the services provided by the
30 special unit under section 222.88 may be made in the same
31 manner, upon request of the adult person or the adult person's
32 guardian. The superintendent shall accept the application
33 ~~providing~~ if a preadmission diagnostic evaluation, performed
34 ~~through the central point of coordination process~~ through the
35 regional administrator, confirms or establishes the need for

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1 admission, except that an application ~~may~~ shall not be accepted
2 if the institution does not have adequate facilities available
3 or if the acceptance will result in an overcrowded condition.
4 2. If the resource center ~~has no~~ does not have an
5 appropriate program for the treatment of an adult or minor
6 person with mental retardation applying under this section
7 or section 222.13A, the ~~board of supervisors~~ regional
8 administrator on behalf of the board of supervisors shall
9 arrange for the placement of the person in any public or
10 private facility within or without the state, approved by the
11 director ~~of the department~~ of human services, which offers
12 appropriate services for the person, as determined ~~through~~
13 ~~the central point of coordination process~~ by the regional
14 administrator.
15 3. Upon applying for admission of an adult or minor person
16 to a resource center, or a special unit, or upon arranging for
17 the placement of the person in a public or private facility,
18 if the county would be liable to pay the expenses in full
19 or in part, the regional administrator, on behalf of the
20 board of supervisors shall make a full investigation into
21 the financial circumstances of that person and those liable
22 for that person's support under section 222.78 to determine
23 whether or not any of them are able to pay the expenses arising
24 out of the admission of the person to a resource center,
25 special treatment unit, or public or private facility. If
26 the ~~board~~ regional administrator finds that the person or
27 those legally responsible for the person are presently unable
28 to pay the expenses, the ~~board~~ regional administrator shall
29 direct that the expenses be paid by the county. The ~~board~~
30 regional administrator may review its finding at any subsequent
31 time while the person remains at the resource center, or
32 is otherwise receiving care or treatment for which this
33 chapter obligates the county to pay. If the ~~board~~ regional
34 administrator finds upon review that the person or those
35 legally responsible for the person are presently able to pay

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1 the expenses, the finding shall apply only to the charges
2 incurred during the period beginning on the date of the
3 review and continuing thereafter, unless and until the ~~board~~
4 regional administrator again changes its finding. If the ~~board~~
5 regional administrator finds that the person or those legally
6 responsible for the person are able to pay the expenses, the
7 ~~board~~ regional administrator shall direct that the charges
8 be so paid to the extent required by section 222.78, and the
9 county auditor shall be responsible for the collection of the
10 charges.
11 Sec. 46. Section 222.13A, subsections 1, 2, and 4, Code
12 2011, are amended to read as follows:
13 1. If a minor is believed to be a person with mental
14 retardation, the minor's parent, guardian, or custodian
15 may request the county board of supervisors in writing to
16 apply for admission of the minor as a voluntary patient in
17 a state resource center. If the resource center does not
18 have appropriate services for the minor's treatment, the
19 board of supervisors may arrange for the admission of the
20 minor in a public or private facility within or without the
21 state, approved by the director of human services, which
22 offers appropriate services for the minor's treatment. If
23 half or more of the nonfederal share of the costs of services
24 provided to a minor in accordance with this section is the
25 responsibility of the state, the costs of the preadmission
26 diagnostic evaluation, court appointed attorney, and court
27 costs, relating to the services shall be paid by the state.
28 If more than half of the nonfederal share of the costs of
29 such services is the responsibility of the minor's county of
30 residence, the costs of the preadmission diagnostic evaluation,
31 court appointed attorney, and court costs, relating to the
32 services shall be paid by the county of residence.
33 2. Upon receipt of an application for voluntary admission
34 of a minor, the board of supervisors shall provide for a
35 preadmission diagnostic evaluation of the minor to confirm

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1 or establish the need for the admission. The preadmission
2 diagnostic evaluation shall be performed by a person who
3 meets the qualifications of a qualified mental retardation
4 professional who is designated through the ~~central point of~~
5 ~~coordination process~~ regional administrator. Any portion of
6 the cost of the evaluation not paid by the minor or those
7 liable for the minor's support under section 222.78 is the
8 responsibility of the state.
9 4. As soon as practicable after the filing of a petition for
10 approval of the voluntary admission, the court shall determine
11 whether the minor has an attorney to represent the minor in the
12 proceeding. If the minor does not have an attorney, the court
13 shall assign to the minor an attorney. If the minor is unable
14 to pay for an attorney, the attorney shall be compensated by
15 the county or state, as applicable, at an hourly rate to be
16 established ~~by the county board of supervisors~~ in substantially
17 the same manner as provided in section 815.7.
18 Sec. 47. Section 222.22, Code 2011, is amended to read as
19 follows:
20 **222.22 Time of appearance.**
21 The time of appearance shall not be less than five days
22 after completed service unless the court orders otherwise.
23 Appearance on behalf of the person who is alleged to have
24 mental retardation may be made by any citizen of the county
25 or by any relative. The district court shall assign counsel
26 for the person who is alleged to have mental retardation.
27 Counsel shall prior to proceedings personally consult with the
28 person who is alleged to have mental retardation unless the
29 judge appointing counsel certifies that in the judge's opinion,
30 consultation shall serve no useful purpose. The certification
31 shall be made a part of the record. An attorney assigned by
32 the court shall be compensated by the ~~county~~ state at an hourly
33 rate to be established ~~by the county board of supervisors~~ in
34 substantially the same manner as provided in section 815.7.
35 Sec. 48. Section 222.28, Code 2011, is amended to read as

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1 follows:
2 **222.28 Commission to examine.**
3 The court may, at or prior to the final hearing, appoint
4 a commission of one qualified physician and one qualified
5 psychologist, designated through the ~~central point of~~
6 ~~coordination process,~~ regional administrator who shall make
7 a personal examination of the person alleged to be mentally
8 retarded for the purpose of determining the mental condition
9 of the person.
10 Sec. 49. Section 222.31, subsection 1, paragraph b, Code
11 2011, is amended to read as follows:
12 *b.* (1) Commit the person to the state resource center
13 designated by the administrator to serve the county in which
14 the hearing is being held, or to a special unit. The court
15 shall, prior to issuing an order of commitment, request
16 that a diagnostic evaluation of the person be made by ~~the~~
17 ~~superintendent of the resource center or the special unit, or~~
18 ~~the superintendent's qualified designee~~ a person qualified
19 to perform the diagnostic evaluation. ~~The evaluation shall~~
20 ~~be conducted at a place as the superintendent may direct.~~
21 ~~The cost of the evaluation shall be defrayed by the county~~
22 ~~of legal settlement unless otherwise ordered by the court.~~
23 The cost of the evaluation to be charged may be equal to but
24 shall not exceed the actual cost of the evaluation. ~~Persons~~
25 ~~referred by a court to a resource center or the special unit~~
26 ~~for diagnostic evaluation shall be considered as outpatients of~~
27 ~~the institution. No order of commitment shall be issued unless~~
28 ~~the superintendent of the institution recommends that the order~~
29 ~~be issued, and advises the court that adequate facilities for~~
30 ~~the care of the person are available.~~
31 (2) The court shall examine the report of the county
32 attorney filed pursuant to section 222.13, and if the report
33 shows that neither the person nor those liable for the person's
34 support under section 222.78 are presently able to pay the
35 charges rising out of the person's care in a resource center,

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1 or special treatment unit, shall enter an order stating that
2 finding and directing that the charges be paid by the person's
3 county of residence or the state, as determined in accordance
4 with section 222.60. The court ~~may~~, upon request of the ~~board~~
5 ~~of supervisors~~ payer of the charges, may review its finding at
6 any subsequent time while the person remains at the resource
7 center, or is otherwise receiving care or treatment for which
8 this chapter obligates the ~~county~~ payer to pay. If the court
9 finds upon review that the person or those legally responsible
10 for the person are presently able to pay the expenses, that
11 finding shall apply only to the charges incurred during the
12 period beginning on the date of the ~~board's~~ payer's request
13 for the review and continuing ~~thereafter~~ after that date,
14 unless and until the court again changes its finding. If the
15 court finds that the person, or those liable for the person's
16 support, are able to pay the charges, the court shall enter
17 an order directing that the charges be so paid to the extent
18 required by section 222.78.
19 Sec. 50. Section 222.49, Code 2011, is amended to read as
20 follows:
21 **222.49 Costs paid.**
22 The costs of proceedings shall be ~~defrayed from the county~~
23 ~~treasury~~ paid by the county or the state, as determined in
24 accordance with section 222.60, unless otherwise ordered by
25 the court. When the person alleged to be mentally retarded
26 is found not to be mentally retarded, the court shall render
27 judgment for such costs against the person filing the petition
28 except when the petition is filed by order of court.
29 Sec. 51. Section 222.50, Code 2011, is amended to read as
30 follows:
31 **222.50 County of ~~legal settlement~~ residence or state to pay.**
32 When the proceedings are instituted in a county in which
33 the person who is alleged to have mental retardation was found
34 but which is not the county of ~~legal settlement~~ residence of
35 the person, and the costs are not taxed to the petitioner, the

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1 person's county ~~which is the legal settlement of the person~~
2 of residence or the state, as determined in accordance with
3 section 222.60, shall, on presentation of a properly itemized
4 bill for such costs, repay the costs to the former county.
5 ~~When the person's legal settlement is outside the state or is~~
6 ~~unknown, the costs shall be paid out of money in the state~~
7 ~~treasury not otherwise appropriated, itemized on vouchers~~
8 ~~executed by the auditor of the county which paid the costs, and~~
9 ~~approved by the administrator.~~
10 Sec. 52. Section 222.59, subsection 1, unnumbered paragraph
11 1, Code 2011, is amended to read as follows:
12 Upon receiving a request from an authorized requester, the
13 superintendent of a state resource center shall coordinate
14 with the ~~central point of coordination process~~ regional
15 administrator in assisting the requester in identifying
16 available community-based services as an alternative to
17 continued placement of a patient in the state resource center.
18 For the purposes of this section, *"authorized requester"* means
19 the parent, guardian, or custodian of a minor patient, the
20 guardian of an adult patient, or an adult patient who does not
21 have a guardian. The assistance shall identify alternatives
22 to continued placement which are appropriate to the patient's
23 needs and shall include but are not limited to any of the
24 following:
25 Sec. 53. Section 222.60, subsection 1, Code 2011, is amended
26 to read as follows:
27 1. All necessary and legal expenses for the cost of
28 admission or commitment or for the treatment, training,
29 instruction, care, habilitation, support and transportation of
30 persons with mental retardation, as provided for in the ~~county~~
31 regional mental health and disability services management plan
32 provisions implemented pursuant to ~~section 331.439, subsection~~
33 ~~1~~ chapter 331, in a state resource center, or in a special
34 unit, or any public or private facility within or without the
35 state, approved by the director ~~of the department~~ of human

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1 services, shall be paid by either:
2 *a.* The person's county ~~in which such person has legal~~
3 ~~settlement as defined in section 252.16~~ of residence unless the
4 expenses are covered by the medical assistance program under
5 chapter 249A.
6 *b.* The state when ~~such~~ the person ~~has no legal settlement~~
7 ~~or when such settlement is unknown~~ is a resident in another
8 state or in a foreign country, the residence is unknown, or the
9 expenses are covered by the medical assistance program under
10 chapter 249A. The payment responsibility shall be deemed to be
11 a state case.
12 Sec. 54. Section 222.60, subsection 2, Code 2011, is amended
13 to read as follows:
14 2. *a.* Prior to a county of ~~legal settlement~~ residence
15 approving the payment of expenses for a person under this
16 section, the county may require that the person be diagnosed
17 to determine if the person has mental retardation or that
18 the person be evaluated to determine the appropriate level
19 of services required to meet the person's needs relating to
20 mental retardation. The diagnosis and the evaluation may be
21 performed concurrently and shall be performed by an individual
22 or individuals approved by the county who are qualified
23 to perform the diagnosis or the evaluation. Following the
24 initial approval for payment of expenses, the county ~~of legal~~
25 ~~settlement~~ may require that an evaluation be performed at
26 reasonable time periods.
27 *b.* The cost of a county-required diagnosis and an evaluation
28 is at the county's expense. In the case of a ~~person without~~
29 ~~legal settlement or whose legal settlement is unknown~~ service
30 covered under the medical assistance program, the state
31 may apply the diagnosis and evaluation provisions of this
32 subsection at the state's expense.
33 *c.* A diagnosis or an evaluation under this section may be
34 part of a ~~county's central point of coordination process under~~
35 ~~section 331.440,~~ regional service management plan provided that

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a diagnosis is performed only by an individual qualified as provided in this section.

Sec. 55. Section 222.61, Code 2011, is amended to read as follows:

222.61 ~~Legal settlement~~ Residency determined.

When a county receives an application on behalf of any person for admission to a resource center or a special unit or when a court issues an order committing any person to a resource center or a special unit, the board of supervisors shall ~~utilize~~ refer the determination of residency to the ~~central point of coordination process~~ regional administrator to determine and certify that the ~~legal settlement~~ residence of the person is in one of the following:

1. In the county in which the application is received or in which the court is located.

2. In some other county of the state.

3. In another state or in a foreign country.

4. Unknown.

Sec. 56. Section 222.62, Code 2011, is amended to read as follows:

222.62 ~~Settlement~~ Residency in another county.

When the ~~board of supervisors determines through the central point of coordination process~~ regional administrator determines that the ~~legal settlement~~ residency of the person is other than in the county in which the application is received, the determination shall be certified to the superintendent of the resource center or the special unit where the person is a patient. The certification shall be accompanied by a copy of the evidence supporting the determination. The superintendent shall charge the expenses already incurred and unadjusted, and all future expenses of the patient, to the county certified to be the county of ~~legal settlement~~ residency.

Sec. 57. Section 222.63, Code 2011, is amended to read as follows:

222.63 Finding of ~~settlement~~ residency — objection.

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A ~~board of supervisors'~~ certification ~~utilizing~~ of the ~~central point of coordination process~~ county's regional administrator that a person's ~~legal settlement~~ residency is in another county shall be sent ~~by the board of supervisors~~ to the auditor of the county of ~~legal settlement~~ residence. The certification shall be accompanied by a copy of the evidence supporting the determination. The auditor of the county of ~~legal settlement~~ residence shall submit the certification to the ~~board of supervisors~~ regional administrator of the auditor's county and it shall be conclusively presumed that the patient has ~~a legal settlement~~ residency in that county unless that county disputes the determination of ~~legal settlement~~ residency as provided in section ~~225C.8~~ 331.438F.

Sec. 58. Section 222.64, Code 2011, is amended to read as follows:

222.64 Foreign state or country or unknown ~~legal settlement~~ residency.

If the ~~legal settlement~~ residency of the person is determined by ~~the board of supervisors through the central point of coordination process~~ a county or the state to be in a foreign state or country or is determined to be unknown, the ~~board of supervisors~~ county or the state shall certify the determination to the administrator. The certification shall be accompanied by a copy of the evidence supporting the determination. The care of the person shall be as arranged by the ~~board of supervisors~~ county or the state or by an order as the court may enter. Application for admission or order of commitment may be made pending investigation by the administrator.

Sec. 59. Section 222.65, Code 2011, is amended to read as follows:

222.65 Investigation.

If an application is made for placement of a person in a state resource center or special unit, the department's administrator shall immediately investigate the ~~legal~~

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1 ~~settlement~~ residency of the person and proceed as follows:
2 1. If the administrator concurs with a certified
3 determination as to ~~legal settlement~~ residency of the person
4 so that the person is deemed a state case under section
5 222.60, the administrator shall cause the person either to be
6 transferred to a resource center or a special unit or to be
7 transferred to the place of foreign ~~settlement~~ residency.
8 2. If the administrator disputes a certified determination
9 of ~~legal settlement~~ residency, the administrator shall order
10 the person transferred to a state resource center or a special
11 unit until the dispute is resolved.
12 3. If the administrator disputes a certified determination
13 of ~~legal settlement~~ residency, the administrator shall utilize
14 the procedure provided in section ~~225C.8~~ 331.438F to resolve
15 the dispute. A determination of the person's ~~legal settlement~~
16 residency status made pursuant to section ~~225C.8~~ 331.438F is
17 conclusive.
18 Sec. 60. Section 222.66, Code 2011, is amended to read as
19 follows:
20 **222.66 Transfers — state cases — expenses.**
21 1. The transfer to a resource center or a special unit or
22 to the place of ~~legal settlement~~ residency of a person with
23 mental retardation who has no ~~legal settlement~~ residence in
24 this state or whose ~~legal settlement~~ residency is unknown,
25 shall be made in accordance with such directions as shall
26 be prescribed by the administrator and when practicable by
27 employees of the state resource center or the special unit.
28 The actual and necessary expenses of such transfers shall be
29 paid by the department on itemized vouchers sworn to by the
30 claimants and approved by the administrator and the approved
31 amount is appropriated to the department from any funds in the
32 state treasury not otherwise appropriated.
33 2. The case of a person with mental retardation who
34 is determined to have no residence in this state or whose
35 residence is unknown shall be considered a state case.

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1 Sec. 61. Section 222.67, Code 2011, is amended to read as
2 follows:
3 **222.67 Charge on finding of ~~settlement~~ residency.**
4 If a person has been received into a resource center or a
5 special unit as a patient whose ~~legal settlement is supposedly~~
6 ~~outside the state or~~ residency is unknown and the administrator
7 determines that the ~~legal settlement~~ residency of the patient
8 was at the time of admission or commitment in a county of
9 this state, the administrator shall certify the determination
10 and charge all legal costs and expenses pertaining to the
11 admission or commitment and support of the patient to the
12 county of ~~legal settlement~~ residence. The certification shall
13 be sent to the county of ~~legal settlement~~ residence. The
14 certification shall be accompanied by a copy of the evidence
15 supporting the determination. If the person's ~~legal settlement~~
16 residency status has been determined in accordance with section
17 ~~225C.8~~ 331.438F, the legal costs and expenses shall be charged
18 to the county or as a state case in accordance with that
19 determination. The costs and expenses shall be collected as
20 provided by law in other cases.
21 Sec. 62. Section 222.68, Code 2011, is amended to read as
22 follows:
23 **222.68 Costs paid in first instance.**
24 All necessary and legal expenses for the cost of admission
25 or commitment of a person to a resource center or a special
26 unit when the person's ~~legal settlement~~ residency is found to
27 be in another county of this state shall in the first instance
28 be paid by the county from which the person was admitted or
29 committed. The county of ~~legal settlement~~ residence shall
30 reimburse the county which pays for all such expenses. ~~Where~~
31 ~~any~~ If a county fails to make such reimbursement within
32 forty-five days following submission of a properly itemized
33 bill to the county of ~~legal settlement~~ residence, a penalty of
34 not greater than one percent per month on and after forty-five
35 days from submission of the bill may be added to the amount

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1 due.
2 Sec. 63. Section 222.69, Code 2011, is amended to read as
3 follows:
4 **222.69 Payment by state.**
5 ~~All~~ The amount necessary to pay the necessary and legal
6 expenses ~~for the cost~~ of admission or commitment of a person
7 to a resource center or a special unit when the person's ~~legal~~
8 ~~settlement~~ residence is outside this state or is unknown ~~shall~~
9 ~~be paid out of~~ is appropriated to the department from any
10 money in the state treasury not otherwise appropriated. Such
11 payments shall be made by the department on itemized vouchers
12 executed by the auditor of the county from which the expenses
13 have been paid and approved by the administrator.
14 Sec. 64. Section 222.70, Code 2011, is amended to read as
15 follows:
16 **222.70 ~~Legal settlement~~ Residency disputes.**
17 If a dispute arises between counties or between the
18 department and a county as to the ~~legal settlement~~ residency
19 of a person admitted or committed to a resource center, a
20 special unit, or a community-based service, the dispute shall
21 be resolved as provided in section ~~225C.8~~ 331.438F.
22 Sec. 65. Section 222.77, Code 2011, is amended to read as
23 follows:
24 **222.77 Patients on leave.**
25 The cost of support of patients placed on convalescent leave
26 or removed as a habilitation measure from a resource center,
27 or a special unit, except when living in the home of a person
28 legally bound for the support of the patient, shall be paid
29 by the county of ~~legal settlement~~ residence or the state as
30 provided in section 222.60. ~~If the patient has no county of~~
31 ~~legal settlement, the cost shall be paid from the support fund~~
32 ~~of the resource center or special unit and charged on abstract~~
33 ~~in the same manner as other state inpatients until the patient~~
34 ~~becomes self-supporting or qualifies for support under other~~
35 ~~statutes.~~

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1 Sec. 66. Section 222.78, Code 2011, is amended to read as
2 follows:
3 **222.78 Parents and others liable for support.**
4 1. The father and mother of any patient admitted or
5 committed to a resource center or to a special unit, as
6 either an inpatient or an outpatient, and any person, firm, or
7 corporation bound by contract made for support of the patient
8 are liable for the support of the patient. The patient and
9 those legally bound for the support of the patient shall be
10 liable to the county or state, as applicable, for all sums
11 advanced ~~by the county to the state under~~ in accordance with
12 the provisions of sections 222.60 and 222.77.
13 2. The liability of any person, other than the patient,
14 who is legally bound for the support of a patient who is under
15 eighteen years of age in a resource center or a special unit
16 shall not exceed the average minimum cost of the care of a
17 normally intelligent minor without a disability of the same
18 age and sex as the minor patient. The administrator shall
19 establish the scale for this purpose but the scale shall not
20 exceed the standards for personal allowances established by
21 the state division under the family investment program. The
22 father or mother shall incur liability only during any period
23 when the father or mother either individually or jointly
24 receive a net income from whatever source, commensurate with
25 that upon which they would be liable to make an income tax
26 payment to this state. The father or mother of a patient shall
27 not be liable for the support of the patient upon the patient
28 attaining eighteen years of age. Nothing in this section
29 shall be construed to prevent a relative or other person
30 from voluntarily paying the full actual cost as established
31 by the administrator for caring for the patient with mental
32 retardation.
33 Sec. 67. Section 222.79, Code 2011, is amended to read as
34 follows:
35 **222.79 Certification statement presumed correct.**

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In actions to enforce the liability imposed by section 222.78, ~~the certification statement sent from~~ the superintendent ~~to the county auditor pursuant to section 222.74~~ or the county of residence, as applicable, shall submit a certification statement stating the sums charged ~~in such cases~~ and the certification statement shall be considered presumptively correct.

Sec. 68. Section 222.80, Code 2011, is amended to read as follows:

222.80 Liability to county or state.

A person admitted or committed to a county institution or home or admitted or committed at county or state expense to a private hospital, sanitarium, or other facility for treatment, training, instruction, care, habilitation, and support as a patient with mental retardation shall be liable to the county or state, as applicable, for the reasonable cost of the support as provided in section 222.78.

Sec. 69. Section 222.82, Code 2011, is amended to read as follows:

222.82 Collection of liabilities and claims.

~~The~~ If liabilities and claims exist as provided in section 222.78 or other provision of this chapter, the county of residence or the state, as applicable, may proceed as provided in this section. If the liabilities and claims are owed to a county of residence, the county's board of supervisors ~~of each county~~ may direct the county attorney to proceed with the collection of ~~said~~ the liabilities and claims as a part of the duties of the county attorney's office when the board of supervisors deems such action advisable. If the liabilities and claims are owed to the state, the state shall proceed with the collection. The board of supervisors or the state, as applicable, may ~~and is hereby empowered to~~ compromise any and all liabilities to the county or state arising under this chapter when such compromise is deemed to be in the best interests of the county or state. Any collections and liens

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1 shall be limited in conformance to section 614.1, subsection 4.
2 Sec. 70. Section 222.86, Code 2011, is amended to read as
3 follows:
4 **222.86 Payment for care from fund.**
5 If a patient is not receiving medical assistance under
6 chapter 249A and the amount in the account of any patient
7 in the patients' personal deposit fund exceeds two hundred
8 dollars, the business manager of the resource center or special
9 unit may apply any amount of the excess to reimburse the
10 county of ~~legal settlement or the state in a case where no~~
11 ~~legal settlement exists~~ residence for liability incurred by
12 the county or the state for the payment of care, support, and
13 maintenance of the patient, when billed by the county ~~of legal~~
14 ~~settlement or by the administrator for a patient having no~~
15 ~~legal settlement~~ or state, as applicable.
16 Sec. 71. Section 222.92, subsection 3, paragraph a, Code
17 2011, is amended to read as follows:
18 *a.* Moneys received by the state from billings to counties
19 ~~under section 222.73~~.
20 Sec. 72. Section 225.11, Code 2011, is amended to read as
21 follows:
22 **225.11 Initiating commitment procedures.**
23 When a court finds upon completion of a hearing held pursuant
24 to section 229.12 that the contention that a respondent is
25 seriously mentally impaired has been sustained by clear and
26 convincing evidence, and the application filed under section
27 229.6 also contends or the court otherwise concludes that it
28 would be appropriate to refer the respondent to the state
29 psychiatric hospital for a complete psychiatric evaluation and
30 appropriate treatment pursuant to section 229.13, the judge
31 may order that a financial investigation be made in the manner
32 prescribed by section 225.13. If the costs of a respondent's
33 evaluation or treatment are payable in whole or in part by
34 a county, an order under this section shall be for referral
35 of the respondent through the ~~central point of coordination~~

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1 ~~process~~ regional administrator for an evaluation and referral
2 of the respondent to an appropriate placement or service, which
3 may include the state psychiatric hospital for additional
4 evaluation or treatment. For purposes of this chapter, ~~*"central*~~
5 ~~*point of coordination process"*~~ *"regional administrator"* means the
6 same as defined in section ~~331.440~~ 331.438A.
7 Sec. 73. Section 225.15, Code 2011, is amended to read as
8 follows:
9 **225.15 Examination and treatment.**
10 1. When a respondent arrives at the state psychiatric
11 hospital, the admitting physician shall examine the respondent
12 and determine whether or not, in the physician's judgment, the
13 respondent is a fit subject for observation, treatment, and
14 hospital care. If, upon examination, the physician decides
15 that the respondent should be admitted to the hospital, the
16 respondent shall be provided a proper bed in the hospital;
17 and the physician who has charge of the respondent shall
18 proceed with observation, medical treatment, and hospital care
19 as in the physician's judgment are proper and necessary, in
20 compliance with sections 229.13 to 229.16.
21 2. A proper and competent nurse shall also be assigned to
22 look after and care for the respondent during observation,
23 treatment, and care. Observation, treatment, and hospital care
24 under this section which are payable in whole or in part by a
25 county shall only be provided as determined through the ~~central~~
26 ~~point of coordination process~~ county's regional administrator.
27 Sec. 74. Section 225.17, subsection 2, Code 2011, is amended
28 to read as follows:
29 2. When the respondent arrives at the hospital, the
30 respondent shall receive the same treatment as is provided for
31 committed public patients in section 225.15, in compliance with
32 sections 229.13 to 229.16. However, observation, treatment,
33 and hospital care under this section of a respondent whose
34 expenses are payable in whole or in part by a county shall
35 only be provided as determined through the ~~central point of~~

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1 ~~coordination process~~ county's regional administrator.
2 Sec. 75. Section 225.23, Code 2011, is amended to read as
3 follows:
4 **225.23 Collection for treatment.**
5 If the bills for a committed or voluntary private patient are
6 paid by the state, the state psychiatric hospital shall file a
7 certified copy of the claim for the bills with the ~~auditor of~~
8 ~~the patient's county of residence~~ department of administrative
9 services. The ~~county of residence~~ department shall proceed to
10 collect the claim in the name of the state psychiatric hospital
11 ~~and, when collected, pay the amount collected to the director~~
12 ~~of the department of administrative services~~. ~~The hospital~~
13 ~~shall also, at the same time, forward a duplicate of the claim~~
14 ~~to the director of the department of administrative services.~~
15 Sec. 76. Section 225C.2, subsection 2, Code 2011, is amended
16 by striking the subsection.
17 Sec. 77. Section 225C.2, Code 2011, is amended by adding the
18 following new subsection:
19 NEW SUBSECTION. 9. *"Regional administrator"* means the same
20 as defined in section 331.438A.
21 Sec. 78. Section 225C.5, subsection 1, paragraph f, Code
22 Supplement 2011, is amended to read as follows:
23 *f.* Two members shall be ~~administrators of the central point~~
24 ~~of coordination process established in accordance with section~~
25 ~~331.440~~ regional administrator staff selected from nominees
26 submitted by the community services affiliate of the Iowa state
27 association of counties.
28 Sec. 79. Section 225C.6, subsection 1, paragraph b, Code
29 Supplement 2011, is amended to read as follows:
30 *b.* Adopt necessary rules pursuant to chapter 17A which
31 relate to disability programs, core disability services, and
32 other services, including but not limited to definitions of
33 each disability included within the term *"disability services"*
34 as necessary for purposes of state, county, and regional
35 planning, programs, and services.

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1 Sec. 80. Section 225C.6, subsection 1, paragraph 1, Code
2 Supplement 2011, is amended by striking the paragraph and
3 inserting in lieu thereof the following:
4 *1.* Identify basic financial eligibility standards for the
5 disability services provided by a mental health and disability
6 services region. The initial standards shall be as specified
7 in chapter 331.
8 Sec. 81. Section 225C.6A, Code 2011, is amended to read as
9 follows:
10 **225C.6A Disability services data system ~~redesign~~.**
11 The commission shall do the following relating to ~~redesign~~
12 ~~of the~~ data concerning the disability services system in the
13 state:
14 ~~1. Identify sources of revenue to support statewide~~
15 ~~delivery of core disability services to eligible disability~~
16 ~~populations.~~
17 ~~2. Ensure there is a continuous improvement process for~~
18 ~~development and maintenance of the disability services system~~
19 ~~for adults and children. The process shall include but is not~~
20 ~~limited to data collection and reporting provisions.~~
21 ~~3. *a.*~~ 1. Plan, collect, and analyze data as necessary to
22 issue cost estimates for serving additional populations and
23 providing core disability services statewide. The department
24 shall maintain compliance with applicable federal and state
25 privacy laws to ensure the confidentiality and integrity of
26 individually identifiable disability services data. The
27 department shall regularly assess the status of the compliance
28 in order to assure that data security is protected.
29 ~~*b.*~~ 2. In implementing a system under this ~~subsection~~
30 section for collecting and analyzing state, county, and private
31 contractor data, the department shall establish a client
32 identifier for the individuals receiving services. The client
33 identifier shall be used in lieu of the individual's name or
34 social security number. The client identifier shall consist of
35 the last four digits of an individual's social security number,

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1 the first three letters of the individual's last name, the
2 individual's date of birth, and the individual's gender in an
3 order determined by the department.
4 ~~c.~~ 3. Each ~~county~~ regional administrator shall regularly
5 report to the department ~~annually on or before December 1, for~~
6 ~~the preceding fiscal year~~ the following information for each
7 individual served: demographic information, expenditure data,
8 and data concerning the services and other support provided to
9 each individual, as specified in administrative rule adopted
10 by the commission.
11 ~~4. Work with county representatives and other qualified~~
12 ~~persons to develop an implementation plan for replacing the~~
13 ~~county of legal settlement approach to determining service~~
14 ~~system funding responsibilities with an approach based upon~~
15 ~~residency. The plan shall address a statewide standard for~~
16 ~~proof of residency, outline a plan for establishing a data~~
17 ~~system for identifying residency of eligible individuals,~~
18 ~~address residency issues for individuals who began residing in~~
19 ~~a county due to a court order or criminal sentence or to obtain~~
20 ~~services in that county, recommend an approach for contesting~~
21 ~~a residency determination, and address other implementation~~
22 ~~issues.~~
23 Sec. 82. Section 225C.14, subsection 1, Code 2011, is
24 amended to read as follows:
25 1. Except in cases of medical emergency, a person shall be
26 admitted to a state mental health institute as an inpatient
27 only after a preliminary diagnostic evaluation performed
28 through the ~~central point of coordination process~~ regional
29 administrator of the person's county of residence has confirmed
30 that the admission is appropriate to the person's mental health
31 needs, and that no suitable alternative method of providing the
32 needed services in a less restrictive setting or in or nearer
33 to the person's home community is currently available. If
34 provided for through the ~~central point of coordination process~~
35 regional administrator, the evaluation may be performed by a

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1 community mental health center or by an alternative diagnostic
2 facility. The policy established by this section shall be
3 implemented in the manner and to the extent prescribed by
4 sections 225C.15, 225C.16 and 225C.17.
5 Sec. 83. Section 225C.16, subsections 2 through 4, Code
6 2011, are amended to read as follows:
7 2. The clerk of the district court in that county shall
8 refer a person applying for authorization for voluntary
9 admission, or for authorization for voluntary admission of
10 another person, in accordance with section 229.42, to the
11 appropriate entity designated through the ~~central point of~~
12 ~~coordination process~~ regional administrator of the person's
13 county of residence under section 225C.14 for the preliminary
14 diagnostic evaluation unless the applicant furnishes a written
15 statement from the appropriate entity which indicates that the
16 evaluation has been performed and that the person's admission
17 to a state mental health institute is appropriate. This
18 subsection does not apply when authorization for voluntary
19 admission is sought under circumstances which, in the opinion
20 of the chief medical officer or that officer's physician
21 designee, constitute a medical emergency.
22 3. Judges of the district court in that county or the
23 judicial hospitalization referee appointed for that county
24 shall so far as possible arrange for the entity designated
25 through the ~~central point of coordination process~~ regional
26 administrator under section 225C.14 to perform a prehearing
27 examination of a respondent required under section 229.8,
28 subsection 3, paragraph "*b*".
29 4. The chief medical officer of a state mental health
30 institute shall promptly submit to the appropriate entity
31 designated through the ~~central point of coordination process~~
32 regional administrator under section 225C.14 a report of the
33 voluntary admission of a patient under the medical emergency
34 clauses of subsections 1 and 2. The report shall explain the
35 nature of the emergency which necessitated the admission of

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1 the patient without a preliminary diagnostic evaluation by the
2 designated entity.
3 Sec. 84. Section 225C.19, subsection 3, paragraph c,
4 subparagraph (4), Code 2011, is amended to read as follows:
5 (4) County ~~central point of coordination processes~~ regional
6 administrators.
7 Sec. 85. Section 226.9C, subsection 1, unnumbered paragraph
8 1, Code Supplement 2011, is amended to read as follows:
9 The state mental health institute at Mount Pleasant shall
10 operate the dual diagnosis mental health and ~~substance~~
11 ~~abuse~~ substance-related disorder treatment program on a net
12 budgeting basis in which fifty percent of the actual per diem
13 and ancillary services costs are chargeable to the patient's
14 county of ~~legal settlement or as a state case, as appropriate~~
15 residence. Subject to the approval of the department, revenues
16 attributable to the dual diagnosis program for each fiscal year
17 shall be deposited in the mental health institute's account
18 and are appropriated to the department for the dual diagnosis
19 program, including but not limited to all of the following
20 revenues:
21 Sec. 86. Section 226.9C, subsection 2, Code Supplement
22 2011, is amended to read as follows:
23 2. The following additional provisions are applicable in
24 regard to the dual diagnosis program:
25 *a.* A county may split the charges between the county's
26 mental health, mental retardation, and developmental
27 disabilities services fund created pursuant to section 331.424A
28 and the county's budget for ~~substance abuse~~ substance-related
29 disorder expenditures.
30 *b.* If an individual is committed to the custody of the
31 department of corrections at the time the individual is
32 referred for dual diagnosis treatment, the department of
33 corrections shall be charged for the costs of treatment.
34 *c.* Prior to an individual's admission for dual diagnosis
35 treatment, the individual shall have been screened through a

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county's ~~central point of coordination process implemented pursuant to section 331.440~~ regional administrator to determine the appropriateness of the treatment.

d. A county shall not be chargeable for the costs of treatment for an individual enrolled in and authorized by or decertified by a managed behavioral care plan under the medical assistance program.

e. Notwithstanding section 8.33, state mental health institute revenues related to the dual diagnosis program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available up to the amount which would allow the state mental health institute to meet credit obligations owed to counties as a result of year-end per diem adjustments for the dual diagnosis program.

Sec. 87. Section 226.45, Code 2011, is amended to read as follows:

226.45 Reimbursement to county or state.

If a patient is not receiving medical assistance under chapter 249A and the amount to the account of any patient in the patients' personal deposit fund exceeds two hundred dollars, the business manager of the hospital may apply any of the excess to reimburse the county of ~~legal settlement or the state in a case where no legal settlement exists~~ residence for liability incurred by the county ~~or the state~~ for the payment of care, support and maintenance of the patient, when billed by the county of ~~legal settlement or by the administrator for a patient having no legal settlement~~ residence.

Sec. 88. Section 227.10, Code 2011, is amended to read as follows:

227.10 Transfers from county or private institutions.

Patients who have been admitted at public expense to any institution to which this chapter is applicable may be involuntarily transferred to the proper state hospital for persons with mental illness in the manner prescribed by sections 229.6 to 229.13. The application required by section

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229.6 may be filed by the administrator of the division or the administrator's designee, or by the administrator of the institution where the patient is then being maintained or treated. If the patient was admitted to that institution involuntarily, the administrator of the division may arrange and complete the transfer, and shall report it as required of a chief medical officer under section 229.15, subsection 5. The transfer shall be made at county expense, and the expense recovered, as provided in section 227.7. However, transfer under this section of a patient whose expenses are payable in whole or in part by a county is subject to an authorization for the transfer through the ~~central point of coordination process~~ county's regional administrator as defined in chapter 331.

Sec. 89. Section 229.1, subsection 3, Code Supplement 2011, is amended by striking the subsection.

Sec. 90. Section 229.1, Code Supplement 2011, is amended by adding the following new subsection:

NEW SUBSECTION. 14A. *"Regional administrator"* means the same as defined in section 331.438A.

Sec. 91. Section 229.1B, Code 2011, is amended to read as follows:

229.1B ~~Central point of coordination process~~ Regional administrator authorization.

Notwithstanding any provision of this chapter to the contrary, any person whose hospitalization expenses are payable in whole or in part by a county shall be subject to all requirements of the ~~central point of coordination process~~ county's regional administrator.

Sec. 92. Section 229.9A, Code 2011, is amended to read as follows:

229.9A Advocate informed.

The court shall direct the clerk to furnish the advocate of the respondent's county of ~~legal settlement~~ residence with a copy of application and any order issued pursuant to section 229.8, subsection 3. The advocate may attend the

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1 hospitalization hearing of any respondent for whom the advocate
2 has received notice of a hospitalization hearing.
3 Sec. 93. Section 229.11, subsection 1, unnumbered paragraph
4 1, Code 2011, is amended to read as follows:
5 If the applicant requests that the respondent be taken into
6 immediate custody and the judge, upon reviewing the application
7 and accompanying documentation, finds probable cause to believe
8 that the respondent has a serious mental impairment and is
9 likely to injure the respondent or other persons if allowed
10 to remain at liberty, the judge may enter a written order
11 directing that the respondent be taken into immediate custody
12 by the sheriff or the sheriff's deputy and be detained until
13 the hospitalization hearing. The hospitalization hearing shall
14 be held no more than five days after the date of the order,
15 except that if the fifth day after the date of the order is
16 a Saturday, Sunday, or a holiday, the hearing may be held
17 on the next succeeding business day. If the expenses of a
18 respondent are payable in whole or in part by a county, for a
19 placement in accordance with paragraph "a", the judge shall give
20 notice of the placement to the ~~central point of coordination~~
21 ~~process~~ county's regional administrator, and for a placement
22 in accordance with paragraph "b" or "c", the judge shall order
23 the placement in a hospital or facility designated through
24 the ~~central point of coordination process~~ county's regional
25 administrator. The judge may order the respondent detained for
26 the period of time until the hearing is held, and no longer,
27 in accordance with paragraph "a", if possible, and if not then
28 in accordance with paragraph "b", or, only if neither of these
29 alternatives is available, in accordance with paragraph "c".
30 Detention may be:
31 Sec. 94. Section 229.12, subsection 2, Code 2011, is amended
32 to read as follows:
33 2. All persons not necessary for the conduct of the
34 proceeding shall be excluded, except that the court may admit
35 persons having a legitimate interest in the proceeding and

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1 shall permit the advocate from the respondent's county of ~~legal~~
2 ~~settlement~~ residence to attend the hearing. Upon motion of the
3 county attorney, the judge may exclude the respondent from the
4 hearing during the testimony of any particular witness if the
5 judge determines that witness's testimony is likely to cause
6 the respondent severe emotional trauma.
7 Sec. 95. Section 229.13, subsection 1, paragraph a, Code
8 2011, is amended to read as follows:
9 *a.* The court shall order a respondent whose expenses are
10 payable in whole or in part by a county placed under the care
11 of an appropriate hospital or facility designated through the
12 ~~central point of coordination process~~ regional administrator
13 of the respondent's county of residence on an inpatient or
14 outpatient basis.
15 Sec. 96. Section 229.14, subsection 2, paragraph a, Code
16 2011, is amended to read as follows:
17 *a.* For a respondent whose expenses are payable in whole
18 or in part by a county, placement as designated through the
19 ~~central point of coordination process~~ regional administrator
20 of the respondent's county of residence in the care of an
21 appropriate hospital or facility on an inpatient or outpatient
22 basis, or other appropriate treatment, or in an appropriate
23 alternative placement.
24 Sec. 97. Section 229.14A, subsections 7 and 9, Code 2011,
25 are amended to read as follows:
26 7. If a respondent's expenses are payable in whole or in
27 part by a county through the ~~central point of coordination~~
28 ~~process~~ regional administrator of the respondent's county of
29 residence, notice of a placement hearing shall be provided
30 to the county attorney and the county's ~~central point of~~
31 ~~coordination process~~ regional administrator. At the hearing,
32 the county may present evidence regarding appropriate
33 placement.
34 9. A placement made pursuant to an order entered under
35 section 229.13 or 229.14 or this section shall be considered to

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be authorized through the ~~central point of coordination process~~ regional administrator.

Sec. 98. Section 229.19, subsection 1, paragraph b, Code 2011, is amended to read as follows:

b. The court or, if the advocate is appointed by the county board of supervisors, the board shall assign the advocate appointed from a patient's county of ~~legal settlement~~ residence to represent the interests of the patient. If a patient has no county of ~~legal settlement~~ residence or the patient's residence is unknown, the court or, if the advocate is appointed by the county board of supervisors, the board shall assign the advocate appointed from the county where the hospital or facility is located to represent the interests of the patient.

Sec. 99. Section 229.24, subsection 3, unnumbered paragraph 1, Code 2011, is amended to read as follows:

If all or part of the costs associated with hospitalization of an individual under this chapter are chargeable to a county of ~~legal settlement~~ residence, the clerk of the district court shall provide to the ~~county of legal settlement~~ regional administrator of the respondent's county of residence and to the regional administrator of the county in which the hospitalization order is entered the following information pertaining to the individual which would be confidential under subsection 1:

Sec. 100. Section 229.31, Code 2011, is amended to read as follows:

229.31 Commission of inquiry.

A sworn complaint, alleging that a named person is not seriously mentally impaired and is unjustly deprived of liberty in any hospital in the state, may be filed by any person with the clerk of the district court of the county in which such named person is so confined, or of the county in which such named person ~~has a legal settlement, and thereupon a~~ is a resident. Upon receiving the complaint, a judge of ~~said~~ that court shall appoint a commission of not more than three persons

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1 to inquire into the truth of ~~said~~ the allegations. One of
2 ~~said~~ the commissioners shall be a physician and if additional
3 commissioners are appointed, one of ~~such~~ the additional
4 commissioners shall be a lawyer.
5 Sec. 101. Section 229.42, Code 2011, is amended to read as
6 follows:
7 **229.42 Costs paid by county.**
8 1. If a person wishing to make application for voluntary
9 admission to a mental hospital established by chapter 226 is
10 unable to pay the costs of hospitalization or those responsible
11 for the person are unable to pay the costs, application for
12 authorization of voluntary admission must be made through a
13 ~~central point of coordination process~~ regional administrator
14 before application for admission is made to the hospital.
15 The person's county of ~~legal settlement~~ residence shall be
16 determined through the ~~central point of coordination process~~
17 county's regional administrator and if the admission is
18 approved through the ~~central point of coordination process~~
19 regional administrator, the person's admission to a mental
20 health hospital shall be authorized as a voluntary case.
21 The authorization shall be issued on forms provided by the
22 administrator. The costs of the hospitalization shall be paid
23 by the county of ~~legal settlement~~ residence to the department
24 of human services and credited to the general fund of the
25 state, provided that the mental health hospital rendering the
26 services has certified to the county auditor of the county
27 of ~~legal settlement~~ residence the amount chargeable to the
28 county and has sent a duplicate statement of the charges to the
29 department of human services. A county shall not be billed
30 for the cost of a patient unless the patient's admission is
31 authorized through the ~~central point of coordination process~~
32 county's regional administrator. The mental health institute
33 and the county shall work together to locate appropriate
34 alternative placements and services, and to educate patients
35 and family members of patients regarding such alternatives.

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1 2. All the provisions of chapter 230 shall apply to such
2 voluntary patients so far as is applicable.
3 3. The provisions of this section and of section 229.41
4 shall apply to all voluntary inpatients or outpatients
5 receiving mental health services either away from or at the
6 institution.
7 4. If a county fails to pay the billed charges within
8 forty-five days from the date the county auditor received the
9 certification statement from the superintendent, the department
10 of human services shall charge the delinquent county the
11 penalty of one percent per month on and after forty-five days
12 from the date the county received the certification statement
13 until paid. The penalties received shall be credited to the
14 general fund of the state.
15 Sec. 102. Section 229.43, Code 2011, is amended to read as
16 follows:
17 **229.43 ~~Nonresidents or no-settlement~~ Nonresident patients.**
18 The administrator may place patients of mental health
19 institutes ~~who have no county of legal settlement,~~ who
20 are nonresidents~~, or whose legal settlement is unknown~~ on
21 convalescent leave to a private sponsor or in a health care
22 facility licensed under chapter 135C, when in the opinion
23 of the administrator the placement is in the best interests
24 of the patient and the state of Iowa. If the patient was
25 involuntarily hospitalized, the district court which ordered
26 hospitalization of the patient must be informed when the
27 patient is placed on convalescent leave, as required by section
28 229.15, subsection 5.
29 Sec. 103. Section 230.1, Code 2011, is amended to read as
30 follows:
31 **230.1 Liability of county and state.**
32 1. The necessary and legal costs and expenses attending
33 the taking into custody, care, investigation, admission,
34 commitment, and support of a person with mental illness
35 admitted or committed to a state hospital shall be paid by a

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county or by the state as follows:

a. ~~By the county in which such person has a legal settlement, if~~ If the person is eighteen years of age or older, by the person's county of residence unless the costs and expenses are covered by the medical assistance program under chapter 249A or the person is described by paragraph *"b"*.

b. By the state ~~when~~ if such person has no ~~legal settlement~~ residence in this state, ~~when~~ if the person's ~~legal settlement~~ residence is unknown, ~~or~~ if the costs and expenses are covered by the medical assistance program under chapter 249A, or if the person is under eighteen years of age.

2. The ~~legal settlement~~ county of residence of any person ~~found mentally ill~~ with mental illness who is a patient of any state institution shall be ~~that~~ the person's county of residence existing at the time of admission ~~thereto~~ to the institution.

3. A county of ~~legal settlement~~ residence is not liable for costs and expenses associated with a person with mental illness unless the costs and expenses are for services and other support authorized for the person through the ~~central point of coordination process~~ county's regional administrator. For the purposes of this chapter, ~~*"central point of coordination process"*~~ *"regional administrator"* means the same as defined in section ~~331.440~~ 331.438A.

Sec. 104. Section 230.2, Code 2011, is amended to read as follows:

230.2 Finding of ~~legal settlement~~ residence.

If a person's ~~legal settlement~~ residency status is disputed, ~~legal settlement~~ the residency shall be determined in accordance with section ~~225C.8~~ 331.438F. Otherwise, the district court may, when the person is ordered placed in a hospital for psychiatric examination and appropriate treatment, or as soon thereafter as the court obtains the proper information, determine and enter of record whether the ~~legal settlement~~ residence of the person is one of the following:

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1. In the county from which the person was placed in the hospital~~;~~.

2. In ~~some other~~ another county of the state~~;~~.

3. In ~~some~~ a foreign state or country~~; or~~.

4. Unknown.

Sec. 105. Section 230.3, Code 2011, is amended to read as follows:

230.3 Certification of settlement.

If a person's ~~legal settlement~~ county of residence is determined ~~through~~ by the county's ~~central point of coordination process~~ regional administrator to be in another county of this state, the ~~county making the determination~~ regional administrator shall certify the determination to the superintendent of the hospital to which the person is admitted or committed. The certification shall be accompanied by a copy of the evidence supporting the determination. Upon receiving the certification, the superintendent shall charge the expenses already incurred and unadjusted, and all future expenses of the person, to the county determined to be the county of ~~legal settlement~~ residence.

Sec. 106. Section 230.4, Code 2011, is amended to read as follows:

230.4 Certification to debtor county.

A determination of a person's ~~legal settlement~~ county of residence made in accordance with section 230.2 or 230.3 shall be sent by the court or the county to the county auditor of the county of ~~legal settlement~~ residence. The certification shall be accompanied by a copy of the evidence supporting the determination. The auditor shall provide the certification to the board of supervisors of the auditor's county, and it shall be conclusively presumed that the person has ~~a legal settlement~~ residence in the notified county unless that county disputes the finding of ~~legal settlement~~ residence as provided in section ~~225C.8~~ 331.438F.

Sec. 107. Section 230.5, Code 2011, is amended to read as

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1 follows:
2 **230.5 Nonresidents.**
3 If a person's ~~legal settlement~~ residence is determined in
4 accordance with section 230.2 or 230.3 to be in a foreign state
5 or country, or is unknown, the court or the ~~county~~ regional
6 administrator shall immediately certify the determination
7 to the department's administrator. The certification shall
8 be accompanied by a copy of the evidence supporting the
9 determination. A court order issued pursuant to section
10 229.13 shall direct that the patient be hospitalized at the
11 appropriate state hospital for persons with mental illness.
12 Sec. 108. Section 230.8, Code 2011, is amended to read as
13 follows:
14 **230.8 Transfers of persons with mental illness — expenses.**
15 The transfer to any state hospitals or to the places of
16 their ~~legal settlement~~ residence of persons with mental illness
17 who have no ~~legal settlement~~ residence in this state or whose
18 ~~legal settlement~~ residence is unknown, shall be made according
19 to the directions of the administrator, and when practicable
20 by employees of the state hospitals~~, and the~~. The actual
21 and necessary expenses of such transfers shall be paid on
22 itemized vouchers sworn to by the claimants and approved by the
23 administrator, and the amount of the expenses is appropriated
24 to the department from any funds in the state treasury not
25 otherwise appropriated.
26 Sec. 109. Section 230.9, Code 2011, is amended to read as
27 follows:
28 **230.9 Subsequent discovery of residence.**
29 If, after a person has been received by a state hospital for
30 persons with mental illness as a ~~state case~~ patient whose ~~legal~~
31 ~~settlement~~ residence is supposed to be outside this state ~~or~~
32 ~~unknown~~, the administrator determines that the ~~legal settlement~~
33 residence of the person was, at the time of admission or
34 commitment, in a county of this state, the administrator shall
35 certify the determination and charge all legal costs and

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1 expenses pertaining to the admission or commitment and support
2 of the person to the county of ~~legal settlement~~ residence. The
3 certification shall be sent to the county of ~~legal settlement~~
4 residence. The certification shall be accompanied by a copy
5 of the evidence supporting the determination. The costs and
6 expenses shall be collected as provided by law in other cases.
7 If the person's ~~legal settlement~~ residency status has been
8 determined in accordance with section ~~225C.8~~ 331.438F, the
9 legal costs and expenses shall be charged to the county ~~or as a~~
10 ~~state case~~ of residence in accordance with that determination.
11 Sec. 110. Section 230.10, Code 2011, is amended to read as
12 follows:
13 **230.10 Payment of costs.**
14 All legal costs and expenses attending the taking into
15 custody, care, investigation, and admission or commitment of
16 a person to a state hospital for persons with mental illness
17 under a finding that ~~such~~ the person has ~~a legal settlement~~
18 residency in another county of this state shall be charged
19 against the county of ~~legal settlement~~ residence.
20 Sec. 111. Section 230.11, Code 2011, is amended to read as
21 follows:
22 **230.11 Recovery of costs from state.**
23 Costs and expenses attending the taking into custody,
24 care, and investigation of a person who has been admitted
25 or committed to a state hospital, United States department
26 of veterans affairs hospital, or other agency of the United
27 States government, for persons with mental illness and who
28 has no ~~legal settlement~~ residence in this state or whose
29 ~~legal settlement~~ residence is unknown, including cost of
30 commitment, if any, shall be paid ~~out of~~ as approved by the
31 administrator. The amount of the costs and expenses approved
32 by the administrator is appropriated to the department from
33 any money in the state treasury not otherwise appropriated, on
34 itemized vouchers executed by the auditor of the county which
35 has paid them, and approved by the administrator.

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1 Sec. 112. Section 230.12, Code 2011, is amended to read as
2 follows:
3 **230.12 ~~Legal settlement~~ Residency disputes.**
4 If a dispute arises between different counties or between
5 the administrator and a county as to the ~~legal settlement~~
6 residence of a person admitted or committed to a state hospital
7 for persons with mental illness, the dispute shall be resolved
8 as provided in section ~~225C.8~~ 331.438F.
9 Sec. 113. Section 230.20, subsection 2, paragraph b, Code
10 2011, is amended to read as follows:
11 *b.* The per diem costs billed to each county shall not exceed
12 the per diem costs billed to the county in the fiscal year
13 beginning July 1, 1996. However, the per diem costs billed
14 to a county may be adjusted annually to reflect increased
15 costs to the extent of the percentage increase in the total
16 of county fixed budgets pursuant to the allowed growth factor
17 adjustment authorized by the general assembly for the fiscal
18 year in accordance with section 331.439, Code 2011, and annual
19 percentage increases in state support provided to the regional
20 mental health and disability service system under chapter 331.
21 Sec. 114. Section 230.32, Code 2011, is amended to read as
22 follows:
23 **230.32 Support of nonresident patients on leave.**
24 The cost of support of patients without ~~legal settlement~~
25 residence in this state, who are placed on convalescent
26 leave or removed from a state mental institute to any health
27 care facility licensed under chapter 135C for rehabilitation
28 purposes, shall be paid from the hospital support fund
29 and shall be charged on abstract in the same manner as
30 state inpatients, until such time as the patient becomes
31 self-supporting or qualifies for support under existing
32 statutes.
33 Sec. 115. Section 231.56A, subsection 2, Code 2011, is
34 amended to read as follows:
35 2. The target population of the projects shall be any

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1 older individual residing in Iowa who is at risk of or who is
2 experiencing abuse, neglect, or exploitation which may include
3 but is not limited to an older individual who is the subject of
4 a report of suspected dependent adult abuse pursuant to chapter
5 235B. This subsection shall not apply to an older individual
6 who is receiving assistance under a ~~county management plan~~
7 ~~approved pursuant to section 331.439~~ regional mental health and
8 disability services system under chapter 331.
9 Sec. 116. Section 232.2, subsection 4, paragraph f,
10 subparagraph (3), Code 2011, is amended to read as follows:
11 (3) The transition plan shall be developed and reviewed
12 by the department in collaboration with a child-centered
13 transition team. The transition team shall be comprised of
14 the child's caseworker and persons selected by the child,
15 persons who have knowledge of services available to the child,
16 and any person who may reasonably be expected to be a service
17 provider for the child when the child becomes an adult or to
18 become responsible for the costs of services at that time.
19 If the child is reasonably likely to need or be eligible for
20 adult services, the transition team membership shall include
21 representatives from the adult services system. The adult
22 services system representatives may include but are not
23 limited to the administrator of county general relief under
24 chapter 251 or 252 or ~~of~~ the ~~central point of coordination~~
25 ~~process implemented under section 331.440~~ county's regional
26 administrator under chapter 331. The membership of the
27 transition team and the meeting dates for the team shall be
28 documented in the transition plan.
29 Sec. 117. Section 235.7, subsection 2, Code 2011, is amended
30 to read as follows:
31 2. *Membership.* The department may authorize the governance
32 boards of decategorization of child welfare and juvenile
33 justice funding projects established under section 232.188 to
34 appoint the transition committee membership and may utilize
35 the boundaries of decategorization projects to establish

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1 the service areas for transition committees. The committee
2 membership may include but is not limited to department of
3 human services staff involved with foster care, child welfare,
4 and adult services, juvenile court services staff, staff
5 involved with county general relief under chapter 251 or 252,
6 or ~~of~~ the ~~central point of coordination process~~ regional
7 mental health and disability services implemented under
8 ~~section 331.440~~ chapter 331, school district and area education
9 agency staff involved with special education, and a child's
10 court appointed special advocate, guardian ad litem, service
11 providers, and other persons knowledgeable about the child.
12 Sec. 118. Section 235A.15, subsection 2, paragraph c,
13 subparagraph (9), Code Supplement 2011, is amended to read as
14 follows:
15 (9) To the administrator of an agency providing mental
16 health, mental retardation, or developmental disability
17 services under a ~~county~~ regional mental health and disability
18 services management plan developed pursuant to ~~section 331.439~~
19 chapter 331, if the data concerns a person employed by or being
20 considered by the agency for employment.
21 Sec. 119. Section 235B.6, subsection 2, paragraph c,
22 subparagraph (6), Code Supplement 2011, is amended to read as
23 follows:
24 (6) To the administrator of an agency providing mental
25 health, mental retardation, or developmental disability
26 services under a ~~county~~ regional mental health and disability
27 services management plan developed pursuant to ~~section 331.439~~
28 chapter 331, if the information concerns a person employed by
29 or being considered by the agency for employment.
30 Sec. 120. Section 249A.12, Code 2011, is amended to read as
31 follows:
32 **249A.12 Assistance to persons with mental retardation —**
33 **state cases.**
34 1. Assistance may be furnished under this chapter to an
35 otherwise eligible recipient who is a resident of a health

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1 care facility licensed under chapter 135C and certified as an
2 intermediate care facility for persons with mental retardation.
3 ~~2. A county shall reimburse the department on a monthly~~
4 ~~basis for that portion of the cost of assistance provided~~
5 ~~under this section to a recipient with legal settlement in~~
6 ~~the county, which is not paid from federal funds, if the~~
7 ~~recipient's placement has been approved by the appropriate~~
8 ~~review organization as medically necessary and appropriate.~~
9 ~~The department's goal for the maximum time period for~~
10 ~~submission of a claim to a county is not more than sixty~~
11 ~~days following the submission of the claim by the provider~~
12 ~~of the service to the department. The department's goal for~~
13 ~~completion and crediting of a county for cost settlement for~~
14 ~~the actual costs of a service under a home and community-based~~
15 ~~services waiver is within two hundred seventy days of the close~~
16 ~~of a fiscal year for which cost reports are due from providers.~~
17 ~~The department shall place all reimbursements from counties~~
18 ~~in the appropriation for medical assistance, and may use the~~
19 ~~reimbursed funds in the same manner and for any purpose for~~
20 ~~which the appropriation for medical assistance may be used.~~
21 ~~3.~~ 2. If a county ~~reimburses~~ reimbursed the department for
22 medical assistance provided under this section, Code 2011, and
23 the amount of medical assistance is subsequently repaid through
24 a medical assistance income trust or a medical assistance
25 special needs trust as defined in section 633C.1, the
26 department shall reimburse the county on a proportionate basis.
27 The department shall adopt rules to implement this subsection.
28 ~~4.~~ 3. *a.* Effective July 1, 1995, the state shall be
29 responsible for all of the nonfederal share of the costs of
30 intermediate care facility for persons with mental retardation
31 services provided under medical assistance to minors.
32 Notwithstanding ~~subsection 2 and~~ contrary provisions of section
33 222.73, Code 2011, effective July 1, 1995, a county is not
34 required to reimburse the department and shall not be billed
35 for the nonfederal share of the costs of such services provided

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1 to minors.
2 *b.* The state shall be responsible for all of the nonfederal
3 share of medical assistance home and community-based services
4 waivers for persons with intellectual disabilities services
5 provided to minors, and a county is not required to reimburse
6 the department and shall not be billed for the nonfederal share
7 of the costs of the services.
8 *c.* Effective February 1, 2002, the state shall be
9 responsible for all of the nonfederal share of the costs of
10 intermediate care facility for persons with mental retardation
11 services provided under medical assistance attributable to the
12 assessment fee for intermediate care facilities for individuals
13 with mental retardation imposed pursuant to section 249A.21.
14 ~~Notwithstanding subsection 2, effective~~ Effective February 1,
15 2003, a county is not required to reimburse the department and
16 shall not be billed for the nonfederal share of the costs of
17 such services attributable to the assessment fee.
18 ~~5.~~ 4. *a.* The mental health and disability services
19 commission shall recommend to the department the actions
20 necessary to assist in the transition of individuals being
21 served in an intermediate care facility for persons with
22 mental retardation, who are appropriate for the transition,
23 to services funded under a medical assistance home and
24 community-based services waiver for persons with intellectual
25 disabilities in a manner which maximizes the use of existing
26 public and private facilities. The actions may include but are
27 not limited to submitting any of the following or a combination
28 of any of the following as a request for a revision of the
29 medical assistance home and community-based services waiver for
30 persons with intellectual disabilities:
31 (1) Allow for the transition of intermediate care
32 facilities for persons with mental retardation licensed under
33 chapter 135C, to services funded under the medical assistance
34 home and community-based services waiver for persons with
35 intellectual disabilities. The request shall be for inclusion

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1 of additional persons under the waiver associated with the
2 transition.
3 (2) Allow for reimbursement under the waiver for day program
4 or other service costs.
5 (3) Allow for exception provisions in which an intermediate
6 care facility for persons with mental retardation which does
7 not meet size and other facility-related requirements under
8 the waiver in effect on June 30, 1996, may convert to a waiver
9 service for a set period of time such as five years. Following
10 the set period of time, the facility would be subject to the
11 waiver requirements applicable to services which were not
12 operating under the exception provisions.
13 *b.* In implementing the provisions of this subsection, the
14 mental health and disability services commission shall consult
15 with other states. The waiver revision request or other action
16 necessary to assist in the transition of service provision
17 from intermediate care facilities for persons with mental
18 retardation to alternative programs shall be implemented by
19 the department in a manner that can appropriately meet the
20 needs of individuals at an overall lower cost to counties, the
21 federal government, and the state. In addition, the department
22 shall take into consideration significant federal changes to
23 the medical assistance program in formulating the department's
24 actions under this subsection. The department shall consult
25 with the mental health and disability services commission in
26 adopting rules for oversight of facilities converted pursuant
27 to this subsection. A transition approach described in
28 paragraph *"a"* may be modified as necessary to obtain federal
29 waiver approval.
30 ~~6.~~ 5. *a.* The provisions of the home and community-based
31 services waiver for persons with intellectual disabilities
32 shall include adult day care, prevocational, and transportation
33 services. Transportation shall be included as a separately
34 payable service.
35 *b.* The department of human services shall seek federal

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1 approval to amend the home and community-based services waiver
2 for persons with intellectual disabilities to include day
3 habilitation services. Inclusion of day habilitation services
4 in the waiver shall take effect upon receipt of federal
5 approval.
6 ~~*c.* The person's county of legal settlement shall pay for~~
7 ~~the nonfederal share of the cost of services provided under~~
8 ~~the waiver, and the state shall pay for the nonfederal share~~
9 ~~of such costs if the person has no legal settlement or the~~
10 ~~legal settlement is unknown so that the person is deemed to be~~
11 ~~a state case.~~
12 ~~*d.* The county of legal settlement shall pay for one hundred~~
13 ~~percent of the nonfederal share of the costs of care provided~~
14 ~~for adults which is reimbursed under a home and community-based~~
15 ~~services waiver that would otherwise be approved for provision~~
16 ~~in an intermediate care facility for persons with mental~~
17 ~~retardation provided under the medical assistance program.~~
18 ~~7.~~ 6. When paying the necessary and legal expenses for
19 intermediate care facility for persons with mental retardation
20 services, the cost requirements of section 222.60 shall
21 be considered fulfilled when payment is made in accordance
22 with the medical assistance payment rates established by
23 the department for intermediate care facilities for persons
24 with mental retardation, and the state ~~or a county of legal~~
25 ~~settlement~~ shall not be obligated for any amount in excess of
26 the rates.
27 ~~8.~~ 7. If ~~a person with mental retardation has no legal~~
28 ~~settlement or the legal settlement is unknown so that the~~
29 ~~person is deemed to be a state case and~~ services associated
30 with the mental retardation can be covered under a medical
31 assistance home and community-based services waiver or other
32 medical assistance program provision, the nonfederal share of
33 the medical assistance program costs for such coverage shall
34 be paid from the appropriation made for the medical assistance
35 program.

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1 Sec. 121. Section 249A.26, subsection 2, Code 2011, is
2 amended to read as follows:
3 2. *a.* Except as provided for disallowed costs in section
4 249A.27, the ~~county of legal settlement shall pay for fifty~~
5 ~~percent of the nonfederal share of the cost and the~~ state shall
6 ~~have responsibility for the remaining fifty~~ pay one hundred
7 percent of the nonfederal share of the cost of case management
8 provided to adults, day treatment, and partial hospitalization
9 provided under the medical assistance program for persons
10 with mental retardation, a developmental disability, or
11 chronic mental illness. For purposes of this section, persons
12 with mental disorders resulting from Alzheimer's disease
13 or ~~substance abuse~~ a substance-related disorder shall not
14 be considered ~~chronically mentally ill~~ to be persons with
15 chronic mental illness. ~~To the maximum extent allowed under~~
16 ~~federal law and regulations, the department shall consult with~~
17 ~~and inform a county of legal settlement's central point of~~
18 ~~coordination process, as defined in section 331.440, regarding~~
19 ~~the necessity for and the provision of any service for which~~
20 ~~the county is required to provide reimbursement under this~~
21 ~~subsection.~~
22 *b.* The state shall pay for one hundred percent of the
23 nonfederal share of the costs of case management provided for
24 adults, day treatment, partial hospitalization, and the home
25 and community-based services waiver services for persons who
26 have no ~~legal settlement~~ residence in this state or ~~the legal~~
27 ~~settlement~~ whose residence is unknown so that the persons are
28 deemed to be state cases.
29 *c.* The case management services specified in this subsection
30 shall be paid for by a county only if the services are provided
31 outside of a managed care contract.
32 Sec. 122. Section 249A.26, subsections 3, 4, 7, and 8, Code
33 2011, are amended to read as follows:
34 ~~3. To the maximum extent allowed under federal law and~~
35 ~~regulations, a person with mental illness or mental retardation~~

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1 ~~shall not be eligible for any service which is funded in~~
2 ~~whole or in part by a county share of the nonfederal portion~~
3 ~~of medical assistance funds unless the person is referred~~
4 ~~through the central point of coordination process, as defined~~
5 ~~in section 331.440. However, to the extent federal law allows~~
6 ~~referral of a medical assistance recipient to a service without~~
7 ~~approval of the central point of coordination process, the~~
8 ~~county of legal settlement shall be billed for the nonfederal~~
9 ~~share of costs for any adult person for whom the county would~~
10 ~~otherwise be responsible.~~
11 4. The ~~county of legal settlement~~ state shall pay ~~for~~ one
12 hundred percent of the nonfederal share of the cost of services
13 provided to adult persons with chronic mental illness who
14 qualify for habilitation services in accordance with the rules
15 adopted for the services. ~~The state shall pay for one hundred~~
16 ~~percent of the nonfederal share of the cost of such services~~
17 ~~provided to such persons who have no legal settlement or the~~
18 ~~legal settlement is unknown so that the persons are deemed to~~
19 ~~be state cases.~~
20 ~~7. Unless a county has paid or is paying for the nonfederal~~
21 ~~share of the costs of a person's home and community-based~~
22 ~~waiver services or placement in an intermediate care facility~~
23 ~~for persons with mental retardation under the county's mental~~
24 ~~health, mental retardation, and developmental disabilities~~
25 ~~services fund, or unless a county of legal settlement would~~
26 ~~become liable for the costs of services for a person at the~~
27 ~~level of care provided in an intermediate care facility for~~
28 ~~persons with mental retardation due to the person reaching the~~
29 ~~age of majority, the~~ The state shall pay ~~for~~ the nonfederal
30 share of the costs of an eligible person's services under the
31 home and community-based services waiver for persons with brain
32 injury.
33 8. If a dispute arises between different counties or between
34 the department and a county as to the legal settlement of a
35 person who ~~receives~~ received medical assistance for which the

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1 nonfederal share ~~is~~ was payable in whole or in part by a county
2 of legal settlement in accordance with Code 2011, and cannot
3 be resolved by the parties, the dispute shall be resolved as
4 provided in section 225C.8, Code 2011.
5 Sec. 123. Section 252.6, Code 2011, is amended to read as
6 follows:
7 **252.6 Enforcement of liability.**
8 1. Upon the failure of such relatives to assist or maintain
9 a poor person who has made application for assistance, the
10 county board of supervisors, service area advisory board
11 created under section 217.43, or state division of child and
12 family services of the department of human services may apply
13 to the district court of the county where the poor person
14 resides or may be found for an order to compel the assistance
15 or maintenance.
16 2. If the assistance or maintenance needed is provided by
17 a county through the regional mental health and disability
18 services system implemented under chapter 331, application
19 for the assistance and maintenance shall be made through the
20 regional administrator of the person's county of residence.
21 For the purposes of this subsection, "*regional administrator*"
22 means the same as defined in section 331.438A.
23 Sec. 124. Section 252.23, Code 2011, is amended to read as
24 follows:
25 **252.23 Legal settlement disputes.**
26 If the alleged settlement is disputed, then, within thirty
27 days after notice as provided in section 252.22, a copy of
28 the notices sent and received shall be filed in the office of
29 the clerk of the district court of the county against which
30 claim is made, and a cause docketed without other pleadings,
31 and tried as an ordinary action, in which the county granting
32 the assistance shall be plaintiff, and the other defendant,
33 and the burden of proof shall be upon the county granting the
34 assistance. However, a ~~legal settlement~~ dispute concerning
35 the liability of a person's county of residence for assistance

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1 provided through the regional mental health and disability
2 services system implemented under chapter 331 in connection
3 with services initiated under chapter 222, 230, or 249A shall
4 be resolved as provided in section ~~225C.8~~ 331.438F.
5 Sec. 125. Section 252.24, Code 2011, is amended to read as
6 follows:
7 **252.24 County of settlement liable.**
8 1. The county where the settlement is shall be liable to
9 the county granting assistance for all reasonable charges and
10 expenses incurred in the assistance and care of a poor person.
11 2. When assistance is furnished by any governmental agency
12 of the county, township, or city, the assistance shall be
13 deemed to have been furnished by the county in which the
14 agency is located and the agency furnishing the assistance
15 shall certify the correctness of the costs of the assistance
16 to the board of supervisors of that county and that county
17 shall collect from the county of the person's settlement. The
18 amounts collected by the county where the agency is located
19 shall be paid to the agency furnishing the assistance. This
20 statute applies to services and supplies furnished as provided
21 in section 139A.18.
22 3. Notwithstanding subsection 2, if assistance or
23 maintenance is provided by a county through the regional mental
24 health and disability services system implemented under chapter
25 331, liability for the assistance and maintenance is the
26 responsibility of the person's county of residence.
27 Sec. 126. Section 331.502, subsection 11, Code 2011, is
28 amended to read as follows:
29 11. Carry out duties relating to ~~the determination of legal~~
30 ~~settlement,~~ collection of funds due the county~~,~~ and support
31 of persons with mental retardation as provided in sections
32 222.13, 222.50, ~~222.61 to 222.66,~~ 222.63, 222.64, and 222.69~~,~~
33 ~~and 222.74~~.
34 Sec. 127. Section 347.16, subsection 3, Code 2011, is
35 amended to read as follows:

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1 3. Care and treatment may be furnished in a county public
2 hospital to any sick or injured person who has legal settlement
3 outside the county which maintains the hospital, subject to
4 such policies and rules as the board of hospital trustees may
5 adopt. If care and treatment is provided under this subsection
6 to a person who is indigent, the county in which that person
7 has legal settlement shall pay to the board of hospital
8 trustees the fair and reasonable cost of the care and treatment
9 provided by the county public hospital unless the cost of the
10 indigent person's care and treatment is otherwise provided for.
11 If care and treatment is provided to an indigent person under
12 this subsection, the county public hospital furnishing the
13 care and treatment shall immediately notify, by regular mail,
14 the auditor of the county of legal settlement of the indigent
15 person of the provision of care and treatment to the indigent
16 person. However, if the care and treatment is provided by
17 a county through the regional mental health and disability
18 services system implemented under chapter 331, liability for
19 the assistance and maintenance is the responsibility of the
20 person's county of residence.
21 Sec. 128. REPEAL. Sections 222.73, 222.74, 222.75, and
22 225C.8, Code 2011, are repealed.
23 Sec. 129. EFFECTIVE DATE. This division of this Act takes
24 effect July 1, 2013.
25 DIVISION VII
26 FUNDING PROVISIONS
27 Sec. 130. Section 331.424A, subsection 6, Code Supplement
28 2011, is amended to read as follows:
29 6. This section is repealed July 1, ~~2013~~ 2017.
30 Sec. 131. Section 426B.1, Code 2011, is amended by adding
31 the following new subsection:
32 NEW SUBSECTION. 3. In addition to the appropriation made
33 pursuant to subsection 2, there is appropriated from the
34 general fund of the state to the property tax relief fund for
35 the indicated fiscal years the following amounts:

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1 *a.* For the fiscal year beginning July 1, 2013, thirty-one
2 million five hundred thousand dollars.
3 *b.* For the fiscal year beginning July 1, 2014, sixty-three
4 million dollars.
5 *c.* For the fiscal year beginning July 1, 2015, ninety-four
6 million five hundred thousand dollars.
7 *d.* For the fiscal year beginning July 1, 2016, one hundred
8 twenty-six million dollars.
9 Sec. 132. Section 426B.2, subsection 2, Code 2011, is
10 amended by striking the subsection.
11 Sec. 133. Section 426B.3, subsection 1, Code 2011, is
12 amended to read as follows:
13 1. The county auditor shall reduce the certified budget
14 amount received from the board of supervisors for the
15 succeeding fiscal year for the county mental health, mental
16 retardation, and developmental disabilities services fund
17 created in section 331.424A by an amount equal to the amount
18 the county will receive from the property tax relief fund
19 pursuant to section 426B.2, for the succeeding fiscal year and
20 the auditor shall determine the rate of taxation necessary to
21 raise the reduced amount. On the tax list, the county auditor
22 shall compute the amount of taxes due and payable on each
23 parcel before and after the amount received from the property
24 tax relief fund is used to reduce the county budget. The
25 director of human services shall notify the county auditor of
26 each county of the amount of moneys the county will receive
27 from the property tax relief fund pursuant to section 426B.2,
28 for the succeeding fiscal year. <u>If the amount the county will</u>
29 <u>receive is changed after the county has certified its budget,</u>
30 <u>the county board of supervisors shall amend the certified</u>
31 <u>budget to reflect the change and the county auditor shall</u>
32 <u>revise the levy rate and amount of taxes due and payable on</u>
33 <u>each parcel accordingly. Such an amendment to the budget shall</u>
34 <u>be made without public hearing and without being subject to</u>
35 <u>protest.</u>

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1 Sec. 134. Section 426B.6, Code Supplement 2011, is amended
2 to read as follows:
3 **426B.6 Future repeal.**
4 This chapter is repealed July 1, ~~2013~~ 2017.
5 Sec. 135. EFFECTIVE DATE. The following provision of this
6 division of this Act takes effect July 1, 2014:
7 1. The section of this Act amending section 426B.2.
8 EXPLANATION
9 This bill relates to redesign of publicly funded mental
10 health and disability services by requiring certain core
11 services and addressing other services and providing for
12 establishment of regions. The bill is organized into
13 divisions.
14 CORE SERVICES. This division specifies core services and
15 service management requirements applicable to the regional
16 service system required by the bill.
17 Code section 331.439, relating to the requirements under
18 existing law for a county to receive state payments for mental
19 health and disability services and specifying inclusion of
20 various provisions in service system management plans, is
21 amended to require the use of certain functional assessments or
22 other standardized functional assessment methodologies approved
23 by the mental health and disability services commission. For
24 mental health services, the level of care utilization system
25 (LOCUS) is specified; for intellectual disabilities services,
26 the supports intensity scale (SIS) is specified; and for brain
27 injury services, the commission is required to approve a
28 methodology. The use of the methodologies is required to begin
29 July 1, 2012. This Code section is repealed on July 1, 2013.
30 New Code section 331.439A requires MH/DS provided by
31 counties to be delivered in accordance with a regional service
32 system management plan approved by the region's governing board
33 and implemented by the regional administrator. The plans are
34 required to include a policies and procedures manual for the
35 funding administered by the region, submission of an annual

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1 management plan review, submission of three-year strategic
2 plans addressing the effort to achieve various purposes
3 identified in Code section 225C.1, and authorizing a region to
4 either directly implement a system of service management or to
5 contract with a private entity for service management. The
6 plan is required to include various elements and the commission
7 is directed to specify the elements in administrative rules.
8 New Code section 331.439A also authorizes a region to
9 provide assistance to other disability service populations
10 subject to availability of funding and to implement waiting
11 lists for services as a financial management tool.
12 New Code section 331.439B provides financial eligibility
13 requirements to be used in the regional system. Income
14 eligibility is set at 150 percent of the federal poverty
15 level and a region or service provider may apply a copayment
16 requirement to persons who meet this requirement. Persons with
17 higher incomes may also be eligible subject to a copayment or
18 other cost-sharing arrangement; however, a service provider may
19 waive copayments or cost-sharing if able to fully absorb the
20 cost. A person who is eligible for federally funded services
21 must apply for the services. The commission is required to
22 adopt rules for resource limitations eligibility derived from
23 the federal supplemental security income program resource
24 limitations. If a person does not qualify for federally funded
25 support, but meets income, resource, and functional eligibility
26 requirements, retirement accounts in the accumulation stage and
27 burial, medical savings, or assistive technology accounts are
28 to be disregarded.
29 New Code section 331.439C specifies requirements for
30 diagnoses, functional assessments, and other requirements for
31 eligibility in the regional system. Other requirements include
32 an age of at least 18 years and compliance with financial
33 eligibility provisions and determination of eligibility for
34 individualized services to be made by the functional assessment
35 provisions specified in the bill's amendment to Code section

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1 331.439. For mental health services, a person must have had a
2 diagnosable mental health, behavioral, or emotional disorder
3 during the preceding 12-month period. For intellectual
4 disability services, an intellectual disability diagnosis or
5 an intelligence quotient of 70 or less is required. For brain
6 injury services, a diagnosis of brain injury is required.
7 New Code section 331.439D addresses mental health core
8 services and core service domains to be provided in the
9 regional system, subject to the availability of funding. The
10 domains are defined to mean a range of services that can be
11 provided depending upon an individual's service needs. A
12 region may also provide funding for other services or support
13 not listed based on optional criteria that may be considered.
14 New Code section 331.439E addresses core services for
15 persons with an intellectual disability or other developmental
16 disability, provides a list of core services, and requires
17 inclusion of all services covered by all of the service system
18 management plans of the counties comprising a region as of June
19 30, 2012, other than services funded by the Medicaid program.
20 The provision of core services is subject to availability of
21 funding. The region is required to transition from and replace
22 the current services with services that expand and support the
23 community support and integration principles outlined in the
24 federal Olmstead v. L.C. ruling and the purposes identified in
25 Code section 225C.1. Certain best practice efforts must also
26 be included.
27 New Code section 331.440B addresses regional service system
28 financing. The financing of each regional service system is
29 limited to a fixed budget amount subject to an allowed growth
30 adjustment to be recommended by the commission and the governor
31 two years prior to application. The region is required to
32 implement the region's service system management plan by
33 budgeting for 99 percent of the funding anticipated to be
34 available for the plan for a fiscal year.
35 The bill may include a state mandate as defined in Code

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1 section 25B.3. The bill makes inapplicable Code section 25B.2,
2 subsection 3, which would relieve a political subdivision from
3 complying with a state mandate if funding for the cost of
4 the state mandate is not provided or specified. Therefore,
5 political subdivisions are required to comply with any state
6 mandate included in the bill.
7 The Code editor is authorized to codify the division as a new
8 part of Code chapter 331, division III.
9 The new Code provisions of the Code chapter are applicable
10 beginning July 1, 2013.
11 WORKFORCE DEVELOPMENT AND REGULATION. This division relates
12 to workforce development and regulation applicable to the
13 administration and service providers for the regional service
14 system.
15 New Code section 225C.6C establishes a mental health and
16 disability services workforce development workgroup to be
17 convened and staffed by the department of human services to
18 address issues connected with assuring there is an adequate
19 workforce to provide mental health and disability services in
20 the state. Various stakeholders and legislator members are
21 specified.
22 New Code section 225C.6D requires the department of
23 human services to establish an outcomes and performance
24 measures committee for the regional service system. Various
25 stakeholders are specified for the committee membership.
26 New Code section 225C.6E requires the departments of
27 human services, inspections and appeals, and public health
28 to comply with various provisions in efforts to improve the
29 regulatory requirements applied to the regional service system
30 administration and service providers.
31 COMMUNITY MENTAL HEALTH CENTER AMENDMENTS. This division
32 amends Acts provisions relating to community mental health
33 centers that were enacted in 2011 Iowa Acts, chapter 121 (SF
34 525) that have a delayed effective date of July 1, 2012.
35 Provisionally numbered Code section 230A.106, specifying the

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1 core service required to be offered by a center, is amended
2 to allow a center to provide an assertive community treatment
3 program in lieu of day treatment, partial hospitalization, or
4 psychosocial rehabilitation services.
5 Provisionally numbered Code section 230A.110, relating to
6 the standards adopted for centers by the commission, is amended
7 to allow the standards to be in substantial conformity with
8 either applicable behavioral health standards adopted by the
9 joint commission or other recognized national standards for
10 evaluation of psychiatric facilities rather than requiring
11 conformity with both sets of standards.
12 REGIONAL SERVICE SYSTEM. This division provides the
13 requirements for counties to form mental health and disability
14 services (MH/DS) regions.
15 New Code section 331.438A defines terms utilized, including
16 "department" for the department of human services, "disability
17 services" as defined in Code section 225C.2 (services and
18 other support available to a person with mental illness,
19 mental retardation or other developmental disability, or brain
20 injury), "population" to mean the latest federal census or the
21 latest applicable population estimate issued by the U.S. census
22 bureau, "regional administrator" as provided by the bill, and
23 "state commission" as the mental health and disability services
24 commission.
25 New Code section 331.438B requires counties to form regions
26 to provide local access to MH/DS for children and adults.
27 Minimum criteria for formation of a group of counties are
28 included along with a schedule for voluntary formation until
29 the period of November 2, 2012, through January 1, 2013,
30 during which the department is required to assign unaffiliated
31 counties to a region.
32 New Code section 331.438C requires the counties comprising
33 a region to enter into a Code chapter 28E agreement for the
34 joint exercise of governmental powers to form a regional
35 administrator entity to function on behalf of the counties.

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1 The regional administrator is required to enter into
2 performance-based contracts with the department to manage for
3 the counties the MH/DS not funded by the medical assistance
4 (Medicaid) program and for coordinating with the department
5 such services that are funded by the Medicaid program. The
6 regional administrator is under the control of a governing
7 board. Elected county supervisors of the participating
8 counties and at least three individuals who utilize MH/DS or
9 actively involved relatives of such individuals are required
10 slots for each governing board. The membership cannot include
11 representatives of the department or service providers. A
12 regional advisory committee for each board is required to
13 include individuals who utilize services or actively involved
14 relatives, service providers, governing board members, and
15 others.
16 New Code section 331.438D addresses regional finances.
17 The funding administered under the authority of a governing
18 board is required to be in a combined account, separate
19 county accounts that are administered under the authority of
20 the governing board, or pursuant to other arrangement. The
21 regional administrator's administrative costs, as this term
22 is determined in accordance with law, is limited to 5 percent
23 of expenditures. The funding received from performance-based
24 contracts with the department is required to be credited to the
25 account or accounts administered by the regional administrator.
26 New Code section 331.438E requires the counties comprising
27 a MH/DS region to enter into a Code chapter 28E agreement.
28 The agreement is required to address various specific
29 organizational provisions, administrative provisions, and
30 financial provisions.
31 New Code section 331.438F requires a county to pay for the
32 public costs of the MH/DS for the county's residents that
33 are not covered by the Medicaid program and are provided
34 in accordance with the county's approved regional services
35 management plan. If the county is part of a region that has

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1 agreed to pool funding and liability for services, the regional
2 administrator performs the county's responsibilities on behalf
3 of the county. A dispute resolution process is provided to
4 address disputes between counties or regions or the department,
5 as applicable.
6 The provisions of this division enacting new Code sections
7 in Code chapter 331, except as specifically provided by the
8 provisions, are applicable beginning July 1, 2013.
9 SUBACUTE CARE FACILITIES FOR PERSONS WITH SERIOUS AND
10 PERSISTENT MENTAL ILLNESS. This division creates a new health
11 care facility licensure chapter in Code chapter 135P to be
12 regulated by the department of inspections and appeals. The
13 new type of facility is called a "subacute care facility
14 for persons with serious and persistent mental illness"
15 and provides physical facilities with restricted egress to
16 provide accommodation, board, and the services of a licensed
17 psychiatrist for periods exceeding 24 consecutive hours to
18 three or more individuals with serious and persistent mental
19 illness and who may have a diagnosis of another disorder. The
20 facility cannot be used by individuals related to the owner
21 within the third degree of consanguinity.
22 New Code sections 135P.1 and 135P.2 define the terms
23 utilized and state the purpose of the new Code chapter.
24 New Code section 135P.3 describes the nature of care
25 to be utilized and the duties of the facility's licensed
26 psychiatrist, authorizes the use of a seclusion room that meets
27 the conditions specified under federal regulations for the use
28 of seclusion in psychiatric residential treatment facilities
29 providing inpatient psychiatric services for individuals under
30 age 21, and specifies requirements for admission.
31 New Code section 135P.4 prohibits establishing, operating,
32 or maintaining a subacute care facility without a license and
33 allows a licensed intermediate care facility for persons with
34 mental illness to convert to a licensed subacute care facility.
35 New Code section 135P.5 requires an application for a

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1 license and sets the annual licensure fee at $25.
2 New Code section 135P.6 requires the department of
3 inspections and appeals to ascertain the adequacy of the
4 facility before issuing a license and requires the applicant
5 to have been awarded a certificate of need for the facility
6 through the department of public health under Code chapter 135.
7 New Code section 135P.7 authorizes the department to deny
8 an application or suspend or revoke a license for failure or
9 inability to comply with requirements under the Code chapter
10 and provides a list of specific infractions.
11 New Code section 135P.8 authorizes the department to issue a
12 provisional license and addresses compliance plans.
13 New Code section 135P.9 requires the notice and hearing
14 process for licensure issues to be performed in compliance with
15 the Iowa administrative procedure Act, Code chapter 17A.
16 New Code section 135P.10 requires the department of
17 inspections and appeals to adopt rules for the facilities in
18 consultation with the department of human services and for the
19 department to coordinate its rules adoption and enforcement
20 efforts.
21 New Code section 135P.11 addresses complaints alleging
22 violations. Any person may file a complaint and the person's
23 name is required to be kept confidential. The department is
24 required to make a preliminary review of the complaint and
25 under most circumstances an on-site inspection is required
26 within 20 working days. The complainant may accompany the
27 inspector upon request of the complainant or the department.
28 New Code section 135P.12 requires the department's
29 findings regarding licensure to be made public but other
30 information relating to a facility is to be kept confidential.
31 Disclosure of information regarding residents is prohibited
32 except as provided in Code section 217.30, relating to the
33 confidentiality of records pertaining to individuals receiving
34 services or assistance from the department of human services.
35 New Code section 135P.13 provides for judicial review of

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1 departmental action in accordance with Code chapter 17A and for
2 a petition for the review to be filed in the court of the county
3 in which the subacute care facility is located or proposed to
4 be located.
5 New Code section 135P.14 provides that establishing,
6 operating, or managing a subacute care facility without a
7 license is a serious misdemeanor offense.
8 New Code section 135P.15 authorizes the department to
9 maintain an action for an injunction to prevent establishing,
10 operating, or managing a subacute care facility without a
11 license.
12 Code section 249A.26, relating to state and county
13 participation in funding for services to persons with
14 disabilities in the medical assistance (Medicaid) program
15 chapter, is amended to provide that the daily reimbursement
16 rate for subacute care facilities is the sum of the
17 direct care Medicare-certified hospital-based nursing
18 facility patient-day-weighted median and the nondirect
19 care Medicare-certified hospital-based nursing facility
20 patient-day-weighted median.
21 The division may include a state mandate as defined in
22 Code section 25B.3. The division makes inapplicable Code
23 section 25B.2, subsection 3, which would relieve a political
24 subdivision from complying with a state mandate if funding for
25 the cost of the state mandate is not provided or specified.
26 Therefore, political subdivisions are required to comply with
27 any state mandate included in the division.
28 CONFORMING AMENDMENTS —— CENTRAL POINT OF COORDINATION AND
29 LEGAL SETTLEMENT. This division provides conforming amendments
30 to change references to county central point of coordination
31 administrators to regional administrators, county of legal
32 settlement to county of residence, and county mental health,
33 mental retardation, and developmental disabilities services
34 funds under Code section 331.424A to generally apply to the
35 provisions for MH/DS regions. The Code provisions for the

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1 affected Code sections are repealed on July 1, 2013, pursuant
2 to 2011 Iowa Acts, chapter 123 (SF 209).
3 References to the "central point of coordination process"
4 (CPC process) are amended to instead refer to the "regional
5 administrator" of the county of residence in the following Code
6 sections: section 218.99, requiring counties to be notified of
7 patient personal accounts in DHS state institutions; section
8 222.2, providing a definition of CPC process; section 222.13,
9 relating to voluntary admissions to a state resource center;
10 section 222.13A, relating to voluntary admission of a minor
11 to a state resource center; section 222.28, authorizing the
12 court to appoint a commission of inquiry to examine a person
13 to determine the person's mental condition; section 222.59,
14 requiring the superintendent of a state resource center
15 to coordinate in assisting location of a community-based
16 placement instead of a state resource center; section 222.60,
17 relating to the costs paid by county and state and requiring a
18 diagnosis; section 222.61, relating to determination of legal
19 settlement; section 222.62, relating to legal settlement in
20 another county; section 222.63, relating to an objection to
21 a finding of legal settlement; section 222.64, relating to
22 state financial responsibility when a person is in a foreign
23 state or is unknown; section 225.11, relating to initiation
24 of commitment proceedings for the state psychiatric hospital
25 connected to the state university of Iowa; section 225.15,
26 relating to examination and treatment of a respondent at
27 the state psychiatric hospital; section 225.17, relating to
28 payment for the cost of treatment at the state psychiatric
29 hospital; section 225C.2, relating to definitions, is amended
30 to strike the CPC definition; section 225C.5, relating to
31 the MH-DS commission membership; section 225C.6A, relating
32 to data requirements addressed in the disability services
33 system redesign enacted in 2004; section 225C.14, providing
34 requirements for a preliminary diagnostic evaluation for
35 admission to a state mental health institute; section 225C.16,

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1 providing for referrals for evaluations for persons applying
2 for voluntary admission to a state mental health institute;
3 section 225C.19, relating to an emergency mental health
4 crisis system; section 226.9C, authorizing a net general
5 fund appropriation for the dual diagnosis program at the
6 Mount Pleasant state mental health institute; section 227.10,
7 relating to transfers from a county or private institution
8 to a state hospital for persons with mental illness; section
9 229.1, relating to definitions; section 229.1B, specifying that
10 a person is subject to the CPC process, notwithstanding any
11 provision of Code chapter 229 to the contrary; section 229.11,
12 authorizing a judge to order immediate custody of a person
13 alleged to have a serious mental impairment; section 229.13,
14 relating to evaluation orders for psychiatric treatment;
15 section 229.14, relating to the report of a psychiatric
16 evaluation; section 229.14A, relating to the notice and hearing
17 for a placement order; section 229.42, relating to costs
18 paid by a county for a voluntary admission to a state mental
19 health institute; section 230.1, relating to the liability of
20 counties and the state for costs associated with admission of a
21 person with mental illness to a state hospital; section 230.3,
22 providing for certification of legal settlement of a person
23 with mental illness admitted to a hospital; section 232.2,
24 relating to involvement of the CPC process in the transition
25 team of a specific child aging to adulthood while in foster
26 care; section 235.7, relating to appointment of transition
27 committees for children in an area who are aging to adulthood
28 while in child welfare services; and section 249A.26, relating
29 to state and county participation in funding for services to
30 persons with disabilities.
31 Code chapter 252 provisions regarding determinations of
32 county of legal settlement (Code sections 252.6, 252.23, and
33 252.24) are amended to provide that in provisions involving the
34 MH/DS administered through the regional system, the county of
35 residence is responsible and any disputes are to be settled in

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1 accordance with new Code section 331.438F.
2 References to "county of legal settlement" are amended to
3 be "county of residence" or the state in the following Code
4 sections: section 218.99, requiring counties to be notified of
5 patient personal accounts in DHS state institutions; section
6 222.10, relating to the duty of a peace officer to detain a
7 person with mental retardation who departs from an institution
8 in another state without proper authority; section 222.13,
9 relating to voluntary admissions to a state resource center;
10 section 222.13A, relating to voluntary admission of a minor to
11 a state resource center; section 222.31, relating to liability
12 for charges at a state resource center; section 222.49,
13 relating to payment for costs of proceedings; section 222.50,
14 requiring the county of legal settlement to pay charges;
15 section 222.60, relating to the costs paid by county and
16 state and requiring a diagnosis; section 222.61, relating to
17 determination of legal settlement; section 222.62, relating to
18 legal settlement in another county; section 222.63, relating to
19 an objection to a finding of legal settlement; section 222.64,
20 providing for state financial responsibility when a person is
21 in a foreign state or is unknown; section 222.65, requiring the
22 state administrator to investigate a person's residency when
23 placed in a state resource center; section 222.66, providing
24 a standing appropriation for the transfer expenses of state
25 cases to a state resource center; section 222.67, relating to
26 charges when legal settlement was initially unknown; section
27 222.68, requiring the county of legal settlement to reimburse
28 the county that initially paid the charges; section 222.69,
29 providing a standing appropriation for the admission or
30 commitment expenses of state cases; section 222.70, requiring
31 a dispute resolution process to be used for legal settlement
32 disputes; section 222.77, providing for the county of legal
33 settlement to pay the costs of support of patients placed on
34 leave from a state resources center; section 222.78, relating
35 to parents and other persons liable for the support of a

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1 patient in a state resource center; section 222.79, relating
2 to the certification of statements of charges for purposes of
3 Code section 222.78; section 222.80, providing for liability
4 for the costs of persons admitted or committed to a private
5 facility; section 222.82, relating to collection of claims
6 under Code section 222.78 or other provisions of Code chapter
7 222; section 222.86, relating to payment of excess amounts from
8 resource center patient personal deposit funds to the county
9 of legal settlement; section 222.92, relating to operation of
10 the state resource center on the basis of a net general fund
11 appropriation; section 226.9C, relating to the net general
12 fund appropriations provisions for the dual diagnosis program
13 at the Mount Pleasant state mental health institute; section
14 226.45, relating to payment of excess amounts from state mental
15 health institute patient personal deposit funds to the county
16 of legal settlement; section 229.9A, relating to the mental
17 health advocate of the county of legal settlement; section
18 229.12, relating to the presence of the mental health advocate
19 at civil commitment hearings; section 229.19, relating to the
20 duties of the patient advocate; section 229.24, relating to
21 the provision of civil commitment court records to the county
22 of legal settlement; section 229.31, relating to a commission
23 of inquiry; section 229.42, relating to hospitalization costs
24 paid on voluntary cases by the county of legal settlement;
25 section 229.43, relating to nonresidents on convalescent leave;
26 section 230.1, relating to the liability of counties and the
27 state for costs associated with admission of a person with
28 mental illness to a state hospital; section 230.2, relating to
29 finding of legal settlement for persons with mental illness;
30 section 230.3, providing for certification of legal settlement
31 of a person with mental illness admitted to a hospital; section
32 230.4, providing for evidence to accompany the certification
33 of legal settlement for a person with mental illness; section
34 230.5, relating to legal settlement of nonresidents; section
35 230.8, relating to transfer expenses of persons with mental

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1 illness with no legal settlement; section 230.9, relating to
2 charges when legal settlement was initially unknown; section
3 230.10, requiring all costs attending the taking into custody,
4 care, investigation, and admission or commitment of a person
5 to a state hospital for persons with mental illness to be paid
6 by the county of legal settlement; section 230.11, relating
7 to recovery of costs from the state for state cases; section
8 230.12, relating to settlement of legal settlement disputes
9 for support of persons with mental illness; section 230.32,
10 relating to support of persons who are nonresidents of this
11 state; section 249A.12, relating to assistance to persons with
12 mental retardation paid under the Medicaid program; section
13 249A.26, addressing state and county participation in funding
14 for services to persons with disabilities, including case
15 management; section 331.502, relating to the duties of the
16 county auditor; and section 347.16, relating to the cost of
17 care provided in county hospitals.
18 Miscellaneous provisions are also amended. Code section
19 222.22, relating to representation for a person with mental
20 retardation in commitment proceedings, is amended to shift
21 the responsibility to pay for counsel from the county to the
22 state. Code section 225.23, requiring counties to collect
23 claims paid by the state on behalf of committed or voluntary
24 private patients at the state psychiatric hospital, is
25 amended to shift this responsibility to the department of
26 administrative services. Code section 225C.6, relating to the
27 duties of the mental health and disability services commission,
28 is amended to include a requirement to adopt rules for core
29 disability services. Code section 230.20, relating to the
30 billing to counties for patient charges at the state mental
31 health institutes, is amended to change the cap on inflation
32 increases from current law's percentage increase in the allowed
33 growth factor adjustment to the annual percentage increase
34 in the state support provided to the regional service system
35 under Code chapter 331. Code section 231.56A, relating to

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1 the elder abuse initiative, emergency shelter, and support
2 services projects involving the department on aging, is amended
3 to eliminate a reference to county MH/MR/DD management plans.
4 Code sections 235A.15 and 235B.6, relating to the child abuse
5 and elder abuse registries and allowing employment record
6 checks for the administrator of an MH/MR/DD agency providing
7 services under a county management plan is amended to refer
8 instead to regional management plans.
9 Code section 222.49, relating to the costs of proceedings
10 for involuntary commitment of persons with mental retardation,
11 is amended to provide that the responsibility to pay costs is
12 with either the county or the state.
13 The bill repeals these Code sections: section 222.73,
14 relating to billing of charges to counties for services
15 provided at the state resource centers; section 222.74,
16 relating to sending of duplicate statements to counties of the
17 billing statements under Code section 222.73; section 222.75,
18 relating to penalties for failure to pay the charges billed
19 under Code section 222.73; and section 225C.8, relating to the
20 legal settlement dispute resolution process replaced by the
21 bill.
22 FUNDING PROVISIONS. This division relates to state property
23 tax relief funding and county property taxes for mental health
24 and disability services.
25 Under current law enacted by 2011 Iowa Acts, chapter 123
26 (SF 209), the provisions for property tax relief under Code
27 chapter 426B and for county mental health, mental retardation,
28 and developmental disabilities services funds and the county
29 property tax levies for the services in Code section 331.424A
30 are repealed on July 1, 2013. The bill extends the repeal
31 dates in those Code provisions to July 1, 2017.
32 Under current law, each county's property tax levies for
33 the services are limited to a dollar amount established in the
34 mid-1990s that the county expended for the services at that
35 time. The state provides property tax relief funding from a

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1 standing appropriation in Code chapter 426B and the county
2 property taxes for the services are reduced dollar-for-dollar
3 by the amount received under that Code chapter. The bill
4 provides additional standing appropriations, increasing over
5 the four-year period so that in FY 2016-2017 the appropriation
6 is equal to the maximum county property tax levies for the
7 services authorized for FY 2011-2012.
8 The bill also provides that during the four-year period if
9 the amount that a county will receive under Code chapter 426B
10 is changed after the county has certified its levy, the board
11 of supervisors is required to amend the certified budget to
12 reflect the change and the county auditor must revise the levy
13 rate and amount of taxes due on each parcel accordingly. The
14 amendment is not subject to public hearing and without being
15 subject to protest.

House Study Bill 647 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON FORRISTALL)

A BILL FOR

1 An Act concerning school district funding for excess costs of
2 instruction of children requiring special education.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6079YC (3) 84
je/rj

H.F. _____

1 Section 1. Section 256B.9, subsection 7, Code 2011, is
2 amended to read as follows:
3 7. The costs of special education instructional programs
4 when contracted with a private agency include the costs of
5 general administration, health service, attendance officers,
6 plant operation, and plant maintenance, instructional costs,
7 and the costs of purchase of equipment, transportation
8 ~~equipment~~, and insurance to meet the special needs of children
9 requiring special education with the approval of the director
10 of the department of education. The state board of education
11 shall adopt rules under chapter 17A ~~for the purchase of~~
12 ~~transportation equipment pursuant~~ to administer this section.
13 EXPLANATION
14 This bill adds the costs of general administration, health
15 service, attendance officers, plant operation, and plant
16 maintenance, instructional costs, and the costs of purchase
17 of equipment, transportation, and insurance to the included
18 costs that are covered by funds for school districts for excess
19 costs of instruction of children requiring special education
20 when contracted with a private agency. Covered costs currently
21 include the cost of purchase of transportation equipment when
22 contracted with an area education agency, another school
23 district, or a private agency. The bill directs the state
24 board of education to adopt rules to administer the bill.

House Study Bill 648 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON ECONOMIC GROWTH/REBUILD IOWA BILL BY CHAIRPERSON GRASSLEY)

A BILL FOR

1 An Act relating to the amount allowable as an innovation fund
2 investment tax credit, making the credit transferable, and
3 including effective date and retroactive applicability
4 provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6027HC (3) 84
mm/sc

H.F. _____

Section 1. Section 15E.52, subsection 3, Code Supplement 2011, is amended to read as follows:

3. The amount of a tax credit allowed under this section shall equal ~~twenty percent of~~ the following percentage of the taxpayer's equity investment in an innovation fund:

a. For equity investments made in fiscal years beginning on or after July 1, 2011, and ending on or before June 30, 2014, one hundred percent.

b. For equity investments made in the fiscal year beginning on July 1, 2014, seventy-five percent.

c. For equity investments made in the fiscal year beginning on July 1, 2015, fifty percent.

d. For equity investments made in fiscal years beginning on or after July 1, 2016, twenty percent.

Sec. 2. Section 15E.52, subsection 5, paragraph a, Code Supplement 2011, is amended to read as follows:

a. The board shall issue certificates under this section which may be redeemed for tax credits. The board shall issue such certificates so that not more than the amount allocated for such tax credits under section 15.119, subsection 2, may be claimed. ~~The certificates shall not be transferable.~~

Sec. 3. Section 15E.52, subsection 5, Code Supplement 2011, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* (1) Tax credit certificates issued under this section may be transferred to any person or entity. Within ninety days of transfer, the transferee shall submit the transferred tax credit certificate to the department of revenue along with a statement containing the transferee's name, tax identification number, and address, the denomination that each replacement tax credit certificate is to carry, and any other information required by the department of revenue.

(2) Within thirty days of receiving the transferred tax credit certificate and the transferee's statement, the department of revenue shall issue one or more replacement tax credit certificates to the transferee. Each replacement

H.F. _____

1 tax credit certificate must contain the information required
2 for the original tax credit certificate and must have the
3 same expiration date that appeared in the original tax credit
4 certificate. Tax credit certificate amounts of less than the
5 minimum amount established by rule of the economic development
6 authority shall not be transferable.
7 (3) A tax credit shall not be claimed by a transferee
8 under this section until a replacement tax credit certificate
9 identifying the transferee as the proper holder has been
10 issued. The transferee may use the amount of the tax credit
11 transferred against the taxes imposed in chapter 422, divisions
12 II, III, and V, and in chapter 432, and against the moneys and
13 credits tax imposed in section 533.329, for any tax year the
14 original transferor could have claimed the tax credit. Any
15 consideration received for the transfer of the tax credit shall
16 not be included as income under chapter 422, divisions II, III,
17 and V, under chapter 432, or against the moneys and credits tax
18 imposed in section 533.329. Any consideration paid for the
19 transfer of the tax credit shall not be deducted from income
20 under chapter 422, divisions II, III, and V, under chapter
21 432, or against the moneys and credits tax imposed in section
22 533.329.
23 Sec. 4. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
24 immediate importance, takes effect upon enactment.
25 Sec. 5. RETROACTIVE APPLICABILITY. This Act applies
26 retroactively to July 1, 2011, for innovation fund tax credit
27 certificates issued on or after that date.
28 EXPLANATION
29 This bill changes the amount allowable as an innovation
30 fund investment tax credit under Code section 15E.52. Under
31 current law, the credit is equal to 20 percent of a taxpayer's
32 equity investment in an innovation fund. The bill changes the
33 credit amount to 100 percent of an equity investment made in
34 fiscal years beginning July 1, 2011, July 1, 2012, and July 1,
35 2013, 75 percent for the fiscal year beginning July 1, 2014,

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1 50 percent for the fiscal year beginning July 1, 2015, and 20
2 percent for fiscal years beginning on or after July 1, 2016.
3 The bill also makes the tax credit transferable and
4 establishes procedures for transferring the credit to another
5 person or entity. The bill is effective upon enactment and
6 applies retroactively to July 1, 2011, for innovation fund tax
7 credit certificates issued on or after that date.

House Study Bill 649 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON STATE GOVERNMENT BILL BY CHAIRPERSON COWNIE)

A BILL FOR

1 An Act concerning public construction bidding by establishing a
2 pilot program for alternative project delivery processes for
3 certain public projects and utilizing alternative selection
4 procedures for certain professional services and making an
5 appropriation.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5831HC (4) 84
ec/nh

H.F. _____

1 Section 1. Section 26.4, Code 2011, is amended to read as
2 follows:
3 **26.4 ~~Exemptions from competitive bids and quotations~~**
4 **Professional services procurement.**
5 1. Architectural, landscape architectural, design-build, or
6 engineering design services procured for a public improvement
7 are not subject to sections 26.3 and 26.14.
8 2. Professional services provided for a public improvement
9 by an architect registered under chapter 544A, an engineer
10 or land surveyor licensed under chapter 542B, a landscape
11 architect licensed under chapter 544B, or a design-build entity
12 as defined in section 26.14B, shall be procured utilizing a
13 qualifications-based and direct negotiation selection process.
14 3. Selection of professional services through a
15 qualifications-based and direct negotiation selection process
16 shall proceed, in order, through the following steps:
17 *a.* The governmental entity shall issue for the purpose
18 of fair and open competition a public notice of request for
19 qualifications and a description of the nature and type of
20 public improvement proposed and preliminary scope of services
21 required.
22 *b.* The governmental entity shall form a selection committee
23 of not less than three persons to evaluate and rank the
24 qualifications of the firms submitting qualifications and enter
25 into negotiations.
26 *c.* In evaluating the qualifications, the selection committee
27 shall consider the following criteria:
28 (1) The specialized experience and technical competence of
29 the firm with respect to the type of services required.
30 (2) The capacity and capability of the firm to perform the
31 work in question, including specialized services, within the
32 time limitations fixed for the completion of the project.
33 (3) The past record of performance of the firm with respect
34 to such factors as control of costs, quality of work, and
35 ability to meet schedules.

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1 (4) The firm's proximity to and familiarity with the area in
2 which the project is located.
3 (5) Consideration shall not be given, or information
4 requested, concerning fees, prices, completion times, or
5 any other cost information at any point prior to entering
6 negotiations.
7 *d.* Following the evaluation of the qualifications of the
8 firms, the selection committee shall rank the three most highly
9 qualified firms in the order of best qualified first and shall
10 enter into negotiations pursuant to the following requirements:
11 (1) The selection committee shall enter into negotiations
12 only with the firm considered best qualified and capable of
13 performing the desired work. The selection committee shall
14 seek to reach agreement on scope, contract terms, fair and
15 reasonable fees, and any other necessary items.
16 (2) If, in the opinion of the selection committee, the
17 committee is unable to negotiate a satisfactory contract with
18 the best qualified firm, negotiations with that firm shall
19 be terminated. The selection committee shall then undertake
20 negotiations with the next best qualified firm. If there is a
21 failing of accord with the second firm, negotiations with such
22 firm shall be terminated. The selection committee shall then
23 undertake negotiations with the third qualified firm.
24 (3) If the selection committee is not able to negotiate
25 a satisfactory contract with any of the three most qualified
26 firms, the selection committee shall reevaluate the necessary
27 professional services, including the scope, estimated cost,
28 complexity, and reasonable fee requirements. The selection
29 committee shall then reevaluate qualifications and compile a
30 new list of not less than three qualified firms and proceed in
31 accordance with the provisions of this section.
32 Sec. 2. NEW SECTION. **26.14B Alternative project delivery**
33 **pilot program — advisory committee.**
34 1. As used in this section, unless the context otherwise
35 provides:

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1 *a. "Alternative project delivery"* means procuring and
2 delivering design and construction services for a public
3 project according to one of the selection methods outlined in
4 this section.
5 *b. "Construction management services"* means an alternative
6 project delivery method whereby services are provided by
7 a construction manager in a manner similar to a general
8 contractor, and which requires the construction manager to
9 solicit competitive bids for the trade packages or subcontracts
10 developed for the public project and to enter into the trade
11 contracts or subcontracts for the public project. Construction
12 management services may include but are not limited to
13 scheduling, value analysis, system analysis, constructability
14 reviews, progress document reviews, subcontractor involvement
15 and prequalification, subcontractor bonding policy, budgeting
16 and price guarantees, and construction coordination.
17 *c. "Construction manager"* means an individual, partnership,
18 joint venture, corporation, or other legal entity that
19 utilizes skill and knowledge of general contracting to perform
20 construction management services and preconstruction services,
21 competitively procures and contracts with specialty contractors
22 or subcontractors, and assumes the responsibility and the risk
23 for construction delivery within a specified cost and schedule.
24 *d. "Construction services"* means the process of planning,
25 building, equipping, altering, repairing, improving, or
26 demolishing any structure or appurtenance thereto, including
27 facilities, utilities, or other improvements to real property,
28 but excluding highways, roads, bridges, dams, or stand-alone
29 parking lots.
30 *e. "Design professional"* means an architect registered under
31 chapter 544A, an engineer licensed under chapter 542B, or a
32 landscape architect licensed under chapter 544B.
33 *f. "Design-build entity"* means an individual, partnership,
34 joint venture, corporation, or other legal entity that
35 furnishes design-build services, whether by itself or through

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1 subcontracts.
2 *g. "Design-build services"* means a method of alternative
3 project delivery for which both design and construction
4 services are provided under one contract. *"Design-build*
5 *services"* may include architecture, engineering, and related
6 design services required for a given project and the labor,
7 materials, and other construction services for the project.
8 *h. "Preconstruction services"* means a series of services
9 including but not limited to design review, scheduling,
10 estimating, cost control, value engineering, constructability
11 evaluation, and preparation and coordination of bid packages.
12 *i. "Public project"* means a project under the control of
13 a governmental entity that is paid for in whole or in part
14 with funds of the governmental entity, including a building
15 or improvement constructed or operated jointly with any other
16 public or private agency that has an estimated total cost of
17 more than one hundred thousand dollars. A *"public project"* may
18 include planning, acquiring, designing, building, equipping,
19 altering, repairing, improving, or demolishing any structure or
20 appurtenance thereto, including facilities, utilities, or other
21 improvements to any real property owned by the governmental
22 entity, but excluding highways, roads, bridges, dams, or
23 stand-alone parking lots. However, a parking lot included as
24 part of the site work of a public project may be included as
25 part of a construction management contract or a design-build
26 services contract. Parking ramps and parking garages are not
27 considered to be parking lots and may be a "public project"
28 constructed utilizing alternative project delivery methods.
29 2. Notwithstanding any provision of law to the contrary,
30 the following selection methods may be utilized for a public
31 project procured through an alternative project delivery
32 process as provided in this section:
33 *a.* The construction management at-risk selection method
34 is a project delivery process in which a construction manager
35 contract separate from a design professional contract provides

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1 for preconstruction services, and a second construction manager
2 contract provides an at-risk obligation for the construction
3 manager to carry out construction with a contractual maximum
4 price guarantee for the public project.
5 *b.* The design-build qualifications-based selection method is
6 a project delivery process in which a design-build entity is
7 selected and a contract negotiated as provided in section 26.4,
8 subsection 3, to design and construct a public project for a
9 specific budget under a single contract.
10 *c.* The design-build best value-based selection method
11 is a project delivery process in which a design-build entity
12 is selected on the basis of both price and qualifications to
13 design and construct a public project for a specific budget
14 under a single contract. Consideration of price may refer to
15 either fees and general conditions or to total construction
16 cost.
17 *d.* The design-build bridging-based selection method is
18 a project delivery process in which a design professional
19 contract provides for the preparation of a design concept and
20 scope of work documents as bidding documents and for continuing
21 assistance during construction. The bidding documents shall
22 be utilized to select a design-build entity who shall enter
23 into a contract to provide for the completion of the design and
24 the construction of the contract. The design professionals
25 utilized by the design-build entity shall be independent of the
26 design professionals utilized through the design professional
27 contract.
28 3. *a.* Notwithstanding any provision of law to the contrary,
29 the department of administrative services and state board of
30 regents may utilize alternative project delivery selection
31 methods for the fiscal period beginning July 1, 2012, and
32 ending December 31, 2016, in coordination with the alternative
33 project delivery pilot program advisory committee, for public
34 projects. The state board of regents may select up to three
35 public projects, and the department of administrative services

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1 one public project, each fiscal year for three consecutive
2 fiscal years beginning with the fiscal year commencing July 1,
3 2012, utilizing alternative project delivery selection methods.
4 Selection of public projects during a fiscal year shall be
5 completed by December 1 of that fiscal year.
6 *b.* The selection of public projects pursuant to the pilot
7 program shall be subject to the following:
8 (1) To the extent practical, public projects within
9 the pilot program shall include both renovation and new
10 construction projects.
11 (2) To the extent practical, public projects within the
12 pilot program shall vary in size, complexity, scheduling, and
13 cost.
14 (3) To the extent practical, the state board of regents and
15 the department of administrative services shall each utilize
16 all permitted alternative project delivery selection methods
17 during the pilot program.
18 (4) The state board of regents shall make final
19 determinations on projects and types of alternative project
20 delivery processes for its portion of the pilot program.
21 (5) The department of administrative services shall make
22 final determinations on projects and types of alternative
23 project delivery processes for its portion of the pilot
24 program.
25 4. *a.* An alternative project delivery pilot program
26 advisory committee is established consisting of the following
27 members:
28 (1) One member appointed by the state board of regents.
29 (2) One member appointed by the director of the department
30 of administrative services.
31 (3) One member appointed by the Iowa state building and
32 construction trades council.
33 (4) One member appointed by the Iowa chapter of the American
34 institute of architects.
35 (5) One member appointed by the American council of

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1 engineering companies of Iowa.
2 (6) One member appointed by the Iowa chapter of the
3 design-build institute of America.
4 (7) One member appointed by the master builders of Iowa.
5 (8) One member appointed by the mechanical contractors
6 association of Iowa.
7 (9) One member appointed by the Iowa chapter of the American
8 society of landscape architects.
9 (10) One member appointed by the associated builders and
10 contractors of Iowa.
11 *b.* Each member of the committee shall serve until December
12 31, 2016, or until the member resigns. A vacancy on the
13 committee shall be filled in the same manner as the original
14 appointment.
15 *c.* The member appointed by the state board of regents and
16 the member appointed by the director of the department of
17 administrative services shall serve as co-chairpersons of the
18 committee.
19 *d.* Meetings of the committee may be called by the
20 chairperson or by a majority of the members.
21 *e.* A majority of the members of the committee constitutes a
22 quorum. Any action taken by the committee must be adopted by
23 the affirmative vote of a majority of its membership.
24 *f.* A member shall not vote on a matter before the committee
25 if the individual has a pecuniary, equitable, or other interest
26 in the matter or conditions exist that would interfere with the
27 member´s ability to properly discharge the member´s duties.
28 *g.* The duties of the advisory committee shall include all
29 of the following:
30 (1) Advise the state board of regents and the department of
31 administrative services in selecting public projects and the
32 appropriate selection methods as provided in this section.
33 (2) File a progress report with the general assembly at the
34 beginning of each legislative session. A final report shall be
35 filed by the advisory committee with the general assembly no

H.F. _____

1 later than January 1, 2017. The final report shall identify
2 the advantages and disadvantages of all authorized alternate
3 project delivery processes for public improvement projects
4 based on evaluation of the pilot projects.
5 Sec. 3. ALTERNATIVE PROJECT DELIVERY PILOT PROGRAM —
6 REBUILD IOWA INFRASTRUCTURE FUND APPROPRIATION.
7 There is appropriated from the rebuild Iowa infrastructure
8 fund to the following departments and agencies for the fiscal
9 period beginning July 1, 2012, and ending June 30, 2016, the
10 following amounts, or so much thereof as is necessary, to be
11 used for the purposes designated:
12 1. DEPARTMENT OF ADMINISTRATIVE SERVICES
13 For expenses associated with administration and reporting
14 requirements of the alternative project delivery pilot program
15 as established by section 26.14B:
16 ..... $ 10,000
17 2. BOARD OF REGENTS
18 For expenses associated with administration and reporting
19 requirements of the alternative project delivery pilot program
20 as established by section 26.14B:
21 ..... $ 30,000
22 EXPLANATION
23 This bill concerns public construction bidding.
24 Code section 26.4, concerning exemptions from competitive
25 bids and quotations, is amended to add design-build services
26 to the list of services exempt from competitive bidding under
27 Code chapter 26. The bill further amends the Code section to
28 establish the method by which professional services exempt
29 from competitive bidding under the Code section shall be
30 procured. The bill provides that these professional services
31 shall be procured utilizing a qualifications-based and direct
32 negotiation selection process. The bill provides that the
33 selection process shall be conducted in two stages. First, the
34 governmental entity shall use a qualifications-based approach
35 through a selection committee in selecting three entities that

H.F. _____

1 are qualified to perform the services to be procured. The
2 bill describes the applicable criteria in determining the best
3 qualified firms. Following selection of three firms, the
4 bill provides that the governmental entity shall enter into
5 negotiations with the highest ranked firm. If negotiations are
6 unsuccessful, the government entity can then proceed to the
7 next highest ranked firm.
8 New Code section 26.14B establishes an alternative project
9 delivery pilot program.
10 The bill defines design-build services as an alternative
11 project delivery method in which both design and construction
12 services are provided under one contract.
13 The bill authorizes the department of administrative
14 services and state board of regents to utilize alternative
15 project delivery selection methods for the fiscal period
16 beginning July 1, 2012, and ending December 31, 2016, in
17 coordination with the alternative project delivery pilot
18 program advisory committee established by the bill, for
19 public projects. The state board of regents is authorized
20 to select up to three public projects, and the department of
21 administrative services one public project during each fiscal
22 year during the pilot program period. The bill describes the
23 various methods by which a public project is to be completed
24 and provides that the method to be used shall be selected by
25 the applicable governmental entity in coordination with the
26 pilot program advisory committee. The methods are construction
27 management at-risk, design-build qualifications-based,
28 design-build best value-based, and design-build bridging-based.
29 The new Code section also establishes an alternative project
30 delivery pilot program advisory committee with 10 members which
31 shall advise the state board of regents and the department of
32 administrative services in selecting public projects and the
33 appropriate selection methods as provided in the bill. The
34 bill also requires the advisory committee to submit an annual
35 progress report to the legislature concerning the pilot program

H.F. _____

1 as well as a final report concerning the program by January 1,
2 2017.
3 The bill appropriates moneys from the rebuild Iowa
4 infrastructure fund to the department of administrative
5 services and the board of regents for the fiscal period
6 beginning July 1, 2012, and ending June 30, 2016, for expenses
7 associated with the pilot program.

House Study Bill 650 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON COWNIE)

A BILL FOR

1 An Act concerning establishing and collecting certain filing
2 fees by the auditor of state.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6073YC (2) 84
ec/sc

H.F. _____

Section 1. Section 11.6, subsection 10, Code Supplement 2011, is amended to read as follows:

10. The auditor of state shall adopt rules in accordance with chapter 17A to establish and collect a filing fee for the filing of each report of audit or examination conducted pursuant to ~~subsections 1 through 3~~ subsection 1, paragraph *"a"*, subsection 2, and subsection 3. The funds collected shall be maintained in a segregated account for use by the office of the auditor of state in performing audits conducted pursuant to subsection 4 and for work paper reviews conducted pursuant to subsection 5. Any funds collected by the auditor pursuant to subsection 4 shall be deposited in this account. Notwithstanding section 8.33, the funds in this account shall not revert at the end of any fiscal year.

EXPLANATION

This bill concerns filing fees for the filing of certain audits or examinations conducted by the auditor of state.

Code section 11.6(10) is amended to eliminate the authority of the auditor to establish and collect a filing fee relative to certain audits conducted on certain mental health centers, substance abuse programs, and community action agencies. In addition, the bill eliminates the authority of the auditor to establish and collect a filing fee concerning an audit of a governmental subdivision relative to tests related to compliance with the investment policy of that governmental subdivision.

Senate File 2071

S-5015

Amend Senate File 2071, as passed by the Senate, as follows:

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

<MEDICAID APPROPRIATION REDUCTION

Section 1. 2011 Iowa Acts, chapter 129, section 10, unnumbered paragraph 2, is amended to read as follows:

For medical assistance program reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2011, except as otherwise expressly authorized by law, and consistent with options under federal law and regulations:

..... $~~909,993,421~~
903,493,421>>

2. Page 2, by striking lines 6 and 7 and inserting:

<..... $ 9,316,466>

3. Page 2, by striking lines 11 and 12 and inserting:

<..... $ 24,482,356>

4. Page 2, by striking lines 21 and 22 and inserting:

<..... $ 15,615,374>

5. Page 2, by striking lines 26 and 27 and inserting:

<..... $ 29,062,235>

6. Page 3, by striking lines 34 and 35 and inserting:

<..... $ 10,336,948>

7. Page 4, by striking lines 7 and 8 and inserting:

<..... $ 5,391,355>

8. Page 4, by striking lines 12 and 13 and inserting:

<..... $ 18,742,129>

9. Page 5, by striking lines 20 through 26 and inserting:

<b. In addition, a county may apply for assistance to cover the nonfederal share of medical assistance waiver costs chargeable to the county for the fiscal year of individuals who became eligible for the medical assistance program home and community-based waiver for persons with an intellectual disability on or after October 1, 2011.>

10. By striking page 5, line 27, through page 6, line 2.

11. Page 7, by striking lines 11 and 12 and inserting <individuals who became eligible for the medical assistance program home and community-based waiver for persons with an intellectual disability on or after October 1, 2011, as described in subsection 3, paragraph "c".>

1 12. Page 7, by striking lines 13 through 17.
2 13. By renumbering as necessary.

Senate File 2203

S-5016

1 Amend Senate File 2203 as follows:
2 1. Page 1, line 14, by striking <is> and inserting
3 <~~is~~ are>
4 2. Page 40, line 5, by striking <corporation,> and
5 inserting <corporation~~,~~>
6 3. Page 120, line 21, by striking <249.12, and
7 321.6> and inserting <and 249.12>

COMMITTEE ON JUDICIARY
EUGENE S. FRAISE, CHAIRPERSON

Senate File 2211 - Introduced

SENATE FILE 2211
BY MATHIS

A BILL FOR

1 An Act establishing an Iowans first tax credit program within
2 the economic development authority for taxpayers who hire
3 qualified individuals and including effective date and
4 applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5467XS (8) 84
mm/sc

S.F. 2211

1 Section 1. Section 15.119, subsection 2, Code Supplement
2 2011, is amended by adding the following new paragraph:
3 NEW PARAGRAPH. *i.* The Iowans first tax credit pursuant to
4 section 15E.371. In allocating tax credits pursuant to this
5 subsection, the authority shall allocate twenty million dollars
6 for purposes of this paragraph.
7 Sec. 2. NEW SECTION. **15E.371 Iowans first tax credit.**
8 1. For purposes of this section, unless the context
9 otherwise requires:
10 *a. "Full-time basis"* means an average of forty hours of work
11 per week, including all paid holidays, vacations, sick leave,
12 and other paid leave.
13 *b. "Qualified individual"* means a resident of this state who
14 is legally authorized to work in this state.
15 *c. "Qualifying wage threshold"* means the county wage or
16 the regional wage, as calculated by the authority pursuant to
17 subsection 3, whichever is lower.
18 2. *a.* A tax credit shall be allowed against the taxes
19 imposed in chapter 422, divisions II, III, and V, and in
20 chapter 432, and against the moneys and credits tax imposed
21 in section 533.329, for hiring a qualified individual for
22 employment in this state on or after the effective date of
23 this Act. The credit shall be an amount equal to two thousand
24 dollars.
25 *b.* In order to qualify for the credit in this section, all
26 of the following must apply:
27 (1) The taxpayer must employ the qualified individual on a
28 full-time basis for twelve consecutive months.
29 (2) The taxpayer must provide a sufficient package of
30 benefits to the qualified individual for twelve consecutive
31 months. The economic development authority board, at the
32 recommendation of the director of the authority, shall adopt
33 rules determining what constitutes a sufficient package of
34 benefits.
35 (3) The taxpayer must pay the qualified individual at least

S.F. 2211

1 one hundred percent of the qualifying wage threshold for twelve
2 consecutive months.
3 (4) The qualified individual was not employed by the
4 taxpayer before the date the qualified individual is hired
5 for employment which qualifies for this credit and was not
6 hired to replace an individual whose employment was terminated
7 within the six-month period preceding the date the qualified
8 individual is hired.
9 (5) The taxpayer has received, in the aggregate, less
10 than two hundred thousand dollars in credits pursuant to this
11 section.
12 (6) The taxpayer does not have a record of violations of
13 the law, including but not limited to environmental and worker
14 safety statutes, rules, and regulations, over a period of time
15 that tends to show a consistent pattern, unless the authority
16 finds that the violations did not seriously affect public
17 health or safety, or the environment, or if it did, that there
18 were mitigating circumstances. In making the findings and
19 determinations regarding violations, mitigating circumstances,
20 and whether the business is disqualified for the credit in this
21 section, the authority shall be exempt from chapter 17A.
22 (7) The position for which the qualified individual is
23 hired was not created because of the relocation of the position
24 from another area of this state after the taxpayer closed or
25 substantially reduced operations in one area of this state and
26 relocated substantially the same operations in a community in
27 another area of this state. This subparagraph shall not be
28 construed to prohibit a business from expanding its operation
29 in a community if existing operations of a similar nature in
30 this state are not closed or substantially reduced.
31 (8) The taxpayer does not receive any assistance,
32 incentive, or benefit under the quality jobs enterprise zone
33 program in section 15A.9 or the high quality jobs program in
34 sections 15.326 through 15.336 for the tax year in which this
35 credit is claimed.

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1 3. County and regional wage calculations.
2 *a.* In administering the credit program, the authority
3 shall annually calculate a county wage and a regional wage for
4 each county for purposes of determining the eligibility of
5 applicants for the credit.
6 (1) The county wage and the regional wage shall be an hourly
7 wage rate based on data from the most recent four quarters of
8 wage and employment information from the quarterly covered
9 wage and employment data report issued by the department of
10 workforce development.
11 (2) The authority shall not include the value of benefits
12 when calculating the county wage or the regional wage.
13 *b.* The county wage shall be the average of the wages paid
14 for jobs performed in the county by employers in all employment
15 categories except the employment categories of government,
16 agriculture, and mining.
17 *c.* The regional wage shall be calculated as follows:
18 (1) Multiplying by four the county wage of a county.
19 (2) Adding together the county wage of each of the counties
20 adjacent to the county.
21 (3) Adding the result obtained in subparagraph (1) to the
22 result obtained in subparagraph (2).
23 (4) Dividing the result obtained in subparagraph (3) by the
24 sum of the number of counties adjacent to the county plus four.
25 4. To receive the Iowans first tax credit, a taxpayer must
26 submit an application to the authority, made in the manner and
27 form prescribed by the authority. If the taxpayer meets the
28 criteria for eligibility, the authority shall issue to the
29 taxpayer a tax certificate for the Iowans first tax credit.
30 The authority shall issue such certificates so that not more
31 than the amount allocated for such tax credits under section
32 15.119, subsection 2, may be claimed for any one fiscal year.
33 Tax certificates shall be issued on an earliest filed basis.
34 The certificate shall contain the taxpayer's name, address,
35 tax identification number, the amount of the credit, the tax

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1 year for which the certificate applies, and an expiration date
2 for the certificate. The taxpayer must file the tax credit
3 certificate with the taxpayer's income tax return for the tax
4 year in which the twelfth month of employment falls in order
5 to claim the tax credit.
6 5. The tax credit certificate, unless otherwise void, shall
7 be accepted by the department of revenue as payment for taxes
8 imposed pursuant to chapter 422, divisions II, III, and V,
9 chapter 432, and section 533.329, subject to any conditions or
10 restrictions placed by the authority upon the face of the tax
11 credit and subject to the limitations of this section.
12 6. Tax credits issued under this section are not
13 transferable to any person or entity.
14 7. Any credit in excess of the tax liability is not
15 refundable, but the excess for the tax year may be credited to
16 the tax liability for the following five tax years or until
17 depleted, whichever is earlier.
18 8. An individual may claim the tax credit allowed a
19 partnership, limited liability company, S corporation, estate,
20 or trust electing to have the income taxed directly to the
21 individual. The amount claimed by the individual shall be
22 based upon the pro rata share of the individual's earnings of
23 the partnership, limited liability company, S corporation,
24 estate, or trust.
25 Sec. 3. NEW SECTION. **422.11I Iowans first tax credit.**
26 The taxes imposed under this division, less the credits
27 allowed under section 422.12, shall be reduced by an Iowans
28 first tax credit allowed under section 15E.371.
29 Sec. 4. Section 422.33, Code Supplement 2011, is amended by
30 adding the following new subsection:
31 NEW SUBSECTION. 29. The taxes imposed under this division
32 shall be reduced by an Iowans first tax credit allowed under
33 section 15E.371.
34 Sec. 5. Section 422.60, Code Supplement 2011, is amended by
35 adding the following new subsection:

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1 NEW SUBSECTION. 14. The taxes imposed under this division
2 shall be reduced by an Iowans first tax credit allowed under
3 section 15E.371.
4 Sec. 6. NEW SECTION. **432.12N Iowans first tax credit.**
5 The taxes imposed under this chapter shall be reduced by an
6 Iowans first tax credit allowed under section 15E.371.
7 Sec. 7. Section 533.329, subsection 2, Code Supplement
8 2011, is amended by adding the following new paragraph:
9 NEW PARAGRAPH. *m.* The moneys and credits tax imposed under
10 this section shall be reduced by an Iowans first tax credit
11 allowed under section 15E.371.
12 Sec. 8. EFFECTIVE DATE. This Act, being deemed of immediate
13 importance, takes effect upon enactment.
14 Sec. 9. APPLICABILITY. This Act applies to qualified
15 individuals hired on or after the effective date of this Act.
16 EXPLANATION
17 This bill provides a credit against the individual and
18 corporate income taxes, franchise tax, insurance premiums tax,
19 and moneys and credits tax for hiring a qualified individual
20 for employment in this state. "Qualified individual" is
21 defined as a resident of this state who is legally authorized
22 to work in this state. The credit is an amount equal to $2,000.
23 In order to qualify for the credit, several factors must be
24 met. First, the taxpayer must employ the qualified individual
25 on a full-time basis, provide a sufficient package of benefits,
26 and pay the qualified individual at least 100 percent of
27 the qualifying wage threshold, for 12 consecutive months.
28 The qualifying wage threshold is calculated by the economic
29 development authority as provided in the bill. Second,
30 the qualified individual must not have been employed by the
31 taxpayer before the date of hire and must not have been hired
32 to replace a person whose employment was terminated within the
33 last six months. Third, the taxpayer has received less than
34 $200,000 in Iowans first tax credits. Fourth, the taxpayer
35 must not have a consistent pattern of violations of the law,

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1 including but not limited to environmental and worker safety
2 laws. Fifth, the position for which the qualified individual
3 was hired must not have been relocated from another area of
4 this state after the taxpayer closed or substantially reduced
5 operations in that area. Sixth, the taxpayer must not be
6 currently receiving any assistance, incentive, or benefit under
7 the quality jobs enterprise zone program or the high quality
8 jobs program for the tax year in which this credit is claimed.
9 To receive the tax credit, a taxpayer must submit an
10 application to the economic development authority and receive a
11 tax credit certificate, and then attach the certificate to the
12 taxpayer's tax return. The tax credits are nontransferable and
13 nonrefundable, but may be carried forward for five years.
14 The bill also places the Iowans first tax credit under the
15 aggregate tax credit limit cap of the economic development
16 authority and allocates $20 million of the cap to the credit.
17 The economic development authority is required to issue
18 certificates so that not more than $20 million in credits are
19 claimed in any one fiscal year. Certificates are to be issued
20 on an earliest filed basis.
21 An individual may claim the tax credit allowed a
22 partnership, limited liability company, S corporation, estate,
23 or trust electing to have the income taxed directly to the
24 individual. The amount claimed by the individual shall be
25 based upon the pro rata share of the individual's earnings of
26 the partnership, limited liability company, S corporation,
27 estate, or trust.
28 The bill takes effect upon enactment and applies to
29 qualified individuals hired on or after that date.

Senate File 2212 - Introduced

SENATE FILE 2212
BY COMMITTEE ON ECONOMIC
GROWTH/REBUILD IOWA

(SUCCESSOR TO SSB 3072)

A BILL FOR

1 An Act relating to economic development by making technical
2 and policy changes related to environmental response
3 projects and to certain programs administered by the
4 economic development authority and including retroactive
5 applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5263SV (2) 84
ad/sc

S.F. 2212

DIVISION I
TARGETED JOBS WITHHOLDING ELIGIBILITY

Section 1. Section 403.19A, subsection 1, paragraph a, Code Supplement 2011, is amended to read as follows:

a. *"Business"* means ~~any~~ an enterprise that is located in this state and that is operated for profit and under a single management. *"Business"* includes professional services~~, or industrial enterprise, including~~ and industrial enterprises, including but not limited to medical treatment facilities, manufacturing facilities, corporate headquarters, and research facilities. *"Business"* does not include a retail operation, a government entity, or a business which closes or substantially reduces its operation in one area of this state and relocates substantially the same operation to another area of this state.

DIVISION II
ACCELERATED CAREER EDUCATION PHYSICAL INFRASTRUCTURE PROJECTS

Sec. 2. Section 260G.6, subsections 1, 3, and 4, Code Supplement 2011, are amended to read as follows:

1. An accelerated career education fund is established in the state treasury ~~under the control of the economic development authority~~ consisting of moneys appropriated to the ~~authority~~ fund for purposes of funding the cost of accelerated career education program capital projects.

3. If moneys are appropriated by the general assembly to support program capital costs, the moneys shall be allocated ~~according to rules adopted by the economic development authority pursuant to chapter 17A~~ equally to each community college.

~~4. In order to receive moneys pursuant to this section, a program agreement approved by the community college board of directors shall be in place, program capital cost requests shall be approved by the economic development authority created in section 15.105, and employer contributions toward program capital costs shall be certified and agreed to in the agreement. Program capital cost requests shall be approved~~

S.F. 2212

1 ~~or denied not later than sixty days following receipt of the~~
2 ~~request by the economic development authority.~~
3 DIVISION III
4 IOWA INNOVATION COUNCIL
5 Sec. 3. Section 15.117A, subsection 2, Code Supplement
6 2011, is amended by adding the following new paragraph:
7 NEW PARAGRAPH. *c.* A vacancy on the council shall be filled
8 in the same manner as the original selection and shall be for
9 the remainder of the term.
10 DIVISION IV
11 ENTERPRISE ZONE CERTIFICATION SUNSET
12 Sec. 4. Section 15E.192, subsection 4, paragraph b, Code
13 Supplement 2011, is amended to read as follows:
14 *b.* A county or city may apply to the authority for an area
15 to be certified as an enterprise zone at any time prior to July
16 1, ~~2012~~ 2014. However, the total amount of land designated as
17 enterprise zones under subsection 1, and any other enterprise
18 zones certified by the authority, excluding those approved
19 pursuant to subsection 2 and section 15E.194, subsections 3 and
20 5, shall not exceed in the aggregate one percent of the total
21 county area.
22 DIVISION V
23 ENVIRONMENTAL RESPONSE PROJECTS
24 Sec. 5. Section 455I.2, subsection 5, unnumbered paragraph
25 1, Code 2011, is amended to read as follows:
26 *"Environmental response project"* means a plan or work
27 performed for environmental remediation or flood control
28 affecting real property and conducted under or by one of the
29 following:
30 Sec. 6. Section 455I.11, subsection 3, Code 2011, is amended
31 to read as follows:
32 3. A person is not responsible for or subject to liability
33 for environmental remediation or flood control solely because
34 it has the right to enforce an environmental covenant.
35 Sec. 7. RETROACTIVE APPLICABILITY AND COVENANT VALIDITY.

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1 1. This division of this Act applies retroactively to
2 an instrument entered into on or after July 1, 1992, and
3 before the effective date of this division of this Act, if the
4 instrument meets the following requirements:
5 a. The instrument creates restrictions or obligations with
6 respect to flood control affecting real property that would
7 qualify as activity and use limitations under chapter 455I, as
8 amended in this division of this Act.
9 b. A grantor or holder or a party to or beneficiary of
10 the instrument, as named in the instrument, files by July 1,
11 2013, in the office of the recorder of deeds of the county in
12 which the real estate is situated, a statement in writing, duly
13 acknowledged, doing all of the following:
14 (1) Definitely describing the real estate involved and
15 the originally recorded instrument creating the restrictions
16 or obligations with respect to flood control affecting real
17 property.
18 (2) Declaring that such instrument is an environmental
19 covenant for purposes of chapter 455I, as amended in this
20 division of this Act.
21 2. An instrument meeting the requirements of this section of
22 this division of this Act is valid and enforceable under the
23 provisions of chapter 455I, as amended in this division of this
24 Act, and the validity of the environmental covenant established
25 by the instrument is not impaired by section 558.68 or 614.24.
26 DIVISION VI
27 REGIONAL SPORTS AUTHORITY DISTRICTS
28 Sec. 8. Section 15E.321, subsection 2, Code Supplement
29 2011, is amended to read as follows:
30 2. *a.* A convention and visitors bureau may apply to the
31 authority for certification of a regional sports authority
32 district which may include more than one city and more than
33 one convention and visitors bureau within the district. The
34 authority shall not certify more than ten such districts.
35 *b.* If more than ten applications are received in any

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1 certification year, the authority shall certify the districts
2 on a competitive basis. In evaluating the applications for
3 certification, the authority shall consider the economic impact
4 to the state of the activities proposed in the application, the
5 geographic diversity of the districts applying, and any other
6 factors the authority deems relevant.
7 DIVISION VII
8 CONFIDENTIAL INFORMATION
9 Sec. 9. Section 15.118, subsection 2, Code Supplement 2011,
10 is amended to read as follows:
11 2. All information contained in an application for
12 financial assistance submitted to the authority shall remain
13 confidential while the authority is reviewing the application,
14 processing requests for confidentiality, negotiating with the
15 applicant, and preparing the application for consideration by
16 the director or the board. The authority may release certain
17 information in an application for financial assistance to a
18 third party for technical review. If the authority releases
19 such information to a third party, the authority shall ensure
20 that the third party protects such information from public
21 disclosure. After the authority has considered a request for
22 confidentiality pursuant to subsection 3, any information not
23 deemed confidential shall be made publicly available. Any
24 information deemed confidential by the authority shall also
25 be kept confidential during and following administration of
26 a contract executed pursuant to a successful application.
27 Information deemed confidential may be treated as such for as
28 long as the authority deems necessary to protect an applicant's
29 competitive position, and the confidential treatment of the
30 information shall apply whether the authority is in possession
31 of the information or whether the information has been sent to
32 off-site storage or to the state archivist.
33 DIVISION VIII
34 EMPLOYEES ELIGIBLE FOR JOBS TRAINING PROGRAMS
35 Sec. 10. Section 260E.2, subsection 6, Code 2011, is amended

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1 to read as follows:
2 6. *"Employee"* means the person employed in a new job.
3 *"Employee"* does not include a person not subject to the
4 withholding of Iowa income pursuant to a reciprocal agreement
5 under section 422.8, subsection 5.
6 Sec. 11. Section 260F.2, subsection 6, Code Supplement
7 2011, is amended to read as follows:
8 6. *"Employee"* means a person currently employed by a
9 business who is to be trained. However, *"employee"* does not
10 include a person with executive responsibilities or replacement
11 workers who are hired as a result of a strike, lockout, or
12 other labor dispute in Iowa.
13 EXPLANATION
14 This bill makes technical and policy changes relating
15 to environmental response projects and certain programs
16 administered by the economic development authority (EDA).
17 Division I of the bill amends the definition of "business"
18 under Code section 403.19A, which determines the eligibility
19 of an entity to enter into an agreement with a pilot project
20 city under the targeted jobs withholding credit program. The
21 bill adds that a business for purposes of the targeted jobs
22 withholding credit program is a for-profit enterprise that
23 is located within the state and that operates under single
24 management. The bill provides that a government entity does
25 not constitute a business for purposes of the program.
26 Division II of the bill amends Code section 260G.6 to provide
27 that the EDA would not control the accelerated career education
28 fund, and appropriations for accelerated career education would
29 be directed to the fund rather than the EDA. The bill states
30 that moneys appropriated by the general assembly for program
31 capital costs shall be allocated equally to each community
32 college rather than requiring the EDA to allocate the moneys.
33 The bill strikes language that requires a program agreement to
34 be in place. The bill strikes language that would require the
35 EDA to approve program capital cost requests.

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1 Division III of the bill amends Code section 15.117A to
2 require a vacancy on the Iowa innovation council be filled
3 for the remainder of the term in the same manner in which the
4 original selection was made.
5 Division IV of the bill amends Code section 15E.192 to allow
6 counties or cities to apply to the EDA to be certified as an
7 enterprise zone any time prior to July 1, 2014, rather than
8 July 1, 2012.
9 Division V of the bill amends Code section 455I.2 defining
10 an environmental response project to include a plan or
11 work performed for flood control. Current law and the bill
12 exempt a flood covenant that meets certain standards from
13 the requirement that certain conveyances containing land use
14 restrictions be renewed every 21 years. Under the bill, a
15 flood covenant can be exempted if a grantor or holder or
16 any party to or beneficiary of the flood control covenant,
17 who is named in the document creating the flood control
18 covenant, files a written statement that is duly acknowledged
19 and definitely describes the real estate involved in the
20 original recorded flood control covenant and describes the
21 originally recorded flood control covenant. The written
22 statement must also declare that the flood control covenant is
23 an environmental covenant for purposes of Code chapter 455I.
24 Division V applies retroactively to eligible flood control
25 covenants entered into on or after July 1, 1992, and before the
26 effective date of this division of this Act.
27 Division VI of the bill amends Code section 15E.321 to
28 include criteria for the EDA to consider when determining
29 whether to certify a regional sports authority district when
30 more than 10 applications for certification are received.
31 Division VII of the bill amends Code section 15.118 to add
32 that an applicant's confidential information contained in an
33 application for financial assistance may remain confidential
34 as long as necessary to protect the applicant's competitive
35 position. The bill also provides that the information's

S.F. 2212

1 confidential status and treatment applies regardless of
2 whether the authority has possession of the information or the
3 information has been sent to off-site storage or the state
4 archivist.
5 Division VIII of the bill amends Code sections 260E.2 and
6 260F.2 regarding the definition of an employee for purposes
7 of the industrial new jobs training and the jobs training
8 programs, respectively. The bill provides that an employee for
9 purposes of eligibility for the jobs training program does not
10 include a person with executive responsibilities. The bill
11 also provides that a person not subject to withholding of Iowa
12 income tax because of a reciprocal withholding agreement with
13 another state does not qualify as an employee for purposes of
14 eligibility for the industrial jobs training program.

Senate File 2213 - Introduced

SENATE FILE 2213
BY KAPUCIAN, SODDERS, BEALL, JOHNSON, ANDERSON, BACON, BOETTGER, ERNST, HAHN, BARTZ, CHELGREN, WHITVER, SEYMOUR, and HOUSER

(COMPANION TO 5582HH BY PETTENGILL)

A BILL FOR

1 An Act exempting certain veterans organizations from payment of
2 sales tax and certain fees for conducting games and raffles.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5582SS (4) 84
aw/sc

S.F. 2213

1 Section 1. Section 99B.7, subsection 3, paragraph a, Code
2 Supplement 2011, is amended to read as follows:
3 *a.* (1) A person wishing to conduct games and raffles
4 pursuant to this section as a qualified organization shall
5 submit an application and a license fee of one hundred fifty
6 dollars. The annual license fee for a statewide raffle
7 license shall be one hundred fifty dollars. However, upon
8 submission of an application accompanied by a license fee of
9 fifteen dollars, a person may be issued a limited license to
10 conduct all games and raffles pursuant to this section at a
11 specified location and during a specified period of fourteen
12 consecutive calendar days, except that a bingo occasion may
13 only be conducted once per each seven consecutive calendar days
14 of the specified period. In addition, a qualified organization
15 may be issued a limited license to conduct raffles pursuant to
16 this section for a period of ninety days for a license fee of
17 forty dollars or for a period of one hundred eighty days for
18 a license fee of seventy-five dollars. For the purposes of
19 this paragraph, a limited license is deemed to be issued on the
20 first day of the period for which the license is issued.
21 (2) A qualified organization representing veterans is
22 exempt from assessment and payment of a license fee under this
23 paragraph.
24 Sec. 2. Section 423.3, Code Supplement 2011, is amended by
25 adding the following new subsection:
26 NEW SUBSECTION. 96. The sales price from sales of goods,
27 wares, or merchandise, or from services furnished, to an
28 organization representing veterans that is exempt from federal
29 income tax under section 501(c)(19) of the Internal Revenue
30 Code if such goods, wares, merchandise, or services are to be
31 used in the operation of the veterans organization.
32 EXPLANATION
33 This bill exempts certain veterans organizations from
34 payment of sales tax and certain fees.
35 The bill exempts a veterans organization that is exempt

S.F. 2213

1 from federal income tax under section 501(c)(19) of the
2 Internal Revenue Code from assessment and payment of license
3 fees charged to qualified organizations conducting games and
4 raffles.
5 The bill also exempts such veterans organizations from
6 sales taxes on goods, wares, or merchandise, or from services
7 furnished, if such items are to be used in the operation of the
8 veterans organization. By operation of Code section 423.6, an
9 item exempt from the imposition of the sales tax is also exempt
10 from the use tax imposed in Code section 423.5.

Senate File 2214 - Introduced

SENATE FILE 2214
BY DANIELSON

A BILL FOR

1 An Act relating to the knowing misrepresentation or knowing
2 omission of a person's financial information on the person's
3 application for free legal assistance from a nonprofit legal
4 aid organization and providing penalties.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5817SS (2) 84
rh/nh

S.F. 2214

1 Section 1. Section 714.8, Code Supplement 2011, is amended
2 by adding the following new subsection:
3 NEW SUBSECTION. 3A. Knowingly misrepresents or knowingly
4 omits the person's financial information on an application for
5 free legal assistance from a nonprofit legal aid organization
6 in this state.
7 EXPLANATION
8 This bill provides that a person who knowingly misrepresents
9 or knowingly omits the person's financial information on an
10 application for free legal assistance from a nonprofit legal
11 aid organization in this state is guilty of a fraudulent
12 practice. A person guilty of a fraudulent practice may be
13 charged with a simple misdemeanor, a serious misdemeanor,
14 an aggravated misdemeanor, a class "D" felony, or a class
15 "C" felony depending upon the value of the money or property
16 involved at the time the fraudulent practice is committed.

Senate File 2215 - Introduced

SENATE FILE 2215
BY MATHIS

A BILL FOR

1 An Act relating to bidding for purchases or public improvements
2 through a competitive bidding process by the state or
3 political subdivisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5637XS (6) 84
je/nh

S.F. 2215

1 Section 1. Section 8A.311, Code Supplement 2011, is amended
2 by adding the following new subsections:
3 NEW SUBSECTION. 12A. If the lowest responsive bid received
4 by the state or a political subdivision for products or other
5 purchases is from an out-of-state business and totals less
6 than five hundred thousand dollars, and an Iowa-based business
7 submitted a bid which is within five percent or ten thousand
8 dollars of the price of the lowest bid, whichever is less, the
9 Iowa-based business which submitted the lowest responsive bid
10 shall be notified and shall be allowed to match the lowest bid
11 before a contract is awarded.
12 NEW SUBSECTION. 12B. A response to a request for bids or
13 proposals by the state or a political subdivision which totals
14 less than five hundred thousand dollars in value shall contain
15 the following information:
16 *a.* The percentage of the ownership of the submitting
17 business which is held by Iowa residents.
18 *b.* The percentage of the employees who will be carrying out
19 work in connection with the contract who are Iowa residents.
20 For the purposes of this paragraph, *"employee"* includes
21 part-time, temporary, contract, and substitute employees, and
22 includes employees of any contractors or subcontractors.
23 *c.* An estimate of the percentage of purchases to be made by
24 the submitting business in connection with the contract that
25 will be made from Iowa-based businesses.
26 *d.* The amount of tax paid by the submitting business under
27 chapter 422, division II, III, or V, on the last tax return
28 filed by the submitting business and the amount of property
29 tax paid by the submitting business during the most recently
30 completed fiscal year for which such a figure is available.
31 Sec. 2. NEW SECTION. **73.7 Matching by Iowa bidders.**
32 1. Notwithstanding this chapter, chapter 26, chapter
33 73A, chapter 309, chapter 310, chapter 331, or chapter 384,
34 if the lowest responsive bid received for a contract for a
35 public improvement or works is from an out-of-state business

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1 and totals less than five hundred thousand dollars, and an
2 Iowa-based business submitted a bid which is within five
3 percent or ten thousand dollars of the price of the lowest bid,
4 whichever is less, the Iowa-based business which submitted the
5 lowest responsive bid shall be notified and shall be allowed to
6 match the lowest bid before a contract is awarded.
7 2. This section applies to the state, its agencies, and any
8 political subdivisions of the state.
9 Sec. 3. NEW SECTION. **73.8 Responses to requests for bids or**
10 **proposals — in-state information.**
11 A response to a request for bids or proposals by the state,
12 its agencies, or any political subdivision which totals less
13 than five hundred thousand dollars in value shall contain the
14 following information:
15 1. The percentage of the ownership of the submitting
16 business which is held by Iowa residents.
17 2. The percentage of the employees who will be carrying out
18 work in connection with the contract who are Iowa residents.
19 For the purposes of this subsection, *"employee"* includes
20 part-time, temporary, contract, and substitute employees, and
21 includes employees of any contractors or subcontractors.
22 3. An estimate of the percentage of purchases to be made by
23 the submitting business in connection with the contract that
24 will be made from Iowa-based businesses.
25 4. The amount of tax paid by the submitting business under
26 chapter 422, division II, III, or V, on the last tax return
27 filed by the submitting business and the amount of property
28 tax paid by the submitting business during the most recently
29 completed fiscal year for which such a figure is available.
30 EXPLANATION
31 This bill provides that for purchases and public improvement
32 contracts initiated by the state or a political subdivision
33 through a competitive bidding process, if the lowest responsive
34 bid received is from an out-of-state business and totals less
35 than $500,000, and an in-state business submitted a bid which

S.F. 2215

is within 5 percent or $10,000 of the price of the lowest responsive bid, whichever is less, the state or political subdivision shall notify the in-state business which submitted the lowest responsive bid and allow it to match the lowest responsive bid from the out-of-state business before a contract is awarded.

The bill also provides that a response to a request for bid or proposal by the state or a political subdivision which is less than $500,000 in value must contain certain information. The required information is the percentage of the ownership of the submitting business which is held by Iowa residents; the percentage of employees who will be carrying out work in connection with the contract who are Iowa residents; an estimate of the percentage of purchases to be made by the submitting business in connection with the contract that will be made from Iowa-based businesses; and the amount of tax paid by the submitting business under Code chapter 422, division II, III, or V, on the last tax return filed by the submitting business and the amount of property tax paid by the submitting business during the most recently completed fiscal year for which such a figure is available. For the purposes of determining how many employees carrying out work in connection with the contract will be Iowa residents, "employee" includes part-time, temporary, contract, and substitute employees, and includes employees of any contractors or subcontractors.

Senate File 2216 - Introduced

SENATE FILE 2216
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 3120)

A BILL FOR

1 An Act relating to the registration of motor trucks, truck
2 tractors, trailers, and semitrailers and providing for
3 apportioned registration of commercial motor vehicles
4 under the international registration plan, and including
5 implementation provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5313SV (1) 84
dea/nh

S.F. 2216

1 Section 1. Section 321.1, subsection 60, Code Supplement
2 2011, is amended to read as follows:
3 60. *"Registration year"* means the period of twelve
4 consecutive months beginning on the first day of the month
5 following the month of the birth of the owner of the vehicle
6 for vehicles registered by the county treasurer ~~and the~~
7 ~~calendar year for vehicles registered by the department~~
8 ~~or motor trucks and truck tractors with a combined gross~~
9 ~~weight exceeding five tons which are registered by the county~~
10 ~~treasurer~~. For leased vehicles registered by the county
11 treasurer, ~~except for motor trucks and truck tractors with a~~
12 ~~combined gross weight exceeding five tons,~~ *"registration year"*
13 means the period of twelve consecutive months beginning on
14 the first day of the month following the month in which the
15 lease expires. For vehicles registered under chapter 326,
16 *"registration year"* means the twelve-month period determined by
17 the department pursuant to section 326.14.
18 Sec. 2. Section 321.20, subsection 1, unnumbered paragraph
19 1, Code 2011, is amended to read as follows:
20 Except as provided in this chapter, an owner of a vehicle
21 subject to registration shall make application to the county
22 treasurer of the county of the owner's residence, or if a
23 nonresident, to the county treasurer of the county where the
24 primary users of the vehicle are located, or if a lessor of
25 the vehicle pursuant to chapter 321F which vehicle has a
26 gross vehicle weight of less than ten thousand pounds, to the
27 county treasurer of the county of the lessee's residence,
28 or if a firm, association, or corporation with vehicles in
29 multiple counties, the owner may make application to the county
30 treasurer of the county where the primary user of the vehicle
31 is located, for the registration and issuance of a certificate
32 of title for the vehicle upon the appropriate form furnished
33 by the department. However, upon the transfer of ownership,
34 the owner of a vehicle subject to the ~~proportional~~ apportioned
35 registration provisions of chapter 326 shall make application

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1 for ~~registration and~~ issuance of a certificate of title to
2 either the department or the appropriate county treasurer. The
3 application shall be accompanied by a fee of twenty dollars,
4 and shall bear the owner's signature. A nonresident owner
5 of two or more vehicles subject to registration may make
6 application for registration and issuance of a certificate
7 of title for all vehicles subject to registration to the
8 county treasurer of the county where the primary user of any
9 of the vehicles is located. The owner of a mobile home or
10 manufactured home shall make application for a certificate
11 of title under this section from the county treasurer of the
12 county where the mobile home or manufactured home is located.
13 The application shall contain:
14 Sec. 3. Section 321.20A, Code 2011, is amended to read as
15 follows:
16 **321.20A Certificate of title and registration fees —**
17 **commercial vehicles.**
18 1. Notwithstanding other provisions of this chapter, the
19 owner of a commercial vehicle subject to the ~~proportional~~
20 apportioned registration provisions of chapter 326 may make
21 application to the department or the appropriate county
22 treasurer for a certificate of title. The application for
23 certificate of title shall be made within thirty days of
24 purchase or transfer and shall be accompanied by a twenty
25 dollar title fee and the appropriate fee for new registration.
26 The department or the county treasurer shall deliver the
27 certificate of title to the owner if there is no security
28 interest. If there is a security interest, the title,
29 when issued, shall be delivered to the first secured party.
30 Delivery may be made using electronic means.
31 2. An owner of more than fifty commercial vehicles subject
32 to the ~~proportional~~ apportioned registration provisions of
33 chapter 326 who is issued a certificate of title under this
34 section shall not be subject to annual registration fees until
35 the commercial vehicle is driven or moved upon the highways.

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The annual registration fee due shall be prorated for the remaining unexpired months of the registration year. Ownership of the commercial vehicle shall not be transferred until annual registration fees have been paid to the department.

Sec. 4. Section 321.34, subsection 4, Code Supplement 2011, is amended to read as follows:

4. *~~Multiyear~~* *Permanent plates.* In lieu of issuing annual registration plates for trailers, semitrailers, motor trucks, and truck tractors, the department may issue a ~~multiyear registration plate for a three-year period or a~~ permanent registration plate for trailers, ~~and~~ semitrailers, ~~licensed under chapter 326, and a permanent registration plate for~~ motor trucks, and truck tractors licensed under chapter 326, upon payment of the appropriate registration fee. Payment of fees for trailers and semitrailers for a permanent registration plate shall, at the option of the registrant, be made at five-year intervals or on an annual basis. Fees from ~~three-year and~~ five-year payments shall not be reduced or prorated. Payment of fees for motor trucks and truck tractors shall be made on an annual basis.

Sec. 5. Section 321.39, subsections 1 and 3, Code 2011, are amended by striking the subsections.

Sec. 6. Section 321.40, subsection 1, Code 2011, is amended to read as follows:

1. Application for renewal ~~of~~ for a vehicle ~~registration~~ registered under this chapter shall be made on or after the first day of the month prior to the month of expiration of registration and up to and including the last day of the month following the month of expiration of registration. The registration shall be renewed upon payment of the appropriate annual registration fee. Application for renewal for a vehicle registered under chapter 326 shall be made on or after the first day of the month prior to the month of expiration of registration and up to and including the last day of the ~~month following the~~ month of expiration of registration.

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Sec. 7. Section 321.46A, Code 2011, is amended to read as follows:

321.46A Change from ~~proportional~~ apportioned registration — credit.

An owner changing a vehicle's registration from ~~proportional~~ apportioned registration under chapter 326 to registration under this chapter shall be entitled to a credit on the vehicle's annual registration fees under this chapter. The credit ~~shall~~ may be allowed when the owner surrenders to the county treasurer proof of ~~proportional~~ apportioned registration provided by the department. The amount of the credit shall be calculated based on the unexpired complete calendar months remaining in the registration year from the date the application is filed with the county treasurer.

Sec. 8. Section 321.105, subsection 4, Code 2011, is amended to read as follows:

4. In addition to the payment of an annual registration fee for each trailer and semitrailer to be issued ~~an annual~~ a registration plate under chapter 326, an additional registration fee may be paid for a period of ~~two or~~ four subsequent registration years.

Sec. 9. Section 321.106, subsections 1 and 3, Code 2011, are amended to read as follows:

1. When a vehicle is registered under chapter 326 ~~or a motor truck, truck tractor, or road tractor is registered for a combined gross weight exceeding five tons~~ and there is no delinquency and the registration is made in ~~February or succeeding months through November~~ the second through eleventh month of the registration year, the annual registration fee shall be prorated for the remaining unexpired months of the registration year. ~~A fee shall not be required for the month of December for a vehicle registered on a calendar year basis on which there is no delinquency.~~ However, ~~except for a vehicle registered under chapter 326,~~ when such a vehicle is registered in ~~November~~ the eleventh month of the registration

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1 year, the vehicle may be registered for the remaining unexpired
2 months of the registration year ~~or for the remaining unexpired~~
3 ~~months of the registration year~~ and for the next registration
4 year, upon payment of the applicable registration fees.
5 3. If a fee computed under this section contains a
6 fractional part of a dollar, the fee shall be computed to the
7 nearest whole dollar. A fee computed under this section shall
8 not be less than five dollars. The fee so computed shall be
9 deemed to be the annual registration fee for the remainder
10 of the registration year. This subsection does not apply to
11 vehicles registered under chapter 326.
12 Sec. 10. Section 321.126, subsection 1, paragraphs d and e,
13 Code 2011, are amended to read as follows:
14 *d.* If the vehicle is registered by the county treasurer
15 during the current registration year and the owner or lessee
16 registers the vehicle for ~~proportional~~ apportioned registration
17 under chapter 326, the owner of the registered vehicle shall
18 surrender the registration plates to the county treasurer and
19 may file a claim for refund. In lieu of a refund, a credit
20 for the annual registration fees paid to the county treasurer
21 may be applied by the department to the owner or lessee's
22 ~~proportional~~ apportioned registration fees upon the surrender
23 of the county plates and registration.
24 *e.* A refund for trailers and semitrailers issued a ~~multiyear~~
25 permanent registration plate pursuant to chapter 326 shall be
26 paid by the department upon application.
27 Sec. 11. Section 321.126, subsection 2, Code 2011, is
28 amended to read as follows:
29 2. Notwithstanding any provision of this section to the
30 contrary, there shall be no refund of ~~proportional~~ apportioned
31 registration fees unless the state which issued the base plate
32 for the vehicle allows such refund. If an owner subject to
33 ~~proportional~~ apportioned registration leases the vehicle
34 for which the refund is sought, the claim shall be filed in
35 the names of both the lessee and the lessor and the refund

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payment made payable to both the lessor and the lessee. The term *"owner"* for purposes of this section shall include a person in whom is vested right of possession or control of a vehicle which is subject to a lease, contract, or other legal arrangement vesting right of possession or control in addition to the term as defined in section 321.1, subsection 49.

Sec. 12. Section 321.127, subsections 3 and 4, Code 2011, are amended to read as follows:

3. For trailers or semitrailers issued a ~~multiyear~~ permanent registration plate, a refund shall be paid equal to the annual fee for twelve months times the remaining number of complete registration years.

4. Refunds for vehicles registered for ~~proportional~~ apportioned registration under chapter 326 shall be paid on the basis of unexpired complete calendar months remaining in the registration year from the date the claim for refund~~,~~ and the license plate~~, and registration receipt~~ are received by the department.

Sec. 13. Section 321.134, Code 2011, is amended to read as follows:

321.134 Monthly penalty.

1. On the first day of the second month following the beginning of each registration year a penalty of five percent of the annual registration fee shall be added to the annual registration fees not paid by that date and an additional penalty of five percent shall be added the first day of each succeeding month, until the fee is paid. A penalty shall not be less than five dollars. If the owner of a vehicle surrenders the registration plates for a vehicle prior to the plates becoming delinquent, to the county treasurer of the county where the vehicle is registered, or to the department if the vehicle is registered under chapter 326, the owner may register the vehicle any time thereafter upon payment of the annual registration fee for the registration year without penalty. ~~The penalty on vehicles registered under chapter 326~~

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1 ~~shall accrue February 1 of each year.~~ To avoid a penalty or
2 an additional penalty in the case of a delinquent registration
3 through a county treasurer, if the last calendar day of a month
4 falls on Saturday, Sunday, or a holiday, the payment deadline
5 is extended to include the first business day of the following
6 month. For payments made through a county treasurer's
7 authorized website only, if the last day of the month falls
8 on a Saturday, Sunday, or a holiday, the electronic payment
9 must be initiated by midnight on the first business day of the
10 next month. All other electronic payments must be initiated by
11 midnight on the last day of the month preceding the delinquent
12 date.
13 ~~2. The annual registration fee for trucks, truck tractors,~~
14 ~~and road tractors, as provided in sections 321.121 and 321.122,~~
15 ~~may be payable in two equal semiannual installments if the~~
16 ~~annual registration fee exceeds the annual registration fee~~
17 ~~for a vehicle with a gross weight exceeding five tons. The~~
18 ~~penalties provided in subsection 1 shall be computed on the~~
19 ~~amount of the first installment only and on the first day~~
20 ~~of the seventh month of the registration period the same~~
21 ~~rate of penalty shall apply to the second installment, until~~
22 ~~the fee is paid. Semiannual installments do not apply to~~
23 ~~commercial vehicles, as defined under section 326.2, subject~~
24 ~~to proportional registration, with a base state other than~~
25 ~~the state of Iowa, as defined in section 326.2, subsection 1.~~
26 ~~The penalty on vehicles registered under chapter 326 accrues~~
27 ~~August 1 of each year except as provided in section 326.6. The~~
28 ~~department shall not allow the annual registration fee for a~~
29 ~~commercial vehicle registered under chapter 326 to be paid in~~
30 ~~two equal semiannual installments for five years after the~~
31 ~~registrant has paid the annual registration fee late for two~~
32 ~~consecutive years.~~
33 ~~3.~~ 2. If a penalty applies to an annual vehicle
34 registration fee provided for in sections 321.121 and 321.122,
35 the same penalty shall be assessed on the fees collected to

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increase the registered gross weight of the vehicle, if the increased gross weight is requested within forty-five days from the date the delinquent vehicle is registered for the current registration period.

~~4.~~ 3. Notwithstanding subsections 1 ~~through 3~~ and 2, if a vehicle registration is delinquent for twenty-four months or more, a flat penalty and fee shall be assessed for the delinquent period in addition to the current annual registration fee. The flat penalty and fee shall be one hundred fifty percent of the current annual registration fee.

~~5.~~ 4. The department shall waive the penalties imposed by this section for an owner who is in the military service of the United States and who has been relocated as a result of being placed on active duty on or after September 11, 2001. The department shall adopt rules to implement this subsection, including, if necessary, procedures for refunding penalties collected prior to March 29, 2004.

Sec. 14. Section 321.466, subsection 1, Code 2011, is amended by striking the subsection.

Sec. 15. Section 321.466, subsections 2 and 6, Code 2011, are amended to read as follows:

2. ~~During or after the seventh month of a current registration year, the~~ The owner of a motor truck, truck tractor, or road tractor~~, semitrailer or trailer may, if the owner's operation has not resulted in a conviction or action pending under this section,~~ may increase the gross weight registration of the vehicle to a higher gross weight ~~classification~~ registration by payment of one-twelfth of the difference between the annual fee for the higher gross weight and the amount of the fee for the gross weight at which ~~it~~ the vehicle is registered, multiplied by the number of unexpired months of the registration year.

6. For the purposes of this section cracked or ground soybeans, ~~sargo~~ sorgo, corn, wheat, rye, oats, or other grain shall be deemed to be raw farm products, provided that such

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1 products are being directly delivered to a farm, from the
2 place where the whole grain had been delivered from a farm for
3 the purpose of cracking or grinding and immediate delivery to
4 the farm to which such cracked or ground products are being
5 delivered.
6 Sec. 16. Section 321F.8, Code 2011, is amended to read as
7 follows:
8 **321F.8 Registration of vehicle required.**
9 All motor vehicles which are primarily garaged or located
10 in this state and which are the subject of a lease shall
11 be registered in this state. This section shall not be
12 construed to exempt any motor vehicle from registration which
13 is otherwise subject to registration under the provisions of
14 chapter 321, provided, however, that the provisions of this
15 section shall not apply to motor vehicles in fleets whose
16 registrations are apportioned under the provisions of ~~section~~
17 ~~326.2~~ chapter 326.
18 Sec. 17. Section 326.1, Code 2011, is amended to read as
19 follows:
20 **326.1 Policy.**
21 It is the policy of this state to promote and encourage
22 the fullest possible use of ~~its~~ the state's highway system
23 by authorizing the negotiation and execution of motor
24 vehicle ~~reciprocal or proportional registration agreements,~~
25 ~~arrangements and declarations with other jurisdictions~~
26 reciprocity agreements. Apportioned registration shall be
27 conducted in accordance with the international registration
28 plan with respect to vehicles registered in this and ~~such~~ other
29 jurisdictions, thus contributing to the economic and social
30 development and growth of this state.
31 Sec. 18. Section 326.2, Code 2011, is amended by striking
32 the section and inserting in lieu thereof the following:
33 **326.2 Definitions.**
34 As used in this chapter, unless the context otherwise
35 requires:

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1 1. *"Commercial vehicle"* means any vehicle which is operated
2 in interstate commerce or combined intrastate and interstate
3 commerce and used for the transportation of persons for hire,
4 compensation or profit, or designed or used primarily for the
5 transportation of property.
6 2. *"Department"* means the department of transportation.
7 3. *"Director"* means the director of transportation or the
8 director's designee.
9 4. *"International registration plan"* or *"plan"* means
10 the registration reciprocity agreement among states of the
11 United States, the District of Columbia, and provinces of
12 Canada providing for payment of apportionable fees on the
13 basis of total distance operated in all jurisdictions, in
14 effect on January 1, 2011, or as later amended, published by
15 international registration plan, inc., and available on the
16 plan's internet site.
17 5. *"Registration fee"* means the annual motor vehicle
18 registration fee imposed pursuant to section 321.105, unless
19 otherwise specified.
20 6. *"Trip"* for purposes of section 326.23 means:
21 *a.* A one-way movement from one point originating outside
22 this state and destined to another point outside this state.
23 *b.* A round-trip movement between two points within this
24 state.
25 *c.* A round-trip movement originating in this state or
26 destined for a point within this state.
27 7. The terms *"combination"* or *"combination of vehicles"*,
28 *"gross weight"*, *"highway"*, *"motor vehicle"*, *"nonresident"*,
29 *"owner"*, *"person"*, *"semitrailer"*, *"trailer"*, *"truck tractor"*, and
30 *"vehicle"* mean as defined in section 321.1.
31 Sec. 19. NEW SECTION. **326.3 Additional definitions.**
32 As used in this chapter, unless the context otherwise
33 requires, the following terms have the following meaning, as
34 provided in the international registration plan, or the meaning
35 ascribed in the international registration plan as it may exist

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at the time of its applicability to the provisions of this chapter:

1. *"Applicant"* means a person in whose name an application is filed for registration under the plan.

2. *"Apportionable fee"* means any periodic recurring fee or tax required for registering vehicles, such as registration, license, or weight fees.

3. *a. "Apportionable vehicle"* means any power unit that is used or intended for use in two or more member jurisdictions and that is used for the transportation of persons for hire or designed, used, or maintained primarily for the transportation of property if one of the following applies:

(1) The power unit has two axles and a gross vehicle weight or registered gross vehicle weight in excess of twenty-six thousand pounds.

(2) The power unit has three or more axles, regardless of weight.

(3) The power unit is used in combination, when the gross vehicle weight of such combination exceeds twenty-six thousand pounds.

b. A recreational vehicle, a vehicle displaying restricted plates, a bus used in the transportation of chartered parties, or a government-owned vehicle is not an apportionable vehicle; except that a truck or truck tractor, or the power unit in a combination of vehicles having a gross vehicle weight of twenty-six thousand pounds or less, or a bus used in the transportation of chartered parties may be registered under the plan at the option of the registrant.

4. *"Apportioned vehicle"* means an apportionable vehicle that has been registered under the plan.

5. *"Audit"* means the physical examination of a registrant's operational records, including source documents, to verify the distances reported in the registrant's application for apportioned registration and the accuracy of the registrant's record-keeping system for its fleet. Such an examination may

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1 be of multiple fleets for multiple years.
2 6. *"Audit procedures manual"* or *"APM"* means the audit
3 procedures manual required to be maintained in the plan.
4 7. *"Auxiliary axle"* means an auxiliary undercarriage
5 assembly with a fifth wheel and tow bar used to convert a
6 semitrailer to a trailer.
7 8. *"Axle"* means an assembly of a vehicle consisting of two
8 or more wheels whose centers are in one horizontal plane, by
9 means of which a portion of the weight of a vehicle and its
10 load, if any, is continually transmitted to the roadway. For
11 purposes of registration under the plan, an "axle" is any such
12 assembly whether or not it is load-bearing only part of the
13 time.
14 9. *"Base jurisdiction"* means the member jurisdiction,
15 selected in accordance with the plan, to which an applicant
16 applies for apportioned registration under the plan or the
17 member jurisdiction that issues apportioned registration to a
18 registrant under the plan.
19 10. *"Cab card"* means an evidence of registration, other than
20 a plate, issued for an apportioned vehicle registered under
21 the plan by the base jurisdiction and carried in or on the
22 identified vehicle.
23 11. *"Chartered party"* means a group of persons who, pursuant
24 to a common purpose and under a single contract, have acquired
25 the exclusive use of a passenger-carrying motor vehicle to
26 travel together as a group to a specified destination or for a
27 particular itinerary, either agreed upon in advance or modified
28 by the group after leaving the place of origin. *"Chartered*
29 *party"* includes services rendered to a number of passengers that
30 a passenger carrier or its agent has assembled into a travel
31 group through sales of a ticket to each individual passenger
32 covering a round trip from one or more points of origin to a
33 single advertised destination.
34 12. *"Credentials"* means the cab card and plate issued in
35 accordance with the plan.

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1 13. *"Fleet"* means one or more apportionable vehicles
2 designated by a registrant for distance reporting under the
3 plan.
4 14. *"Jurisdiction"* means a country or a state, province,
5 territory, possession, or federal district of a country.
6 15. *"Lease"* means a transaction evidenced by a written
7 document in which a lessor vests exclusive possession, control,
8 and responsibility for the operation of a vehicle in a lessee
9 for a specific term. A long-term lease is for a period of
10 thirty calendar days or more. A short-term lease is for a
11 period of less than thirty calendar days.
12 16. *"Lessee"* means a person that is authorized to have
13 exclusive possession and control of a vehicle owned by another
14 person under terms of a lease agreement.
15 17. *"Lessor"* means a person that, under the terms of a
16 lease agreement, authorizes another person to have exclusive
17 possession of, control of, and responsibility for the operation
18 of a vehicle.
19 18. *"Member jurisdiction"* means a jurisdiction that has
20 applied and has been approved for membership in the plan in
21 accordance with the plan.
22 19. *"Operational records"* means source documents that
23 evidence distance traveled by a fleet in each member
24 jurisdiction, such as furl reports, trip sheets, and driver
25 logs, including those which may be generated through on-board
26 devices and maintained electronically, as required by the audit
27 procedures manual.
28 20. *"Plate"* means the license plate, including renewal
29 decals, if any, issued for a vehicle registered under the plan
30 by the base jurisdiction.
31 21. *"Power unit"* means a motor vehicle as distinguished from
32 a trailer, semitrailer, or auxiliary axle, but not including
33 an automobile or a motorcycle.
34 22. *"Properly registered vehicle"* means a vehicle which
35 has been registered in full compliance with the laws of all

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1 jurisdictions in which it is intended to operate.
2 23. *"Reciprocity"* means the reciprocal grant by one
3 jurisdiction of operating rights or privileges in properly
4 registered vehicles registered by another jurisdiction,
5 especially but not exclusively including privileges generally
6 conferred by vehicle registration.
7 24. *"Reciprocity agreement"* means an agreement, arrangement,
8 or understanding between two or more jurisdictions under which
9 each of the participating jurisdictions grants reciprocal
10 rights or privileges to properly registered vehicles that are
11 registered under the laws of other participating jurisdictions.
12 25. *"Recreational vehicle"* means a vehicle used for personal
13 pleasure or personal travel and not in connection with any
14 commercial endeavor.
15 26. *"Registrant"* means a person in whose name a properly
16 registered vehicle is registered.
17 27. *"Registration year"* means the twelve-month period
18 during which, under the laws of the base jurisdiction, the
19 registration issued to a registrant by the base jurisdiction is
20 valid.
21 28. *"Reporting period"* means the period of twelve
22 consecutive months immediately prior to July 1 of the calendar
23 year immediately preceding the beginning of the registration
24 year for which apportioned registration is sought. However,
25 if the registration year begins on any date in July, August,
26 or September, the reporting period shall be the previous such
27 twelve-month period.
28 29. *"Restricted plate"* means a plate that has a time,
29 geographic area, distance, or commodity restriction or a mass
30 transit or other special plate issued for a bus leased or owned
31 by a municipal government, a state or provincial transportation
32 authority, or a private party, and operated as part of an urban
33 mass transit system, as defined by the jurisdiction that issues
34 the plate.
35 30. *"Total distance"* means all distance, including that

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accrued on trip permits, operated by a fleet of apportioned vehicles in all member jurisdictions during the reporting period.

31. *"Trip permit"* means a permit issued by a member jurisdiction in lieu of apportioned or full registration.

32. *"Truck"* means a power unit designed, used, or maintained primarily for the transportation of property.

Sec. 20. Section 326.6, Code 2011, is amended by striking the section and inserting in lieu thereof the following:

326.6 Apportionable registration fees.

The department may determine the sum total amount of registration fees necessary to register each and every vehicle in a fleet based on the annual registration fees prescribed in chapter 321.

Sec. 21. Section 326.10A, Code 2011, is amended to read as follows:

326.10A Payment ~~by check~~.

The department shall accept payment of fees under this chapter by personal or corporate check, cash, wire transfer, or other means allowed by the department. ~~The~~ A fee shall be deemed to have been paid upon receipt of the ~~check~~ payment in full. If the ~~check~~ payment is not honored, all fees and penalties shall accumulate as if the fee ~~was~~ were not paid. After appropriate warning from the department, the registration account shall be suspended, collection pursued, and the delinquent registration fees shall become a debt due the state of Iowa. After a dishonored ~~check~~ payment has been received from an applicant, payments submitted by the applicant during the following year must be made with guaranteed funds. However, the department may instead accept payment in the form of a corporate check made on behalf of the applicant from an approved company with a satisfactory payment history.

Sec. 22. Section 326.11, Code 2011, is amended to read as follows:

326.11 Subsequently acquired vehicles.

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Vehicles acquired by a ~~fleet owner~~ registrant after the commencement of the registration year and subsequently added to the fleet shall be ~~prorated by applying the mileage percentage used in the original application for such fleet for such registration period to registration fees due under chapter 321. An application for registration shall be filed with the department~~ apportioned pursuant to the provisions of chapter 321 and the international registration plan.

~~The director may issue temporary written authorization to carriers for vehicles acquired by a fleet owner and added to the fleet owner's prorate fleet after the beginning of the registration year. The temporary authority shall permit the operation of a commercial vehicle until permanent identification is issued, except that the temporary authority shall expire after sixty days.~~

Sec. 23. Section 326.12, Code 2011, is amended to read as follows:

326.12 Vehicles deleted — registration transferred.

~~Fleet owners~~ Registrants who delete commercial vehicles displaying Iowa base plates from the fleet after the commencement of the registration year shall be allowed to transfer registration credit to a replacement vehicle in accordance with this section. Iowa shall allow credit for non-Iowa based deleted vehicles only if the ~~state~~ jurisdiction designated by the ~~fleet owner~~ registrant as the base ~~state~~ jurisdiction of the deleted vehicle permits transfer of registration credit to the replacement vehicle. Allowance of credit for deleted vehicles shall be subject to the following conditions:

1. The fee for ~~reissuance or~~ issuance of registration credentials ~~or~~ for ~~transfer of credentials~~ a replacement vehicle shall be seven dollars.

~~2. No deletion shall be made nor credit allowed toward registration of a replacement vehicle unless the vehicle to be removed from service has been sold, junked, repossessed,~~

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~~foreclosed by mechanic's lien, title transferred by operation of law, or cancellation or expiration of a lease arrangement. The deleted vehicle shall have been disposed of on or before the date the replacement vehicle was acquired or in the possession of the applicant.~~

~~3.~~ 2. If a leased vehicle is to be deleted from the fleet and unexpired registration fees applied to the replacement vehicle, the lessee shall refund any unexpired registration fees paid by the lessor to the lessee on the transferred vehicle.

~~4.~~ 3. Credit shall be given for unexpired months.

~~5.~~ 4. The registration of the vehicle being added to the fleet is not delinquent under chapter 321.

Sec. 24. Section 326.13, Code 2011, is amended to read as follows:

326.13 Information under oath.

The department shall require ~~fleet owners~~ registrants to submit under oath any information deemed necessary by the department to carry out the provisions of this chapter. ~~Information furnished under this chapter shall be forwarded to the director of the department by each fleet owner no later than January 1 of the current registration year.~~

Sec. 25. Section 326.14, Code 2011, is amended to read as follows:

326.14 ~~Plates and receipts~~ Credentials — registration ~~period~~ year and renewal — penalty.

1. The department shall issue a single registration plate and registration receipt for each vehicle pursuant to apportionment agreements or provisions authorized under this chapter. ~~The registration period for a vehicle registered pursuant to this chapter is from January 1 through December 31 of each year.~~

2. *a.* Each registration year for a vehicle registered pursuant to this chapter is a twelve-month period commencing on the first day of a calendar month and ending on the last day

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of the twelfth month in that twelve-month period. Vehicles subject to registration shall be registered for a registration year as determined by the department. The department may adjust the renewal or expiration date of a vehicle's registration when deemed necessary to equalize the number of vehicles registered in each twelve-month period or for the administrative efficiency of the department.

b. The department may establish a procedure for the implementation of a staggered registration system for vehicles registered pursuant to the international registration plan. Procedures established under this section may provide for a one-time collection of fewer than twelve or up to eighteen months of registration fees.

~~2.~~ 3. An application for renewal of registration shall be postmarked or received in the office of motor carrier services of the department no later than ~~January 31~~ the last day of the registration expiration month. A five percent late filing penalty shall be assessed to an application for renewal postmarked or received on or after ~~February 1~~ the first day following the last day of the registration expiration month, with an additional five percent penalty assessed the first of each month thereafter until the application is filed. The enforcement deadline for failure to display a registration plate and registration is ~~March 15 at~~ 12:01 a.m. of the first day following the last day of the registration expiration month.

Sec. 26. Section 326.15, Code 2011, is amended to read as follows:

326.15 Refunds of registration fees.

1. Refunds of registration fees paid for motor vehicles under this chapter shall be in accordance with section 321.126. In addition, if a motor vehicle is removed from an apportioned fleet, the ~~owner in whose name the motor vehicle was registered~~ registrant shall return the registration plate to the department and make a claim for refund. A refund shall not be

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allowed without documentation of the subsequent registration of the motor vehicle.

2. A qualified ~~fleet owner~~ registrant may certify to the department that the registration plate has been destroyed in lieu of surrendering the plate. The department shall adopt rules to define a qualified ~~fleet owner~~ registrant.

Sec. 27. Section 326.16, subsections 1 and 2, Code 2011, are amended to read as follows:

1. If the fees for ~~proportional~~ apportioned registration are not paid to each ~~contracting~~ member jurisdiction entitled thereto on the basis of the ~~proportional~~ apportioned registration application and supporting documents filed with the department by the ~~fleet owner~~ registrant within a reasonable amount of time as determined by the department, the department shall calculate late payment penalties. The ~~fleet owner~~ registrant shall be notified by regular mail that fees and penalties are due and must be paid within thirty days of the invoice date. If fees and penalties are not received, the ~~fleet owner~~ registrant shall be notified by ~~certified~~ regular mail that the ~~owner's~~ registration has been suspended.

2. A five percent late payment penalty shall be assessed if an invoice is not paid within thirty days of the invoice date ~~or within thirty days of January 31 of the registration year, whichever is later~~, with an additional five percent penalty assessed the first of each month thereafter until all fees and penalties are paid. In addition, the fees due for registration in this state shall be a debt due to the state of Iowa.

Sec. 28. Section 326.19A, Code 2011, is amended to read as follows:

326.19A Failure to maintain operational records — penalty.

1. The department may assess a penalty in an amount equal to twenty percent of the ~~amount calculated under section 326.6, subsection 2, paragraph "b", if the audit of the apportioned fleet owner under section 326.19~~ apportioned fees if an audit conducted pursuant to the international registration plan

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confirms that the ~~fleet owner~~ registrant has failed to maintain operational records on all of the following:

a. Verification of ~~miles~~ distance for the preceding year.

~~*b.* Jurisdictional percentages claimed pursuant to section 326.6, subsection 1.~~

~~*c.*~~ *b.* Reciprocity agreements to which the department may be a party.

2. The department shall adopt rules specifying the records and other information required for an audit under ~~section 326.19~~ the international registration plan.

Sec. 29. Section 326.21, Code 2011, is amended to read as follows:

326.21 Laws of other ~~states~~ jurisdictions — Iowa interests.

In the absence of an agreement with another jurisdiction, the department may examine the laws and requirements of such jurisdiction and declare the extent and nature of exemptions, benefits, and privileges to be extended to vehicles or owners of vehicles properly registered or licensed in such other jurisdiction. The department shall consider the interests of the state of Iowa and ~~the~~ its citizens ~~thereof~~, the interests of the other jurisdictions and ~~the~~ their citizens ~~thereof~~, and the benefits which will accrue to the economy of the state of Iowa from the uninterrupted flow of commerce in declarations made ~~under~~ pursuant to this section. Each declaration shall specify that the extent of exemptions, benefits, and privileges is subject to revision without notice upon adoption by the general assembly of legislation in conflict with the terms of any such declaration.

Sec. 30. Section 326.22, Code 2011, is amended to read as follows:

326.22 Operational laws of Iowa applicable.

A nonresident registered vehicle is subject to all laws and rules governing the operation of such vehicle on the highways of this state. The registration ~~plates, stickers, or other identification~~ credentials assigned and furnished to

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any vehicle for the current registration year by the ~~state~~ jurisdiction in which the vehicle is registered shall be displayed on the vehicle substantially as provided in chapter 321 for vehicles registered pursuant to the provisions of this chapter. In addition, a fee set by the department to cover actual cost shall be charged for each plate, sticker, or other identification furnished for each vehicle registered in accordance with the provisions of this section or extended reciprocity in accordance with the provisions of this section. A charge shall not be made for the initial ~~registration receipt~~ credentials issued for each vehicle registered pursuant to an ~~apportionment~~ apportioned registration agreement. A fee set by the department to cover actual costs shall be charged for issuance of duplicate plates, stickers, other required identification, or ~~registration receipts~~ other credentials.

Sec. 31. Section 326.25, Code 2011, is amended to read as follows:

326.25 Applications — investigations.

1. The department shall examine and determine the genuineness, regularity, and legality of every application lawfully made pursuant to this chapter, and may in all cases make investigations as may be deemed necessary or require additional information. The department shall reject any such application if not satisfied of the genuineness, regularity, or legality ~~thereof~~ of the application or the truth of any statement contained ~~therein~~ in the application, or for any other reason, when authorized by law. The department is ~~hereby~~ authorized to take possession of any indicia of ~~proportional~~ apportioned registration or reciprocity upon expiration, revocation, cancellation, or suspension ~~thereof~~ of the registration, or which is fictitious, or which has been unlawfully or erroneously issued.

2. The department may suspend or revoke the registration indicia of a vehicle registered on ~~a prorated~~ an apportioned basis in any one of the following events:

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1 *a.* When the department is satisfied that such registration
2 indicia was issued upon fraudulent application. Bona
3 fide errors shall be corrected within fifteen days after
4 notification by the department.
5 *b.* When the department determines that the required fee
6 has not been paid and ~~same~~ the fee is not paid upon reasonable
7 notice and demand.
8 *c.* When the registration indicia is knowingly displayed on
9 a vehicle which is not in the ~~prorate~~ apportioned fleet of the
10 registrant.
11 *d.* Upon a determination that the motor vehicle does not have
12 financial liability coverage as required under section 321.20B.
13 Sec. 32. Section 326.26, Code 2011, is amended to read as
14 follows:
15 **326.26 Forms.**
16 The department shall prescribe and provide suitable forms of
17 application, ~~registration receipts~~ credentials, and all other
18 forms requisite or deemed necessary to carry out the provisions
19 of this chapter.
20 Sec. 33. Section 326.27, Code 2011, is amended to read as
21 follows:
22 **326.27 Violations to negate agreements.**
23 Operation of a commercial vehicle or vehicles in violation
24 of the requirements of this chapter, the motor vehicle
25 registration laws of this state, or the terms of any agreement
26 negotiated by the department pursuant to this chapter may,
27 after due notice and hearing, be grounds for denial of
28 reciprocal or ~~proportional~~ apportioned registration privileges
29 ~~on~~ for the vehicle or vehicles of an owner so operated. ~~Any~~
30 An owner denied such reciprocal or ~~proportional~~ apportioned
31 registration privileges shall be subject to payment of full
32 annual Iowa registration fees ~~on~~ for any such vehicle operated
33 on Iowa highways. In addition to denial of reciprocal or
34 ~~proportional~~ apportioned registration privileges, it shall be
35 a simple misdemeanor, unless such act is declared under Iowa

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law to be a felony, for any person to operate under reciprocity or ~~proportional~~ apportioned registration in violation of any requirements of this chapter.

Sec. 34. Section 326.28, Code 2011, is amended to read as follows:

326.28 Copies of records — fee.

A fee shall be charged for copies of ~~such~~ records ~~as may be~~ provided ~~from the office of~~ by the department or the director. ~~Such fee shall be one dollar for the first page and fifty cents for each additional page of copy received at any one time.~~

Sec. 35. Section 326.29, Code 2011, is amended to read as follows:

326.29 Fees to road use tax fund.

Fees collected by the department pursuant to this chapter shall be remitted to the treasurer of state for deposit in the road use tax fund except that fees collected for other ~~states~~ jurisdictions shall be placed in a special fund known as the "reciprocity fund". The department, at least monthly, shall order the disbursement of such fees collected to the appropriate ~~states~~ jurisdictions. Interest earned on the "reciprocity fund" shall be retained by the state and shall be credited to the road use tax fund.

Sec. 36. Section 326.30, Code 2011, is amended to read as follows:

326.30 Motor vehicle law applicable.

All provisions of chapter 321, insofar as applicable, are extended to include owners who register and title vehicles in this state on ~~a proportional~~ an apportioned registration basis or who operate interstate on Iowa highways under reciprocity.

Sec. 37. Section 326.31, Code 2011, is amended to read as follows:

326.31 Filing incorrect information — effect.

1. If the director has reason to believe that a ~~fleet owner~~ registrant has filed incorrect information with the department, for the purpose of reducing the ~~fleet owner's~~

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1 registrant's obligation for registration fees or fuel taxes,
2 the director may revoke the apportioned registration privileges
3 on all of the vehicles owned by the person. A person who has
4 such privileges revoked shall be required to register all of
5 the vehicles owned by the person with the appropriate county
6 treasurer for a period of no less than one year and no more
7 than five years thereafter. The department may use all reports
8 pertaining to the registration fees and motor fuel taxes in
9 ascertaining the accuracy of reports filed pertaining to
10 registration fees and motor fuel taxes.
11 2. A person whose privileges are revoked may request an
12 administrative hearing of ~~said~~ the action in accordance with
13 chapter 17A, and during the period pending the hearing, the
14 apportioned registration privileges shall be reinstated if the
15 ~~fleet owner~~ registrant posts security with the department in
16 an amount sufficient to pay the full annual fees if an adverse
17 decision is rendered at the hearing. At ~~such~~ the hearing, the
18 ~~fleet owner~~ registrant shall have the burden of proof as to the
19 accuracy of any report filed by the ~~fleet owner~~ registrant with
20 the department. Judicial review of any decision reached at the
21 administrative hearing may be sought in accordance with the
22 terms of the Iowa administrative procedure Act, chapter 17A.
23 Sec. 38. Section 326.32, Code 2011, is amended to read as
24 follows:
25 **326.32 Additional fees or restrictions by other ~~states~~**
26 **jurisdictions — effect.**
27 If the laws of any other ~~state or country~~ jurisdiction impose
28 any taxes, fees, charges, penalties, obligations, prohibitions,
29 or limitations of any kind upon the vehicles of residents
30 of Iowa, in addition to those imposed upon the vehicles of
31 residents of such other ~~state or country~~ jurisdiction by the
32 state of Iowa, the department may impose and collect fees and
33 charges in the same amount and impose the same obligations,
34 prohibitions, or limitations upon the owner or operator of a
35 vehicle registered in such other ~~state or country~~ jurisdiction.

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1 Sec. 39. Section 326.46, Code 2011, is amended to read as
2 follows:
3 **326.46 Temporary unladen weight registration.**
4 The department may issue temporary registration for
5 unregistered vehicles subject to registration under this
6 chapter upon application by the owner and payment of a fee
7 of ten dollars for each vehicle. The registration shall be
8 valid for fifteen days and for one trip between specified
9 points of origin and destination, with intermediate points
10 authorized by the department. Property or passengers shall
11 not be transported while the vehicle is subject to temporary
12 registration.
13 Sec. 40. REPEAL. Sections 326.7, 326.8, 326.9, 326.17,
14 326.18, 326.19, and 326.20, Code 2011, are repealed.
15 Sec. 41. IMPLEMENTATION. The section of this Act amending
16 sections 321.1, subsection 60, relating to the registration
17 of motor trucks and truck tractors with a combined gross
18 weight exceeding five tons that are registered with the county
19 treasurer, the section of this Act striking section 321.134,
20 subsection 2, to eliminate semiannual installment payments
21 for certain registration fees, and the section of this Act
22 amending section 321.106, subsection 1, relating to proration
23 of certain registration fees shall be implemented on and after
24 January 1, 2013, for vehicles with a registration expiration
25 date after December 31, 2012. However, the department of
26 transportation may begin implementation before January 1, 2013,
27 to the extent necessary to transition to full implementation of
28 those provisions.
29 EXPLANATION
30 This bill contains provisions concerning the registration
31 of motor trucks, truck tractors, trailers, and semitrailers
32 and provisions concerning motor carriers operating in multiple
33 jurisdictions under the international registration plan.
34 The bill provides that motor trucks and truck tractors with
35 a combined gross weight exceeding five tons shall be registered

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1 for a registration year that begins on the first day of the
2 month following the month of the birth of the owner, rather
3 than on a calendar year basis. The bill amends the definition
4 of "registration year" for purposes of Code chapter 321 to
5 reflect the change for six-ton motor trucks and truck tractors.
6 The bill further amends the definition of "registration
7 year" to reflect the change from calendar year registration
8 to staggered registration for vehicles registered under the
9 international registration plan pursuant to Code chapter 326.
10 The bill eliminates the current option of a three-year
11 registration for trailers and semitrailers licensed under the
12 international registration plan, but retains the option of a
13 five-year registration and allows the issuance of a permanent
14 registration plate for those vehicles.
15 Under current law, the annual registration fee for trucks,
16 truck tractors, and road tractors with a gross weight exceeding
17 five tons may be paid in semiannual installments. The bill
18 strikes that option, and requires full payment of registration
19 fees on an annual basis. The bill makes conforming changes
20 to provisions for proration of registration fees for vehicles
21 registered in the second through eleventh month of the
22 registration year.
23 The bill amends Code section 321.134 to specify that the
24 penalties prescribed in that Code section for delinquent
25 registration of a vehicle do not apply to vehicles registered
26 under the international registration plan.
27 Under current law, the owner of a vehicle may obtain
28 an increased gross weight registration by payment of the
29 difference between the annual fee for the higher gross weight
30 and the fee for the gross weight at which the vehicle is
31 registered. If the increased weight registration occurs
32 during or after the seventh month of the registration year,
33 the required fee is one-twelfth of the difference in the
34 annual fees multiplied by the number of unexpired months of
35 the registration year. However, increased weight registration

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1 is not allowed if the owner's operation of the vehicle has
2 resulted in a conviction or action pending under Code chapter
3 321. The bill eliminates that restriction and allows proration
4 of the difference in the fee at any time in the registration
5 year when the application for increased weight registration is
6 made.
7 The bill makes numerous changes to Code chapter 326, which
8 provides for reciprocal arrangements with other jurisdictions
9 for the registration of commercial vehicles that operate in
10 multiple jurisdictions. The bill substitutes the concept
11 of "apportioned registration" for the current "proportional
12 registration" and specifies that apportioned registration
13 shall be conducted under the international registration
14 plan. "International registration plan" is defined as
15 the registration reciprocity agreement among states of the
16 United States, the District of Columbia, and provinces of
17 Canada providing for payment of apportionable fees on the
18 basis of total distance operated in all jurisdictions, in
19 effect on January 1, 2011, or as later amended, published by
20 international registration plan, inc., and available on the
21 plan's internet site.
22 The bill strikes definitions which are no longer relevant
23 to Code chapter 326 and defines newly relevant terms as they
24 are defined in the most current edition of the international
25 registration plan. The bill makes various changes for
26 the purpose of conforming the Code to the lexicon of the
27 international registration plan.
28 The bill strikes current provisions relating to the
29 application process for proportional registration and the
30 calculation of registration fees for fleets of commercial
31 vehicles subject to proportional registration. The department
32 is authorized under the bill to determine the necessary
33 apportionable registration fees. The bill directs that the
34 department shall accept payment of apportioned registration
35 fees by personal or corporate check, cash, wire transfer, or

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1 other means allowed by the department.
2 The bill strikes provisions for the proration of fees
3 for vehicles added to a fleet after the commencement of the
4 registration year and provides that newly acquired vehicles
5 shall be apportioned according to Code chapter 321 and the
6 international registration plan. Current restrictions on
7 the deletion of vehicles and the allowance of credit for
8 replacement vehicles are stricken from Code chapter 326 by the
9 bill.
10 The bill strikes a requirement for the forwarding of
11 required information by a fleet owner to the director of
12 transportation by January 1 of the current registration year.
13 Under current law, vehicles subject to proportional
14 registration are registered on a calendar-year basis. The
15 bill changes that by providing for staggered registration
16 periods of 12 months, with one registration year beginning in
17 each month of the calendar year and expiring on the last day
18 of the twelfth calendar month in that 12-month period. The
19 application deadline for registration renewal is the last day
20 of the registration expiration month. The enforcement deadline
21 for failure to display a registration plate and registration
22 is 12:01 a.m. of the first day following the last day of the
23 registration expiration month. The department is authorized
24 to establish procedures for a one-time collection of fewer
25 than 12 or up to 18 months of registration fees to transition
26 to staggered registration periods. Notice of suspension of
27 registration for nonpayment of fees, which the department is
28 currently required to send by certified mail, may be sent by
29 regular mail under the bill.
30 The bill strikes specific requirements for the retention
31 of records by a registrant and the auditing of records,
32 but retains penalty provisions relating to audits conducted
33 pursuant to the international registration plan.
34 The bill strikes specific fees for copies of records
35 provided by the department, but requires the department to

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1 charge an unspecified fee for such copies. Pursuant to current
2 law, fees collected by the department relating to apportioned
3 registration are deposited in the road use tax fund, except
4 that fees collected for other jurisdictions are placed in
5 a special fund called the "reciprocity fund" for eventual
6 disbursement to appropriate jurisdictions.
7 The bill repeals sections from Code chapter 326 relating
8 to agreements for proportional registration based on compact
9 miles, the estimation of mileage for particular fleets of
10 vehicles, requirements for consistent registration of entire
11 fleets within each state, the issuance of Iowa base plates,
12 nonresident fleet owner privileges, specific requirements for
13 audits, and reciprocity for leased vehicles.
14 The bill states that certain provisions relating to the
15 registration of motor trucks and truck tractors with a combined
16 gross weight exceeding five tons that are registered with the
17 county treasurer, the elimination of semiannual installment
18 payments for certain registration fees, and the proration of
19 certain registration fees shall be implemented on and after
20 January 1, 2012, for vehicles whose registration expires after
21 December 31, 2012. However, the bill authorizes the department
22 of transportation to begin implementation earlier to the extent
23 necessary to transition to full implementation.

Senate File 2217 - Introduced

SENATE FILE 2217
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3130)

A BILL FOR

1 An Act relating to flood mitigation by establishing a flood
2 mitigation program, establishing a flood mitigation board,
3 authorizing the use of certain sales tax revenue and
4 other financial assistance for flood mitigation projects,
5 establishing a flood mitigation fund, authorizing the
6 issuance of bonds for certain flood mitigation projects,
7 providing for appropriations, and including effective date
8 provisions.
9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6002SV (2) 84
md/sc

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1 Section 1. Section 29C.8, subsection 3, Code Supplement
2 2011, is amended by adding the following new paragraph:
3 NEW PARAGRAPH. *h.* Carry out duties related to the flood
4 mitigation program and the flood mitigation board under chapter
5 418.
6 Sec. 2. Section 331.430, subsection 2, Code 2011, is amended
7 by adding the following new paragraph:
8 NEW PARAGRAPH. *d.* Payments authorized to be made from the
9 debt service fund to a flood project fund under section 418.14,
10 subsection 4.
11 Sec. 3. Section 384.4, subsection 1, Code 2011, is amended
12 by adding the following new paragraph:
13 NEW PARAGRAPH. *e.* Payments authorized to be made from the
14 debt service fund to a flood project fund under section 418.14,
15 subsection 4.
16 Sec. 4. NEW SECTION. **418.1 Definitions.**
17 For purposes of this chapter, unless the context otherwise
18 requires:
19 1. *"Base year"* means the fiscal year ending during the
20 calendar year in which the governmental entity's project is
21 approved by the board under section 418.9.
22 2. *"Board"* means the flood mitigation board as created in
23 section 418.5.
24 3. *"Division"* means the homeland security and emergency
25 management division of the department of public defense.
26 4. *"Governmental entity"* means any of the following:
27 *a.* A county.
28 *b.* A city.
29 *c.* A joint board or other legal or administrative entity
30 established or designated in an agreement pursuant to chapter
31 28E between any of the following:
32 (1) Two or more cities located in whole or in part within
33 the same county.
34 (2) A county and one or more cities that are located in
35 whole or in part within the county.

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1 (3) A county, one or more cities that are located in whole
2 or in part within the county, and a drainage district formed by
3 mutual agreement under section 468.142 located in whole or in
4 part within the county.
5 5. *"Project"* means the construction and reconstruction
6 of levees, embankments, impounding reservoirs, or conduits
7 that are necessary for the protection of property from the
8 effects of floodwaters and may include the deepening, widening,
9 alteration, change, diversion, or other improvement of
10 watercourses if necessary for the protection of such property
11 from the effects of floodwaters. A project may consist of
12 one or more phases of construction or reconstruction that are
13 contracted for separately if the larger project, of which the
14 project is a part, otherwise meets the requirements of this
15 subsection.
16 6. *"Retail establishment"* means a business operated by a
17 retailer as defined in section 423.1.
18 7. *"Sales tax"* means the sales and services tax imposed
19 pursuant to section 423.2.
20 Sec. 5. NEW SECTION. **418.4 Projects.**
21 1. *a.* A governmental entity may use the moneys in its flood
22 project fund established pursuant to section 418.13 to fund
23 projects that meet the requirements of this section.
24 *b.* A governmental entity as defined in section 418.1,
25 subsection 4, paragraph *"c"*, shall have the power to construct,
26 acquire, own, repair, improve, operate, and maintain a project,
27 may sue and be sued, contract, and acquire and hold real and
28 personal property necessary for the project, and such other
29 powers as may be included in the chapter 28E agreement. Such
30 a governmental entity may contract with a city or the county
31 participating in the chapter 28E agreement to perform any
32 governmental service, activity, or undertaking that the city
33 or county is authorized by law to perform, including but not
34 limited to contracts for administrative services.
35 2. Prior to undertaking a project, the governmental entity

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1 shall adopt a project plan. The project plan shall include a
2 detailed description of the project, state the estimated cost
3 of the project and the maximum amount of debt to be incurred
4 for purposes of funding the project, and include a detailed
5 description of all anticipated funding sources for the project,
6 including information relating to either the proposed use of
7 financial assistance from the flood mitigation fund under
8 section 418.10 or the proposed use of sales tax increment
9 revenues received under section 418.12. The project plan shall
10 also include information related to the approval criteria in
11 section 418.9, subsection 2.
12 3. A governmental entity shall not award a contract for
13 the construction or reconstruction of or otherwise undertake
14 construction or reconstruction of a project under this chapter
15 unless all of the following conditions are met:
16 *a.* Bidding for the project has been completed. A
17 governmental entity shall comply with the competitive bid
18 procedures in chapter 26 for the bidding and construction of
19 the project and shall comply with the provisions of chapter
20 573.
21 *b.* The project or an earlier phase of the project has been
22 approved to receive financial assistance in an amount equal to
23 at least twenty percent of the total project cost or thirty
24 million dollars, whichever is less, under the federal Water
25 Resources Development Act or other federal program providing
26 assistance specifically for hazard mitigation.
27 *c.* The project plan has been approved by the board under
28 section 418.9.
29 *d.* Following approval of the project plan by the board,
30 the governmental entity has adopted a resolution authorizing
31 the use of sales tax increment revenue from the governmental
32 entity's flood project fund, if sales tax increment revenue
33 was approved by the board as a funding source for the project.
34 Within ten days of adoption, the governmental entity shall
35 provide a copy of the resolution to the department of revenue.

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1 4. A governmental entity shall not seek approval from the
2 board for a project if the governmental entity previously
3 had a project approved pursuant to section 418.9 or if the
4 governmental entity previously was part of a governmental
5 entity as defined in section 418.1, subsection 4, paragraph *"c",*
6 that had a project approved pursuant to section 418.9.
7 5. If a project is eligible for state financial assistance
8 under section 29C.6, subsection 17, such project is ineligible
9 for approval by the board under this chapter.
10 6. Following approval of a project under section 418.9, the
11 governmental entity shall on or before December 15 of each year
12 submit a report to the board detailing all of the following:
13 *a.* The current status of the project.
14 *b.* Total expenditures and the types of expenditures that
15 have been made related to the project.
16 *c.* The amount of the total project cost remaining as of the
17 date the report is submitted.
18 *d.* The amounts, types, and sources of funding being used.
19 *e.* The amount of bonds issued or other indebtedness incurred
20 for the project, including information related to the rate of
21 interest, length of term, costs of issuance, and net proceeds.
22 The report shall also include the amounts and types of moneys
23 used for payment of such bonds or indebtedness.
24 7. A governmental entity may contract with a council of
25 governments to perform any duty or power authorized under this
26 chapter or for the completion of a project.
27 Sec. 6. NEW SECTION. **418.5 Flood mitigation board.**
28 1. The flood mitigation board is established consisting of
29 nine voting members and four ex officio, nonvoting members, and
30 is located for administrative purposes within the division.
31 The administrator of the division shall provide office space,
32 staff assistance, and necessary supplies and equipment for
33 the board. The administrator shall budget funds to pay the
34 necessary expenses of the board. In performing its functions,
35 the board is performing a public function on behalf of the

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1 state and is a public instrumentality of the state.
2 2. The voting membership of the board shall include all of
3 the following:
4 *a.* Four members of the general public. Two general public
5 members shall have demonstrable experience or expertise in
6 the field of natural disaster recovery and two general public
7 members shall have demonstrable experience or expertise in the
8 field of flood mitigation.
9 *b.* The director of the department of natural resources or
10 the director's designee.
11 *c.* The secretary of agriculture or the secretary's designee.
12 *d.* The treasurer of state or the treasurer's designee.
13 *e.* The administrator of the division or the administrator's
14 designee.
15 *f.* The executive director of the Iowa finance authority or
16 the executive director's designee.
17 3. The general public members shall be appointed by
18 the governor, subject to confirmation by the senate. The
19 appointments shall comply with sections 69.16 and 69.16A.
20 4. The chairperson and vice chairperson of the board shall
21 be designated by the governor from the board members listed
22 in subsection 2. In case of the absence or disability of the
23 chairperson and vice chairperson, the members of the board
24 shall elect a temporary chairperson by a majority vote of those
25 members who are present and voting.
26 5. The members appointed under subsection 2, paragraph
27 *"a"*, shall be appointed to three-year staggered terms and the
28 terms shall commence and end as provided by section 69.19. If
29 a vacancy occurs, a successor shall be appointed to serve the
30 unexpired term. A successor shall be appointed in the same
31 manner and subject to the same qualifications as the original
32 appointment.
33 6. The board's ex officio membership shall include four
34 members of the general assembly with one each appointed by
35 the majority leader of the senate, the minority leader of the

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1 senate, the speaker of the house of representatives, and the
2 minority leader of the house of representatives. A legislative
3 member serves for a term as provided in section 69.16B in an ex
4 officio, nonvoting capacity and is eligible for per diem and
5 expenses as provided in section 2.10.
6 7. A majority of the board constitutes a quorum.
7 Sec. 7. NEW SECTION. **418.6 Expenses of board members.**
8 The voting members of the board are entitled to receive
9 reimbursement for actual expenses incurred while engaged in the
10 performance of official duties. A member of the board is not
11 eligible to receive the additional expense allowance provided
12 in section 7E.6, subsection 2.
13 Sec. 8. NEW SECTION. **418.7 Division duties.**
14 The division, subject to approval by the board, shall
15 adopt administrative rules pursuant to chapter 17A necessary
16 to administer the flood mitigation program. The division
17 shall provide the board with assistance in implementing
18 administrative functions and providing technical assistance and
19 application assistance to applicants under the program.
20 Sec. 9. NEW SECTION. **418.8 Flood mitigation program.**
21 1. The board shall establish and the division, subject
22 to direction and approval by the board, shall administer a
23 flood mitigation program to assist governmental entities
24 in undertaking projects approved under this chapter. The
25 flood mitigation program shall include projects approved
26 by the board to utilize either financial assistance from
27 the flood mitigation fund created under section 418.10 or
28 sales tax revenues remitted to the governmental entity under
29 section 418.12. A governmental entity shall not be approved
30 by the board to utilize both financial assistance from the
31 flood mitigation fund and sales tax revenues remitted to the
32 governmental entity.
33 2. The board shall, by rules adopted under section
34 418.7, prescribe application instructions, forms, and other
35 requirements deemed necessary to operate the flood mitigation

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1 program.
2 3. The board may contract with or otherwise consult with the
3 Iowa flood center, established under section 466C.1, to assist
4 the board in administering the flood mitigation program.
5 4. The board shall submit a written report to the governor
6 and the general assembly on or before January 15 of each year.
7 The report shall include information relating to all projects
8 approved by the board for inclusion in the flood mitigation
9 program, the status of such projects, summaries of each report
10 submitted to the board under section 418.4, subsection 6,
11 information relating to the types of funding being used for
12 each approved project, including all indebtedness incurred by
13 the applicable governmental entities, and any recommendations
14 for legislative action to modify the provisions of this
15 chapter.
16 Sec. 10. NEW SECTION. **418.9 Project application review.**
17 1. *a.* A governmental entity shall submit an application
18 to the board for approval of a project plan. The board shall
19 not approve a project for inclusion in the program if the
20 application is submitted after January 1, 2016.
21 *b.* The application shall specify whether the governmental
22 entity is requesting financial assistance from the flood
23 mitigation fund or approval for the use of sales tax revenues.
24 Applications for financial assistance from the flood mitigation
25 fund shall describe the type and amount of assistance
26 requested. Applications for the use of sales tax revenues
27 shall state the amount of sales tax revenues necessary for
28 completion of the project.
29 2. Each application shall include or have attached to
30 the application, the governmental entity's project plan
31 adopted under section 418.4, subsection 2. When reviewing
32 applications, in addition to the project plan, the board shall
33 consider, at a minimum, all of the following:
34 *a.* Whether the project is designed to mitigate future
35 flooding of property that has sustained significant flood

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1 damage and is likely to sustain significant flood damage in the
2 future.
3 *b.* Whether the project plan addresses the impact of flooding
4 both upstream and downstream from the area where the project
5 is to be undertaken and whether the project conforms to any
6 applicable floodplain ordinance.
7 *c.* Whether the area that would benefit from the project's
8 flood mitigation efforts is sufficiently valuable to the
9 economic viability of the state or is of sufficient historic
10 value to the state to justify the cost of the project.
11 *d.* The extent to which the project would utilize local
12 matching funds. The board shall not approve a project unless
13 at least fifty percent of the total cost of the project, less
14 any federal financial assistance for the project, is funded
15 using local matching funds, and unless the project will result
16 in nonpublic investment in the governmental entity's area as
17 defined in section 418.11, subsection 3, of an amount equal to
18 fifty percent of the total cost of the project. For purposes
19 of this paragraph, *"nonpublic investment"* means investment
20 by nonpublic entities consisting of capital investment or
21 infrastructure improvements occurring in anticipation of or as
22 a result of the project during the period of time between July
23 1, 2008, and ten years following completion of the project.
24 *e.* The extent of nonfinancial support committed to the
25 project from public and nonpublic sources.
26 *f.* Whether the project is designed in coordination with
27 other watershed management measures adopted by the governmental
28 entity or adopted by the participating jurisdictions of the
29 governmental entity, as applicable.
30 *g.* Whether the project plan is consistent with the
31 applicable comprehensive, countywide emergency operations plan
32 in effect and other applicable local hazard mitigation plans.
33 *h.* Whether financial assistance through the flood mitigation
34 program is essential to meet the necessary expenses or serious
35 needs of the governmental entity related to flood mitigation.

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1 3. If requested by the board during consideration of
2 an application, the governmental entity shall pay for an
3 independent engineering review of the project to determine
4 the technical feasibility, engineering standards, and total
5 estimated cost of the project. An engineering review required
6 by the board under this subsection may be completed by the
7 United States army corps of engineers.
8 4. Upon review of the applications, the board, following
9 consultation with the economic development authority, shall
10 approve, defer, or deny the applications. If a project plan
11 is denied, the board shall state the reasons for the denial
12 and the governmental entity may resubmit the application so
13 long as the application is filed on or before January 1, 2016.
14 If a project plan application is approved, the board shall
15 specify whether the governmental entity is approved for the
16 use of sales tax revenues under section 418.12 or whether the
17 governmental entity is approved to receive financial assistance
18 from the flood mitigation fund under section 418.10. If
19 the board approves a project plan application that includes
20 financial assistance from the flood mitigation fund, the board
21 shall negotiate and execute on behalf of the division all
22 necessary agreements to provide such financial assistance. If
23 the board approves a project plan application that includes
24 the use of sales tax increment revenues, the board shall
25 establish the annual maximum amount of such revenues that
26 may be remitted to the governmental entity not to exceed the
27 limitations in section 418.12, subsection 4. The board may,
28 however, establish remittance limitations for the project lower
29 than the individual project remittance limitations specified
30 for projects under section 418.12, subsection 4.
31 5. The board shall not approve a project plan application
32 that includes financial assistance from the flood mitigation
33 fund or the use of sales tax revenue to pay principal and
34 interest on or to refinance any debt or other obligation
35 existing prior to the approval of the project.

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1 6. The board shall not approve a project plan application
2 for which the amount of sales tax increment revenue remitted to
3 the governmental entity would exceed fifteen million dollars in
4 any one fiscal year or if approval of the project would result
5 in total remittances in any one fiscal year for all approved
6 projects to exceed, in the aggregate, thirty million dollars.
7 7. Upon approval of an application for financial assistance
8 under the program, the board shall notify the treasurer of
9 state regarding the amount of moneys needed to satisfy the
10 award of financial assistance and the terms of the award. The
11 treasurer of state shall notify the division any time moneys
12 are disbursed to a recipient of financial assistance under the
13 program.
14 8. If, following approval of a project application under the
15 program, it is determined that the amount of federal financial
16 assistance exceeds the amount of federal financial assistance
17 specified in the application, the board shall reduce the award
18 of financial assistance from the flood mitigation fund or
19 reduce the amount of sales tax revenue to be received for the
20 project by a corresponding amount.
21 Sec. 11. NEW SECTION. **418.10 Flood mitigation fund.**
22 1. A flood mitigation fund is created as a separate and
23 distinct fund in the state treasury under the control of the
24 board and consists of moneys appropriated by the general
25 assembly and any other moneys available to and obtained or
26 accepted by the board for placement in the fund. Moneys in the
27 fund shall only be used for the purposes of this section.
28 2. Payments of interest, repayments of moneys loaned
29 pursuant to this chapter, and recaptures of grants, if provided
30 for in the financial assistance agreements, shall be deposited
31 in the fund.
32 3. The moneys in the fund shall be used to provide
33 assistance in the form of grants, loans, and forgivable loans.
34 The board may only provide financial assistance from moneys in
35 the fund.

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1 4. Moneys credited to the fund are not subject to
2 section 8.33 and shall not be transferred, used, obligated,
3 appropriated, or otherwise encumbered except as provided in
4 this chapter. Notwithstanding section 12C.7, subsection 2,
5 interest or earnings on moneys in the fund shall be credited
6 to the fund.
7 5. If any portion of the moneys appropriated for deposit
8 in the fund have not been awarded during the fiscal year for
9 which the appropriation is made, the portion which has not
10 been awarded may be utilized by the board to provide financial
11 assistance under the program in subsequent fiscal years.
12 6. The board may make a multiyear commitment to a
13 governmental entity of up to four million dollars in any one
14 fiscal year.
15 7. Moneys received by a governmental entity from the fund
16 shall be deposited in the governmental entity's flood project
17 fund under section 418.13.
18 8. The board is not required to award financial assistance
19 pursuant to this section unless moneys are appropriated to and
20 available from the fund.
21 9. Following completion of all projects approved to utilize
22 financial assistance from the fund and upon a determination
23 by the board that remaining moneys in the fund are no longer
24 needed for the program, all moneys remaining in the fund or
25 subsequently deposited in the fund shall be credited for
26 deposit in the general fund of the state.
27 Sec. 12. NEW SECTION. **418.11 Sales tax increment**
28 **calculation.**
29 1. The department of revenue shall calculate quarterly the
30 amount of increased sales tax revenues to be credited to the
31 sales tax increment fund pursuant to section 423.2, subsection
32 11, paragraph *"a"*, subparagraph (2).
33 2. The department of revenue shall calculate the amount of
34 the increase for purposes of subsection 1 as follows:
35 *a.* Determine the amount of sales subject to the tax under

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1 section 423.2 in each applicable area specified in subsection
2 3, during the corresponding quarter in the base year from
3 retail establishments in such areas.
4 *b.* Determine the amount of sales subject to the tax under
5 section 423.2 in each applicable area specified in subsection
6 3, during the corresponding quarter in each subsequent calendar
7 year from retail establishments in such areas.
8 *c.* Subtract the base year quarterly amount determined under
9 paragraph *"a"* from the subsequent calendar year quarterly
10 amount in paragraph *"b"*.
11 *d.* If the amount determined under paragraph *"c"* is positive,
12 the product of the amount determined under paragraph *"c"* times
13 the tax rate imposed under section 423.2 shall constitute the
14 amount of increased sales tax revenue pursuant to subsection 1.
15 3. *a.* For projects approved for a governmental entity as
16 defined in section 418.1, subsection 4, paragraph *"a"*, the area
17 used to determine the sales tax increment shall include only
18 the unincorporated areas of the county.
19 *b.* For projects approved for a governmental entity as
20 defined in section 418.1, subsection 4, paragraph *"b"*, the area
21 used to determine the sales tax increment shall include only
22 the incorporated areas of the city.
23 *c.* For projects approved for a governmental entity as
24 defined in section 418.1, subsection 4, paragraph *"c"*, the
25 area used to determine the sales tax increment shall include
26 the incorporated areas of each city that is participating
27 in the chapter 28E agreement, the unincorporated areas of
28 the participating county, and the area of any participating
29 drainage district not otherwise included in the areas of the
30 participating cities or county, as applicable.
31 4. Each governmental entity shall assist the department
32 of revenue in identifying retail establishments in the
33 governmental entity's applicable area that are collecting sales
34 tax. This process shall be ongoing until the governmental
35 entity ceases to utilize sales tax revenue under this chapter.

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1 Sec. 13. NEW SECTION. **418.12 Sales tax increment fund.**
2 1. A sales tax increment fund is established as a separate
3 and distinct fund in the state treasury under the control of
4 the department of revenue consisting of the amount of the
5 increased state sales and services tax revenues collected by
6 the department of revenue within each applicable area specified
7 in section 418.11, subsection 3, and deposited in the fund
8 pursuant to section 423.2, subsection 11, paragraph *"b"*. Moneys
9 deposited in the fund are appropriated to the department of
10 revenue for the purposes of this section. Moneys in the fund
11 shall only be used for the purposes of this section.
12 2. An account is created within the fund for each
13 governmental entity that has adopted a resolution under section
14 418.4, subsection 3, paragraph *"d"*.
15 3. The department of revenue shall deposit in the fund the
16 moneys described in subsection 1 beginning the first day of the
17 quarter following receipt of a resolution under section 418.4,
18 subsection 3, paragraph *"d"*. However, in no case shall a sales
19 tax increment be calculated under section 418.11 or such moneys
20 be deposited in the fund under this section prior to January
21 1, 2014.
22 4. *a.* Upon request of a governmental entity, the department
23 of revenue shall remit the moneys in the governmental entity's
24 account within the fund to the governmental entity for deposit
25 in the governmental entity's flood project fund. Such requests
26 shall be made not more than quarterly. Requests for remittance
27 shall be submitted on forms prescribed by the department
28 of revenue. In lieu of quarterly requests, a governmental
29 entity may submit a certified schedule of principal and
30 interest payments on bonds issued under section 418.14. If
31 such a certified schedule is submitted, the department of
32 revenue shall, subject to the remittance limitations of this
33 chapter, remit from the governmental entity's account to the
34 governmental entity for deposit in the governmental entity's
35 flood project fund the amounts necessary for such principal and

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1 interest payments in accordance with the certified schedule.
2 Requests for remittance shall be made for the amount of moneys
3 in the governmental entity's account necessary to pay the
4 governmental entity's costs or obligations related to the
5 project, according to the sales tax revenue funding needs
6 specified in the approved project plan. A governmental entity
7 shall not, however, during any fiscal year receive remittances
8 under this section exceeding fifteen million dollars or seventy
9 percent of the total yearly amount of increased sales tax
10 increment revenue in the governmental entity's applicable area
11 and deposited in the governmental entity's account, whichever
12 is less. The total amount of remittances during any fiscal
13 year for all governmental entities approved to use sales tax
14 revenues under this chapter shall not exceed, in the aggregate,
15 thirty million dollars. Remittances from the department of
16 revenue shall be deposited in the governmental entity's flood
17 project fund under section 418.13.
18 *b.* The department of revenue shall adopt rules for the
19 remittance of moneys to governmental entities.
20 5. If the department of revenue determines that the revenue
21 accruing to the fund or accounts within the fund exceeds
22 thirty million dollars or exceeds the amount necessary for
23 the purposes of this chapter if the amount necessary is less
24 than thirty million dollars, then those excess moneys shall
25 be credited by the department of revenue for deposit in the
26 general fund of the state.
27 6. If the nonpublic investment requirements of section
28 418.9, subsection 2, paragraph *"d"*, are not satisfied, the board
29 shall reduce the governmental entity's amount of sales tax
30 increment revenues eligible to be remitted during the remaining
31 period of time for receiving remittances by an amount equal
32 to the shortfall in nonpublic investment. However, such a
33 reduction shall not be to an amount less than zero.
34 Sec. 14. NEW SECTION. **418.13 Flood project fund.**
35 1. Sales tax revenue remitted by the department of revenue

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1 to a governmental entity under section 418.12 or financial
2 assistance received by a governmental entity pursuant to
3 section 418.10 shall be deposited in the governmental entity's
4 flood project fund created for purposes of this chapter and
5 shall be used to fund the costs of the governmental entity's
6 approved project and to pay principal and interest on bonds
7 issued pursuant to section 418.14, if applicable.
8 2. In addition to the moneys received pursuant to section
9 418.10 or 418.12, a governmental entity may deposit in the
10 flood project fund any other moneys lawfully received by the
11 governmental entity, including but not limited to local sales
12 and services tax receipts collected under chapter 423B.
13 Sec. 15. NEW SECTION. **418.14 Bond issuance.**
14 1. *a.* A governmental entity receiving sales tax revenues
15 pursuant to this chapter is authorized to issue bonds that are
16 payable from revenues deposited in the governmental entity's
17 flood project fund created pursuant to section 418.13 for the
18 purpose of funding a project in the area from which sales tax
19 revenues will be collected.
20 *b.* A governmental entity shall have the authority to pledge
21 irrevocably to the payment of the bonds an amount of revenue
22 derived from the sales tax revenue received by the governmental
23 entity pursuant to section 418.12 for each of the years the
24 bonds remain outstanding, together with other amounts held in
25 the flood project fund of the governmental entity.
26 *c.* The costs of a project may include but are not limited
27 to administrative expenses, construction and reconstruction
28 costs, engineering, fiscal, financial and legal expenses,
29 surveys, plans and specifications, interest during construction
30 or reconstruction and for one year after completion of the
31 project, initial reserve funds, acquisition of real or personal
32 property necessary for the construction or reconstruction
33 of the project, and such other costs as are necessary and
34 incidental to the construction or reconstruction of the project
35 and the financing thereof. The governmental entity shall have

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1 the power to retain and enter into agreements with engineers,
2 fiscal agents, financial advisers, attorneys, architects, and
3 other consultants or advisers for planning, supervision, and
4 financing of a project upon such terms and conditions as shall
5 be deemed by the governing body of the governmental entity as
6 advisable and in the best interest of the governmental entity.
7 Bonds issued under the provisions of this chapter are declared
8 to be investment securities under the laws of the state of
9 Iowa.
10 2. *a.* If a governmental entity elects to authorize the
11 issuance of bonds payable as provided in this section, the
12 governmental entity shall follow the authorization procedures
13 for cities set forth in section 384.83.
14 *b.* A governmental entity shall have the authority to issue
15 bonds for the purpose of refunding outstanding bonds issued
16 under this section without otherwise complying with the notice
17 and hearing provisions of section 384.83.
18 3. *a.* Except as otherwise provided in this section,
19 bonds issued pursuant to this section shall not be subject to
20 the provisions of any other law or charter relating to the
21 authorization, issuance, or sale of bonds. Bonds issued under
22 this section shall not limit or restrict the authority of a
23 governmental entity as defined in section 418.1, subsection 4,
24 paragraphs *"a"* and *"b"*, or a city, county, or drainage district
25 participating in a governmental entity as defined in section
26 418.1, subsection 4, paragraph *"c"*, to issue bonds for the
27 project under other provisions of the Code.
28 *b.* The bonds may be issued in one or more series and shall
29 comply with all of the following:
30 (1) The bonds shall bear the date of issuance.
31 (2) The bonds shall specify whether they are payable on
32 demand or the time of maturity.
33 (3) The bonds shall bear interest at a rate not exceeding
34 that permitted by chapter 74A.
35 (4) The bonds shall be in a denomination or denominations,

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be in the form, have the rank or priority, be executed in the manner, be payable in the medium of payment, at the place or places, be subject to the terms of redemption, with or without premium, be secured in the manner, and have the other characteristics, as may be provided by the resolution authorizing their issuance. The resolution authorizing the issuance of the bonds may also prescribe additional provisions, terms, conditions, and covenants which the governmental entity deems advisable, including provisions for creating and maintaining reserve funds and the issuance of additional bonds ranking on a parity with such bonds and additional bonds junior and subordinate to such bonds.

c. The bonds may be sold at public or private sale at a price as may be determined by the governmental entity.

d. The principal and interest on the bonds issued by a governmental entity under this section shall be payable solely from and secured by the revenue derived from the sales tax revenues received by the governmental entity pursuant to section 418.12 and from other funds of the governmental entity lawfully available from the governmental entity's flood project fund established under section 418.13.

4. *a.* Bonds, notes, or other obligations issued by a governmental entity for purposes of financing a project under this chapter are not an obligation of this state. Except as provided in paragraph "*b*", bonds, notes, or other obligations issued by a governmental entity for purposes of financing a project under this chapter are not an obligation of any political subdivision of this state other than the governmental entity. A governmental entity shall not pledge the credit or taxing power of this state. Except as provided in paragraph "*b*", a governmental entity shall not pledge the credit or taxing power of any political subdivision of this state other than the governmental entity or make its debts payable out of any of the moneys except those in the governmental entity's flood project fund.

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1 *b.* If the moneys in the governmental entity's flood project
2 fund are insufficient to pay the governmental entity's costs
3 related to bonds, notes, or other obligations issued under
4 this chapter, the amounts necessary to pay such costs may
5 be levied and transferred for deposit in the governmental
6 entity's flood project fund from the debt service fund of the
7 governmental entity or, if applicable, the debt service fund
8 of a participating city or county for a governmental entity as
9 defined in section 418.1, subsection 4, paragraph *"c"*, if and to
10 the extent provided in the resolution authorizing the issuance
11 of bonds and, if applicable, the chapter 28E agreement.
12 Sec. 16. NEW SECTION. **418.15 Durational limitation on use**
13 **of revenues — property disposition.**
14 1. A governmental entity shall not receive remittances of
15 sales tax revenue under this chapter after twenty-five years
16 from the date the governmental entity's project was approved
17 by the board.
18 2. If the governmental entity ceases to need the sales
19 tax revenues prior to the expiration of the limitation under
20 subsection 1, the governmental entity shall notify the director
21 of revenue.
22 3. Upon the receipt of a notification pursuant to subsection
23 2, or the expiration of the limitation under subsection 1, the
24 department of revenue shall cease to deposit revenues into the
25 governmental entity's account in the sales tax increment fund.
26 4. All property and improvements acquired by a governmental
27 entity as defined in section 418.1, subsection 4, paragraph *"c"*,
28 relating to a project shall be transferred to the county, city,
29 or drainage district designated in the chapter 28E agreement to
30 receive such property and improvements. The county, city, or
31 drainage district to which such property or improvements are
32 transferred shall, unless otherwise provided in the chapter 28E
33 agreement, be solely responsible for the ongoing maintenance
34 and support of such property and improvements.
35 Sec. 17. Section 423.2, subsection 11, Code Supplement

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2011, is amended to read as follows:

11. *a.* (1) All revenues arising under the operation of the provisions of this section shall be deposited into the general fund of the state.

(2) Subsequent to the deposit into the general fund of the state, the director shall credit an amount equal to the amount of the increase in sales tax revenue, determined in section 418.11, subsection 2, paragraph *"d"*, in the applicable area of a governmental entity that is approved to use sales tax revenues under chapter 418 into an account created for that governmental entity in the sales tax increment fund created in section 418.12. The director shall credit the moneys beginning the first day of the quarter following adoption of the resolution pursuant to section 418.4, subsection 3, paragraph *"d"*.

b. Subsequent to the deposit into the general fund of the state ~~and after the transfer of such~~ pursuant to paragraph *"a"*, the department shall do the following in the order prescribed:

(1) Transfer the revenues collected under chapter 423B~~, the department shall transfer~~.

(2) Transfer one-sixth of ~~such~~ the remaining revenues to the secure an advanced vision for education fund created in section 423F.2. This ~~paragraph~~ subparagraph (2) is repealed December 31, 2029.

(3) Transfer to the sales tax increment fund that portion of the sales tax receipts described in paragraph *"a"*, subparagraph (2), remaining after the transfers required under subparagraphs (1) and (2) of this paragraph *"b"*.

Sec. 18. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.

EXPLANATION

This bill relates to flood mitigation by establishing a flood mitigation program, establishing a flood mitigation board, authorizing the use of certain sales tax revenue and other financial assistance for certain flood mitigation projects and providing for their appropriation, establishing a

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1 flood mitigation fund, and authorizing the issuance of bonds
2 for certain flood mitigation projects.
3 The bill authorizes certain governmental entities to
4 undertake flood-related projects. The bill defines "project"
5 to mean the construction and reconstruction of levees,
6 embankments, impounding reservoirs, or conduits that are
7 necessary for the protection of property from the effects
8 of floodwaters and may include the deepening, widening,
9 alteration, change, diversion, or other improvement of
10 watercourses if necessary for the protection of such property
11 from the effects of floodwaters. A project may consist of
12 one or more phases of construction or reconstruction that are
13 contracted for separately if the larger project, of which the
14 project is a part, otherwise meets the requirements of this
15 subsection. The bill requires a project to be preceded by
16 adoption of a project plan that includes a detailed description
17 of the project, states the estimated cost of the project
18 and the maximum amount of debt to be incurred for purposes
19 of funding the project, and includes a description of all
20 anticipated funding sources for the project. The project plan
21 must also include information related to the approval criteria
22 used by the flood mitigation board.
23 The bill prohibits a governmental entity from awarding a
24 contract for the construction or reconstruction of or otherwise
25 undertaking construction or reconstruction of a project
26 unless bidding for the project is complete, the project or
27 an earlier phase of the project has been approved to receive
28 certain federal financial assistance, the project plan has been
29 approved by the flood mitigation board, and the governmental
30 entity has adopted and filed with the department of revenue a
31 resolution authorizing the use of sales tax increment revenue,
32 if sales tax increment revenue was designated as a funding
33 source for the project. The bill authorizes a governmental
34 entity to contract with a council of governments to perform any
35 duty or power authorized in the bill or for the completion of

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1 the project.
2 The bill provides that a governmental entity may not seek
3 approval from the board for a project if the governmental
4 entity previously had a project approved under the flood
5 mitigation program or was part of a governmental entity that
6 previously had a project approved by the board under the flood
7 mitigation program.
8 The bill provides that a project eligible for state
9 financial assistance under Code section 29C.6(17) is ineligible
10 for approval by the board under the flood mitigation program.
11 The bill requires a governmental entity that has a project
12 approved by the flood mitigation board to prepare and submit an
13 annual report on or before December 15 to the board detailing
14 the status and progress of the project.
15 The bill establishes a flood mitigation board within the
16 homeland security and emergency management division of the
17 department of public defense consisting of nine voting members
18 and four ex officio, nonvoting legislative members. The voting
19 membership of the board includes four members of the general
20 public having demonstrable experience or expertise in the field
21 of natural disaster or flood mitigation, the director of the
22 department of natural resources or the director's designee,
23 the secretary of agriculture or the secretary's designee,
24 the treasurer of state or the treasurer's designee, the
25 administrator of the homeland security and emergency management
26 division or the administrator's designee, and the executive
27 director of the Iowa finance authority or the executive
28 director's designee. Appointment of the general public members
29 shall be made by the governor, shall be subject to confirmation
30 by the senate, and shall be for three-year staggered terms.
31 The members of the board are entitled to receive reimbursement
32 for actual expenses incurred while engaged in the performance
33 of official duties.
34 The bill requires the board to establish and administer a
35 flood mitigation program to assist governmental entities in

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1 undertaking approved projects. The flood mitigation program
2 includes projects approved by the board to utilize either
3 financial assistance from the flood mitigation fund created
4 in the bill or sales tax increment revenues remitted to the
5 governmental entity. The bill prohibits a project from being
6 approved by the board to utilize both financial assistance from
7 the flood mitigation fund and sales tax increment revenues for
8 the same project. The bill authorizes the board to consult
9 with the Iowa flood center to assist the board in administering
10 the flood mitigation program.
11 Governmental entities must submit project applications
12 to the flood mitigation board for approval. The board is
13 prohibited from approving applications submitted after
14 January 1, 2016. The application shall specify whether the
15 governmental entity is requesting financial assistance from
16 the flood mitigation fund or approval for the use of sales tax
17 increment revenues. Applications for financial assistance
18 from the flood mitigation fund are required to describe the
19 type and amount of assistance requested. Applications for the
20 use of sales tax increment revenues shall state the amount of
21 such revenues necessary for completion of the project. Each
22 application shall include, or have attached to the application,
23 the governmental entity's project plan.
24 The bill requires the board, when reviewing applications,
25 in addition to the governmental entity's project plan, to
26 consider, at a minimum, whether the project is designed
27 to mitigate future flooding of property that has sustained
28 significant flood damage and is likely to sustain significant
29 flood damage in the future, whether the project addresses the
30 impact of flooding both upstream and downstream from the area
31 where the project is to be undertaken, whether the project
32 conforms to any applicable floodplain ordinance, whether the
33 area that would benefit from the project's flood mitigation
34 efforts is sufficiently valuable to the economic viability
35 of the state or is of sufficient historic value to the state

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1 to justify the cost of the project, the extent to which the
2 project would utilize local matching funds including whether
3 the project meets specific local matching funds requirements,
4 whether the project will result in specified amounts of
5 nonpublic investment, as defined in the bill, the extent
6 of nonfinancial support from public and nonpublic sources,
7 whether the project is designed in coordination with other
8 watershed management measures adopted by the governmental
9 entity or adopted by the participating jurisdictions of the
10 governmental entity, whether the project is consistent with the
11 applicable comprehensive, countywide emergency operations plan
12 or other applicable local hazard mitigation plan, and whether
13 financial assistance through the flood mitigation program is
14 essential to meet the necessary expenses or serious needs of
15 the governmental entity related to flood mitigation.
16 Upon review of the applications, the flood mitigation board,
17 following consultation with the economic development authority,
18 shall approve, defer, or deny the applications. If a project
19 plan is denied, the board shall state the reasons for the
20 denial and the governmental entity may resubmit the application
21 so long as the application is filed on or before January 1,
22 2016.
23 If a project plan application is approved, the board shall
24 specify whether the governmental entity is approved for the use
25 of sales tax increment revenues or whether the governmental
26 entity is approved to receive financial assistance from the
27 flood mitigation fund. If the board approves a project plan
28 application that includes financial assistance from the flood
29 mitigation fund, the board shall negotiate and execute on
30 behalf of the division all necessary agreements to provide
31 such financial assistance. If the board approves a project
32 plan application that includes the use of sales tax increment
33 revenues, the board shall establish the annual maximum amount
34 of such revenues that may be remitted to the governmental
35 entity not to exceed the specified limitations in the bill.

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1 The bill provides for the reduction of an award of financial
2 assistance from the flood mitigation fund or a reduction in
3 the amount of sales tax increment revenues to be received for
4 the project if federal financial assistance exceeds the amount
5 stated in the project plan application.
6 Under the bill, the board shall not approve a project plan
7 application for which the amount of sales tax increment revenue
8 remitted to the governmental entity would exceed $15 million in
9 any one fiscal year or if approval of the project would result
10 in total remittances in any one fiscal year for all approved
11 projects to exceed, in the aggregate, $30 million.
12 The bill requires the flood mitigation board to prepare
13 and submit an annual report to the governor and the general
14 assembly on or before January 15 containing certain information
15 relating to the projects approved by the board, certain
16 information relating to the governmental entities undertaking
17 each project, and any recommendations for legislative action to
18 modify the provisions of new Code chapter 418.
19 The bill establishes a flood mitigation fund as a separate
20 and distinct fund in the state treasury under the control
21 of the board. Moneys in the flood mitigation fund are used
22 to provide assistance in the form of grants, loans, and
23 forgivable loans. The board may make a multiyear commitment
24 to a governmental entity of up to $4 million in any one fiscal
25 year. Following completion of all projects approved to utilize
26 financial assistance from the fund and upon a determination
27 by the board that remaining moneys in the fund are no longer
28 needed for the program, all moneys remaining in the fund or
29 subsequently deposited in the fund shall be credited for
30 deposit in the general fund of the state.
31 The bill authorizes, upon approval of the flood mitigation
32 board, governmental entities to use increased sales tax revenue
33 collected within a specified area to fund projects.
34 The bill establishes the methodology to be used by the
35 department of revenue for calculating the increased sales tax

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1 revenue for each governmental entity approved to use such
2 revenue for a project under the bill.
3 The bill creates a sales tax increment fund within the
4 department of revenue and an account in the fund for each
5 governmental entity approved by the flood mitigation board to
6 use such revenues for a project. The department credits the
7 amount of the governmental entity's increased revenues to the
8 governmental entity's account. However, the bill specifies
9 that in no case shall a sales tax increment be credited to the
10 fund prior to January 1, 2014.
11 The bill directs the department of revenue to remit the
12 moneys in the governmental entity's account within the fund
13 upon request of the governmental entity. Such requests shall
14 be made not more than quarterly or according to a schedule
15 submitted by the governmental entity. Requests for remittance
16 shall be made for the amount of moneys in the governmental
17 entity's account necessary to pay the governmental entity's
18 costs or obligations related to the project, according to the
19 sales tax revenue funding needs specified in the approved
20 project plan. A governmental entity shall not, however,
21 receive remittances during any fiscal year exceeding $15
22 million or 70 percent of the total yearly amount of increased
23 sales tax increment revenue in the governmental entity's
24 applicable area, whichever is less. Remittances from the
25 department of revenue are deposited in the governmental
26 entity's flood project fund. In addition, the total amount
27 of remittances during any fiscal year for all governmental
28 entities approved to use sales tax increment revenues under
29 this chapter shall not exceed, in the aggregate, $30 million.
30 If the department of revenue determines that the revenue
31 accruing to the sales tax increment fund or accounts within
32 the fund exceed $30 million or the amount necessary for the
33 purposes of new Code chapter 418 if less than $30 million, then
34 those excess moneys shall be credited by the department of
35 revenue for deposit in the general fund of the state.

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1 Under the bill, if the nonpublic investment requirements
2 for the project are not satisfied, the board shall reduce the
3 governmental entity's amount of sales tax increment revenues
4 eligible to be remitted during the remaining period of time for
5 receiving remittances by an amount equal to the shortfall in
6 nonpublic investment. However, such a reduction shall not be
7 to an amount less than zero.
8 The bill provides that moneys deposited in a governmental
9 entity's flood project fund shall be used to fund costs of the
10 projects and to pay principal and interest on bonds issued
11 under the bill, if applicable. The bill also provides that in
12 addition to the sales tax revenues remitted by the department
13 of revenue and financial assistance from the flood mitigation
14 fund, a governmental entity may deposit in the flood project
15 fund any other moneys lawfully received by the governmental
16 entity, including but not limited to local sales and services
17 tax receipts.
18 The bill authorizes the issuance of bonds by a governmental
19 entity for the payment of project costs, as defined in
20 the bill, that are payable from moneys deposited in the
21 governmental entity's flood project fund if the governmental
22 entity is receiving sales tax revenue under the bill. The
23 principal and interest on such bonds issued by a governmental
24 entity are payable solely from and secured by the revenue
25 derived from the increased sales tax revenues received by the
26 governmental entity and from other funds of the governmental
27 entity lawfully available from the governmental entity's flood
28 project fund. In issuing the bonds, the governmental entity
29 must comply with the revenue bond authorization procedures
30 applicable to cities pursuant to Code section 384.83. The
31 bill provides that bonds, notes, or other obligations issued
32 by a governmental entity are not an obligation of the state.
33 The bill also provides that, except as specifically provided
34 in the bill, bonds, notes, or other obligations issued by a
35 governmental entity are not an obligation of any political

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1 subdivision of the state except the governmental entity. The
2 bill prohibits a governmental entity from pledging the credit
3 or taxing power of the state. Except as specifically provided
4 in the bill, a governmental entity is prohibited from pledging
5 the credit or taxing power of a political subdivision of the
6 state.
7 If the moneys in the governmental entity's flood project
8 fund are insufficient to pay the governmental entity's
9 costs related to bonds, notes, or other obligations issued
10 under the bill, the amounts necessary to pay such costs may
11 be levied and transferred for deposit in the governmental
12 entity's flood project fund from the debt service fund of the
13 governmental entity, or, if applicable, the debt service fund
14 of a participating city or county for a governmental entity
15 operating under a Code chapter 28E agreement, as provided in
16 the Code chapter 28E agreement or the resolution authorizing
17 the issuance of the bonds, if applicable.
18 The bill provides that a governmental entity shall not
19 receive remittances of sales tax increment revenue under the
20 bill after 25 years from the date the governmental entity's
21 project was approved by the board. The bill provides that if
22 the governmental entity ceases to need the sales tax increment
23 revenues prior to the expiration of such limitation, the
24 governmental entity shall notify the director of revenue.
25 Under the bill, all property and improvements acquired by a
26 governmental entity operated under a Code chapter 28E agreement
27 relating to a project shall be transferred to the county,
28 city, or drainage district designated in the Code chapter 28E
29 agreement to receive such property and improvements. The
30 city or county to which such property or improvements are
31 transferred shall, unless otherwise provided in the Code
32 chapter 28E agreement, be solely responsible for the ongoing
33 maintenance and support of such property and improvements.
34 The bill takes effect upon enactment.

Senate File 2218 - Introduced

SENATE FILE 2218
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO SF 2021)

A BILL FOR

1 An Act relating to school bus safety, including providing
2 penalties for failure to obey school bus warning lamps and
3 stop signal arms, providing for a school bus safety study
4 and administrative remedies, and making an appropriation.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5206SV (2) 84
dea/nh

S.F. 2218

1 Section 1. Section 321.372, Code 2011, is amended by adding
2 the following new subsection:
3 NEW SUBSECTION. 5. *a.* The driver of a school bus who
4 commits a violation of subsection 1 or 2 is guilty of a simple
5 misdemeanor punishable as a scheduled violation under section
6 805.8A, subsection 10.
7 *b.* A person convicted of a violation of subsection 3 is
8 subject to the following:
9 (1) For a first offense under subsection 3, the person
10 is guilty of a simple misdemeanor punishable by a fine of at
11 least two hundred fifty dollars but not more than six hundred
12 seventy-five dollars or by imprisonment for not more than
13 thirty days, or by both.
14 (2) For a second or subsequent offense under subsection 3,
15 the person is guilty of a serious misdemeanor.
16 Sec. 2. Section 321.482A, unnumbered paragraph 1, Code
17 2011, is amended to read as follows:
18 Notwithstanding section 321.482, a person who is convicted
19 of operating a motor vehicle in violation of section 321.178,
20 subsection 2, paragraph *"a"*, subparagraph (2), section
21 321.180B, subsection 6, section 321.194, subsection 1,
22 paragraph *"c"*, section 321.256, section 321.257, section
23 321.275, subsection 4, section 321.276, 321.297, 321.298,
24 321.299, 321.302, 321.303, 321.304, 321.305, 321.306, 321.307,
25 321.308, section 321.309, subsection 2, or section 321.311,
26 321.319, 321.320, 321.321, 321.322, 321.323, 321.323A, 321.324,
27 321.324A, 321.327, 321.329, ~~or~~ 321.333, or 321.372, subsection
28 3, causing serious injury to or the death of another person
29 may be subject to the following penalties in addition to the
30 penalty provided for a scheduled violation in section 805.8A or
31 any other penalty provided by law:
32 Sec. 3. Section 805.8A, subsection 10, paragraph b, Code
33 Supplement 2011, is amended by striking the paragraph.
34 Sec. 4. SCHOOL BUS SAFETY STUDY — RULEMAKING — REQUESTS
35 FOR REEXAMINATION OF A DRIVER — EDUCATION PROGRAMS —

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1 APPROPRIATION.
2 1. The department of transportation, the department of
3 public safety, and the department of education shall jointly
4 conduct a study relating to school bus safety, or may contract
5 with an outside vendor to conduct such a study under the joint
6 direction of the departments. The study shall focus on the use
7 of cameras mounted on school buses to enhance the safety of
8 children riding the buses and to aid in enforcement of motor
9 vehicle laws pertaining to school bus safety. The study shall
10 also consider the feasibility of requiring school children
11 to be picked up and dropped off on the side of the road on
12 which their home is located, the inclusion of school bus safety
13 as a priority in driver training curriculum, and any other
14 issues deemed appropriate by the departments. The findings and
15 recommendations shall be reported to the general assembly by
16 December 31, 2012.
17 2. By July 1, 2012, the department of transportation
18 shall initiate rulemaking to establish a violation of section
19 321.372, subsection 3, as a serious violation. The rules may
20 provide for an increasing tier of driver´s license suspensions
21 for conviction of a first, second, or subsequent violation.
22 The specific direction provided under this subsection does
23 not, by implication or otherwise, invalidate any prior
24 rulemaking by the department designating certain violations
25 as serious violations and does not preclude future rulemaking
26 by the department to designate certain violations other
27 than violations of section 321.372, subsection 3, as serious
28 violations.
29 3. By December 31, 2012, the department of transportation
30 shall make available to local law enforcement agencies,
31 electronically through the Iowa traffic and criminal software,
32 the form for requesting departmental reexamination of a person
33 who may be physically or mentally incapable of operating a
34 motor vehicle safely.
35 4. The department of transportation, the department of

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1 public safety, and the department of education shall cooperate
2 to establish educational programs to foster increased public
3 awareness of motor vehicle laws and safe driving behaviors
4 relating to school bus safety.
5 5. There is appropriated from the statutory allocations
6 fund to the department of transportation an amount sufficient
7 to fund the study required under this section and an amount
8 sufficient to fund the development and programming necessary to
9 make the request for departmental reexamination form available
10 through the Iowa traffic and criminal software.
11 Sec. 5. EFFECTIVE UPON ENACTMENT. The section of this Act
12 providing for a school bus safety study, the adoption of rules,
13 law enforcement requests for reexamination of a driver, and
14 educational programs and making an appropriation, being deemed
15 of immediate importance, takes effect upon enactment.
16 EXPLANATION
17 This bill contains provisions relating to school bus safety.
18 Under current law, when the driver of a vehicle meets a
19 school bus with flashing amber warning lights, the driver is
20 required to reduce the vehicle´s speed to not more than 20
21 miles per hour and, when the stop signal arm on the bus is
22 extended, bring the vehicle to a complete stop and remain
23 stopped until the stop arm is retracted. The driver of a
24 vehicle overtaking a school bus may not pass the school bus
25 when the bus´s red or amber warning lights are flashing.
26 When the bus´s stop signal arm is extended, the driver of
27 an overtaking vehicle must stop at least 15 feet from the
28 school bus and remain stopped until the stop arm is retracted
29 and the bus resumes motion. Currently, a violation of these
30 requirements is a simple misdemeanor punishable by a scheduled
31 fine of $200. Pursuant to Code section 321.372A, a citation
32 for such a violation can be issued to the owner of the vehicle
33 if the identity of the driver cannot be determined by the
34 investigating peace officer.
35 The bill increases the penalty for a first offense to a

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simple misdemeanor punishable by a fine of at least $250 but not more than $675 or by imprisonment for not more than 30 days, or by both.

The bill provides that a second or subsequent violation is punishable as a serious misdemeanor. A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $315 but not more than $1,875.

The bill adds failure to obey school bus warning lights and stop arm signals to the list of violations for which additional penalties may apply in cases involving serious injury or death. A violation causing serious injury may subject the driver to an additional fine of $500 or driver's license suspension for not more than 90 days, or both. A violation causing death may subject the driver to an additional fine of $1,000 or driver's license suspension for not more than 180 days, or both. In addition, the bill requires the department of transportation to initiate rulemaking by July 1, 2012, to establish failure to obey school bus warning lights and stop arm signals as a serious violation. Driving offenses which are designated as serious violations are grounds for suspension of a person's driver's license. The bill authorizes the department to provide by rule for an increasing tier of driver's license suspensions for repeated violations of school bus safety laws.

The bill requires the departments of transportation, public safety, and education to jointly conduct a study relating to school bus safety or to contract with an outside vendor to conduct such a study. The study shall focus on the effectiveness of cameras mounted on school buses and consider the feasibility of requiring children to be picked up and dropped off on the side of the road on which their home is located, the inclusion of school bus safety in driver training curriculum, and other appropriate matters. A report to the general assembly regarding the departments' findings and recommendations is due by December 31, 2012.

The bill requires the department of transportation to

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1 provide local law enforcement with electronic access to the
2 form used to request reexamination of a driver who may be
3 physically or mentally incapable of operating a motor vehicle
4 safely. Access to the form shall be provided by December 31,
5 2012, through the Iowa traffic and criminal software, known as
6 TraCS.
7 The bill requires the departments of transportation, public
8 safety, and education to establish public awareness programs to
9 promote safe driving behaviors relating to school bus safety.
10 The bill makes an appropriation from the statutory
11 allocations fund to the department of transportation to provide
12 an amount sufficient to fund the study required under the
13 bill and to complete the programming necessary to make the
14 departmental reexamination form available through TraCS.
15 The provisions of the bill relating to a school bus safety
16 study, requiring the adoption of rules establishing failure
17 to obey school bus warning lights and stop arm signals as
18 a serious violation, facilitating law enforcement requests
19 for reexamination of a driver, establishing public awareness
20 education, and making an appropriation take effect upon
21 enactment of the bill.

Senate File 2219 - Introduced

SENATE FILE 2219
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 3102)

A BILL FOR

1 An Act relating to the continuation of the Iowa early
2 intervention block grant program and including effective
3 date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5546SV (1) 84
kh/rj

S.F. 2219

1 Section 1. REPEAL. Section 256D.9, Code 2011, is repealed.
2 Sec. 2. EFFECTIVE DATE. This Act takes effect June 30,
3 2012.
4 EXPLANATION
5 This bill continues indefinitely the Iowa early intervention
6 block grant program in the department of education established
7 in Code chapter 256D. The Code chapter specifies how school
8 districts may expend the early intervention allocation school
9 districts receive pursuant to Code section 257.10, subsection
10 11. Current law would eliminate the program effective July 1,
11 2012.
12 The bill takes effect June 30, 2012.

Senate File 2220 - Introduced

SENATE FILE 2220
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SF 2044)

A BILL FOR

1 An Act relating to the licensing of schools of cosmetology arts
2 and sciences and barber schools.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5698SV (2) 84
jr/nh

S.F. 2220

1 Section 1. Section 157.8, subsection 1, Code 2011, is
2 amended to read as follows:
3 1. It is unlawful for a school of cosmetology arts and
4 sciences to operate unless the owner has obtained a license
5 issued by the department. The owner shall file a verified
6 application with the department on forms prescribed by the
7 board.
8 1A. *a.* The application for a license for a school shall
9 be accompanied by the annual license fee determined pursuant
10 to section 147.80 and shall state the name and location of the
11 school and such other additional information as the board may
12 require. The license is valid for one year and may be renewed.
13 *b.* The license shall contain a statement which provides that
14 the licensee is approved by the department as a provider of
15 postsecondary education.
16 *c.* A license for a school of cosmetology arts and sciences
17 shall not be issued for any space in any location where the
18 same space is also licensed as a barber school.
19 *d.* The school of cosmetology arts and sciences must pass a
20 sanitary inspection under section 157.6. An annual inspection
21 of each school of cosmetology arts and sciences, including the
22 educational activities of each school, shall be conducted and
23 completed by the board or its designee prior to renewal of the
24 license.
25 Sec. 2. Section 158.7, subsection 5, Code 2011, is amended
26 to read as follows:
27 5. *a.* The application shall be accompanied by the annual
28 license fee determined under the provisions of section 147.80
29 and shall state the name and location of the school, name
30 of the owner, name of the manager, and such other additional
31 information as the board may require. The license is valid for
32 one year and may be renewed.
33 *b.* The license shall contain a statement which provides that
34 the licensee is approved by the department as a provider of
35 postsecondary education.

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1 EXPLANATION
2 This bill provides that a license for a school of cosmetology
3 arts and sciences or a barber school shall contain a statement
4 which provides that the licensee is approved by the department
5 of public health as a provider of postsecondary education.

Senate File 2221 - Introduced

SENATE FILE 2221
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 3003)

A BILL FOR

1 An Act requiring background checks for school bus drivers and
2 making penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5276SV (2) 84
je/nh

S.F. 2221

1 Section 1. Section 235A.15, subsection 2, paragraph e,
2 Code Supplement 2011, is amended by adding the following new
3 subparagraph:
4 NEW SUBPARAGRAPH. (22) To the employer or prospective
5 employer of a school bus driver for purposes of an employment
6 record check.
7 Sec. 2. Section 235B.6, subsection 2, paragraph e, Code
8 Supplement 2011, is amended by adding the following new
9 subparagraph:
10 NEW SUBPARAGRAPH. (18) To the employer or prospective
11 employer of a school bus driver for purposes of an employment
12 record check.
13 Sec. 3. Section 321.375, Code 2011, is amended by adding the
14 following new subsection:
15 NEW SUBSECTION. 1A. Prior to hiring an applicant for a
16 school bus driver position, including a contract position,
17 an employer shall have access to and shall review the sex
18 offender registry information under section 692A.121 available
19 to the general public, the central registry for child abuse
20 information established under section 235A.14, and the central
21 registry for dependent adult abuse information established
22 under section 235B.5 for information regarding the applicant.
23 An employer shall follow the same procedure every five years
24 upon the renewal of an employee's or contract employee's school
25 bus driver's license issued by the department of transportation
26 valid for the operation of a school bus. An employer shall
27 pay for the cost of the registry checks conducted pursuant to
28 this subsection. An employer shall maintain documentation
29 demonstrating compliance with this subsection.
30 Sec. 4. Section 321.375, subsection 2, Code 2011, is amended
31 by adding the following new paragraph:
32 NEW PARAGRAPH. *0e.* The school bus driver is listed in
33 the sex offender registry established under chapter 692A,
34 the central registry for child abuse information established
35 under section 235A.14, or the central registry for dependent

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1 adult abuse information established under section 235B.5. A
2 termination hearing conducted pursuant to this paragraph shall
3 be limited to the question of whether the school bus driver was
4 incorrectly listed in the registry.
5 Sec. 5. Section 321.376, subsection 1, Code Supplement
6 2011, is amended to read as follows:
7 1. The driver of a school bus shall hold a driver's license
8 issued by the department of transportation valid for the
9 operation of the school bus and a certificate of qualification
10 for operation of a commercial motor vehicle issued by a
11 physician or osteopathic physician licensed pursuant to
12 chapter 148, physician's assistant, advanced registered nurse
13 practitioner, or chiropractor or any other person identified
14 by federal and state law as authorized to perform physical
15 examinations, and shall successfully complete an approved
16 course of instruction in accordance with subsection 2. A
17 person holding a temporary restricted license issued under
18 chapter 321J shall be prohibited from operating a school bus.
19 1A. The department of education shall refuse to issue an
20 authorization to operate a school bus to any person who, after
21 notice and opportunity for hearing, is determined to have
22 ~~committed any of the acts proscribed~~ met any of the grounds
23 listed under section 321.375, subsection 2. The department of
24 education shall take adverse action against any person who,
25 after notice and opportunity for hearing, is determined to have
26 ~~committed any of the acts proscribed~~ met any of the grounds
27 listed under section 321.375, subsection 2. Such action may
28 include a reprimand or warning of the person or the suspension
29 or revocation of the person's authorization to operate a school
30 bus. A hearing pursuant to section 321.375, subsection 2,
31 paragraph "*0e*", shall be limited to the question of whether the
32 person was incorrectly listed in the registry. The department
33 of education shall recommend, and the state board of education
34 shall adopt under chapter 17A, rules and procedures for issuing
35 and suspending or revoking authorization to operate a school

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1 bus in this state. Rules and procedures adopted shall include
2 but are not limited to provisions for the revocation or
3 suspension of, or refusal to issue, authorization to persons
4 who are determined to have ~~committed any of the acts proscribed~~
5 met any of the grounds listed under section 321.375, subsection
6 2.
7 Sec. 6. STATE MANDATE FUNDING SPECIFIED. In accordance
8 with section 25B.2, subsection 3, the state cost of requiring
9 compliance with any state mandate included in this Act shall
10 be paid by a school district from state school foundation aid
11 received by the school district under section 257.16. This
12 specification of the payment of the state cost shall be deemed
13 to meet all of the state funding-related requirements of
14 section 25B.2, subsection 3, and no additional state funding
15 shall be necessary for the full implementation of this Act
16 by and enforcement of this Act against all affected school
17 districts.
18 EXPLANATION
19 This bill requires an employer to review the state sex
20 offender registry, the state central registry for child abuse
21 information, and the state central registry for dependent adult
22 abuse information for information regarding any applicant for
23 a school bus driver position, including a contract position,
24 before an applicant is hired. The bill requires an employer
25 to follow the same procedure every five years upon the renewal
26 of an employee's or contract employee's school bus driver's
27 license issued by the department of transportation valid for
28 the operation of a school bus. The bill requires an employer
29 to pay for the cost of the registry checks conducted pursuant
30 to the bill. The bill requires an employer to document
31 compliance with the bill.
32 The bill adds listing on the state sex offender registry,
33 the state central registry for child abuse information, or the
34 state central registry for dependent adult abuse information
35 to the list of grounds for which a school bus driver is to be

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1 immediately suspended. The bill specifies that for a hearing
2 relating to adverse action taken pursuant to the bill, the
3 hearing is to be limited to the question of whether a person
4 was incorrectly listed in one of the registries. Such adverse
5 action may include termination of employment or refusal to
6 issue or revocation of authorization to operate a school bus
7 by the department of education.
8 The bill grants employers and prospective employers access
9 to the state central registry for child abuse information
10 and the state central registry for dependent adult abuse
11 information for the purposes provided in the bill.
12 The bill may include a state mandate as defined in Code
13 section 25B.3. The bill requires that the state cost of
14 any state mandate included in the bill be paid by a school
15 district from state school foundation aid received by the
16 school district under Code section 257.16. The specification
17 is deemed to constitute state compliance with any state mandate
18 funding-related requirements of Code section 25B.2. The
19 inclusion of this specification is intended to reinstate the
20 requirement of political subdivisions to comply with any state
21 mandates included in the bill.

Senate File 2222 - Introduced

SENATE FILE 2222
BY DOTZLER, DVORSKY, SENG, HANCOCK, BOWMAN, HATCH, HORN, DEARDEN, FRAISE, COURTNEY, GRONSTAL, KIBBIE, BLACK, JOCHUM, RAGAN, WILHELM, DANIELSON, BOLKCOM, SCHOENJAHN, SODDERS, and RIELLY

A BILL FOR

1 An Act requiring American products to be used for public
2 improvements, providing a penalty, and including
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5417ST (1) 84
je/sc

S.F. 2222

1 Section 1. NEW SECTION. **73.22 Title.**
2 This division may be cited as the *"Iowa Buy American Act"*.
3 Sec. 2. NEW SECTION. **73.23 Definitions.**
4 1. *"Construction"* includes reconstruction, alteration,
5 repair, improvement, and maintenance.
6 2. *"Governmental unit"* means the state, or any county, city,
7 or other political subdivision or any department, division,
8 board, or other agency of any of these entities.
9 3. *"Manufactured in the United States"* means:
10 *a.* For an iron or steel product, all the manufacturing of
11 the iron or steel product, other than metallurgical processes
12 involving the refinement of steel additives, took place in the
13 United States.
14 *b.* For a manufactured good which is not an iron or steel
15 product, all of the following:
16 (1) All the manufacturing processes for the manufactured
17 good took place in the United States.
18 (2) All of the components of the manufactured good are
19 of United States origin. A component shall be considered of
20 United States origin if all of the component's manufacturing
21 processes took place in the United States, regardless of the
22 origin of its subcomponents.
23 4. *"Public improvement"* means any structure, building,
24 highway, waterway, street, bridge, transit system, airport, or
25 other betterment, work, or improvement, whether of a permanent
26 or temporary nature and whether for governmental or proprietary
27 use.
28 5. *"United States"* means the United States of America and
29 includes all territory, continental or insular, subject to the
30 jurisdiction of the United States.
31 Sec. 3. NEW SECTION. **73.24 Use of American products for**
32 **public improvements required.**
33 Each contract for the construction of a public improvement
34 made by a governmental unit shall contain a provision requiring
35 that the iron, steel, and manufactured goods used or supplied

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1 in the performance of the contract or any subcontract thereto
2 be manufactured in the United States.
3 Sec. 4. NEW SECTION. **73.25 Waiver.**
4 1. Section 73.24 may be waived for a contract for the
5 construction of a public improvement made by a governmental
6 unit if a person with the necessary authority for the
7 governmental unit finds any of the following:
8 *a.* Application of section 73.24 would be contrary to the
9 public interest.
10 *b.* The products necessary for the public improvement are
11 not produced in the United States in sufficient and reasonably
12 available quantities and of a satisfactory quality.
13 *c.* Application of section 73.24 would increase the cost of
14 the contract by more than five percent.
15 2. If a person with the necessary authority for a
16 governmental unit determines that a waiver pursuant to this
17 section may be appropriate, the person shall do all of the
18 following before granting a waiver:
19 *a.* Prepare a detailed, written justification as to why
20 the waiver is needed. The justification shall be published
21 on the governmental unit's internet site and at least once in
22 a newspaper of general circulation in any county where the
23 public improvement will occur. The justification shall also
24 be made available to any member of the public upon request.
25 The justification shall include notice of the opportunity for
26 public comment required by paragraph "*b*".
27 *b.* Provide an opportunity for public comment on the
28 justification for a reasonable period of time not to exceed
29 fifteen days.
30 *c.* Consider all comments received during the comment period
31 in evaluating whether to waive section 73.24.
32 3. If a person with the necessary authority for a
33 governmental unit, in consultation with the United States trade
34 representative, determines all of the following regarding a
35 foreign country, this subsection shall not apply to products

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1 manufactured in that foreign country:
2 *a.* The foreign country is a party to an agreement with the
3 United States, and, pursuant to the agreement, the head of a
4 federal agency has waived the requirements of this division.
5 *b.* The foreign country has violated the terms of the
6 agreement by discriminating against products covered by this
7 agreement and by this division that are produced in the United
8 States.
9 Sec. 5. NEW SECTION. **73.26 Penalty.**
10 A person shall be ineligible to receive any contract or
11 subcontract with a governmental unit if a court or federal or
12 state agency determines that the person intentionally did any
13 of the following:
14 1. Represented that any product used in a public improvement
15 to which this division applies was manufactured in the United
16 States when the product was not manufactured in the United
17 States.
18 2. Affixed a label bearing a "Made in America" inscription,
19 or any inscription with the same meaning, to any product used
20 in a public improvement to which this division applies when the
21 product was not manufactured in the United States.
22 Sec. 6. IMPLEMENTATION OF ACT. Section 25B.2, subsection
23 3, shall not apply to this Act.
24 Sec. 7. APPLICABILITY. This Act applies to public
25 improvement contracts entered into on or after July 1, 2012.
26 EXPLANATION
27 This bill requires each contract for the construction of
28 a public improvement made by a governmental unit to contain
29 a provision requiring that the iron, steel, and manufactured
30 goods used or supplied in the performance of the contract or
31 any subcontract be manufactured in the United States. The bill
32 provides definitions for "construction", "manufactured in the
33 United States", and "public improvement".
34 The bill provides that the requirement may be waived if a
35 person with the necessary authority for a governmental unit

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1 finds that application of the requirement would be contrary to
2 the public interest, that the products necessary for the public
3 improvement are not produced in the United States in sufficient
4 and reasonably available quantities and of a satisfactory
5 quality, or that the requirement would increase the cost of the
6 contract by more than 5 percent.
7 The bill provides that before a person can grant a waiver of
8 the requirement, the person must publish and make available a
9 detailed, written justification as to why the waiver is needed.
10 The justification is to include notice of an opportunity for
11 public comment. The comment period is to be for a reasonable
12 period of time not to exceed 15 days. The person must consider
13 all comments received during the comment period in evaluating
14 whether to grant a waiver. The bill limits waiver authority
15 for foreign countries which violate the terms of certain trade
16 agreements with the United States.
17 The bill provides that a person is ineligible to receive
18 any contract or subcontract with a governmental unit if a
19 court or federal or state agency determines that the person
20 intentionally represented that any product used in a public
21 improvement was manufactured in the United States when the
22 product was not manufactured in the United States or affixed
23 a label bearing a "Made in America" inscription, or any
24 inscription with the same meaning, to any product used in a
25 public improvement when the product was not manufactured in the
26 United States.
27 The bill may include a state mandate as defined in Code
28 section 25B.3. The bill makes inapplicable Code section 25B.2,
29 subsection 3, which would relieve a political subdivision from
30 complying with a state mandate if funding for the cost of
31 the state mandate is not provided or specified. Therefore,
32 political subdivisions are required to comply with any state
33 mandate included in the bill.
34 The bill applies to public improvement contracts entered
35 into on or after July 1, 2012.

Senate Resolution 107 - Introduced

SENATE RESOLUTION NO. 107
BY QUIRMBACH

1 A Resolution honoring Dr. Gregory L. Geoffroy's
2 remarkable achievements as President of Iowa State
3 University.
4 WHEREAS, Iowa State University, one of America's
5 preeminent land-grant universities, has become even
6 greater under the leadership of President Gregory L.
7 Geoffroy; and
8 WHEREAS, in 2001, Dr. Geoffroy capped an already
9 distinguished academic career as a professor of
10 chemistry, department head, and college dean
11 by assuming the post of President of Iowa State
12 University; and
13 WHEREAS, in the following decade, President Geoffroy
14 led Iowa State in its quest for excellence by advancing
15 the land-grant values of education, research, and
16 service and by putting science and technology to
17 work; and
18 WHEREAS, in only 10 years, President Geoffroy has
19 led the university to some remarkable achievements
20 including:
21 1. Record enrollments including an all-time high of
22 29,887 in 2011.
23 2. Record sponsored funding with $388.1 million in
24 2010.
25 3. The largest comprehensive fundraising campaign
26 in university history, totalling $867 million.
27 4. A renewal of the campus infrastructure with
28 more than two dozen building projects completed or in

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1 progress.
2 5. More than doubling the number of endowed faculty
3 positions to 158.
4 6. Iowa State University being named "a technology
5 powerhouse" in a report to the National Science
6 Foundation.
7 7. Reducing campus energy consumption by 10 percent
8 through the Live Green! sustainability initiative.
9 8. A truly remarkable record of achievement by the
10 university's faculty, staff, and students; and
11 WHEREAS, in his tenure at Iowa State University,
12 President Geoffroy has ushered the university into the
13 twenty-first century and positioned the university for
14 an even brighter future; NOW THEREFORE,
15 BE IT RESOLVED BY THE SENATE, That the Senate thanks
16 Dr. Gregory L. Geoffroy for a decade of service to the
17 people of Iowa and honors his tireless efforts to make
18 Iowa State University a world-class institution.

Senate Study Bill 3167 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF EDUCATION/COLLEGE STUDENT AID COMMISSION BILL)

A BILL FOR

1 An Act concerning oversight of schools offering postsecondary
2 educational programs by the college student aid commission
3 and making penalties applicable.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5342DP (9) 84
je/sc

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DIVISION I

POSTSECONDARY REGISTRATION — REQUIREMENTS

Section 1. Section 261B.2, Code 2011, is amended to read as follows:

261B.2 Definitions.

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

1. *"Commission"* means the college student aid commission created pursuant to section 261.1.

2. *"Course of instruction"* means a postsecondary educational program that a school offers through in-person instruction, distance delivery, correspondence study methods, or any combination thereof.

~~2.~~ 3. *"Degree"* means a postsecondary credential conferring on the recipient the title of associate, bachelor, master, or doctor, or an equivalent title, signifying educational attainment based on ~~any one or a combination of~~ study ~~or the equivalent~~ which may be supplemented by experience or achievement testing. A postsecondary degree under this chapter shall not include an honorary degree or other unearned degree.

~~3.~~ 4. *"Presence"* means ~~maintaining an address within Iowa~~ a location in Iowa at which a student participates in any structured activity related to a school's distance education course of instruction, with the exception of proctored examinations. *"Presence"* also means an address, location, telephone number, or internet protocol address in Iowa from which a school conducts any aspect of its operations. For the purpose of a residential course of instruction offered on a school's campus that is not located in Iowa, *"presence"* does not include:

a. Occasional, short-term activities conducted at a location in Iowa for the purpose of recruiting students for the school's residential course of instruction.

b. A residency, practicum, internship, clinical, or similar experience that the school permits the student to

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participate in at a location in Iowa, provided that a person who provides instruction or supervision at the Iowa location is not compensated by the school.

~~4.~~ 5. *"School"* means an agency of the state or political subdivision of the state, individual, partnership, company, firm, society, trust, association, corporation, or any combination which meets any of the following criteria:

a. Is, owns, or operates a ~~nonprofit~~ postsecondary educational institution.

b. Provides a postsecondary ~~instructional program or~~ course of instruction leading to a degree.

c. Uses in its name the term *"college"*, *"academy"*, *"institute"*, or *"university"* or a similar term to imply that the person is primarily engaged in the education of students at the postsecondary level, and which makes a charge for its services.

~~5.~~ 6. *"Student"* means a person who enrolls in or seeks to enroll in a course of instruction offered or conducted by a school.

Sec. 2. Section 261B.3, Code 2011, is amended to read as follows:

261B.3 Registration.

1. Except as provided in section 261B.11, a school ~~that maintains or~~ shall register with the commission if a person compensated by the school conducts ~~one or more courses~~ any portion of a course of instruction~~, including courses of instruction by correspondence or other distance delivery method, offered~~ in this state or ~~which~~ if the school otherwise has a presence in this state ~~and offers courses in other states or foreign countries shall register with the commission~~.

a. Registrations shall be renewed every ~~four~~ two years ~~or~~ and shall be amended upon any substantive change in location, program offering, or accreditation. A school makes a substantive change in a program offering when the school proposes to offer or modify a program that requires the approval of the state board of education or any other state

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1 agency authorized to approve the school or its program in this
2 state.
3 *b.* Registration shall be made on application forms approved
4 and ~~supplied~~ made available by the commission and at the time
5 and in the manner prescribed by the commission. ~~Upon receipt~~
6 ~~of a complete and accurate registration application, the~~
7 ~~commission shall issue an acknowledgment of document filed and~~
8 ~~send it to the school.~~
9 2. The commission may ~~request~~ require a school to provide
10 additional information ~~as~~ the commission deems necessary
11 to ~~enable the commission to determine the accuracy and~~
12 ~~completeness of the information contained in the~~ evaluate a
13 school's suitability for registration ~~application~~.
14 3. The commission shall notify a school in writing of its
15 decision to grant or deny registration and any stipulation
16 associated with the school's registration.
17 4. If a school fails to meet any of the registration
18 criteria, or if the commission believes that false, misleading,
19 or incomplete information has been submitted in connection
20 with an application for registration, the commission may
21 deny registration. The commission shall conduct a hearing
22 on the denial if a hearing is requested by a school. ~~The~~
23 ~~commission may withhold an acknowledgment of document filed~~
24 ~~pending the outcome of the hearing.~~ Upon a finding after the
25 hearing that the school fails to meet any of the registration
26 criteria, or that information contained in the registration
27 application is false, misleading, or incomplete, the commission
28 shall deny ~~an acknowledgment of document filed to the school~~
29 registration. The commission shall make the final decision on
30 each registration. However, the decision of the commission is
31 subject to judicial review in accordance with section 17A.19.
32 ~~3.~~ 5. The commission shall adopt rules under chapter 17A
33 for the implementation of this chapter.
34 Sec. 3. Section 261B.3A, Code 2011, is amended to read as
35 follows:

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261B.3A Requirements.

1. In order to register, a school shall be accredited by an agency or organization approved or recognized by the United States department of education or a successor agency, be approved by any other state agency authorized to approve the school in this state, and, subsequently, be approved for operation by the commission.

2. A practitioner preparation program, as defined in section 272.1, operated by a school that applies to register the program in accordance with this chapter shall, in order to register, be accredited by an agency or organization approved or recognized by the United States department of education or a successor agency, be approved by the state board of education pursuant to section 256.7, subsection 3, and, subsequently, be approved for operation by the commission.

3. The commission may grant a provisional registration to a school that is not accredited by an agency or organization that is recognized by the United States department of education or its successor agency. The commission shall determine the duration of the provisional registration. During the provisional registration period, the school shall, at six-month intervals, submit to the commission documentation of its progress toward achieving accreditation. The commission may renew the school's provisional registration at its discretion if the documentation submitted indicates that the school is making progress toward accreditation.

~~3.~~ 4. Nothing in this chapter shall be construed to exempt a school from the requirements of chapter 490, ~~or~~ 491, or 714.

Sec. 4. Section 261B.4, Code 2011, is amended to read as follows:

261B.4 Registration information.

As a basis for registration, schools shall provide the commission with the following information:

1. The name or title of the school.

2. ~~The~~ As applicable, the principal location of the school

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in this state, in other states, and in foreign countries, and the location of the place or places in this state, in other states, and in foreign countries where instruction is likely to be given.

3. A schedule of the total tuition charges, fees, and other costs payable to the school by a student during the course of instruction.

4. The refund policy of the school for the return of refundable portions of tuition, fees, or other charges. The tuition refund policy for Iowa resident students of a for-profit school with at least one program of more than four months in length that leads to a recognized educational credential, such as an academic or professional degree, diploma, or license, must comply with section 714.23.

~~5. The degrees granted by the school.~~

~~6.~~ 5. The names and addresses of the principal owners of the school or the officers and members of the legal governing body of the school.

~~7.~~ 6. The name and address of the chief executive officer of the school.

~~8.~~ 7. A copy of or a description of the means by which the school intends to comply with section 261B.9.

~~9.~~ 8. The name of the accrediting agency recognized by the United States department of education or a successor agency which has accredited the school, ~~and~~ the status under which accreditation is held, the name of any other accrediting or licensing entity that has accredited or licensed the school or its programs, a copy of the accrediting or licensure notice issued by the entity, and a record of any sanctions the entity has levied against the school.

~~10.~~ 9. The name, address, and telephone number of a contact person in this state. A school that applies for registration to offer a course of instruction by distance delivery may provide the name and address of its registered agent in Iowa.

~~11.~~ 10. The names or titles and a description of the

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courses and degrees to be offered in Iowa.

~~12.~~ 11. A description of procedures for the preservation of student records and the contact information to be used by students and graduates who seek to obtain transcript information.

~~13.~~ 12. The academic and instructional methodologies and delivery systems to be used by the school and the extent to which the school anticipates each methodology and delivery system will be used, including~~,~~ but not limited to~~,~~ classroom instruction, correspondence, ~~electronic telecommunications~~ distance delivery, independent study, and portfolio experience evaluation.

13. The name, title, business address, telephone number, and resume of an Iowa resident compensated by the school to perform duties at a location in Iowa. A school that applies for registration to offer a course of instruction by distance delivery may provide an internet address as the business address for an Iowa resident it compensates to perform duties remotely from a location in Iowa.

14. The school's official Stafford loan cohort default rate as calculated by the United States department of education for the three most recent federal fiscal years, if applicable.

15. Average student loan debt upon graduation of students completing programs at the school.

16. The graduation rate of undergraduate students as reported to the United States department of education.

17. Evidence that the school meets the conditions of financial responsibility established in section 714.18, or that the school qualifies for an exemption under section 714.19 or 714.22.

Sec. 5. Section 261B.7, Code 2011, is amended to read as follows:

261B.7 Unauthorized representation.

~~Neither a~~ A school ~~nor its~~ or a school's officials or employees shall not advertise or represent that the school is

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1 approved or accredited by the commission or the state of Iowa
2 ~~nor shall it use the registration as a~~. However, a registered
3 school shall reference in promotional materials that the school
4 is registered by the commission on behalf of the state of Iowa
5 and provide the commission's contact information for students
6 who wish to inquire about the school or file a complaint.
7 Sec. 6. Section 261B.9, subsection 5, Code 2011, is amended
8 to read as follows:
9 5. Whether the postsecondary credential ~~or certificate~~
10 issued, awarded, or credited to a student upon completion
11 of the course or the fact of completion of the course is
12 applicable toward a degree granted by the school and, if so,
13 under what circumstances the application will be made.
14 Sec. 7. Section 261B.9, Code 2011, is amended by adding the
15 following new subsection:
16 NEW SUBSECTION. 7. The disclosures required by the
17 department of education for an out-of-state school that the
18 board of education approves to offer a practitioner preparation
19 program by distance delivery method.
20 Sec. 8. Section 261B.11, Code 2011, is amended to read as
21 follows:
22 **261B.11 Exceptions.**
23 1. This chapter does not apply to the following types of
24 schools and courses of instruction:
25 ~~1.~~ *a.* Schools and educational programs conducted by firms,
26 corporations, or persons solely for the training of their own
27 employees.
28 ~~2.~~ *b.* Apprentice or other training programs provided by
29 labor unions solely to members or applicants for membership.
30 ~~3.~~ *c.* Courses of instruction of an avocational or
31 recreational nature that do not lead to an occupational
32 objective.
33 ~~4.~~ *d.* Seminars, refresher courses, and programs of
34 instruction sponsored by professional, business, or farming
35 organizations or associations for the members and employees of

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members of these organizations or associations.

~~5.~~ *e.* Courses of instruction conducted by a public school district or a combination of public school districts.

~~6.~~ *f.* Colleges and universities authorized by the laws of this state to grant degrees.

~~7.~~ *g.* Schools or courses of instruction or courses of training that are offered by a vendor solely to the purchaser or prospective purchaser of the vendor's product when the objective of the school or course is to enable the purchaser or the purchaser's employees to gain skills and knowledge to enable the purchaser to use the product.

~~8.~~ *h.* Schools and educational programs conducted by religious organizations solely for the religious instruction of leadership practitioners of that religious organization.

~~9.~~ *i.* Postsecondary educational institutions licensed by the state of Iowa ~~prior to July 1, 2009,~~ under section 157.8 or 158.7 to ~~conduct business~~ operate as schools of cosmetology arts and sciences or as barber schools in the state.

~~10.~~ *j.* ~~Accredited higher~~ Higher education institutions that meet the criteria established under section ~~261.92,~~ 261.9, subsection 1.

~~11.~~ *k.* Postsecondary educational institutions offering programs limited to nondegree specialty vocational training programs.

~~12. Not-for-profit colleges and universities established and authorized by city ordinance to grant degrees.~~

l. Higher education institutions located in Iowa that are affiliated with health care systems located in Iowa, and which offer health professions programs that are accredited by an accrediting agency recognized by the United States department of education.

m. Higher education institutions located in Iowa whose massage therapy curriculum is approved under administrative rules of the professional licensure division of the department of public health and whose instructors are licensed massage

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1 therapists under chapter 152C.
2 2. A school that claims an exemption from registration
3 under subsection 1, paragraph *"h"*, *"i"*, *"k"*, *"l"*, or *"m"*, must
4 demonstrate to the commission or its designee that it qualifies
5 for the exemption. The school must apply for approval of its
6 exemption claim on an application supplied by the commission.
7 The commission or its designee may approve the school's
8 exemption claim or deny it. A school whose exemption claim is
9 approved must reapply to renew its exemption no less frequently
10 than every two years.
11 *a.* A school that is granted an exemption under this section
12 must file evidence of financial responsibility under section
13 714.18 or demonstrate to the commission or its designee that
14 the school qualifies for an exemption under section 714.19 or
15 714.22.
16 *b.* A for-profit school with at least one program of
17 more than four months in length that leads to a recognized
18 educational credential, such as an academic or professional
19 degree, diploma, or license, must submit to the commission or
20 its designee a tuition refund policy that meets the conditions
21 of section 714.23.
22 3. A school that is denied an exemption claim by the
23 commission or its designee, or that no longer qualifies for
24 a claimed exemption, shall apply for registration or cease
25 operating in Iowa.
26 Sec. 9. NEW SECTION. **261B.11A Ineligibility for state**
27 **student aid programs.**
28 1. Students attending schools required to register under
29 this chapter are ineligible for state student financial aid
30 programs established under chapter 261.
31 2. A school required to register under this chapter is
32 prohibited from offering state aid or advertising that state
33 aid is or may be available to students attending the school.
34 DIVISION II
35 POSTSECONDARY REGISTRATION — UNLAWFUL ACTIVITY

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Sec. 10. Section 714.17, Code 2011, is amended to read as follows:

714.17 Unlawful advertising and selling of educational courses ~~of instruction~~.

It shall be unlawful for any person, firm, association, or corporation maintaining, advertising, or conducting in Iowa any educational course ~~of instruction~~ for profit, or for tuition charge, whether by classroom instructions, ~~or~~ by correspondence, or by other delivery method to:

1. Falsely advertise or represent to any person any matter material to ~~such~~ an educational course ~~of instruction~~. All advertising of such courses ~~of instruction~~ shall adhere to and comply with the rules and regulations of the federal trade commission ~~as of July 4, 1965~~.

2. Collect tuition or other charges in excess of one hundred fifty dollars in the case of educational courses offered by correspondence ~~courses of study~~, in advance of the receipt and approval by the pupil of the first assignment or lesson of such course. Any contract providing for advance payment of more than one hundred fifty dollars shall be voidable on the part of the pupil or any person liable for the tuition provided for in the contract.

3. Promise or guarantee employment utilizing information, training, or skill purported to be provided or otherwise enhanced by ~~a~~ an educational course, unless the promisor or guarantor offers the student or prospective student a bona fide contract of employment agreeing to employ said student or prospective student for a period of not less than one hundred twenty days in a business or other enterprise regularly conducted by the promisor or guarantor and in which such information, training, or skill is a normal condition of employment.

Sec. 11. Section 714.18, subsection 1, Code 2011, is amended to read as follows:

1. Except as otherwise provided in subsection 2, every

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1 person, firm, association, or corporation maintaining or
2 conducting in Iowa any ~~such~~ educational course ~~of instruction~~
3 by classroom instruction or by correspondence or by other
4 ~~distance~~ delivery method, or soliciting in Iowa the sale of
5 such course, shall file with the college student aid commission
6 all of the following:
7 *a.* A continuous corporate surety bond to the state of
8 Iowa in the sum of fifty thousand dollars conditioned ~~for~~
9 on the faithful performance of all contracts and agreements
10 with students made by such person, firm, association, or
11 corporation, or their salespersons; but the aggregate liability
12 of the surety for all breaches of the conditions of the bond
13 shall not exceed the sum of the bond. The surety on the bond
14 may cancel the bond upon giving thirty days' written notice
15 to the college student aid commission and thereafter shall be
16 relieved of liability for any breach of condition occurring
17 after the effective date of the cancellation.
18 *b.* A statement designating a resident agent for the purpose
19 of receiving service in civil actions. In the absence of such
20 designation, service may be had upon the secretary of state if
21 service cannot otherwise be made in this state.
22 *c.* A copy of any catalog, prospectus, brochure, or other
23 advertising material intended for distribution in Iowa.
24 Such material shall state the cost of the educational course
25 offered, the schedule of tuition refunds for portions of the
26 educational course not completed, and if no refunds are to
27 be paid, the material shall so state. Any contract induced
28 by advertising materials not previously filed as provided in
29 this chapter shall be voidable on the part of the pupil or any
30 person liable for the tuition provided for in the contract.
31 Sec. 12. Section 714.18, subsection 2, paragraph a,
32 subparagraphs (1) and (4), Code 2011, are amended to read as
33 follows:
34 (1) A continuous corporate surety bond to the state of
35 Iowa in the sum of fifty thousand dollars or ten percent

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of the total annual tuition collected, whichever is less, conditioned ~~for~~ on the faithful performance of all contracts and agreements with students made by such school. A school desiring to file a surety bond based on a percentage of annual tuition shall provide to the college student aid commission, in the form prescribed by the commission, a notarized statement attesting to the total amount of tuition collected in the preceding twelve-month period. The commission shall determine the sufficiency of the statement and the amount of the bond. Tuition information submitted pursuant to this subparagraph shall be kept confidential.

(4) The college student aid commission may accept a letter of credit ~~from~~ issued by a bank in lieu of and for the amount of the corporate surety bond required by ~~this paragraph "a"~~ subparagraphs (1) through (3), as applicable.

Sec. 13. Section 714.19, unnumbered paragraph 1, Code 2011, is amended to read as follows:

~~None of the~~ The provisions of sections 714.17 to ~~714.22~~ 714.21 shall not apply to the following:

Sec. 14. Section 714.19, subsections 6 through 8, Code 2011, are amended to read as follows:

6. Schools and educational programs conducted by firms, corporations, or persons ~~for the training of their own employees,~~ for which no fee is charged.

7. Seminars, refresher courses, and schools of instruction ~~sponsored~~ conducted by professional, business, or farming organizations or associations for the members and employees of members of such organizations or associations. A person who provides instruction under this subsection who is not a member or an employee of a member of the organization or association shall not be eligible for this exemption.

8. Private business schools accredited by ~~the accrediting commission for business schools or~~ an ~~acknowledged~~ accrediting agency recognized by the United States department of education or the council for higher education accreditation.

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1 Sec. 15. Section 714.19, Code 2011, is amended by adding the
2 following new subsection:
3 NEW SUBSECTION. 10. Private, nonprofit schools that meet
4 the criteria established under section 261.9, subsection 1.
5 Sec. 16. Section 714.23, Code 2011, is amended by adding the
6 following new subsection:
7 NEW SUBSECTION. 01. *a.* For the purposes of this section
8 and section 714.25, *"postsecondary educational program"* means
9 a series of postsecondary educational courses that lead to
10 a recognized educational credential such as an academic or
11 professional degree, diploma, or license.
12 *b.* For the purposes of this section, *"school period"* means
13 the course, term, payment period, postsecondary educational
14 program, or other period for which the school assessed tuition
15 charges to the student. A school that assesses tuition charges
16 to the student at the beginning of each course, term, payment
17 period, or other period that is shorter than the postsecondary
18 educational program's length shall base its tuition refund on
19 the amount of tuition costs the school charged for the course,
20 term, or other period in which the student terminated. A
21 school shall not base its tuition refund calculation on any
22 portion of a postsecondary educational program that remains
23 after a student terminates unless the student was charged for
24 that remaining portion of the postsecondary educational program
25 before the student's termination.
26 Sec. 17. Section 714.23, subsections 1 through 5, Code 2011,
27 are amended to read as follows:
28 1. A person offering ~~a course of instruction at the~~
29 ~~postsecondary level~~ at least one postsecondary educational
30 program, for profit, that is more than four months in
31 length and leads to a ~~degree, diploma, or license~~ recognized
32 educational credential, shall make a pro rata refund of ~~no less~~
33 ~~than ninety percent of the~~ tuition ~~for a terminating student to~~
34 ~~the appropriate agency based upon~~ charges to an Iowa resident
35 student who terminates from any of the school's postsecondary

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educational programs in an amount that is not less than ninety percent of the amount of tuition charged to the student multiplied by the ratio of ~~completed number of scheduled school days to~~ the number of calendar days remaining in the school period until the date equivalent to the completion of sixty percent of the ~~scheduled school~~ calendar days ~~of~~ in the school ~~term or course~~ period to the total number of calendar days in the school period until the date equivalent to the completion of sixty percent of the calendar days in the school period.

2. Notwithstanding the provisions of subsection 1, the following tuition refund policy shall apply:

a. If a terminating student has completed sixty percent or more of a school ~~term or course that is more than four months in length~~ period, the person offering the ~~course of instruction~~ postsecondary educational program is not required to refund tuition ~~for~~ charges to the student. However, if, at any time, a student terminates a ~~school term or course that is more than four months in length~~ postsecondary educational program due to the student's physical incapacity or, for a program that requires classroom instruction, due to the transfer of the student's spouse's employment to another city, the terminating student shall receive a refund of tuition charges in an amount ~~which~~ that equals the amount of tuition charged to the student multiplied by the ratio of the remaining number of ~~school~~ calendar days in the school period to the total ~~school~~ number of calendar days ~~of~~ in the school ~~term or course~~ period.

b. ~~A refund of ninety percent of the tuition for a terminating student shall be paid to the appropriate agency based upon the ratio of completed number of school days to the total school days of the school term or course.~~ A school shall provide to a terminating student a refund of tuition charges in an amount that is not less than ninety percent of the amount of tuition charged to the student multiplied by the ratio of the remaining number of calendar days in the school period to the total number of calendar days in the school

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period. This paragraph "b" applies to those persons offering ~~courses of instruction at the postsecondary level~~ at least one postsecondary educational program of more than four months in length, for profit, whose cohort default rate for students under the Stafford loan program as ~~defined~~ reported by the United States department of education for the most recent federal fiscal year is more than one hundred ten percent of the national average cohort default rate of all schools for ~~that program for that period~~ the same federal fiscal year or six percent, whichever is higher.

3. ~~If the financial obligations of a student are for three or fewer months duration, this section does not apply.~~ In the case of a program in which student progress is measured only in clock hours, all occurrences of "calendar days" in subsections 1 and 2 shall be replaced with "scheduled clock hours".

4. ~~Refunds~~ A refund of tuition charges shall be ~~paid~~ provided to the ~~appropriate agency~~ student within ~~thirty~~ forty-five days following the ~~student's termination~~ date of the school's determination that a student has terminated from a postsecondary educational program.

5. A student who terminates a ~~course of instruction or term~~ postsecondary educational program shall not be charged any fee or other monetary penalty for terminating ~~a course of instruction or term~~ the postsecondary educational program, other than a reduction in tuition refund as specified in this section.

Sec. 18. NEW SECTION. **714.24 Additional requirements.**

1. A required filing of evidence of financial responsibility pursuant to section 714.18 must be completed at least once every two years.

2. An entity that claims an exemption under section 714.19 or 714.22 must file an exemption claim with the commission. The commission may approve or deny the exemption claim. Except for a school that claims an exemption under section 714.19, subsection 1, 3, or 10, a filing of a claim for an exemption

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pursuant to section 714.19 or 714.22 must be completed at least once every two years.

3. An entity that claims an exemption under section 714.19 or 714.22 must file evidence of financial responsibility pursuant to section 714.18 within sixty calendar days following the date upon which conditions that qualify the entity for an exemption under section 714.19 no longer exist. The commission may grant an entity a longer period to file evidence of financial responsibility based on documentation the entity provides to the commission of its substantial progress to comply with section 714.18, subsection 1, paragraph *"a"*.

4. An entity that is required to file evidence of financial responsibility under section 714.18, or an entity that files a claim of exemption under section 714.19 or 714.22, shall utilize required forms approved and supplied by the commission.

5. The commission may, at its discretion, require a proprietary school that must comply with section 714.23 to submit its tuition refund policy to the commission for its review and approval.

6. The commission and the attorney general may, individually or jointly, adopt rules pursuant to chapter 17A for the implementation of sections 714.18 through 714.25.

7. Except as provided in section 714.18, subsection 2, paragraph *"a"*, the information submitted under sections 714.18, 714.22, 714.23, and 714.25 are public records under chapter 22.

Sec. 19. Section 714.25, Code 2011, is amended to read as follows:

714.25 Disclosure.

1. For purposes of this ~~chapter~~ section, ~~unless the context otherwise requires,~~ *"proprietary school"* means a person offering a ~~course of instruction at the postsecondary level~~ postsecondary educational program, for profit, that is more than four months in length and leads to a ~~degree, diploma, or license~~ recognized educational credential, such as an academic or professional degree, diploma, or license.

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2. A proprietary school shall, prior to the time a student is obligated for payment of any moneys, inform the student, the college student aid commission, and in the case of a school licensed under section 157.8, the board of cosmetology arts and sciences or in the case of a school licensed under section 158.7, the board of barbering, of all of the following:

a. The total cost of the ~~course of instruction~~ postsecondary educational program as charged by the proprietary school.

b. An estimate of any fees which may be charged the student by others which would be required if the student is to successfully complete the ~~course~~ postsecondary educational program and~~, if applicable,~~ obtain a ~~degree, diploma, or license~~ recognized educational credential.

c. The percentage of students who successfully complete the ~~course~~ postsecondary educational program, the percentage who terminate prior to completing the ~~course~~ postsecondary educational program, and the period of time upon which the proprietary school has based these percentages. The reporting period shall not be less than one year in length and shall not extend more than five years into the past.

d. If claims are made by the proprietary school as to successful placement of students in jobs upon completion of the ~~course of study~~ proprietary school's postsecondary educational programs, the proprietary school shall provide the student with all of the following:

(1) The percentage of graduating students who were placed in jobs in fields related to the ~~course of instruction~~ postsecondary educational programs.

(2) The percentage of graduating students who went on to further education immediately upon graduation.

(3) The percentage of students who, ninety days after graduation, were without a job and had not gone on to further education.

(4) The period of time upon which the reports required by paragraphs "*a*" through "*c*" were based. The reporting period

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1 shall not be less than one year in length and shall not extend
2 more than five years into the past.
3 *e.* If claims are made by the proprietary school as to income
4 levels of students who have graduated and are working in fields
5 related to the proprietary school's ~~course of instruction~~
6 postsecondary educational programs, the proprietary school
7 shall inform the student of the method used to derive such
8 information.
9 3. The requirements of subsection 2 shall not apply to
10 a proprietary school that is eligible for federal student
11 financial aid under Tit. IV of the federal Higher Education Act
12 of 1965, as amended.
13 Sec. 20. REPEAL. Section 714.22, Code 2011, is repealed.
14 EXPLANATION
15 This bill makes changes regarding oversight by the college
16 student aid commission of schools offering postsecondary
17 educational programs.
18 Division I of the bill makes various changes relating to the
19 college student aid commission's registration requirements for
20 postsecondary schools governed by Code chapter 261B.
21 The bill expands the definition of a postsecondary school
22 which maintains a presence in Iowa to include, with certain
23 exceptions, a location in the state at which a student
24 participates in any structured activity related to a school's
25 distance education course of instruction, as well as any
26 address, location, telephone number, or internet protocol
27 address in Iowa from which the school conducts any aspect of
28 its operations.
29 The bill requires postsecondary schools to renew
30 registration with the commission every two years instead of
31 every four years.
32 The bill allows the commission to grant a provisional
33 registration to a postsecondary school that is not accredited
34 by an agency or organization that is recognized by the United
35 States department of education. Such a school must report on

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1 its progress toward seeking accreditation every six months.
2 Provisional registration may be renewed at the department's
3 discretion.
4 The bill expands the information a postsecondary school
5 seeking to register must provide to the commission. The
6 new requirements include the name, title, business address,
7 telephone number, and resume of an Iowa resident compensated
8 by the school to perform duties at a location in the state;
9 the school's official Stafford loan cohort default rate as
10 calculated by the United States department of education for the
11 three most recent federal fiscal years; the average student
12 loan debt upon graduation of students completing programs at
13 the school; the graduation rate of undergraduate students as
14 reported to the United States department of education; and
15 evidence that the school meets the conditions of financial
16 responsibility established in Code chapter 714.
17 The bill makes changes to postsecondary schools exempt from
18 Code chapter 261B, including exemptions for schools at which
19 students are eligible for tuition grants under Code chapter
20 261, division II; certain schools affiliated with health care
21 systems; and certain schools offering approved massage therapy
22 curriculums.
23 The bill specifies that students attending schools which
24 must register with the commission under Code chapter 261B
25 are ineligible for state student financial aid programs
26 established by Code chapter 261, and such schools may not offer
27 such financial aid or advertise that such financial aid is
28 available.
29 Division I of the bill also makes changes to terminology
30 and other technical changes relating to the commission's
31 registration requirements under Code chapter 261B.
32 Division II of the bill makes various changes relating to
33 the college student aid commission's oversight functions over
34 the advertising, financial responsibility, tuition refund, and
35 disclosure requirements and restrictions governing certain

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1 educational programs and courses under Code chapter 714.
2 The bill amends Code section 714.19, relating to the
3 nonapplicability of Code sections 714.17 to 714.21, governing
4 business and financial practices of sellers of educational
5 courses, to provide that instructors for courses conducted
6 by professional, business, or farming organizations or
7 associations for the members and employees of members of such
8 entities who are not members or employees of members themselves
9 are ineligible for exemption from Code sections 714.17 to
10 714.21. The bill specifies accreditation standards for private
11 business schools exempt from Code sections 714.17 to 714.21.
12 The bill creates a new exemption from Code sections 714.17
13 to 714.21 for private, nonprofit schools eligible for state
14 student financial aid programs authorized under Code chapter
15 261. The bill repeals Code section 714.22, which exempts trade
16 and vocational schools from Code sections 714.17 to 714.21 if
17 certain conditions are met.
18 The bill amends Code section 714.23 to remove the exemption
19 for students with financial obligations of three or fewer
20 months' duration from standards regarding tuition refund
21 policies. The bill provides for the inclusion of educational
22 programs in which student progress is measured only in clock
23 hours under standards regarding tuition refund policies. The
24 bill also provides that certain tuition refunds must be paid
25 directly to students. A violation of Code section 714.23 is a
26 simple misdemeanor, which is punishable by confinement for not
27 more than 30 days or a fine of at least $65 but not more than
28 $625 or by both.
29 The bill amends Code section 714.25 to exempt from certain
30 disclosure requirements proprietary schools, as defined in the
31 bill, that are eligible for federal student financial aid under
32 Title IV of the Higher Education Act of 1965.
33 The bill provides that the commission and the attorney
34 general may, individually or jointly, adopt rules pursuant
35 to Code chapter 17A to carry out the commission's oversight

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1 functions under Code chapter 714.
2 Finally, division II of the bill makes changes to
3 terminology, demonstration of compliance, and exemptions
4 relating to the commission's oversight functions under Code
5 chapter 714.

Senate Study Bill 3168 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON DANIELSON)

A BILL FOR

1 An Act concerning public construction bidding by establishing a
2 pilot program for alternative project delivery processes for
3 certain public projects and utilizing alternative selection
4 procedures for certain professional services and making an
5 appropriation.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5831SC (4) 84
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1 Section 1. Section 26.4, Code 2011, is amended to read as
2 follows:
3 **26.4 ~~Exemptions from competitive bids and quotations~~**
4 **Professional services procurement.**
5 1. Architectural, landscape architectural, design-build, or
6 engineering design services procured for a public improvement
7 are not subject to sections 26.3 and 26.14.
8 2. Professional services provided for a public improvement
9 by an architect registered under chapter 544A, an engineer
10 or land surveyor licensed under chapter 542B, a landscape
11 architect licensed under chapter 544B, or a design-build entity
12 as defined in section 26.14B, shall be procured utilizing a
13 qualifications-based and direct negotiation selection process.
14 3. Selection of professional services through a
15 qualifications-based and direct negotiation selection process
16 shall proceed, in order, through the following steps:
17 *a.* The governmental entity shall issue for the purpose
18 of fair and open competition a public notice of request for
19 qualifications and a description of the nature and type of
20 public improvement proposed and preliminary scope of services
21 required.
22 *b.* The governmental entity shall form a selection committee
23 of not less than three persons to evaluate and rank the
24 qualifications of the firms submitting qualifications and enter
25 into negotiations.
26 *c.* In evaluating the qualifications, the selection committee
27 shall consider the following criteria:
28 (1) The specialized experience and technical competence of
29 the firm with respect to the type of services required.
30 (2) The capacity and capability of the firm to perform the
31 work in question, including specialized services, within the
32 time limitations fixed for the completion of the project.
33 (3) The past record of performance of the firm with respect
34 to such factors as control of costs, quality of work, and
35 ability to meet schedules.

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1 (4) The firm's proximity to and familiarity with the area in
2 which the project is located.
3 (5) Consideration shall not be given, or information
4 requested, concerning fees, prices, completion times, or
5 any other cost information at any point prior to entering
6 negotiations.
7 *d.* Following the evaluation of the qualifications of the
8 firms, the selection committee shall rank the three most highly
9 qualified firms in the order of best qualified first and shall
10 enter into negotiations pursuant to the following requirements:
11 (1) The selection committee shall enter into negotiations
12 only with the firm considered best qualified and capable of
13 performing the desired work. The selection committee shall
14 seek to reach agreement on scope, contract terms, fair and
15 reasonable fees, and any other necessary items.
16 (2) If, in the opinion of the selection committee, the
17 committee is unable to negotiate a satisfactory contract with
18 the best qualified firm, negotiations with that firm shall
19 be terminated. The selection committee shall then undertake
20 negotiations with the next best qualified firm. If there is a
21 failing of accord with the second firm, negotiations with such
22 firm shall be terminated. The selection committee shall then
23 undertake negotiations with the third qualified firm.
24 (3) If the selection committee is not able to negotiate
25 a satisfactory contract with any of the three most qualified
26 firms, the selection committee shall reevaluate the necessary
27 professional services, including the scope, estimated cost,
28 complexity, and reasonable fee requirements. The selection
29 committee shall then reevaluate qualifications and compile a
30 new list of not less than three qualified firms and proceed in
31 accordance with the provisions of this section.
32 Sec. 2. NEW SECTION. **26.14B Alternative project delivery**
33 **pilot program — advisory committee.**
34 1. As used in this section, unless the context otherwise
35 provides:

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1 *a. "Alternative project delivery"* means procuring and
2 delivering design and construction services for a public
3 project according to one of the selection methods outlined in
4 this section.
5 *b. "Construction management services"* means an alternative
6 project delivery method whereby services are provided by
7 a construction manager in a manner similar to a general
8 contractor, and which requires the construction manager to
9 solicit competitive bids for the trade packages or subcontracts
10 developed for the public project and to enter into the trade
11 contracts or subcontracts for the public project. Construction
12 management services may include but are not limited to
13 scheduling, value analysis, system analysis, constructability
14 reviews, progress document reviews, subcontractor involvement
15 and prequalification, subcontractor bonding policy, budgeting
16 and price guarantees, and construction coordination.
17 *c. "Construction manager"* means an individual, partnership,
18 joint venture, corporation, or other legal entity that
19 utilizes skill and knowledge of general contracting to perform
20 construction management services and preconstruction services,
21 competitively procures and contracts with specialty contractors
22 or subcontractors, and assumes the responsibility and the risk
23 for construction delivery within a specified cost and schedule.
24 *d. "Construction services"* means the process of planning,
25 building, equipping, altering, repairing, improving, or
26 demolishing any structure or appurtenance thereto, including
27 facilities, utilities, or other improvements to real property,
28 but excluding highways, roads, bridges, dams, or stand-alone
29 parking lots.
30 *e. "Design professional"* means an architect registered under
31 chapter 544A, an engineer licensed under chapter 542B, or a
32 landscape architect licensed under chapter 544B.
33 *f. "Design-build entity"* means an individual, partnership,
34 joint venture, corporation, or other legal entity that
35 furnishes design-build services, whether by itself or through

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1 subcontracts.
2 *g. "Design-build services"* means a method of alternative
3 project delivery for which both design and construction
4 services are provided under one contract. *"Design-build*
5 *services"* may include architecture, engineering, and related
6 design services required for a given project and the labor,
7 materials, and other construction services for the project.
8 *h. "Preconstruction services"* means a series of services
9 including but not limited to design review, scheduling,
10 estimating, cost control, value engineering, constructability
11 evaluation, and preparation and coordination of bid packages.
12 *i. "Public project"* means a project under the control of
13 a governmental entity that is paid for in whole or in part
14 with funds of the governmental entity, including a building
15 or improvement constructed or operated jointly with any other
16 public or private agency that has an estimated total cost of
17 more than one hundred thousand dollars. A *"public project"* may
18 include planning, acquiring, designing, building, equipping,
19 altering, repairing, improving, or demolishing any structure or
20 appurtenance thereto, including facilities, utilities, or other
21 improvements to any real property owned by the governmental
22 entity, but excluding highways, roads, bridges, dams, or
23 stand-alone parking lots. However, a parking lot included as
24 part of the site work of a public project may be included as
25 part of a construction management contract or a design-build
26 services contract. Parking ramps and parking garages are not
27 considered to be parking lots and may be a "public project"
28 constructed utilizing alternative project delivery methods.
29 2. Notwithstanding any provision of law to the contrary,
30 the following selection methods may be utilized for a public
31 project procured through an alternative project delivery
32 process as provided in this section:
33 *a.* The construction management at-risk selection method
34 is a project delivery process in which a construction manager
35 contract separate from a design professional contract provides

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1 for preconstruction services, and a second construction manager
2 contract provides an at-risk obligation for the construction
3 manager to carry out construction with a contractual maximum
4 price guarantee for the public project.
5 *b.* The design-build qualifications-based selection method is
6 a project delivery process in which a design-build entity is
7 selected and a contract negotiated as provided in section 26.4,
8 subsection 3, to design and construct a public project for a
9 specific budget under a single contract.
10 *c.* The design-build best value-based selection method
11 is a project delivery process in which a design-build entity
12 is selected on the basis of both price and qualifications to
13 design and construct a public project for a specific budget
14 under a single contract. Consideration of price may refer to
15 either fees and general conditions or to total construction
16 cost.
17 *d.* The design-build bridging-based selection method is
18 a project delivery process in which a design professional
19 contract provides for the preparation of a design concept and
20 scope of work documents as bidding documents and for continuing
21 assistance during construction. The bidding documents shall
22 be utilized to select a design-build entity who shall enter
23 into a contract to provide for the completion of the design and
24 the construction of the contract. The design professionals
25 utilized by the design-build entity shall be independent of the
26 design professionals utilized through the design professional
27 contract.
28 3. *a.* Notwithstanding any provision of law to the contrary,
29 the department of administrative services and state board of
30 regents may utilize alternative project delivery selection
31 methods for the fiscal period beginning July 1, 2012, and
32 ending December 31, 2016, in coordination with the alternative
33 project delivery pilot program advisory committee, for public
34 projects. The state board of regents may select up to three
35 public projects, and the department of administrative services

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1 one public project, each fiscal year for three consecutive
2 fiscal years beginning with the fiscal year commencing July 1,
3 2012, utilizing alternative project delivery selection methods.
4 Selection of public projects during a fiscal year shall be
5 completed by December 1 of that fiscal year.
6 *b.* The selection of public projects pursuant to the pilot
7 program shall be subject to the following:
8 (1) To the extent practical, public projects within
9 the pilot program shall include both renovation and new
10 construction projects.
11 (2) To the extent practical, public projects within the
12 pilot program shall vary in size, complexity, scheduling, and
13 cost.
14 (3) To the extent practical, the state board of regents and
15 the department of administrative services shall each utilize
16 all permitted alternative project delivery selection methods
17 during the pilot program.
18 (4) The state board of regents shall make final
19 determinations on projects and types of alternative project
20 delivery processes for its portion of the pilot program.
21 (5) The department of administrative services shall make
22 final determinations on projects and types of alternative
23 project delivery processes for its portion of the pilot
24 program.
25 4. *a.* An alternative project delivery pilot program
26 advisory committee is established consisting of the following
27 members:
28 (1) One member appointed by the state board of regents.
29 (2) One member appointed by the director of the department
30 of administrative services.
31 (3) One member appointed by the Iowa state building and
32 construction trades council.
33 (4) One member appointed by the Iowa chapter of the American
34 institute of architects.
35 (5) One member appointed by the American council of

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1 engineering companies of Iowa.
2 (6) One member appointed by the Iowa chapter of the
3 design-build institute of America.
4 (7) One member appointed by the master builders of Iowa.
5 (8) One member appointed by the mechanical contractors
6 association of Iowa.
7 (9) One member appointed by the Iowa chapter of the American
8 society of landscape architects.
9 (10) One member appointed by the associated builders and
10 contractors of Iowa.
11 *b.* Each member of the committee shall serve until December
12 31, 2016, or until the member resigns. A vacancy on the
13 committee shall be filled in the same manner as the original
14 appointment.
15 *c.* The member appointed by the state board of regents and
16 the member appointed by the director of the department of
17 administrative services shall serve as co-chairpersons of the
18 committee.
19 *d.* Meetings of the committee may be called by the
20 chairperson or by a majority of the members.
21 *e.* A majority of the members of the committee constitutes a
22 quorum. Any action taken by the committee must be adopted by
23 the affirmative vote of a majority of its membership.
24 *f.* A member shall not vote on a matter before the committee
25 if the individual has a pecuniary, equitable, or other interest
26 in the matter or conditions exist that would interfere with the
27 member´s ability to properly discharge the member´s duties.
28 *g.* The duties of the advisory committee shall include all
29 of the following:
30 (1) Advise the state board of regents and the department of
31 administrative services in selecting public projects and the
32 appropriate selection methods as provided in this section.
33 (2) File a progress report with the general assembly at the
34 beginning of each legislative session. A final report shall be
35 filed by the advisory committee with the general assembly no

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1 later than January 1, 2017. The final report shall identify
2 the advantages and disadvantages of all authorized alternate
3 project delivery processes for public improvement projects
4 based on evaluation of the pilot projects.
5 Sec. 3. ALTERNATIVE PROJECT DELIVERY PILOT PROGRAM —
6 REBUILD IOWA INFRASTRUCTURE FUND APPROPRIATION.
7 There is appropriated from the rebuild Iowa infrastructure
8 fund to the following departments and agencies for the fiscal
9 period beginning July 1, 2012, and ending June 30, 2016, the
10 following amounts, or so much thereof as is necessary, to be
11 used for the purposes designated:
12 1. DEPARTMENT OF ADMINISTRATIVE SERVICES
13 For expenses associated with administration and reporting
14 requirements of the alternative project delivery pilot program
15 as established by section 26.14B:
16 ..... $ 10,000
17 2. BOARD OF REGENTS
18 For expenses associated with administration and reporting
19 requirements of the alternative project delivery pilot program
20 as established by section 26.14B:
21 ..... $ 30,000
22 EXPLANATION
23 This bill concerns public construction bidding.
24 Code section 26.4, concerning exemptions from competitive
25 bids and quotations, is amended to add design-build services
26 to the list of services exempt from competitive bidding under
27 Code chapter 26. The bill further amends the Code section to
28 establish the method by which professional services exempt
29 from competitive bidding under the Code section shall be
30 procured. The bill provides that these professional services
31 shall be procured utilizing a qualifications-based and direct
32 negotiation selection process. The bill provides that the
33 selection process shall be conducted in two stages. First, the
34 governmental entity shall use a qualifications-based approach
35 through a selection committee in selecting three entities that

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1 are qualified to perform the services to be procured. The
2 bill describes the applicable criteria in determining the best
3 qualified firms. Following selection of three firms, the
4 bill provides that the governmental entity shall enter into
5 negotiations with the highest ranked firm. If negotiations are
6 unsuccessful, the government entity can then proceed to the
7 next highest ranked firm.
8 New Code section 26.14B establishes an alternative project
9 delivery pilot program.
10 The bill defines design-build services as an alternative
11 project delivery method in which both design and construction
12 services are provided under one contract.
13 The bill authorizes the department of administrative
14 services and state board of regents to utilize alternative
15 project delivery selection methods for the fiscal period
16 beginning July 1, 2012, and ending December 31, 2016, in
17 coordination with the alternative project delivery pilot
18 program advisory committee established by the bill, for
19 public projects. The state board of regents is authorized
20 to select up to three public projects, and the department of
21 administrative services one public project during each fiscal
22 year during the pilot program period. The bill describes the
23 various methods by which a public project is to be completed
24 and provides that the method to be used shall be selected by
25 the applicable governmental entity in coordination with the
26 pilot program advisory committee. The methods are construction
27 management at-risk, design-build qualifications-based,
28 design-build best value-based, and design-build bridging-based.
29 The new Code section also establishes an alternative project
30 delivery pilot program advisory committee with 10 members which
31 shall advise the state board of regents and the department of
32 administrative services in selecting public projects and the
33 appropriate selection methods as provided in the bill. The
34 bill also requires the advisory committee to submit an annual
35 progress report to the legislature concerning the pilot program

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1 as well as a final report concerning the program by January 1,
2 2017.
3 The bill appropriates moneys from the rebuild Iowa
4 infrastructure fund to the department of administrative
5 services and the board of regents for the fiscal period
6 beginning July 1, 2012, and ending June 30, 2016, for expenses
7 associated with the pilot program.

Senate Study Bill 3169 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON DANIELSON)

A BILL FOR

1 An Act relating to radon control by requiring the state
2 building code commissioner to adopt statewide radon control
3 standards in residential construction, requiring that
4 radon testing, mitigation, or abatement be conducted in
5 schoolhouses and certain residential buildings, requiring
6 certain notifications, and providing an income tax credit,
7 and including retroactive applicability provisions.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. **103A.8D Residential construction**
2 **requirements and standards for radon control.**
3 The state building code commissioner shall adopt as a part
4 of the state building code construction requirements and
5 standards for radon control in new residential construction.
6 The requirements and standards adopted by the commissioner
7 shall, if possible, be based upon a nationally recognized
8 standard or code for radon control in residential construction.
9 Notwithstanding any other provision of this chapter to the
10 contrary, the construction requirements and standards for radon
11 control adopted by the commissioner and approved by the council
12 shall apply to new residential construction commenced on or
13 after January 1, 2014, and shall supersede and replace any
14 minimum requirements and standards for radon control in new
15 residential construction adopted or enacted by a governmental
16 subdivision prior to that date. The state building code
17 commissioner may provide training to builders, contractors, and
18 other interested persons on the construction requirements and
19 standards for radon control in residential construction.
20 Sec. 2. Section 103A.10, Code 2011, is amended by adding the
21 following new subsection:
22 NEW SUBSECTION. 6. Notwithstanding any other provision of
23 this chapter to the contrary, the construction requirements and
24 standards for radon control in new residential construction
25 adopted by the commissioner and approved by the council shall
26 apply to all new residential construction commenced on or after
27 January 1, 2014, and shall supersede and replace any minimum
28 requirements or standards for radon control in new residential
29 construction adopted or enacted by the governmental subdivision
30 prior to that date.
31 Sec. 3. Section 136B.2, subsection 1, paragraph b, Code
32 2011, is amended to read as follows:
33 *b.* ~~A~~ Except as otherwise provided in section 558A.4,
34 subsection 1, and section 562A.13, subsection 7, a person shall
35 not disclose to any other person, except to the department,

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1 the address or owner of a nonpublic building that the person
2 tested for the presence of radon gas and radon progeny, unless
3 the owner of the building waives, in writing, this right of
4 confidentiality. Any test results disclosed shall be results
5 of a test performed within the five years prior to the date of
6 the disclosure.
7 Sec. 4. Section 136B.2, subsection 2, Code 2011, is amended
8 to read as follows:
9 2. *a.* Notwithstanding the requirements of this section,
10 disclosure to any person of the results of a test performed
11 on a nonpublic building for the presence of radon gas and
12 radon progeny is not required if the results do not exceed the
13 currently established United States environmental protection
14 agency action guidelines, except as otherwise provided in
15 section 558A.4, subsection 1, and section 562A.13, subsection
16 7.
17 *b.* ~~A~~ Except as otherwise provided in section 558A.4,
18 subsection 1, and section 562A.13, subsection 7, a person
19 who tests a nonpublic building which the person owns is not
20 required to disclose to any person the results of a test for
21 the presence of radon gas or progeny if the test is performed
22 by the person who owns the nonpublic building.
23 Sec. 5. Section 136B.4, Code 2011, is amended to read as
24 follows:
25 **136B.4 Fees — rules.**
26 1. The department shall establish a fee schedule ~~to defray~~
27 ~~the costs of the~~ for the certification and credentialing
28 programs established pursuant to section 136B.1 and the testing
29 conducted and the written reports provided pursuant to section
30 136B.3. Moneys collected from such fees shall be deposited in
31 the radon education fund created in section 136B.7.
32 2. The department shall adopt rules, pursuant to chapter
33 17A, to implement this chapter.
34 Sec. 6. NEW SECTION. **136B.6 Residential construction**
35 **with the use of public funds — radon testing and abatement**

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1 **requirements.**
2 1. The owner of any residential building constructed with
3 public funds in this state shall upon completion of such
4 construction test the building for the presence of radon gas
5 and radon progeny. The test shall be conducted by a person
6 certified to conduct such testing pursuant to section 136B.1.
7 The cost of the test shall be paid by the owner of the building.
8 2. If the results of testing in such a building exceed the
9 currently established United States environmental protection
10 agency action guidelines, the owner of such a building is
11 required to retain a person credentialed pursuant to section
12 136B.1 to perform appropriate radon abatement measures.
13 3. This section shall only apply to an owner receiving
14 public funds after July 1, 2012, for the construction of a
15 residential building.
16 4. A person who violates this section shall not be subject
17 to the provisions of section 136B.5.
18 Sec. 7. NEW SECTION. **136B.7 Radon education fund.**
19 1. A radon education fund is created in the state treasury
20 to be administered by the department of public health. The
21 fund shall consist of all moneys deposited into the fund
22 pursuant to section 136B.4.
23 2. Moneys in the fund shall be used by the department to
24 provide radon program education.
25 3. Notwithstanding section 12C.7, subsection 2, interest or
26 earnings on moneys in the fund shall be credited to the fund.
27 Sec. 8. NEW SECTION. **297.7A Radon testing requirements.**
28 1. The board of each school district shall require that each
29 schoolhouse within the district be scheduled for testing and be
30 tested for radon gas and radon progeny pursuant to chapter 136B
31 at least once every ten years by a person certified to conduct
32 such testing pursuant to section 136B.1.
33 2. If the results of testing in a schoolhouse exceed the
34 currently established United States environmental protection
35 agency action guidelines, the school district is required to

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1 retain a person credentialed pursuant to section 136B.1 to
2 perform appropriate radon abatement measures.
3 Sec. 9. NEW SECTION. **422.11I Radon mitigation and abatement**
4 **tax credit.**
5 1. The taxes imposed under this division, less the credits
6 allowed under section 422.12, shall be reduced by a radon
7 mitigation and abatement tax credit equal to the lesser of the
8 qualified radon mitigation or abatement costs incurred by the
9 owner of an owner-occupied residence or five hundred dollars.
10 Any credit in excess of the tax liability shall be refunded.
11 2. *a.* In order for costs of a radon mitigation or abatement
12 project to qualify for a tax credit under this section, the
13 radon mitigation or abatement project must receive approval
14 from a person credentialed under section 136B.1 in abating the
15 level of radon in buildings.
16 *b.* Approval certifications of mitigation or abatement
17 by a credentialed person shall be on forms approved by the
18 department of public health and shall contain information as
19 required by the department of public health. The information
20 shall, at a minimum, include the approximate date of the start
21 of mitigation or abatement, the approximate date of completion
22 of mitigation or abatement, and the cost of mitigation or
23 abatement.
24 *c.* The department of public health shall adopt rules
25 identifying costs that qualify as radon mitigation or abatement
26 costs.
27 3. *a.* Upon completion of the radon mitigation or abatement
28 project, a certification of completion must be obtained from
29 the department of public health. A completion certificate
30 shall identify the person claiming the tax credit under this
31 section and the qualified radon mitigation or abatement costs
32 incurred during the radon mitigation or abatement project.
33 *b.* The combined amount of qualified radon mitigation or
34 abatement costs certified by the department under subsection 4
35 to receive as tax credits shall not exceed five million dollars

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1 for a fiscal year.
2 4. After verifying the eligibility for the tax credit, the
3 department of public health shall issue a radon mitigation and
4 abatement tax credit certificate to be attached to the person's
5 tax return. Pursuant to the limitation on the amount of tax
6 credit certificates that may be issued for a fiscal year, the
7 tax credit certificates shall be issued on an earliest filed
8 basis. The tax credit certificate shall contain the taxpayer's
9 name, address, tax identification number, the date of project
10 completion, the amount of credit, and other information
11 required by the department of revenue.
12 5. A radon mitigation or abatement project that does not
13 meet the requirements of this section is subject to revocation,
14 repayment, or recapture of tax credits claimed pursuant to this
15 section.
16 Sec. 10. Section 558A.4, subsection 1, paragraph a, Code
17 Supplement 2011, is amended to read as follows:
18 *a.* (1) The disclosure statement shall include information
19 relating to the condition and important characteristics of the
20 property and structures located on the property, including
21 significant defects in the structural integrity of the
22 structure, as provided in rules which shall be adopted by the
23 real estate commission pursuant to section 543B.9. The rules
24 may require the disclosure to include information relating
25 to the property's zoning classification; the condition of
26 plumbing, heating, or electrical systems; or the presence of
27 pests.
28 (2) The rules shall require that testing for radon gas
29 and radon progeny be conducted pursuant to chapter 136B on
30 residential structures containing four or fewer dwelling units
31 prior to the sale of the property, and shall require the
32 disclosure of such test results to prospective buyers of the
33 property.
34 Sec. 11. Section 562A.13, Code 2011, is amended by adding
35 the following new subsection:

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1 NEW SUBSECTION. 7. The landlord or a person authorized to
2 enter into a rental agreement on behalf of the landlord shall
3 disclose to each tenant in writing before the commencement of
4 the tenancy the results of radon testing conducted pursuant
5 to section 562A.15, subsection 1, paragraph *"g"*, along with
6 information on the health risks posed by radon gas and radon
7 progeny published by the department of public health. The
8 landlord or a person authorized to enter into a rental
9 agreement on behalf of the landlord shall also disclose this
10 information to current tenants immediately upon receiving the
11 results of such tests.
12 Sec. 12. Section 562A.15, subsection 1, Code 2011, is
13 amended by adding the following new paragraph:
14 NEW PARAGRAPH. *g.* By January 1, 2014, and every ten years
15 thereafter, test for the presence of radon gas and radon
16 progeny. A test required pursuant to this paragraph shall
17 be conducted by a person certified to conduct such testing
18 pursuant to section 136B.1.
19 Sec. 13. RETROACTIVE APPLICABILITY. The following
20 provision or provisions of this Act apply retroactively to
21 January 1, 2012, for tax years beginning on or after that date:
22 1. The section of this Act enacting section 422.11I.
23 EXPLANATION
24 This bill relates to radon control standards in residential
25 construction, establishes certain radon testing or abatement to
26 be conducted in schoolhouses and certain residential buildings,
27 and provides an income tax credit for certain radon mitigation
28 and abatement costs.
29 The bill requires that the building code commissioner, with
30 the approval of the building code advisory council, adopt
31 requirements and standards for radon control in new residential
32 construction. The bill provides that the standards shall
33 supersede and replace any minimum radon control requirements
34 and standards for new residential construction adopted by
35 governmental subdivisions in Iowa. The bill requires that the

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1 requirements and standards be mandatory for all new residential
2 construction beginning on or after January 1, 2014.
3 The bill creates a radon education fund to be administered by
4 the department of public health to be used by the department
5 to provide radon program education. The bill provides that
6 certain fees collected by the department be deposited into this
7 fund.
8 The bill requires the owner of any residential building
9 constructed with public funds to test the building for the
10 presence of radon gas and radon progeny upon completion of
11 such construction. The bill requires that an owner of such
12 a building perform appropriate abatement measures if the
13 testing results exceed the currently established United States
14 environmental protection agency action guidelines. These
15 requirements shall apply to owners receiving public funds after
16 July 1, 2012, for the construction of residential buildings.
17 The bill requires that the school board of each school
18 district require each schoolhouse within the district be
19 scheduled for testing and be tested for radon gas and radon
20 progeny at least once every 10 years. The bill requires that
21 a district perform appropriate abatement measures if the
22 testing results exceed the currently established United States
23 environmental protection agency action guidelines.
24 The bill requires that the real estate commission adopt
25 rules requiring testing for radon gas and radon progeny of
26 residential buildings containing four or fewer dwelling units
27 prior to the sale of such property and requires that such
28 results be disclosed to potential buyers of the property.
29 The bill provides that residential landlords shall by
30 January 1, 2014, and every 10 years thereafter, test for
31 the presence of radon gas and radon progeny. The bill also
32 requires that such landlords disclose the results of such tests
33 to new tenants and disclose the results to current tenants
34 immediately upon receiving the results.
35 The bill also provides for a radon mitigation and abatement

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1 individual income tax credit of up to $500 for qualified radon
2 mitigation or abatement costs conducted on an owner-occupied
3 residence. The credit is refundable. The combined tax credits
4 awarded shall not exceed $5 million in any given fiscal year.
5 The tax credit applies retroactively to January 1, 2012, for
6 tax years beginning on or after that date.

Senate Study Bill 3170 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON DANIELSON)

A BILL FOR

1 An Act relating to enhanced 911 emergency communication
2 systems, including surcharges and the allocation of moneys
3 collected from such surcharges.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6024SC (3) 84
rn/nh

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Section 1. Section 34A.2, Code 2011, is amended to read as follows:

34A.2 Definitions.

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

1. *"Access line"* means an exchange access line that has the ability to access dial tone and reach a public safety answering point.

2. *"Administrator"* means the administrator of the homeland security and emergency management division of the department of public defense.

3. *"Communications service"* means a service capable of accessing, connecting with, or interfacing with a 911 system by dialing, initializing, or otherwise activating the system exclusively through the digits 911 by means of a local telephone device, cellular telephone device, wireless communications device, or alternative means to be designated by the homeland security and emergency management division of the department of public defense by rule.

4. *"Communications service provider"* means a service provider, public or private, that transports information electronically via landline, wireless, internet, cable, or satellite.

~~3.~~ 5. *"Competitive local exchange service provider"* means the same as defined in section 476.96.

~~4. *"Emergency 911 notification device"* means a product capable of accessing a public safety answering point through the 911 system.~~

6. *"Emergency communications service surcharge"* means a charge established by the program manager in accordance with section 34A.7A.

~~5.~~ 7. *"Enhanced 911"* or *"E911"* means a service that provides the user of a communications service with the ability to reach a public safety answering point by ~~dialing~~ using the digits 911, and that has the following additional features:

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1 *a.* Routes an incoming 911 call to the appropriate public
2 safety answering point.
3 *b.* Automatically provides voice, displays the name, address
4 or location, and telephone number of an incoming 911 call and
5 public safety agency servicing the location.
6 ~~6.~~ 8. *"Enhanced 911 service area"* means the geographic
7 area to be serviced, or currently serviced under an enhanced
8 911 service plan, provided that an enhanced 911 service area
9 must at minimum encompass one entire county. The enhanced 911
10 service area may encompass more than one county, and need not
11 be restricted to county boundaries.
12 ~~7.~~ 9. *"Enhanced 911 service plan"* means a plan that
13 includes the following information:
14 *a.* A description of the enhanced 911 service area.
15 *b.* A list of all public and private safety agencies within
16 the enhanced 911 service area.
17 *c.* The number of public safety answering points within the
18 enhanced 911 service area.
19 *d.* Identification of the agency responsible for management
20 and supervision of the enhanced 911 emergency communication
21 system.
22 *e.* (1) A statement of estimated costs to be incurred by the
23 joint E911 service board or the department of public safety,
24 including separate estimates of the following:
25 (a) Nonrecurring costs, including~~,~~ but not limited to~~,~~
26 public safety answering points, network equipment, software,
27 database, addressing, ~~initial~~ training, and other capital ~~and~~
28 ~~start-up~~ expenditures, including the purchase or lease of
29 subscriber names, addresses, and telephone information from the
30 local exchange service provider.
31 (b) Recurring costs, including~~,~~ but not limited to~~,~~ network
32 access fees and other telephone charges, software including
33 mass notification systems, equipment, and database management,
34 and maintenance, including the purchase or lease of subscriber
35 names, addresses, and telephone information from the local

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1 exchange service provider. Recurring costs shall not include
2 personnel costs for a public safety answering point.
3 (2) Funds deposited in an E911 service fund are appropriated
4 and shall be used for the payment of costs that are limited
5 to nonrecurring and recurring costs directly attributable to
6 the ~~provision~~ receipt and disposition of the 911 ~~emergency~~
7 ~~telephone communication service~~ call and may include costs
8 for portable and vehicle radios, communication towers
9 and associated equipment, and other radios and associated
10 equipment permanently located at the public safety answering
11 point and as directed by either the joint E911 service board
12 or the department of public safety. Costs do not include
13 expenditures for any other purpose, and specifically exclude
14 costs attributable to other emergency services or expenditures
15 for buildings or personnel, except for the costs of personnel
16 for database management and personnel directly associated with
17 addressing.
18 *f.* Current equipment operated by affected local exchange
19 service providers, and central office equipment and technology
20 upgrades necessary for the provider to implement enhanced 911
21 service within the enhanced 911 service area.
22 *g.* A schedule for implementation of the plan throughout
23 the E911 service area. The schedule may provide for phased
24 implementation.
25 *h.* The number of telephone access lines capable of access to
26 911 in the enhanced 911 service area.
27 *i.* The total property valuation in the enhanced 911 service
28 area.
29 ~~8.~~ 10. *"Local exchange carrier"* means the same as defined
30 in section 476.96.
31 ~~9.~~ 11. *"Local exchange service provider"* means a vendor
32 engaged in providing telecommunications service between
33 points within an exchange and includes but is not limited to
34 a competitive local exchange service provider and a local
35 exchange carrier.

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1 ~~10.~~ 12. *"Program manager"* means the E911 program manager
2 appointed pursuant to section 34A.2A.
3 ~~11.~~ 13. *"Provider"* means a vendor who provides, or offers
4 to provide, E911 equipment, installation, maintenance, or
5 exchange access services within the enhanced 911 service area.
6 ~~12.~~ 14. *"Public or private safety agency"* means a unit of
7 state or local government, a special purpose district, or a
8 private firm which provides or has the authority to provide
9 fire fighting, police, ambulance, emergency medical services,
10 or hazardous materials response.
11 ~~13.~~ 15. *"Public safety answering point"* means a
12 twenty-four-hour public safety communications facility that
13 receives enhanced 911 service calls and directly dispatches
14 emergency response services or relays calls to the appropriate
15 public or private safety agency.
16 16. *"Wireless communications service"* means commercial
17 mobile radio service, as defined under sections 3(27) and
18 332(d) of the federal Telecommunications Act of 1996, 47 U.S.C.
19 § 151 et seq.; federal communications commission rules; and
20 the federal Omnibus Budget Reconciliation Act of 1993, Pub.
21 L. No. 103-66. *"Wireless communications service"* includes any
22 wireless two-way communications used in cellular telephone
23 service, personal communications service, or the functional or
24 competitive equivalent of a radio-telephone communications line
25 used in cellular telephone service, a personal communications
26 service, or a network access line. *"Wireless communications*
27 *service"* does not include a service whose customers do not
28 have access to 911 or 911-like service, a communications
29 channel utilized only for data transmission, or a private
30 telecommunications system.
31 17. *"Wireless communications service provider"* means a
32 company that offers wireless communications service to users
33 of wireless devices including but not limited to cellular,
34 personal communications services, mobile satellite services,
35 and enhanced specialized mobile radio.

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1 ~~14.~~ 18. *"Wireless E911 phase 1"* means a 911 call made
2 from a wireless device in which the wireless service provider
3 delivers the call-back number and address of the tower that
4 received the call to the appropriate public safety answering
5 point.
6 ~~15.~~ 19. *"Wireless E911 phase 2"* means a 911 call made
7 from a wireless device in which the wireless service provider
8 delivers the call-back number and the latitude and longitude
9 coordinates of the wireless device to the appropriate public
10 safety answering point.
11 ~~16.~~ 20. *"Wire-line E911 service surcharge"* ~~is~~ means a charge
12 set by the E911 service area operating authority and assessed
13 on each wire-line access line which physically terminates
14 within the E911 service area in accordance with section 34A.7.
15 Sec. 2. Section 34A.3, subsection 4, Code 2011, is amended
16 to read as follows:
17 4. *Participation in joint E911 service board required.* A
18 political subdivision ~~or state agency~~ having a public safety
19 agency within its territory or jurisdiction shall participate
20 in a joint E911 service board and cooperate in maintaining the
21 E911 service plan.
22 Sec. 3. Section 34A.6, subsection 1, Code 2011, is amended
23 to read as follows:
24 1. Before a joint E911 service board may request imposition
25 of the wire-line surcharge by the program manager, the board
26 shall submit the following question to voters, as provided
27 in subsection 2, in the proposed E911 service area, and the
28 question shall receive a favorable vote from a simple majority
29 of persons submitting valid ballots on the following question
30 within the proposed E911 service area:
31 Shall the following public measure be adopted?
32 YES ...
33 NO ...
34 Enhanced 911 emergency telephone service shall be funded,
35 in whole or in part, by a monthly surcharge of (an amount

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1 determined by the local joint E911 service board of up to one
2 dollar) on each telephone access line collected as part of each
3 telephone subscriber's monthly phone bill if provided within
4 (description of the proposed E911 service area).
5 Sec. 4. Section 34A.6A, Code 2011, is amended to read as
6 follows:
7 **34A.6A Alternative surcharge.**
8 Notwithstanding section 34A.6, the board may request
9 imposition of a wire-line surcharge in an amount up to two
10 dollars and fifty cents per month on each telephone access
11 line. The board shall submit the question of the surcharge
12 to voters in the same manner as provided in section 34A.6.
13 If approved, the surcharge may be collected for a period of
14 twenty-four months. At the end of the twenty-four-month
15 period, the rate of the surcharge shall revert to one dollar
16 per month, per access line.
17 Sec. 5. Section 34A.7, subsection 1, paragraph a,
18 unnumbered paragraph 1, Code 2011, is amended to read as
19 follows:
20 To encourage local implementation of E911 service, one
21 source of funding for E911 emergency ~~telephone~~ communication
22 systems shall come from a surcharge per month, per access
23 line on each access line subscriber, except as provided in
24 subsection 5, equal to the lowest amount of the following:
25 Sec. 6. Section 34A.7, subsection 2, paragraph b, Code 2011,
26 is amended to read as follows:
27 *b.* A local exchange service provider is not liable for an
28 uncollected surcharge for which the local exchange service
29 provider has billed a subscriber but not been paid. The
30 surcharge shall appear as a single line item on a subscriber's
31 periodic billing entitled, "E911 emergency ~~telephone~~
32 communications service surcharge".
33 Sec. 7. Section 34A.7A, Code 2011, is amended to read as
34 follows:
35 **34A.7A ~~Wireless~~ Emergency communications service surcharge —**

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fund established — distribution and permissible expenditures.

1. *a.* Notwithstanding section 34A.6, the administrator shall adopt by rule a monthly surcharge of up to sixty-five cents to be imposed on each ~~wireless~~ communications service number provided in this state. The surcharge shall be imposed uniformly on a statewide basis and simultaneously on all ~~wireless~~ communications service numbers as provided by rule of the administrator. The surcharge shall not be imposed on wire-line-based communications.

b. The program manager shall provide no less than one hundred days' notice of the surcharge to be imposed to each ~~wireless~~ communications service provider. The program manager, subject to the sixty-five cent limit in paragraph "*a*", may adjust the amount of the surcharge as necessary, but no more than once in any calendar year.

c. (1) The surcharge shall be collected as part of the ~~wireless~~ communications service provider's periodic billing to a subscriber. The surcharge shall appear as a single line item on a subscriber's periodic billing indicating that the surcharge is for E911 emergency ~~telephone~~ communications service. In the case of a prepaid wireless ~~telephone~~ communications service or device, this surcharge shall be remitted based upon the address associated with the point of purchase, the customer billing address, or the location associated with the mobile ~~telephone number~~ device for each active prepaid wireless ~~telephone~~ device that has a sufficient positive balance as of the last days of the information, if that information is available.

(2) In compensation for the costs of billing and collection, the ~~wireless~~ communications service provider may retain one percent of the gross surcharges collected.

(3) The surcharges shall be remitted quarterly by the ~~wireless~~ communications service provider to the program manager for deposit into the fund established in subsection 2.

(4) A ~~wireless~~ communications service provider is not

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1 liable for an uncollected surcharge for which the ~~wireless~~
2 communications service provider has billed a subscriber but
3 which has not been paid.
4 2. Moneys collected pursuant to subsection 1 shall be
5 deposited in a separate ~~wireless~~ E911 emergency communications
6 fund within the state treasury under the control of the program
7 manager. Section 8.33 shall not apply to moneys in the fund.
8 Moneys earned as income, including as interest, from the fund
9 shall remain in the fund until expended as provided in this
10 section. Moneys in the fund shall be expended and distributed
11 in the following priority order:
12 *a.* An amount as appropriated by the general assembly to
13 the administrator shall be allocated to the administrator and
14 program manager for implementation, support, and maintenance of
15 the functions of the administrator and program manager and to
16 employ the auditor of state to perform an annual audit of the
17 ~~wireless~~ E911 emergency communications fund.
18 *b.* The program manager shall allocate twenty-one percent of
19 the total amount of surcharge generated to wireless carriers
20 to recover their costs to deliver wireless E911 phase 1
21 services. If the allocation in this paragraph is insufficient
22 to reimburse all wireless carriers for such carrier's eligible
23 expenses, the program manager shall allocate a prorated amount
24 to each wireless carrier equal to the percentage of such
25 carrier's eligible expenses as compared to the total of all
26 eligible expenses for all wireless carriers for the calendar
27 quarter during which such expenses were submitted. When
28 prorated expenses are paid, the remaining unpaid expenses shall
29 no longer be eligible for payment under this paragraph.
30 *c.* The program manager shall reimburse ~~wire-line carriers~~
31 communication service providers on a calendar quarter basis for
32 carriers' eligible expenses for transport costs between the
33 selective router and the public safety answering points related
34 to the delivery of wireless E911 phase 1 services.
35 *d.* The program manager shall reimburse wire-line

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carriers and third-party E911 automatic location information database providers on a calendar quarterly basis for the costs of maintaining and upgrading the E911 components and functionalities beyond the input to the E911 selective router, including the E911 selective router and the automatic location information database.

~~*e.* The program manager shall apply an amount up to five hundred thousand dollars per calendar quarter to any outstanding wireless E911 phase 1 obligations incurred pursuant to this chapter prior to July 1, 2004.~~

~~*f.*~~ *e.* (1) ~~The program manager shall allocate an amount up to one hundred fifty-nine thousand dollars per calendar quarter equally to the joint E911 service boards and the department of public safety that have submitted an annual written request to the program manager in a form approved by the program manager by May 15 of each year.~~ The program manager shall allocate to each joint E911 service board and to the department of public safety a minimum of one thousand dollars per calendar quarter for each public safety answering point within the service area of the department of public safety or joint E911 service board that has submitted an annual written request to the program manager in a form approved by the program manager by May 15 of each year.

(2) ~~Upon retirement of outstanding obligations referred to in paragraph "*e*", the~~ The amount allocated under this paragraph ~~"*f*"~~ "*e*" shall be twenty-five percent of the total amount of surcharge generated per calendar quarter allocated as follows:

(a) Sixty-five percent of the total dollars available for allocation shall be allocated in proportion to the square miles of the service area to the total square miles in this state.

(b) Thirty-five percent of the total dollars available for allocation shall be allocated in proportion to the wireless E911 calls taken at the public safety answering point in the service area to the total number of wireless E911 calls originating in this state.

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(c) Notwithstanding subparagraph divisions (a) and (b), the minimum amount allocated to each joint E911 service board and to the department of public safety shall be no less than one thousand dollars for each public safety answering point within the service area of the department of public safety or joint E911 service board.

(3) The funds allocated in this paragraph ~~"f"~~ "e" shall be used for communication equipment located inside the public safety answering points for the implementation and maintenance of ~~wireless~~ E911 ~~phase 2~~ services. ~~The joint E911 service boards and the department of public safety shall provide an estimate of phase 2 implementation costs to the program manager by January 1, 2005.~~

~~g.~~ f. If moneys remain in the fund after fully paying all obligations under paragraphs "a" through ~~"f"~~ "e", the remainder may be accumulated in the fund as a carryover operating surplus. This surplus shall be used to fund future ~~phase 2~~ network and public safety answering point improvements, including hardware and software for an internet protocol-enabled next generation network, and wireless carriers' transport costs related to wireless E911 services, if those costs are not otherwise recovered by wireless carriers through customer billing or other sources and approved by the program manager. Notwithstanding section 8.33, any moneys remaining in the fund at the end of each fiscal year shall not revert to the general fund of the state but shall remain available for the purposes of the fund.

~~h.~~ g. The administrator, in consultation with the program manager and the E911 communications council, shall adopt rules pursuant to chapter 17A governing the distribution of the surcharge collected and distributed pursuant to this subsection. The rules shall include provisions that all joint E911 service boards and the department of public safety which answer or service wireless E911 calls are eligible to receive an equitable portion of the receipts.

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3. *a.* The program manager shall submit an annual report by January 15 of each year to the general assembly's standing committees on government oversight advising the general assembly of the status of E911 implementation and operations, including both wire-line and wireless services, the distribution of surcharge receipts, and an accounting of the revenues and expenses of the E911 program.

b. The program manager shall submit a calendar quarter report of the revenues and expenses of the E911 program to the fiscal services division of the legislative services agency.

c. The general assembly's standing committees on government oversight shall review the priorities of distribution of funds under this chapter at least every two years.

4. The amount collected from a ~~wireless~~ communications service provider and deposited in the fund, pursuant to section 22.7, subsection 6, information provided by a ~~wireless~~ communications service provider to the program manager consisting of trade secrets, pursuant to section 22.7, subsection 3, and other financial or commercial operations information provided by a ~~wireless~~ communications service provider to the program manager, shall be kept confidential as provided under section 22.7. This subsection does not prohibit the inclusion of information in any report providing aggregate amounts and information which does not identify numbers of accounts or customers, revenues, or expenses attributable to an individual ~~wireless~~ communications service provider.

~~5. For purposes of this section, "*wireless communications service*" means commercial mobile radio service, as defined under sections 3(27) and 332(d) of the federal Telecommunications Act of 1996, 47 U.S.C. § 151 et seq.; federal communications commission rules; and the Omnibus Budget Reconciliation Act of 1993. "*Wireless communications service*" includes any wireless two-way communications used in cellular telephone service, personal communications service, or the functional or competitive equivalent of a radio-telephone communications line~~

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1 ~~used in cellular telephone service, a personal communications~~
2 ~~service, or a network access line. "*Wireless communications*~~
3 ~~*service*" does not include services whose customers do not~~
4 ~~have access to 911 or a 911-like service, a communications~~
5 ~~channel utilized only for data transmission, or a private~~
6 ~~telecommunications system.~~
7 Sec. 8. Section 34A.15, subsection 1, paragraph c, Code
8 Supplement 2011, is amended to read as follows:
9 *c.* One person appointed by the Iowa ~~association of chiefs of~~
10 ~~police and~~ peace officers association.
11 EXPLANATION
12 This bill makes several changes regarding the provisions of
13 Code chapter 34A, relating to enhanced 911 emergency telephone
14 systems.
15 The bill modifies definitions applicable to the Code
16 chapter. The bill provides that a "communications service"
17 means a service capable of accessing, connecting with, or
18 interfacing with a 911 system by dialing, initializing, or
19 otherwise activating the system exclusively through the digits
20 911 by means of a local telephone device, cellular telephone
21 device, wireless communications device, or alternative means to
22 be designated by the homeland security and emergency management
23 division of the department of public safety by rule.
24 The bill provides that a "communications service provider"
25 means a service provider, public or private, that transports
26 information electronically via landline, wireless, internet,
27 cable, or satellite. The bill changes references to the
28 wireless communications surcharge contained in Code section
29 34A.7A to an "emergency communications service surcharge",
30 and adds a definition accordingly which references that Code
31 section.
32 The bill adds a definition of "wireless communications
33 service" to mean commercial mobile radio service, as defined
34 under specified federal legislation and rules, including any
35 wireless two-way communications used in cellular telephone

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1 service, personal communications service, or the functional or
2 competitive equivalent of a radio-telephone communications line
3 used in cellular telephone service, a personal communications
4 service, or a network access line, and not including a service
5 whose customers do not have access to 911 or 911-like service,
6 a communications channel utilized only for data transmission,
7 or a private telecommunications system. The bill also adds a
8 definition of "wireless communications service provider" to
9 mean a company that offers commercial mobile radio service to
10 users of wireless devices including but not limited to cellular
11 telephone services, personal communications services, mobile
12 satellite services, and enhanced specialized mobile radio. The
13 bill deletes a definition of "wireless communications service"
14 currently contained in Code section 34A.7A, subsection 5, as
15 being encompassed within the definitions added by the bill,
16 and also deletes a definition of "emergency 911 notification
17 device" which is not currently referred to within the Code
18 chapter.
19 The bill deletes a requirement that a state agency having
20 a public safety agency within its territory or jurisdiction
21 must participate in a joint E911 service board and cooperate in
22 maintaining the E911 service plan, but retains that requirement
23 with reference to political subdivisions.
24 The bill adds references to "wire-line" surcharges with
25 respect to the surcharges contained in Code sections 34A.6 and
26 34A.6A, to clarify that they apply to wire-line, rather than
27 wireless, communications and to promote consistency with the
28 local wire-line E911 service surcharge imposed pursuant to Code
29 section 34A.7. The bill deletes references to "telephone"
30 communications systems and surcharges contained in Code section
31 34A.7, in favor of the broader "emergency" communication
32 systems and surcharges.
33 The bill specifies that the emergency communication services
34 surcharge contained in Code section 34A.7A shall not be imposed
35 on wire-line-based communications, deletes references to

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1 "telephone" devices and services contained in the Code section,
2 and deletes references to "wireless" communications service
3 providers and the "wireless" E911 emergency communications
4 fund. The bill deletes a requirement that up to $500,000
5 per calendar quarter of surcharge funds shall be applied to
6 specified outstanding wireless E911 phase 1 obligations;
7 deletes a requirement that up to $159,000 per calendar quarter
8 shall be allocated equally to joint E911 service boards and the
9 department of public safety if annual written request forms
10 have been submitted; and qualifies that an allocation to each
11 service board and the department of public safety of a minimum
12 of $1,000 per calendar quarter for each public safety answering
13 point must be pursuant to an annual written request. The bill
14 adds hardware and software for an internet protocol-enabled
15 next generation network to permissible uses of carryover
16 operating surplus moneys.
17 The bill additionally changes a current reference to the
18 Iowa association of chiefs of police and peace officers to the
19 Iowa peace officers association regarding appointments to the
20 E911 communications council.