Iowa General Assembly
Daily Bills, Amendments and Study Bills
February 10, 2014

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House File 2108

H-8004

Amend the amendment, H-8001, to House File 2108 as follows:

1. Page 1, after line 22 by inserting:

<Sec. ___. Section 441.26, subsection 1, Code 2014, is amended to read as follows:

1. The director of revenue shall each year prescribe the form of assessment roll to be used by all assessors in assessing property, in this state, also the form of pages of the assessor's assessment book. The assessment rolls shall be in a form that will permit entering, separately, the names of all persons assessed, and shall also contain a notice in substantially the following form:

If you are not satisfied that the foregoing assessment is correct, you may contact the assessor on or after April ~~1~~ 2, to and including ~~May 4~~ April 25, of the year of the assessment to request an informal review of the assessment pursuant to section 441.30.

If you are not satisfied that the foregoing assessment is correct, you may file a protest against such assessment with the board of review on or after April ~~7~~ 2, to and including ~~May 5~~ April 30, of the year of the assessment, such protest to be confined to the grounds specified in section 441.37.

Dated: .. day of ... (month), .. (year)

.....

County/City Assessor.>

2. Page 1, after line 39 by inserting:

<Sec. ___. Section 441.28, Code 2014, is amended to read as follows:

441.28 Assessment rolls — change — notice to taxpayer.

The assessment shall be completed not later than April 1 each year. If the assessor makes any change in an assessment after it has been entered on the assessor's rolls, the assessor shall note on the roll, together with the original assessment, the new assessment and the reason for the change, together with the assessor's signature and the date of the change. Provided, however, in the event the assessor increases any assessment the assessor shall give notice of the increase in writing to the taxpayer by mail postmarked no later than April 1. No changes shall be made on the assessment rolls after April 1 except by written agreement of the taxpayer and assessor under section 441.30, by order of the board of review or of the property assessment appeal board, or by decree of court.

Sec. ___. Section 441.30, Code 2014, is amended to read as follows:

441.30 Informal assessment review period — ~~recommendation~~ written agreement.

1. Any property owner or aggrieved taxpayer who is dissatisfied with the owner's or taxpayer's assessment may contact the assessor by telephone or in writing by paper or electronic medium on or after April ~~1~~ 2, to and including ~~May 4~~ April 25, of the year of the assessment to inquire about the specifics and accuracy of the assessment. Such an inquiry may also include a request for an informal review of the assessment by the assessor under one or more of the grounds for protest authorized under section 441.37 for the same assessment year.

2. In response to an inquiry under subsection 1, if the assessor, following an informal review, determines that the assessment was incorrect under one or more of the grounds for protest authorized under section 441.37 for the same assessment year, the assessor may ~~recommend that the property owner or aggrieved taxpayer file a protest with the local board of review and may file a recommendation with the local board of review related to the informal review~~ on or before April 25 enter into a signed written agreement with the property owner or aggrieved taxpayer authorizing the assessor to correct or modify the assessment according to the agreement of the parties.

~~3. A recommendation filed with the local board of review by the assessor pursuant to subsection 2 shall be utilized by the local board of review in the evaluation of all evidence properly before the local board of review.~~

~~4.~~ 3. This section~~, including any action taken by the assessor under this section,~~ shall not be construed to limit a property owner or taxpayer's ability to file a protest with the local board of review under section 441.37.>

3. Page 2, after line 20 by inserting:

<Sec. ___. Section 441.37, subsection 1, paragraph a, unnumbered paragraph 1, Code 2014, is amended to read as follows:

Any property owner or aggrieved taxpayer who is dissatisfied with the owner's or taxpayer's assessment may file a protest against such assessment with the board of review on or after April ~~7~~ 2, to and including ~~May 5~~ April 30, of the year of the assessment. In any county which has been declared to be a disaster area by proper federal authorities after March 1 and prior to May 20 of said year of assessment, the board of review shall be authorized to remain in session until June 15 and the time for filing a protest shall be

1 extended to and include the period from May 25 to June
2 5 of such year. The protest shall be in writing and,
3 except as provided in subsection 3, signed by the one
4 protesting or by the protester's duly authorized agent.
5 The taxpayer may have an oral hearing on the protest if
6 the request for the oral hearing is made in writing at
7 the time of filing the protest. The protest must be
8 confined to one or more of the following grounds:>
9 4. Page 2, line 30, by striking <7> and inserting
10 <~~7~~ 2>
11 5. By renumbering, redesignating, and correcting
12 internal references as necessary.

SANDS of Louisa

House File 642

H-8005

1 Amend House File 642 as follows:
2 1. Page 1, line 2, by striking <2013> and inserting
3 <2014>
4 2. Page 1, line 32, after <of the county.> by
5 inserting <The director of revenue shall prescribe by
6 rule the form for written notices required to be sent
7 by the commissioner of elections under this paragraph.>

COMMITTEE ON LOCAL GOVERNMENT
SCHULTZ of Crawford, Chairperson

House File 2109

H-8006

1 Amend House File 2109 as follows:
2 1. Page 4, after line 6 by inserting:
3 <Sec. ___. Section 453A.13, subsection 1, Code
4 2014, is amended to read as follows:
5 1. *Permits required.* Every distributor,
6 wholesaler, cigarette vendor, and retailer, now engaged
7 or who desires to become engaged in the sale or use of
8 cigarettes, upon which a tax is required to be paid,
9 and every retailer now engaged or who desires to become
10 engaged in selling, offering for sale, or distributing
11 alternative nicotine products or vapor products
12 shall obtain a state or retail ~~cigarette~~ permit as a
13 distributor, wholesaler, cigarette vendor, or retailer,
14 as the case may be.>
15 2. By renumbering as necessary.

BALTIMORE of Boone

House File 2109

H-8007

1 Amend House File 2109 as follows:
2 1. By striking everything after the enacting clause
3 and inserting:
4 <Section 1. NEW SECTION. **142B.1 Definitions.**
5 As used in this chapter, unless the context
6 otherwise requires:
7 1. *"Electronic smoking device"* means any product
8 containing or delivering nicotine or other substance
9 intended for human consumption that can be used by a
10 person to simulate smoking including through inhalation
11 of vapor or aerosol from the product. *"Electronic*
12 *smoking device"* does not include any product that
13 has been approved by the United States food and drug
14 administration for sale as a tobacco cessation product
15 and is being marketed and sold solely for that approved
16 purpose.
17 2. *"Retail permit"* means a permit issued pursuant
18 to section 453A.13 or 453A.47A to retailers of
19 cigarettes or tobacco products.
20 3. *"Retailer"* means any person in this state who
21 sells, distributes, or offers for sale for consumption
22 or possesses for the purpose of sale for consumption,
23 electronic smoking devices irrespective of quantity or
24 amount or the number of sales.
25 Sec. 2. NEW SECTION. **142B.2 Retail permits**
26 **required.**
27 1. It shall be unlawful for a person other than
28 a holder of a retail permit to act as a retailer and
29 sell, distribute, or offer for sale electronic smoking
30 devices at retail under this chapter.
31 2. A retailer shall not sell, distribute, or
32 offer for sale any electronic smoking device until
33 an application has been filed and the fee prescribed
34 paid for a retail permit and until such retail permit
35 is obtained and only while such retail permit is not
36 suspended, unrevoked, or unexpired.
37 3. The provisions of chapter 453A applicable to
38 retail permit holders including but not limited to
39 section 453A.13, 453A.22, 453A.47A, and 453A.50 shall
40 also apply to retailers under this chapter, with the
41 exception of the application to electronic smoking
42 devices of requirements relating to the imposition of
43 a tax on and the affixing of stamps to cigarettes or
44 tobacco products.
45 Sec. 3. NEW SECTION. **142B.3 Access to electronic**
46 **smoking devices — compliance checks — manner of sale**
47 **— samples — penalties.**
48 1. A person shall not sell, give, or otherwise
49 supply any electronic smoking device to any person
50 under eighteen years of age.

1 2. A person under eighteen years of age shall not
2 use, possess, purchase, or attempt to purchase any
3 electronic smoking device.
4 3. A retailer shall not sell or offer for sale
5 electronic smoking devices through the use of a
6 self-service display.
7 4. Any sales of electronic smoking devices made
8 through a cigarette vending machine are subject
9 to rules relative to retail sales of cigarettes
10 and tobacco products provided for in chapter 453A,
11 including section 453A.36, subsection 6.
12 5. A retailer shall not give away electronic
13 smoking devices at any time in connection with the
14 retailer´s business or for promotion of the business
15 or device including to any person under eighteen years
16 of age, or within five hundred feet of any playground,
17 school, high school, or other facility when such
18 facility is being used primarily by persons under
19 age eighteen for recreational, educational, or other
20 purposes.
21 6. Possession of an electronic smoking device by an
22 individual under a person eighteen years of age does
23 not constitute a violation under this section if the
24 individual under eighteen years of age possesses the
25 electronic smoking device as part of the individual´s
26 employment and the individual is employed by a person
27 who holds a valid retail permit.
28 7. *a.* The alcoholic beverages division of the
29 department of commerce, a county, or a city may
30 directly enforce subsections 1 and 2 in district court
31 and initiate proceedings pursuant to section 453A.22
32 before a permit-issuing authority which issued the
33 retail permit against a retail permit holder violating
34 this section.
35 *b.* Payment and distribution of court costs, fees,
36 and fines in a prosecution initiated by a city or
37 county relating to subsection 1 or 2 shall be made as
38 provided in chapter 602 for violation of a city or
39 county ordinance.
40 *c.* If a county or a city has not assessed a penalty
41 as provided in section 453A.22, subsection 2, for a
42 violation of subsection 1, within sixty days of the
43 adjudication of the violation, the matter shall be
44 transferred to and be the exclusive responsibility of
45 the alcoholic beverages division of the department
46 of commerce. Following transfer of the matter, if
47 the violation is contested, the alcoholic beverages
48 division of the department of commerce shall request
49 an administrative hearing before an administrative
50 law judge, assigned by the division of administrative

1 hearings of the department of inspections and appeals
2 in accordance with the provisions of section 10A.801,
3 to adjudicate the matter pursuant to chapter 17A.
4 *d.* The provisions of section 453A.4 relating
5 to seizure of a false or altered driver's license
6 or nonoperator's identification card shall apply
7 to retailers and employees of retailers under this
8 chapter.
9 *e.* The alcoholic beverages division of the
10 department of commerce shall enhance and utilize the
11 tobacco compliance employee training program developed
12 pursuant to section 453A.5 to assess compliance with
13 subsections 1 and 2 by employees and prospective
14 employees of retailers. Civil penalties assessed under
15 section 453A.22 for violations of this subsections 1
16 and 2 shall be deposited in the tobacco compliance
17 employee training fund created in section 453A.2.
18 Sec. 4. NEW SECTION. **142B.4 Penalties.**
19 1. *a.* (1) A person, other than a retailer, who
20 violates section 142B.3, subsection 1, is subject to
21 the same penalties applicable to a violation of section
22 453A.2, subsection 1.
23 (2) An employee of a retailer who violates section
24 142B.3, subsection 1, is subject to the same penalties
25 applicable to a violation of section 453A.2, subsection
26 1.
27 *b.* A person who violates section 142B.2, subsection
28 2, is subject to the same penalties applicable to
29 violations of section 453A.2, subsection 2.
30 *c.* (1) A person shall not be guilty of a violation
31 of section 142B.3, subsection 1 or 2, if conduct that
32 would otherwise constitute a violation is performed to
33 assess compliance with electronic smoking device laws
34 if any of the following applies:
35 (a) The compliance effort is conducted by or under
36 the supervision of law enforcement officers.
37 (b) The compliance effort is conducted with the
38 advance knowledge of law enforcement officers and
39 reasonable measures are adopted by those conducting
40 the effort to ensure that use of electronic smoking
41 devices by individuals under eighteen years of age does
42 not result from participation by any individual under
43 eighteen years of age in the compliance effort.
44 *d.* For the purposes of paragraph *"c"*, *"law*
45 *enforcement officer"* means a peace officer as defined
46 in section 801.4 and includes persons designated under
47 section 142B.3, subsection 7, to enforce this section.
48 2. *a.* A retailer who violates section 142B.3,
49 subsection 3, is subject to the same penalties
50 applicable to a violation of section 453A.36A.

1 *b.* A retailer who willfully violates section
2 142B.3, subsection 1 or 2, or who violates another
3 provision of this chapter, is subject to the applicable
4 provisions of section 453A.22 for violations of section
5 453A.2 or other provisions of chapter 453A.
6 *c.* A retailer or employee of a retailer who
7 violates section 142B.3, subsection 1 or 3, is subject
8 to the provisions of section 453A.22 applicable to
9 a violation of section 453A.2 or section 453A.36,
10 subsection 6.
11 *d.* A retailer of an employee who violates section
12 142B.3, subsection 1, is subject to the provisions of
13 section 453A.22, subsection 3.
14 *e.* Section 453A.22, subsections 5, 6, and 7 shall
15 also apply to the suspensions or revocations of retail
16 permits resulting under this subsection.
17 3. Retailers shall be subject to other penalties
18 specified under chapter 453A including those specified
19 for certain violations pursuant to section 453A.31,
20 453A.37, and 453A.47A applicable to retail permit
21 holders.>
22 2. Title page, lines 1 and 2, by striking <vapor
23 products and alternative nicotine products> and
24 inserting <electronic smoking devices>

_____
T. OLSON of Linn

_____
ABDUL-SAMAD of Polk

_____
ANDERSON of Polk

_____
BERRY of Black Hawk

_____
GAINES of Polk

_____
GASKILL of Wapello

HALL of Woodbury

HANSON of Jefferson

HEDDENS of Story

JACOBY of Johnson

KEARNS of Lee

KELLEY of Jasper

LENSING of Johnson

MASCHER of Johnson

H. MILLER of Webster

OLDSON of Polk

PRICHARD of Floyd

STAED of Linn

STECKMAN of Cerro Gordo

House File 2109

H-8008

1 Amend House File 2109 as follows:
2 1. Page 4, line 30, by striking <**cigarette samples**
3 **—>** and inserting <~~cigarette~~ **cigarettes — samples —**
4 **school property —>**
5 2. Page 5, after line 28 by inserting:
6 <3. The use or possession of an alternative
7 nicotine product or a vapor product is prohibited on
8 the property of any public or nonpublic school as
9 defined in section 280.2. The board of directors of
10 a school district pursuant to chapter 279 and the
11 authorities in charge of each nonpublic school shall
12 adopt necessary rules to administer this subsection.>

RUFF of Clayton

ABDUL-SAMAD of Polk

ANDERSON of Polk

BERRY of Black Hawk

GAINES of Polk

GASKILL of Wapello

HANSON of Jefferson

ISENHART of Dubuque

JACOBY of Johnson

KEARNS of Lee

KELLEY of Jasper

LENSING of Johnson

MASCHER of Johnson

H. MILLER of Webster

MURPHY of Dubuque

OLDSON of Polk

T. OLSON of Linn

OURTH of Warren

PRICHARD of Floyd

STAED of Linn

STECKMAN of Cerro Gordo

T. TAYLOR of Linn

WINCKLER of Scott

House File 2109

H-8009

1 Amend House File 2109 as follows:
2 1. Page 1, before line 1 by inserting:
3 <Section 1. Section 142A.6, subsection 6, paragraph
4 d, Code 2014, is amended to read as follows:
5 *d.* For the purpose of this subsection,
6 manufacturer, distributor, wholesaler, retailer, and
7 distributing agent mean as defined in section 453A.1
8 or 453A.42.
9 Sec. 2. Section 232C.4, subsection 3, Code 2014, is
10 amended to read as follows:
11 3. An emancipated minor shall remain subject
12 to voting restrictions under chapter 48A, gambling
13 restrictions under chapter 99B, 99D, 99F, 99G, or 725,
14 alcohol restrictions under chapter 123, compulsory
15 attendance requirements under chapter 299, and
16 ~~cigarette~~ tobacco, tobacco products, alternative
17 nicotine products, vapor products, and cigarette
18 restrictions under chapter 453A.
19 Sec. 3. Section 321.216C, Code 2014, is amended to
20 read as follows:
21 **321.216C Use of driver's license or nonoperator's**
22 **identification card by underage person to obtain**
23 **~~cigarettes or~~ tobacco, tobacco products, alternative**
24 **nicotine products, vapor products, or cigarettes.**
25 A person who is under the age of eighteen, who
26 alters or displays or has in the person's possession
27 a fictitious or fraudulently altered driver's license
28 or nonoperator's identification card and who uses
29 the license or card to violate or attempt to violate
30 section 453A.2, subsection 2, commits a simple
31 misdemeanor punishable as a scheduled violation under
32 section 805.8A, subsection 4. The court shall forward
33 a copy of the conviction to the department.>
34 2. Page 1, by striking lines 1 and 2 and inserting:
35 <Sec. ___. Section 453A.1, subsections 19 and 21,
36 Code 2014, are amended to read as follows:
37 19. *"Place of business"* is construed to mean
38 and include any place where cigarettes, alternative
39 nicotine products, or vapor products are sold or where
40 cigarettes, alternative nicotine products, or vapor
41 products are stored within or without the state of
42 Iowa by the holder of an Iowa permit or kept for the
43 purpose of sale or consumption; or if sold from any
44 vehicle or train, the vehicle or train on which or from
45 which such cigarettes, alternative nicotine products,
46 or vapor products are sold shall constitute a place of
47 business.>
48 3. Page 1, line 16, by striking <regulated> and
49 inserting <approved>
50 4. Page 1, line 18, after <Act> by inserting <for

1 sale as a tobacco cessation product that is being
2 marketed and sold solely for the approved purpose>
3 5. Page 1, line 26, by striking <regulated> and
4 inserting <approved>
5 6. Page 1, line 28, after <Act> by inserting <for
6 sale as a tobacco cessation product that is being
7 marketed and sold solely for the approved purpose>
8 7. Page 2, by striking line 13 and inserting
9 <~~cigarettes or~~ tobacco, tobacco products, alternative
10 nicotine products, vapor products, or cigarettes.>
11 8. Page 4, after line 6 by inserting:
12 <Sec. ___. Section 453A.13, subsection 1, Code
13 2014, is amended to read as follows:
14 1. *Permits required.* Every distributor,
15 wholesaler, cigarette vendor, and retailer, now engaged
16 or who desires to become engaged in the sale or use of
17 cigarettes, upon which a tax is required to be paid,
18 and every retailer now engaged or who desires to become
19 engaged in selling, offering for sale, or distributing
20 alternative nicotine products or vapor products
21 shall obtain a state or retail ~~cigarette~~ permit as a
22 distributor, wholesaler, cigarette vendor, or retailer,
23 as the case may be.
24 Sec. ___. Section 453A.13, subsection 2, paragraph
25 a, Code 2014, is amended to read as follows:
26 *a.* The department shall issue state permits to
27 distributors, wholesalers, and cigarette vendors
28 subject to the conditions provided in this division.
29 Cities may issue retail permits to ~~dealers~~ retailers
30 within their respective limits. County boards of
31 supervisors may issue retail permits to ~~dealers~~
32 retailers in their respective counties, outside of the
33 corporate limits of cities.
34 Sec. ___. Section 453A.13, subsections 6, 9, and
35 10, Code 2014, are amended to read as follows:
36 6. *No sales without permit.* ~~No~~ A distributor,
37 wholesaler, cigarette vendor, or retailer shall not
38 sell any cigarettes, alternative nicotine products, or
39 vapor products until such application has been filed
40 and the fee prescribed paid for a permit and until
41 such permit is obtained and only while such permit is
42 unrevoked and unexpired.
43 9. *Permit — form and contents.* Each permit issued
44 shall describe clearly the place of business for which
45 it is issued, shall be nonassignable, consecutively
46 numbered, designating the kind of permit, and shall
47 authorize the sale of cigarettes, alternative nicotine
48 products, or vapor products in this state subject to
49 the limitations and restrictions herein contained. The
50 retail permits shall be upon forms furnished by the

department or on forms made available or approved by the department.

10. *Permit displayed.* The permit shall, at all times, be publicly displayed by the distributor, wholesaler, or retailer at the place of business so as to be easily seen by the public and the persons authorized to inspect the place of business. The proprietor or keeper of any building or place where cigarettes ~~and other~~, alternative nicotine products, vapor products, or tobacco products are kept for sale, or with intent to sell, shall upon request of any agent of the department or any peace officer exhibit the permit. A refusal or failure to exhibit the permit is prima facie evidence that the cigarettes, alternative nicotine products, vapor products, tobacco, or ~~other~~ tobacco products are kept for sale or with intent to sell in violation of this division.

Sec. ___. Section 453A.15, subsection 4, Code 2014, is amended to read as follows:

4. Every permit holder or other person shall, when requested by the department, make additional reports as the department deems necessary and proper and shall at the request of the department furnish full and complete information pertaining to any transaction of the permit holder or other person involving the purchase or sale or use of cigarettes, alternative nicotine products, or vapor products, tobacco, or the purchase of cigarette stamps.>

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

<Sec. ___. Section 453A.36, subsections 6, 7, and 11, Code 2014, are amended to read as follows:

6. Any sales of ~~cigarettes or~~ tobacco, tobacco products, alternative nicotine products, vapor products or cigarettes made through a cigarette vending machine are subject to rules and penalties relative to retail sales of ~~cigarettes and~~ tobacco, tobacco products, alternative nicotine products, vapor products and cigarettes provided for in this chapter. Cigarettes shall not be sold through any cigarette vending machine unless the cigarettes have been properly stamped or metered as provided by this division, and in case of violation of this provision, the permit of the dealer authorizing retail sales of cigarettes shall be revoked. Payment of the permit fee as provided in section 453A.13 authorizes a cigarette vendor to sell ~~cigarettes or~~ tobacco,tobacco products, alternative nicotine products, vapor products and cigarettes through vending machines. However, ~~cigarettes or~~ tobacco, tobacco products, alternative nicotine products, vapor products and cigarettes shall not

be sold through a vending machine unless the vending machine is located in a place where the retailer ensures that no person younger than eighteen years of age is present or permitted to enter at any time. ~~Cigarettes or~~ Tobacco, tobacco products, alternative nicotine products, vapor products and cigarettes shall not be sold through any cigarette vending machine if such products are placed together with any nontobacco product, other than matches, in the cigarette vending machine. This section does not require a retail permit holder to buy a cigarette vendor's permit if the retail permit holder is in fact the owner of the cigarette vending machines and the machines are operated in the location described in the retail permit.>

10. Page 4, line 11, by striking <permit, as applicable,> and inserting <permit>

11. Page 4, after line 18 by inserting:

<11. Violation of this section by the holder of a retailer's, distributor's, wholesaler's or manufacturer's permit shall be grounds for the revocation of such permit.>

12. Page 5, by striking lines 29 and 30 and inserting:

<Sec. ___. Section 453A.42, subsections 1, 2, 8, 9, 10, 11, 13, and 16, Code 2014, are amended to read as follows:

1. *"Business"* means any trade, occupation, activity, or enterprise engaged in for the purpose of selling or distributing tobacco, tobacco products, alternative nicotine products, or vapor products in this state.

2. *"Consumer"* means any person who has title to or possession of tobacco, tobacco products, alternative nicotine products, or vapor products in storage, for use or other consumption in this state.

8. *"Place of business"* means any place where tobacco, tobacco products, alternative nicotine products, or vapor products are sold or where tobacco, tobacco products, alternative nicotine products, or vapor products are manufactured, stored, or kept for the purpose of sale or consumption, including any vessel, vehicle, airplane, train, or vending machine.

9. *"Retail outlet"* means each place of business from which tobacco, tobacco products, alternative nicotine products, or vapor products are sold to consumers.>

13. Page 5, after line 33 by inserting:

<11. *"Sale"* means any transfer, exchange, or barter, in any manner or by any means whatsoever, for a consideration, and includes and means all sales made

by any person. It includes a gift by a person engaged in the business of selling tobacco, tobacco products, alternative nicotine products, or vapor products, for advertising, as a means of evading the provisions of this division, or for any other purposes whatsoever.

13. *"Storage"* means any keeping or retention of tobacco, tobacco products, alternative nicotine products, or vapor products for use or consumption in this state.

16. *"Use"* means the exercise of any right or power incidental to the ownership of tobacco, tobacco products, alternative nicotine products, or vapor products.

Sec. ___. Section 453A.45, subsection 3, Code 2014, is amended to read as follows:

3. Every retailer and subjobber shall procure itemized invoices of all tobacco, tobacco products, alternative nicotine products, and vapor products purchased. The invoices shall show the name and address of the seller and the date of purchase. The retailer and subjobber shall preserve a legible copy of each invoice for three years from the date of purchase. Invoices shall be available for inspection by the director or the director's authorized agents or employees at the retailer's or subjobber's place of business.

Sec. ___. Section 453A.47A, subsections 1, 2, 4, 5, and 10, Code 2014, are amended to read as follows:

1. *Permits required.* A person shall not engage in the business of a retailer of tobacco, tobacco products, alternative nicotine products, or vapor products at any place of business without first having received a permit as a ~~tobacco products~~ retailer.

2. *No sales without permit.* A retailer shall not sell any tobacco, tobacco products, alternative nicotine products, or vapor products, until an application has been filed and the fee prescribed paid for a permit and until such permit is obtained and only while such permit is not suspended, unrevoked, or unexpired.

4. *Retailer — cigarettes and tobacco, tobacco products, alternative nicotine products, and vapor products.* A retailer, as defined in section 453A.1, who holds a permit under division I of this chapter is not required to also obtain a retail permit under this division. However, if a retailer, as defined in section 453A.1, only holds a permit under division I of this chapter and that permit is suspended, revoked, or expired, the retailer shall not sell any ~~cigarettes or~~ tobacco, tobacco products, alternative nicotine

1 products, or vapor products, during the time which the
2 permit is suspended, revoked, or expired.
3 5. *Separate permit.* A separate retail permit
4 shall be required of a distributor or subjobber if
5 the distributor or subjobber sells tobacco, tobacco
6 products, alternative nicotine products, or vapor
7 products at retail.
8 10. *Records and reports of retailers.*
9 *a.* The director shall prescribe the forms necessary
10 for the efficient administration of this section
11 and may require uniform books and records to be used
12 and kept by each retailer or other person as deemed
13 necessary.
14 *b.* Every retailer shall, when requested by the
15 department, make additional reports as the department
16 deems necessary and proper and shall at the request of
17 the department furnish full and complete information
18 pertaining to any transaction of the retailer involving
19 the purchase or sale or use of tobacco, tobacco
20 products, alternative nicotine products, or vapor
21 products.>
22 14. By renumbering as necessary.

MEYER of Polk

T. OLSON of Linn

ABDUL-SAMAD of Polk

BERRY of Black Hawk

GAINES of Polk

GASKILL of Wapello

HALL of Woodbury

HANSON of Jefferson

HEDDENS of Story

JACOBY of Johnson

KEARNS of Lee

KELLEY of Jasper

LENSING of Johnson

MASCHER of Johnson

H. MILLER of Webster

OLDSON of Polk

RUFF of Clayton

STAED of Linn

STECKMAN of Cerro Gordo

House File 2178 - Introduced

HOUSE FILE 2178
BY MASCHER

(COMPANION TO 5965SS BY
SODDERS)

A BILL FOR

1 An Act providing for midwife licensure and providing for a fee
2 and a penalty, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5965YH (3) 85
jr/nh

H.F. 2178

1 Section 1. Section 147.1, subsections 3 and 6, Code 2014,
2 are amended to read as follows:
3 3. *"Licensed"* or *"certified"*, when applied to a physician
4 and surgeon, podiatric physician, osteopathic physician and
5 surgeon, physician assistant, psychologist, chiropractor,
6 nurse, dentist, dental hygienist, dental assistant,
7 optometrist, speech pathologist, audiologist, pharmacist,
8 physical therapist, physical therapist assistant, occupational
9 therapist, occupational therapy assistant, orthotist,
10 prosthetist, pedorthist, respiratory care practitioner,
11 practitioner of cosmetology arts and sciences, practitioner
12 of barbering, funeral director, dietitian, marital and family
13 therapist, mental health counselor, social worker, massage
14 therapist, midwife, athletic trainer, acupuncturist, nursing
15 home administrator, hearing aid dispenser, or sign language
16 interpreter or transliterator means a person licensed under
17 this subtitle.
18 6. *"Profession"* means medicine and surgery, podiatry,
19 osteopathic medicine and surgery, practice as a physician
20 assistant, psychology, chiropractic, nursing, dentistry,
21 dental hygiene, dental assisting, optometry, speech pathology,
22 audiology, pharmacy, physical therapy, physical therapist
23 assisting, occupational therapy, occupational therapy
24 assisting, respiratory care, cosmetology arts and sciences,
25 barbering, mortuary science, marital and family therapy,
26 mental health counseling, social work, dietetics, massage
27 therapy, midwifery, athletic training, acupuncture, nursing
28 home administration, hearing aid dispensing, sign language
29 interpreting or transliterating, orthotics, prosthetics, or
30 pedorthics.
31 Sec. 2. Section 147.2, subsection 1, Code 2014, is amended
32 to read as follows:
33 1. A person shall not engage in the practice of medicine
34 and surgery, podiatry, osteopathic medicine and surgery,
35 psychology, chiropractic, physical therapy, physical

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1 therapist assisting, nursing, dentistry, dental hygiene,
2 dental assisting, optometry, speech pathology, audiology,
3 occupational therapy, occupational therapy assisting,
4 orthotics, prosthetics, pedorthics, respiratory care,
5 pharmacy, cosmetology arts and sciences, barbering, social
6 work, dietetics, marital and family therapy or mental health
7 counseling, massage therapy, midwifery, mortuary science,
8 athletic training, acupuncture, nursing home administration,
9 hearing aid dispensing, or sign language interpreting
10 or transliterating, or shall not practice as a physician
11 assistant, unless the person has obtained a license for that
12 purpose from the board for the profession.
13 Sec. 3. Section 147.13, Code 2014, is amended by adding the
14 following new subsection:
15 NEW SUBSECTION. 25. For midwifery, the board of midwifery.
16 Sec. 4. Section 147.14, subsection 1, Code 2014, is amended
17 by adding the following new paragraph:
18 NEW PARAGRAPH. *x.* For midwifery, a total of seven members,
19 three members who are licensed midwives under chapter 148G;
20 one member who is licensed under chapter 148, is a practicing
21 family physician, and has professional experience consulting
22 for and collaborating with direct-entry midwives; one member
23 who is an advanced registered nurse practitioner licensed under
24 chapter 152, is a certified nurse midwife, and has professional
25 experience consulting for and collaborating with direct-entry
26 midwives; and two members who are not licensed midwives or
27 licensed health care providers who have received direct-entry
28 midwifery services and who shall represent the general public.
29 Sec. 5. Section 147.74, Code 2014, is amended by adding the
30 following new subsection:
31 NEW SUBSECTION. 5A. A midwife licensed under chapter 148G
32 may use the words "licensed midwife" or the initials "L.M."
33 after the person's name.
34 Sec. 6. NEW SECTION. **148G.1 Definitions.**
35 As used in this chapter, unless the context otherwise

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1 requires:
2 1. *"Board"* means the board of midwifery.
3 2. *"Licensed midwife"* means a person who is licensed to
4 practice midwifery as provided in this chapter.
5 3. *"Out-of-hospital"* means any facility, institution, or
6 place which is not an ambulatory surgical center or a hospital,
7 such as a birth center as defined in section 135.61 or a
8 private home.
9 4. *"Practice of midwifery"* means the provision of primary
10 maternity care during the antepartum, intrapartum, or
11 postpartum period by a person who is neither licensed to
12 practice under chapter 148 or 148C, nor a nurse recognized
13 by the Iowa board of nursing as an advanced registered nurse
14 practitioner who is a certified nurse midwife, and who is not
15 rendering emergency services without compensation. *"Practice*
16 *of midwifery"* may also include the carrying and administration
17 of certain medications during the practice of midwifery,
18 including oxytocin, as a postpartum antihemorrhagic agent,
19 oxygen, intravenous fluids for stabilization, vitamin K, eye
20 prophylactics, and other drugs or procedures as appropriate for
21 the scope of practice for licensed midwives as determined by
22 the board.
23 Sec. 7. NEW SECTION. **148G.2 Licensure — licensed**
24 **midwifery.**
25 1. Beginning July 1, 2015, every person practicing
26 midwifery in this state shall be licensed pursuant to this
27 chapter. The board shall adopt rules pursuant to chapters 17A,
28 147, and 272C establishing procedures for the licensing of new
29 and practicing midwives.
30 2. Prior to obtaining licensure, an applicant shall
31 successfully pass an examination prescribed and approved by
32 the board as determined in rule demonstrating competencies
33 in at least all of the following areas: risk assessment
34 and management; prenatal care; management of normal labor,
35 birth, and postpartum; newborn care up to six weeks; and adult

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1 cardiopulmonary resuscitation and newborn resuscitation.
2 3. The applicant shall provide documentation, satisfactory
3 to the board, of all of the following:
4 *a.* Knowledge and proficiency of all didactic components
5 of midwifery, including definitions, signs and symptoms,
6 differential diagnosis for risk assessment, stabilization and
7 treatment, follow-up, referral, and transport.
8 *b.* Complete and thorough preparation as an assistant
9 midwife prior to assuming responsibility as a primary midwife.
10 Clinical care performed under supervision during training
11 including, at a minimum:
12 (1) Seventy-five prenatal exams.
13 (2) Twenty births as an assistant midwife.
14 (3) Twenty births as primary midwife from the onset of labor
15 to the delivery of the placenta and the stabilization of mother
16 and newborn.
17 (4) Twenty newborn exams.
18 (5) Forty postpartum exams.
19 *c.* Assessment and verification of performance of skills
20 during an intensive, hands-on skills assessment, performed for
21 and scored by an evaluator approved by the board.
22 *d.* Passage of a three-hundred-fifty-item national board
23 examination that covers all aspects of midwifery care as
24 identified by job analysis.
25 *e.* Evidence that the applicant has provided prenatal,
26 intrapartal, and postpartal care as well newborn assessment,
27 equivalent to a minimum of one thousand three hundred fifty
28 clinical contact hours under the direct supervision of one or
29 more instructors approved by the North American registry of
30 midwives.
31 4. The applicant shall hold a certified professional
32 midwife credential issued by the North American registry of
33 midwives or any other nationally accredited credential as
34 specified by the board. If an applicant has been subject to
35 prior revocation of a license to practice medicine or nursing,

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1 the applicant shall not be eligible for licensure under this
2 chapter, except as determined by the board.
3 5. The board may request, at the applicant's expense, that
4 the department of public safety perform a criminal history
5 check and the department of human services perform child and
6 dependent adult abuse record checks of the applicant. If an
7 applicant has a criminal record or a record of founded child or
8 dependent adult abuse, the board shall perform an evaluation to
9 determine whether the record warrants denial of licensure.
10 Sec. 8. NEW SECTION. **148G.3 Use of title — penalty.**
11 A person shall not use the title licensed midwife, describe
12 or imply that the person is a licensed midwife, or represent
13 the person as a licensed midwife unless the person is licensed
14 under this chapter or is licensed as a nurse-midwife under
15 chapter 152.
16 Sec. 9. NEW SECTION. **148G.4 Rules.**
17 1. The board shall:
18 *a.* Adopt rules relating to standards for professional
19 conduct of persons licensed under this chapter.
20 *b.* Adopt rules consistent with this chapter and with
21 chapters 147 and 272C which are necessary for the performance
22 of its duties.
23 *c.* Act on matters concerning licensure and the processes
24 of applying for, granting, suspending, imposing supervisory
25 or probationary conditions upon, reinstating, and revoking a
26 license.
27 *d.* Administer the provisions of this chapter requiring
28 documentation required to demonstrate competence as a midwife,
29 and the processing of applications for licenses and license
30 renewal.
31 *e.* Develop continuing education requirements as a condition
32 of license renewal.
33 *f.* Evaluate requirements for licensure in other states to
34 determine if reciprocity may be granted.
35 *g.* Establish and collect licensure fees as provided in

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1 section 147.80 and retain fees as provided in section 147.82.
2 *h.* Establish procedures for the issuance, renewal, and
3 revocation or suspension of a license under this chapter.
4 *i.* Maintain a registry of licensed midwives and statistics
5 on the practice of midwifery utilizing vital statistics data.
6 2. In developing rules, the board may consult with
7 persons knowledgeable regarding the prenatal and postpartum
8 birth process, particularly those possessing experience with
9 out-of-hospital births, including but not limited to persons
10 licensed under chapter 148, certified professional midwives,
11 advanced registered nurse practitioners who are certified nurse
12 midwives, and women who have given birth in an out-of-hospital
13 setting. In developing rules relating to the practice of
14 midwifery, the board shall reflect the knowledge and skills
15 identified by the North American registry of midwives' current
16 job description for the profession and the standards of
17 practice of midwifery established by the national association
18 of certified professional midwives or a successor organization.
19 3. Rules relating to the practice of midwifery shall be
20 consistent with the North American registry of midwives'
21 current job description for the profession and the standards
22 of practice of midwifery established by the national
23 association of certified professional midwives or a successor
24 organization, and shall not expand the scope of practice of
25 midwifery established by the national association of certified
26 professional midwives or a successor organization.
27 4. At such time as the board determines that liability
28 insurance is available at an affordable price to certified
29 professional midwives, the board may mandate such coverage.
30 Until that time, each midwife shall comply with the disclosure
31 requirements in section 148G.5.
32 Sec. 10. NEW SECTION. **148G.5 Client disclosure.**
33 Prior to accepting a patient for midwifery care, a licensed
34 midwife shall provide information indicating all of the
35 following:

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1 1. Evidence that the care provider is a licensed midwife
2 meeting the requirements of this chapter.
3 2. Whether the licensed midwife has malpractice liability
4 insurance coverage and the policy limits of such coverage.
5 3. The midwife's educational background and relevant
6 experience, including experience in various birth settings.
7 4. The nature, scope, and location of the care to be
8 given, including the possibility of and the guidelines for
9 consultation, referral, or transfer of the patient to a
10 hospital from an out-of-hospital setting.
11 Sec. 11. NEW SECTION. **148G.6 Exceptions.**
12 1. This chapter does not prevent qualified members of other
13 professions including but not limited to individuals licensed
14 under chapter 148 or 152 from providing services consistent
15 with the nature of the practice of midwifery.
16 2. This chapter does not prevent or prohibit a student
17 midwife from performing tasks related to the practice of
18 midwifery under the supervision of a licensed midwife, a
19 certified nurse midwife, or a licensed physician during
20 completion of the licensure process.
21 3. The practice of midwifery in this state prior to July
22 1, 2015, shall not constitute grounds for disciplinary action
23 by the board. The board may issue a license to a person who
24 has practiced midwifery in this state prior to that date upon
25 application and compliance with the provisions of this chapter
26 and the rules adopted pursuant to this chapter.
27 Sec. 12. NEW SECTION. **148G.7 Prohibited practice.**
28 A person shall not practice midwifery, or represent that the
29 person is a midwife, unless the person is licensed as provided
30 in this chapter.
31 Sec. 13. NEW SECTION. **148G.8 Requirements for licensure —**
32 **temporary license.**
33 Beginning July 1, 2015, an individual who does not meet the
34 requirements for licensure by examination pursuant to section
35 148G.2 may apply for a one-year temporary license as determined

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by the board in rules. Renewal of the temporary license shall be determined by the board. The board may revoke a temporary license if it determines that the temporary licensee has violated standards established by rule.

Sec. 14. Section 272C.1, subsection 6, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *ag.* The board of midwifery, created pursuant to chapter 147.

Sec. 15. Section 272C.4, subsection 6, Code 2014, is amended to read as follows:

6. Define by rule acts or omissions that are grounds for revocation or suspension of a license under section 100D.5, 105.22, 147.55, 148.6, 148B.7, 148G.4, 152.10, 153.34, 154A.24, 169.13, 455B.219, 542.10, 542B.21, 543B.29, 544A.13, 544B.15, or 602.3203 or chapter 151 or 155, as applicable, and to define by rule acts or omissions that constitute negligence, careless acts, or omissions within the meaning of section 272C.3, subsection 2, paragraph *"b"*, which licensees are required to report to the board pursuant to section 272C.9, subsection 2.

Sec. 16. INITIAL APPOINTMENTS.

1. Notwithstanding any provision to the contrary in this Act, the initial midwife appointees to the board of midwifery shall fulfill the national certification requirements of the North American registry of midwives.

2. One of the initial midwife appointments to the board shall be appointed for a one-year term, one shall be appointed for a two-year term, and one shall be appointed for a three-year term. The members who are licensed under chapter 148 or 152 shall each be appointed for a two-year term, and the members representing the general public shall each be appointed to a three-year term.

Sec. 17. EFFECTIVE DATE. The following provision or provisions of this Act take effect July 1, 2015:

1. The section of this Act amending section 147.2, subsection 1.

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2. The section of this Act enacting section 148G.7.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill creates new Code chapter 148G that provides for the licensure of midwives beginning July 1, 2015. A midwife is not an allopathic or osteopathic physician licensed under Code chapter 148 or a nurse licensed under Code chapter 152 providing primary maternity care during the antepartum, intrapartum, or postpartum period.

The bill provides for the establishment of a seven-member board of midwifery consisting of three members who are midwives, one physician, one nurse, and two members who represent the general public. The bill provides for fees to fund the board and provides penalties for violation of the licensure requirement; those penalties are set out for all health-related boards in Code chapters 147 and 272C. Code section 147.86 provides that it is a serious misdemeanor to violate a provision of the licensing laws.

The board is similar in composition and responsibilities to other health-related licensing boards.

The provisions of the bill amending Code section 147.2 and enacting Code section 148G.7, both prohibiting the practice of midwifery without a license, take effect July 1, 2015.

House File 2179 - Introduced

HOUSE FILE 2179
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 561)

A BILL FOR

1 An Act relating to education by providing technical corrections
2 to revise references and to adjust language to reflect
3 current state school finance practices, revising references
4 to an accrediting agency, reestablishing a rulemaking
5 provision relating to the beginning teacher mentoring and
6 induction program, and providing for disposition and sale of
7 certain school district property.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5271HV (1) 85
kh/rj

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1 Section 1. Section 256.7, subsection 21, paragraph b,
2 subparagraphs (1), (2), and (3), Code 2014, are amended to read
3 as follows:
4 (1) Annually, the department shall report state data
5 for each indicator in the condition of education report.
6 Rules adopted pursuant to this subsection shall specify that
7 the approved district-wide assessment of student progress
8 administered for purposes of the core academic indicators shall
9 be the assessment utilized by school districts statewide in the
10 school year beginning July 1, 2011, or a successor assessment
11 administered by the same assessment provider.
12 (2) Notwithstanding subparagraph (1), for the school year
13 beginning July 1, 2016, and each succeeding school year, the
14 rules shall provide that all students enrolled in school
15 districts in grades three through eleven shall be administered
16 an assessment during the last quarter of the school year that
17 at a minimum assesses the core academic indicators identified
18 in this paragraph "b"; is aligned with the Iowa common core
19 standards in both content and rigor; accurately describes
20 student achievement and growth for purposes of the school, the
21 school district, and state accountability systems; and provides
22 valid, reliable, and fair measures of student progress toward
23 college or career readiness.
24 (3) The director shall establish an assessment task force
25 to review and make recommendations for a statewide assessment
26 of student progress on the core academic indicators identified
27 pursuant to this paragraph "b". The task force shall recommend
28 a statewide assessment that is aligned to the Iowa common core
29 standards and is, at a minimum, valid, reliable, tested, and
30 piloted in Iowa. In addition, in developing recommendations,
31 the task force shall consider the costs to school districts and
32 the state in providing and administering such an assessment and
33 the technical support necessary to implement the assessment.
34 The task force shall submit its recommendations in a report
35 to the director, the state board, and the general assembly by

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January 1, 2015. The task force shall assist with the final development and implementation of the assessment administered pursuant to subparagraph (2). The task force members shall include but not be limited to teachers, school administrators, business leaders, representatives of state agencies, and members of the general public. This subparagraph is repealed July 1, 2020.

Sec. 2. Section 256.7, subsection 26, paragraph a, subparagraph (1), Code 2014, is amended to read as follows:

(1) The rules establishing high school graduation requirements shall authorize a school district or accredited nonpublic school to consider that any student, at any grade level, who satisfactorily completes a high school-level unit of ~~English or language arts, mathematics, science, or social studies~~ instruction has satisfactorily completed a unit of the high school graduation requirements for that area ~~as specified in this lettered paragraph~~ of instruction, and shall authorize the school district or accredited nonpublic school to issue high school credit for the unit to the student.

Sec. 3. Section 257.9, subsection 11, Code 2014, is amended to read as follows:

11. *Teacher leadership supplement state cost per pupil.* The teacher leadership supplement state cost per pupil amount for the budget year beginning July 1, 2014, shall be calculated by the department of management by dividing the allocation amount for the budget year beginning July 1, 2014, in section 284.13, subsection 1, paragraph *"e"*, subparagraph ~~(5)~~ (4), by one-third of the statewide total budget enrollment for the fiscal year beginning July 1, 2014. The teacher leadership supplement state cost per pupil for the budget year beginning July 1, 2015, and succeeding budget years, shall be the teacher leadership supplement state cost per pupil for the base year plus a supplemental state aid amount that is equal to the teacher leadership supplement categorical state percent of growth, pursuant to section 257.8, subsection 2, for the budget

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year, multiplied by the teacher leadership supplement state cost per pupil for the base year.

Sec. 4. Section 257.10, subsection 12, paragraph a, Code 2014, is amended to read as follows:

a. The teacher leadership supplement district cost per pupil amount for the budget year beginning July 1, 2014, shall be calculated by the department of management by dividing the allocation amount for the budget year beginning July 1, 2014, in section 284.13, subsection 1, paragraph *"e"*, subparagraph ~~(5)~~ (4), by one-third of the statewide total budget enrollment for the fiscal year beginning July 1, 2014. For the budget year beginning July 1, 2015, and succeeding budget years, the teacher leadership supplement district cost per pupil for each school district for a budget year is the teacher leadership supplement program district cost per pupil for the base year plus the teacher leadership supplement supplemental state aid amount for the budget year.

Sec. 5. Section 257.13, subsection 3, Code 2014, is amended to read as follows:

3. If the board of directors of a school district determines that a need exists for additional funds exceeding the ~~authorized budget adjustment for~~ on-time funding budget adjustment pursuant to this section, a request for a modified supplemental amount based upon increased enrollment may be submitted to the school budget review committee as provided in section 257.31.

Sec. 6. Section 257.31, subsection 5, unnumbered paragraph 5, Code 2014, is amended to read as follows:

If a district has unusual circumstances, creating an unusual need for additional funds, including but not limited to the circumstances enumerated in paragraphs *"a"* through *"n"*, the committee may grant supplemental aid to the district from any funds appropriated to the department of education for the use of the school budget review committee for the purposes of this subsection. The school budget review committee shall

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1 review a school district's unexpended fund balance prior to
2 any decision regarding unusual finance circumstances. Such
3 aid shall be miscellaneous income and shall not be included
4 in district cost. In addition to or as an alternative to
5 granting supplemental aid the committee may establish a
6 modified supplemental amount for the district ~~by increasing its~~
7 ~~supplemental state aid~~. The school budget review committee
8 shall review a school district's unspent balance prior to any
9 decision to establish a modified supplemental amount under this
10 subsection.
11 Sec. 7. Section 257.31, subsection 6, paragraph a, Code
12 2014, is amended to read as follows:
13 *a.* The committee shall ~~establish~~ increase a modified
14 supplemental amount for a district ~~by increasing its~~
15 ~~supplemental state aid~~ when the district submits evidence that
16 it requires additional funding for removal, management, or
17 abatement of environmental hazards due to a state or federal
18 requirement. Environmental hazards shall include but are not
19 limited to the presence of asbestos, radon, or the presence of
20 any other hazardous material dangerous to health and safety.
21 Sec. 8. Section 257.31, subsection 7, paragraph b, Code
22 2014, is amended to read as follows:
23 *b.* Other expenditures, including but not limited to
24 expenditures for salaries or recurring costs, are not
25 authorized under this subsection. Expenditures authorized
26 under this subsection shall not be included in a modified
27 supplemental ~~state aid~~ amount or district cost, and the portion
28 of the unexpended fund balance which is authorized to be spent
29 shall be regarded as if it were miscellaneous income. Any part
30 of the amount not actually spent for the authorized purpose
31 shall revert to its former status as part of the unexpended
32 fund balance.
33 Sec. 9. Section 257.31, subsection 14, paragraph b,
34 subparagraph (3), Code 2014, is amended to read as follows:
35 (3) A school district is only eligible to receive

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1 supplemental aid payments during the budget year if the school
2 district certifies to the school budget review committee that
3 for the year following the budget year it will notify the
4 school budget review committee to instruct the director of the
5 department of management to increase the district's modified
6 supplemental ~~state aid~~ amount and will fund the modified
7 supplemental ~~state aid~~ amount increase either by using moneys
8 from its unexpended fund balance to reduce the district's
9 property tax levy or by using cash reserve moneys to equal the
10 amount of the deficit that would have been property taxes and
11 any part of the state aid portion of the deficit not received
12 as supplemental aid under this subsection. The director
13 of the department of management shall make the necessary
14 adjustments to the school district's budget to provide the
15 modified supplemental amount and shall make the supplemental
16 aid payments.
17 Sec. 10. Section 257.32, subsection 1, paragraph a, Code
18 2014, is amended to read as follows:
19 *a.* An area education agency budget review procedure is
20 established for the school budget review committee created
21 in section 257.30. The school budget review committee, in
22 addition to its duties under section 257.31, shall meet and
23 hold hearings each year to review unusual circumstances of area
24 education agencies, either upon the committee's motion or upon
25 the request of an area education agency. The committee may
26 grant supplemental aid to the area education agency from funds
27 appropriated to the department of education for area education
28 agency budget review purposes, or an amount may be added to
29 the area education agency special education support services
30 modified supplemental ~~state aid~~ amount for districts in an area
31 or an additional amount may be added to district cost for media
32 services or educational services for all districts in an area
33 for the budget year either on a temporary or permanent basis,
34 or both.
35 Sec. 11. Section 257.41, subsection 1, Code 2014, is amended

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to read as follows:

1. *Budget.* The budget of an approved program for returning dropouts and dropout prevention for a school district, after subtracting funds received from other sources for that purpose, shall be funded annually on a basis of one-fourth or more from the district cost of the school district and up to three-fourths by an increase in modified supplemental ~~state aid~~ amount as defined in section 257.8. Annually, the department of management shall establish a modified supplemental amount for each such school district equal to the difference between the approved budget for the program for returning dropouts and dropout prevention for that district and the sum of the amount funded from the district cost of the school district plus funds received from other sources.

Sec. 12. Section 260C.36, subsection 1, paragraph h, Code 2014, is amended to read as follows:

h. Compliance with the faculty accreditation standards of the ~~north central association of colleges and schools~~ higher learning commission, and compliance with faculty standards required under specific programs offered by the community college that are accredited by other accrediting agencies.

Sec. 13. Section 260C.47, subsection 1, unnumbered paragraph 1, Code 2014, is amended to read as follows:

The state board of education shall establish an accreditation process for community college programs ~~by July 1, 1997~~. The process shall be jointly developed and agreed upon by the department of education and the community colleges. The state accreditation process shall be integrated with the accreditation process of the ~~north central association of colleges and schools~~ higher learning commission, including the evaluation cycle, the self-study process, and the criteria for evaluation, which shall incorporate the standards for community colleges developed under section 260C.48; and shall identify and make provision for the needs of the state that are not met by the association's accreditation process. ~~For the academic~~

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1 ~~year commencing July 1, 1998, and in succeeding school years,~~
2 ~~the~~ The department of education shall use a two-component
3 process for the continued accreditation of community college
4 programs.
5 Sec. 14. Section 260C.47, subsection 1, paragraph b, Code
6 2014, is amended to read as follows:
7 *b.* The second component consists of the use of an
8 accreditation team appointed by the director of the department
9 of education, to conduct an evaluation, including an on-site
10 visit of each community college, with a comprehensive
11 evaluation ~~to occur during the same year as the evaluation by~~
12 ~~the north central association of colleges and schools~~ occurring
13 once every ten years, and an interim evaluation midway between
14 comprehensive evaluations. The number and composition of the
15 accreditation team shall be determined by the director, but the
16 team shall include members of the department of education staff
17 and community college staff members from community colleges
18 other than the community college that conducts the programs
19 being evaluated for accreditation. ~~Beginning July 1, 2006,~~
20 ~~the~~ The accreditation team shall monitor the quality faculty
21 plan implemented by each community college pursuant to section
22 260C.36.
23 Sec. 15. Section 260C.48, subsection 4, Code 2014, is
24 amended to read as follows:
25 4. ~~Commencing July 1, 2006, standards~~ Standards relating to
26 quality assurance of faculty and ongoing quality professional
27 development shall be the accreditation standards of the ~~north~~
28 ~~central association of colleges and schools~~ higher learning
29 commission, and the faculty standards required under specific
30 programs offered by the community college that are accredited
31 by other accrediting agencies.
32 Sec. 16. Section 261.9, subsection 1, paragraphs a, b, and
33 c, Code 2014, are amended to read as follows:
34 *a.* Is accredited by the ~~north central association of~~
35 ~~colleges and secondary schools accrediting agency based on~~

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1 ~~their requirements~~ higher learning commission.
2 *b.* Is accredited by the ~~north central association of~~
3 ~~colleges and secondary schools accrediting agency based on~~
4 ~~their requirements~~ higher learning commission, is exempt from
5 taxation under section 501(c)(3) of the Internal Revenue
6 Code, and annually provides a matching aggregate amount of
7 institutional financial aid equal to at least seventy-five
8 percent of the amount received in a fiscal year by the
9 institution's students for Iowa tuition grant assistance under
10 this chapter. Commencing with the fiscal year beginning
11 July 1, 2006, the matching aggregate amount of institutional
12 financial aid shall increase by the percentage of increase
13 each fiscal year of funds appropriated for Iowa tuition grants
14 under section 261.25, subsection 1, to a maximum match of one
15 hundred percent. The institution shall file annual reports
16 with the commission prior to receipt of tuition grant moneys
17 under this chapter. An institution whose income is not exempt
18 from taxation under section 501(c) of the Internal Revenue Code
19 and whose students were eligible to receive Iowa tuition grant
20 money in the fiscal year beginning July 1, 2003, shall meet the
21 match requirements of this paragraph no later than June 30,
22 2005.
23 *c.* Is a specialized college that is accredited by the
24 ~~north central association of colleges and secondary schools~~
25 ~~accrediting agency~~ higher learning commission, and which offers
26 health professional programs that are affiliated with health
27 care systems located in Iowa.
28 Sec. 17. Section 261.92, subsection 1, Code 2014, is amended
29 to read as follows:
30 1. *"Accredited higher education institution"* means a
31 public institution of higher learning located in Iowa which
32 is accredited by the ~~north central association of colleges~~
33 ~~and secondary schools accrediting agency based on their~~
34 ~~requirements as of April 1, 1969~~ higher learning commission,
35 or an institution of higher learning located in Iowa which is

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operated privately and not controlled or administered by any state agency or any subdivision of the state, and which ~~meets the following requirements:~~

~~*a.* Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements as of April 1, 1969, and,~~

~~*b.* Promotes~~ promotes equal opportunity and affirmative action efforts in the recruitment, appointment, assignment, and advancement of personnel at the institution and provides information regarding such efforts to the commission upon request.

Sec. 18. Section 284.5, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 8. The state board shall adopt rules to administer this section.

Sec. 19. Section 297.22, subsection 1, paragraph b, Code 2014, is amended to read as follows:

b. Proceeds from the sale or disposition of real or other property shall be deposited into the fund which was used to account for the acquisition of the property. If the district is unable to determine which fund was used to account for the acquisition of the property or if the fund no longer exists in the district, the proceeds from the sale or disposition of real property shall be placed in the physical plant and equipment levy fund~~. Proceeds~~, and the proceeds from the sale or disposition of property other than real property shall be placed in the general fund. Proceeds from the lease of real or other property shall be placed in the general fund.

Sec. 20. Section 297.22, subsection 3, Code 2014, is amended to read as follows:

3. The provisions in subsections 1 and 2 relating to the sale, lease, or disposition of school district property do not apply to student-constructed buildings and the property on which student-constructed buildings are located. The board of directors of a school district may sell, lease, or dispose of

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1 a student-constructed building and the property on which the
2 student-constructed building is located, and may purchase sites
3 for the erection of additional student-constructed structures,
4 by any procedure which is adopted by the board. The proceeds
5 from disposition of a student-constructed structure shall be
6 placed in the school district's student construction fund.

7 EXPLANATION

8 The inclusion of this explanation does not constitute agreement with
9 the explanation's substance by the members of the general assembly.

10 This bill makes technical corrections to revise internal
11 references and adjusts language to reflect current state school
12 finance practices, revising references to an accrediting
13 agency, reestablishes a rulemaking provision relating to the
14 beginning teacher mentoring and induction program, and provides
15 for the disposition and sale of certain school district
16 property.
17 The bill amends Code sections 260C.36, 260C.47, 260C.48,
18 261.9, and 261.92 to replace references to the "north central
19 association of colleges and (secondary) schools" with
20 references to the higher learning commission. The bill states
21 that the comprehensive evaluation conducted on a community
22 college must occur every 10 years, rather than during the same
23 year as the evaluation by the accrediting agency as the current
24 requirement provides. The bill also strikes obsolete language
25 from these Code sections as necessary.
26 The bill modifies a provision relating to core indicators
27 of student achievement to differentiate between core academic
28 indicators and other core indicators that include but are
29 not limited to graduation rate, postsecondary education,
30 and successful employment in Iowa. The bill provides that
31 assessments of core indicators are to be administered to assess
32 core academic indicators.
33 The bill provides that school districts and accredited
34 nonpublic schools may consider that any student at any grade
35 level who satisfactorily completes a high school-level unit of

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1 instruction has satisfactorily completed a unit of the high
2 school graduation requirements for that area of instruction
3 and the school district or school may issue high school credit
4 for the unit to the student. Currently, any student who
5 successfully completes English or language arts, mathematics,
6 science, and social studies at the secondary level may receive
7 high school credit for such completion.
8 The bill corrects internal references and modifies state
9 school finance language modified or enacted by 2013 Iowa Acts,
10 chapter 121 (HF 215). The internal
references relate to provisions
11 establishing the teacher leadership supplement, and the
12 language modifications relate to changes to the terms "modified
13 allowable growth" and "modified supplemental amount" in school
14 district funding terminology.
15 The bill also reestablishes a provision, inadvertently
16 stricken in the 2013 legislation, requiring the state board of
17 education to adopt rules to administer the beginning teacher
18 mentoring and induction program.
19 The bill establishes that a school district may deposit
20 proceeds from the sale or disposition of real or other property
21 into the fund which was used to account for the acquisition
22 of the property. If the district is unable to determine
23 which fund was used or if the fund no longer exists, the
24 proceeds shall be placed in the physical plant and equipment
25 levy fund. Current law only permits that the proceeds be
26 placed in the physical plant and equipment levy fund. The
27 same Code provision is amended to specify that a school
28 district may purchase sites for the erection of additional
29 "student-constructed" structures, and the proceeds from the
30 disposition of a student-constructed structure must be placed
31 in the school district's student construction fund.

House File 2180 - Introduced

HOUSE FILE 2180
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 562)

A BILL FOR

1 An Act relating to transitional coaching authorizations issued
2 by the board of educational examiners.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5196HV (2) 85
kh/rj

H.F. 2180

Section 1. Section 272.2, subsection 14, paragraph b, subparagraph (2), Code 2014, is amended to read as follows:

(2) The applicant is less than twenty-one years of age except as provided in section 272.31, subsection 1~~, paragraph "e"~~. However, a student enrolled in a practitioner preparation program who meets board requirements for a temporary, limited-purpose license who is seeking to teach as part of a practicum or internship may be less than twenty-one years of age.

Sec. 2. Section 272.31, subsection 1, Code 2014, is amended to read as follows:

1. *a.* ~~The~~ Except as provided in paragraph *"b"*, the minimum requirements for the board to ~~award~~ issue a coaching authorization to an applicant are:

~~*a.*~~ (1) Successful completion of one semester credit hour or ten contact hours in a course relating to knowledge and understanding of the structure and function of the human body in relation to physical activity.

~~*b.*~~ (2) Successful completion of one semester credit hour or ten contact hours in a course relating to knowledge and understanding of human growth and development of children and youth in relation to physical activity.

~~*c.*~~ (3) Successful completion of two semester credit hours or twenty contact hours in a course relating to knowledge and understanding of the prevention and care of athletic injuries and medical and safety problems relating to physical activity.

~~*d.*~~ (4) Successful completion of one semester credit hour or ten contact hours relating to knowledge and understanding of the techniques and theory of coaching interscholastic athletics.

~~*e.*~~ (5) Attainment of at least eighteen years of age.

b. The board shall issue a transitional coaching authorization to an individual who is at least eighteen years of age and who provides verification of an offer of a coaching position by a school or a consortium of schools, but

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who has not completed the coursework required for a coaching authorization as specified in paragraph "a". A transitional coaching authorization is valid for not more than one year, may not be renewed, and is valid only in the hiring school or consortium of schools.

Sec. 3. Section 279.19B, subsection 1, paragraph a, subparagraph (2), Code 2014, is amended to read as follows:

(2) A qualified individual who meets the requirements of section 272.31, subsection 1, paragraph "a", and possesses a coaching authorization issued by the board of educational examiners.

Sec. 4. Section 279.19B, subsection 1, paragraph a, Code 2014, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (3) A qualified individual who meets the requirements of section 272.31, subsection 1, paragraph "b", and possesses a transitional coaching authorization issued by the board of educational examiners.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill requires the board of educational examiners to issue a transitional coaching authorization to an individual who is at least 18 years of age and who provides verification of an offer of a coaching position by a school or by a consortium of schools, but who has not completed the coursework required for a coaching authorization. A transitional coaching authorization is valid for not more than one year, may not be renewed, and is valid only in the hiring school or consortium of schools. In employing a head coach or assistant coach, the Code requires each school district to consider applicants in a priority order, with teachers having first priority and persons with a coaching authorization second. To this priority list, the bill adds in the third position those individuals who possess a transitional coaching authorization.

Currently, the coursework needed for a full coaching

H.F. 2180

1 authorization includes successful completion of 5 semester
2 credit hours or 50 contact hours in courses relating to
3 knowledge and understanding of the structure and function of
4 the human body in relation to physical activity; to knowledge
5 and understanding of human growth and development of children
6 and youth in relation to physical activity; to knowledge and
7 understanding of the prevention and care of athletic injuries
8 and medical and safety problems relating to physical activity;
9 and to knowledge and understanding of the techniques and theory
10 of coaching interscholastic athletics.

House File 2181 - Introduced

HOUSE FILE 2181
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HF 2051)

A BILL FOR

1 An Act relating to the maximum weight of motor vehicles covered
2 under the lemon law and including applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5692HV (1) 85
dea/tm

H.F. 2181

Section 1. Section 322G.2, subsection 13, Code 2014, is amended to read as follows:

13. *"Motor vehicle"* means a self-propelled vehicle purchased or leased in this state, except as provided in section 322G.15, and primarily designed for the transportation of persons or property over public streets and highways, but does not include mopeds, motorcycles, motor homes, or vehicles over ~~ten~~ fifteen thousand pounds gross vehicle weight rating.

Sec. 2. APPLICABILITY. This Act applies to motor vehicles originally purchased or leased by consumers on or after July 1, 2014.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill changes the definition of "motor vehicle" for purposes of Code chapter 322G, Iowa's "lemon law" relating to defective motor vehicles. Currently, the law applies to motor vehicles primarily designed for the transportation of persons or property, other than mopeds, motorcycles, motor homes, or vehicles with a gross vehicle weight rating of more than 10,000 pounds. The bill raises the upper weight limit for vehicles covered under the lemon law to 15,000 pounds.

The bill applies to motor vehicles originally purchased or leased by consumers on or after July 1, 2014.

House File 2182 - Introduced

HOUSE FILE 2182
BY HEATON

A BILL FOR

1 An Act relating to the requirements for psychologist licensing.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5650YH (2) 85
jp/nh

H.F. 2182

1 Section 1. Section 154B.6, Code 2014, is amended by adding
2 the following new subsection:
3 NEW SUBSECTION. 3. A person who possesses a doctoral degree
4 in psychology from an institution approved by the board but who
5 has not completed the other requirements for licensure under
6 this section may apply for a provisional license. The license
7 shall be designated as a "provisional license in psychology".
8 The provisional license shall authorize the licensee to
9 practice psychology under the supervision of a supervisor who
10 meets the qualifications determined by the board by rule. A
11 provisional license shall be valid for a period of two years.
12 The fee for a provisional license shall be set by the board to
13 cover the administrative costs of issuance. The board shall
14 also set a fee for renewal of a provisional license.
15 EXPLANATION
16 The inclusion of this explanation does not constitute agreement with
17 the explanation's substance by the members of the general assembly.
18 This bill relates to the requirements for psychologist
19 licensing.
20 Under current law in Code section 154B.6, an applicant
21 for licensure as a psychologist in this state must possess a
22 doctoral degree in psychology from an institution approved
23 by the board of psychology, have completed at least one
24 year of supervised professional experience under the
25 supervision of a licensed psychologist, and have passed an
26 examination administered by the board to assure the applicant's
27 professional competence. The examination requirement may be
28 waived by the board if the applicant has a certificate from
29 another state with similar requirements to Iowa or holds by
30 examination a specialty diploma.
31 The bill establishes a new licensing category designated
32 as a "provisional license in psychology". To qualify, the
33 person must possess a doctoral degree in psychology from a
34 board-approved institution.
35 The provisional license authorizes the licensee to practice

H.F. 2182

1 psychology under the supervision of a supervisor who meets the
2 qualifications determined by the board by rule. A provisional
3 license is valid for a period of two years. The fee for a
4 provisional license is to be set by the board to cover the
5 administrative costs of issuance. The board also is to set a
6 fee for renewal of a provisional license.

House File 2183 - Introduced

HOUSE FILE 2183
BY WOLFE and S. OLSON

A BILL FOR

1 An Act related to customers with delinquent accounts for the
2 provision of wastewater, sewer system, storm water drainage
3 system, or sewage treatment services by a city utility or
4 city enterprise.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5646YH (4) 85
aw/sc

H.F. 2183

1 Section 1. Section 384.84, Code 2014, is amended by adding
2 the following new subsection:
3 NEW SUBSECTION. 5A. The governing body of a city utility
4 or city enterprise providing wastewater, sewer system, storm
5 water drainage, or sewage treatment services may file suit
6 in the district court in that county against a customer if
7 the customer's account for such services becomes delinquent
8 pursuant to subsection 3. The governing body may recover the
9 costs for providing such services to the customer's property or
10 premises and reasonable attorney fees actually incurred.
11 Sec. 2. Section 476.20, subsection 1, Code 2014, is amended
12 to read as follows:
13 1. *a.* A utility shall not, except in cases of emergency,
14 discontinue, reduce, or impair service to a community, or
15 a part of a community, except for nonpayment of account or
16 violation of rules and regulations, unless and until permission
17 to do so is obtained from the board.
18 *b.* (1) A public utility described in section 476.1,
19 subsection 3, paragraph "*c*", may enter into an agreement with
20 the governing body of a city utility, combined city utility,
21 city enterprise, or combined city enterprise to discontinue
22 water service to a property or premises if an account owed the
23 city utility, city enterprise, or combined city utility or city
24 enterprise for wastewater service or services of sewer systems,
25 storm water drainage systems, or sewage treatment provided
26 to that customer's property or premises becomes delinquent
27 pursuant to section 384.84, subsection 3.
28 (2) A public utility that has entered into an agreement
29 under this paragraph shall not be liable for damages related
30 to the discontinuance of water service under this paragraph.
31 The customer shall be responsible for all costs associated with
32 discontinuing and reestablishing water service disconnected
33 pursuant to this paragraph.
34 EXPLANATION
35 The inclusion of this explanation does not constitute agreement with

H.F. 2183

the explanation's substance by the members of the general assembly.

This bill relates to delinquent city utility or city enterprise accounts for wastewater, sewer system, storm water drainage system, or sewage treatment services.

The bill allows a public utility providing water service to a property or premises to enter into an agreement with the governing body of a city utility, combined city utility, city enterprise, or combined city enterprise to discontinue water service to that property or premises if an account for wastewater, sewer system, storm water drainage system, or sewage treatment service for that customer's property or premises becomes delinquent. The bill further states that the public utility shall not be liable for damages related to discontinuance of water service under these circumstances and that the customer is responsible for all costs associated with discontinuance and reestablishing water service.

The bill also provides that the governing body of a city utility or city enterprise providing wastewater, sewer system, storm water drainage, or sewage treatment services may file suit in the district court in that county against a customer if the customer's account for such services becomes delinquent and may recover the costs for providing such services to the customer's property or premises as well as reasonable attorney fees.

House File 2184 - Introduced

HOUSE FILE 2184
BY WESSEL-KROESCHELL

A BILL FOR

1 An Act relating to duties of the school finance formula review
2 committee by requiring a review of certain school district
3 expenditures and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6012YH (1) 85
md/sc

H.F. 2184

1 Section 1. SCHOOL FINANCE FORMULA REVIEW COMMITTEE
2 — DUTIES. The school finance formula review committee
3 established pursuant to section 257.1, subsection 4, shall, as
4 part of its next five-year review and as part of its report
5 required to be submitted to the general assembly no later
6 than January 1, 2015, examine the per pupil expenditures
7 by school districts in the areas of math, English-language
8 arts, science, reading, social studies, vocational education,
9 foreign language, visual arts, music, library services, student
10 counseling, physical education, extracurricular activities, and
11 consumer sciences.
12 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
13 immediate importance, takes effect upon enactment.
14 EXPLANATION

15 The inclusion of this explanation does not constitute agreement with
16 the explanation´s substance by the members of the general assembly.

17 This bill requires the school finance formula review
18 committee to examine the per pupil expenditures by school
19 districts in specified curricular and extracurricular areas.
20 Such examination is required to be part of the committee´s next
21 five-year review and part of its report that is to be submitted
22 to the general assembly no later than January 1, 2015.
23 The bill takes effect upon enactment.

House File 2185 - Introduced

HOUSE FILE 2185
BY M. SMITH, GASKILL, ABDUL-SAMAD, COHOON, LENSING, WINCKLER, WESSEL-KROESCHELL, STUTSMAN, LUNDBY, STECKMAN, BERRY, H. MILLER, THEDE, MURPHY, STAED, BEARINGER, OURTH, KEARNS, ANDERSON, HEDDENS, T. TAYLOR, MASCHER, JACOBY, HALL, GAINES, WOOD, LYKAM, MEYER, HUNTER, KELLEY, ISENHART, FORBES, DUNKEL, KRESSIG, DAWSON, RIDING, MUHLBAUER, T. OLSON, HANSON, RUNNING-MARQUARDT, and WOLFE

A BILL FOR

1 An Act relating to the development of a proposal to establish
2 family courts in the judicial branch.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5987YH (3) 85
jp/rj

H.F. 2185

1 Section 1. FAMILY COURTS.
2 1. The supreme court shall develop a proposal to establish
3 a family court in the judicial branch. The proposal shall
4 include a description of the powers and responsibilities of
5 the family court, an implementation schedule, budget, and an
6 outline for the relationship of the family court with the
7 department of human services, child welfare and delinquency
8 services providers, and other publicly funded providers of
9 services intended to stabilize families in this state. The
10 proposal shall include proposed statutory changes to implement
11 family courts and other recommendations identified by the
12 supreme court.
13 2. The supreme court shall submit the proposal to establish
14 a family court to the governor and general assembly on or
15 before December 1, 2014.
16 EXPLANATION
17 The inclusion of this explanation does not constitute agreement with
18 the explanation's substance by the members of the general assembly.
19 This bill requires the supreme court to develop a proposal
20 to establish a family court in the judicial branch. Certain
21 elements are to be included in the proposal. The proposal is
22 required to be submitted to the governor and general assembly
23 on or before December 1, 2014.

House File 2186 - Introduced

HOUSE FILE 2186
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 527)

A BILL FOR

1 An Act relating to the admission or retention of participants
2 in an adult day services program.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5334HV (1) 85
ad/nh

H.F. 2186

Section 1. NEW SECTION. **231D.19 Admission and retention of participants.**

An adult day services program shall not knowingly admit or retain a participant who meets any of the following criteria:

1. Is under the age of eighteen.

2. Requires routine three-person assistance with standing, transfer, or evacuation.

3. Poses a danger to the participant, other participants, or the adult day services program staff. *"Pose a danger"* may include but is not limited to the following situations:

a. The participant chronically elopes despite intervention.

b. The participant is sexually or physically aggressive or abusive.

c. The participant's verbal abuse is unmanageable by staff.

d. The participant is in the acute stage of alcoholism, drug addiction, or mental illness.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill establishes criteria that would prohibit the admission or retention of a participant in an adult day services program. The program may not knowingly admit or retain a participant who is under 18 years of age, requires three-person assistance, poses a danger to the participant, to other participants, or to the staff of the adult day services program. The department of inspections and appeals may deny, suspend, or revoke certification of the adult day services program for failure to comply with this requirement.

House File 2187 - Introduced

HOUSE FILE 2187
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 526)

A BILL FOR

1 An Act relating to the Iowa health information network.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5306HV (1) 85
pf/nh

H.F. 2187

Section 1. Section 135.154, Code 2014, is amended by adding the following new subsections:

NEW SUBSECTION. 3A. *"Care coordination"* means the management of all aspects of a patient's care to improve health care quality, patient outcomes, and patient safety.

NEW SUBSECTION. 19A. *"Public health activities"* means actions taken by a participant in its capacity as a public health authority under the Health Insurance Portability and Accountability Act or as required or permitted by other federal or state law.

NEW SUBSECTION. 23. *"Record locator service"* means the functionality of the Iowa health information network that queries data sources to locate and identify potential patient records.

Sec. 2. Section 135.156E, subsection 13, Code 2014, is amended to read as follows:

13. Unless otherwise provided in this division, when ~~using~~ sharing health information through the Iowa health information network or a private health information network maintained in this state that complies with the privacy and security requirements of this chapter for the purposes of patient treatment, ~~a health care professional or a hospital~~ payment or health care operations, as such terms are defined in the Health Insurance Portability and Accountability Act, or for the purposes of public health activities or care coordination, a participant authorized by the department to use the record locator service is exempt from any other state law that is more restrictive than the Health Insurance Portability and Accountability Act that would otherwise prevent or hinder the exchange of patient information by the ~~patient's health care professional or hospital~~ participant.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill amends a provision exempting health care

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1 professionals and hospitals from state laws more restrictive
2 than the federal Health Insurance Portability and
3 Accountability Act (HIPAA) that would prevent or hinder the
4 exchange of patient information by the health care professional
5 or hospital when using the Iowa health information network
6 (IHIN) or a private health information network that complies
7 with the privacy and security requirements for the IHIN,
8 for the purposes of patient treatment. The bill continues
9 to limit the exemption to the sharing of health information
10 through the IHIN or private network, but adds payment and
11 health care operations (as defined in HIPAA) and public health
12 activities and care coordination to the purposes allowed for
13 such exemption, and substitutes participants authorized to
14 use the record locator service under the IHIN for health care
15 professionals and hospitals as the persons exempted. The terms
16 "care coordination", "public health activities", and "record
17 locator service" are defined in the bill.

House File 2188 - Introduced

HOUSE FILE 2188
BY KAUFMANN

A BILL FOR

1 An Act relating to classroom placement of multiple birth
2 siblings by school districts.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5804YH (2) 85
kh/rj

H.F. 2188

Section 1. Section 279.11, Code 2014, is amended to read as follows:

279.11 Number of schools — attendance — ~~terms~~ placement.

1. The board of directors shall determine the number of schools to be taught, divide the corporation into such wards or other divisions for school purposes as may be proper, determine the particular school which each child shall attend, determine grade level and classroom assignment for each student, and designate the period each school shall be held beyond the time required by law.

2. *a.* The parent or guardian of multiple birth siblings who are assigned to the same grade level and school by a school district may request in writing that the school place the siblings in the same classroom or in separate classrooms. The request must be made no later than five days before the first day of each school year or within five days after the first day of attendance of students during the school year if the students are enrolled in the school after the school year commences.

b. The school may recommend to the parent or guardian the appropriate classroom placement for multiple birth siblings and may provide professional educational advice to assist the parent or guardian with the decision regarding appropriate classroom placement.

c. A school shall provide the multiple birth siblings with the classroom placement requested by the parent or guardian. However, a school is not required to place multiple birth siblings in the same classroom if any of the following apply:

(1) Factual evidence of performance shows proof that the multiple birth siblings should be separated.

(2) The request would require the school district to add an additional class to the grade level of the multiple birth siblings.

(3) At the end of the first grading period following the multiple birth siblings' enrollment in the school, if the

H.F. 2188

principal of the school, in consultation with the teacher of each classroom in which the multiple birth siblings are placed, determines that the requested classroom placement is disruptive to the school.

d. A parent or guardian may appeal the principal's classroom placement of multiple birth siblings to the board of directors of the school district. During an appeal, the multiple birth siblings shall remain in the classroom chosen by the parent or guardian.

e. This section does not affect any of the following:

(1) A right or obligation under chapter 256B or under the federal Individuals with Disabilities Education Act, 20 U.S.C. §1400 et seq., regarding the individual placement decisions of the school district.

(2) The right of a school district, principal, or teacher to remove a student from a classroom pursuant to school district student discipline policies.

f. As used in this subsection, the term *"multiple birth siblings"* means twins, triplets, quadruplets, or other siblings resulting from a multiple birth.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill authorizes the board of directors of a school district to determine grade level and classroom assignment for each student and authorizes the parent or guardian of multiple birth siblings to request in writing that the school place the siblings in the same classroom or in separate classrooms. The school must provide the classroom placement requested by the parent or guardian, but the bill provides for exceptions.

A school is not required to place multiple birth siblings in the same classroom if facts prove the siblings should be separated, or the request would require the school district to add an additional class, or if after the first grading period following the siblings' enrollment the principal and classroom

H.F. 2188

1 teacher or teachers determine that the requested placement is
2 disruptive to the school.
3 The school may make recommendations and provide professional
4 educational advice to the parent or guardian regarding such
5 classroom placement. A parent or guardian may appeal the
6 principal´s classroom placement of the siblings to the school
7 board. During an appeal, the siblings shall remain in the
8 classroom chosen by the parent or guardian.
9 The provisions relating to classroom placement of multiple
10 birth siblings does not affect a right or obligation under
11 Code chapter 256B, relating to special education, or under the
12 federal Individuals with Disabilities Education Act, or the
13 right of a school district, principal, or teacher to remove a
14 student from a classroom pursuant to school district student
15 discipline policies.

House File 2189 - Introduced

HOUSE FILE 2189
BY STAED

A BILL FOR

1 An Act relating to reimbursement rates for family foster care
2 and related providers for the fiscal year beginning July 1,
3 2014.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6048YH (2) 85
jp/rj

H.F. 2189

Section 1. 2013 Iowa Acts, chapter 138, section 159, subsection 4, is amended to read as follows:

4. ~~a.~~ For the fiscal year beginning July 1, 2014, the foster family basic daily maintenance rate and the maximum adoption subsidy rate for children ages 0 through 5 years shall be ~~$16.78~~ $17.62, the rate for children ages 6 through 11 years shall be ~~$17.45~~ $18.32, the rate for children ages 12 through 15 years shall be ~~$19.10~~ $20.05, and the rate for children and young adults ages 16 and older shall be ~~$19.35~~ $20.32. For youth ages 18 to 21 who have exited foster care, the preparation for adult living program maintenance rate shall be ~~$602.70~~ $632.10 per month. The maximum payment for adoption subsidy nonrecurring expenses shall be limited to $500 and the disallowance of additional amounts for court costs and other related legal expenses implemented pursuant to 2010 Iowa Acts, chapter 1031, section 408 shall be continued.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to reimbursement rates for family foster care and related providers for the fiscal year beginning July 1, 2014, by amending 2013 Iowa Acts, chapter 138 (SF 466 — relating to health and human services appropriations), to increase the rates specified for foster family basic daily maintenance and the maximum adoption subsidy rates for FY 2014-2015 by approximately 5 percent. These reimbursements are paid through the department of human services. In accordance with administrative rule, the reimbursement paid by the department for persons providing a subsidized guardianship is based upon the daily foster care rate.

House File 2190 - Introduced

HOUSE FILE 2190
BY STAED

A BILL FOR

1 An Act providing for the licensure of music therapists and
2 providing for fees.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5342HH (2) 85
jr/sc

H.F. 2190

1 Section 1. Section 135.11, subsection 14, Code 2014, is
2 amended to read as follows:
3 14. Administer chapters 125, 136A, 136C, 139A, 142, 142A,
4 144, ~~and~~ 147A, and 154G.
5 Sec. 2. Section 147.1, subsections 3 and 6, Code 2014, are
6 amended to read as follows:
7 3. *"Licensed"* or *"certified"*, when applied to a physician
8 and surgeon, podiatric physician, osteopathic physician and
9 surgeon, physician assistant, psychologist, chiropractor,
10 nurse, dentist, dental hygienist, dental assistant,
11 optometrist, speech pathologist, audiologist, pharmacist,
12 physical therapist, physical therapist assistant, occupational
13 therapist, occupational therapy assistant, orthotist,
14 prosthetist, pedorthist, respiratory care practitioner,
15 practitioner of cosmetology arts and sciences, practitioner
16 of barbering, funeral director, dietitian, marital and
17 family therapist, mental health counselor, social worker,
18 massage therapist, athletic trainer, acupuncturist, nursing
19 home administrator, hearing aid dispenser, ~~or~~ sign language
20 interpreter or transliterator, or music therapist means a
21 person licensed under this subtitle.
22 6. *"Profession"* means medicine and surgery, podiatry,
23 osteopathic medicine and surgery, practice as a physician
24 assistant, psychology, chiropractic, nursing, dentistry,
25 dental hygiene, dental assisting, optometry, speech pathology,
26 audiology, pharmacy, physical therapy, physical therapist
27 assisting, occupational therapy, occupational therapy
28 assisting, respiratory care, cosmetology arts and sciences,
29 barbering, mortuary science, marital and family therapy, mental
30 health counseling, social work, dietetics, massage therapy,
31 athletic training, acupuncture, nursing home administration,
32 hearing aid dispensing, sign language interpreting or
33 transliterating, orthotics, prosthetics, ~~or~~ pedorthics, or
34 music therapy.
35 Sec. 3. Section 147.2, subsection 1, Code 2014, is amended

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to read as follows:

1. A person shall not engage in the practice of medicine and surgery, podiatry, osteopathic medicine and surgery, psychology, chiropractic, physical therapy, physical therapist assisting, nursing, dentistry, dental hygiene, dental assisting, optometry, speech pathology, audiology, occupational therapy, occupational therapy assisting, orthotics, prosthetics, pedorthics, respiratory care, pharmacy, cosmetology arts and sciences, barbering, social work, dietetics, marital and family therapy or mental health counseling, massage therapy, mortuary science, athletic training, acupuncture, nursing home administration, hearing aid dispensing, ~~or~~ sign language interpreting or transliterating, or music therapy or shall not practice as a physician assistant, unless the person has obtained a license for that purpose from the board or other regulatory authority for the profession.

Sec. 4. Section 147.13, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 25. For music therapy, the department of public health.

Sec. 5. NEW SECTION. **154G.1 Definitions.**

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

1. *"Advisory board"* means the advisory board of music therapy created in section 154G.6.

2. *"Board certified music therapist"* means an individual who has completed the education and clinical training requirements established by the American music therapy association, has passed the certification board for music therapists certification examination or transitioned into board certification, and remains actively certified by the certification board for music therapists.

3. *"Department"* means the department of public health.

4. *"Director"* means the director of the department of public

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1 health.
2 5. *"Music therapist"* means a person licensed to practice
3 music therapy pursuant to this chapter.
4 6. *"Music therapy"* means the clinical and evidence-based
5 use of music interventions to accomplish individualized goals
6 within a therapeutic relationship through an individualized
7 music therapy treatment plan for the client that identifies
8 the goals, objectives, and potential strategies of the music
9 therapy services appropriate for the client using music
10 therapy interventions, which may include music improvisation,
11 receptive music listening, song writing, lyric discussion,
12 music and imagery, music performance, learning through music,
13 and movement to music. The practice of music therapy does not
14 include the diagnosis of any physical, mental, or communication
15 disorder. *"Music therapy"* may include the following:
16 *a.* Accepting referrals for music therapy services
17 from medical, developmental, mental health, or education
18 professionals, family members, clients, or caregivers. Before
19 providing music therapy services to a client for a medical,
20 developmental, or mental health condition, the licensee shall
21 collaborate, as applicable, with the client's physician,
22 psychologist, or mental health professional to review the
23 client's diagnosis, treatment needs, and treatment plan.
24 During the provision of music therapy services to a client, the
25 licensee shall collaborate, as applicable, with the client's
26 treatment team.
27 *b.* Conducting a music therapy assessment of a client to
28 collect systematic, comprehensive, and accurate information
29 necessary to determine the appropriate type of music therapy
30 services to provide for the client.
31 *c.* Developing an individualized music therapy treatment plan
32 for the client.
33 *d.* Carrying out an individualized music therapy treatment
34 plan that is consistent with any other medical, developmental,
35 mental health, or educational services being provided to the

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1 client.
2 *e.* Evaluating the client's response to music therapy and
3 the individualized music therapy treatment plan and suggesting
4 modifications, as appropriate.
5 *f.* Developing a plan for determining when the provision of
6 music therapy services is no longer needed in collaboration
7 with the client, any physician, or other provider of health
8 care or education of the client, any appropriate member of the
9 family of the client, and any other appropriate person upon
10 whom the client relies for support.
11 *g.* Minimizing any barriers so that the client may receive
12 music therapy services in the least restrictive environment.
13 *h.* Collaborating with and educating the client and the
14 family or caregiver of the client or any other appropriate
15 person about the needs of the client that are being addressed
16 in music therapy and the manner in which the music therapy
17 addresses those needs.
18 Sec. 6. NEW SECTION. **154G.2 Department — duty to**
19 **administer.**
20 1. The department shall administer this chapter and, for
21 that purpose, the department shall, insofar as practicable, be
22 considered a board for purposes of this chapter and chapters
23 147 and 272C.
24 2. The department's duties shall include but are not limited
25 to the following:
26 *a.* Act on matters concerning licensure and the process
27 of applying for, granting, suspending, imposing supervisory
28 or probationary conditions upon, reinstating, and revoking a
29 license.
30 *b.* Develop continuing education requirements as a condition
31 of license renewal.
32 *c.* Appoint members of the advisory board for musical
33 therapy.
34 *d.* Periodically evaluate requirements for licensure in
35 other states and make recommendations to the general assembly

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1 regarding reciprocity between other states that require
2 licensure of music therapists.
3 *e.* Establish a fee schedule for submitting an application,
4 issuing initial licenses, and issuing license renewals.
5 3. The professional licensure division of the department
6 shall perform administrative, clerical, or ministerial
7 functions incident to the department's administration of this
8 chapter, including accepting applications for licensure or
9 licensure renewal on behalf of the department and forwarding
10 such applications to the director for the director's
11 consideration, administering examinations to applicants for
12 licensure, collecting fees paid under this chapter, and any
13 other functions at the request of the director.
14 Sec. 7. NEW SECTION. **154G.3 Requirements for licensure.**
15 1. To qualify for a license to practice music therapy, an
16 applicant shall meet all of the following requirements:
17 *a.* Be at least eighteen years of age.
18 *b.* Hold a bachelor's degree or higher in music therapy, or
19 its equivalent, from a program within an accredited college
20 or university which program has been approved by the American
21 music therapy association or any successor organization.
22 *c.* Provide proof of passing the examination for board
23 certification offered by the certification board for music
24 therapists, or any successor organization, or provide proof of
25 being transitioned into board certification.
26 *d.* Hold in good standing a designation approved by the
27 department, including any of the following:
28 (1) The credential "music therapist — board certified"
29 granted by the certification board for music therapists.
30 (2) A professional designation of registered music
31 therapist, certified music therapist, or advanced certified
32 music therapist and listed as such on the national music
33 therapy registry.
34 *e.* Have successfully completed a minimum of one thousand
35 two hundred hours of clinical training, with at least one

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1 hundred eighty hours in pre-internship experiences and at least
2 nine hundred hours in internship experiences, provided that
3 the internship is approved by an academic institution, the
4 American music therapy association, or both, or any successor
5 organization.
6 *f.* Show evidence of physical, mental, and professional
7 capability for the practice of music therapy in a manner
8 acceptable to the department.
9 *g.* Show evidence, upon review by the department, that the
10 applicant has not had a license to practice music therapy
11 or other health care license, registration, or certificate
12 refused, revoked, or suspended by any other jurisdiction
13 for reasons that relate to the applicant's ability to
14 practice music therapy unless that license, registration,
15 or certification has been restored to good standing by that
16 jurisdiction.
17 2. The application must be accompanied by the initial
18 license fee and application fee established by the department
19 and by the documents, affidavits, and certificates necessary
20 to establish that the applicant possesses the necessary
21 qualifications.
22 Sec. 8. NEW SECTION. **154G.4 Use of title — exceptions.**
23 1. A person shall not represent oneself to the public as a
24 music therapist or as being otherwise authorized to practice
25 music therapy or use any titles, words, letters, abbreviations,
26 or insignia indicating or implying that the person is a
27 licensed music therapist unless the person has been licensed
28 according to this chapter.
29 2. This chapter and chapter 147 do not prevent any person
30 licensed, certified, or regulated under Iowa law in another
31 profession or occupation, or personnel supervised by a licensed
32 professional in this state, from performing work, including
33 the use of music, incidental to the practice of the person's
34 licensed, certified, or regulated profession or occupation if
35 that person does not represent oneself as a music therapist.

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1 3. This chapter and chapter 147 do not restrict the
2 practice, services, or activities of any person whose training
3 and national certification attests to the person's preparation
4 and ability to practice the person's certified profession or
5 occupation if that person does not represent oneself as a music
6 therapist.
7 4. This chapter and chapter 147 do not restrict any practice
8 of music therapy that is an integral component of a program
9 of study for students enrolled in an accredited music therapy
10 program if the student does not represent oneself as a music
11 therapist.
12 5. This chapter and chapter 147 do not restrict any person
13 who practices music therapy under the supervision of a licensed
14 music therapist if the person does not represent oneself as a
15 music therapist.
16 Sec. 9. NEW SECTION. **154G.5 Licensure renewal requirements**
17 **— forfeiture — inactive status.**
18 1. Every license issued under this chapter shall be renewed
19 biennially. A license shall be renewed upon payment of a
20 renewal fee if the applicant is not in violation of any of the
21 terms of this chapter at the time of application for renewal.
22 The following shall also be required for license renewal:
23 *a.* Proof of maintenance of the applicant's status as a board
24 certified music therapist.
25 *b.* Proof of completion of a minimum of forty hours of
26 continuing education in a program approved by the certification
27 board of music therapists, or any successor organization, and
28 any other continuing education requirements established by the
29 department.
30 2. A licensee shall inform the department of any changes to
31 the licensee's address. Each licensee shall be responsible for
32 timely renewal of the licensee's license.
33 3. Failure to renew a license shall result in forfeiture of
34 the license. Licenses that have been forfeited may be restored
35 within one year of the expiration date on the license upon

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1 payment of renewal and restoration fees. Failure to restore a
2 forfeited license within one year of the date of its expiration
3 shall result in the automatic revocation of the license, and
4 the department shall require the individual to reapply for
5 licensure.
6 4. Upon written request of a licensee and payment of an
7 inactive status fee, the department may place an active license
8 on inactive status. The licensee, upon request and payment of
9 the inactive license fee, may continue on inactive status for a
10 period up to two years. An inactive license may be reactivated
11 at any time by making a written request to the department and
12 by fulfilling requirements established by the department.
13 Sec. 10. NEW SECTION. **154G.6 Advisory board of music**
14 **therapy.**
15 1. The director of the department shall appoint a
16 five-member advisory board of music therapy. Members of the
17 advisory board must be licensed to practice music therapy and
18 shall serve at the pleasure of the director. Members shall be
19 appointed for staggered terms of three years. Members of the
20 advisory board do not receive per diem or expenses.
21 2. The department shall consult with the advisory board and
22 the board shall advise on the following matters:
23 *a.* Approving and prescribing the examination required under
24 section 154G.3, subsection 1, paragraph *"b"*.
25 *b.* Establishing a fee schedule for applications, initial
26 licenses, license renewals, license restoration, and inactive
27 status requests.
28 *c.* Establishing continuing education requirements.
29 Sec. 11. NEW SECTION. **154G.7 Suspension and revocation.**
30 The department shall revoke, suspend, or refuse any license
31 granted pursuant to this chapter, or refuse to grant a license
32 pursuant to this chapter, when the licensee fails or refuses
33 to pay an examination, license, or renewal fee required by law
34 or when the licensee is guilty of any of the following acts or
35 omissions:

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1 1. Fraud in procuring a license.
2 2. Professional incompetence.
3 3. Knowingly making misleading, deceptive, untrue, or
4 fraudulent representations in the practice of the licensee's
5 profession or engaging in unethical conduct or practice harmful
6 or detrimental to the public. Proof of actual injury need not
7 be established.
8 4. Habitual intoxication or addiction to the use of drugs.
9 5. Conviction of a felony related to the profession or
10 occupation of the licensee. A copy of the record of conviction
11 or plea of guilty shall be conclusive evidence.
12 6. Fraud in representation as to skill or ability.
13 7. Use of untruthful or improbable statements in
14 advertisements.
15 8. Willful or repeated violations of the provisions of this
16 chapter.
17 Sec. 12. NEW SECTION. **154G.8 Deposit and use of moneys**
18 **collected.**
19 1. The department shall set the license fees and renewal
20 fees for all licenses issued pursuant to this chapter, by rule,
21 based upon the actual costs of licensing.
22 2. All fees assessed pursuant to this chapter shall be
23 retained as repayment receipts by the department, and such
24 fees received shall be used exclusively to offset the costs of
25 administering this chapter.
26 3. Notwithstanding section 8.33, fees collected by the
27 department that remain unencumbered or unobligated at the close
28 of the fiscal year shall not revert but shall remain available
29 for expenditure for the purposes designated until the close of
30 the succeeding fiscal year.
31 Sec. 13. NEW SECTION. **154G.9 Rulemaking.**
32 The department shall adopt rules consistent with this
33 chapter, chapter 147, and chapter 272C as necessary for the
34 performance of its duties under this chapter, chapter 147, and
35 chapter 272C.

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1 Sec. 14. Section 272C.1, subsection 6, Code 2014, is amended
2 by adding the following new paragraph:
3 NEW PARAGRAPH. *ag.* The department of public health, when
4 administering chapter 154G.
5 Sec. 15. INITIAL BOARD.
6 1. Notwithstanding the requirement of licensure pursuant
7 to section 154G.5, the initial members of the board of music
8 therapy established pursuant to this Act shall be appointed by
9 the director of the department of public health as follows to
10 the following terms:
11 a. Three professional members holding a designation
12 described in section 154G.3, subsection 1, paragraph "d", shall
13 be appointed for a term of three years.
14 b. Two professional members holding a designation described
15 in section 154G.3, subsection 1, paragraph "d", shall be
16 appointed for a term of two years.
17 2. Subsequent appointments to the board shall be for a term
18 of three years, in accordance with section 154G.6.
19 EXPLANATION
20 The inclusion of this explanation does not constitute agreement with
21 the explanation's substance by the members of the general assembly.
22 This bill enacts new Code chapter 154G, which requires the
23 licensing of music therapists. The bill provides a definition
24 for the practice of music therapy.
25 The bill provides that the practice of music therapy shall be
26 regulated by the department of public health and advised by a
27 five-member advisory board of licensees.
28 The bill authorizes the department, in consultation with the
29 advisory board, to establish fees relating to licensure under
30 Code chapter 154G.
31 The bill requires the department, in consultation with the
32 advisory board, to adopt rules consistent with Code chapter
33 147, relating to licensure of health professionals, generally,
34 new Code chapter 154G, and Code chapter 272C, relating to
35 regulation of licensed professions and occupations and to

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1 continuing education.

House File 2191 - Introduced

HOUSE FILE 2191
BY HEARTSILL

A BILL FOR

1 An Act requesting a legislative interim study committee
2 relating to alcoholic beverage control licensing and
3 regulation of breweries.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5694YH (2) 85
ec/sc

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1 Section 1. BREWERY LICENSING AND REGULATION INTERIM STUDY
2 COMMITTEE. The legislative council is requested to establish
3 an interim study committee during the 2014 interim to examine
4 the promotion, regulation, and licensing of breweries in
5 the state. The study shall focus on existing licensing and
6 business restrictions on breweries, consider the establishment
7 of consistent regulations governing breweries and brew pubs,
8 and examine the possibility of establishing a separate beer
9 promotion board. The goal of the study is to examine how best
10 to encourage the development of the local brewery industry in
11 the state within a reasonable alcoholic beverage regulatory
12 environment. The study committee shall present its conclusions
13 and recommendations in a report to the 2015 session of the
14 general assembly.

15 EXPLANATION

16 **The inclusion of this explanation does not constitute agreement with**
17 **the explanation's substance by the members of the general assembly.**

18 This bill requests the legislative council to establish an
19 interim study committee during the 2014 interim to examine the
20 promotion, regulation, and licensing of breweries in the state.

House File 2192 - Introduced

HOUSE FILE 2192
BY COMMITTEE ON ECONOMIC GROWTH

(SUCCESSOR TO HF 516)
(SUCCESSOR TO HSB 111)

A BILL FOR

1 An Act relating to rural water providers by making changes to
2 water service requirements.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2004HZ (2) 85
aw/sc

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Section 1. Section 357A.1, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. *"Rural water association"* or *"association"* means a rural water association organized and incorporated as a cooperative association under chapter 499 or as a nonprofit corporation under chapter 504.

Sec. 2. Section 357A.2, subsections 3 and 4, Code 2014, are amended to read as follows:

3. Water services, other than water services provided as of April 1, 1987, shall not be provided within two miles of the limits of a city by a rural water district incorporated under this chapter ~~or chapter 504~~ except as provided in this section. Except as otherwise provided in this section, a rural water association shall not provide water services within two miles of a city, other than water services provided as of July 1, 2014.

4. *a.* A rural water district ~~incorporated under this chapter or chapter 504~~ or rural water association may give notice of intent to provide water service to a new area within two miles of a city by submitting a water plan to the city. This subsection shall not apply in the case of a district or association extending service to new customers or improving existing facilities within existing district or association service areas or under existing district or association agreements. If water service is provided by a city utility established under chapter 388, the water plan shall be filed with the governing body of that city utility. The district or association shall provide written notice pursuant to this subsection by certified mail.

b. The water plan ~~is only required to~~ shall indicate the area within two miles of the city which the ~~rural water~~ district or association intends to serve within the next three years. Upon request, the city or city utility shall provide a district or association with a map of the city limits that indicates areas that are currently provided water service by

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a city utility or enterprise.

c. If the city fails to respond to the ~~rural water district's~~ water plan within ~~ninety~~ seventy-five days of receipt of the plan, the ~~rural water~~ district or association may provide service in the area designated in the plan. The city may inform the ~~rural water~~ district or association within ~~ninety~~ seventy-five days of receipt of the plan that the city requires additional time or information to study the question of providing water service outside the limits of the city. If additional time or information is required, the city shall respond to the ~~rural water district's~~ plan by certified mail within one hundred ~~eighty~~ sixty-five days of receipt of the plan.

d. (1) In responding to the plan, the city may affirmatively waive its right to provide water service within the areas designated for water service by the rural water district, or the city may reserve the right to provide water service in some or all of the areas which the ~~rural water~~ district or association intends to serve.

(2) (a) If the city reserves the right to provide water service, the city shall provide the district or association with a copy of the city's water plan relating to the city's intent and ability to provide water service to such an area.

(b) If the city reserves the right to provide water service within some or all of the areas which the ~~rural water~~ district or association intends to serve, the city shall provide service within ~~four~~ three years of receipt of the water plan submitted under paragraph *"a"*. ~~This section does not preclude a city from providing water service in an area which is annexed by the city.~~

(c) If the city reserving the right to provide service fails to provide service within three years, the city waives its right to provide water service and shall provide notice to the district or association by certified mail and the district or association may provide service within the area of the water

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plan submitted under paragraph *"a"*.

(3) If the district or association fails to provide service within three years after a city waives the right to provide water service under this paragraph *"d"*, the district or association shall provide notice to the city by certified mail and the city may provide service within the area of the water plan submitted under paragraph *"a"*.

(4) For purposes of this paragraph *"d"*, *"provide water service"* and *"provide service"* mean to deliver water in sufficient quantity and quality to meet customer demand. The department of natural resources shall determine whether such service is adequately provided.

Sec. 3. Section 357A.2, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 5. This section does not preclude a city from providing water service in an area which is annexed by the city pursuant to section 357A.21.

Sec. 4. Section 357A.21, Code 2014, is amended to read as follows:

357A.21 Annexation of land by a city — mediation — arbitration.

1. A ~~water~~ district ~~organized under this chapter, chapter 357, 499, or 504~~ or association shall be fairly compensated for losses resulting from annexation. The governing body of a city or water utility and the board of directors or trustees of the ~~water~~ district or association may agree to terms which provide that the facilities owned by the ~~water~~ district or association and located within the city shall be retained by the ~~water~~ district or association for the purpose of transporting water to customers outside the city.

2. If an agreement is not reached under subsection 1, the governing body of the city or water utility or the board of directors or trustees of the district or association may request mediation pursuant to chapter 679C. The governing body or board requesting mediation shall be responsible for

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the costs of the mediation. A mediation committee shall be established if a governing body or board requests mediation pursuant to this subsection. The mediation committee shall consist of one member of the governing body of the city or the governing body's designee, one member of the board of directors or trustees of the district or association, as applicable, and one disinterested member chosen by the other two members. A list of qualified mediators may be obtained from the American arbitration association, the public employment relations board established pursuant to section 20.5, or a recognized mediation organization or association.

3. If an agreement is not reached within ninety days, the issues may be submitted to arbitration. If submitted, an arbitrator shall be selected by a committee which includes one member of the governing body of the city or its designee, one member of the ~~water~~ district's or association's board of directors or trustees or its designee, as applicable, and a disinterested party selected by the other two members of the committee. A list of qualified arbitrators may be obtained from the American arbitration association or other recognized arbitration organization or association.

Sec. 5. NEW SECTION. **388.11 Liability within two miles.**

A city or city utility providing water service within two miles of the limits of the city shall not be liable for a claim for failure to provide or maintain fire hydrants, facilities, or an adequate supply of water or water pressure for fire protection purposes in the area receiving water service if such hydrants, facilities, or water are not intended to be used for fire protection purposes.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to rural water providers by making changes to water service requirements.

The bill defines "rural water association".

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1 The bill places certain limitations on the provision of
2 water services by rural water associations to areas that are
3 within two miles of a city after July 1, 2014.
4 Current law provides that a rural water district may provide
5 notice of intent to provide water service to a new area within
6 two miles of a city by submitting a water service plan to the
7 city. The bill requires that if a city's water service is
8 provided by a city utility, notice shall be provided to the
9 governing board of the city utility. The bill also provides
10 that the written notice be provided by certified mail.
11 Current law requires that a water plan submitted by a rural
12 water district include the new area that the district intends
13 to serve. The bill requires that a district or association
14 include in its water plan any area that the district or
15 association intends to serve within three years.
16 Current law provides that a city may waive its right to
17 provide water service within the areas designated in a water
18 plan. The bill lowers the number of days for allowable
19 responses to a water plan. The bill requires that a city
20 provide water service to an area within three years if the
21 city reserves the right to provide such service to the area
22 and requires that the city provide the district or association
23 with a copy of the city's water plan relating to the city's
24 intent and ability to provide such service. The bill requires
25 that such water service be provided in sufficient quantity and
26 quality to meet customer demand. The bill provides that if a
27 city reserves such a right and fails to provide service within
28 three years, the city waives its right to provide service. If
29 a city waives the right to provide service, the district or
30 association is permitted to provide service as described in
31 the district or association water plan. The bill requires
32 that such water service be provided in sufficient quantity and
33 quality to meet customer demand.
34 The bill further provides that if the city or city utility
35 cannot reach an agreement for the retention of certain rights

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by a district or association, the issues may be submitted to mediation.

The bill further provides that a city or city utility providing water service within two miles of the limits of the city is not liable for failure to provide or maintain fire hydrants, facilities, or an adequate supply of water or water pressure for fire protection purposes in the area receiving water service if such hydrants, facilities, or water supplies are not intended to be used for fire protection purposes.

House File 2193 - Introduced

HOUSE FILE 2193
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 556)

A BILL FOR

1 An Act providing for the establishment of an Iowa middle school
2 extended learning time pilot project grant program.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5296HV (2) 85
kh/rj

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1 Section 1. NEW SECTION. **256.34 Middle school extended**
2 **learning time pilot project grant program.**
3 1. Subject to an appropriation by the general assembly
4 for purposes of this section, the department shall establish
5 a pilot project grant program to provide funding to at least
6 two school districts individually or working collaboratively
7 for planning and implementing extended learning time for middle
8 school students in the form of longer school days or a longer
9 school year. The school districts selected to receive grants
10 shall be located in geographically diverse areas of the state
11 and the student populations among the buildings designated
12 for pilot projects shall demonstrate diverse demographic
13 characteristics.
14 2. The department shall develop an application and
15 evaluation process for approval of pilot project grant
16 applications submitted by school districts. In evaluating
17 grant applications, the department shall consider all of the
18 following:
19 *a.* The percentage of seventh grade students in the school
20 district in a designated middle school building or in a
21 specific student population within such a building who have not
22 demonstrated proficiency in reading.
23 *b.* Evidence that the school district has included
24 community-based organizations in the submission of the
25 application.
26 *c.* The school district's proposed comprehensive
27 restructuring of the school day or year to maximize the use of
28 extra time for learning by middle school students, including
29 a mix of additional time spent on reading and enrichment
30 opportunities.
31 *d.* Whether the school district's plan for teacher
32 collaboration and professional development of professional
33 staff supports success of the extended learning time pilot
34 project.
35 3. A school district awarded an extended learning time pilot

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1 project grant shall do all of the following:
2 *a.* Add up to three hundred hours of additional instruction
3 or learning activities annually for all students in a
4 designated middle school building or in a specific student
5 population within such a building.
6 *b.* Enter into an annual performance agreement with the
7 department that establishes clear academic achievement goals,
8 developed collaboratively with district teachers, for each
9 designated middle school building.
10 4. Extended learning time pilot project grants shall be
11 awarded for a period of three years, subject annually to a
12 successful review of program performance by the department.
13 5. School districts may collaborate with one another to
14 submit a joint grant application.
15 EXPLANATION
16 **The inclusion of this explanation does not constitute agreement with**
17 **the explanation's substance by the members of the general assembly.**
18 This bill provides for the establishment of an Iowa middle
19 school extended learning time pilot project grant program
20 by the department of education, subject to an appropriation
21 by the general assembly, to provide funding to at least two
22 geographically and demographically diverse school districts for
23 planning and implementing extended learning time for middle
24 school students in the form of longer school days or a longer
25 school year.
26 In evaluating grant applications, the department shall
27 consider the percentage of seventh grade students in the
28 school district in a designated middle school building or in
29 a specific student population within such a building who have
30 not demonstrated proficiency in reading; evidence that the
31 school district has included community-based organizations in
32 the submission of the application; the district's proposed
33 comprehensive restructuring of the school day or year to
34 maximize the use of extra time for learning, including
35 a mix of additional time spent on reading and enrichment

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1 opportunities; and whether the school district's plan
2 for teacher collaboration and professional development of
3 professional staff supports success of the extended learning
4 time pilot project.
5 A school district awarded an extended learning time
6 pilot project grant must add up to 300 hours of additional
7 instruction or learning activities annually for all students in
8 a designated middle school building or in a specific student
9 population within such a building; and enter into an annual
10 performance agreement with the department that establishes
11 clear academic achievement goals, developed collaboratively
12 with district teachers, for each designated building.
13 Grants shall be awarded for a period of three years, subject
14 annually to a successful review of program performance by the
15 department. School districts may collaborate with one another
16 to submit a joint grant application.

House File 2194 - Introduced

HOUSE FILE 2194
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 607)

A BILL FOR

1 An Act relating to requirements for the enactment of the state
2 percent of growth and the categorical state percent of
3 growth and including applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6095HV (1) 85
md/sc

H.F. 2194

Section 1. Section 257.8, subsections 1 and 2, Code 2014, are amended to read as follows:

1. *State percent of growth.* The state percent of growth for the budget year beginning July 1, 2012, is two percent. The state percent of growth for the budget year beginning July 1, 2013, is two percent. The state percent of growth for the budget year beginning July 1, 2014, is four percent. The state percent of growth for each subsequent budget year shall be established by statute ~~which shall be enacted within thirty days of the submission in the year preceding the base year of the governor's budget under section 8.21~~ as provided in this subsection. The statute establishing the state percent of growth for a budget year beginning July 1 of an odd-numbered calendar year shall be enacted within thirty days of the submission of the governor's budget under section 8.21 in that odd-numbered calendar year. The statute establishing the state percent of growth for a budget year beginning July 1 of an even-numbered calendar year shall be enacted during the regular legislative session preceding the base year. The establishment of the state percent of growth for a budget year shall be the only subject matter of the bill which enacts the state percent of growth for a budget year.

2. *Categorical state percent of growth.* The categorical state percent of growth for the budget year beginning July 1, 2012, is two percent. The categorical state percent of growth for the budget year beginning July 1, 2013, is two percent. The categorical state percent of growth for the budget year beginning July 1, 2014, is four percent. The categorical state percent of growth for each budget year shall be established by statute ~~which shall be enacted within thirty days of the submission in the year preceding the base year of the governor's budget under section 8.21~~ as provided in this subsection. The statute establishing the categorical state percent of growth for a budget year beginning July 1 of an odd-numbered calendar year shall be enacted within thirty days

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of the submission of the governor's budget under section 8.21 in that odd-numbered calendar year. The statute establishing the categorical state percent of growth for a budget year beginning July 1 of an even-numbered calendar year shall be enacted during the regular legislative session preceding the base year. The establishment of the categorical state percent of growth for a budget year shall be the only subject matter of the bill which enacts the categorical state percent of growth for a budget year. The categorical state percent of growth may include state percents of growth for the teacher salary supplement, the professional development supplement, the early intervention supplement, and the teacher leadership supplement.

Sec. 2. APPLICABILITY. This Act applies to school budget years beginning on or after July 1, 2015.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill modifies the requirements for enacting the state percent of growth and the categorical state percent of growth under Code section 257.8.

Current law requires the state percent of growth and the categorical state percent of growth to be established by statute within 30 days of the submission of the governor's budget in the year preceding the base year.

The bill requires the statute establishing the state percent of growth and the categorical state percent of growth for a budget year beginning July 1 of an odd-numbered calendar year to be enacted within 30 days of the submission of the governor's budget in that odd-numbered calendar year. The bill requires the statute establishing the state percent of growth and the categorical state percent of growth for a budget year beginning July 1 of an even-numbered calendar year to be enacted during the regular legislative session preceding the base year.

The bill applies to school budget years beginning on or after

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1 July 1, 2015.

House Joint Resolution 2006 - Introduced

HOUSE JOINT RESOLUTION 2006
BY ANDERSON

HOUSE JOINT RESOLUTION

1 A Joint Resolution proposing an amendment to the Constitution
2 of the State of Iowa relating to the rights of a crime
3 victim.
4 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5197YH (3) 85
jm/rj

H.J.R. 2006

1 Section 1. The following amendment to the Constitution of
2 the State of Iowa is proposed:
3 Article I of the Constitution of the State of Iowa is amended
4 by adding the following new section:
5 **Crime Victims — Rights.** SEC. 26. The rights of a crime
6 victim as the general assembly may by law define shall not be
7 denied or abridged by the state, insofar as the constitutional
8 rights of the accused are not denied or abridged. The victim
9 of a crime shall have the right to be treated with fairness,
10 respect, and dignity by the state. A victim shall also have
11 the right to reasonable notice of public proceedings relating
12 to the offense, to be consulted before pleas are entered and
13 accepted, to be present at the sentencing, and to be free
14 from unreasonable procedural delay in the case. The safety
15 of the victim of a crime shall be considered by the court and
16 the victim shall be entitled to restitution. The victim or
17 a lawful representative of the victim has standing to fully
18 assert and enforce these rights in any court. This section
19 shall not provide grounds for a new trial for a defendant or
20 any claim for damages against the government.
21 Sec. 2. REFERRAL AND PUBLICATION. The foregoing proposed
22 amendment to the Constitution of the State of Iowa is referred
23 to the general assembly to be chosen at the next general
24 election for members of the general assembly, and the secretary
25 of state is directed to cause the proposed amendment to be
26 published for three consecutive months previous to the date of
27 that election as provided by law.
28 EXPLANATION

29 **The inclusion of this explanation does not constitute agreement with**
30 **the explanation's substance by the members of the general assembly.**

31 This joint resolution proposes an amendment to the
32 Constitution of the State of Iowa relating to the rights of a
33 crime victim.
34 The joint resolution specifies that the rights of a crime
35 victim as the general assembly may by law define shall not be

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1 denied or abridged by the state, insofar as the constitutional
2 rights of the accused are not denied or abridged. The joint
3 resolution provides that the victim of a crime shall have
4 the right to be treated with fairness, respect, and dignity
5 by the state. Furthermore, a victim shall have the right
6 to reasonable notice of public proceedings relating to the
7 offense, be consulted before pleas are entered and accepted,
8 be present at the sentencing, and be free from unreasonable
9 procedural delay in the case. The joint resolution specifies
10 that the safety of the victim of a crime shall be considered by
11 the court and the victim shall be entitled to restitution, and
12 that the victim or a lawful representative of the victim has
13 standing to fully assert and enforce these rights in any court.
14 This joint resolution does not provide grounds for a new trial
15 or any claim for damages against the government.
16 The joint resolution, if adopted, would be published and
17 then referred to the next general assembly (Eighty-sixth)
18 for adoption a second time, before being submitted to the
19 electorate for ratification.

House Study Bill 623 - Introduced

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

A BILL FOR

1 An Act relating to consumer lending transactions by modifying
2 provisions applicable to certain loan charges and modifying
3 designated monetary limits specified in the consumer credit
4 code.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5560YC (20) 85
rn/sc

H.F. _____

Section 1. Section 535.2, subsection 2, paragraph a, subparagraph (2), Code 2014, is amended to read as follows:

(2) A person borrowing money or obtaining credit in an amount which exceeds ~~twenty-five thousand dollars~~ the threshold amount as defined in section 537.1301, exclusive of interest, for the purpose of constructing improvements on real property, whether or not the real property is owned by the person.

Sec. 2. Section 535.2, subsection 2, paragraph a, subparagraph (5), Code 2014, is amended to read as follows:

(5) A person borrowing money or obtaining credit for business or agricultural purposes, or a person borrowing money or obtaining credit in an amount which exceeds ~~twenty-five thousand dollars~~ the threshold amount, as defined in section 537.1301, for personal, family, or household purposes. As used in this paragraph, *"agricultural purpose"* means as defined in section 535.13, and *"business purpose"* includes but is not limited to a commercial, service, or industrial enterprise carried on for profit and an investment activity.

Sec. 3. Section 535.8, subsection 1, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c. "Points and fees"* means the fees and charges that are included in the definition of points and fees in 12 C.F.R. §1026.32(b)(1).

Sec. 4. Section 535.8, Code 2014, is amended by adding the following new subsections:

NEW SUBSECTION. 1A. If a lender makes a loan in which the points and fees the borrower is charged by all lenders in connection with the loan does not exceed the amounts specified in 12 C.F.R. §1026.43(e)(3), the loan shall not be subject to the provisions of subsection 2, paragraphs *"a"*, *"b"*, and *"d"*, or subsection 3.

NEW SUBSECTION. 1B. This section shall not be construed to change the prohibition against the sale of title insurance or sale of insurance against loss or damage by reason of defective title or encumbrances as provided in section 515.48, subsection

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10.

Sec. 5. Section 535.8, subsection 2, paragraph b, subparagraph (4), Code 2014, is amended by striking the subparagraph.

Sec. 6. Section 535.8, subsection 6, Code 2014, is amended to read as follows:

6. ~~*a.* The provisions of this section shall not apply to any loan which is subject to the provisions of section 636.46, nor shall it apply to origination fees, administrative fees, commitment fees or similar charges paid by one lender to another lender if these fees are not ultimately paid either directly or indirectly by the borrower who occupies or will occupy the dwelling or by the seller of the dwelling.~~

~~*b.*~~ A lender shall not use an appraisal for any purpose in connection with making a loan under this section if the appraisal is performed by a person who is employed by or affiliated with any person receiving a commission or fee from the seller of the property. If a lender violates this ~~paragraph~~ subsection the borrower is entitled to recover any actual damages plus the costs paid by the borrower, plus attorney fees incurred in an action necessary to effect recovery.

Sec. 7. Section 535.10, subsection 3, paragraph a, Code 2014, is amended to read as follows:

a. A lender may collect in connection with establishing or renewing a home equity line of credit the costs listed in section 535.8, subsection 2, ~~paragraph~~ paragraphs *"a"* or *"b"*, charges for insurance as described in section 537.2501, subsection 2, and a loan processing fee as agreed between the borrower and the lender, and annually may collect an account maintenance fee of not more than fifteen dollars. Fees collected under this subsection shall be disregarded for purposes of determining the maximum charge permitted by subsection 4.

Sec. 8. Section 536.1, Code 2014, is amended to read as

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1 follows:
2 **536.1 Title — license required.**
3 1. This chapter may be referred to as the *"Iowa Regulated*
4 *Loan Act"*.
5 2. With respect to a loan other than a consumer loan, a
6 person shall not engage in the business of making loans of
7 money, credit, goods, or things in action in the amount or of
8 the value of ~~twenty-five thousand dollars~~ the threshold amount
9 or less and charge, contract for, or receive on the loan a
10 greater rate of interest or consideration for the loan than
11 the lender would be permitted by law to charge if the lender
12 were not a licensee under this chapter except as authorized by
13 this chapter and without first obtaining a license from the
14 superintendent of banking.
15 3. With respect to a consumer loan, a person required by
16 section 537.2301 to have a license shall not engage in the
17 business of making loans of money, credit, goods or things
18 in action in the amount or value of ~~twenty-five thousand~~
19 ~~dollars~~ the threshold amount or less and charge, contract
20 for, or receive on the loan a greater rate of interest or
21 consideration for the loan than the lender would be permitted
22 by law to charge if the lender were not a licensee under this
23 chapter, except as authorized by this chapter and without first
24 obtaining a license from the superintendent.
25 4. A person who enters into less than ten supervised loans
26 per year in this state and who neither has an office physically
27 located in this state nor engages in face-to-face solicitation
28 in this state may contract for and receive the rate of interest
29 permitted in this chapter for licensees under this chapter. A
30 *"consumer loan"* means the same as defined in section 537.1301.
31 5. For the purposes of this section, *"threshold amount"*
32 means the same as defined in section 537.1301.
33 Sec. 9. Section 536.13, subsection 5, Code 2014, is amended
34 to read as follows:
35 5. A licensee under this chapter may lend any sum of money

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not exceeding ~~twenty-five thousand dollars~~ the threshold amount as defined in section 537.1301 in amount and may charge, contract for, and receive on the loan interest or charges at a rate not exceeding the maximum rate of interest or charges determined and fixed by the superintendent under authority of this section or pursuant to subsection 7 for those amounts in excess of ten thousand dollars.

Sec. 10. Section 536.15, Code 2014, is amended to read as follows:

536.15 Limitation on principal amount ~~over twenty-five thousand dollars~~.

A licensee shall not directly or indirectly charge, contract for, or receive any interest or consideration greater than the lender would be permitted by law to charge if the lender were not a licensee upon the loan, use, or forbearance of money, goods, or things in action, or upon the loan, use, or sale of credit, of the amount or value of more than ~~twenty-five thousand dollars~~ the threshold amount. This section also applies to a licensee who permits a person, as borrower or as endorser, guarantor, or surety for a borrower, or otherwise, to owe directly or contingently or both to the licensee at any time the sum of more than ~~twenty-five thousand dollars~~ the threshold amount for principal. For the purposes of this section, *"threshold amount"* means the same as defined in section 537.1301.

Sec. 11. Section 537.1301, subsection 13, paragraph a, subparagraph (5), Code 2014, is amended to read as follows:

(5) With respect to a sale of goods or services, the amount financed does not exceed ~~twenty-five thousand dollars~~ the threshold amount.

Sec. 12. Section 537.1301, subsection 14, paragraph a, subparagraph (4), Code 2014, is amended to read as follows:

(4) The amount payable under the lease does not exceed ~~twenty-five thousand dollars~~ the threshold amount.

Sec. 13. Section 537.1301, subsection 15, paragraph a,

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1 subparagraph (5), Code 2014, is amended to read as follows:
2 (5) The amount financed does not exceed ~~twenty-five~~
3 ~~thousand dollars~~ the threshold amount.
4 Sec. 14. Section 537.1301, subsection 15, paragraph b,
5 subparagraph (2), Code 2014, is amended to read as follows:
6 (2) A debt which is secured by a first lien on real property
7 ~~and which is incurred primarily for the purpose of acquiring~~
8 ~~that real property, or refinancing a contract for deed to that~~
9 ~~real property, or constructing on that real property a building~~
10 ~~containing one or more dwelling units~~.
11 Sec. 15. Section 537.1301, subsection 21, paragraph b, Code
12 2014, is amended by adding the following new subparagraph:
13 NEW SUBPARAGRAPH. (5) An initial charge imposed by a
14 financial institution for returning an item presented against
15 non-sufficient funds or for paying an item that overdraws
16 an account. For the purposes of this subparagraph, "item"
17 includes any form of authorization or order for withdrawal of
18 funds from an account such as a check, automated teller machine
19 card, debit card, automated clearinghouse or other means.
20 Sec. 16. Section 537.1301, Code 2014, is amended by adding
21 the following new subsection:
22 NEW SUBSECTION. 21A. *"Financial institution"* means and
23 includes any bank incorporated under the provisions of any
24 state or federal law, any savings and loan association or
25 savings bank incorporated under the provisions of state or
26 federal law, or any credit union organized under the provisions
27 of any state or federal law.
28 Sec. 17. Section 537.1301, Code 2014, is amended by adding
29 the following new subsection:
30 NEW SUBSECTION. 46. *"Threshold amount"* means the threshold
31 amount, as determined by 12 C.F.R. §226.3(b), in effect during
32 the period the consumer credit transaction was entered into.
33 Sec. 18. Section 537.2501, subsection 1, paragraph e, Code
34 2014, is amended by adding the following new subparagraph:
35 NEW SUBPARAGRAPH. (5) Fees or charges listed in section

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535.8, subsection 2, paragraphs *"a"* and *"b"*.

Sec. 19. Section 537.2507, Code 2014, is amended to read as follows:

537.2507 Attorney fee.

With respect to a consumer credit transaction, the agreement may not provide for the payment by the consumer of attorney fees. However, in a consumer credit transaction with an amount financed exceeding twenty-five thousand dollars secured by an interest in land, the agreement may provide for the payment by the consumer of reasonable attorney fees. A provision in violation of this ~~subsection~~ section is unenforceable.

Sec. 20. Section 537.3604, subsection 8, paragraph e, Code 2014, is amended to read as follows:

e. The amount payable under the consumer rental purchase agreement does not exceed ~~twenty-five thousand dollars~~ the threshold amount.

Sec. 21. Section 537.6201, subsection 2, Code 2014, is amended to read as follows:

2. Debt collectors, as defined in section 537.7102, subsection 5, to whose acts, practices, or conduct this chapter applies pursuant to section 537.1201 if the total debt collected by a debt collector in the preceding calendar year exceeds ~~twenty-five thousand dollars~~ the threshold amount, or if not, if the total debt collected during the current calendar year exceeds twenty-five thousand dollars, but this part does not apply to those licensed, certified, or otherwise authorized to engage in business under chapter 524, 533, 536, or 536A.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill makes changes related to consumer lending transactions by modifying provisions applicable to residential real estate loan charges and monetary limits specified in the consumer credit code.

The bill modifies several provisions contained in Code

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1 section 535.8, relating to loan charge limitations applicable
2 to loans of money which are wholly or in part to be used for the
3 purpose of purchasing real property that is a single-family or
4 two-family dwelling occupied or to be occupied by the borrower.
5 The bill defines "points and fees" by referencing an existing
6 definition in the Code of Federal Regulations relating to the
7 Truth in Lending Act. The bill provides that if a lender makes
8 a loan in which the points and fees charged by all lenders in
9 connection with the loan does not exceed amounts specified in a
10 referenced section of the Code of Federal Regulations, the loan
11 will not be subject to the monetary limits on loan origination
12 or processing fees and broker fees, the limits on the types of
13 permissible lender charges, and relating to payment of interest
14 reduction fees in exchange for a lower rate of interest. The
15 bill transfers a provision in Code section 535.8, subsection
16 2, relating to the prohibition against the sale of title
17 insurance or sale of insurance against loss or damage by reason
18 of defective title or encumbrances to Code section 535.8, new
19 subsection 1B.
20 The bill modifies monetary limits applicable to certain
21 consumer credit transactions specified in Code chapter 537.
22 Currently, the definitions of consumer credit sale, consumer
23 lease, consumer loan, and consumer rental purchase agreement,
24 provide that the amount financed or payable shall not exceed
25 $25,000. The bill deletes references to this monetary amount,
26 and provides instead that the amount financed or payable shall
27 not exceed a "threshold amount". The term "threshold amount"
28 is defined in the bill as the applicable threshold amount in
29 effect during the period a consumer credit transaction was
30 entered into, as determined pursuant to a provision of the
31 federal Truth in Lending Act relating to the calculation of a
32 threshold amount in connection with extensions of credit which
33 are exempt from regulation under the federal Act. A similar
34 change is made regarding the applicability of notification and
35 fee provisions in the Code chapter to debt collectors.

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1 The bill deletes similar references to the monetary amount
2 of $25,000, and substitutes the term "threshold amount", with
3 reference to determining rates of interest in connection
4 with borrowing money or obtaining credit for the purpose of
5 constructing improvements on real property, for business or
6 agricultural purposes, or for personal, family, or household
7 purposes. The term "threshold amount" is also substituted for
8 the monetary amount of $25,000 with respect to regulated loan
9 licensing and lending requirements imposed pursuant to Code
10 chapter 536.
11 The bill provides that a lender in a home equity line of
12 credit transaction may impose loan origination or processing
13 fees or broker fees authorized for single-family or two-family
14 real property loans in Code section 535.8. The bill also
15 authorizes these fees, and additional costs in connection with
16 originating a loan, to be charged in connection with consumer
17 credit transactions involving a debt secured by an interest in
18 land.
19 Currently, the definition of "consumer loan" in Code chapter
20 537 does not include a debt that is secured by a first lien on
21 real property and that is incurred primarily for the purpose of
22 acquiring that real property or refinancing a contract for deed
23 to that real property or constructing on that real property
24 a building containing one or more dwelling units. The bill
25 modifies this provision to state that a consumer loan does
26 not include a debt that is secured by a first lien on real
27 property.
28 The bill provides, with reference to the definition
29 of "finance charge" contained in Code chapter 537, that a
30 "finance charge" does not include an initial charge imposed
31 by a financial institution for returning an item presented
32 against non-sufficient funds or for paying an item that
33 overdraws an account. For the purposes of this subparagraph,
34 the bill defines "item" to include any form of authorization
35 or order for withdrawal of funds from an account such as a

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1 check, automated teller machine card, debit card, automated
2 clearing house or other means. The bill defines a "financial
3 institution" in the Code chapter to mean and include any bank
4 incorporated under the provisions of any state or federal law,
5 any savings and loan association or savings bank incorporated
6 under the provisions of state or federal law, or any credit
7 union organized under the provisions of any state or federal
8 law.
9 The bill further provides that in connection with a consumer
10 credit transaction, reasonable attorney fees may be charged
11 when the amount financed exceeds $25,000 secured by an interest
12 in land.

House Study Bill 624 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
CULTURAL AFFAIRS BILL)

A BILL FOR

1 An Act relating to the administration of the historic
2 preservation and cultural and entertainment district tax
3 credit program by the department of cultural affairs,
4 providing for fees, and including applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5303XD (17) 85
mm/sc

S.F. _____ H.F. _____

1 Section 1. Section 16.188, subsection 3, paragraph b,
2 subparagraph (1), Code 2014, is amended to read as follows:
3 (1) Projects that are eligible for historic preservation
4 and cultural and entertainment district tax credits under
5 section ~~404A.1~~ 404A.2.
6 Sec. 2. Section 404A.1, Code 2014, is amended by striking
7 the section and inserting in lieu thereof the following:
8 **404A.1 Definitions.**
9 For purposes of this chapter, unless the context otherwise
10 requires:
11 1. *"Completion date"* means the date on which property that
12 is the subject of a qualified rehabilitation project is placed
13 in service, as that term is used in section 47 of the Internal
14 Revenue Code.
15 2. *"Department"* means the department of cultural affairs.
16 3. *"Eligible taxpayer"* means the owner of the property
17 that is the subject of a qualified rehabilitation project, or
18 another person who will qualify for the federal rehabilitation
19 credit allowed under section 47 of the Internal Revenue Code
20 with respect to the property that is the subject of a qualified
21 rehabilitation project.
22 4. *"Nonprofit organization"* means an organization described
23 in section 501 of the Internal Revenue Code unless the
24 exemption is denied under section 501, 502, 503, or 504 of
25 the Internal Revenue Code. *"Nonprofit organization"* does not
26 include a governmental body, as that term is defined in section
27 362.2.
28 5. *"Program"* shall mean the historic preservation and
29 cultural and entertainment district tax credit program set
30 forth in this chapter.
31 6. *a. "Qualified rehabilitation expenditures"* means the
32 same as defined in section 47 of the Internal Revenue Code.
33 Notwithstanding the foregoing sentence, expenditures incurred
34 by an eligible taxpayer that is a nonprofit organization shall
35 be considered *"qualified rehabilitation expenditures"* if they

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1 are any of the following:
2 (1) Expenditures made for structural components, as that
3 term is defined in 26 C.F.R. §1.48-1(e)(2).
4 (2) Expenditures made for architectural and engineering
5 fees, site survey fees, legal expenses, insurance premiums, and
6 development fees.
7 *b. "Qualified rehabilitation expenditures"* does not include
8 those expenditures financed by federal, state, or local
9 government grants, forgivable loans, or other forms of public
10 financial assistance that do not require repayment.
11 *c. "Qualified rehabilitation expenditures"* may include
12 expenditures incurred prior to the date an agreement is entered
13 into under section 404A.3, subsection 3.
14 7. *"Qualified rehabilitation project"* means a project for
15 the rehabilitation of property that meets all of the following
16 criteria:
17 *a.* The property is at least one of the following:
18 (1) Property listed on the national register of historic
19 places or eligible for such listing.
20 (2) Property designated as of historic significance to a
21 district listed in the national register of historic places or
22 eligible for such designation.
23 (3) Property or district designated a local landmark by a
24 city or county ordinance.
25 (4) A barn constructed prior to 1937.
26 *b.* The property meets the physical criteria and standards
27 for rehabilitation established by the department by rule. To
28 the extent applicable, the physical standards and criteria
29 shall be consistent with the United States secretary of the
30 interior's standards for rehabilitation.
31 *c.* The project has qualified rehabilitation expenditures
32 that meet or exceed the following:
33 (1) In the case of commercial property, expenditures
34 totaling at least fifty thousand dollars or fifty percent of
35 the assessed value of the property, excluding the land, prior

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1 to rehabilitation, whichever is less.
2 (2) In the case of property other than commercial property,
3 expenditures totaling at least twenty-five thousand dollars or
4 twenty-five percent of the assessed value, excluding the land,
5 prior to rehabilitation, whichever is less.
6 Sec. 3. Section 404A.2, Code 2014, is amended by striking
7 the section and inserting in lieu thereof the following:
8 **404A.2 Historic preservation and cultural and entertainment**
9 **district tax credit.**
10 1. An eligible taxpayer who has entered into an agreement
11 under section 404A.3 is eligible to receive a historic
12 preservation and cultural and entertainment district tax credit
13 in an amount not to exceed twenty-five percent of the qualified
14 rehabilitation expenditures of a qualified rehabilitation
15 project.
16 2. The tax credit shall be allowed against the taxes imposed
17 in chapter 422, divisions II, III, and V, and in chapter
18 432. An individual may claim a tax credit under this section
19 of a partnership, limited liability company, S corporation,
20 estate, or trust electing to have income taxed directly to the
21 individual. For an individual claiming a tax credit of an
22 estate or trust, the amount claimed by the individual shall be
23 based upon the pro rata share of the individual's earnings from
24 the estate or trust. For an individual claiming a tax credit
25 of a partnership, limited liability company, or S corporation,
26 the amount claimed by the partner, member, or shareholder,
27 respectively, shall be based upon the amounts designated by
28 the eligible partnership, S corporation, or limited liability
29 company, as applicable.
30 3. Any credit in excess of the taxpayer's tax liability for
31 the tax year shall be refunded with interest computed under
32 section 422.25. In lieu of claiming a refund, a taxpayer
33 may elect to have the overpayment shown on the taxpayer's
34 final, completed return credited to the tax liability for the
35 following year.

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1 4. *a.* To claim a tax credit under this section, a taxpayer
2 shall include one or more tax credit certificates with the
3 taxpayer's tax return.
4 *b.* The tax credit certificate shall contain the taxpayer's
5 name, address, tax identification number, the amount of
6 the credit, the name of the eligible taxpayer, any other
7 information required by the department of revenue, and a place
8 for the name and tax identification number of a transferee and
9 the amount of the tax credit being transferred.
10 *c.* The tax credit certificate, unless rescinded by the
11 department, shall be accepted by the department of revenue
12 as payment for taxes imposed in chapter 422, divisions II,
13 III, and V, and in chapter 432, subject to any conditions or
14 restrictions placed by the department or the department of
15 revenue upon the face of the tax credit certificate and subject
16 to the limitations of this program.
17 5. *a.* Tax credit certificates issued under section 404A.3
18 may be transferred to any person. Within ninety days of
19 transfer, the transferee shall submit the transferred tax
20 credit certificate to the department of revenue along with a
21 statement containing the transferee's name, tax identification
22 number, and address, the denomination that each replacement
23 tax credit certificate is to carry, and any other information
24 required by the department of revenue. However, tax credit
25 certificate amounts of less than the minimum amount established
26 by rule of the department of revenue shall not be transferable.
27 *b.* Within thirty days of receiving the transferred tax
28 credit certificate and the transferee's statement, the
29 department of revenue shall issue one or more replacement tax
30 credit certificates to the transferee. Each replacement tax
31 credit certificate must contain the information required for
32 the original tax credit certificate and must have the same
33 expiration date that appeared on the transferred tax credit
34 certificate.
35 *c.* A tax credit shall not be claimed by a transferee

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1 under this section until a replacement tax credit certificate
2 identifying the transferee as the proper holder has been
3 issued. The transferee may use the amount of the tax credit
4 transferred against the taxes imposed in chapter 422, divisions
5 II, III, and V, and in chapter 432, for any tax year the
6 original transferor could have claimed the tax credit. Any
7 consideration received for the transfer of the tax credit shall
8 not be included as income under chapter 422, divisions II, III,
9 and V. Any consideration paid for the transfer of the tax
10 credit shall not be deducted from income under chapter 422,
11 divisions II, III, and V.
12 6. For purposes of the individual and corporate income
13 taxes and the franchise tax, the increase in the basis of the
14 rehabilitated property that would otherwise result from the
15 qualified rehabilitation expenditures shall be reduced by the
16 amount of the credit computed under this section.
17 Sec. 4. Section 404A.3, Code 2014, is amended by striking
18 the section and inserting in lieu thereof the following:
19 **404A.3 Application and registration — agreement —**
20 **compliance and audit.**
21 1. *Application and fees.*
22 *a.* An eligible taxpayer seeking historic preservation and
23 cultural and entertainment district tax credits provided in
24 section 404A.2 shall make application to the department in the
25 manner prescribed by the department.
26 *b.* The department may accept applications on a continuous
27 basis or may accept applications, or one or more components of
28 an application, during an annual application period.
29 *c.* The application shall include any information deemed
30 necessary by the department to evaluate the eligibility under
31 the program of the applicant and the rehabilitation project,
32 the amount of projected qualified rehabilitation expenditures
33 of a rehabilitation project, and the amount and source of all
34 funding for a rehabilitation project. An applicant shall have
35 the burden of proof to demonstrate to the department that

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1 the applicant is an eligible taxpayer and the project is a
2 qualified rehabilitation project under the program.
3 *d.* The department may establish criteria for the use of
4 electronic or other alternative filing or submission methods
5 for any application, document, or payment requested or
6 required under this program. Such criteria may provide for the
7 acceptance of a signature in a form other than the handwriting
8 of a person.
9 *e.* (1) The department may charge application and other fees
10 to eligible taxpayers who apply to participate in the program.
11 The amount of such fees shall be determined based on the costs
12 of the department associated with administering the program.
13 (2) Fees collected by the department pursuant to this
14 paragraph shall be deposited with the department pursuant to
15 section 303.9, subsection 1.
16 2. *Registration.*
17 *a.* Upon review of the application, the department may
18 register a qualified rehabilitation project under the program.
19 If the department registers the project, the department shall
20 make a preliminary determination as to the amount of tax
21 credits for which the project qualifies.
22 *b.* After registering the qualified rehabilitation project,
23 the department shall notify the eligible taxpayer of successful
24 registration under the program. The notification shall include
25 the amount of tax credits under section 404A.2 for which the
26 qualified rehabilitation project has received a tentative award
27 and a statement that the amount is a preliminary determination
28 only.
29 3. *Agreement.*
30 *a.* Upon successful registration of a qualified
31 rehabilitation project, the eligible taxpayer shall enter into
32 an agreement with the department for the successful completion
33 of all requirements of the program.
34 *b.* The agreement shall contain, at a minimum, the following
35 provisions:

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1 (1) The amount of the tax credit award. An eligible
2 taxpayer has no right to receive a tax credit certificate or
3 claim a tax credit until all requirements of the agreement and
4 subsections 4 and 5 have been satisfied. The amount of tax
5 credit included on a tax credit certificate issued under this
6 section shall be contingent upon verification by the department
7 of the amount of final qualified rehabilitation expenditures.
8 (2) The rehabilitation work to be performed.
9 (3) The budget of the qualified rehabilitation project,
10 including the projected qualified rehabilitation expenditures
11 and the source and amount of all funding received or
12 anticipated to be received.
13 (4) The commencement date of the qualified rehabilitation
14 project, which shall not be later than the end of the fiscal
15 year in which the agreement is entered into.
16 (5) The completion date of the qualified rehabilitation
17 project, which shall be within thirty-six months of the
18 commencement date.
19 4. *Compliance.*
20 *a.* The eligible taxpayer shall, for the length of the
21 agreement, annually certify to the department compliance with
22 the requirements of the agreement. The certification shall
23 be made at such time as the department shall determine in the
24 agreement.
25 *b.* The eligible taxpayer shall have the burden of proof
26 to demonstrate to the department that all requirements of
27 the agreement are satisfied. The taxpayer shall notify
28 the department in a timely manner of any changes in the
29 qualification of the rehabilitation project or in the
30 eligibility of the taxpayer to claim the tax credit provided
31 under this chapter, or of any other change that may have
32 a negative impact on the eligible taxpayer's ability to
33 successfully complete any requirement under the agreement.
34 *c.* If after entering into the agreement the eligible
35 taxpayer or the qualified rehabilitation project no longer

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1 meets the requirements of the agreement, the department may
2 find the taxpayer in default under the agreement and may
3 revoke the tax credit award. The department of revenue,
4 upon notification by the department of a default, shall seek
5 repayment of the value of any such tax credit already claimed,
6 and the failure to make such a repayment may be treated by the
7 department of revenue in the same manner as a failure to pay
8 the tax shown due or required to be shown due with the filing of
9 a return or deposit form.
10 5. *Audit.*
11 *a.* Upon completion of the qualified rehabilitation project,
12 an audit of the project completed by an independent certified
13 public accountant licensed in this state shall be submitted to
14 the department along with a statement of the amount of final
15 qualified rehabilitation expenditures and any other information
16 deemed necessary by the department or the department of revenue
17 in order to verify that all requirements of the agreement have
18 been satisfied.
19 *b.* Notwithstanding paragraph *"a"*, the department may waive
20 the audit requirement in this subsection if all the following
21 requirements are satisfied:
22 (1) The final qualified rehabilitation expenditures of
23 the qualified rehabilitation project, as verified by the
24 department, do not exceed one hundred thousand dollars.
25 (2) The qualified rehabilitation project is funded
26 exclusively by private funding sources.
27 *c.* Upon review of the audit, if applicable, the department
28 shall verify that all requirements of the agreement have been
29 satisfied and shall verify the amount of final qualified
30 rehabilitation expenditures. After consultation with the
31 department of revenue, the department may issue a tax credit
32 certificate to the eligible taxpayer stating the amount of tax
33 credit under section 404A.2 the eligible taxpayer may claim.
34 The department shall issue the tax credit certificate not later
35 than 60 days following the completion of the audit review, if

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1 applicable, and the verifications and consultation required
2 under this paragraph.
3 6. Notwithstanding any other provision of this chapter to
4 the contrary, the amount of tax credit issued on a tax credit
5 certificate to an eligible taxpayer shall not exceed the amount
6 of tax credit award provided for in the agreement.
7 Sec. 5. Section 404A.4, Code 2014, is amended by striking
8 the section and inserting in lieu thereof the following:
9 **404A.4 Aggregate tax credit award limit.**
10 1. Except as provided in subsections 2 and 3, the department
11 shall not award in any one fiscal year an amount of tax credits
12 provided in section 404A.2 in excess of forty-five million
13 dollars.
14 2. *a.* The amount of a tax credit that is awarded during
15 a fiscal year beginning on or after July 1, 2016, and that is
16 irrevocably declined or revoked on or before June 30 of the
17 next fiscal year may be awarded under section 404A.3 during the
18 fiscal year in which the declination or revocation occurs.
19 *b.* The amount of a tax credit that was reserved prior to
20 the effective date of this Act under section 404A.4, Code 2014,
21 for use in a fiscal year beginning before July 1, 2016, that
22 is irrevocably declined or revoked on or after the effective
23 date of this Act, but before July 1, 2016, may be awarded under
24 section 404A.3 during the fiscal year in which such declination
25 or revocation occurs. Such tax credits awarded shall not be
26 claimed by a taxpayer in a fiscal year that is earlier than the
27 fiscal year for which the tax credits were originally reserved.
28 *c.* The amount of a tax credit that was available for
29 approval by the state historical preservation office of the
30 department under section 404A.4, Code 2014, in a fiscal year
31 beginning on or after July 1, 2010, but before July 1, 2014,
32 that was required to be allocated to new projects with final
33 qualified rehabilitation costs of five hundred thousand dollars
34 or less, or seven hundred fifty thousand dollars or less, as
35 the case may be, and that was not finally approved by the state

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1 historical preservation office, may be awarded under section
2 404A.3 during the fiscal years beginning on or after July 1,
3 2014, but before July 1, 2016.
4 *d.* Tax credits awarded pursuant to this subsection shall
5 not be considered for purposes of calculating the aggregate tax
6 credit award limit in subsection 1.
7 3. *a.* If during the fiscal year beginning July 1, 2016, or
8 any fiscal year thereafter, the department awards an amount of
9 tax credits that is less than the maximum aggregate tax credit
10 award limit specified in subsection 1, the difference between
11 the amount so awarded and the amount specified in subsection 1,
12 not to exceed ten percent of the amount specified in subsection
13 1, may be carried forward to the succeeding fiscal year and
14 awarded during that fiscal year.
15 *b.* Tax credits awarded pursuant to this subsection shall
16 not be considered for purposes of calculating the aggregate tax
17 credit award limit in subsection 1.
18 Sec. 6. Section 404A.5, Code 2014, is amended to read as
19 follows:
20 **404A.5 Economic impact — recommendations.**
21 1. The department ~~of cultural affairs~~, in consultation with
22 the department of revenue, shall be responsible for keeping
23 the general assembly and the legislative services agency
24 informed on the overall economic impact to the state of ~~the~~
25 ~~rehabilitation of eligible properties~~ qualified rehabilitation
26 projects.
27 2. An annual report shall be filed which shall include
28 but is not limited to data on the number and potential value
29 of qualified rehabilitation projects begun during the latest
30 twelve-month period, the total historic preservation and
31 cultural and entertainment district tax credits originally
32 ~~granted~~ awarded or tax credit certificates originally issued
33 during that period, the potential reduction in state tax
34 revenues as a result of all awarded or issued tax credits still
35 ~~unused~~ unclaimed and eligible for refund, and the potential

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1 increase in local property tax revenues as a result of the
2 qualified rehabilitated projects.
3 3. The department ~~of cultural affairs~~, to the extent it
4 is able, shall provide recommendations on whether ~~a~~ the limit
5 on tax credits should be ~~established~~ changed, the need for a
6 broader or more restrictive definition of ~~eligible property~~
7 qualified rehabilitation project, and other adjustments to the
8 tax credits under this chapter.
9 Sec. 7. NEW SECTION. **404A.6 Rules.**
10 The department and the department of revenue shall each
11 adopt rules to jointly administer this chapter.
12 Sec. 8. Section 422.11D, Code 2014, is amended by striking
13 the section and inserting in lieu thereof the following:
14 **422.11D Historic preservation and cultural and entertainment**
15 **district tax credit.**
16 The taxes imposed under this division, less the credits
17 allowed under section 422.12, shall be reduced by a historic
18 preservation and cultural and entertainment district tax credit
19 allowed under section 404A.2.
20 Sec. 9. Section 422.33, subsection 10, Code 2014, is amended
21 by striking the subsection and inserting in lieu thereof the
22 following:
23 10. The taxes imposed under this division shall be reduced
24 by a historic preservation and cultural and entertainment
25 district tax credit allowed under section 404A.2.
26 Sec. 10. Section 422.60, subsection 4, Code 2014, is amended
27 by striking the subsection and inserting in lieu thereof the
28 following:
29 4. The taxes imposed under this division shall be reduced by
30 a historic preservation and cultural and entertainment district
31 tax credit allowed under section 404A.2.
32 Sec. 11. Section 432.12A, Code 2014, is amended by striking
33 the section and inserting in lieu thereof the following:
34 **432.12A Historic preservation and cultural and entertainment**
35 **district tax credit.**

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1 The taxes imposed under this chapter shall be reduced by a
2 historic preservation and cultural and entertainment district
3 tax credit allowed under section 404A.2.
4 Sec. 12. APPLICABILITY. Unless otherwise provided in
5 this Act, this Act applies to agreements entered into by the
6 department and an eligible taxpayer on or after the effective
7 date of this Act, and rehabilitation projects for which a
8 project application was approved and tax credits reserved prior
9 to the effective date of this Act shall be governed by sections
10 404A.1 through 404A.5, Code 2014.
11 EXPLANATION
12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.
14 This bill changes the historic preservation and cultural
15 and entertainment district tax credit program (program)
16 administered pursuant to Code chapter 404A.
17 Under current law, a taxpayer may receive a tax credit in
18 an amount equal to 25 percent of the qualified rehabilitation
19 costs incurred in rehabilitating properties eligible to be
20 listed on the national register of historic places, historic
21 properties in areas eligible to be designated local historic
22 districts, local landmarks, or barns constructed prior to 1937.
23 The credit is available against the individual and corporate
24 income tax, the franchise tax, and the insurance companies
25 tax. To be eligible for the tax credit, the rehabilitation
26 costs must exceed certain threshold amounts depending on the
27 type of property involved. The aggregate amount of tax credits
28 that may be approved per fiscal year is $45 million, a certain
29 amount of which is required to be allocated between projects
30 with final qualified rehabilitation costs of $750,000 or less,
31 projects located in certified cultural and entertainment
32 districts or associated with Iowa great places agreements,
33 disaster recovery projects, and projects that involve the
34 creation of more than 500 new permanent jobs.
35 Under current law, a taxpayer is also required to

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1 apply to and receive approval from the state historic
2 preservation office of the department of cultural affairs for a
3 rehabilitation project. The project must meet the statutory
4 requirements and the criteria established in administrative
5 rules by the historic preservation office. Tax credits
6 for an approved rehabilitation project may be reserved by a
7 taxpayer for up to three years, but such reservations shall not
8 exceed an aggregate of $45 million per fiscal year. Approved
9 rehabilitation projects must be started and completed within
10 a certain time period. Upon completion of the rehabilitation
11 project a certificate of completion is obtained from the state
12 historic preservation office and a tax credit certificate is
13 issued. Tax credits are refundable and may be transferred to
14 another person.
15 Under the bill, an eligible taxpayer may receive a tax
16 credit not to exceed 25 percent of the qualified rehabilitation
17 expenditures of a qualified rehabilitation project.
18 A "qualified rehabilitation project" is defined in the bill
19 as a project for the rehabilitation of property that meets
20 three requirements. First, it must be property listed on the
21 national register of historic places, historic property in an
22 area eligible to be designated a local historic district, a
23 local landmark, or a barn constructed prior to 1937. Second,
24 the property must meet the physical criteria and standards
25 for rehabilitation established by the department of cultural
26 affairs (department) by administrative rule. To the extent
27 applicable, such criteria and standards are required to be
28 consistent with United States secretary of the interior's
29 standards for rehabilitation. Third, the project must have
30 qualified rehabilitation expenditures that, in the case of
31 commercial property, equal or exceed the lesser of at least
32 $50,000 or 50 percent of the assessed value of the property,
33 excluding the land, prior to rehabilitation; or in the case of
34 all other property, must equal the lesser of at least $25,000
35 or 25 percent of the assessed value, excluding the land, prior

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1 to rehabilitation.
2 "Qualified rehabilitation expenditures" means the same as
3 defined in section 47 of the Internal Revenue Code (IRC).
4 However, the bill provides that if the eligible taxpayer is
5 a nonprofit corporation, an expenditure will be considered a
6 "qualified rehabilitation expenditure" if it is one made for
7 structural components, as defined in 26 C.F.R. §1.48-1(e)(2),
8 or if it is an architectural or engineering fee, site survey
9 fee, legal expense, insurance premium, or development
10 fee. "Qualified rehabilitation expenditures" may include
11 expenditures incurred prior to the date the agreement is
12 entered into by the eligible taxpayer and the department, but
13 excludes expenditures financed by federal, state, or local
14 government grants, forgivable loans, or other forms of public
15 financial assistance that do not require repayment. "Eligible
16 taxpayer" and "nonprofit corporation" are both defined in the
17 bill.
18 Under the bill, an eligible taxpayer seeking the tax credit
19 must apply to the department. The department may prescribe
20 the timing, form, content, and method of application, and may
21 also establish criteria for the use of electronic or other
22 alternative filing methods for applications, documents, or
23 payments. The application must contain certain information as
24 specified in the bill and the taxpayer making the application
25 has the burden of proof to demonstrate eligibility under the
26 program. The department is allowed to charge application or
27 other fees based on the costs of the department associated with
28 the program.
29 If the project in the application meets the definition of a
30 qualified rehabilitation project, the department may register
31 it under the program. The bill requires the department to
32 notify the eligible taxpayer of successful registration under
33 the program and of the amount of tax credits for which the
34 project has received a tentative award.
35 The bill requires the agreement to cover a number of

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1 provisions, including the amount of the tax credit award,
2 the rehabilitation work to be performed, the budget of
3 the qualified rehabilitation project, and the project's
4 commencement and completion dates. The commencement date shall
5 not be later than the end of the fiscal year in which the
6 agreement is entered into, and the completion date, which is
7 the date the property is placed in service, must be within 36
8 months of the commencement date. The agreement shall provide
9 that an eligible taxpayer has no right to receive a tax credit
10 certificate or claim a tax credit until all requirements of the
11 agreement and the program have been satisfied, and that the
12 amount of tax credit included on a tax credit certificate shall
13 be contingent upon verification by the department of the amount
14 of final qualified rehabilitation expenditures. The program
15 requires that the eligible taxpayer annually certify to the
16 department the eligible taxpayer's continuing compliance with
17 the agreement, and timely notify the department of any changes
18 that may negatively impact eligibility under the program. The
19 eligible taxpayer will have the burden of proof to demonstrate
20 that all requirements of the agreement are satisfied. The
21 department may find the eligible taxpayer in default if any of
22 the requirements are not met, and may revoke the tax credit
23 award. Upon default, the department of revenue is required
24 to seek recovery of any tax credit claimed. Finally, upon
25 completion of the qualified rehabilitation project, the
26 program requires the eligible taxpayer to submit an audit of
27 the project from a certified public accountant licensed in
28 this state. The department is allowed to waive the audit
29 requirement if the final qualified rehabilitation expenditures
30 do not exceed $100,000 and the project is exclusively funded by
31 private funding sources.
32 After reviewing the audit, if applicable, the department
33 shall verify the final qualified rehabilitation expenditures
34 and that all requirements of the agreement were satisfied.
35 Following that, the department may issue within 60 days a tax

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1 credit certificate stating the amount of tax credit that may be
2 claimed, but such amount shall not exceed the amount of the tax
3 credit award provided for in the agreement.
4 The bill prohibits the department from awarding more
5 than $45 million in tax credits per fiscal year, with four
6 exceptions. First, any tax credit that is awarded during a
7 fiscal year beginning on or after July 1, 2016, and that is
8 irrevocably declined or revoked on or before June 30 of the
9 next fiscal year, may be awarded during the fiscal year in
10 which the declination or revocation occurs without regard to
11 the $45 million cap. Second, any tax credit that was reserved
12 under current law before the effective date of the bill for use
13 in a fiscal year beginning before July 1, 2016, and that is
14 irrevocably declined or revoked on or after the effective date
15 of the bill, but before July 1, 2016, may be awarded during
16 the fiscal year in which the declination or revocation occurs,
17 without regard to the $45 million cap. However, such credits
18 shall not be claimed before the fiscal year for which they were
19 originally reserved. Third, any amount of tax credit that
20 was available for approval under current law during fiscal
21 years 2010-2011, 2011-2012, 2012-2013, or 2013-2014, that was
22 required to be allocated to new projects with final qualified
23 rehabilitation costs of $500,000 or less, or $750,000 or less,
24 as the case may be, and that was not finally approved, may be
25 awarded during fiscal years 2014-2015 and 2015-2016 without
26 regard to the $45 million cap. Fourth, if the department
27 awards during fiscal year 2016-2017, or any fiscal year
28 thereafter, an amount of tax credits that is less than the $45
29 million cap, the department may carry forward the difference
30 between the amount so awarded and the $45 million cap, not to
31 exceed 10 percent of the cap, to the succeeding fiscal year
32 for award during that fiscal year, without regard to the $45
33 million cap.
34 The bill makes several technical changes to Code section
35 404A.5, which governs the department's reporting and

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1 recommendation duties, to reference qualified rehabilitation
2 projects and to properly reflect that tax credits will be
3 awarded instead of granted and tax credit certificates issued.
4 The bill requires the department and the department of
5 revenue to adopt rules to jointly administer the program.
6 Unless otherwise provided in the bill, the bill applies
7 to agreements entered into by the department and an eligible
8 taxpayer on or after the effective date of the bill, and
9 rehabilitation projects for which a project application was
10 approved and tax credits reserved prior to the effective date
11 of the bill shall be governed by current law.

House Study Bill 625 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON BALTIMORE)

A BILL FOR

1 An Act creating the Iowa uniform power of attorney Act and
2 providing penalties and including applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5082YC (4) 85
rh/rj

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1 Section 1. Section 144A.7, subsection 1, paragraph a, Code
2 2014, is amended to read as follows:
3 *a.* The attorney in fact designated to make treatment
4 decisions for the patient should such person be diagnosed as
5 suffering from a terminal condition, if the designation is in
6 writing and complies with chapter 144B ~~or section 633B.1~~.
7 Sec. 2. Section 231E.3, subsection 15, Code 2014, is amended
8 to read as follows:
9 15. *"Power of attorney"* means a durable power of attorney
10 for health care as defined in section 144B.1 or a power of
11 attorney ~~that becomes effective upon the disability of the~~
12 ~~principal as described in section 633B.1~~ executed pursuant to
13 chapter 633B.
14 Sec. 3. NEW SECTION. **633B.101 Title.**
15 This chapter shall be known and may be cited as the *"Iowa*
16 *Uniform Power of Attorney Act"*.
17 Sec. 4. NEW SECTION. **633B.102 Definitions.**
18 1. *"Agent"* means a person granted authority to act for a
19 principal under a power of attorney, whether denominated an
20 agent, attorney in fact, or otherwise. The term includes an
21 original agent, coagent, successor agent, and a person to which
22 an agent's authority is delegated.
23 2. *"Conservator"* or *"conservatorship"* means a conservator
24 appointed or conservatorship established pursuant to sections
25 633.570 and 633.572 or a similar provision of the laws of
26 another state.
27 3. *"Durable"*, with respect to a power of attorney, means not
28 terminated by the principal's incapacity.
29 4. *"Electronic"* means relating to technology having
30 electrical, digital, magnetic, wireless, optical,
31 electromagnetic, or similar capabilities.
32 5. *"Good faith"* means honesty in fact.
33 6. *"Guardian"* or *"guardianship"* means a guardian appointed
34 or a guardianship established pursuant to sections 633.556 and
35 633.560 or a similar provision of the laws of another state.

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1 7. *"Incapacity"* means the inability of an individual to
2 manage property or business affairs because the individual is
3 any of the following:
4 *a.* An individual whose decision-making capacity is so
5 impaired that the individual is unable to make, communicate,
6 or carry out important decisions concerning the individual's
7 financial affairs.
8 *b.* Detained or incarcerated in a penal system.
9 *c.* Outside the United States and unable to return.
10 8. *"Person"* means an individual, corporation, business
11 trust, estate, trust, partnership, limited liability company,
12 association, joint venture, public corporation, government or
13 governmental subdivision, agency, or instrumentality, or any
14 other legal or commercial entity.
15 9. *"Power of attorney"* means a writing that grants authority
16 to an agent to act in the place of the principal, whether or not
17 the term "power of attorney" is used.
18 10. *"Presently exercisable general power of appointment"*,
19 with respect to property or a property interest subject to
20 a power of appointment, means power exercisable at the time
21 in question to vest absolute ownership in the principal
22 individually, the principal's estate, the principal's
23 creditors, or the creditors of the principal's estate. The
24 term includes a power of appointment not exercisable until
25 the occurrence of a specified event, the satisfaction of an
26 ascertainable standard, or the passage of a specified period
27 of time only after the occurrence of the specified event, the
28 satisfaction of the ascertainable standard, or the passage of
29 the specified period of time. The term does not include a
30 power exercisable in a fiduciary capacity or only by will.
31 11. *"Principal"* means an individual who grants authority to
32 an agent in a power of attorney.
33 12. *"Property"* means anything that may be the subject of
34 ownership, whether real or personal, or legal or equitable, or
35 any interest or right therein.

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1 13. *"Record"* means information that is inscribed on a
2 tangible medium or that is stored in an electronic or other
3 medium and is retrievable in perceivable form.
4 14. *"Sign"* means, with present intent to authenticate or
5 adopt a record, to do any of the following:
6 *a.* Execute or adopt a tangible symbol.
7 *b.* Attach to or logically associate with the record an
8 electronic sound, symbol, or process.
9 15. *"State"* means a state of the United States, the District
10 of Columbia, Puerto Rico, the United States Virgin Islands, or
11 any territory or insular possession subject to the jurisdiction
12 of the United States.
13 16. *"Stocks and bonds"* means stocks, bonds, mutual funds,
14 and all other types of securities and financial instruments,
15 whether held directly, indirectly, or in any other manner. The
16 term does not include commodity futures contracts and call or
17 put options on stocks or stock indexes.
18 Sec. 5. NEW SECTION. **633B.103 Applicability.**
19 This chapter applies to all powers of attorney except for the
20 following:
21 1. A power to the extent it is coupled with an interest
22 of the agent in the subject of the power, including but not
23 limited to a power given to or for the benefit of a creditor in
24 connection with a credit transaction.
25 2. A power to make health care decisions.
26 3. A proxy or other delegation to exercise voting rights or
27 management rights with respect to an entity.
28 4. A power created on a form prescribed by a government
29 or governmental subdivision, agency, or instrumentality for a
30 governmental purpose.
31 Sec. 6. NEW SECTION. **633B.104 Durability of power of**
32 **attorney.**
33 A power of attorney created under this chapter is durable
34 unless the power of attorney expressly provides that it is
35 terminated by the incapacity of the principal.

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1 Sec. 7. NEW SECTION. **633B.105 Execution.**
2 A power of attorney must be signed by the principal or in
3 the principal's conscious presence by another individual, other
4 than any prospective agent, directed by the principal to sign
5 the principal's name on the power of attorney. A power of
6 attorney must be acknowledged before a notary public or other
7 individual authorized by law to take acknowledgments. An
8 agent named in the power of attorney shall not notarize the
9 principal's signature. An acknowledged signature on a power of
10 attorney is presumed to be genuine.
11 Sec. 8. NEW SECTION. **633B.106 Validity.**
12 1. A power of attorney executed in this state on or
13 after July 1, 2014, is valid if the execution of the power of
14 attorney complies with section 633B.105.
15 2. A power of attorney executed in this state before July
16 1, 2014, is valid if the execution of the power of attorney
17 complied with the law of this state as it existed at the time
18 of execution.
19 3. A power of attorney executed other than in this state
20 is valid in this state if, when the power of attorney was
21 executed, the execution complied with any of the following:
22 *a.* The law of the jurisdiction that determines the meaning
23 and effect of the power of attorney pursuant to section
24 633B.107.
25 *b.* The requirements for a military power of attorney
26 pursuant to 10 U.S.C. §1044b, as amended.
27 4. Except as otherwise provided by law, a photocopy or
28 electronically transmitted copy of an original power of
29 attorney has the same effect as the original.
30 Sec. 9. NEW SECTION. **633B.107 Meaning and effect.**
31 The meaning and effect of a power of attorney is determined
32 by the law of the jurisdiction indicated in the power of
33 attorney and, in the absence of an indication of jurisdiction,
34 by the law of the jurisdiction in which the power of attorney
35 was executed.

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1 Sec. 10. NEW SECTION. **633B.108 Nomination of conservator or**
2 **guardian — relation of agent to court-appointed fiduciary.**
3 1. Under a power of attorney, a principal may nominate
4 a conservator of the principal's estate or guardian of
5 the principal's person for consideration by the court if
6 proceedings for the principal's estate or person are begun
7 after the principal executes the power of attorney. Except
8 for good cause shown or disqualification, the court shall make
9 its appointment in accordance with the principal's most recent
10 nomination. This section does not prohibit an individual
11 from executing a petition for the voluntary appointment of a
12 guardian or conservator on a standby basis pursuant to sections
13 633.560 and 633.591.
14 2. If, after a principal executes a power of attorney,
15 a court appoints a conservator of the principal's estate or
16 other fiduciary charged with the management of some or all of
17 the principal's property, the power of attorney is suspended
18 unless the power of attorney provides otherwise or unless the
19 court appointing the conservator decides the power of attorney
20 should continue. If the power of attorney continues, the agent
21 is accountable to the fiduciary as well as to the principal.
22 The power of attorney shall be reinstated upon termination of
23 the conservatorship as a result of the principal regaining
24 capacity.
25 Sec. 11. NEW SECTION. **633B.109 When power of attorney**
26 **effective.**
27 1. A power of attorney is effective when executed unless
28 the principal provides in the power of attorney that it becomes
29 effective at a future date or upon the occurrence of a future
30 event or contingency.
31 2. If a power of attorney becomes effective upon the
32 occurrence of a future event or contingency, the principal,
33 in the power of attorney, may authorize one or more persons
34 to determine in a writing that the event or contingency has
35 occurred.

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1 3. If a power of attorney becomes effective upon the
2 principal's incapacity and the principal has not authorized
3 a person to determine whether the principal is incapacitated
4 or the person authorized is unable or unwilling to make the
5 determination, the power of attorney becomes effective upon
6 a determination in a writing by the occurrence of any of the
7 following:
8 *a.* A licensed physician or licensed psychologist determines
9 that the principal is incapacitated.
10 *b.* A judge, or an appropriate governmental official
11 determines that the principal is incapacitated.
12 4. A person authorized by the principal in the power of
13 attorney to determine that the principal is incapacitated may
14 act as the principal's personal representative pursuant to the
15 federal Health Insurance Portability and Accountability Act of
16 1996, Pub. L. No. 104-191, including amendments thereto and
17 regulations promulgated thereunder, to obtain access to the
18 principal's health care information and to communicate with the
19 principal's health care provider.
20 Sec. 12. NEW SECTION. **633B.110 Termination — power of**
21 **attorney or agent authority.**
22 1. A power of attorney terminates when any of the following
23 occur:
24 *a.* The principal dies.
25 *b.* The principal becomes incapacitated, if the power of
26 attorney is not durable.
27 *c.* The principal revokes the power of attorney.
28 *d.* The power of attorney provides that it terminates.
29 *e.* The purpose of the power of attorney is accomplished.
30 *f.* The principal revokes the agent's authority or the agent
31 dies, becomes incapacitated, or resigns, and the power of
32 attorney does not provide for another agent to act under the
33 power of attorney.
34 2. An agent's authority terminates when any of the following
35 occur:

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1 *a.* The principal revokes the authority.
2 *b.* The agent dies, becomes incapacitated, or resigns.
3 *c.* An action is filed for the dissolution or annulment
4 of the agent's marriage to the principal or for their legal
5 separation, unless the power of attorney otherwise provides.
6 *d.* The power of attorney terminates.
7 3. Unless the power of attorney otherwise provides, an
8 agent's authority is exercisable until the agent's authority
9 terminates under subsection 2, notwithstanding a lapse of time
10 since the execution of the power of attorney.
11 4. Termination of a power of attorney or an agent's
12 authority under this section is not effective as to the
13 agent or another person that, without actual knowledge of the
14 termination, acts in good faith under the power of attorney.
15 An act so performed, unless otherwise invalid or unenforceable,
16 binds the principal and the principal's successors in interest.
17 5. Incapacity of the principal of a power of attorney
18 that is not durable does not revoke or terminate the power of
19 attorney as to an agent or other person that, without actual
20 knowledge of the incapacity, acts in good faith under the power
21 of attorney. An act so performed, unless otherwise invalid
22 or unenforceable, binds the principal and the principal's
23 successors in interest.
24 6. Except as provided in section 633B.103, the execution of
25 a general or plenary power of attorney revokes all general or
26 plenary powers of attorney previously executed in this state by
27 the principal, but does not revoke a power of attorney limited
28 to a specific and identifiable action or transaction, which
29 action or transaction is still capable of performance but has
30 not yet been fully accomplished by the agent.
31 Sec. 13. NEW SECTION. **633B.111 Coagents and successor**
32 **agents.**
33 1. A principal may designate two or more persons to act as
34 coagents. Unless the power of attorney otherwise provides, all
35 of the following apply to actions of coagents:

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1 *a.* A power held by coagents shall be exercised by majority
2 action.
3 *b.* If impasse occurs due to the failure to reach a majority
4 decision, any agent may petition the court to decide the issue,
5 or a majority of the agents may consent to an alternative form
6 of dispute resolution.
7 *c.* If one or more agents resigns or becomes unable to act,
8 the remaining coagents may act.
9 2. A principal may designate one or more successor agents
10 to act if an agent resigns, dies, becomes incapacitated, is
11 not qualified to serve, or declines to serve. A principal may
12 grant authority to designate one or more successor agents to an
13 agent or other person designated by name, office, or function.
14 Unless the power of attorney otherwise provides, a successor
15 agent:
16 *a.* Has the same authority as that granted to the original
17 agent.
18 *b.* Shall not act until all predecessor agents have resigned,
19 died, become incapacitated, are no longer qualified to serve,
20 or have declined to serve.
21 3. Except as otherwise provided in the power of attorney
22 and subsection 4, an agent that does not participate in or
23 conceal a breach of fiduciary duty committed by another agent,
24 including a predecessor agent, is not liable for the actions
25 of the other agent.
26 4. An agent with actual knowledge of a breach or imminent
27 breach of fiduciary duty by another agent shall notify the
28 principal and, if the principal is incapacitated, take any
29 action reasonably appropriate in the circumstances to safeguard
30 the principal's best interest. An agent that fails to notify
31 the principal or take action as required by this subsection is
32 liable for the reasonably foreseeable damages that could have
33 been avoided if the agent had notified the principal or taken
34 such action.
35 Sec. 14. NEW SECTION. **633B.112 Reimbursement and**

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1 **compensation of agent.**
2 Unless the power of attorney otherwise provides, an
3 agent who is an individual is entitled to reimbursement of
4 expenses reasonably incurred on behalf of the principal but
5 not to compensation. If a power of attorney does provide
6 for compensation or if the agent is a bank or trust company
7 authorized to administer trusts in Iowa, the compensation must
8 be reasonable under the circumstances.
9 Sec. 15. NEW SECTION. **633B.113 Agent's acceptance.**
10 Except as otherwise provided in the power of attorney,
11 a person accepts appointment as an agent under a power of
12 attorney by exercising authority or performing duties as
13 an agent or by any other assertion or conduct indicating
14 acceptance.
15 Sec. 16. NEW SECTION. **633B.114 Agent's duties.**
16 1. Notwithstanding provisions in the power of attorney, an
17 agent that has accepted appointment shall act in conformity
18 with all of the following:
19 *a.* In accordance with the principal's reasonable
20 expectations to the extent actually known by the agent and
21 otherwise in the principal's best interest.
22 *b.* In good faith.
23 *c.* Only within the scope of authority granted in the power
24 of attorney.
25 2. Except as otherwise provided in the power of attorney,
26 an agent that has accepted appointment shall do all of the
27 following:
28 *a.* Act loyally for the principal's benefit.
29 *b.* Act so as not to create a conflict of interest that
30 impairs the agent's ability to act impartially in the
31 principal's best interest.
32 *c.* Act with the care, competence, and diligence ordinarily
33 exercised by agents in similar circumstances.
34 *d.* Keep a record of all receipts, disbursements, and
35 transactions made on behalf of the principal.

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1 *e.* Cooperate with a person that has authority to make health
2 care decisions for the principal to carry out the principal's
3 reasonable expectations to the extent actually known by the
4 agent and, otherwise, act in the principal's best interest.
5 *f.* Attempt to preserve the principal's estate plan, to the
6 extent actually known by the agent, if preserving the plan is
7 consistent with the principal's best interest based upon all
8 relevant factors, including all of the following:
9 (1) The value and nature of the principal's property.
10 (2) The principal's foreseeable obligations and need for
11 maintenance.
12 (3) Minimization of the principal's taxes, including
13 income, estate, inheritance, generation-skipping transfer, and
14 gift taxes.
15 (4) The principal's eligibility for a benefit, a program, or
16 assistance under a statute or regulation or contract.
17 3. An agent that acts in good faith is not liable to any
18 beneficiary under the principal's estate plan for failure to
19 preserve the plan.
20 4. An agent that acts with care, competence, and diligence
21 for the best interest of the principal is not liable solely
22 because the agent also benefits from the act or has an
23 individual or conflicting interest in relation to the property
24 or affairs of the principal.
25 5. If an agent is selected by the principal because of
26 special skills or expertise possessed by the agent or in
27 reliance on the agent's representation that the agent has
28 special skills or expertise, the special skills or expertise
29 shall be considered in determining whether the agent has acted
30 with care, competence, and diligence under the circumstances.
31 6. Absent a breach of duty to the principal, an agent is not
32 liable if the value of the principal's property declines.
33 7. An agent that exercises authority to delegate to another
34 person the authority granted by the principal or that engages
35 another person on behalf of the principal is not liable for an

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1 act, error of judgment, or default of that person if the agent
2 exercises care, competence, and diligence in selecting and
3 monitoring the person.
4 8. Except as otherwise provided in the power of attorney,
5 an agent is not required to disclose receipts, disbursements,
6 or transactions conducted on behalf of the principal
7 unless ordered by a court or requested by the principal, a
8 conservator, another fiduciary acting for the principal, a
9 governmental agency having authority to protect the welfare
10 of the principal, or, upon the death of the principal, by
11 the personal representative or a successor in interest of
12 the principal's estate. If an agent receives a request
13 to disclose such information, the agent shall comply with
14 the request within thirty days of the request or provide a
15 writing substantiating why additional time is necessary. Such
16 additional time shall not exceed thirty days.
17 Sec. 17. NEW SECTION. **633B.115 Exoneration of agent.**
18 A provision in a power of attorney relieving an agent of
19 liability for breach of duty is binding on the principal and
20 the principal's successors in interest except to the extent the
21 provision does any of the following:
22 1. Relieves the agent of liability for a breach of duty
23 committed in bad faith, with an improper motive, or with
24 reckless indifference to the purposes of the power of attorney
25 or the best interest of the principal.
26 2. Was included in the power of attorney as a result of
27 an abuse of a confidential or fiduciary relationship with the
28 principal.
29 Sec. 18. NEW SECTION. **633B.116 Judicial relief.**
30 1. The following persons may petition a court to construe a
31 power of attorney or to review an agent's conduct:
32 *a.* The principal or the agent.
33 *b.* A guardian, conservator, or other fiduciary acting for
34 the principal.
35 *c.* A person authorized to make health care decisions for the

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1 principal.
2 *d.* The principal's spouse, parent, or descendant or an
3 individual who would qualify as a presumptive heir of the
4 principal.
5 *e.* A person named as a beneficiary to receive any property,
6 benefit, or contractual right upon the principal's death or as
7 a beneficiary of a trust created by or for the principal that
8 has a financial interest in the principal's estate.
9 *f.* A governmental agency having regulatory authority to
10 protect the welfare of the principal.
11 *g.* The principal's caregiver or another person that
12 demonstrates sufficient interest in the principal's welfare.
13 *h.* A person asked to accept the power of attorney.
14 *i.* A person designated by the principal in the power of
15 attorney.
16 2. Upon motion to dismiss by the principal, the court shall
17 dismiss a petition filed under this section unless the court
18 finds that the principal lacks the capacity to revoke the
19 agent's authority or the power of attorney.
20 3. The court may award reasonable attorney fees and costs to
21 the prevailing party in a proceeding under this section.
22 Sec. 19. NEW SECTION. **633B.117 Agent's liability.**
23 An agent that violates this chapter is liable to the
24 principal or the principal's successors in interest for the
25 amount required to do both of the following:
26 1. Restore the value of the principal's property to what it
27 would have been had the violation not occurred.
28 2. Reimburse the principal or the principal's successors
29 in interest for attorney fees and costs paid on the agent's
30 behalf.
31 Sec. 20. NEW SECTION. **633B.118 Agent's resignation —
32 notice.**
33 Unless the power of attorney provides for a different method
34 for an agent's resignation, an agent may resign by giving
35 notice to the principal and, if the principal is incapacitated,

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1 to any of the following:
2 1. The conservator or guardian, if a conservator or guardian
3 has been appointed for the principal, and any coagent or
4 successor agent.
5 2. If there is no conservator, guardian, or coagent or
6 successor agent, the agent may give notice to any of the
7 following:
8 *a.* The principal's caregiver.
9 *b.* Any other person reasonably believed by the agent to have
10 sufficient interest in the principal's welfare.
11 *c.* A governmental agency having regulatory authority to
12 protect the welfare of the principal.
13 Sec. 21. NEW SECTION. **633B.119 Acknowledged power of**
14 **attorney — acceptance and reliance.**
15 1. For purposes of this section and section 633B.120,
16 *"acknowledged"* means purportedly verified before a notary public
17 or other individual authorized by law to take acknowledgments.
18 2. A person that in good faith accepts an acknowledged power
19 of attorney without actual knowledge that the signature is not
20 genuine may rely upon the presumption under section 633B.105
21 that the signature is genuine.
22 3. A person that in good faith accepts an acknowledged power
23 of attorney without actual knowledge that the power of attorney
24 is void, invalid, or terminated, that the purported agent's
25 authority is void, invalid, or terminated, or that the agent is
26 exceeding or improperly exercising the agent's authority may
27 rely upon the power of attorney as if the power of attorney
28 were genuine, valid, and still in effect, the agent's authority
29 were genuine, valid, and still in effect, and the agent had not
30 exceeded and had not improperly exercised the authority.
31 4. A person that is asked to accept an acknowledged power
32 of attorney may request, and rely upon, all of the following
33 without further investigation:
34 *a.* An agent's certification under penalty of perjury of any
35 factual matter concerning the principal, agent, or power of

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1 attorney in substantially the same form as set out in section
2 633B.302.
3 *b.* An English translation of the power of attorney if the
4 power of attorney contains, in whole or in part, language other
5 than English.
6 *c.* An opinion of agent's counsel as to any matter of law
7 concerning the power of attorney if the person making the
8 request provides the reason for the request in a writing.
9 5. An English translation or an opinion of counsel requested
10 under this section shall be provided at the principal's expense
11 unless the request is made more than ten business days after
12 the power of attorney is presented for acceptance.
13 6. For purposes of this section and section 633B.120, a
14 person who conducts activities through an employee is without
15 actual knowledge of a fact relating to a power of attorney,
16 a principal, or an agent if the employee conducting the
17 transaction involving the power of attorney is without actual
18 knowledge of the fact.
19 Sec. 22. NEW SECTION. **633B.120 Refusal to accept**
20 **acknowledged power of attorney — liability.**
21 1. Except as otherwise provided in subsection 2, all of
22 the following shall apply to a person's actions regarding an
23 acknowledged power of attorney:
24 *a.* A person shall either accept an acknowledged power of
25 attorney or request a certification, a translation, or an
26 opinion of counsel under section 633B.119, subsection 4, no
27 later than seven business days after presentation of the power
28 of attorney for acceptance.
29 *b.* If a person requests a certification, a translation, or
30 an opinion of counsel under section 633B.199, subsection 4, the
31 person shall accept the power of attorney no later than five
32 business days after receipt of the certification, translation,
33 or opinion of counsel.
34 2. A person is not required to accept an acknowledged power
35 of attorney if any of the following occur:

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1 *a.* The person is not otherwise required to engage in a
2 transaction with the principal in the same circumstances.
3 *b.* Engaging in a transaction with the agent or the principal
4 in the same circumstances would be inconsistent with federal
5 law.
6 *c.* The person has actual knowledge of the termination of the
7 agent's authority or of the power of attorney before exercise
8 of the power.
9 *d.* A request for a certification, a translation, or an
10 opinion of counsel under section 633B.119, subsection 4, is
11 refused.
12 *e.* The person in good faith believes that the power is
13 not valid or that the agent does not have the authority to
14 perform the act requested, whether or not a certification, a
15 translation, or an opinion of counsel under section 633B.119,
16 subsection 4, has been requested or provided.
17 *f.* The person makes, or has actual knowledge that another
18 person has made, a report to the department of human services
19 stating a good-faith belief that the principal may be subject
20 to physical or financial abuse, neglect, exploitation, or
21 abandonment by the agent or a person acting for or with the
22 agent.
23 3. A person that refuses to accept an acknowledged power of
24 attorney in violation of this section is subject to both of the
25 following:
26 *a.* A court order mandating acceptance of the power of
27 attorney.
28 *b.* Liability for damages sustained by the principal for
29 reasonable attorney fees and costs incurred in any action or
30 proceeding that confirms the validity of the power of attorney
31 or mandates acceptance of the power of attorney, provided that
32 any such action must be brought within one year of the initial
33 request for acceptance of the power of attorney.
34 Sec. 23. NEW SECTION. **633B.121 Principles of law and**
35 **equity.**

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1 Unless displaced by a provision of this chapter, the
2 principles of law and equity supplement this chapter.
3 Sec. 24. NEW SECTION. **633B.122 Laws applicable to financial**
4 **institutions and entities.**
5 This chapter does not supersede any other law applicable to
6 financial institutions or other entities, and the other law
7 controls if inconsistent with this chapter.
8 Sec. 25. NEW SECTION. **633B.123 Remedies under other law.**
9 The remedies under this chapter are not exclusive and do not
10 abrogate any right or remedy under the law of this state other
11 than this chapter.
12 Sec. 26. NEW SECTION. **633B.201 Authority — specific and**
13 **general.**
14 1. An agent under a power of attorney may do any of the
15 following on behalf of the principal or with the principal's
16 property only if the power of attorney expressly grants the
17 agent the authority and the exercise of the authority is not
18 otherwise prohibited by another agreement or instrument to
19 which the authority or property is subject:
20 *a.* Create, amend, revoke, or terminate an inter vivos trust.
21 *b.* Make a gift.
22 *c.* Create or change rights of survivorship.
23 *d.* Create or change a beneficiary designation.
24 *e.* Delegate authority granted under the power of attorney.
25 *f.* Waive the principal's right to be a beneficiary of a
26 joint and survivor annuity, including but not limited to a
27 survivor benefit under a retirement plan.
28 *g.* Exercise fiduciary powers that the principal has
29 authority to delegate.
30 *h.* Disclaim property, including but not limited to a power
31 of appointment.
32 2. Notwithstanding a grant of authority to do an act
33 described in subsection 1, unless the power of attorney
34 otherwise provides, an agent that is not an ancestor, spouse,
35 or descendant of the principal shall not exercise authority

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1 under a power of attorney to create in the agent, or in an
2 individual to whom the agent owes a legal obligation of
3 support, an interest in the principal's property, whether
4 by gift, right of survivorship, beneficiary designation,
5 disclaimer, or otherwise.
6 3. Subject to subsections 1, 2, 4, and 5, if a power
7 of attorney grants an agent authority to do all acts that
8 a principal could do, the agent has the general authority
9 described in sections 633B.204 through 633B.216.
10 4. Unless the power of attorney otherwise provides, a grant
11 of authority to make a gift is subject to section 633B.217.
12 5. Subject to subsections 1, 2, and 4, if the subjects over
13 which authority is granted in a power of attorney are similar
14 or overlap, the broadest authority controls.
15 6. Authority granted in a power of attorney is exercisable
16 with respect to property that the principal has when the power
17 of attorney is executed or acquires later, whether or not
18 the property is located in this state and whether or not the
19 authority is exercised or the power of attorney is executed in
20 this state.
21 7. An act performed by an agent pursuant to a power of
22 attorney has the same effect and inures to the benefit of and
23 binds the principal and the principal's successors in interest
24 as if the principal had performed the act.
25 Sec. 27. NEW SECTION. **633B.202 Incorporation of authority.**
26 1. An agent has authority described in this chapter if the
27 power of attorney refers to general authority with respect
28 to the descriptive term for the subjects stated in sections
29 633B.204 through 633B.217 or cites the section in which the
30 authority is described.
31 2. A reference in a power of attorney to general authority
32 with respect to the descriptive term for a subject stated in
33 sections 633B.204 through 633B.217 or a citation to a section
34 in sections 633B.204 through 633B.217 incorporates the entire
35 section as if it were set out in full in the power of attorney.

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1 3. A principal may modify authority incorporated by
2 reference.
3 Sec. 28. NEW SECTION. **633B.203 Construction of authority**
4 **generally.**
5 Except as otherwise provided in the power of attorney, by
6 executing a power of attorney that incorporates by reference a
7 subject described in sections 633B.204 through 633B.217 or that
8 grants an agent authority to do all acts that a principal could
9 do pursuant to section 633B.201, subsection 3, a principal
10 authorizes the agent, with respect to that subject, to do all
11 of the following:
12 1. Demand, receive, and obtain by litigation or otherwise,
13 money or another thing of value to which the principal is,
14 may become, or claims to be entitled, and conserve, invest,
15 disburse, or use anything so received or obtained for the
16 purposes intended.
17 2. Contract in any manner with any person, on terms
18 agreeable to the agent, to accomplish a purpose of a
19 transaction and perform, rescind, cancel, terminate, reform,
20 restate, release, or modify the contract or another contract
21 made by or on behalf of the principal.
22 3. Execute, acknowledge, seal, deliver, file, or record
23 any instrument or communication the agent considers desirable
24 to accomplish a purpose of a transaction, including but not
25 limited to creating at any time a schedule listing some or all
26 of the principal's property and attaching the instrument of
27 communication to the power of attorney.
28 4. Initiate, participate in, submit to alternative dispute
29 resolution, settle, oppose, or propose or accept a compromise
30 with respect to a claim existing in favor of or against the
31 principal or intervene in litigation relating to the claim.
32 5. Seek on the principal's behalf the assistance of a court
33 or other governmental agency to carry out an act authorized in
34 the power of attorney.
35 6. Engage, compensate, and discharge an attorney,

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1 accountant, discretionary investment manager, expert witness,
2 or other advisor.
3 7. Prepare, execute, and file a record, report, or other
4 document to safeguard or promote the principal's interest under
5 a statute, rule, or regulation.
6 8. Communicate with any representative or employee
7 of a government or governmental subdivision, agency, or
8 instrumentality, on behalf of the principal.
9 9. Access communications intended for, and communicate
10 on behalf of the principal, whether by mail, electronic
11 transmission, telephone, or other means.
12 10. Do any lawful act with respect to the subject and all
13 property related to the subject.
14 Sec. 29. NEW SECTION. **633B.204 Real property.**
15 Unless the power of attorney otherwise provides and subject
16 to section 633B.201, language in a power of attorney granting
17 general authority with respect to real property authorizes the
18 agent to do all of the following:
19 1. Demand, buy, lease, receive, accept as a gift or as
20 security for an extension of credit, or otherwise acquire or
21 reject an interest in real property or a right incident to real
22 property.
23 2. Sell; exchange; convey with or without covenants,
24 representations, or warranties; quitclaim; release; surrender;
25 retain title for security; encumber; partition; consent to
26 partitioning; be subject to an easement or covenant; subdivide;
27 apply for zoning or other governmental permits; plat or consent
28 to platting; develop; grant an option concerning; lease;
29 sublease; contribute to an entity in exchange for an interest
30 in that entity; or otherwise grant or dispose of an interest in
31 real property or a right incident to real property.
32 3. Pledge or mortgage an interest in real property or right
33 incident to real property as security to borrow money or pay,
34 renew, or extend the time of payment of a debt of the principal
35 or a debt guaranteed by the principal.

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1 4. Release, assign, satisfy, or enforce by litigation
2 or otherwise, a mortgage, deed of trust, conditional sale
3 contract, encumbrance, lien, or other claim to real property
4 which exists or is asserted.
5 5. Manage or conserve an interest in real property or a
6 right incident to real property owned or claimed to be owned
7 by the principal, including but not limited to by doing all of
8 the following:
9 *a.* Insuring against liability or casualty or other loss.
10 *b.* Obtaining or regaining possession of or protecting the
11 interest or right by litigation or otherwise.
12 *c.* Paying, assessing, compromising, or contesting taxes or
13 assessments or applying for and receiving refunds in connection
14 with them.
15 *d.* Purchasing supplies, hiring assistance or labor, and
16 making repairs or alterations to the real property.
17 6. Use, develop, alter, replace, remove, erect, or install
18 structures or other improvements upon real property in or
19 incident to which the principal has, or claims to have, an
20 interest or right.
21 7. Participate in a reorganization with respect to real
22 property or an entity that owns an interest in or a right
23 incident to real property and receive, hold, and act with
24 respect to stocks and bonds or other property received in
25 a plan of reorganization, including by doing any of the
26 following:
27 *a.* By selling or otherwise disposing of the stocks, bonds,
28 or other property.
29 *b.* By exercising or selling an option, right of conversion,
30 or similar right.
31 *c.* By exercising any voting rights in person or by proxy.
32 8. Change the form of title of an interest in or right
33 incident to real property.
34 9. Dedicate to public use, with or without consideration,
35 easements or other real property in which the principal has,

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1 or claims to have, an interest.
2 Sec. 30. NEW SECTION. **633B.205 Tangible personal property.**
3 Unless the power of attorney otherwise provides and subject
4 to section 633B.201, language in a power of attorney granting
5 general authority with respect to tangible personal property
6 authorizes the agent to do all of the following:
7 1. Demand, buy, receive, accept as a gift or as security
8 for an extension of credit, or otherwise acquire or reject
9 ownership or possession of tangible personal property or an
10 interest in tangible personal property.
11 2. Sell; exchange; convey with or without covenants,
12 representations, or warranties; quitclaim; release; surrender;
13 create a security interest in; grant options concerning; lease;
14 sublease; or, otherwise dispose of tangible personal property
15 or an interest in tangible personal property.
16 3. Grant a security interest in tangible personal property
17 or an interest in tangible personal property as security to
18 borrow money or pay, renew, or extend the time of payment of a
19 debt of the principal or a debt guaranteed by the principal.
20 4. Release, assign, satisfy, or enforce by litigation or
21 otherwise, a security interest, lien, or other claim on behalf
22 of the principal, with respect to tangible personal property or
23 an interest in tangible personal property.
24 5. Manage or conserve tangible personal property or an
25 interest in tangible personal property on behalf of the
26 principal, including by doing all of the following:
27 *a.* Insuring against liability or casualty or other loss.
28 *b.* Obtaining or regaining possession of or protecting the
29 property or interest, by litigation or otherwise.
30 *c.* Paying, assessing, compromising, or contesting taxes or
31 assessments or applying for and receiving refunds in connection
32 with taxes or assessments.
33 *d.* Moving the property from place to place.
34 *e.* Storing the property for hire or on a gratuitous
35 bailment.

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1 *f.* Using and making repairs, alterations, or improvements to
2 the property.
3 6. Change the form of title of an interest in tangible
4 personal property.
5 Sec. 31. NEW SECTION. **633B.206 Stocks and bonds.**
6 Unless the power of attorney otherwise provides and subject
7 to section 633B.201, language in a power of attorney granting
8 general authority with respect to stocks and bonds authorizes
9 the agent to do all of the following:
10 1. Buy, sell, and exchange stocks and bonds.
11 2. Establish, continue, modify, or terminate an account
12 with respect to stocks and bonds.
13 3. Pledge stocks and bonds as security to borrow, pay,
14 renew, or extend the time of payment of a debt of the
15 principal.
16 4. Receive certificates and other evidence of ownership
17 with respect to stocks and bonds.
18 5. Exercise voting rights with respect to stocks and bonds
19 in person or by proxy, enter into voting trusts, and consent to
20 limitations on the right to vote.
21 Sec. 32. NEW SECTION. **633B.207 Commodities and options.**
22 Unless the power of attorney otherwise provides and subject
23 to section 633B.201, language in a power of attorney granting
24 general authority with respect to commodities and options
25 authorizes the agent to do all of the following:
26 1. Buy, sell, exchange, assign, settle, and exercise
27 commodity futures contracts and call or put options on stocks
28 or stock indexes traded on a regulated option exchange.
29 2. Establish, continue, modify, and terminate option
30 accounts.
31 Sec. 33. NEW SECTION. **633B.208 Banks and other financial**
32 **institutions.**
33 Unless the power of attorney otherwise provides and subject
34 to section 633B.201, language in a power of attorney granting
35 general authority with respect to banks and other financial

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1 institutions authorizes the agent to do all of the following:
2 1. Continue, modify, and terminate an account or other
3 banking arrangement made by or on behalf of the principal.
4 2. Establish, modify, and terminate an account or other
5 banking arrangement with a bank, trust company, savings and
6 loan association, credit union, thrift company, brokerage firm,
7 or other financial institution selected by the agent.
8 3. Contract for services available from a financial
9 institution, including but not limited to renting a safe
10 deposit box or space in a vault.
11 4. Withdraw, by check, order, electronic funds transfer, or
12 otherwise, money or property of the principal deposited with or
13 left in the custody of a financial institution.
14 5. Receive statements of account, vouchers, notices, and
15 similar documents from a financial institution and act with
16 respect to them.
17 6. Enter a safe deposit box or vault and withdraw or add to
18 the contents.
19 7. Borrow money and pledge as security personal property
20 of the principal necessary to borrow money or pay, renew, or
21 extend the time of payment of a debt of the principal or a debt
22 guaranteed by the principal.
23 8. Make, assign, draw, endorse, discount, guarantee,
24 and negotiate promissory notes, checks, drafts, and other
25 negotiable or nonnegotiable paper of the principal or payable
26 to the principal or the principal's order, transfer money,
27 receive the cash or other proceeds of those transactions, and
28 accept a draft drawn by a person upon the principal and pay
29 the promissory note, check, draft, or other negotiable or
30 nonnegotiable paper when due.
31 9. Receive for the principal and act upon a sight draft,
32 warehouse receipt, or other document of title whether tangible
33 or electronic, or any other negotiable or nonnegotiable
34 instrument.
35 10. Apply for, receive, and use letters of credit, credit

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1 and debit cards, electronic transaction authorizations, and
2 traveler's checks from a financial institution and give an
3 indemnity or other agreement in connection with letters of
4 credit.
5 11. Consent to an extension of the time of payment with
6 respect to commercial paper or a financial transaction with a
7 financial institution.
8 Sec. 34. NEW SECTION. **633B.209 Operation of entity or**
9 **business.**
10 Subject to the terms of a document or an agreement governing
11 an entity or business or an entity or business ownership
12 interest, and subject to section 633B.201, and unless the
13 power of attorney otherwise provides, language in a power of
14 attorney granting general authority with respect to operation
15 of an entity or business authorizes the agent to do all of the
16 following:
17 1. Operate, buy, sell, enlarge, reduce, or terminate an
18 ownership interest.
19 2. Perform a duty or discharge a liability and exercise in
20 person or by proxy a right, power, privilege, or option that
21 the principal has, may have, or claims to have.
22 3. Enforce the terms of an ownership agreement.
23 4. Initiate, participate in, submit to alternative dispute
24 resolution, settle, oppose, or propose or accept a compromise
25 with respect to litigation to which the principal is a party
26 because of an ownership interest.
27 5. Exercise in person or by proxy or enforce by litigation
28 or otherwise, a right, power, privilege, or option the
29 principal has or claims to have as the holder of stocks and
30 bonds.
31 6. Initiate, participate in, submit to alternative dispute
32 resolution, settle, oppose, or propose or accept a compromise
33 with respect to litigation to which the principal is a party
34 concerning stocks and bonds.
35 7. Do all of the following with respect to an entity or

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1 business owned solely by the principal:
2 *a.* Continue, modify, renegotiate, extend, and terminate a
3 contract made by or on behalf of the principal with respect
4 to the entity or business before execution of the power of
5 attorney.
6 *b.* Determine all of the following:
7 (1) The location of the entity or business operation.
8 (2) The nature and extent of the entity or business.
9 (3) The methods of manufacturing, selling, merchandising,
10 financing, accounting, and advertising employed in the
11 operation of the entity or business.
12 (4) The amount and types of insurance carried by the entity
13 or business.
14 (5) The mode of engaging, compensating, and dealing with
15 the employees, accountants, attorneys, or other advisors of the
16 entity or business.
17 *c.* Change the name or form of organization under which the
18 entity or business is operated and enter into an ownership
19 agreement with other persons to take over all or part of the
20 operation of the entity or business.
21 *d.* Demand and receive money due or claimed by the principal
22 or on the principal's behalf in the operation of the entity or
23 business and control and disburse the money in the operation of
24 the entity or business.
25 8. Inject needed capital into an entity or business in which
26 the principal has an interest.
27 9. Join in a plan of reorganization, consolidation,
28 conversion, domestication, or merger of the entity or business.
29 10. Sell or liquidate all or part of the entity or business.
30 11. Establish the value of an entity or business under a
31 buyout agreement to which the principal is a party.
32 12. Prepare, sign, file, and deliver reports, compilations
33 of information, returns, or other papers with respect to an
34 entity or business and make related payments.
35 13. Pay, compromise, or contest taxes, assessments, fines,

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1 or penalties and perform any other act to protect the principal
2 from illegal or unnecessary taxation, assessments, fines, or
3 penalties with respect to an entity or business, including but
4 not limited to attempts to recover, in any manner permitted by
5 law, money paid before or after the execution of the power of
6 attorney.
7 Sec. 35. NEW SECTION. **633B.210 Insurance and annuities.**
8 Unless the power of attorney otherwise provides and subject
9 to section 633B.201, language in a power of attorney granting
10 general authority with respect to insurance and annuities
11 authorizes the agent to do all of the following:
12 1. Continue, pay the premium or make a contribution on,
13 modify, exchange, rescind, release, or terminate a contract
14 procured by or on behalf of the principal which insures or
15 provides an annuity to either the principal or another person
16 whether or not the principal is a beneficiary under the
17 contract.
18 2. Procure new, different, and additional contracts of
19 insurance and annuities for the principal and the principal's
20 spouse, children, and other dependents, and select the amount,
21 type of insurance or annuity, and mode of payment.
22 3. Pay the premium or make a contribution on, modify,
23 exchange, rescind, release, or terminate a contract of
24 insurance or annuity procured by the agent.
25 4. Apply for and receive a loan secured by a contract of
26 insurance or annuity.
27 5. Surrender and receive the cash surrender value on a
28 contract of insurance or annuity.
29 6. Exercise an election.
30 7. Exercise investment powers available under a contract of
31 insurance or annuity.
32 8. Change the manner of paying premiums on a contract of
33 insurance or annuity.
34 9. Change or convert the type of insurance or annuity with
35 respect to which the principal has or claims to have authority

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1 described in this section.
2 10. Apply for and procure a benefit or assistance under a
3 statute, rule, or regulation to guarantee or pay premiums of a
4 contract of insurance on the life of the principal.
5 11. Collect, sell, assign, hypothecate, borrow against, or
6 pledge the interest of the principal in a contract of insurance
7 or annuity.
8 12. Select the form and timing of the payment of proceeds
9 from a contract of insurance or annuity.
10 13. Pay, from proceeds or otherwise, compromise or contest,
11 and apply for refunds in connection with a tax or assessment
12 levied by a taxing authority with respect to a contract of
13 insurance or annuity or its proceeds or liability accruing by
14 reason of the tax or assessment.
15 Sec. 36. NEW SECTION. **633B.211 Estates, trusts, and other**
16 **beneficial interests.**
17 1. In this section, *"estate, trust, or other beneficial*
18 *interest"* means a trust, probate estate, guardianship,
19 conservatorship, escrow, or custodianship, or a fund from which
20 the principal is, may become, or claims to be, entitled to a
21 share or payment.
22 2. Unless the power of attorney otherwise provides,
23 language in a power of attorney granting general authority with
24 respect to estates, trusts, and other beneficial interests
25 authorizes the agent to do all of the following:
26 *a.* Accept, receive, provide a receipt for, sell, assign,
27 pledge, or exchange a share in or payment from an estate,
28 trust, or other beneficial interest.
29 *b.* Demand or obtain money or another thing of value to which
30 the principal is, may become, or claims to be, entitled by
31 reason of an estate, trust, or other beneficial interest, by
32 litigation or otherwise.
33 *c.* Exercise for the benefit of the principal a presently
34 exercisable general power of appointment held by the principal.
35 *d.* Initiate, participate in, submit to alternative dispute

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1 resolution, settle, oppose, or propose or accept a compromise
2 with respect to litigation to ascertain the meaning, validity,
3 or effect of a deed, will, declaration of trust, or other
4 instrument or transaction affecting the interest of the
5 principal.
6 *e.* Initiate, participate in, submit to alternative dispute
7 resolution, settle, oppose, or propose or accept a compromise
8 with respect to litigation to remove, substitute, or surcharge
9 a fiduciary.
10 *f.* Conserve, invest, disburse, or use any assets received
11 for an authorized purpose.
12 *g.* Transfer an interest of the principal in real property,
13 stocks and bonds, accounts with financial institutions or
14 securities intermediaries, insurance, annuities, and other
15 property to the trustee of a revocable trust created by the
16 principal as settlor.
17 *h.* Reject, renounce, disclaim, release, or consent to a
18 reduction in or modification of a share in or payment from an
19 estate, trust, or other beneficial interest.
20 Sec. 37. NEW SECTION. **633B.212 Claims and litigation.**
21 Unless the power of attorney otherwise provides and subject
22 to section 633B.201, language in a power of attorney granting
23 general authority with respect to claims and litigation
24 authorizes the agent to do all of the following:
25 1. Assert and maintain before a court or administrative
26 agency a claim, claim for relief, cause of action,
27 counterclaim, offset, recoupment, or defense, including but
28 not limited to an action to recover property or other thing of
29 value, recover damages sustained by the principal, eliminate
30 or modify tax liability, or seek an injunction, specific
31 performance, or other relief.
32 2. Bring an action to determine adverse claims or intervene
33 or otherwise participate in litigation.
34 3. Seek an attachment, garnishment, or other preliminary,
35 provisional, or intermediate relief and use an available

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1 procedure to effect or satisfy a judgment, order, or decree.
2 4. Make or accept a tender, offer of judgment, or admission
3 of facts, submit a controversy on an agreed statement of facts,
4 consent to examination, and bind the principal in litigation.
5 5. Submit to alternative dispute resolution, or settle,
6 propose, or accept a compromise.
7 6. Waive the issuance and service of process upon the
8 principal, accept service of process, appear for the principal,
9 designate persons upon which process directed to the principal
10 may be served, execute and file or deliver stipulations on the
11 principal's behalf, verify pleadings, seek appellate review,
12 procure and give surety and indemnity bonds, contract and
13 pay for the preparation and printing of records and briefs,
14 receive, execute, and file or deliver a consent, waiver,
15 release, confession of judgment, satisfaction of judgment,
16 notice, agreement, or other instrument in connection with the
17 prosecution, settlement, or defense of a claim or litigation.
18 7. Act for the principal with respect to bankruptcy or
19 insolvency, whether voluntary or involuntary, concerning
20 the principal or some other person, or with respect to
21 a reorganization, receivership, or application for the
22 appointment of a receiver or trustee which affects an interest
23 of the principal in property or other thing of value.
24 8. Pay a judgment, award, or order against the principal or
25 a settlement made in connection with a claim or litigation.
26 9. Receive money or other thing of value paid in settlement
27 of or as proceeds of a claim or litigation.
28 Sec. 38. NEW SECTION. **633B.213 Personal and family**
29 **maintenance.**
30 1. Unless the power of attorney otherwise provides and
31 subject to subsection 633B.201, language in a power of attorney
32 granting general authority with respect to personal and family
33 maintenance authorizes the agent to do all of the following:
34 *a.* Perform the acts necessary to maintain the customary
35 standard of living of the principal, the principal's spouse,

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and the following individuals, whether living when the power of attorney is executed or later born:

(1) The principal's minor children.

(2) The principal's adult children who are pursuing a postsecondary school education and are under the age of twenty-five.

(3) The principal's parents or the parents of the principal's spouse, if the principal had established a pattern of such payments.

(4) Any other individuals legally entitled to be supported by the principal.

b. Make periodic payments of child support and other family maintenance required by a court or governmental agency or an agreement to which the principal is a party.

c. Provide living quarters for the individuals described in paragraph *"a"* by any of the following:

(1) Purchase, lease, or other contract.

(2) Paying the operating costs, including but not limited to interest, amortization payments, repairs, improvements, and taxes, for premises owned by the principal or occupied by those individuals.

d. Provide funds for shelter, clothing, food, appropriate education, including postsecondary and vocational education, and other current living costs for the individuals described in paragraph *"a"* to enable those individuals to maintain their customary standard of living.

e. Pay expenses for necessary health care and custodial care on behalf of the individuals described in paragraph *"a"*.

f. Act as the principal's personal representative pursuant to the federal Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, including amendments thereto and regulations promulgated thereunder, in making decisions related to past, present, or future payments for the provision of health care consented to by the principal or anyone authorized under the law of this state to consent to health

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1 care on behalf of the principal.
2 *g.* Continue any provision made by the principal for
3 automobiles or other means of transportation, including
4 registering, licensing, insuring, and replacing them, for the
5 individuals described in paragraph *"a"*.
6 *h.* Maintain credit and debit accounts for the convenience
7 of the individuals described in paragraph *"a"* and open new
8 accounts.
9 *i.* Continue payments or contributions incidental to the
10 membership or affiliation of the principal in a religious
11 institution, club, society, order, or other organization.
12 2. Authority with respect to personal and family
13 maintenance is neither dependent upon, nor limited by,
14 authority that an agent may or may not have with respect to
15 gifts under this chapter.
16 Sec. 39. NEW SECTION. **633B.214 Benefits from governmental**
17 **programs or civil or military service.**
18 1. In this section, *"benefits from governmental programs*
19 *or civil or military service"* means any benefit, program,
20 or assistance provided under a statute, rule, or regulation
21 relating to but not limited to social security, Medicare, or
22 Medicaid.
23 2. Unless the power of attorney otherwise provides,
24 language in a power of attorney granting general authority
25 with respect to benefits from governmental programs or civil
26 or military service authorizes the agent to do all of the
27 following:
28 *a.* Execute vouchers in the name of the principal for
29 allowances and reimbursements payable by the United States, a
30 foreign government, or a state or subdivision of a state to
31 the principal, including but not limited to allowances and
32 reimbursements for transportation of the individuals described
33 in section 633B.213, subsection 1, paragraph *"a"*, and for
34 shipment of the household effects of such individuals.
35 *b.* Take possession and order the removal and shipment of

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1 property of the principal from a post, warehouse, depot, dock,
2 or other place of storage or safekeeping, either governmental
3 or private, and execute and deliver a release, voucher,
4 receipt, bill of lading, shipping ticket, certificate, or other
5 instrument for that purpose.
6 *c.* Enroll in, apply for, select, reject, change, amend, or
7 discontinue, on the principal's behalf, a benefit or program.
8 *d.* Prepare, file, and maintain a claim of the principal for
9 a benefit or assistance, financial or otherwise, to which the
10 principal may be entitled under a statute, rule, or regulation.
11 *e.* Initiate, participate in, submit to alternative dispute
12 resolution, settle, oppose, or propose or accept a compromise
13 with respect to litigation concerning any benefit or assistance
14 the principal may be entitled to receive under a statute, rule,
15 or regulation.
16 *f.* Receive the financial proceeds of a claim described in
17 paragraph *"d"* and conserve, invest, disburse, or use for a
18 lawful purpose anything so received.
19 Sec. 40. NEW SECTION. **633B.215 Retirement plans.**
20 1. In this section, *"retirement plan"* means a plan or
21 account created by an employer, the principal, or another
22 individual to provide retirement benefits or deferred
23 compensation in which the principal is a participant,
24 beneficiary, or owner, including but not limited to a plan or
25 account under the following sections of the Internal Revenue
26 Code:
27 *a.* An individual retirement account in accordance with
28 section 408.
29 *b.* A Roth individual retirement account established under
30 section 408A.
31 *c.* A deemed individual retirement account under section
32 408(q).
33 *d.* An annuity or mutual fund custodial account under section
34 403(b).
35 *e.* A pension, profit-sharing, stock bonus, or other

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1 retirement plan qualified under section 401(a).
2 *f.* An eligible deferred compensation plan under section
3 457(b).
4 *g.* A nonqualified deferred compensation plan under section
5 409A.
6 2. Unless the power of attorney otherwise provides,
7 language in a power of attorney granting general authority with
8 respect to retirement plans authorizes the agent to do all of
9 the following:
10 *a.* Select the form and timing of payments under a retirement
11 plan and withdraw benefits from a plan.
12 *b.* Make a rollover, including a direct trustee-to-trustee
13 rollover of benefits from one retirement plan to another.
14 *c.* Establish a retirement plan in the principal's name.
15 *d.* Make contributions to a retirement plan.
16 *e.* Exercise investment powers available under a retirement
17 plan.
18 *f.* Borrow from, sell assets to, or purchase assets from a
19 retirement plan.
20 Sec. 41. NEW SECTION. **633B.216 Taxes.**
21 Unless the power of attorney otherwise provides, language in
22 a power of attorney granting general authority with respect to
23 taxes authorizes the agent to do all of the following:
24 1. Prepare, sign, and file federal, state, local, and
25 foreign income, gift, payroll, property, Federal Insurance
26 Contributions Act returns and other tax returns, claims for
27 refunds, requests for extension of time, petitions regarding
28 tax matters, and any other tax-related documents, including
29 receipts, offers, waivers, consents, including but not limited
30 to consents and agreements under section 2032A of the Internal
31 Revenue Code, closing agreements, and any power of attorney
32 required by the Internal Revenue Service or other taxing
33 authority with respect to a tax year upon which the statute of
34 limitations has not run.
35 2. Pay taxes due, collect refunds, post bonds, receive

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1 confidential information, and contest deficiencies determined
2 by the Internal Revenue Service or other taxing authority.
3 3. Exercise any election available to the principal under
4 federal, state, local, or foreign tax law.
5 4. Act for the principal in all tax matters for all periods
6 before the Internal Revenue Service or any other taxing
7 authority.
8 Sec. 42. NEW SECTION. **633B.217 Gifts.**
9 1. In this section, a gift *"for the benefit of"* a person
10 includes a gift to a trust, an account under a uniform
11 transfers to minors Act, and a qualified state tuition program
12 exempt from taxation pursuant to section 529 of the Internal
13 Revenue Code.
14 2. Unless the power of attorney otherwise provides,
15 language in a power of attorney granting general authority with
16 respect to gifts authorizes the agent only to do all of the
17 following:
18 *a.* Make a gift of any of the principal's property outright
19 to, or for the benefit of, a person, including but not limited
20 to by the exercise of a presently exercisable general power
21 of appointment held by the principal, in an amount per donee
22 not to exceed the annual dollar limits of the federal gift
23 tax exclusion under section 2503(b) of the Internal Revenue
24 Code without regard to whether the federal gift tax exclusion
25 applies to the gift or if the principal's spouse agrees
26 to consent to a split gift pursuant to section 2513 of the
27 Internal Revenue Code in an amount per donee not to exceed
28 twice the annual federal gift tax exclusion limit.
29 *b.* Consent to the splitting of a gift made by the
30 principal's spouse pursuant to section 2513 of the Internal
31 Revenue Code in an amount per donee not to exceed the aggregate
32 annual gift tax exclusions for both spouses.
33 3. An agent may make a gift of the principal's property
34 only as the agent determines is consistent with the principal's
35 objectives if actually known by the agent and, if unknown,

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1 as the agent determines is consistent with the principal's
2 best interest based on all relevant factors, including but not
3 limited to all of the following:
4 *a.* The value and nature of the principal's property.
5 *b.* The principal's foreseeable obligations and need for
6 maintenance.
7 *c.* The minimization of taxes, including but not limited to
8 income, estate, inheritance, generation-skipping transfer, and
9 gift taxes.
10 *d.* Eligibility for a benefit, a program, or assistance under
11 a statute, rule, or regulation.
12 *e.* The principal's personal history of making or joining in
13 making gifts.
14 Sec. 43. NEW SECTION. **633B.301 Power of attorney — form.**
15 A document substantially in the following form may be used to
16 create a statutory power of attorney that has the meaning and
17 effect prescribed by this chapter:
18 IOWA STATUTORY POWER OF ATTORNEY FORM
19 1. POWER OF ATTORNEY
20 This power of attorney authorizes another person (your
21 agent) to make decisions concerning your property for you (the
22 principal). Your agent will be able to make decisions and act
23 with respect to your property (including but not limited to
24 your money) whether or not you are able to act for yourself.
25 The meaning of authority over subjects listed on this form is
26 explained in the Iowa Uniform Power of Attorney Act, Iowa Code
27 chapter 633B.
28 This power of attorney does not authorize the agent to make
29 health care decisions for you.
30 You should select someone you trust to serve as your agent.
31 Unless you specify otherwise, generally the agent's authority
32 will continue until you die or revoke the power of attorney or
33 the agent resigns or is unable to act for you.
34 Your agent is not entitled to compensation unless you state
35 otherwise in the optional Special Instructions.

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1 This form provides for designation of one agent. If you
2 wish to name more than one agent, you may name a coagent in the
3 optional Special Instructions. Coagents must act by majority
4 rule unless you provide otherwise in the optional Special
5 Instructions.
6 If your agent is unable or unwilling to act for you, your
7 power of attorney will end unless you have named a successor
8 agent. You may also name a second successor agent.
9 This power of attorney becomes effective immediately upon
10 signature and acknowledgment unless you state otherwise in the
11 optional Special Instructions.
12 If you have questions about this power of attorney or the
13 authority you are granting to your agent, you should seek legal
14 advice before signing this form.
15 DESIGNATION OF AGENT
16 I _____ (name of principal) name the
17 following person as my agent:
18 Name of Agent _____
19 Agent's Address _____
20 Agent's Telephone Number _____
21 DESIGNATION OF SUCCESSOR AGENT(S) (OPTIONAL)
22 If my agent is unable or unwilling to act for me, I name as
23 my successor agent:
24 Name of Successor Agent _____
25 Successor Agent's Address _____
26 Successor Agent's Telephone Number _____
27 If my successor agent is unable or unwilling to act for me, I
28 name as my second successor agent:
29 Name of Second Successor Agent _____
30 Second Successor Agent's Address _____
31 Second Successor Agent's Telephone Number _____
32 GRANT OF GENERAL AUTHORITY
33 I grant my agent and any successor agent general authority to
34 act for me with respect to the following subjects as defined in
35 the Iowa Uniform Power of Attorney Act, Iowa Code chapter 633B:

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1 (Initial each subject you want to include in the agent's
2 general authority. If you wish to grant general authority over
3 all of the subjects you may initial "All Preceding Subjects"
4 instead of initialing each subject.)
5 ___ Real Property
6 ___ Tangible Personal Property
7 ___ Stocks and Bonds
8 ___ Commodities and Options
9 ___ Banks and Other Financial Institutions
10 ___ Operation of Entity or Business
11 ___ Insurance and Annuities
12 ___ Estates, Trusts, and Other Beneficial Interests
13 ___ Claims and Litigation
14 ___ Personal and Family Maintenance
15 ___ Benefits from Governmental Programs or Civil or Military
16 Service
17 ___ Retirement Plans
18 ___ Taxes
19 ___ All Preceding Subjects
20 GRANT OF SPECIFIC AUTHORITY (OPTIONAL)
21 My agent shall not do any of the following specific acts for
22 me unless I have initialed the specific authority listed below:
23 (Caution: Granting any of the following will give your agent
24 the authority to take actions that could significantly reduce
25 your property or change how your property is distributed at
26 your death. Initial only the specific authority you WANT to
27 give your agent.)
28 ___ Amend, revoke, or terminate a revocable inter vivos
29 trust, if authorized by the trust.
30 ___ Agree to the amendment or termination of any other inter
31 vivos trust.
32 ___ Make a gift to an individual who is not an agent, subject
33 to the limitations of the Iowa Uniform Power of Attorney Act,
34 Iowa Code section 633B.217, and any special instructions in
35 this power of attorney.

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1 Make gifts, either direct or indirect, to my agent acting
2 under this power of attorney as follows:
3 ___ Any such gift must be approved in writing by
4 _____; or
5 ___ No third party approval is needed.
6 ___ Authorize another person to exercise the authority
7 granted under this power of attorney.
8 ___ Waive the principal´s right to be a beneficiary of a
9 joint and survivor annuity, including a survivor benefit under
10 a retirement plan.
11 ___ Exercise fiduciary powers that the principal has
12 authority to delegate.
13 ___ Disclaim or refuse an interest in property, including a
14 power of appointment.
15 LIMITATION ON AGENT´S AUTHORITY
16 An agent that is not my ancestor, spouse, or descendant shall
17 not use my property to benefit the agent or a person to whom the
18 agent owes an obligation of support unless I have included that
19 authority in the optional Special Instructions.
20 SPECIAL INSTRUCTIONS (OPTIONAL)
21 You may give special instructions on the following lines:
22 _____
23 _____
24 _____
25 _____
26 _____
27 _____
28 _____
29 _____
30 _____
31 _____
32 _____
33 _____ shall have the authority to
34 request an accounting of any agent.
35 EFFECTIVE DATE

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1 This power of attorney is effective immediately upon
2 signature and acknowledgment unless I have stated otherwise in
3 the optional Special Instructions.
4 NOMINATION OF CONSERVATOR AND GUARDIAN (OPTIONAL)
5 If it becomes necessary for a court to appoint a conservator
6 of my estate or guardian of my person, I nominate the following
7 person(s) for appointment:
8 Name of Nominee for Conservator of My Estate _____
9 Nominee´s Address _____
10 Nominee´s Telephone Number _____
11 Name of Nominee for Guardian of My Person _____
12 Nominee´s Address _____
13 Nominee´s Telephone Number _____
14 RELIANCE ON THIS POWER OF ATTORNEY
15 Any person, including my agent, may rely upon the validity of
16 this power of attorney or a copy of it unless that person knows
17 it has terminated or is invalid.
18 SIGNATURE AND ACKNOWLEDGMENT
19 _____ _____
20 Your Signature Date
21 _____
22 Your Name Printed
23 _____
24 _____
25 Your Address
26 _____
27 Your Telephone Number
28 State of _____
29 County of _____
30 This document was acknowledged before me on _____
31 (date), by _____ (name of principal)
32 _____ (Seal, if any)
33 Signature of Notary
34 My commission expires _____
35 This document prepared by

H.F. _____

1 _____
2 _____
3 2. IMPORTANT INFORMATION FOR AGENT
4 AGENT´S DUTIES
5 When you accept the authority granted under this power of
6 attorney, a special legal relationship is created between the
7 principal and you. This relationship imposes upon you legal
8 duties that continue until you resign or the power of attorney
9 is terminated or revoked. You must do all of the following:
10 Do what you know the principal reasonably expects you to
11 do with the principal´s property or, if you do not know the
12 principal´s expectations, act in the principal´s best interest.
13 Act in good faith.
14 Do nothing beyond the authority granted in this power of
15 attorney.
16 Disclose your identity as an agent whenever you act for the
17 principal by writing or printing the name of the principal and
18 signing your own name as agent in the following manner:
19 _____ (principal´s name) by
20 _____ (your signature) as Agent
21 Unless the Special Instructions in this power of attorney
22 state otherwise, you must also do all of the following:
23 Act loyally for the principal´s benefit.
24 Avoid conflicts that would impair your ability to act in the
25 principal´s best interest.
26 Act with care, competence, and diligence.
27 Keep a record of all receipts, disbursements, and
28 transactions made on behalf of the principal.
29 Cooperate with any person that has authority to make
30 health care decisions for the principal to do what you know
31 the principal reasonably expects or, if you do not know the
32 principal´s expectations, to act in the principal´s best
33 interest.
34 Attempt to preserve the principal´s estate plan if you
35 know the plan and preserving the plan is consistent with the

H.F. _____

1 principal's best interest.
2 TERMINATION OF AGENT'S AUTHORITY
3 You must stop acting on behalf of the principal if you learn
4 of any event that terminates this power of attorney or your
5 authority under this power of attorney. Events that terminate
6 a power of attorney or your authority to act under a power of
7 attorney include any of the following:
8 Death of the principal.
9 The principal's revocation of the power of attorney or your
10 authority.
11 The occurrence of a termination event stated in the power of
12 attorney.
13 The purpose of the power of attorney is fully accomplished.
14 If you are married to the principal, a legal action is
15 filed with a court to end your marriage, or for your legal
16 separation, unless the Special Instructions in this power of
17 attorney state that such an action will not terminate your
18 authority.
19 LIABILITY OF AGENT
20 The meaning of the authority granted to you is defined in the
21 Iowa Uniform Power of Attorney Act, Iowa Code chapter 633B. If
22 you violate the Iowa Uniform Power of Attorney Act, Iowa Code
23 chapter 633B, or act outside the authority granted, you may be
24 liable for any damages caused by your violation.
25 If there is anything about this document or your duties that
26 you do not understand, you should seek legal advice.
27 Sec. 44. NEW SECTION. **633B.302 Agent's certification —**
28 **optional form.**
29 The following optional form may be used by an agent to
30 certify facts concerning a power of attorney:
31 IOWA STATUTORY POWER OF ATTORNEY AGENT'S CERTIFICATION FORM
32 AGENT'S CERTIFICATION OF VALIDITY OF POWER OF ATTORNEY AND
33 AGENT'S AUTHORITY
34 State of _____
35 County of _____

H.F. _____

1 I, _____ (name of agent), certify
2 under penalty of perjury that _____
3 (name of principal) granted me authority as an agent
4 or successor agent in a power of attorney dated
5 _____.
6 I further certify all of the following to my knowledge:
7 The principal is alive and has not revoked the power of
8 attorney or the Power of Attorney and my authority to act under
9 the Power of Attorney have not terminated.
10 If the power of attorney was drafted to become effective
11 upon the happening of an event or contingency, the event or
12 contingency has occurred.
13 If I was named as a successor agent, the prior agent is no
14 longer able or willing to serve.
15 _____
16 _____
17 _____.
18 (Insert other relevant statements)
19 SIGNATURE AND ACKNOWLEDGMENT
20 _____ _____
21 Agent´s Signature Date
22 _____
23 Agent´s Name Printed
24 _____
25 _____
26 Agent´s Address
27 _____
28 Agent´s Telephone Number
29 This document was acknowledged before me on _____
30 (date), by _____ (name of agent)
31 _____ (Seal, if any)
32 Signature of Notary
33 My commission expires _____
34 This document prepared by
35 _____

H.F. _____

1 _____
2 Sec. 45. NEW SECTION. **633B.401 Uniformity of application**
3 **and construction.**
4 In applying and construing this chapter, consideration shall
5 be given to the need to promote uniformity of the law with
6 respect to the subject matter of this chapter among states that
7 enact the uniform power of attorney Act.
8 Sec. 46. NEW SECTION. **633B.402 Relation to Electronic**
9 **Signatures in Global and National Commerce Act.**
10 This chapter modifies, limits, and supersedes the federal
11 Electronic Signatures in Global and National Commerce Act, 15
12 U.S.C. §7001 et seq., but does not modify, limit, or supersede
13 section 101(c) of that Act, 15 U.S.C. §7001(c), or authorize
14 electronic delivery of any of the notices described in section
15 103(b) of that Act, 15 U.S.C. §7003(b).
16 Sec. 47. NEW SECTION. **633B.403 Effect on existing powers of**
17 **attorney — attorney in fact.**
18 1. This chapter applies to a power of attorney created on
19 or after July 1, 2014.
20 2. This chapter applies to all proceedings concerning a
21 power of attorney commenced on or after July 1, 2014.
22 3. This chapter applies to all proceedings concerning a
23 power of attorney commenced before July 1, 2014, unless the
24 court finds that application of a provision of this chapter
25 would substantially interfere with the effective conduct of the
26 proceedings or the rights of the parties or other interested
27 persons. In that case, the provision does not apply and the
28 court shall apply prior law.
29 4. *a.* This chapter applies to all acts taken by an attorney
30 in fact on or after July 1, 2014.
31 *b.* This chapter does not apply to acts taken by an attorney
32 in fact prior to July 1, 2014.
33 Sec. 48. REPEAL. Sections 633B.1 and 633B.2, Code 2014,
34 are repealed.
35 EXPLANATION

H.F. _____

1 The inclusion of this explanation does not constitute agreement with
2 the explanation's substance by the members of the general assembly.

3 This bill creates the Iowa uniform power of attorney Act and
4 provides penalties and includes applicability provisions.
5 Current Code chapter 633B relating to powers of attorney
6 contains provisions relating to situations in which a power
7 of attorney is not affected by the death or disability of the
8 principal and provides notice provisions for the revocation or
9 termination of a power of attorney.
10 The bill repeals current Code chapter 633B and replaces
11 it with the Iowa uniform power of attorney Act, based on
12 the uniform power of attorney Act, which provides specific
13 provisions relating to the creation, duties, responsibilities,
14 and powers of an agent designated in the power of attorney
15 document to manage the principal's finances and property. The
16 bill also provides remedies for abuses committed by an agent
17 under a power of attorney. The bill defines "agent" to mean a
18 person who is granted authority to act for a principal under a
19 power of attorney, whether referred to as an agent, attorney
20 in fact, or otherwise in the power of attorney document, and
21 includes an original agent, coagent, successor agent, and a
22 person to which an agent's authority is delegated; "person"
23 means an individual, corporation, business trust, estate,
24 trust, partnership, limited liability company, association,
25 joint venture, public corporation, government or governmental
26 subdivision, agency, or instrumentality, or any other legal
27 or commercial entity; and "principal" means an individual who
28 grants authority to an agent in a power of attorney.
29 GENERAL PROVISIONS. The bill contains the following general
30 provisions relating to a power of attorney:
31 APPLICABILITY. The bill applies to all powers of attorney
32 other than a durable power of attorney for health care (see
33 Code chapter 144B), a voting proxy, a power created on a
34 governmental form for a governmental purpose, and a power
35 coupled with an interest of the agent such as a creditor's

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1 right to protect title in pledged collateral.
2 DURABILITY. A power of attorney is durable unless the power
3 of attorney expressly provides that it is terminated by the
4 principal's incapacity.
5 EXECUTION. A power of attorney must be signed by the
6 principal or in the principal's conscious presence by
7 another individual (not the prospective agent) directed by
8 the principal to sign the principal's name on the power of
9 attorney. A power of attorney must be acknowledged before a
10 notary public or other individual authorized by law to take
11 acknowledgments. An agent named in the power of attorney
12 cannot notarize the principal's signature. An acknowledged
13 signature on a power of attorney is presumed to be genuine.
14 VALIDITY. A power of attorney is governed by the law of the
15 jurisdiction indicated in the power of attorney when properly
16 executed. The bill does not affect the validity of the
17 following powers of attorney properly executed in Iowa prior to
18 July 1, 2014: a power of attorney properly executed in Iowa, a
19 power of attorney properly created under the laws of another
20 jurisdiction, and a military power of attorney. The bill also
21 allows the use of a photocopy or electronically transmitted
22 original.
23 MEANING AND EFFECT. The meaning and effect of a power of
24 attorney is determined by the law of the jurisdiction indicated
25 in the power of attorney and if there is no such indication,
26 by the law of the jurisdiction where the power of attorney was
27 executed.
28 CONSERVATOR AND GUARDIAN APPOINTMENTS IN A POWER OF
29 ATTORNEY. A principal can appoint a conservator or guardian in
30 the power of attorney and specify that an agent's authority to
31 act under the power of attorney is suspended during the time a
32 conservator is acting unless provided otherwise in the power of
33 attorney or by the court appointing the conservator. The bill
34 also allows for the appointment of a conservator or guardian on
35 a standby basis pursuant to Code sections 633.560 and 633.591.

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1 WHEN EFFECTIVE. The bill provides specific rules as when
2 a power of attorney is effective and provides that unless
3 otherwise provided, the power of attorney is effective when
4 executed.
5 TERMINATION. A power of attorney terminates upon the
6 death or incapacity (if not durable) of the principal, upon
7 revocation by the principal, when the power of attorney
8 specifies a termination date, when the purpose of the power
9 of attorney is accomplished, or if the agent dies, becomes
10 incapacitated, or resigns without a named successor. A general
11 or plenary power of attorney (authorizing the agent to conduct
12 all of the principal's personal business and financial affairs)
13 revokes a general or plenary power of attorney previously
14 executed in Iowa but does not revoke a power of attorney
15 limited to a specific purpose if that purpose is still capable
16 of being fully accomplished by the agent.
17 COAGENTS AND SUCCESSOR AGENTS. The bill provides that a
18 principal may designate two or more persons to act as coagents
19 and specifies certain standards for the actions of coagents. A
20 principal may designate one or more successor agents to act if
21 an agent resigns, dies, becomes incapacitated, is not qualified
22 to serve, or declines to serve.
23 REIMBURSEMENT AND COMPENSATION. Unless provided otherwise
24 in the power of attorney, an agent who is an individual is
25 entitled to reimbursement for expenses incurred on behalf of
26 the principal, but not to compensation. An agent that is a
27 bank or trust company authorized to administer trusts in Iowa
28 may receive compensation if reasonable under the circumstances.
29 AGENT'S ACCEPTANCE. Unless otherwise provided in the
30 power of attorney, a person accepts appointment as an agent
31 by exercising authority, performing duties, or by any other
32 assertion or conduct indicating acceptance.
33 AGENT'S DUTIES. The bill specifies the fiduciary duties
34 an agent owes a principal under a power of attorney and
35 provides that an agent that acts in good faith and with care,

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1 competence, and diligence in the best interest of the principal
2 shall not be liable for the agent's actions in certain
3 situations.
4 EXONERATION OF AGENT. The bill provides that a provision
5 in a power of attorney that relieves an agent of liability for
6 breach of duty is binding on the principal except for breaches
7 committed in bad faith, with an improper motive, or with
8 reckless indifference to the purposes of the power of attorney
9 or the best interest of the principal or if the provision was
10 put into the power of attorney as a result of an abuse of a
11 confidential or fiduciary relationship with the principal.
12 JUDICIAL RELIEF. The bill provides that certain persons
13 may petition a court to construe a power of attorney or review
14 an agent's conduct and the court may award reasonable attorney
15 fees and costs to the prevailing party in a proceeding under
16 the bill.
17 AGENT'S LIABILITY. An agent that violates the Code chapter
18 is liable to the principal or the principal's successors in
19 interest for the amount required to restore the value of
20 the principal's property to what it would have been had the
21 violation not occurred and to reimburse the principal or the
22 principal's successors in interest for the attorney fees and
23 costs paid on the agent's behalf.
24 AGENT RESIGNATION. Unless otherwise provided in the
25 power of attorney, an agent may resign by giving notice to
26 the principal and if the principal is incapacitated, to a
27 conservator or guardian, principal's caregiver or other person
28 with sufficient interest in the welfare of the principal, or to
29 the appropriate governmental agency.
30 ACCEPTANCE AND RELIANCE UPON ACKNOWLEDGED POWER OF ATTORNEY.
31 The bill protects persons who in good faith accept and rely on
32 an acknowledged power of attorney.
33 LIABILITY FOR REFUSAL TO ACCEPT ACKNOWLEDGED POWER OF
34 ATTORNEY. The bill specifies situations where refusals of a
35 power of attorney are acceptable and unacceptable. A person

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1 that refuses to accept an acknowledged power of attorney in
2 violation of the bill is subject to a court order mandating
3 acceptance of the power of attorney and is liable for damages
4 sustained by the principal and reasonable attorney fees and
5 costs. Such an action must be brought within one year of the
6 initial request for acceptance of the power of attorney.
7 OTHER PROVISIONS. The bill includes provisions relating to
8 the application of principles of law and equity and the laws of
9 financial institutions, and remedies under other law.
10 AUTHORITY PROVISIONS. The bill distinguishes between grants
11 of specific authority requiring express language in a power of
12 attorney and grants of general authority.
13 SPECIFIC GRANT OF AUTHORITY. Specific grants of authority
14 require specific language granting certain powers to the agent
15 including powers to create, amend, revoke, or terminate an
16 inter vivos trust; make a gift; create or change rights of
17 survivorship; create or change a beneficiary designation;
18 delegate authority granted under the power of attorney;
19 waive the principal's right to be a beneficiary of a joint
20 and survivor annuity, including a survivor benefit under a
21 retirement plan; exercise fiduciary powers that the principal
22 has the authority to delegate; and disclaim property, including
23 a power of appointment.
24 GENERAL GRANT OF AUTHORITY. If a power of attorney grants an
25 agent authority to do all acts that a principal could do, the
26 agent has general authority to act on behalf of the principal
27 with respect to the following subject areas: real property;
28 tangible personal property; stocks and bonds; commodities and
29 options; banks and other financial institutions; the operation
30 of an entity or business; insurance and annuities; estates,
31 trusts, and other beneficial interests; claims and litigation;
32 personal and family maintenance; benefits from governmental
33 programs or civil or military service; retirement plans; taxes;
34 and gifts. The bill contains specific provisions relating to
35 the authority granted to an agent in each of the abovementioned

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1 subject areas.
2 CONSTRUCTION OF AUTHORITY. The bill specifies incidental
3 types of authority that accompany all authority (specific and
4 general) granted to an agent under a power of attorney, unless
5 modified in the power of attorney. Such authority includes the
6 power to demand, receive, and obtain other items of value to
7 which a principal is or may be entitled; contract on behalf
8 of a principal; execute, acknowledge, seal, deliver, file,
9 or record any instrument or communication necessary for a
10 transaction; initiate, participate in, submit to alternative
11 dispute resolution, and settle or accept a claim involving
12 the principal or intervene in litigation involving the claim;
13 seek court or other assistance to carry out an act authorized
14 under the power of attorney; engage, compensate, and discharge
15 certain professional advisors; prepare, execute, and file
16 certain documents to safeguard the principal´s interests;
17 communicate with government agencies; and access certain
18 communications including electronic communications intended for
19 the principal.
20 STATUTORY FORMS. The bill includes suggested statutory
21 forms for the creation of a power of attorney and for agent
22 certification of facts relating to a power of attorney
23 consistent with the provisions of the Code chapter.
24 MISCELLANEOUS PROVISIONS. The bill provides provisions
25 relating to uniform application and construction, the
26 applicability of the federal Electronic Signatures in Global
27 and National Commerce Act, and the effect of the bill on
28 existing powers of attorney.
29 REPEAL. The bill repeals current Code chapter 633B and makes
30 conforming Code changes.

House Study Bill 626 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON SCHULTZ)

A BILL FOR

1 An Act relating to the period of time for issuing bonds by
2 cities and counties for certain disaster-related purposes
3 and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6126YC (2) 85
md/sc

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1 Section 1. Section 331.441, subsection 2, paragraph b,
2 subparagraphs (18) and (19), Code 2014, are amended to read as
3 follows:
4 (18) The remediation, restoration, repair, cleanup,
5 replacement, and improvement of property, buildings, equipment,
6 and public facilities that have been damaged by a disaster
7 as defined in section 29C.2 and that are located in an area
8 that the governor has proclaimed a disaster emergency or the
9 president of the United States has declared a major disaster.
10 Bonds issued pursuant to section 331.443 for the purposes
11 specified in this subparagraph shall be issued not later than
12 ~~ten~~ fifteen years after the governor has proclaimed a disaster
13 emergency or the president of the United States has declared a
14 major disaster, whichever is later.
15 (19) The reimbursement of the county's general fund or
16 other funds of the county for expenditures made related to
17 remediation, restoration, repair, and cleanup of damage caused
18 by a disaster as defined in section 29C.2, if the damage is
19 located in an area that the governor has proclaimed a disaster
20 emergency or the president of the United States has declared a
21 major disaster. Bonds issued pursuant to section 331.443 for
22 the purposes specified in this subparagraph shall be issued not
23 later than ~~ten~~ fifteen years after the governor has proclaimed
24 a disaster emergency or the president of the United States has
25 declared a major disaster, whichever is later.
26 Sec. 2. Section 384.24, subsection 3, paragraphs w and x,
27 Code 2014, are amended to read as follows:
28 *w.* The remediation, restoration, repair, cleanup,
29 replacement, and improvement of property, buildings, equipment,
30 and public facilities that have been damaged by a disaster
31 as defined in section 29C.2 and that are located in an area
32 that the governor has proclaimed a disaster emergency or the
33 president of the United States has declared a major disaster.
34 Bonds issued pursuant to section 384.25 for the purposes
35 specified in this paragraph shall be issued not later than ~~ten~~

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1 fifteen years after the governor has proclaimed a disaster
2 emergency or the president of the United States has declared a
3 major disaster, whichever is later.
4 *x.* The reimbursement of the city's general fund or other
5 funds of the city for expenditures made related to remediation,
6 restoration, repair, and cleanup of damage caused by a disaster
7 as defined in section 29C.2, if the damage is located in an
8 area that the governor has proclaimed a disaster emergency
9 or the president of the United States has declared a major
10 disaster. Bonds issued pursuant to section 384.25 for the
11 purposes specified in this paragraph shall be issued not later
12 than ~~ten~~ fifteen years after the governor has proclaimed a
13 disaster emergency or the president of the United States has
14 declared a major disaster, whichever is later.
15 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
16 immediate importance, takes effect upon enactment.
17 EXPLANATION
18 **The inclusion of this explanation does not constitute agreement with**
19 **the explanation's substance by the members of the general assembly.**
20 Current Code sections 331.441 and 384.24 define "essential
21 county purpose" and "essential corporate purpose" to include
22 the remediation, restoration, repair, cleanup, replacement,
23 and improvement of property, buildings, equipment, and public
24 facilities that have been damaged by a disaster and that are
25 located in a declared disaster area and the reimbursement
26 of the county or city's general fund or other funds for
27 expenditures made related to remediation, restoration, repair,
28 and cleanup of damage caused by a disaster if the damage is
29 located in a declared disaster area. Current law requires that
30 the essential county purpose bonds or the essential corporate
31 purpose bonds issued for these disaster-related purposes
32 be issued not later than 10 years after the governor has
33 proclaimed a disaster emergency or the President of the United
34 States has declared a major disaster, whichever is later. This
35 bill changes the limitation on the period of time for the

H.F. _____

1 issuance of the bonds from 10 years to 15 years.
2 The bill takes effect upon enactment.

House Study Bill 627 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON SCHULTZ)

A BILL FOR

1 An Act related to special exceptions and variances from city
2 zoning regulations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6108YC (1) 85
aw/sc

H.F. _____

Section 1. Section 414.12, subsections 2 and 3, Code 2014, are amended to read as follows:

2. To hear and decide special exceptions to the terms of the ordinance upon which such board is required to pass under such ordinance, unless procedures to hear and decide special exceptions are otherwise provided by ordinance.

3. To authorize upon appeal in specific cases such variance from the terms of the ordinance as will not be contrary to the public interest, where owing to special conditions a literal enforcement of the provisions of the ordinance will result in ~~unnecessary hardship~~ practical difficulty, and so that the spirit of the ordinance shall be observed and substantial justice done.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to special exceptions and variances from city zoning regulations.

Under current law, a city's zoning board of adjustment is granted the power to hear and decide special exceptions to city zoning regulations. The bill provides that the board of adjustment is granted such powers unless procedures are otherwise provided by the city council by ordinance.

Current law also allows the board of adjustment to authorize a variance from zoning regulations not contrary to the public interest if, based upon special conditions, literal enforcement of the provisions of the zoning regulations will result in unnecessary hardship. The bill allows the granting of a variance if literal enforcement of the provisions of the ordinance will result in practical difficulty, rather than unnecessary hardship.

House Study Bill 628 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON SCHULTZ)

A BILL FOR

1 An Act relating to the definitions of mobile home park in the
2 Iowa Code chapters concerning property tax on manufactured
3 and mobile homes and for purposes of residential landlord
4 and tenant laws.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5399YC (5) 85
ad/sc

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Section 1. Section 435.1, subsection 6, Code 2014, is amended to read as follows:

6. *"Mobile home park"* means a site, lot, field, or tract of land upon which three or more mobile homes or manufactured homes, modular homes, motor homes, recreational park trailers, travel trailers, or a combination of any of these homes or trailers, are placed on developed spaces pursuant to a rental agreement as defined in section 562B.7 and operated as a for-profit enterprise with water, sewer or septic, and electrical services available. The term *"mobile home park"* shall not be construed to include manufactured or mobile homes, buildings, tents, or other structures temporarily maintained by any individual, educational institution, or company on their own premises and used exclusively to house their own labor or students. The term *"mobile home park"* shall not be construed to include a campground as defined in section 557B.1.

Sec. 2. Section 435.1, Code 2014, is amended by adding the following new subsections:

NEW SUBSECTION. 8. *"Motor home"* means the same as defined in section 321.1, subsection 36C, paragraph *"d"*.

NEW SUBSECTION. 9. *"Recreational park trailer"* means a recreational vehicle built on a single chassis, mounted on wheels, which may be connected to utilities necessary for operation of installed fixtures and appliances, with a gross area not exceeding four hundred square feet when in the set-up mode, and certified by the manufacturer as complying with the American National Standards Institute construction standard A119.5.

NEW SUBSECTION. 10. *"Travel trailer"* means the same as defined in section 321.1, subsection 36C, paragraph *"b"*.

Sec. 3. Section 562B.7, subsections 7 and 8, Code 2014, are amended to read as follows:

7. *"Mobile home park"* ~~shall mean any~~ means a site, lot, field or tract of land upon which three or more mobile homes, manufactured homes, ~~or~~ modular homes, motor homes, recreational

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park trailers, travel trailers, or a combination of any of these homes or trailers are placed on developed spaces pursuant to a rental agreement and operated as a for-profit enterprise with water, sewer or septic, and electrical services available. The term *"mobile home park"* shall not be construed to include manufactured or mobile homes, buildings, tents, or other structures temporarily maintained by any individual, educational institution, or company on their own premises and used exclusively to house their own labor or students. The term *"mobile home park"* shall not be construed to include a campground as defined in section 557B.1.

8. *"Mobile home space"* means a parcel of land for rent which has been designed to accommodate a mobile home, motor home, recreational park trailer, or travel trailer and provide the required sewer and utility connections.

Sec. 4. Section 562B.7, Code 2014, is amended by adding the following new subsections:

NEW SUBSECTION. 8A. *"Motor home"* means the same as defined in section 321.1, subsection 36C, paragraph *"d"*.

NEW SUBSECTION. 9A. *"Recreational park trailer"* means a recreational vehicle built on a single chassis, mounted on wheels, which may be connected to utilities necessary for operation of installed fixtures and appliances, with a gross area not exceeding four hundred square feet when in the set-up mode, and certified by the manufacturer as complying with the American National Standards Institute construction standard A119.5.

NEW SUBSECTION. 14. *"Travel trailer"* means the same as defined in section 321.1, subsection 36C, paragraph *"b"*.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill amends the definitions of "mobile home park" in Code chapters 435 (property tax on manufactured and mobile homes) and 562B (residential landlord and tenant law) and the

H.F. _____

1 definition of "mobile home space" in Code chapter 562B. The
2 bill adds motor homes, recreational park trailers, travel
3 trailers, or a combination of such homes or trailers to the
4 definition of mobile home park for both Code chapters. The
5 bill also adds modular homes to the definition of mobile home
6 park in Code chapter 435. The bill defines what constitutes a
7 motor home, recreational park trailer, or travel trailer for
8 purposes of the bill. The bill provides that a mobile home
9 park does not include a campground.

House Study Bill 629 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON BALTIMORE)

A BILL FOR

1 An Act relating to pharmacy benefits management and the use,
2 sharing, selling, rental, leasing, and dissemination of a
3 covered individual´s health information.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5687HC (1) 85
pf/nh

H.F. _____

1 Section 1. Section 510B.1, Code 2014, is amended by adding
2 the following new subsection:
3 NEW SUBSECTION. 5A. *"Marketing"* means communication
4 about a product or service that encourages a recipient of the
5 communication to purchase or use the product or service.
6 Sec. 2. Section 510B.5, Code 2014, is amended to read as
7 follows:
8 **510B.5 Contacting covered individual — using, sharing,**
9 **selling, rental, leasing, and dissemination of covered**
10 **individual's health information — requirements — prohibitions.**
11 1. A pharmacy benefits manager, unless authorized pursuant
12 to the terms of its contract with a covered entity and then
13 only for health or safety reasons, shall not contact any
14 covered individual without the express written permission of
15 the covered entity and the covered individual.
16 2. A pharmacy benefits manager shall not do any of the
17 following:
18 *a.* Use a covered individual's health information or share
19 a covered individual's health information with any pharmacy
20 affiliated with or owned, wholly or in part, by the pharmacy
21 benefits manager for any purpose including marketing, unless
22 all of the following conditions are met:
23 (1) Use of the covered individual's health information is
24 medically necessary for the health and safety of the covered
25 individual.
26 (2) Use of the covered individual's health information
27 is consistent with regulations promulgated by the centers
28 for Medicare and Medicaid services of the United States
29 department of health and human services, if such regulations
30 are applicable to the covered entity and covered individual.
31 (3) The covered individual provides express written
32 permission for such use of the information.
33 *b.* Sell, rent, lease, or disseminate a covered individual's
34 health information unless the sale, rental, leasing, or
35 dissemination complies with all applicable federal and

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1 state laws and the pharmacy benefits manager has received
2 express written permission for such sale, rental, leasing,
3 or dissemination from the covered entity and the covered
4 individual. A pharmacy benefits manager shall provide each
5 covered individual with an opportunity to affirmatively provide
6 express written permission for the sale, rental, leasing, or
7 dissemination of the covered individual's health information
8 prior to entering into any arrangement for the sale, rental,
9 leasing, or dissemination of such information to any other
10 entity or to any subsidiary owned, wholly or in part, by the
11 pharmacy benefits manager.
12 3. This section shall not be interpreted to prohibit the
13 use of a covered individual's health information in conjunction
14 with a covered entity's program to more effectively use
15 prescription drugs to improve the health and safety of the
16 covered individual.
17 EXPLANATION
18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.
20 This bill relates to pharmacy benefits management.
21 The bill amends provisions relating to the contacting of
22 covered individuals to include provisions relating to the
23 sharing of health information and marketing practices.
24 Currently, a pharmacy benefits manager is prohibited from
25 contacting a covered individual, unless authorized pursuant to
26 the terms of its contract with a covered entity, without the
27 express written permission of the covered entity. The bill
28 provides that in addition to these limitations, the pharmacy
29 benefits manager may only contact the covered individual for
30 health or safety reasons and only with the express written
31 permission of the covered individual.
32 The bill prohibits a pharmacy benefits manager from using a
33 covered individual's health information or sharing a covered
34 individual's health information with any pharmacy affiliated
35 with or owned, wholly or in part, by the pharmacy benefits

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1 manager for any purpose, including marketing, unless use of
2 the covered individual's health information is medically
3 necessary for the health and safety of the covered individual;
4 is consistent with regulations promulgated by the centers
5 for Medicare and Medicaid services of the United States
6 department of health and human services, if such regulations
7 are applicable to the covered entity and covered individual;
8 and if the covered individual has provided express written
9 permission for such use of the information.
10 With regard to the selling, rental, leasing, or
11 dissemination of a covered individual's health information,
12 the bill prohibits a pharmacy benefits manager from selling,
13 renting, leasing, or disseminating such information unless
14 the sale, rental, leasing, or dissemination complies with all
15 applicable federal and state laws and the pharmacy benefits
16 manager has received express written permission for such sale,
17 rental, leasing, or dissemination from the covered entity
18 and the individual. A pharmacy benefits manager is required
19 to provide each covered individual with an opportunity to
20 affirmatively provide express written permission for the sale,
21 rental, leasing, or dissemination of the covered individual's
22 health information prior to the pharmacy benefits manager
23 entering into any arrangement for the sale, rental, leasing, or
24 dissemination of such information to any other entity or to any
25 subsidiary owned, wholly or in part, by the pharmacy benefits
26 manager.
27 The bill is not to be interpreted to prohibit the use of
28 a covered individual's health information in conjunction
29 with a covered entity's program to more effectively use
30 prescription drugs to improve the health and safety of the
31 covered individual.

House Study Bill 630 - Introduced

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

A BILL FOR

1 An Act relating to the administration of elections and voter
2 registration by modifying the close of registration prior
3 to a primary election, requiring that absentee ballots
4 be received before the polls close on election day, and
5 allowing for changes to the envelopes provided to absentee
6 voters.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5683YC (1) 85
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1 Section 1. Section 48A.9, subsection 1, Code 2014, is
2 amended to read as follows:
3 1. Registration closes at 5:00 p.m. eleven days before each
4 election except ~~primary and~~ general elections. For ~~primary and~~
5 general elections, registration closes at 5:00 p.m. ten days
6 before the election. An eligible elector may register during
7 the time registration is closed in the elector's precinct but
8 the registration shall not become effective until registration
9 opens again in the elector's precinct, except as otherwise
10 provided in section 48A.7A.
11 Sec. 2. Section 48A.26, subsection 3, Code 2014, is amended
12 to read as follows:
13 3. If the registration form is missing required information
14 pursuant to section 48A.11, subsection 8, the acknowledgment
15 shall advise the applicant what additional information is
16 required. The commissioner shall enclose a new registration
17 form for the applicant to use. If the registration form has
18 no address, the commissioner shall make a reasonable effort
19 to determine where the acknowledgment should be sent. If the
20 incomplete registration form is received during the period in
21 which registration is closed pursuant to section 48A.9 but
22 by 5:00 p.m. on the Saturday before the election for general
23 ~~and primary~~ elections or by 5:00 p.m. on the Friday before the
24 election for all other elections, the commissioner shall send
25 a notice advising the applicant of election day and in-person
26 absentee registration procedures under section 48A.7A.
27 Sec. 3. Section 50.20, Code 2014, is amended to read as
28 follows:
29 **50.20 Notice of number of provisional ballots.**
30 The commissioner shall compile a list of the number of
31 provisional ballots cast under section 49.81 in each precinct.
32 The list shall be made available to the public as soon as
33 possible, but in no case later than 9:00 a.m. on the second
34 day following the election. Any elector may examine the
35 list during normal office hours, and may also examine the

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1 ~~affidavit~~ affidavits on the envelopes ~~bearing~~ containing the
2 ballots of challenged electors until the reconvening of the
3 special precinct board as required by this chapter. Only those
4 persons so permitted by section 53.23, subsection 4, shall have
5 access to the affidavits while that board is in session. Any
6 elector may present written statements or documents, supporting
7 or opposing the counting of any provisional ballot, at the
8 commissioner's office until the reconvening of the special
9 precinct board.
10 Sec. 4. Section 50.22, Code 2014, is amended to read as
11 follows:
12 **50.22 Special precinct board to determine challenges and**
13 **canvass absentee ballots.**
14 1. Upon being reconvened, the special precinct election
15 board shall review the information upon the envelopes bearing
16 the provisional ballots, and all evidence submitted in support
17 of or opposition to the right of each challenged person to vote
18 in the election. The board may divide itself into panels of
19 not less than three members each in order to hear and determine
20 two or more challenges simultaneously, but each panel shall
21 meet the requirements of section 49.12 as regards political
22 party affiliation of the members of each panel.
23 2. The decision to count or reject each ballot shall be
24 made upon the basis of the information given on the envelope
25 containing the provisional ballot, the evidence concerning
26 the challenge, the registration, and the returned receipts of
27 registration.
28 3. If a provisional ballot is rejected, the person casting
29 the ballot shall be notified by the commissioner within ten
30 days of the reason for the rejection, on the form prescribed
31 by the state commissioner pursuant to section 53.25, and the
32 envelope containing the provisional ballot shall be preserved
33 unopened and disposed of in the same manner as spoiled ballots.
34 The provisional ballots which are accepted shall be counted
35 in the manner prescribed by section 53.23, subsection 5. The

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commissioner shall make public the number of provisional ballots rejected and not counted, at the time of the canvass of the election.

~~The special precinct board shall also canvass any absentee ballots which were received after the polls closed in accordance with section 53.17. If necessary, they shall reconvene again on the day of the canvass by the board of supervisors to canvass any absentee ballots which were timely received.~~

4. The special precinct board shall submit their tally list to the supervisors before the conclusion of the canvass by the board.

Sec. 5. Section 50.24, subsection 2, Code 2014, is amended to read as follows:

2. Upon convening, the board shall open and canvass the tally lists and shall prepare abstracts stating the number of votes cast in the county, or in that portion of the county in which the election was held, for each office and on each question on the ballot for the election. ~~The board shall contact the chairperson of the special precinct board before adjourning and include in the canvass any absentee ballots which were received after the polls closed in accordance with section 53.17 and which were canvassed by the special precinct board after election day.~~ The abstract shall further indicate the name of each person who received votes for each office on the ballot, and the number of votes each person named received for that office, and the number of votes for and against each question submitted to the voters at the election. The votes of all write-in candidates who each received less than five percent of the votes cast for an office shall be reported collectively under the heading "scattering".

Sec. 6. Section 53.2, subsection 6, Code 2014, is amended to read as follows:

6. If an application for an absentee ballot is received from an eligible elector who is not a registered voter

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1 the commissioner shall send the eligible elector a voter
2 registration form and another absentee ballot application form.
3 If the application is received after the time registration
4 closes pursuant to section 48A.9 but by 5:00 p.m. on the
5 Saturday before the election for general ~~and primary~~ elections
6 or by 5:00 p.m. on the Friday before the election for all other
7 elections, the commissioner shall notify the applicant by
8 mail of the election day and in-person absentee registration
9 provisions of section 48A.7A. In addition to notification
10 by mail, the commissioner shall also attempt to contact the
11 applicant by any other method available to the commissioner.
12 Sec. 7. Section 53.8, subsection 1, Code 2014, is amended
13 to read as follows:
14 1. *a.* Upon receipt of an application for an absentee ballot
15 and immediately after the absentee ballots are printed, the
16 commissioner shall mail an absentee ballot to the applicant
17 within twenty-four hours, except as otherwise provided in
18 subsection 3. The absentee ballot shall be sent to the
19 registered voter by one of the following methods:
20 (1) The absentee ballot shall be enclosed in an unsealed
21 envelope ~~bearing~~ imprinted with a serial number and affidavit.
22 The absentee ballot and ~~unsealed~~ affidavit envelope shall
23 be enclosed in or with ~~a~~ an unsealed return envelope marked
24 postage paid which bears the same serial number as the ~~unsealed~~
25 affidavit envelope. The absentee ballot, ~~unsealed~~ affidavit
26 envelope, and return envelope shall be enclosed in a third
27 envelope to be sent to the registered voter. If the ballot
28 cannot be folded so that all of the votes cast on the ballot
29 will be hidden, the commissioner shall also enclose a secrecy
30 envelope with the absentee ballot.
31 (2) The absentee ballot shall be enclosed in an unsealed
32 return envelope imprinted with a serial number and affidavit
33 and marked postage paid. The absentee ballot and return
34 envelope shall be enclosed in a second envelope to be sent
35 to the registered voter. If the ballot cannot be folded so

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1 that all of the votes cast on the ballot will be hidden, the
2 commissioner shall also enclose a secrecy envelope with the
3 absentee ballot.
4 *b.* The affidavit shall be imprinted on the appropriate
5 envelope in a form prescribed by the state commissioner of
6 elections.
7 Sec. 8. Section 53.10, subsection 2, Code 2014, is amended
8 to read as follows:
9 2. Each person who wishes to vote by absentee ballot at
10 the commissioner's office shall first sign an application for
11 a ballot including the following information: name, current
12 address, and the election for which the ballot is requested.
13 The person may report a change of address or other information
14 on the person's voter registration record at that time. The
15 registered voter shall immediately mark the ballot; enclose
16 the ballot in a secrecy envelope, if necessary, and seal it
17 in ~~an affidavit~~ the envelope imprinted with the affidavit;
18 subscribe to the affidavit on the reverse side of the envelope;
19 and return the absentee ballot to the commissioner. The
20 commissioner shall record the numbers appearing on the
21 application and affidavit envelope along with the name of the
22 registered voter.
23 Sec. 9. Section 53.16, Code 2014, is amended to read as
24 follows:
25 **53.16 Subscribing to affidavit.**
26 After marking the ballot, the voter shall make and subscribe
27 to the affidavit on the ~~reverse side of the~~ affidavit envelope
28 or on the return envelope imprinted with the affidavit, and
29 fold the ballot or ballots, separately, so as to conceal
30 the markings on them, and deposit them in the envelope, and
31 securely seal the envelope.
32 Sec. 10. Section 53.17, subsection 1, unnumbered paragraph
33 1, Code 2014, is amended to read as follows:
34 ~~The~~ If the commissioner mailed the ballot pursuant to
35 section 53.8, subsection 1, paragraph *"a"*, subparagraph (1),

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1 the sealed affidavit envelope containing the absentee ballot
2 shall be enclosed in a return envelope which shall be securely
3 sealed. If the commissioner mailed the ballot pursuant to
4 section 53.8, subsection 1, paragraph *"a"*, subparagraph (2),
5 the absentee ballot shall be enclosed in the return envelope
6 which shall be securely sealed. The sealed return envelope
7 shall be returned to the commissioner by one of the following
8 methods:
9 Sec. 11. Section 53.17, subsection 2, Code 2014, is amended
10 to read as follows:
11 2. In order for the ballot to be counted, the return
12 envelope must be received in the commissioner's office before
13 the polls close on election day ~~or be clearly postmarked by an~~
14 ~~officially authorized postal service not later than the day~~
15 ~~before the election and received by the commissioner not later~~
16 ~~than noon on the Monday following the election~~.
17 Sec. 12. Section 53.17, subsection 3, Code 2014, is amended
18 by striking the subsection.
19 Sec. 13. Section 53.17, subsection 4, paragraph f, Code
20 2014, is amended to read as follows:
21 *f.* A statement that the completed absentee ballot will
22 be delivered to the commissioner's office within seventy-two
23 hours of retrieving it from the voter or before the closing of
24 the polls on election day, whichever is earlier, or that the
25 completed absentee ballot will be mailed to the commissioner
26 within seventy-two hours of retrieving it from the voter ~~or~~
27 ~~within time to be postmarked not later than the day before the~~
28 ~~election, whichever is earlier~~.
29 Sec. 14. Section 53.18, subsections 2 and 3, Code 2014, are
30 amended to read as follows:
31 2. If the commissioner receives the return envelope
32 containing the completed absentee ballot by 5:00 p.m. on
33 the Saturday before the election for general ~~and primary~~
34 elections and by 5:00 p.m. on the Friday before the election
35 for all other elections, the commissioner shall review the

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1 affidavit imprinted on the return envelope, if applicable, for
2 completeness or shall open the return envelope to review the
3 affidavit for completeness. If the affidavit is incomplete,
4 the commissioner shall, within twenty-four hours of the time
5 the envelope was received, notify the voter of that fact and
6 that the voter may complete the affidavit in person at the
7 office of the commissioner by 5:00 p.m. on the day before the
8 election, vote a replacement ballot in the manner and within
9 the time period provided in subsection 3, or appear at the
10 voter's precinct polling place on election day and cast a
11 ballot in accordance with section 53.19, subsection 3.
12 3. If the affidavit envelope or the return envelope
13 imprinted with the affidavit contains a defect that would
14 cause the absentee ballot to be rejected by the absentee
15 and special voters precinct board, the commissioner shall
16 immediately notify the voter of that fact and that the
17 voter's absentee ballot shall not be counted unless the
18 voter requests and returns a replacement ballot in the time
19 permitted under section 53.17, subsection 2. The voter may
20 request a replacement ballot in person, in writing, or over
21 the telephone. The same serial number that was assigned
22 to the records of the original absentee ballot application
23 shall be used on the envelope and records of the replacement
24 ballot. The ~~affidavit~~ envelope imprinted with the affidavit
25 and containing the completed replacement ballot shall be
26 marked "Replacement ballot". The ~~affidavit~~ envelope imprinted
27 with the affidavit and containing the original ballot shall
28 be marked "Defective" and the replacement ballot shall be
29 attached to ~~the affidavit~~ such envelope containing the original
30 ballot and shall be stored in a secure place until they are
31 delivered to the absentee and special voters precinct board,
32 notwithstanding sections 53.26 and 53.27.
33 Sec. 15. Section 53.21, subsection 2, paragraph b, Code
34 2014, is amended to read as follows:
35 *b.* The voter shall enclose one copy of the above statement

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1 in the return envelope along with the affidavit envelope, if
2 the voter was mailed a separate affidavit envelope, and shall
3 retain a copy for the voter's records.
4 Sec. 16. Section 53.23, subsection 3, paragraph b,
5 subparagraph (1), Code 2014, is amended to read as follows:
6 (1) The commissioner may direct the board to meet on the day
7 before the election for the purpose of reviewing the absentee
8 voters' affidavits appearing on the sealed ~~affidavit~~ envelopes.
9 If in the commissioner's judgment this procedure is necessary
10 due to the number of absentee ballots received, the members of
11 the board may open the sealed affidavit envelopes and remove
12 the secrecy envelope containing the ballot, but under no
13 circumstances shall a secrecy envelope or a return envelope
14 imprinted with an affidavit be opened before the board convenes
15 on election day, except as provided in paragraph "*c*". If the
16 affidavit envelopes are opened before election day pursuant
17 to this paragraph "*b*", two observers, one appointed by each
18 of the two political parties referred to in section 49.13,
19 subsection 2, shall witness the proceedings. The observers
20 shall be appointed by the county chairperson or, if the
21 county chairperson fails to make an appointment, by the state
22 chairperson. However, if either or both political parties fail
23 to appoint an observer, the commissioner may continue with the
24 proceedings.
25 Sec. 17. Section 53.23, subsection 5, Code 2014, is amended
26 to read as follows:
27 5. The special precinct election board shall preserve
28 the secrecy of all absentee and provisional ballots. After
29 the affidavits on the envelopes have been reviewed and the
30 qualifications of the persons casting the ballots have been
31 determined, those that have been accepted for counting shall
32 be opened. The ballots shall be removed from the affidavit
33 envelopes or return envelopes imprinted with the affidavit, as
34 applicable, without being unfolded or examined, and then shall
35 be thoroughly intermingled, after which they shall be unfolded

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and tabulated. If secrecy folders or envelopes are used with provisional paper ballots, the ballots shall be removed from the secrecy folders after the ballots have been intermingled.

Sec. 18. Section 53.25, Code 2014, is amended to read as follows:

53.25 Rejecting ballot.

1. If the absentee voter's affidavit lacks the voter's signature, if the applicant is not a duly registered voter on election day in the precinct where the absentee ballot was cast, if the ~~affidavit~~ envelope imprinted with the affidavit contains more than one ballot of any one kind, or if the voter has voted in person, such vote shall be rejected by the absentee and special voters precinct board. If the affidavit envelope or return envelope imprinted with the affidavit is open, or has been opened and resealed, or if the ballot is not enclosed in ~~the affidavit~~ such envelope, and an affidavit envelope or return envelope imprinted with the affidavit with the same serial number and marked "Replacement ballot" is not attached as provided in section 53.18, the vote shall be rejected by the absentee and special voters precinct board.

2. If the absentee ballot is rejected prior to the opening of the affidavit envelope or return envelope imprinted with the affidavit, the voter casting the ballot shall be notified by a precinct election official by the time the canvass is completed of the reason for the rejection on a form prescribed by the state commissioner of elections.

Sec. 19. Section 53.27, Code 2014, is amended to read as follows:

53.27 Rejection of ballot — return of envelope.

If the ballot is rejected, the ~~affidavit~~ envelope~~,~~ imprinted with the affidavit ~~of~~, with the ~~voter endorsed~~ voter's endorsement thereon, shall be returned with the rejected ballot in the envelope endorsed "Defective ballots".

Sec. 20. Section 53.30, Code 2014, is amended to read as follows:

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53.30 Ballots, ballot envelopes, and other information preserved.

At the conclusion of each meeting of the absentee and special voter's precinct board, the board shall securely seal all ballots counted by them in the manner prescribed in section 50.12. The ballot envelopes, including the affidavit envelope ~~having the registered voter's affidavit on it~~ if an affidavit envelope was provided, the return envelope, and secrecy envelope bearing the signatures of precinct election officials, as required by section 53.23, shall be preserved. All applications for absentee ballots, ballots rejected without being opened, absentee ballot logs, and any other documents pertaining to the absentee ballot process shall be preserved until such time as the documents may be destroyed pursuant to section 50.19.

Sec. 21. Section 53.32, Code 2014, is amended to read as follows:

53.32 Ballot of deceased voter.

When it shall be made to appear by due proof to the precinct election officials that any elector, who has so marked and forwarded a ballot, has died before the ~~affidavit~~ envelope imprinted with the affidavit is opened, then the ballot of such deceased voter shall be endorsed, "Rejected because voter is dead", and be returned to the commissioner~~; but the~~. The casting of the ballot of a deceased voter shall not invalidate the election.

Sec. 22. Section 53.38, Code 2014, is amended to read as follows:

53.38 What constitutes registration.

Whenever a ballot is requested pursuant to section 53.39 or 53.45 on behalf of a voter in the armed forces of the United States, the affidavit upon the ~~affidavit~~ envelope imprinted with the affidavit of such voter, if the voter is found to be an eligible elector of the county to which the ballot is submitted, shall constitute a sufficient registration under

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1 chapter 48A. A completed federal postcard registration and
2 federal absentee ballot request form submitted by such eligible
3 elector shall also constitute a sufficient registration under
4 chapter 48A. The commissioner shall place the voter's name
5 on the registration record as a registered voter if it does
6 not already appear there. The identification requirements of
7 section 48A.8 and the verification requirements of section
8 48A.25A do not apply to persons who register to vote under this
9 division.
10 Sec. 23. Section 53.40, subsection 3, Code 2014, is amended
11 to read as follows:
12 3. If the affidavit on the ~~affidavit~~ envelope imprinted
13 with the affidavit shows that the affiant is not a qualified
14 voter on the day of the election at which the ballot is
15 offered for voting, the envelope shall not be opened, but
16 the envelope and ballot contained in the envelope shall be
17 preserved and returned by the precinct election officials to
18 the commissioner, who shall preserve them for the period of
19 time and under the conditions provided for in sections 50.12,
20 50.13, 50.15, and 50.19.
21 Sec. 24. Section 53.44, unnumbered paragraph 1, Code 2014,
22 is amended to read as follows:
23 The affidavit on the ~~affidavit~~ envelope imprinted with the
24 affidavit used in connection with voting by absentee ballot
25 under this division by members of the armed forces of the
26 United States need not be notarized or witnessed, but the
27 affidavit on such envelope shall be completed and signed by the
28 voter.
29 Sec. 25. REPEAL. Sections 53.13 and 53.14, Code 2014, are
30 repealed.
31 EXPLANATION
32 **The inclusion of this explanation does not constitute agreement with**
33 **the explanation's substance by the members of the general assembly.**
34 This bill relates to the administration of elections and
35 voter registration.

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1 Under current law, voter registration closes at 5:00 p.m.
2 10 days prior to a general or primary election and 11 days
3 prior to all other elections. The bill requires that voter
4 registration close 11 days prior to primary elections.
5 Relating to completed absentee ballots mailed to the
6 commissioner, the bill provides that in order for an absentee
7 ballot to be counted, the return envelope must be received in
8 the commissioner's office before the polls close on election
9 day. Under current law, in order to be counted, the absentee
10 ballot must be received before the polls close on election
11 day or must be postmarked not later than the day before the
12 election and received by the county commissioner of elections
13 no later than 12:00 p.m. on the Monday following that election.
14 Relating to the envelopes provided to absentee voters, under
15 current law, absentee ballots mailed to a voter are required
16 to be enclosed in an unsealed envelope bearing a serial number
17 and an affidavit, which are then required to be enclosed in or
18 with a return envelope, all of which are then required to be
19 enclosed in a third envelope to be sent to the registered voter
20 requesting an absentee ballot.
21 The bill allows for an affidavit to be imprinted on the
22 return envelope. If a return envelope imprinted with the
23 affidavit is used, absentee ballots mailed to a voter are
24 required to be enclosed in the unsealed return envelope
25 imprinted with the affidavit which is required to be enclosed
26 in a second envelope to be sent to the registered voter
27 requesting an absentee ballot. The bill allows a county
28 commissioner of elections to continue sending absentee ballots
29 as provided under current law or to send absentee ballots
30 utilizing a return envelope imprinted with the affidavit. The
31 bill makes additional conforming changes.
32 The bill also repeals Code section 53.14 which requires that
33 the printed affidavit designate the voter's party affiliation
34 if the ballot enclosed is a primary election ballot.

House Study Bill 631 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON BALTIMORE)

A BILL FOR

1 An Act relating to nonsubstantive code corrections.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5492HC (1) 85
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DIVISION I
MISCELLANEOUS CHANGES

Section 1. Section 2.10, subsection 5, Code 2014, is amended to read as follows:

5. *a.* In addition to the salaries and expenses authorized by this section, a member of the general assembly shall be paid a per diem, and necessary travel and actual expenses incurred in attending meetings for which per diem or expenses are authorized by law for members of the general assembly who serve on statutory boards, commissions, or councils, and for standing or interim committee or subcommittee meetings subject to the provisions of section 2.14, or when on authorized legislative business when the general assembly is not in session. However, if a member of the general assembly is engaged in authorized legislative business at a location other than at the seat of government during the time the general assembly is in session, payment may be made for the actual transportation and lodging costs incurred because of the business. Such per diem or expenses shall be paid promptly from funds appropriated pursuant to section 2.12.

b. For purposes of this section, *"per diem"* means the maximum amount generally allowable to employees of the executive branch of the federal government for per diem while away from home at the seat of government.

Sec. 2. Section 2.48, subsection 4, Code 2014, is amended to read as follows:

4. *Subsequent additional review.* A tax expenditure or incentive reviewed pursuant to subsection 3 shall be reviewed again not more than five years after the tax expenditure or incentive was most recently reviewed.

Sec. 3. Section 8.6, subsection 17, paragraphs c and d, Code 2014, are amended to read as follows:

c. (1) To establish, by rule, a customer council responsible for overseeing the services provided solely by the department of administrative services. The rules adopted shall

H.F. _____

1 provide for all of the following:
2 ~~(1)~~ (a) The method of appointment of members to the council
3 by the governmental entities required to receive the services.
4 ~~(2)~~ (b) The duties of the customer council which shall be
5 as follows:
6 ~~(a)~~ (i) Annual review and approval of the department of
7 administrative services' business plan regarding services
8 provided solely by the department of administrative services.
9 ~~(b)~~ (ii) Annual review and approval of the procedure
10 for resolving complaints concerning services provided by the
11 department of administrative services.
12 ~~(c)~~ (iii) Annual review and approval of the procedure
13 for setting rates for the services provided solely by the
14 department of administrative services.
15 ~~(3)~~ (c) A process for receiving input from affected
16 governmental entities as well as for a biennial review by the
17 customer council of the determinations made by the department
18 of which services are funded by an appropriation to the
19 department of administrative services and which services are
20 funded by the governmental entities receiving the service,
21 including any recommendations as to whether the department
22 of administrative services shall be the sole provider of a
23 service funded by the governmental entities receiving the
24 service. The department, in consultation with the department
25 of administrative services, may change the determination of
26 a service if it is determined that the change is in the best
27 interests of those governmental entities receiving the service.
28 ~~d.~~ (2) If a service to be provided may also be provided
29 to the judicial branch and legislative branch, then the rules
30 shall provide that the chief justice of the supreme court may
31 appoint a member to the customer council, and the legislative
32 council may appoint a member from the senate and a member from
33 the house of representatives to the customer council, in their
34 discretion.
35 Sec. 4. Section 10A.104, subsection 10, Code 2014, is

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1 amended to read as follows:
2 10. Enter into and implement agreements or compacts between
3 the state of Iowa and Indian tribes located in the state which
4 are entered into under the authority of the Indian Gaming
5 Regulatory Act ~~(25~~, 25 U.S.C. § 2701 et ~~seq.).~~ seq. The
6 agreements or compacts shall contain provisions intended to
7 implement the policies and objectives of the Indian Gaming
8 Regulatory Act.
9 Sec. 5. Section 10A.105, subsection 3, Code 2014, is amended
10 to read as follows:
11 3. The state shall maintain records and materials related
12 to an agreement or compact entered into pursuant to the Indian
13 Gaming Regulatory Act ~~(25~~, 25 U.S.C. § 2701 et ~~seq.)~~ seq., as
14 confidential records if confidentiality is required by the
15 terms of the agreement or compact.
16 Sec. 6. Section 13B.4B, subsection 2, paragraph b,
17 unnumbered paragraph 1, Code 2014, is amended to read as
18 follows:
19 Summary claims data may be released if the data ~~contains~~
20 ~~no~~ does not contain information that is required to be kept
21 confidential pursuant to an attorney's obligations under the
22 Iowa rules of professional conduct. Such summary data may
23 include:
24 Sec. 7. Section 15J.2, subsection 13, Code 2014, is amended
25 to read as follows:
26 13. *"Substantially improved"* means that the cost of the
27 improvements ~~are~~ is equal to or ~~exceed~~ exceeds fifty percent of
28 the assessed value of the property, excluding the land, prior
29 to such improvements.
30 Sec. 8. Section 16.1, subsection 1, paragraph x, Code 2014,
31 is amended to read as follows:
32 *x. "Low or moderate income families"* means families who
33 cannot afford to pay enough to cause private enterprise in
34 their locality to build an adequate supply of decent, safe, and
35 sanitary dwellings for their use, and also includes, but is not

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1 limited to~~, (1) elderly~~ the following:
2 (1) Elderly families, families in which one or more persons
3 are persons with disabilities, lower income families and very
4 low income families~~, and (2) families~~.
5 (2) Families purchasing or renting qualified residential
6 housing.
7 Sec. 9. Section 16.2A, subsection 1, Code 2014, is amended
8 to read as follows:
9 1. A title guaranty division is created within the
10 authority. The powers of the division relating to the issuance
11 of title guaranties are vested in and shall be exercised by
12 a division board of five members appointed by the governor
13 subject to confirmation by the senate. The membership of
14 the division board shall include an attorney, an abstractor,
15 a real estate broker, a representative of a mortgage lender,
16 and a representative of the housing development industry. The
17 executive director of the authority shall appoint an attorney
18 as director of the title guaranty division, who shall serve as
19 an ex officio member of the division board. The appointment of
20 and compensation for the division director are exempt from the
21 merit system provisions of chapter 8A, subchapter IV.
22 Sec. 10. Section 24.9, Code 2014, is amended to read as
23 follows:
24 **24.9 Filing estimates — notice of hearing — amendments.**
25 1. *a.* Each municipality shall file with the secretary or
26 clerk thereof the estimates required to be made in sections
27 24.3 to 24.8, at least twenty days before the date fixed by
28 law for certifying the same to the levying board and shall
29 forthwith fix a date for a hearing thereon, and shall publish
30 such estimates and any annual levies previously authorized
31 as provided in section 76.2, with a notice of the time when
32 and the place where such hearing shall be held not less than
33 ten nor more than twenty days before the hearing. Provided
34 that in municipalities of less than two hundred population
35 such estimates and the notice of hearing thereon shall be

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1 posted in three public places in the district in lieu of
2 publication. For any other municipality such publication shall
3 be in a newspaper published therein, if any, if not, then in a
4 newspaper of general circulation therein.
5 ~~For any other municipality such publication shall be in~~
6 ~~a newspaper published therein, if any, if not, then in a~~
7 ~~newspaper of general circulation therein.~~
8 *b.* The department of management shall prescribe the form for
9 public hearing notices for use by municipalities.
10 2. Budget estimates adopted and certified in accordance
11 with this chapter may be amended and increased as the need
12 arises to permit appropriation and expenditure during the
13 fiscal year covered by the budget of unexpended cash balances
14 on hand at the close of the preceding fiscal year and which
15 cash balances had not been estimated and appropriated for
16 expenditure during the fiscal year of the budget sought to
17 be amended, and also to permit appropriation and expenditure
18 during the fiscal year covered by the budget of amounts of cash
19 anticipated to be available during the year from sources other
20 than taxation and which had not been estimated and appropriated
21 for expenditure during the fiscal year of the budget sought
22 to be amended. Such amendments to budget estimates may be
23 considered and adopted at any time during the fiscal year
24 covered by the budget sought to be amended, by filing the
25 amendments and upon publishing them and giving notice of the
26 public hearing in the manner required in this section. Within
27 ten days of the decision or order of the certifying or levying
28 board, the proposed amendment of the budget is subject to
29 protest, hearing on the protest, appeal to the state appeal
30 board and review by that body, all in accordance with sections
31 24.27 to 24.32, so far as applicable. A local budget shall be
32 amended by May 31 of the current fiscal year to allow time for a
33 protest hearing to be held and a decision rendered before June
34 30. An amendment of a budget after May 31 which is properly
35 appealed but without adequate time for hearing and decision

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1 before June 30 is void. Amendments to budget estimates
2 accepted or issued under this section are not within section
3 24.14.
4 Sec. 11. Section 28E.24, Code 2014, is amended to read as
5 follows:
6 **28E.24 Revenue and tax levies.**
7 1. *a.* The county board of supervisors shall certify to
8 the public safety commission the amount of revenue from the
9 county general fund credited to the unincorporated area in
10 the district based upon an average of revenues raised for law
11 enforcement purposes in the unincorporated area for the three
12 previous years. The public safety commission shall subtract
13 this amount from the amount of revenue to be contributed by
14 the unincorporated area. The difference is the amount of
15 additional revenue needed for unified law enforcement purposes.
16 *b.* In addition, the county board of supervisors and the
17 city council of each city in the district shall certify to
18 the public safety commission the amounts of revenue from the
19 county and from the city general fund credited to each city
20 in the district based upon an average of revenues raised for
21 law enforcement purposes in each city for the three previous
22 years. The public safety commission shall subtract the total
23 of these amounts from the amount of revenue to be contributed
24 by each city respectively. The difference for each city is the
25 amount of additional revenue needed for unified law enforcement
26 purposes.
27 2. The county board of supervisors and the council of each
28 city located within the district shall review the proposed
29 budget and upon the approval of the budget by the board
30 of supervisors and all city councils in the district, each
31 governing body shall determine the source of the additional
32 revenue needed for unified law enforcement purposes. If the
33 tax levy is approved as the source of revenue, the governing
34 body shall certify to the county auditor the amount of revenue
35 to be raised from the tax levy in either the unincorporated

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1 area of the district or a city in the district.
2 3. If the tax rate in any of the cities or the
3 unincorporated area exceeds the limitations prescribed in
4 section 28E.22, the public safety commission shall revise the
5 budget to conform with the tax limitations.
6 4. The county board of supervisors and the city council of
7 each city in the district shall deposit in the public safety
8 fund the amounts of revenue certified to the public safety
9 commission in this section based upon an average of revenues
10 raised for law enforcement purposes for the three previous
11 years.
12 5. If the average of revenues raised for law enforcement
13 purposes in the unincorporated area or a city for the previous
14 three years exceeds the amount of revenue needed for unified
15 law enforcement purposes, the unincorporated area or city is
16 only required to contribute the amount of revenue needed.
17 6. Taxes collected pursuant to the tax levies and other
18 moneys received from the county and cities in the district
19 shall be placed in a public safety fund and used only for the
20 operation of the district. Any unencumbered funds remaining
21 in the fund at the end of a fiscal year shall carry over to
22 the next fiscal year and may be used for the operation of the
23 district.
24 Sec. 12. Section 49.7, Code 2014, is amended to read as
25 follows:
26 **49.7 Reprecincting schedule and filing requirements.**
27 1. Where reprecincting is necessary, city councils
28 and county boards of supervisors or the temporary county
29 redistricting commission shall make any necessary changes
30 in precincts as soon as possible after the redistricting of
31 congressional and legislative districts becomes law.
32 2. *a.* City councils shall complete any changes in precinct
33 and ward boundaries necessary to comply with sections 49.3
34 and 49.5 not later than sixty days after the redistricting
35 of congressional and legislative districts becomes law, or

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1 September 1 of the year immediately following each year in
2 which the federal decennial census is taken, whichever is
3 later. Different compliance dates may be set by the general
4 assembly by joint resolution.
5 *b.* County boards of supervisors or the temporary county
6 redistricting commission shall complete any changes in precinct
7 and supervisor district boundaries necessary to comply with
8 sections 49.3, 49.4, and 331.209 not later than ninety days
9 after the redistricting of congressional and legislative
10 districts becomes law, or October 15 of the year immediately
11 following each year in which the federal decennial census is
12 taken, whichever is later. Different compliance dates may be
13 set by the general assembly by joint resolution.
14 3. Each county board of supervisors or the temporary county
15 redistricting commission and city council shall immediately
16 notify the state commissioner and the commissioner when the
17 boundaries of election precincts are changed, and shall provide
18 a map showing the new boundary lines. Each county board or
19 the temporary county redistricting commission and city council
20 shall certify to the state commissioner the populations of
21 the new election precincts or retained election precincts as
22 determined by the latest federal decennial census. Materials
23 filed with the state commissioner shall be postmarked no later
24 than the deadline specified in this section.
25 4. If the state commissioner determines that a county
26 board or the temporary county redistricting commission or city
27 council has failed to make the required changes by the dates
28 specified by this section, the state commissioner shall make
29 or cause to be made the necessary changes as soon as possible.
30 The state commissioner shall assess to the county or city, as
31 the case may be, the expenses incurred in making the necessary
32 changes. The state commissioner may request the services
33 of personnel and materials available to the legislative
34 services agency to assist the state commissioner in making
35 required changes in election precincts which become the state

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1 commissioner's responsibility.
2 5. Precinct boundaries shall become effective on January
3 15 of the second year following the year in which the census
4 was taken and shall be used for all subsequent elections.
5 Precinct boundaries drawn by the state commissioner shall be
6 incorporated into the ordinances of the city or county.
7 6. Changes made to precincts in years other than the year
8 following the year in which the federal decennial census is
9 taken shall be filed with the state commissioner as soon as
10 possible.
11 Sec. 13. Section 49.64, Code 2014, is amended to read as
12 follows:
13 **49.64 Number of ballots delivered.**
14 The commissioner shall cause ballots of the kind to be voted
15 in each precinct to be delivered to the precinct election
16 officials as follows: ~~in~~
17 1. In general elections which are presidential elections at
18 least fifty-five ballots for every fifty votes, or fraction of
19 fifty votes, cast in the precinct at the last preceding general
20 election which was also a presidential election~~; and in~~.
21 2. In general elections which are not presidential
22 elections, at least fifty-five ballots for every fifty votes,
23 or fraction of fifty votes, cast at the last preceding general
24 election which was not a presidential election.
25 Sec. 14. Section 53.37, subsections 1, 2, and 4, Code 2014,
26 are amended to read as follows:
27 1. This ~~division~~ subchapter is intended to implement the
28 federal ~~Uniform~~ Uniformed and Overseas Citizens Absentee Voting
29 Act, 42 U.S.C. § 1973ff et seq.
30 2. The term *"armed forces of the United States"*, as used in
31 this ~~division~~ subchapter, shall mean the army, navy, marine
32 corps, coast guard, and air force of the United States.
33 4. For the purposes of this ~~division~~ subchapter, *"qualified*
34 *voter"* means a person who is included within the term *"armed*
35 *forces of the United States"* as described in this section, who

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1 would be qualified to register to vote under section 48A.5,
2 subsection 2, except for residency, and who is not disqualified
3 from registering to vote and voting under section 48A.6.
4 Sec. 15. Section 70A.26, Code 2014, is amended to read as
5 follows:
6 **70A.26 Disaster service volunteer leave.**
7 An employee of an appointing authority who is a certified
8 disaster service volunteer of the American red cross may be
9 granted leave with pay from work for not more than fifteen
10 working days in any twelve-month period to participate in
11 disaster relief services for the American red cross at the
12 request of the American red cross for the services of that
13 employee and upon the approval of the employee's appointing
14 authority without loss of seniority, pay, vacation time,
15 personal days, sick leave, insurance and health coverage
16 benefits, or earned overtime accumulation. The appointing
17 authority shall compensate an employee granted leave under this
18 section at the employee's regular rate of pay for those regular
19 work hours during which the employee is absent from work. An
20 employee deemed to be on leave under this section shall not be
21 deemed to be an employee of the state for purposes of workers'
22 compensation. An employee deemed to be on leave under this
23 section shall not be deemed to be an employee of the state for
24 purposes of the Iowa tort claims Act, chapter 669. Leave under
25 this section shall be granted only for services relating to a
26 disaster in the state of Iowa.
27 Sec. 16. Section 70A.39, subsection 4, Code 2014, is amended
28 to read as follows:
29 4. An employee deemed to be on leave under this section
30 shall not be deemed to be an employee of the state for purposes
31 of workers' compensation or for purposes of the Iowa tort
32 claims Act, chapter 669.
33 Sec. 17. Section 73A.21, subsection 6, paragraph h, Code
34 2014, is amended to read as follows:
35 *h.* The commissioner shall require a contractor or

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1 subcontractor to file, within ten days of receipt of a request,
2 any records enumerated in subsection 7. If the contractor or
3 subcontractor fails to provide the requested records within ten
4 days, the commissioner may direct, within fifteen days after
5 the end of the ten-day period, ~~that~~ the fiscal or financial
6 office charged with the custody and disbursement of funds of
7 the public body that contracted for construction of the public
8 improvement or undertook the public improvement, to immediately
9 withhold from payment to the contractor or subcontractor
10 up to twenty-five percent of the amount to be paid to the
11 contractor or subcontractor under the terms of the contract
12 or written instrument under which the public improvement is
13 being performed. The amount withheld shall be immediately
14 released upon receipt by the public body of a notice from
15 the commissioner indicating that the request for records as
16 required by this section has been satisfied.
17 Sec. 18. Section 85.64, Code 2014, is amended to read as
18 follows:
19 **85.64 Limitation of benefits.**
20 1. If an employee who has previously lost, or lost the
21 use of, one hand, one arm, one foot, one leg, or one eye,
22 becomes permanently disabled by a compensable injury which has
23 resulted in the loss of or loss of use of another such member
24 or organ, the employer shall be liable only for the degree of
25 disability which would have resulted from the latter injury
26 if there had been no preexisting disability. In addition to
27 such compensation, and after the expiration of the full period
28 provided by law for the payments thereof by the employer,
29 the employee shall be paid out of the "Second Injury Fund"
30 created by this ~~division~~ subchapter the remainder of such
31 compensation as would be payable for the degree of permanent
32 disability involved after first deducting from such remainder
33 the compensable value of the previously lost member or organ.
34 2. Any benefits received by any such employee, or to which
35 the employee may be entitled, by reason of such increased

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1 disability from any state or federal fund or agency, to which
2 said employee has not directly contributed, shall be regarded
3 as a credit to any award made against said second injury fund
4 as aforesaid.
5 Sec. 19. Section 88.5, subsection 3, paragraph b,
6 subparagraphs (3) and (4), Code 2014, are amended to read as
7 follows:
8 (3) A statement of the steps the employer has taken and will
9 take ~~(with~~, with specific ~~dates)~~ dates, to protect employees
10 against the hazard covered by the standard.
11 (4) A statement of when the employer expects to be able
12 to comply with the standard and what steps the employer
13 has taken and what steps the employer will take ~~(with~~, with
14 dates ~~specified)~~ specified, to come into compliance with the
15 standard.
16 Sec. 20. Section 89.4, subsection 1, paragraph k,
17 subparagraph (3), Code 2014, is amended to read as follows:
18 (3) Water temperature in the boiler does not exceed ~~three~~
19 ~~hundred fifty~~ 350 degrees Fahrenheit.
20 Sec. 21. Section 96.3, subsection 5, paragraph a, Code 2014,
21 is amended to read as follows:
22 *a. Duration of benefits.* The maximum total amount of
23 benefits payable to an eligible individual during a benefit
24 year shall not exceed the total of the wage credits accrued
25 to the individual's account during the individual's base
26 period, or twenty-six times the individual's weekly benefit
27 amount, whichever is the lesser. The director shall maintain
28 a separate account for each individual who earns wages in
29 insured work. The director shall compute wage credits for each
30 individual by crediting the individual's account with one-third
31 of the wages for insured work paid to the individual during
32 the individual's base period. However, the director shall
33 recompute wage credits for an individual who is laid off due to
34 the individual's employer going out of business at the factory,
35 establishment, or other premises at which the individual was

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1 last employed, by crediting the individual's account with
2 one-half, instead of one-third, of the wages for insured work
3 paid to the individual during the individual's base period.
4 Benefits paid to an eligible individual shall be charged
5 against the base period wage credits in the individual's
6 account which have not been previously charged, in the inverse
7 chronological order as the wages on which the wage credits are
8 based were paid. However if the state ~~"off indicator"~~ "off"
9 indicator is in effect and if the individual is laid off due to
10 the individual's employer going out of business at the factory,
11 establishment, or other premises at which the individual was
12 last employed, the maximum benefits payable shall be extended
13 to thirty-nine times the individual's weekly benefit amount,
14 but not to exceed the total of the wage credits accrued to the
15 individual's account.
16 Sec. 22. Section 96.11, subsection 10, paragraph b, Code
17 2014, is amended to read as follows:
18 *b.* In the administration of the provisions of section
19 96.29 which are enacted to conform with the requirements of
20 the Federal-State Extended Unemployment Compensation Act of
21 1970, the department shall take such action as may be necessary
22 to ~~insure~~ ensure that the provisions are so interpreted and
23 applied as to meet the requirements of such federal Act as
24 interpreted by the United States department of labor, and to
25 secure to this state the full reimbursement of the federal
26 share of extended benefits paid under this chapter that are
27 reimbursable under the federal Act.
28 Sec. 23. Section 99F.9, Code 2014, is amended to read as
29 follows:
30 **99F.9 Wagering — age restrictions.**
31 1. Except as permitted in this section, the licensee shall
32 permit no form of wagering on gambling games.
33 ~~2. Reserved.~~
34 ~~3.~~ 2. The licensee may receive wagers only from a person
35 present on a licensed excursion gambling boat, licensed

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1 gambling structure, or in a licensed racetrack enclosure.
2 ~~4.~~ 3. The licensee shall exchange the money of each wagerer
3 for tokens, chips, or other forms of credit to be wagered on
4 the gambling games. However, nickels and quarters of legal
5 tender may be used for wagering in lieu of tokens or other
6 forms of credit. The licensee shall exchange the gambling
7 tokens, chips, or other forms of wagering credit for money at
8 the request of the wagerer.
9 ~~5.~~ 4. A person under the age of twenty-one years shall not
10 make or attempt to make a wager on an excursion gambling boat,
11 gambling structure, or in a racetrack enclosure and shall not
12 be allowed on the gaming floor of an excursion gambling boat
13 or gambling structure or in the wagering area, as defined in
14 section 99D.2, or on the gaming floor of a racetrack enclosure.
15 However, a person eighteen years of age or older may be
16 employed to work on the gaming floor of an excursion gambling
17 boat or gambling structure or in the wagering area or on the
18 gaming floor of a racetrack enclosure. A person who violates
19 this subsection with respect to making or attempting to make
20 a wager commits a scheduled violation under section 805.8C,
21 subsection 5, paragraph *"a"*.
22 ~~6.~~ 5. *a.* A person under the age of twenty-one years shall
23 not enter or attempt to enter the gaming floor or wagering
24 area, as defined in section 99D.2, of a facility licensed under
25 this chapter to operate gambling games.
26 *b.* A person under the age of twenty-one years does not
27 violate this subsection if any of the following circumstances
28 apply:
29 (1) The person is employed to work at the facility.
30 (2) The person is an employee or agent of the commission,
31 the division, a distributor, or a manufacturer, and acting
32 within the scope of the person's employment.
33 (3) The person is present in a racetrack enclosure and does
34 not enter or attempt to enter the gaming floor or wagering area
35 of the facility.

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1 *c.* A person who violates this subsection commits a simple
2 misdemeanor punishable as a scheduled violation under section
3 805.8C, subsection 5, paragraph *"b"*.
4 ~~7.~~ 6. A licensee shall not accept a credit card as defined
5 in section 537.1301, subsection 17, to purchase coins, tokens,
6 or other forms of credit to be wagered on gambling games.
7 Sec. 24. Section 99F.11, subsection 3, paragraph d,
8 subparagraph (3), Code 2014, is amended to read as follows:
9 (3) One-half of the moneys remaining after the
10 appropriation in subparagraph (1) shall be credited, on a
11 quarterly basis, to the rebuild Iowa infrastructure fund
12 created in section 8.57.
13 Sec. 25. Section 101A.7, Code 2014, is amended to read as
14 follows:
15 **101A.7 Inspection of storage facility.**
16 1. The licensee's or permittee's explosive storage facility
17 shall be inspected at least once a year by a representative of
18 the state fire marshal's office, except that the state fire
19 marshal may, at those mining operations licensed and regulated
20 by the United States department of labor, accept an approved
21 inspection report issued by the United States department
22 of labor, mine safety and health administration, for the
23 twelve-month period following the issuance of the report. The
24 state fire marshal shall notify the appropriate city or county
25 governing board of licenses to be issued in their respective
26 jurisdictions pursuant to this chapter. The notification shall
27 contain the name of the applicant to be licensed, the location
28 of the facilities to be used in storing explosives, the types
29 and quantities of explosive materials to be stored, and other
30 information deemed necessary by either the governing boards
31 or the state fire marshal. The facility may be examined at
32 other times by the sheriff of the county where the facility is
33 located or by the local police authority if the facility is
34 located within a city of over ten thousand population and if
35 the sheriff or city council considers it necessary.

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1 2. If the state fire marshal finds the facility to be
2 improperly secured, the licensee or permittee shall immediately
3 correct the improper security and, if not so corrected, the
4 state fire marshal shall immediately confiscate the stored
5 explosives. Explosives may be confiscated by the county
6 sheriff or local police authority only if a situation that
7 is discovered during an examination by those authorities is
8 deemed to present an immediate danger. If the explosives are
9 confiscated by the county sheriff or local police authority,
10 they shall be delivered to the state fire marshal. The state
11 fire marshal shall hold confiscated explosives for a period of
12 thirty days under proper security unless the period of holding
13 is shortened pursuant to this section.
14 3. If the licensee or permittee corrects the improper
15 security within the thirty-day period, the explosives shall
16 be returned to the licensee or permittee after correction and
17 after the licensee or permittee has paid to the state an amount
18 equal to the expense incurred by the state in storing the
19 explosives during the period of confiscation. The amount of
20 expense shall be determined by the state fire marshal.
21 4. If the improper security is not corrected during the
22 thirty-day period, the state fire marshal shall dispose of the
23 explosives and the license or permit shall be canceled. A
24 canceled license or permit shall not be reissued for a period
25 of two years from the date of cancellation.
26 Sec. 26. Section 123.41, subsection 1, Code 2014, is amended
27 to read as follows:
28 1. Each application to obtain or renew a manufacturer's
29 license shall be submitted to the division electronically,
30 or in a manner prescribed by the administrator, and shall be
31 accompanied by a fee of three hundred fifty dollars payable to
32 the division. The administrator may in accordance with this
33 chapter grant and issue to a manufacturer a manufacturer's
34 license, valid for a one-year period after date of issuance,
35 ~~to a manufacturer~~ which shall allow the manufacture, storage,

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1 and wholesale disposition and sale of alcoholic liquors to the
2 division and to customers outside of the state.
3 Sec. 27. Section 123.50, subsection 2, Code 2014, is amended
4 to read as follows:
5 2. The conviction of any liquor control licensee, wine
6 permittee, or beer permittee for a violation of any of the
7 provisions of section 123.49, subject to subsection 3 of this
8 section, is grounds for the suspension or revocation of the
9 license or permit by the division or the local authority.
10 However, if any liquor control licensee is convicted of any
11 violation of section 123.49, subsection 2, paragraph *"a"*,
12 *"d"*, or *"e"*, ~~of that section,~~ or any wine or beer permittee
13 is convicted of a violation of section 123.49, subsection
14 2, paragraph *"a"* or *"e"* ~~of that section~~, the liquor control
15 license, wine permit, or beer permit shall be revoked and shall
16 immediately be surrendered by the holder, and the bond, if
17 any, of the license or permit holder shall be forfeited to the
18 division.
19 Sec. 28. Section 124.201, subsection 4, Code 2014, is
20 amended to read as follows:
21 4. If any new substance is designated as a controlled
22 substance under federal law and notice of the designation is
23 given to the board, the board shall similarly designate as
24 controlled the new substance under this chapter after the
25 expiration of thirty days from publication in the ~~Federal~~
26 ~~Register~~ federal register of a final order designating a
27 new substance as a controlled substance, unless within that
28 thirty-day period the board objects to the new designation. In
29 that case the board shall publish the reasons for objection
30 and afford all interested parties an opportunity to be heard.
31 At the conclusion of the hearing the board shall announce its
32 decision. Upon publication of objection to a new substance
33 being designated as a controlled substance under this chapter
34 by the board, control under this chapter is stayed until the
35 board publishes its decision. If a substance is designated as

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1 controlled by the board under this subsection the control shall
2 be temporary and if, within sixty days after the next regular
3 session of the general assembly convenes, the general assembly
4 has not made the corresponding changes in this chapter, the
5 temporary designation of control of the substance by the board
6 shall be nullified.
7 Sec. 29. Section 135.64, subsection 3, Code 2014, is amended
8 to read as follows:
9 3. In the evaluation of applications for certificates
10 of need submitted by the university ~~hospital at~~ of Iowa
11 ~~City~~ hospitals and clinics, the unique features of that
12 institution relating to statewide tertiary health care, health
13 science education, and clinical research shall be given due
14 consideration. Further, in administering this division, the
15 unique capacity of university hospitals for the evaluation
16 of technologically innovative equipment and other new health
17 services shall be utilized.
18 Sec. 30. Section 135.152, subsection 5, paragraph c, Code
19 2014, is amended to read as follows:
20 *c.* The department, in cooperation with the department of
21 human services, shall develop a standardized application form
22 for the program and shall coordinate the determination of
23 eligibility for the medical assistance and medically needy
24 programs under chapter 249A, and for the obstetrical and
25 newborn indigent patient care program.
26 Sec. 31. Section 135B.34, subsection 2, paragraph b,
27 subparagraph (1), Code 2014, is amended to read as follows:
28 (1) If a person being considered for employment, other than
29 employment involving the operation of a motor vehicle, has
30 been convicted of a crime listed in subparagraph (2) but does
31 not have a record of founded child or dependent adult abuse
32 and the hospital has requested an evaluation in accordance
33 with paragraph *"a"* to determine whether the crime warrants
34 prohibition of the person's employment, the hospital may employ
35 the person for not more than sixty calendar days pending

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1 completion of the evaluation.
2 Sec. 32. Section 137F.1, subsection 12, paragraph c, Code
3 2014, is amended to read as follows:
4 *c.* A food with a hydrogen ion concentration (pH) level of
5 4.6 or below when measured at ~~twenty-four~~ 24 degrees Centigrade
6 or ~~seventy-five~~ 75 degrees Fahrenheit.
7 Sec. 33. Section 163.4, Code 2014, is amended to read as
8 follows:
9 **163.4 Powers of assistants.**
10 ~~Such assistant~~ Assistant veterinarians shall have power,
11 under the direction of the department, to perform all acts
12 necessary to carry out the provisions of law relating to
13 infectious and contagious diseases among animals, and shall be
14 furnished by the department with the necessary supplies and
15 materials which shall be paid for out of the appropriation for
16 the eradication of infectious and contagious diseases among
17 animals.
18 Sec. 34. Section 163.5, Code 2014, is amended to read as
19 follows:
20 **163.5 Oaths.**
21 ~~Such assistant~~ Assistant veterinarians shall have power to
22 administer oaths and affirmations to appraisers acting under
23 this and the following chapters of this subtitle.
24 Sec. 35. Section 163.27, subsection 1, Code 2014, is amended
25 to read as follows:
26 1. Garbage shall not be fed to an animal unless such garbage
27 has been heated to a temperature of ~~two hundred twelve~~ 212
28 degrees Fahrenheit for thirty minutes, or other acceptable
29 method, as provided by rules adopted by the department.
30 However, this requirement shall not apply to an individual who
31 feeds to the individual's own animals only the garbage obtained
32 from the individual's own household.
33 Sec. 36. Section 175.5, unnumbered paragraph 1, Code 2014,
34 is amended to read as follows:
35 In the performance of its duties, implementation of its

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1 powers, and the selection of specific programs and projects to
2 receive its assistance under this chapter, the authority shall
3 be guided by the following principles:
4 Sec. 37. Section 176A.10, subsection 2, Code 2014, is
5 amended to read as follows:
6 2. An extension council of an extension district may choose
7 to be subject to the levy and revenue limits specified in
8 ~~subparagraphs (2) of~~ subsection 1, ~~paragraphs~~ paragraph *"a"*
9 ~~through~~, subparagraph (2), paragraph *"b"*, subparagraph (2),
10 paragraph *"c"*, subparagraph (2), and paragraph *"d"*, subparagraph
11 (2) and subsection 1, paragraph *"e"*, for the purpose of the
12 annual levy for the fiscal year commencing July 1, 1991, which
13 levy is payable in the fiscal year beginning July 1, 1992.
14 Before an extension district may be subject to the levy and
15 revenue limits specified in ~~subparagraphs (2) of~~ subsection 1,
16 ~~paragraphs~~ paragraph *"a"* ~~through~~, subparagraph (2), paragraph
17 *"b"*, subparagraph (2), paragraph *"c"*, subparagraph (2), and
18 paragraph *"d"*, subparagraph (2) and subsection 1, paragraph
19 *"e"*, for fiscal years beginning on or after July 1, 1992, which
20 levy is payable in fiscal years beginning on or after July 1,
21 1993, the question of whether the district shall be subject to
22 the levy and revenue limits as specified in such paragraphs
23 must be submitted to the registered voters of the district.
24 The question shall be submitted at the time of a general
25 election. If the question is approved by a majority of those
26 voting on the question the levy and revenue limits specified
27 in ~~subparagraphs (2) of~~ subsection 1, ~~paragraphs~~ paragraph *"a"*
28 ~~through~~, subparagraph (2), paragraph *"b"*, subparagraph (2),
29 paragraph *"c"*, subparagraph (2), and paragraph *"d"*, subparagraph
30 (2) and subsection 1, paragraph *"e"*, shall thereafter apply to
31 the extension district. The question need only be approved at
32 one general election. If a majority of those voting on the
33 question vote against the question, the district may continue
34 to submit the question at subsequent general elections until
35 approved.

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1 Sec. 38. Section 185C.6, subsection 2, Code 2014, is amended
2 to read as follows:
3 2. Three board elected directors. Each such director shall
4 be elected by the board. The candidate receiving the highest
5 number of votes by the board shall be elected to represent the
6 state on an at-large basis.
7 Sec. 39. Section 189A.2, subsections 7 and 8, Code 2014, are
8 amended to read as follows:
9 7. *"Federal Food, Drug, and Cosmetic Act"* means the Act so
10 entitled, approved June 25, 1938 ~~(52~~, 52 Stat. ~~1040)~~ 1040, and
11 Acts amendatory thereof or supplementary thereto.
12 8. *"Federal Meat Inspection Act"* means the Act so entitled
13 approved March 4, 1907 ~~(34~~, 34 Stat. ~~1260)~~ 1260, as amended by
14 the Wholesome Meat Act ~~(81~~, 81 Stat. ~~584)~~ 584; *"Federal Poultry*
15 *Products Inspection Act"* means the Act so entitled approved
16 August 28, 1957 ~~(71~~, 71 Stat. ~~441)~~ 441, as amended by the
17 Wholesome Poultry Products Act ~~(82~~, 82 Stat. ~~791)~~ 791; and
18 *"federal Acts"* means these two federal laws.
19 Sec. 40. Section 196.8, subsection 1, Code 2014, is amended
20 to read as follows:
21 1. All eggs offered for sale to an establishment must be
22 no lower than United States department of agriculture consumer
23 grade "B". From the time of candling and grading until they
24 reach the consumer, all eggs designated for human consumption
25 shall be held at a temperature not to exceed ~~forty-five~~
26 45 degrees Fahrenheit or ~~seven~~ 7 degrees Celsius ambient
27 temperature. The ~~forty-five~~ 45 degrees Fahrenheit or ~~seven~~ 7
28 degrees Celsius ambient temperature requirement applies to any
29 place or room in which eggs are stored, except inside a vehicle
30 during transportation where the ambient temperature may exceed
31 ~~forty-five~~ 45 degrees Fahrenheit or ~~seven~~ 7 degrees Celsius,
32 provided the transport vehicle is equipped with refrigeration
33 units capable of delivering air at a temperature not greater
34 than ~~forty-five~~ 45 degrees Fahrenheit or ~~seven~~ 7 degrees
35 Celsius and capable of cooling the vehicle to a temperature

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1 not greater than ~~forty-five~~ 45 degrees Fahrenheit or ~~seven~~ 7
2 degrees Celsius. All shell eggs shall be kept from freezing.
3 Sec. 41. Section 203C.3, subsection 7, Code 2014, is amended
4 to read as follows:
5 7. The actions of the department in connection with
6 petitioning for appointment as a receiver, and all actions
7 pursuant to such appointment shall not be subject to the
8 provisions of the administrative procedure Act, chapter 17A.
9 Sec. 42. Section 203C.28, Code 2014, is amended to read as
10 follows:
11 **203C.28 Tariff rates.**
12 1. A warehouse operator shall, at the time of application
13 for a license, file a tariff with the department which shall
14 contain rates to be charged for receiving, storage, and
15 load-out of grain. The tariff shall be posted in a conspicuous
16 place at the place of business of the licensee in a form
17 prescribed by the department and shall become effective at the
18 time the license becomes effective.
19 2. Storage charges shall commence on the date of delivery to
20 the warehouse. Storage, receiving, or load-out charges other
21 than those specified in the tariff may be made if the charge
22 is required by the terms of a written contract with the United
23 States government or any of its subdivisions or agencies.
24 3. Grain deposited with the warehouse for the sole purpose
25 of processing and redelivery to the depositor is subject only
26 to the charges listed under the grain bank section of the
27 tariff. Drying and cleaning of grain shall not be construed
28 as processing.
29 4. A tariff may be amended at any time and is effective
30 immediately, except that grain in store on the effective date
31 of a storage charge increase does not assume the increased rate
32 until the subsequent anniversary date of deposit. Any decrease
33 in storage rates shall be effective immediately and shall be
34 applicable to all grain in store on the effective date of the
35 decrease.

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1 5. A warehouse operator may file with the department and
2 publish the supplemental tariff applicable only to grain
3 meeting special descriptive standards or characteristics as
4 set forth in the supplemental tariff. A supplemental tariff
5 shall be in a form prescribed by the department and be posted
6 adjacent to the warehouse tariff.
7 6. All tariff charges shall be nondiscriminatory within
8 classes.
9 Sec. 43. Section 207.4, subsections 1 and 5, Code 2014, are
10 amended to read as follows:
11 1. *a.* Prior to beginning mining or removal of overburden
12 at mining site, an operator shall obtain a permit from the
13 division for the site. Application for a permit shall be made
14 upon a form provided by the division. The permit fee shall be
15 established by the division in an amount not to exceed the cost
16 of administering the permit provisions of this chapter.
17 *b.* The application shall include~~,~~ but not be limited to:
18 ~~*a.*~~ (1) A legal description of the land where the site is
19 located and the estimated number of acres affected.
20 ~~*b.*~~ (2) A statement explaining the authority of the
21 applicant's legal right to operate a mine on the land.
22 ~~*c.*~~ (3) A reclamation plan meeting the requirements of this
23 chapter.
24 ~~*d.*~~ (4) A determination by an appropriate state or federal
25 agency of the probable hydrologic consequences of the mining
26 and reclamation operations, both on and off the mine site,
27 with respect to the hydrologic regime, quantity, and quality
28 of water in surface and groundwater systems including the
29 dissolved and suspended solids under seasonal flow conditions
30 and the collection of sufficient data for the mine site and
31 surrounding areas so that an assessment can be made by the
32 division of the probable cumulative impacts of all anticipated
33 mining in the area upon the hydrology of the area and
34 particularly upon water availability. If the division finds
35 that the probable total annual production at all locations of

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1 a coal mining operator will not exceed one hundred thousand
2 tons, the determination of probable hydrologic consequences and
3 a statement of the result of test borings on core samplings
4 which the division may require shall upon the written request
5 of the operator be performed by a qualified public or private
6 laboratory designated by the division and the cost of the
7 preparation of the determination and statement shall be assumed
8 by the division.
9 5. *a.* A permit renewal shall be for a term not to exceed
10 the period of the original permit.
11 *b.* Application for renewal shall be made at least one
12 hundred twenty days prior to the expiration of the permit.
13 Prior to the approval of a renewal of permit the division shall
14 provide notice to the appropriate public authorities.
15 Sec. 44. Section 215.20, subsections 1 and 2, Code 2014, are
16 amended to read as follows:
17 1. All liquefied petroleum gas, including but not limited
18 to propane, butane, and mixtures of them, shall be kept,
19 offered, exposed for sale, or sold by the pound, metered cubic
20 foot of vapor, defined as one cubic foot at ~~sixty~~ 60 degrees
21 Fahrenheit, or by the gallon, defined as two hundred thirty-one
22 cubic inches at ~~sixty~~ 60 degrees Fahrenheit.
23 2. All metered sales exceeding one hundred gallons
24 shall be corrected to a temperature of ~~sixty~~ 60 degrees
25 Fahrenheit through use of an approved meter with a sealed
26 automatic compensation mechanism. All sale tickets for sales
27 exceeding one hundred gallons shall show the stamped delivered
28 gallons and shall state that the temperature correction was
29 automatically made.
30 Sec. 45. Section 225C.12, subsection 2, Code 2014, is
31 amended to read as follows:
32 2. A county may claim reimbursement by filing with the
33 administrator a claim in a form prescribed by the administrator
34 by rule. Claims may be filed on a quarterly basis, and when
35 received shall be verified as soon as reasonably possible by

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1 the administrator. The administrator shall certify to the
2 director of the department of administrative services the
3 amount to which each county claiming reimbursement is entitled,
4 and the director of the department of administrative services
5 shall issue warrants to the respective counties drawn upon
6 funds appropriated by the general assembly for the purpose of
7 this section. A county shall place funds received under this
8 section in the county mental health~~, intellectual disability,~~
9 and ~~developmental~~ disabilities services fund created under
10 section 331.424A. If the appropriation for a fiscal year is
11 insufficient to pay all claims arising under this section, the
12 director of the department of administrative services shall
13 prorate the funds appropriated for that year among the claimant
14 counties so that an equal proportion of each county's claim is
15 paid in each quarter for which proration is necessary.
16 Sec. 46. Section 225C.32, Code 2014, is amended to read as
17 follows:
18 **225C.32 Plan appeals process.**
19 The department shall establish an appeals process by which
20 a mental health~~, intellectual disability,~~ and ~~developmental~~
21 disabilities services coordinating board or an affected party
22 may appeal a decision of the department or of the coordinating
23 board.
24 Sec. 47. Section 226.9C, subsection 2, paragraph a, Code
25 2014, is amended to read as follows:
26 *a.* A county may split the charges between the county's
27 mental health~~, intellectual disability,~~ and ~~developmental~~
28 disabilities services fund created pursuant to section 331.424A
29 and the county's budget for substance abuse expenditures.
30 Sec. 48. Section 227.2, subsection 2, Code 2014, is amended
31 to read as follows:
32 2. A copy of the written report prescribed by subsection 1
33 shall be furnished to the county board of supervisors, to the
34 county mental health and ~~intellectual disability~~ disabilities
35 services coordinating board or to its advisory board if

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1 the county board of supervisors constitutes ex officio the
2 coordinating board, to the administrator of the county care
3 facility inspected and to its certified volunteer long-term
4 care ombudsman, and to the department on aging.
5 Sec. 49. Section 229.21, subsection 2, Code 2014, is amended
6 to read as follows:
7 2. When an application for involuntary hospitalization
8 under section 229.6 or for involuntary commitment or treatment
9 of persons with substance-related disorders under section ~~229.6~~
10 ~~or~~ 125.75 is filed with the clerk of the district court in any
11 county for which a judicial hospitalization referee has been
12 appointed, and no district judge, district associate judge, or
13 magistrate who is admitted to the practice of law in this state
14 is accessible, the clerk shall immediately notify the referee
15 in the manner required by section 229.7 or section 125.77. The
16 referee shall discharge all of the duties imposed upon the
17 court by sections 229.7 to 229.22 or sections 125.75 to 125.94
18 in the proceeding so initiated. Subject to the provisions
19 of subsection 4, orders issued by a referee, in discharge of
20 duties imposed under this section, shall have the same force
21 and effect as if ordered by a district judge. However, any
22 commitment to a facility regulated and operated under chapter
23 135C shall be in accordance with section 135C.23.
24 Sec. 50. Section 231.23A, subsection 4, Code 2014, is
25 amended to read as follows:
26 4. The aging and disability resource center ~~program~~.
27 Sec. 51. Section 232.7, subsection 2, Code 2014, is amended
28 to read as follows:
29 2. In any proceeding held or action taken under this chapter
30 involving an Indian child, the applicable requirements of the
31 federal Adoption and Safe Families Act of ~~1999~~ 1997, Pub. L.
32 No. 105-89, shall be applied to the proceeding or action in a
33 manner that complies with chapter 232B and the federal Indian
34 Child Welfare Act, Pub. L. No. 95-608.
35 Sec. 52. Section 232.175, Code 2014, is amended to read as

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1 follows:
2 **232.175 Placement oversight.**
3 Placement oversight shall be provided pursuant to this
4 division when the parent, guardian, or custodian of a child
5 with an intellectual disability or other developmental
6 disability requests placement of the child in foster family
7 care for a period of more than thirty days. The oversight
8 shall be provided through review of the placement every six
9 months by the department's foster care review committees or
10 by a local citizen foster care review board. Court oversight
11 shall be provided prior to the initial placement and at
12 periodic intervals which shall not exceed twelve months. It
13 is the purpose and policy of this division to ensure the
14 existence of oversight safeguards as required by the federal
15 Adoption Assistance and Child Welfare Act of 1980, Pub. L. No.
16 96-272, as codified in 42 U.S.C. § 671(a)(16), 627(a)(2)(B),
17 and 675(1),(5), while maintaining parental decision-making
18 authority.
19 Sec. 53. Section 232.178, subsection 1, Code 2014, is
20 amended to read as follows:
21 1. For a placement initiated on or after July 1, 1992,
22 the department shall file a petition to initiate a voluntary
23 placement proceeding prior to the child's placement in
24 accordance with criteria established pursuant to the federal
25 Adoption Assistance and Child Welfare Act of 1980, Pub. L. No.
26 96-272, as codified in 42 U.S.C. § 627(a). For a placement
27 initiated before July 1, 1992, the department shall file a
28 petition to approve placement on or before September 1, 1992.
29 Sec. 54. Section 235A.18, subsection 1, paragraph a,
30 subparagraph (3), subparagraph division (b), Code 2014, is
31 amended to read as follows:
32 (b) Subparagraph division (a) shall not apply, and the
33 name of a person named in the initial data as having abused a
34 child shall remain in the registry as described in subparagraph
35 (1), if the department determined in the initial report

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1 and disposition data that the person committed child abuse
2 as defined in section 232.68, subsection 2, paragraph "a",
3 subparagraph (1), (4), or (6), and the child abuse resulted in
4 the child's death or a serious injury.
5 Sec. 55. Section 249A.26, subsection 8, Code 2014, is
6 amended to read as follows:
7 8. Notwithstanding section 8.39, the department may
8 transfer funds appropriated for the medical assistance program
9 to a separate account established in the department's case
10 management unit in an amount necessary to pay for expenditures
11 required to provide case management for mental health~~,~~
12 ~~intellectual disability,~~ and ~~developmental~~ disabilities
13 services under the medical assistance program which are jointly
14 funded by the state and county, pending final settlement of the
15 expenditures. Funds received by the case management unit in
16 settlement of the expenditures shall be used to replace the
17 transferred funds and are available for the purposes for which
18 the funds were originally appropriated.
19 Sec. 56. Section 252.13, Code 2014, is amended to read as
20 follows:
21 **252.13 Recovery by county.**
22 1. Any county having expended money for the assistance or
23 support of a poor person under this chapter, may recover the
24 money from any of the following: ~~from~~
25 *a.* From the poor person if the person becomes able, or from
26 the person's estate~~; from~~.
27 *b.* From relatives by action brought within two years from
28 the payment of the assistance or support~~, from~~.
29 *c.* From the poor person by action brought within two years
30 after the person becomes able~~, and from~~.
31 *d.* From the person's estate by filing the claim as provided
32 by law.
33 2. There shall be allowed against the person's estate a
34 claim of the sixth class for that portion of the liability to
35 the county which exceeds the total amount of all claims of

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1 the first through the fifth classes, inclusive, as defined in
2 section 633.425, which are allowed against that estate.
3 Sec. 57. Section 252B.4, subsection 5, paragraph b, Code
4 2014, is amended to read as follows:
5 *b.* A foreign reciprocating country or foreign country with
6 which the state has an arrangement as provided in 42 U.S.C.
7 ~~§ 659A~~ §659a.
8 Sec. 58. Section 252B.13A, subsection 2, paragraph a, Code
9 2014, is amended to read as follows:
10 *a.* The collection services center shall meet the
11 requirements for a state disbursement unit pursuant to 42
12 U.S.C. ~~§ 654B~~ §654b, section 252B.14, and this section by
13 October 1, 1999.
14 Sec. 59. Section 252B.13A, subsection 2, paragraph b,
15 subparagraph (4), Code 2014, is amended to read as follows:
16 (4) Furnishing, upon request, timely information on the
17 current status of support payments as provided in 42 U.S.C.
18 ~~§ 654B(b)(4)~~ §654b(b)(4), in a manner consistent with state
19 law.
20 Sec. 60. Section 252B.24, subsection 1, unnumbered
21 paragraph 1, Code 2014, is amended to read as follows:
22 Beginning October 1, 1998, the unit shall operate a state
23 case registry to the extent determined by applicable time
24 frames and other provisions of 42 U.S.C. ~~§ 654A(e)~~ §654a(e)
25 and this section. The unit and the judicial branch shall
26 enter into a cooperative agreement for the establishment and
27 operation of the registry by the unit. The state case registry
28 shall include records with respect to all of the following:
29 Sec. 61. Section 252B.24, subsection 2, paragraphs a and c,
30 Code 2014, are amended to read as follows:
31 *a.* Provision to the unit of information, orders, and
32 documents necessary for the unit to meet requirements described
33 in 42 U.S.C. ~~§ 654A(e)~~ §654a(e) and this section.
34 *c.* Use of automation, as appropriate, to meet the
35 requirements described in 42 U.S.C. ~~§ 654A(e)~~ §654a(e) and this

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1 section.
2 Sec. 62. Section 256.35, Code 2014, is amended to read as
3 follows:
4 **256.35 Regional autism assistance program.**
5 The department shall establish a regional autism assistance
6 program, to be administered by the child health specialty
7 ~~clinic~~ clinics of the university of Iowa hospitals and clinics.
8 The program shall be designed to coordinate educational,
9 medical, and other human services for persons with autism,
10 their parents, and providers of services to persons with
11 autism. The function of the program shall include, but is
12 not limited to, the coordination of diagnostic and assessment
13 services, the maintaining of a research base, coordination
14 of in-service training, providing technical assistance, and
15 providing consultation.
16 Sec. 63. Section 256.39, subsection 2, paragraph a, Code
17 2014, is amended to read as follows:
18 *a.* ~~Measure~~ Measurement of the employability skills of
19 students. Employability skills shall include, but are not
20 limited to, reading for information, applied mathematics,
21 listening, and writing.
22 Sec. 64. Section 256F.2, subsection 6, Code 2014, is amended
23 to read as follows:
24 6. *"Innovation zone consortium"* means a consortium of two or
25 more school districts and an area education agency in which one
26 or more of the school districts ~~is~~ are located, that receives
27 approval to establish an innovation zone school pursuant to
28 this chapter. In addition, the innovation zone consortium
29 may receive technical assistance from an accredited higher
30 education institution.
31 Sec. 65. Section 257.31, subsection 14, paragraph b,
32 subparagraph (2), Code 2014, is amended to read as follows:
33 (2) There is appropriated from the general fund of the
34 state to the school budget review committee for each fiscal
35 year an amount equal to the state aid portion of five percent

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of the receipts for special education instruction programs in all districts that ~~has~~ have a positive balance determined under paragraph *"a"* for the base year, or the state aid portion of all of the positive balances determined under paragraph *"a"* for the base year, whichever is less, to be used for supplemental aid payments to school districts. Except as otherwise provided in this ~~lettered~~ paragraph *"b"*, supplemental aid paid to a district is equal to the state aid portion of the district's negative balance. The school budget review committee shall direct the director of the department of management to make the payments to school districts under this ~~lettered~~ paragraph *"b"*.

Sec. 66. Section 258.16, subsection 3, paragraph c, Code 2014, is amended to read as follows:

c. Provide for development of a five-year plan addressing the delivery of quality vocational education instructional programs pursuant to section 256.11, subsection 4, ~~and~~ section 256.11, subsection 5, paragraph *"h"*, and section 260C.14, subsection 1. The plan shall be updated annually.

Sec. 67. Section 260C.18A, subsection 2, paragraph c, Code 2014, is amended to read as follows:

c. For the development and implementation of career academies designed to provide new career preparation opportunities for high school students that are formally linked with postsecondary career and technical education programs. For purposes of this section, *"career academy"* means a program of study that combines a minimum of two years of secondary education with an associate degree, or the equivalent, career preparatory program in a nonduplicative, sequential course of study that is standards based, integrates academic and technical instruction, utilizes work-based and worksite learning where appropriate and available, utilizes an individual career planning process with parent involvement, and leads to an associate degree or postsecondary diploma or certificate in a career field that prepares an individual for entry and advancement in a high-skill and reward career field

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1 and further education. The state board, in conjunction with
2 the division of community colleges and workforce preparation
3 of the department ~~of education~~, shall adopt administrative
4 rules for the development and implementation of such career
5 academies pursuant to section 256.11, subsection 5, paragraph
6 *"h"*, section 260C.1, and Tit. II of Pub. L. No. 105-332, Carl D.
7 Perkins Vocational and Technical Education Act of 1998.
8 Sec. 68. Section 260C.58, Code 2014, is amended to read as
9 follows:
10 **260C.58 Bonds or notes.**
11 1. To pay all or any part of the cost of carrying out any
12 project at any institution the board is authorized to borrow
13 money and to issue and sell negotiable bonds or notes and to
14 refund and refinance bonds or notes issued for any project or
15 for refunding purposes at a lower rate, the same rate, or a
16 higher rate or rates of interest and from time to time as often
17 as the board shall find it to be advisable and necessary so
18 to do. Bonds or notes issued by the board for residence hall
19 or dormitory purposes at any institution, including dining
20 or other facilities and additions, or issued for refunding
21 purposes, may either be sold in the manner specified for the
22 selling of certificates under section 260E.6 and the proceeds
23 applied to the payment of the obligations being refunded,
24 or the refunding bonds or notes may be exchanged for and in
25 payment and discharge of the obligations being refunded. A
26 finding by the board in the resolution authorizing the issuance
27 of the refunding bonds or notes, that the bonds or notes being
28 refunded were issued for a purpose specified in this ~~division~~
29 subchapter and constitute binding obligations of the board,
30 shall be conclusive and may be relied upon by any holder of
31 any refunding bond or note issued under the provisions of this
32 ~~division~~ subchapter. The refunding bonds or notes may be sold
33 or exchanged in installments at different times or an entire
34 issue or series may be sold or exchanged at one time. Any issue
35 or series of refunding bonds or notes may be exchanged in part

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1 or sold in parts in installments at different times or at one
2 time. The refunding bonds or notes may be sold or exchanged
3 at any time on, before, or after the maturity of any of the
4 outstanding notes, bonds or other obligations to be refinanced
5 thereby and may be issued for the purpose of refunding a like
6 or greater principal amount of bonds or notes, except that the
7 principal amount of the refunding bonds or notes may exceed
8 the principal amount of the bonds or notes to be refunded to
9 the extent necessary to pay any premium due on the call of the
10 bonds or notes to be refunded, to fund interest in arrears or
11 about to become due, or to allow for sufficient funding of the
12 escrow account on the bonds to be refunded.
13 2. All bonds or notes issued under the provisions of this
14 ~~division~~ subchapter shall be payable from and shall be secured
15 by an irrevocable first lien pledge of a sufficient portion
16 of the following: the net rents, profits and income derived
17 from the operation of residence halls, dormitories, dining or
18 other incidental facilities and additions, including necessary
19 real and personal property, acquired or improved in whole or
20 in part with the proceeds of such bonds or notes, regardless
21 of the manner of such acquisition or improvement; and the
22 net rents, profits and income not pledged for other purposes
23 derived from the operation of any other residence halls or
24 dormitories, including dining or other incidental facilities
25 and additions, at the particular institution. In addition, the
26 board may secure any bonds or notes issued by borrowing money,
27 by mortgaging any real estate or improvements erected on real
28 estate, or by pledging rents, profits, and income received from
29 property for the discharge of mortgages. All bonds or notes
30 issued under the provisions of this ~~division~~ subchapter shall
31 have all the qualities of negotiable instruments under the laws
32 of this state.
33 Sec. 69. Section 260C.62, Code 2014, is amended to read as
34 follows:
35 **260C.62 Accounts.**

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1 1. A certified copy of each resolution providing for the
2 issuance of bonds or notes under this ~~division~~ subchapter shall
3 be filed with the treasurer of the institution on behalf of
4 which the bonds or notes are issued and the treasurer shall
5 keep and maintain separate accounts for each issue of bonds
6 or notes in accordance with the covenants and directions
7 set out in the resolution providing for the issuance of the
8 bonds or notes. All rates, fees, or rentals collected for
9 the use of and services provided by the residence halls and
10 dormitories, including dining and other incidental facilities,
11 at each institution shall be held in trust by the treasurer,
12 separate and apart from all other funds, to be used only for
13 the purposes specified in this ~~division~~ subchapter and as may
14 be required and provided for by the proceedings of the board
15 authorizing the issuance of bonds or notes. The treasurer of
16 each institution shall disburse funds from the proper account
17 for the payment of the principal of and interest on the bonds
18 or notes in accordance with the directions and covenants of the
19 resolution authorizing the issuance of the bonds or notes.
20 2. If the amount of bonds or notes issued under this chapter
21 exceeds the actual costs of the projects for which the bonds or
22 notes were issued, the amount of the difference shall be used
23 to pay the principal and interest due on bonds or notes issued
24 under this chapter.
25 Sec. 70. Section 260F.6, subsection 2, Code 2014, is amended
26 to read as follows:
27 2. To provide funds for the present payment of the costs
28 of a training program by the business, the community college
29 may provide to the business an advance of the moneys to be used
30 to pay for the program costs as provided in the agreement. To
31 receive the funds for this advance from the job training fund
32 established in subsection 1, the community college shall submit
33 an application to the ~~economic development~~ authority. The
34 amount of the advance shall not exceed fifty thousand dollars
35 for any business site, or one hundred thousand dollars within

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1 a three-fiscal-year period for any business site. If the
2 project involves a consortium of businesses, the maximum award
3 per project shall not exceed one hundred thousand dollars.
4 Participation in a consortium does not affect a business
5 site's eligibility for individual project assistance. Prior
6 to approval a business shall agree to match program amounts in
7 accordance with criteria established by the authority.
8 Sec. 71. Section 260F.6B, Code 2014, is amended to read as
9 follows:
10 **260F.6B High technology apprenticeship program.**
11 The community colleges and the ~~economic development~~
12 authority are authorized to fund high technology apprenticeship
13 programs which comply with the requirements specified in
14 section 260C.44 and which may include both new and statewide
15 apprenticeship programs. Notwithstanding the provisions
16 of section 260F.6, subsection 2, relating to maximum award
17 amounts, moneys allocated to the community colleges with high
18 technology apprenticeship programs shall be distributed to the
19 community colleges based upon contact hours under the programs
20 administered during the prior fiscal year as determined by the
21 department of education. The ~~economic development~~ authority
22 shall adopt rules governing this section's operation and
23 participant eligibility.
24 Sec. 72. Section 260F.7, Code 2014, is amended to read as
25 follows:
26 **260F.7 ~~Economic development authority~~ Authority to**
27 **coordinate.**
28 The ~~economic development~~ authority, in consultation with
29 the department of education and the department of workforce
30 development, shall coordinate the jobs training program. A
31 project shall not be funded under this chapter unless the
32 ~~economic development~~ authority approves the project. The
33 authority shall adopt rules pursuant to chapter 17A governing
34 the program's operation and eligibility for participation in
35 the program. The authority shall establish by rule criteria

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1 for determining what constitutes an eligible business.
2 Sec. 73. Section 261.19, subsections 1 and 2, Code 2014, are
3 amended to read as follows:
4 1. A health care professional recruitment program is
5 established to be administered by the college student aid
6 commission for Des Moines university — osteopathic medical
7 center. The program shall consist of a loan repayment program
8 for health care professionals. The commission shall regularly
9 adjust the service requirement under each aspect of the program
10 to provide, to the extent possible, an equal financial benefit
11 for each period of service required.
12 2. A health care professional shall be eligible for the
13 loan repayment program if the health care professional agrees
14 to practice in an eligible rural community in this state. Des
15 Moines university — osteopathic medical center shall recruit
16 and place health care professionals in rural communities which
17 have agreed to provide additional funds for the recipient's
18 loan repayment. The contract for the loan repayment shall
19 stipulate the time period the recipient shall practice in an
20 eligible rural community in this state. In addition, the
21 contract shall stipulate that the recipient repay any funds
22 paid on the recipient's loan by the commission if the recipient
23 fails to practice in an eligible rural community in this state
24 for the required period of time.
25 Sec. 74. Section 262.57, Code 2014, is amended to read as
26 follows:
27 **262.57 Bonds or notes.**
28 1. To pay all or any part of the cost of carrying out any
29 project at any institution the board is authorized to borrow
30 money and to issue and sell negotiable bonds or notes and
31 to refund and refinance bonds or notes heretofore issued or
32 as may be hereafter issued for any project or for refunding
33 purposes at a lower rate, the same rate, or a higher rate or
34 rates of interest and from time to time as often as the board
35 shall find it to be advisable and necessary so to do. Such

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1 bonds or notes may be sold by said board at public sale in
2 the manner prescribed by chapter 75, but if the board shall
3 find it to be advantageous and in the public interest to do
4 so, such bonds or notes may be sold by the board at private
5 sale without published notice of any kind and without regard
6 to the requirements of chapter 75 in such manner and upon such
7 terms as may be prescribed by the resolution authorizing the
8 same. Bonds or notes issued to refund other bonds or notes
9 heretofore or hereafter issued by the board for residence hall
10 or dormitory purposes at any institution, including dining or
11 other facilities and additions, or heretofore or hereafter
12 issued for refunding purposes, may either be sold in the
13 manner hereinbefore specified and the proceeds thereof applied
14 to the payment of the obligations being refunded, or the
15 refunding bonds or notes may be exchanged for and in payment
16 and discharge of the obligations being refunded, and a finding
17 by the board in the resolution authorizing the issuance of
18 such refunding bonds or notes that the bonds or notes being
19 refunded were issued for a purpose specified in this ~~division~~
20 subchapter and constitute binding obligations of the board
21 shall be conclusive and may be relied upon by any holder of
22 any refunding bond or note issued under the provisions of this
23 ~~division~~ subchapter. The refunding bonds or notes may be sold
24 or exchanged in installments at different times or an entire
25 issue or series may be sold or exchanged at one time. Any issue
26 or series of refunding bonds or notes may be exchanged in part
27 or sold in parts in installments at different times or at one
28 time. The refunding bonds or notes may be sold or exchanged
29 at any time on, before, or after the maturity of any of the
30 outstanding notes, bonds, or other obligations to be refinanced
31 thereby and may be issued for the purpose of refunding a like
32 or greater principal amount of bonds or notes, except that the
33 principal amount of the refunding bonds or notes may exceed
34 the principal amount of the bonds or notes to be refunded to
35 the extent necessary to pay any premium due on the call of the

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1 bonds or notes to be refunded or to fund interest in arrears or
2 about to become due.
3 2. All bonds or notes issued under the provision of this
4 ~~division~~ subchapter shall be payable solely and only from and
5 shall be secured by an irrevocable pledge of a sufficient
6 portion of the net rents, profits and income derived from the
7 operation of residence halls, dormitories, dining or other
8 incidental facilities and additions, including necessary real
9 and personal property, acquired or improved in whole or in part
10 with the proceeds of such bonds or notes, regardless of the
11 manner of such acquisition or improvement, and the net rents,
12 profits and income not pledged for other purposes derived from
13 the operation of any other residence halls or dormitories,
14 including dining or other incidental facilities and additions,
15 at the particular institution. All bonds or notes issued under
16 the provisions of this ~~division~~ subchapter shall have all the
17 qualities of negotiable instruments under the laws of this
18 state.
19 Sec. 75. Section 262.61, Code 2014, is amended to read as
20 follows:
21 **262.61 Accounts.**
22 1. A certified copy of each resolution providing for the
23 issuance of bonds or notes under this ~~division~~ subchapter shall
24 be filed with the treasurer of the institution on behalf of
25 which the bonds or notes are issued and it shall be the duty
26 of said treasurer to keep and maintain separate accounts for
27 each issue of bonds or notes in accordance with the covenants
28 and directions set out in the resolution providing for the
29 issuance thereof. All rates, fees or rentals collected for
30 the use of and services provided by the residence halls and
31 dormitories, including dining and other incidental facilities
32 therefor, at each institution shall be held in trust by the
33 treasurer thereof, separate and apart from all other funds,
34 to be used solely and only for the purposes specified in this
35 ~~division~~ subchapter and as may be required and provided for

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1 by the proceedings of the board authorizing the issuance of
2 bonds or notes. It shall be the duty of the treasurer of each
3 institution to disburse funds from the proper account for
4 the payment of the principal of and interest on the bonds or
5 notes in accordance with the directions and covenants of the
6 resolution authorizing the issuance thereof.
7 2. If the amount of bonds or notes issued under this chapter
8 exceeds the actual costs of the projects for which the bonds or
9 notes were issued, the amount of the difference shall be used
10 to pay the principal and interest due on bonds or notes issued
11 under this chapter.
12 Sec. 76. Section 275.23A, subsection 2, Code 2014, is
13 amended to read as follows:
14 2. Following each federal decennial census the school
15 board shall determine whether the existing director district
16 boundaries meet the standards in subsection 1 according to
17 the most recent federal decennial census. In addition to the
18 authority granted to voters to change the number of directors
19 or method of election as provided in sections 275.35, 275.36,
20 and 278.1, the board of directors of a school district may,
21 following a federal decennial census, by resolution and in
22 accordance with this section, authorize a change in the method
23 of election as set forth in section 275.12, subsection 2, or
24 a change to either five or seven directors after the board
25 conducts a hearing on the resolution. If the board proposes to
26 change the number of directors from seven to five directors,
27 the resolution shall include a plan for reducing the number
28 of directors. If the board proposes to increase the number
29 of directors to seven directors, two directors shall be
30 added according to the procedure described in section 277.23,
31 subsection 2. If necessary, the board of directors shall
32 redraw the director district boundaries. The director district
33 boundaries shall be described in the resolution adopted by
34 the school board. The resolution shall be adopted no earlier
35 than November 15 of the second year immediately following the

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1 year in which the federal decennial census is taken ~~nor~~ and
2 no later than May 15 of the third year immediately following
3 the year in which the federal decennial census is taken.
4 A copy of the plan shall be filed with the area education
5 agency administrator of the area education agency in which the
6 school's electors reside. If the board does not provide for
7 an election as provided in sections 275.35, 275.36, and 278.1
8 and adopts a resolution to change the number of directors or
9 method of election in accordance with this subsection, the
10 district shall change the number of directors or method of
11 election as provided unless, within twenty-eight days following
12 the action of the board, the secretary of the board receives a
13 petition containing the required number of signatures, asking
14 that an election be called to approve or disapprove the action
15 of the board in adopting the resolution. The petition must be
16 signed by eligible electors equal in number to not less than
17 one hundred or thirty percent of the number of voters at the
18 last preceding regular school election, whichever is greater.
19 The board shall either rescind its action or direct the
20 county commissioner of elections to submit the question to the
21 registered voters of the school district at an election held
22 on a date specified in section 39.2, subsection 4, paragraph
23 *"c"*. If a majority of those voting on the question at the
24 election favors disapproval of the action of the board, the
25 district shall not change the number of directors or method of
26 election. If a majority of those voting on the question does
27 not favor disapproval of the action, the board shall certify
28 the results of the election to the department of management and
29 the district shall change the number of directors or method of
30 election as provided in this subsection. At the expiration of
31 the twenty-eight-day period, if no petition is filed, the board
32 shall certify its action to the department of management and
33 the district shall change the number of directors or method of
34 election as provided in this subsection.
35 Sec. 77. Section 297.36, Code 2014, is amended to read as

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1 follows:
2 **297.36 Loan agreements.**
3 1. *a.* In order to make immediately available proceeds of
4 the voter-approved physical plant and equipment levy which
5 has been approved by the voters as provided in section 298.2,
6 the board of directors may, with or without notice, borrow
7 money and enter into loan agreements in anticipation of the
8 collection of the tax with a bank, investment banker, trust
9 company, insurance company, or insurance group.
10 *b.* By resolution, the board shall provide for an annual levy
11 which is within the limits of the voter-approved physical plant
12 and equipment levy to pay for the amount of the principal and
13 interest due each year until maturity. The board shall file
14 a certified copy of the resolution with the auditor of each
15 county in which the district is located. The filing of the
16 resolution with the auditor makes it the duty of the auditor
17 to annually levy the amount certified for collection until
18 funds are realized to repay the loan and interest on the loan
19 in full.
20 *c.* The loan must mature within the period of time authorized
21 by the voters and shall bear interest at a rate which does not
22 exceed the limits under chapter 74A. A loan agreement entered
23 into pursuant to this section shall be in a form as the board
24 of directors shall by resolution provide and the loan shall be
25 payable as to both principal and interest from the proceeds
26 of the annual levy of the voter-approved physical plant and
27 equipment levy, or so much thereof as will be sufficient to pay
28 the loan and interest on the loan.
29 *d.* The proceeds of a loan must be deposited in the physical
30 plant and equipment levy fund. Warrants paid from this fund
31 must be for purposes authorized for the voter-approved physical
32 plant and equipment levy.
33 2. This section does not limit the authority of the board
34 of directors to levy the full amount of the voter-approved
35 physical plant and equipment levy, but if and to whatever

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extent the tax is levied in any year in excess of the amount of principal and interest falling due in that year under a loan agreement, the first available proceeds, to an amount sufficient to meet maturing installments of principal and interest under the loan agreement, shall be paid into the debt service fund for the loan before the taxes are otherwise made available to the school corporation for other school purposes, and the amount required to be annually set aside to pay principal of and interest on the money borrowed under the loan agreement constitutes a first charge upon the proceeds of the voter-approved physical plant and equipment levy, which tax shall be pledged to pay the loan and the interest on the loan.

3. This section is supplemental and in addition to existing statutory authority to finance the purposes specified in section 298.2 for the physical plant and equipment levy, and for the borrowing of money and execution of loan agreements in connection with that section, and is not subject to any other law. The fact that a school corporation may have previously borrowed money and entered into loan agreements under authority of this section does not prevent the school corporation from borrowing additional money and entering into further loan agreements if the aggregate of the amount payable under all of the loan agreements does not exceed the proceeds of the voter-approved physical plant and equipment levy.

Sec. 78. Section 312.2, subsection 2, unnumbered paragraph 1, Code 2014, is amended to read as follows:

The treasurer of state shall before making the allotments in subsection 1 credit annually to the highway grade crossing safety fund the sum of seven hundred thousand dollars, credit annually from the road use tax fund the sum of nine hundred thousand dollars to the highway railroad grade crossing surface repair fund, credit monthly to the primary road fund the dollars yielded from an allotment of sixty-five hundredths of one percent of all road use tax funds for the express purpose of carrying out ~~subsection 11 of~~ section 307A.2, subsection 11,

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1 section 313.4, subsection 2, and section 307.45, and credit
2 annually to the primary road fund the sum of five hundred
3 thousand dollars to be used for paying expenses incurred by the
4 state department of transportation other than expenses incurred
5 for extensions of primary roads in cities. All unobligated
6 funds provided by this subsection, except those funds credited
7 to the highway grade crossing safety fund, shall at the end of
8 each year revert to the road use tax fund. Funds in the highway
9 grade crossing safety fund shall not revert to the road use tax
10 fund except to the extent they exceed five hundred thousand
11 dollars at the end of any biennium. The cost of each highway
12 railroad grade crossing repair project shall be allocated in
13 the following manner:
14 Sec. 79. Section 321.258, Code 2014, is amended to read as
15 follows:
16 **321.258 Arrangement of lights on official traffic-control**
17 **signals.**
18 1. Colored lights placed on a vertical official
19 traffic-control signal face shall be arranged from the top to
20 the bottom in the following order when used:
21 *a.* Circular red~~, circular~~.
22 *b.* Circular yellow~~, circular~~.
23 *c.* Circular green~~, straight~~.
24 *d.* Straight through yellow arrow~~, straight~~.
25 *e.* Straight through green arrow~~, left~~.
26 *f.* Left turn yellow arrow~~, left~~.
27 *g.* Left turn green arrow~~, right~~.
28 *h.* Right turn yellow arrow~~, and right~~.
29 *i.* Right turn green arrow.
30 2. Colored lights placed on a horizontal official
31 traffic-control signal face shall be arranged from the left to
32 the right in the following order when used:
33 *a.* Circular red~~, circular~~.
34 *b.* Circular yellow~~, left~~.
35 *c.* Left turn yellow arrow~~, left~~.

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1 *d.* Left turn green arrow~~, circular~~.
2 *e.* Circular green~~, straight~~.
3 *f.* Straight through yellow arrow~~, straight~~.
4 *g.* Straight through green arrow~~, right~~.
5 *h.* Right turn yellow arrow~~, and right~~.
6 *i.* Right turn green arrow.
7 Sec. 80. Section 321.440, subsection 1, Code 2014, is
8 amended to read as follows:
9 1. Every solid rubber tire on a vehicle shall have rubber on
10 its entire traction surface at least one inch thick above the
11 edge of the flange of the entire periphery. Any pneumatic tire
12 on a vehicle shall be considered unsafe if it has:
13 *a.* Any part of the ply or cord exposed~~;~~.
14 *b.* Any bump, bulge or separation~~;~~.
15 *c.* A tread design depth of less than one-sixteenth of
16 an inch measured in any two or more adjacent tread grooves,
17 exclusive of tie bars or, for those tires with tread wear
18 indicators, worn to the level of the tread wear indicators in
19 any two tread grooves~~;~~.
20 *d.* A marking "not for highway use", "for racing purposes
21 only", "unsafe for highway use"~~;~~.
22 *e.* Tread or sidewall cracks, cuts or snags deep enough to
23 expose the body cord~~;~~.
24 *f.* Such other conditions as may be reasonably demonstrated
25 to render it unsafe~~;~~.
26 *g.* Been regrooved or recut below the original tread design
27 depth, excepting special tires which have extra under tread
28 rubber and are identified as such, or if a pneumatic tire was
29 originally designed without grooves or tread.
30 Sec. 81. Section 331.382, subsection 8, paragraph a, Code
31 2014, is amended to read as follows:
32 *a.* The board is subject to chapter 161F, chapters 357
33 through 358, ~~or~~ chapter 468, subchapters I through III, chapter
34 468, subchapter IV, parts 1 and 2, or chapter 468, subchapter
35 V, as applicable, in acting relative to a special district

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1 authorized under any of those chapters.
2 Sec. 82. Section 341A.18, Code 2014, is amended to read as
3 follows:
4 **341A.18 Civil rights respected.**
5 1. A person shall not be appointed or promoted to, or
6 demoted or discharged from, any position subject to civil
7 service, or in any way favored or discriminated against with
8 respect to employment in the sheriff's office because of the
9 person's political or religious opinions or affiliations or
10 race or national origin or sex, or age.
11 2. *a.* A person holding a position subject to civil service
12 shall not, during the person's scheduled working hours or when
13 performing duties or when using county equipment or at any
14 time on county property, take part in any way in soliciting
15 any contribution for any political party or any person seeking
16 political office, nor shall such employee engage in any
17 political activity that will impair the employee's efficiency
18 during working hours or cause the employee to be tardy or
19 absent from work. The provisions of this section do not
20 preclude any employee from holding any office for which no pay
21 is received or any office for which only token pay is received.
22 *b.* A person shall not seek or attempt to use any political
23 endorsement in connection with any appointment to a position
24 subject to civil service.
25 *c.* A person shall not use or promise to use, directly
26 or indirectly, any official authority or influence, whether
27 possessed or anticipated, to secure or attempt to secure for
28 any person an appointment or advantage in the appointment to
29 a position subject to civil service, or an increase in pay or
30 other advantage in employment in any such position, for the
31 purpose of influencing the vote or political action of any
32 person or for any consideration.
33 *d.* An employee shall not use the employee's official
34 authority or influence for the purpose of interfering with an
35 election or affecting the results thereof.

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1 3. Any officer or employee subject to civil service who
2 violates any of the provisions of this section shall be subject
3 to suspension, dismissal, or demotion subject to the right of
4 appeal herein.
5 4. All employees shall retain the right to vote as they
6 please and to express their opinions on all subjects.
7 5. An officer or employee subject to civil service and
8 a chief deputy sheriff or second deputy sheriff, who becomes
9 a candidate for a partisan elective office for remuneration,
10 upon request, shall automatically be given a leave of absence
11 without pay, commencing thirty days before the date of the
12 primary election and continuing until the person is eliminated
13 as a candidate or wins the primary, and commencing thirty days
14 before the date of the general election and continuing until
15 the person is eliminated as a candidate or wins the general
16 election, and during the leave period shall not perform any
17 duties connected with the office or position so held. The
18 officer or employee subject to civil service, or chief deputy
19 sheriff or second deputy sheriff, may, however, use accumulated
20 paid vacation time for part or all of any leave of absence
21 under this section. The county shall continue to provide
22 health benefit coverages, and may continue to provide other
23 fringe benefits, to any officer or employee subject to civil
24 service, or to any chief deputy sheriff or second deputy
25 sheriff during any leave of absence under this section.
26 Sec. 83. Section 392.5, Code 2014, is amended to read as
27 follows:
28 **392.5 Library board.**
29 1. *a.* A city library board of trustees functioning on the
30 effective date of the city code shall continue to function in
31 the same manner until altered or discontinued as provided in
32 this section.
33 *b.* In order for the board to function in the same manner,
34 the council shall retain all applicable ordinances, and shall
35 adopt as ordinances all applicable state statutes repealed by

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1 1972 Iowa Acts, ~~chapter~~ ch. 1088.
2 2. A library board may accept and control the expenditure of
3 all gifts, devises, and bequests to the library.
4 3. *a.* A proposal to alter the composition, manner of
5 selection, or charge of a library board, or to replace it with
6 an alternate form of administrative agency, is subject to the
7 approval of the voters of the city.
8 *b.* The proposal may be submitted to the voters at any city
9 election by the council on its own motion. Upon receipt of a
10 valid petition as defined in section 362.4, requesting that a
11 proposal be submitted to the voters, the council shall submit
12 the proposal at the next regular city election. A proposal
13 submitted to the voters must describe with reasonable detail
14 the action proposed.
15 *c.* If a majority of those voting approves the proposal, the
16 city may proceed as proposed.
17 *d.* If a majority of those voting does not approve the
18 proposal, the same or a similar proposal may not be submitted
19 to the voters of the city for at least four years from the date
20 of the election at which the proposal was defeated.
21 Sec. 84. Section 403.8, subsection 3, Code 2014, is amended
22 to read as follows:
23 3. The requirement that real property or an interest in
24 real property transferred or retained for the purpose of
25 a development or redevelopment be sold, leased, otherwise
26 transferred, or retained at not less than its fair market
27 value does not apply if the developer enters into a written
28 assessment agreement with the municipality pursuant to section
29 403.6, subsections 18 and 19 and the minimum actual value
30 contained in the assessment agreement would indicate that there
31 will be sufficient taxable valuations to permit the collection
32 of incremental taxes as provided in ~~subsection 2 of~~ section
33 403.19, subsection 2, to cause the indebtedness and other costs
34 incurred by the municipality with respect to the property
35 or interest transferred or retained to be repayable as to

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principal within four tax years following the commencement of full operation of the development.

Sec. 85. Section 403.9, subsection 1, Code 2014, is amended to read as follows:

1. A municipality shall have power to periodically issue bonds in its discretion to pay the costs of carrying out the purposes and provisions of this chapter, including, but not limited to, the payment of principal and interest upon any advances for surveys and planning, and the payment of interest on bonds, herein authorized, not to exceed three years from the date the bonds are issued. The municipality shall have power to issue refunding bonds for the payment or retirement of such bonds previously issued by it. Said bonds shall be payable solely from the income and proceeds of the fund and portion of taxes referred to in ~~subsection 2 of~~ section 403.19, subsection 2, and revenues and other funds of the municipality derived from or held in connection with the undertaking and carrying out of urban renewal projects under this chapter. The municipality may pledge to the payment of the bonds the fund and portion of taxes referred to in ~~subsection 2 of~~ section 403.19, subsection 2, and may further secure the bonds by a pledge of any loan, grant or contribution from the federal government or other source in aid of any urban renewal projects of the municipality under this chapter, or by a mortgage of any such urban renewal projects, or any part thereof, title which is vested in the municipality.

Sec. 86. Section 419.4, subsection 2, paragraph b, subparagraph (2), Code 2014, is amended to read as follows:

(2) A municipality shall also have the power to provide that the project and improvements shall be constructed by the municipality, the lessee, the lessee's designee, the contracting party, or the contracting party's designee, or any one or more of them on real estate owned by the municipality, the lessee, the lessee's designee, the contracting party, or the contracting party's designee, as the case may be, and that

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1 the bond proceeds shall be disbursed by the trustee bank or
2 banks, trust company or trust companies, during construction
3 upon the estimate, order or certificate of the lessee, the
4 lessee's designee, the contracting party, or the contracting
5 party's designee.
6 Sec. 87. Section 422.11S, subsection 8, paragraph a,
7 subparagraph (2), Code 2014, is amended to read as follows:
8 (2) *"Total approved tax credits"* means for the tax year
9 beginning in the 2006 calendar year, two million five hundred
10 thousand dollars, for the tax year beginning in the 2007
11 calendar year, five million dollars, ~~and~~ for tax years
12 beginning on or after January 1, 2008, but before January 1,
13 2012, seven million five hundred thousand dollars, for tax
14 years beginning on or after January 1, 2012, but before January
15 1, 2014, eight million seven hundred fifty thousand dollars,
16 and for tax years beginning on or after January 1, 2014, twelve
17 million dollars.
18 Sec. 88. Section 422.12C, subsection 2, Code 2014, is
19 amended to read as follows:
20 2. *a.* The taxes imposed under this division, less the
21 amounts of nonrefundable credits allowed under this division,
22 may be reduced by an early childhood development tax credit
23 equal to twenty-five percent of the first one thousand dollars
24 which the taxpayer has paid to others for each dependent, as
25 defined in the Internal Revenue Code, ages three through five
26 for early childhood development expenses. In determining the
27 amount of early childhood development expenses for the tax year
28 beginning in the 2006 calendar year only, such expenses paid
29 during November and December of the previous tax year shall
30 be considered paid in the tax year for which the tax credit
31 is claimed. This credit is available to a taxpayer whose net
32 income is less than forty-five thousand dollars. If the early
33 childhood development tax credit is claimed for a tax year, the
34 taxpayer and the taxpayer's spouse shall not claim the child
35 and dependent care credit under subsection 1.

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1 *b.* As used in this subsection~~, "*early*~~:
2 (1) "*Early childhood development expenses*" means services
3 provided to the dependent by a preschool, as defined in section
4 237A.1, materials, and other activities as follows:
5 ~~*a.*~~ (a) Books that improve child development, including
6 textbooks, music books, art books, teacher's editions, and
7 reading books.
8 ~~*b.*~~ (b) Instructional materials required to be used in a
9 child development or educational lesson activity, including but
10 not limited to paper, notebooks, pencils, and art supplies.
11 ~~*c.*~~ (c) Lesson plans and curricula.
12 ~~*d.*~~ (d) Child development and educational activities outside
13 the home, including drama, art, music, and museum activities,
14 and the entrance fees for such activities, but not including
15 food or lodging, membership fees, or other nonacademic
16 expenses.
17 (2) "*Early childhood development expenses*" does not include
18 services, materials, or activities for the teaching of
19 religious tenets, doctrines, or worship, the purpose of which
20 is to inculcate those tenets, doctrines, or worship.
21 Sec. 89. Section 422.33, subsections 2, 4, and 7, Code 2014,
22 are amended to read as follows:
23 2. *a.* If the trade or business of the corporation is
24 carried on entirely within the state, the tax shall be imposed
25 on the entire net income, but if the trade or business is
26 carried on partly within and partly without the state or if
27 income is derived from sources partly within and partly without
28 the state, or if income is derived from trade or business
29 and sources, all of which are not entirely in the state, the
30 tax shall be imposed only on the portion of the net income
31 reasonably attributable to the trade or business or sources
32 within the state, with the net income attributable to the state
33 to be determined as follows:
34 ~~*a.*~~ (1) Nonbusiness interest, dividends, rents and
35 royalties, less related expenses, shall be allocated within and

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without the state in the following manner:

~~(1)~~ (a) Nonbusiness interest, dividends, and royalties from patents and copyrights shall be allocable to this state if the taxpayer's commercial domicile is in this state.

~~(2)~~ (b) Nonbusiness rents and royalties received from real property located in this state are allocable to this state.

~~(3)~~ (c) Nonbusiness rents and royalties received from tangible personal property are allocable to this state to the extent that the property is utilized in this state; or in their entirety if the taxpayer's commercial domicile is in this state and the taxpayer is not taxable in the state in which the property is utilized. The extent of utilization of tangible personal property in a state is determined by multiplying the rents and royalties by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown, or unascertainable by the taxpayer tangible personal property is utilized in the state in which the property was located at the time the rental or royalty payor obtained possession.

~~(4)~~ (d) Nonbusiness capital gains and losses from the sale or other disposition of assets shall be allocated as follows:

(i) Gains and losses from the sale or other disposition of real property located in this state are allocable to this state.

(ii) Gains and losses from the sale or other disposition of tangible personal property are allocable to this state if the property had a situs in this state at the time of the sale or disposition or if the taxpayer's commercial domicile is in this state and the taxpayer is not taxable in the state in which the property had a situs.

(iii) Gains and losses from the sale or disposition of

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1 intangible personal property are allocable to this state if the
2 taxpayer's commercial domicile is in this state.
3 ~~*b.*~~ (2) Net nonbusiness income of the above class having
4 been separately allocated and deducted as above provided,
5 the remaining net business income of the taxpayer shall be
6 allocated and apportioned as follows:
7 ~~(1)~~ (a) Business interest, dividends, rents, and royalties
8 shall be reasonably apportioned within and without the state
9 under rules adopted by the director.
10 ~~(2)~~ (b) Capital gains and losses from the sale or other
11 disposition of assets shall be apportioned to the state based
12 upon the business activity ratio applicable to the year the
13 gain or loss is determined if the corporation determines Iowa
14 taxable income by a sales, gross receipts or other business
15 activity ratio. If the corporation has only allocable income,
16 capital gains and losses from the sale or other disposition of
17 assets shall be allocated in accordance with ~~paragraph *"a"*,~~
18 subparagraph ~~(4)~~ (1), subparagraph division (d).
19 ~~(3)~~ (c) Where income is derived from business other than
20 the manufacture or sale of tangible personal property, the
21 income shall be specifically allocated or equitably apportioned
22 within and without the state under rules of the director.
23 ~~(4)~~ (d) Where income is derived from the manufacture or
24 sale of tangible personal property, the part attributable to
25 business within the state shall be in that proportion which
26 the gross sales made within the state bear to the total gross
27 sales.
28 ~~(5)~~ (e) Where income consists of more than one class of
29 income as provided in ~~subparagraphs (1) to (4)~~ subparagraph
30 divisions (a) through (d) of this ~~paragraph~~ subparagraph, it
31 shall be reasonably apportioned by the business activity ratio
32 provided in rules adopted by the director.
33 ~~(6)~~ (f) The gross sales of the corporation within the
34 state shall be taken to be the gross sales from goods delivered
35 or shipped to a purchaser within the state regardless of

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1 the F.O.B. point or other conditions of the sale, excluding
2 deliveries for transportation out of the state.
3 *b.* For the purpose of this ~~section, the word "*sale*"~~
4 subsection:
5 (1) "*Sale*" shall include exchange~~, and the word~~
6 ~~"*manufacture*"~~.
7 (2) "*Manufacture*" shall include the extraction and recovery
8 of natural resources and all processes of fabricating and
9 curing. ~~The words "*tangible*~~
10 (3) "*Tangible personal property*" shall be taken to mean
11 corporeal personal property, such as machinery, tools,
12 implements, goods, wares, and merchandise, and shall not be
13 taken to mean money deposits in banks, shares of stock, bonds,
14 notes, credits, or evidence of an interest in property and
15 evidences of debt.
16 4. *a.* In addition to all taxes imposed under this division,
17 there is imposed upon each corporation doing business within
18 the state the greater of the tax determined in subsection 1,
19 paragraphs "*a*" through "*d*" or the state alternative minimum tax
20 equal to sixty percent of the maximum state corporate income
21 tax rate, rounded to the nearest one-tenth of one percent, of
22 the state alternative minimum taxable income of the taxpayer
23 computed under this subsection.
24 *b.* The state alternative minimum taxable income of a
25 taxpayer is equal to the taxpayer's state taxable income as
26 computed with the adjustments in section 422.35 and with the
27 following adjustments:
28 ~~*a.*~~ (1) Add items of tax preference included in federal
29 alternative minimum taxable income under section 57, except
30 subsections (a)(1) and (a)(5), of the Internal Revenue Code,
31 make the adjustments included in federal alternative minimum
32 taxable income under section 56, except subsections (a)(4) and
33 (d), of the Internal Revenue Code, and add losses as required
34 by section 58 of the Internal Revenue Code. In making the
35 adjustment under section 56(c)(1) of the Internal Revenue Code,

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1 interest and dividends from federal securities and interest and
2 dividends from state and other political subdivisions and from
3 regulated investment companies exempt from federal income tax
4 under the Internal Revenue Code, net of amortization of any
5 discount or premium, shall be subtracted.
6 ~~*b.*~~ (2) Apply the allocation and apportionment provisions of
7 subsection 2.
8 ~~*c.*~~ (3) Subtract an exemption amount of forty thousand
9 dollars. This exemption amount shall be reduced, but not
10 below zero, by an amount equal to twenty-five percent of the
11 amount by which the alternative minimum taxable income of the
12 taxpayer, computed without regard to the exemption amount in
13 this paragraph, exceeds one hundred fifty thousand dollars.
14 ~~*d.*~~ (4) In the case of a net operating loss computed for a
15 tax year beginning after December 31, 1986, which is carried
16 back or carried forward to the current taxable year, the net
17 operating loss shall be reduced by the amount of items of
18 tax preference and adjustments arising in the tax year which
19 is taken into account in computing the net operating loss
20 in section 422.35, subsection 11. The deduction for a net
21 operating loss for a tax year beginning after December 31,
22 1986, which is carried back or carried forward to the current
23 taxable year shall not exceed ninety percent of the alternative
24 minimum taxable income determined without regard for the net
25 operating loss deduction.
26 7. *a.* (1) There is allowed as a credit against the tax
27 determined in subsection 1 for a tax year an amount equal to
28 the minimum tax credit for that tax year.
29 (2) The minimum tax credit for a tax year is the excess,
30 if any, of the net minimum tax imposed for all prior tax
31 years beginning on or after January 1, 1987, over the amount
32 allowable as a credit under this subsection for those prior tax
33 years.
34 *b.* (1) The allowable credit under paragraph "*a*" for a tax
35 year shall not exceed the excess, if any, of the tax determined

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in subsection 1 over the state alternative minimum tax as determined in subsection 4.

(2) The net minimum tax for a tax year is the excess, if any, of the tax determined in subsection 4 for the tax year over the tax determined in subsection 1 for the tax year.

Sec. 90. Section 422.70, subsection 1, paragraphs b, c, and d, Code 2014, are amended to read as follows:

b. To require by subpoena the attendance and testimony of witnesses~~; to~~.

c. To issue and sign subpoenas.

~~*c.*~~ *d.* To administer oaths, to examine witnesses and receive evidence.

~~*d.*~~ *e.* To compel witnesses to produce for examination books, papers, records, and documents relating to any matter which the director has the authority to investigate or determine.

Sec. 91. Section 423.3, subsection 60, paragraph h, Code 2014, is amended to read as follows:

h. (1) *"Prosthetic device"* means a replacement, corrective, or supportive device including repair and replacement parts for the same worn on or in the body to do any of the following:

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

~~(2)~~ (b) Prevent or correct physical deformity or malfunction.

~~(3)~~ (c) Support a weak or deformed portion of the body.

(2) *"Prosthetic device"* includes but is not limited to orthopedic or orthotic devices, ostomy equipment, urological equipment, tracheostomy equipment, and intraocular lenses.

Sec. 92. Section 426A.8, Code 2014, is amended to read as follows:

426A.8 Excess remitted — appeals.

1. If the amount of credit apportioned to any property eligible for military service tax exemption under this chapter in any year shall exceed the total tax, exclusive of any special assessments levied against such property eligible for military service tax exemption, then the excess shall

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be remitted by the county treasurer to the department of revenue to be redeposited in the general fund of the state and reallocated the following year by the department.

2. *a.* If any claim for exemption made has been denied by the board of supervisors, and the action is subsequently reversed on appeal, the same credit shall be allowed on the assessed valuation, not to exceed the amount of the military service tax exemption involved in the appeal, as was allowed on other military service tax exemption valuations for the year or years in question, and the director of revenue, the county auditor, and the county treasurer shall credit and change their books and records accordingly.

b. If the appealing taxpayer has paid one or both of the installments of the tax payable in the year or years in question on such military service tax exemption valuation, remittance shall be made to the county treasurer in the amount of such credit.

c. The amount of the credit shall be allocated and paid from the surplus redeposited in the general fund of the state provided for in ~~the first paragraph of this section~~ subsection 1.

Sec. 93. Section 426A.11, subsections 1 and 2, Code 2014, are amended to read as follows:

1. The property, not to exceed two thousand seven hundred seventy-eight dollars in taxable value, of any veteran, as defined in section 35.1, of World War I.

2. The property, not to exceed one thousand eight hundred fifty-two dollars in taxable value, of an honorably separated, retired, furloughed to a reserve, placed on inactive status, or discharged veteran, as defined in section 35.1, subsection 2, paragraph *"a"* or *"b"*.

Sec. 94. Section 426B.5, subsection 1, paragraph d, subparagraph (1), subparagraph divisions (a) and (b), Code 2014, are amended to read as follows:

(a) The county is levying the maximum amount allowed for

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1 the county's mental health~~, intellectual disability,~~ and
2 ~~developmental~~ disabilities services fund under section 331.424A
3 for the fiscal year in which the funding is distributed.
4 (b) In the latest fiscal year reported in accordance with
5 section 331.403, the county's mental health~~, intellectual~~
6 ~~disability,~~ and ~~developmental~~ disabilities services fund ending
7 balance under generally accepted accounting principles was
8 equal to or less than twenty-five percent of the county's
9 actual gross expenditures for that fiscal year.
10 Sec. 95. Section 426B.5, subsection 2, paragraph a, Code
11 2014, is amended to read as follows:
12 *a.* For the purposes of this subsection, unless the context
13 otherwise requires, *"services fund"* means a county's mental
14 health~~, intellectual disability,~~ and ~~developmental~~ disabilities
15 services fund created in section 331.424A.
16 Sec. 96. Section 445.37, Code 2014, is amended to read as
17 follows:
18 **445.37 When delinquent.**
19 1. *a.* If the semiannual installment of any tax has not
20 been paid before October 1 succeeding the levy, that amount
21 becomes delinquent from October 1 after due. However, in those
22 instances when the last day of September is a Saturday or
23 Sunday, that amount becomes delinquent on the second business
24 day of October. If the second installment is not paid before
25 April 1 succeeding its maturity, it becomes delinquent from
26 April 1 after due. However, in those instances when the last
27 day of March is a Saturday or Sunday, that amount becomes
28 delinquent on the second business day of April. This paragraph
29 applies to all taxes as defined in section 445.1, subsection 6.
30 *b.* However, if there is a delay in the delivery of the tax
31 list referred to in chapter 443 to the county treasurer, the
32 amount of ad valorem taxes and manufactured or mobile home
33 taxes due shall become delinquent thirty days after the date of
34 delivery or on the delinquent date of the first installment,
35 whichever date occurs later. The delay shall not affect the

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1 due dates for special assessments and rates or charges. The
2 delinquent date for special assessments and rates or charges
3 is the same as the first installment delinquent date for ad
4 valorem taxes, including any extension, in absence of a statute
5 to the contrary.
6 2. *a.* To avoid interest on delinquent taxes, a payment must
7 be received by the treasurer on or before the last business
8 day of the month preceding the delinquent date, or mailed with
9 appropriate postage and applicable fees paid, and a United
10 States postal service postmark affixed to the payment envelope,
11 with the postmark bearing a date preceding the delinquent
12 date. Items returned to the sender by the United States postal
13 service for insufficient postage or applicable fees shall be
14 assessed interest, unless the appropriate postage and fees are
15 paid and the items are postmarked again before the delinquent
16 date. However, if the last calendar day of a month falls on a
17 Saturday, Sunday, or a holiday, that amount becomes delinquent
18 on the second business day of the following month.
19 *b.* To avoid interest on current or delinquent taxes, for
20 payments made through a county treasurer's authorized internet
21 site only, if the last day of the month falls on a Saturday,
22 Sunday, or a holiday, the electronic payment must be initiated
23 by midnight on the first business day of the next month. All
24 other electronic payments must be initiated by midnight on the
25 last day of the month preceding the delinquent date.
26 Sec. 97. Section 452A.2, subsection 27, paragraph a,
27 subparagraph (2), Code 2014, is amended to read as follows:
28 (2) Any liquid advertised, offered for sale, sold
29 for use as, or commonly or commercially used as a fuel
30 for propelling motor vehicles which, when subjected to
31 distillation of gasoline, naphtha, kerosene and similar
32 petroleum products [ASTM (American society for testing and
33 materials) international designation D-86], shows not less
34 than ten percent distilled (recovered) below ~~three hundred~~
35 ~~forty-seven~~ 347 degrees Fahrenheit ~~(one hundred seventy-five~~

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1 (175 degrees Centigrade) and not less than ninety-five percent
2 distilled (recovered) below ~~four hundred sixty-four~~ 464 degrees
3 Fahrenheit ~~(two hundred forty~~ (240 degrees Centigrade).
4 Sec. 98. Section 452A.2, subsection 27, paragraph b, Code
5 2014, is amended to read as follows:
6 *b. "Motor fuel"* does not include special fuel, and does not
7 include liquefied gases which would not exist as liquids at a
8 temperature of ~~sixty~~ 60 degrees Fahrenheit and a pressure of
9 fourteen and seven-tenths pounds per square inch absolute, or
10 naphthas and solvents unless the liquefied gases or naphthas
11 and solvents are used as a component in the manufacture,
12 compounding, or blending of a liquid within paragraph *"a"*,
13 subparagraph (2), in which event the resulting product shall be
14 deemed to be motor fuel. *"Motor fuel"* does not include methanol
15 unless blended with other motor fuels for use in an aircraft or
16 for propelling motor vehicles.
17 Sec. 99. Section 452A.3, subsection 4, Code 2014, is amended
18 to read as follows:
19 4. For compressed natural gas used as a special fuel, the
20 rate of tax that is equivalent to the motor fuel tax shall
21 be sixteen cents per hundred cubic feet adjusted to a base
22 temperature of ~~sixty~~ 60 degrees Fahrenheit and a pressure of
23 fourteen and seventy-three hundredths pounds per square inch
24 absolute.
25 Sec. 100. Section 452A.86, Code 2014, is amended to read as
26 follows:
27 **452A.86 Method of determining gallonage.**
28 The exclusive method of determining gallonage of any
29 purchases or sales of motor fuel, undyed special fuel,
30 compressed natural gas, or liquefied petroleum gas as defined
31 in this chapter and distillate fuels shall be on a gross volume
32 basis. A temperature-adjusted or other method shall not be
33 used, except as it applies to liquefied petroleum gas and
34 the sale or exchange of petroleum products between petroleum
35 refiners. All invoices, bills of lading, or other records of

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1 sale or purchase and all returns or records required to be
2 made, kept, and maintained by a supplier, restrictive supplier,
3 importer, exporter, blender, or compressed natural gas or
4 liquefied petroleum gas dealer or user shall be made, kept,
5 and maintained on the gross volume basis. For purposes of
6 this section, *"distillate fuels"* means any fuel oil, gas oil,
7 topped crude oil, or other petroleum oils derived by refining
8 or processing crude oil or unfinished oils which have a boiling
9 range at atmospheric pressure which falls completely or in part
10 between ~~five hundred fifty~~ 550 and ~~twelve hundred~~ 1,200 degrees
11 Fahrenheit.
12 Sec. 101. Section 455B.471, subsections 7 and 8, Code 2014,
13 are amended to read as follows:
14 7. *"Petroleum"* means petroleum, including crude oil or any
15 fraction of crude oil which is liquid at standard conditions
16 of temperature and pressure ~~(sixty~~ (60 degrees Fahrenheit and
17 fourteen and seven-tenths pounds per square inch absolute).
18 8. *"Regulated substance"* means an element, compound,
19 mixture, solution or substance which, when released into the
20 environment, may present substantial danger to the public
21 health or welfare or the environment. Regulated substance
22 includes substances designated in 40 C.F.R., pts. 61 and
23 116, and 40 C.F.R. § 401.15, and petroleum including crude
24 oil or any fraction of crude oil which is liquid at standard
25 conditions of temperature and pressure ~~(sixty~~ (60 degrees
26 Fahrenheit and fourteen and seven-tenths pounds per square inch
27 absolute). However, regulated substance does not include a
28 substance regulated as a hazardous waste under the Resource
29 Conservation and Recovery Act of 1976. Substances may be added
30 or deleted as regulated substances by rule of the commission
31 pursuant to section 455B.474.
32 Sec. 102. Section 455E.11, subsection 2, paragraph b,
33 subparagraph (3), subparagraph division (b), subparagraph
34 subdivision (ii), Code 2014, is amended to read as follows:
35 (ii) Not more than six percent of the moneys is appropriated

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1 annually to the state hygienic laboratory to assist in well
2 testing.
3 (iii) For purposes of this subparagraph division, *"cistern"*
4 means an artificial reservoir constructed underground for the
5 purpose of storing rainwater.
6 Sec. 103. Section 455G.2, subsection 13, Code 2014, is
7 amended to read as follows:
8 13. *"Petroleum"* means petroleum, including crude oil or any
9 fraction of crude oil which is liquid at standard conditions
10 of temperature and pressure ~~(sixty~~ (60 degrees Fahrenheit and
11 fourteen and seven-tenths pounds per square inch absolute).
12 Sec. 104. Section 455G.13, subsection 2, paragraph b, Code
13 2014, is amended to read as follows:
14 *b.* An ~~owner~~ owner's or operator's liability for a release
15 for which coverage is admitted under the underground storage
16 tank insurance fund established in section 455G.11, Code 2003,
17 shall not exceed the amount of the deductible.
18 Sec. 105. Section 455G.13, subsection 10, paragraph a, Code
19 2014, is amended to read as follows:
20 *a.* Upon payment by the fund for corrective action or
21 third-party liability pursuant to this subchapter, the rights
22 of the claimant to recover payment from any potentially
23 responsible party~~,~~ are assumed by the board to the extent paid
24 by the fund. A claimant is precluded from receiving double
25 compensation for the same injury.
26 Sec. 106. Section 456A.37, subsection 1, paragraph a, Code
27 2014, is amended to read as follows:
28 *a.* *"Aquatic invasive species"* means a nonnative wildlife or
29 plant species that ~~have~~ has been determined by the department
30 to pose a significant threat to the aquatic resources or water
31 infrastructure of the state.
32 Sec. 107. Section 462A.2, subsection 32, Code 2014, is
33 amended to read as follows:
34 32. *"Proceeds"* includes whatever is received when collateral
35 or proceeds are sold, exchanged, collected, or otherwise

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1 disposed of. The term also includes the account arising when
2 the right to payment is earned under a contract right. Money,
3 checks, and the like are ~~*cash "proceeds"*~~ *"cash proceeds"*. All
4 other proceeds are *"noncash proceeds"*.
5 Sec. 108. Section 468.188, Code 2014, is amended to read as
6 follows:
7 **468.188 Public improvements which divide a district —**
8 **procedure.**
9 1. If it should develop that any type of public improvement,
10 other than the forces of nature, has caused such a change in
11 the district as to effectively sever and cut off some of the
12 land in the district from other lands in the district and from
13 the improvements in the district in such a way as to deprive
14 the land of any further benefits from the improvement, or in
15 some manner to divide the benefits that may be derived from
16 two separated portions of the improvement, then the board
17 of supervisors or the board of trustees in charge may upon
18 notice to interested parties and hearing as provided by this
19 subchapter, parts 1 through 5, for the original establishment
20 of a district make an order to remove lands so deprived of
21 benefits from the district without any reclassification, or
22 may subdivide the district into two separate entities if the
23 public improvement splits the district into two separate units,
24 each of which may still derive some separate benefits from the
25 separated portions of the district.
26 2. If the public improvement is such as to leave two
27 separate portions of the improvement that are still operable
28 and of benefit to the land on each side of the division made by
29 the public improvement, then the board may divide the district
30 into two separate units so that each may perform further work
31 on the improvements in their respective parts, but neither
32 shall be charged for work completed on the opposite side of
33 the new improvement that divides them and may only be charged
34 for the work done in that portion of the district remaining on
35 their side of the division.

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1 3. The same authority provided in this section shall vest in
2 the board of supervisors or the board of trustees in the event
3 a drainage district in any manner relinquishes its control over
4 any portion of its improvements or its obligation to maintain
5 same to another district and lands may be removed from the
6 district or the district may be divided as provided in this
7 section.
8 4. The board may further in dividing the district award to
9 each of the separated portions of the district the improvement
10 remaining in each portion, determine the value of the
11 improvement so remaining on each side and secondly determine
12 the contributions of the lands in the separated portions to the
13 improvements and the upkeep of the earlier district, and if
14 the contribution is proportionate neither side shall owe the
15 other portion of the district any money, but if contribution
16 is disproportionate, the board shall determine an equitable
17 adjustment and the amount of payment required for one portion
18 to pay to the other to buy the existing improvement.
19 5. If land is eliminated from any further benefits, there
20 need not be any reclassification and the board may remove the
21 same from the district in the same manner as if the land has
22 been destroyed in whole by the erosion of a river and spread
23 any deficiency in assessment among the remaining lands as
24 provided by section 468.49.
25 6. *"Type of public improvement"* for the purpose of this
26 section includes drainage or levee improvements or new
27 highways.
28 Sec. 109. Section 468.500, subsection 1, paragraph b, Code
29 2014, is amended to read as follows:
30 *b.* A drainage or levee district under the control of a city
31 council as provided in subchapter II, part 3, may be placed
32 under the control and management of a board of trustees by the
33 city council following the procedures provided in subchapter
34 II, part 2, for the county board of supervisors.
35 Sec. 110. Section 468.500, subsection 2, Code 2014, is

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1 amended to read as follows:
2 2. An overlying drainage or levee district that controls and
3 manages improvements and rights-of-way surrendered by a board
4 of supervisors or board of trustees of a contained district,
5 in accordance with sections 468.256 through 468.259, shall
6 continue to be controlled and managed by a board of trustees as
7 provided in subchapter II, part 3.
8 Sec. 111. Section 479.5, Code 2014, is amended to read as
9 follows:
10 **479.5 Application for permit.**
11 1. A pipeline company doing business in this state shall
12 file with the board its verified petition asking for a permit
13 to construct, maintain and operate its pipeline or lines along,
14 over or across the public or private highways, grounds, waters
15 and streams of any kind of this state. Any pipeline company
16 now owning or operating a pipeline in this state shall be
17 issued a permit by the board upon supplying the information as
18 provided for in section 479.6.
19 2. A pipeline company doing business in this state and
20 proposing to engage in underground storage of gas within this
21 state shall file with the board its verified petition asking
22 for a permit to construct, maintain and operate facilities for
23 the underground storage of gas to include the construction,
24 placement, maintenance and operation of machinery, appliances,
25 fixtures, wells, pipelines, and stations necessary for the
26 construction, maintenance and operation of the gas underground
27 storage facilities.
28 3. *a.* A pipeline company shall hold informational meetings
29 in each county in which real property or property rights
30 will be affected at least thirty days prior to filing the
31 petition for a new pipeline. A member of the board or a person
32 designated by the board shall serve as the presiding officer
33 at each meeting, shall present an agenda for the meeting which
34 shall include a summary of the legal rights of the affected
35 landowners, and shall distribute and review the statement of

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1 individual rights required under section 6B.2A. A formal record
2 of the meeting shall not be required.
3 *b.* The meeting shall be held at a location reasonably
4 accessible to all persons, companies, or corporations which may
5 be affected by the granting of the permit.
6 4. *a.* The pipeline company seeking the permit for a new
7 pipeline shall give notice of the informational meeting to each
8 person determined to be a landowner affected by the proposed
9 project and each person in possession of or residing on the
10 property. For the purposes of the informational meeting,
11 *"landowner"* means a person listed on the tax assessment rolls
12 as responsible for the payment of real estate taxes imposed on
13 the property and *"pipeline"* means a line transporting a solid,
14 liquid, or gaseous substance, except water, under pressure
15 in excess of one hundred fifty pounds per square inch and
16 extending a distance of not less than five miles or having a
17 future anticipated extension of an overall distance of five
18 miles.
19 *b.* The notice shall set forth the name of the applicant;
20 the applicant's principal place of business; the general
21 description and purpose of the proposed project; the general
22 nature of the right-of-way desired; the possibility that the
23 right-of-way may be acquired by condemnation if approved by
24 the utilities board; a map showing the route of the proposed
25 project; a description of the process used by the utilities
26 board in making a decision on whether to approve a permit
27 including the right to take property by eminent domain; that
28 the landowner has a right to be present at such meeting and
29 to file objections with the board; and a designation of the
30 time and place of the meeting. The notice shall be served by
31 certified mail with return receipt requested not less than
32 thirty days previous to the time set for the meeting, and shall
33 be published once in a newspaper of general circulation in
34 the county. The publication shall be considered notice to
35 landowners whose residence is not known and to each person in

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1 possession of or residing on the property provided a good faith
2 effort to notify can be demonstrated by the pipeline company.
3 5. A pipeline company seeking rights under this chapter
4 shall not negotiate or purchase any easements or other
5 interests in land in any county known to be affected by the
6 proposed project prior to the informational meeting.
7 Sec. 112. Section 481A.1, subsection 35, Code 2014, is
8 amended to read as follows:
9 35. *"Whitetail"* means an animal belonging to the ~~cervidae~~
10 Cervidae family and classified as part of the ~~virginianus~~
11 Virginianus species of the ~~odocoileus~~ Odocoileus genus,
12 commonly referred to as whitetail.
13 Sec. 113. Section 481A.10A, Code 2014, is amended to read
14 as follows:
15 **481A.10A Farmer advisory committee.**
16 1. The director shall establish a farmer advisory committee
17 for the purpose of providing information to the department
18 regarding crop and tree damage caused by deer, wild turkey, and
19 other predators.
20 2. Members of the committee shall include a representative
21 designated by each of the following organizations: ~~the~~
22 *a.* The Iowa corn growers association~~, the~~.
23 *b.* The Iowa farm bureau federation~~, the~~.
24 *c.* The Iowa farmers union~~, the~~.
25 *d.* The Iowa state horticulture society~~, the~~.
26 *e.* The Iowa Christmas tree growers association~~, the~~.
27 *f.* The Iowa nursery and landscape association~~, the~~.
28 *g.* The department of agriculture and land stewardship~~, and~~
29 ~~the~~.
30 *h.* The Iowa state university agricultural extension service.
31 3. The committee shall meet with a representative of the
32 department of natural resources on a semiannual basis. The
33 committee shall serve without compensation or reimbursement for
34 expenses.
35 Sec. 114. Section 483A.54, Code 2014, is amended to read as

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1 follows:
2 **483A.54 Nonliability of the state and its officials.**
3 1. Bonds issued are special limited obligations of the
4 commission and are not a debt or liability of the state or
5 any other political subdivision within the meaning of any
6 constitutional or statutory debt limitation and are not a
7 pledge of the state's credit or taxing power within the meaning
8 of any constitutional or statutory limitation or provision
9 and, except as provided in this ~~division~~ subchapter, an
10 appropriation shall not be made, directly or indirectly, by the
11 state or any political subdivision of the state for the payment
12 of bonds. The bonds are special obligations of the commission
13 payable solely from the wildlife habitat bond fund. Funds from
14 the general fund of the state shall not be used to pay interest
15 or principal on the bonds if revenues deposited in the wildlife
16 habitat bond fund are insufficient.
17 2. The members of the commission or other person executing
18 the bonds is not personally liable for the payment of the
19 bonds. The bonds are valid and binding obligations of the
20 commission notwithstanding the fact that before the delivery of
21 the bonds any of the officers whose signatures appear on the
22 bonds cease to be officers of the state. From and after the
23 sale and delivery of the bonds, they shall be incontestable by
24 the commission.
25 Sec. 115. Section 493.9, Code 2014, is amended to read as
26 follows:
27 **493.9 Change in stock.**
28 Any such corporation may, by appropriate amendments to its
29 articles of incorporation, adopted by a ~~two-third~~ two-thirds
30 affirmative vote of each class of stock then issued and
31 outstanding and affected by such amendment, change its common
32 or preferred stock having a par value to an equal, greater or
33 less number of shares of stock having no par value, and, in
34 connection therewith, may fix the amount of capital represented
35 by such shares of stock without par value.

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Sec. 116. Section 508.36, subsection 5, paragraph c, Code 2014, is amended to read as follows:

c. Weighting factors.

~~(1)~~ The weighting factors referred to in paragraph *"b"* are given in the following tables:

~~(a) (i)~~ (1) (a) Weighting Factors for Life Insurance:

Guarantee Duration (Years)	Weighting Factors
10 or less	.50
More than 10, but not more than 20	.45
More than 20	.35

~~(ii)~~ (b) For life insurance, the guarantee duration is the maximum number of years the life insurance can remain in force on a basis guaranteed in the policy or under options to convert to plans of life insurance with premium rates or nonforfeiture values or both which are guaranteed in the original policy.

~~(b)~~ (2) The weighting factors for single premium immediate annuities and for annuity benefits involving life contingencies arising from other annuities with cash settlement options and guaranteed interest contracts with cash settlement options is .80.

~~(c)~~ (3) Weighting factors for other annuities and for guaranteed interest contracts, except as stated in subparagraph ~~division (b)~~ (2), shall be as specified in subparagraph ~~subdivisions (i), (ii), and (iii)~~ divisions (a), (b), and (c) of this subparagraph ~~division~~, according to the rules and definitions in subparagraph ~~subdivisions (iv), (v), and (vi)~~ divisions (d), (e), and (f) of this subparagraph ~~division~~:

~~(i)~~ (a) For annuities and guaranteed interest contracts valued on an issue-year basis:

	Weighting Factor for Plan Type		
Guarantee Duration (Years)	A	B	C
5 or less	.80	.60	.50
More than 5,			

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but not more than 10	.75	.60	.50
More than 10,			
but not more than 20	.65	.50	.45
More than 20	.45	.35	.35

~~(ii)~~ (b) For annuities and guaranteed interest contracts valued on a change-in-fund basis, the factors shown in subparagraph ~~subdivision (i)~~ division (a) of this subparagraph ~~division~~ increased by:

Plan Type		
A	B	C
.15	.25	.05

~~(iii)~~ (c) For annuities and guaranteed interest contracts valued on an issue-year basis, other than those with no cash settlement options, which do not guarantee interest on considerations received more than one year after issue or purchase and for annuities and guaranteed interest contracts valued on a change-in-fund basis which do not guarantee interest rates on considerations received more than twelve months beyond the valuation date, the factors shown in subparagraph ~~subdivision (i)~~ division (a) of this subparagraph ~~division~~ or derived in subparagraph ~~subdivision (ii)~~ division (b) of this subparagraph ~~division~~ increased by:

Plan Type		
A	B	C
.05	.05	.05

~~(iv)~~ (d) For other annuities with cash settlement options and guaranteed interest contracts with cash settlement options, the guarantee duration is the number of years for which the contract guarantees interest rates in excess of the calendar year statutory valuation interest rate for life insurance policies with guarantee durations in excess of twenty years. For other annuities with no cash settlement options and for guaranteed interest contracts with no cash settlement options, the guarantee duration is the number of years from the date of issue or date of purchase to the date annuity benefits are

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1 scheduled to commence.
2 ~~(v)~~ (e) *"Plan type"*, as used in subparagraph ~~subdivisions~~
3 ~~(i), (ii), and (iii)~~ divisions (a), (b), and (c) of this
4 subparagraph ~~division~~, is defined as follows:
5 ~~(A)~~ (i) *"Plan Type A"*: At any time, the policyholder
6 may withdraw funds only with an adjustment to reflect changes
7 in interest rates or asset values since receipt of the funds
8 by the insurance company, or may withdraw funds without that
9 adjustment but in installments over five years or more, or may
10 withdraw funds as in immediate life annuity; or no withdrawal
11 is permitted.
12 ~~(B)~~ (ii) *"Plan Type B"*: Before expiration of the interest
13 rate guarantee, the policyholder may withdraw funds only with
14 an adjustment to reflect changes in interest rates or asset
15 values since receipt of the funds by the insurance company, or
16 may withdraw funds without that adjustment but in installments
17 over five years or more; or no withdrawal is permitted. At the
18 end of interest rate guarantee, funds may be withdrawn without
19 adjustment in a single sum or installments over less than five
20 years.
21 ~~(C)~~ (iii) *"Plan Type C"*: The policyholder may withdraw
22 funds before expiration of interest rate guarantee in a single
23 sum or installments over less than five years either without
24 adjustment to reflect changes in interest rates or asset values
25 since receipt of the funds by the insurance company, or subject
26 only to a fixed surrender charge stipulated in the contract as
27 a percentage of the fund.
28 ~~(vi)~~ (f) A company may elect to value guaranteed interest
29 contracts with cash settlement options and annuities with
30 cash settlement options on either an issue-year basis or on
31 a change-in-fund basis. Guaranteed interest contracts with
32 no cash settlement options and other annuities with no cash
33 settlement options must be valued on an issue-year basis.
34 As used in this section, an issue-year basis of valuation
35 refers to a valuation basis under which the interest rate used

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1 to determine the minimum valuation standard for the entire
2 duration of the annuity or guaranteed interest contract is the
3 calendar year valuation interest rate for the year of issue
4 or year of purchase of the annuity or guaranteed interest
5 contract, and the change-in-fund basis of valuation refers to a
6 valuation basis under which the interest rate used to determine
7 the minimum valuation standard applicable to each change in the
8 fund held under the annuity or guaranteed interest contract is
9 the calendar year valuation interest rate for the year of the
10 change in the fund.
11 Sec. 117. Section 514.1, subsection 2, Code 2014, is amended
12 to read as follows:
13 2. For the purposes of this chapter~~, "*subscriber*"~~:
14 *a. "Health care"* means that care necessary for the purpose
15 of preventing, alleviating, curing, or healing human physical
16 or mental illness, injury, or disability.
17 *b. "Provider"* means a person as defined in section 4.1,
18 subsection 20, which is licensed or authorized in this state to
19 furnish health care services.
20 *c. "Subscriber"* means an individual who enters into a
21 contract for health care services with a corporation subject
22 to this chapter and includes a person eligible for mandatory
23 medical assistance or optional medical assistance as defined
24 under chapter 249A, with respect to whom the department
25 of human services has entered into a contract with a firm
26 operating under this chapter. ~~For purposes of this chapter,~~
27 ~~"*provider*" means a person as defined in section 4.1, subsection~~
28 ~~20, which is licensed or authorized in this state to furnish~~
29 ~~health care services. "*Health care*" means that care necessary~~
30 ~~for the purpose of preventing, alleviating, curing, or healing~~
31 ~~human physical or mental illness, injury, or disability.~~
32 Sec. 118. Section 514I.10, subsection 1, Code 2014, is
33 amended to read as follows:
34 1. Cost sharing for eligible children whose family income
35 is below one hundred fifty percent of the federal poverty

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level shall not exceed the standards permitted under 42 U.S.C. ~~§ 1396(o)(a)(3)~~ §1396o(a)(3) or ~~§ 1396(o)(b)(1)~~ §1396o(b)(1).

Sec. 119. Section 521B.102, subsection 5, paragraph b, subparagraph (1), Code 2014, is amended to read as follows:

(1) The association shall satisfy the association's minimum capital and surplus requirements through the capital and surplus equivalents ~~(net~~, net of ~~liabilities)~~ liabilities, of the association and its members, which shall include a joint central fund that may be applied to any unsatisfied obligation of the association or any of its members, in an amount determined by the commissioner to provide adequate protection.

Sec. 120. Section 554.1110, Code 2014, is amended to read as follows:

554.1110 ~~Rules for filing and indexing~~ Rules for filing and indexing.

The secretary of state shall make and promulgate rules for all filing and indexing pursuant to this chapter and chapter 554B including but not limited to rules on whether statements and documents shall be indexed in real estate records.

Sec. 121. Section 554.1201, subsection 2, paragraph p, Code 2014, is amended to read as follows:

p. "Document of title" means a record that in the regular course of business or financing is treated as adequately evidencing that the person in possession or control of the record is entitled to receive, control, hold, and dispose of the record and the goods the record covers and that purports to be issued by or addressed to a bailee and to cover goods in the bailee's possession which are either identified or are fungible portions of an identified mass. The term includes a bill of lading, transport document, dock warrant, dock receipt, warehouse receipt, and order for delivery of goods. An *~~electronic~~ "electronic document of ~~title~~ title"* means a document of title evidenced by a record consisting of information stored in an electronic medium. A *~~tangible~~ "tangible document of ~~title~~ title"* means a document of title evidenced by a record

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1 consisting of information that is inscribed on a tangible
2 medium.
3 Sec. 122. Section 554.2311, subsection 2, Code 2014, is
4 amended to read as follows:
5 2. Unless otherwise agreed specifications relating to
6 assortment of the goods are at the buyer's option and except as
7 otherwise provided in section 554.2319, subsection 1, paragraph
8 *"c"*, and section 554.2319, subsection 3, specifications or
9 arrangements relating to shipment are at the seller's option.
10 Sec. 123. Section 556.1, subsection 12, Code 2014, is
11 amended to read as follows:
12 12. *a.* *"Property"* means a fixed and certain interest
13 in or right in an intangible that is held, issued, or owed
14 in the course of a holder's business, or by a government or
15 governmental entity, and all income or increment therefrom,
16 including that which is referred to as or evidenced by any of
17 the following:
18 ~~*a.*~~ (1) Money, check, draft, deposit, interest, dividend,
19 and income.
20 ~~*b.*~~ (2) Credit balance, customer overpayment, gift
21 certificate, security deposit, refund, credit memorandum,
22 unpaid wage, unused airline ticket, unused ticket, mineral
23 proceeds, and unidentified remittance and electronic fund
24 transfer.
25 ~~*c.*~~ (3) Stock or other evidence of ownership interests in
26 a business association.
27 ~~*d.*~~ (4) Bond, debenture, note, or other evidence of
28 indebtedness.
29 ~~*e.*~~ (5) Money deposited to redeem stocks, bonds, coupons,
30 and other securities, or to make distributions.
31 ~~*f.*~~ (6) An amount due and payable under the terms of an
32 insurance policy, including policies providing life insurance,
33 property and casualty insurance, workers' compensation
34 insurance, or health and disability benefits insurance.
35 ~~*g.*~~ (7) An amount distributable from a trust or custodian

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1 fund established under a plan to provide health, welfare,
2 pension, vacation, severance, retirement, death, stock
3 purchase, profit sharing, employee savings, supplemental
4 unemployment insurance, or similar benefits.
5 ~~*h.*~~ (8) Amounts distributable from a mineral interest in
6 land.
7 ~~*i.*~~ (9) Any other fixed and certain interest or right in an
8 intangible that is held, issued, or owing in the course of a
9 holder's business, or by a government or governmental entity.
10 *b.* *"Property"* does not include credits, advance payments,
11 overpayments, refunds, or credit memoranda shown on the books
12 and records of a business association with respect to another
13 business association unless the balance is property described
14 in section 556.2 held by a banking organization or financial
15 organization.
16 Sec. 124. Section 559.2, subsections 1 and 2, Code 2014, are
17 amended to read as follows:
18 1. General, special, or otherwise.
19 2. Vested, contingent, or conditional.
20 Sec. 125. Section 562A.2, subsection 2, paragraph c, Code
21 2014, is amended to read as follows:
22 *c.* To ~~insure~~ ensure that the right to the receipt of rent is
23 inseparable from the duty to maintain the premises.
24 Sec. 126. Section 562A.12, subsection 7, Code 2014, is
25 amended to read as follows:
26 7. The ~~bad faith~~ bad-faith retention of a deposit by a
27 landlord, or any portion of the rental deposit, in violation
28 of this section shall subject the landlord to punitive damages
29 not to exceed twice the monthly rental payment in addition to
30 actual damages.
31 Sec. 127. Section 589.16, Code 2014, is amended to read as
32 follows:
33 **589.16 Tax sales legalized.**
34 In all instances where a county treasurer heretofore
35 conducted a tax sale at the time provided in section 7259,

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1 Code 1935, or section 7262, ~~both of the~~ Code~~,~~ 1935, sales made
2 at such tax sale or any adjournment thereof shall not be held
3 invalid by reason of the failure of the county treasurer to
4 have brought forward the delinquent tax of prior years upon the
5 current tax lists in use by the said county treasurer at the
6 time of conducting the sale, or by reason of the failure of the
7 county treasurer to have offered all the property unsold before
8 each adjournment of said sale and said tax sales are hereby
9 legalized and declared valid notwithstanding the provisions of
10 section 7193, Code 1935, and section 7259, ~~both of the~~ Code~~,~~
11 1935, provided the delinquent taxes for which the said real
12 estate was sold had been brought forward upon the current tax
13 list of the year preceding the year in which the said tax
14 sale was conducted. Provided, however, that no tax sale so
15 legalized and validated shall affect a special assessment if
16 the same continues to remain a lien notwithstanding a tax deed
17 now or hereafter issued pursuant to such tax sale.
18 Sec. 128. Section 600.1, unnumbered paragraph 2, Code 2014,
19 is amended to read as follows:
20 If a proceeding held under this chapter involves an Indian
21 child as defined in section 232B.3 and the proceeding is
22 subject to the Iowa Indian child welfare Act under chapter
23 232B, the proceeding and other actions taken in connection
24 with the proceeding or this chapter shall comply with chapter
25 232B. In any proceeding held or action taken under this chapter
26 involving an Indian child, the applicable requirements of the
27 federal Adoption and Safe Families Act of ~~1999~~ 1997, Pub. L.
28 No. 105-89, shall be applied to the proceeding or action in a
29 manner that complies with chapter 232B and the federal Indian
30 Child Welfare Act, Pub. L. No. 95-608.
31 Sec. 129. Section 600A.3, unnumbered paragraph 2, Code
32 2014, is amended to read as follows:
33 If a proceeding held under this chapter involves an Indian
34 child as defined in section 232B.3 and the proceeding is
35 subject to the Iowa Indian child welfare Act under chapter

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232B, the proceeding and other actions taken in connection with the proceeding or this chapter shall comply with chapter 232B. In any proceeding held or action taken under this chapter involving an Indian child, the applicable requirements of the federal Adoption and Safe Families Act of ~~1999~~ 1997, Pub. L. No. 105-89, shall be applied to the proceeding or action in a manner that complies with chapter 232B and the federal Indian Child Welfare Act, Pub. L. No. 95-608.

Sec. 130. Section 602.11101, subsection 2, paragraph a, Code 2014, is amended to read as follows:

a. For the period beginning July 1, 1983, and ending June 30, 1987, the provisions of division I ~~(articles~~ of 1983 Iowa Acts, ch. 186, articles 1 through ~~10)~~ 10 of this chapter, take effect only to the extent that the provisions do not conflict with the scheduled state assumption of responsibility for the components of the court system, and the amendments and repeals of divisions II and III of 1983 Iowa Acts, ch. 186, take effect only to the extent necessary to implement that scheduled state assumption of responsibility. If an amendment or repeal to a Code section in division II or III of 1983 Iowa Acts, ch. 186, is not effective during the period beginning July 1, 1983, and ending June 30, 1987, the Code section remains in effect for that period. On July 1, 1987, 1983 Iowa Acts, ~~chapter~~ ch. 186, takes effect in its entirety.

Sec. 131. Section 633.356, subsection 3, paragraph a, subparagraph (6), Code 2014, is amended to read as follows:

(6) If applicable, that the attached copy of the decedent's will is the last will of the decedent and has been admitted to probate or otherwise filed in the office of a clerk of the district court.

Sec. 132. Section 633.361, subsection 6, Code 2014, is amended to read as follows:

6. Name, relationship and post office address of each beneficiary under the will ~~(if~~ if the decedent died ~~testate)~~ testate or of each heir ~~(if~~ if the decedent died ~~intestate)~~

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1 intestate. If any persons take by representation, the personal
2 representative shall list the deceased person through whom
3 those persons take and shall also list the persons taking under
4 that deceased person.
5 Sec. 133. Section 633.510, subsection 2, Code 2014, is
6 amended to read as follows:
7 2. That the said absentee has property in this state
8 ~~(describing~~, describing it with reasonable ~~certainty)~~
9 certainty, all or part of which is situated in the county in
10 which the petition is filed.
11 Sec. 134. Section 633.647, subsection 3, Code 2014, is
12 amended to read as follows:
13 3. To make payments to, or for the benefit of, the ward in
14 any of the following ways:
15 *a.* Directly to the ward~~;~~.
16 *b.* Directly for the maintenance, welfare, and education of
17 the ward~~;~~.
18 *c.* To the legal guardian of the person of the ward~~; or~~.
19 *d.* To anyone who at the time shall have the custody and care
20 of the person of the ward.
21 Sec. 135. Section 657.11, subsection 3, Code 2014, is
22 amended to read as follows:
23 3. *a.* This section does not apply to a person during any
24 period that the person is classified as a chronic violator
25 under this subsection as to any confinement feeding operation
26 in which the person holds a controlling interest, as defined
27 by rules adopted by the department of natural resources. This
28 section shall apply to the person on and after the date that
29 the person is removed from the classification of chronic
30 violator. For purposes of this subsection, *"confinement feeding*
31 *operation"* means an animal feeding operation in which animals
32 are confined to areas which are totally roofed, and which
33 are regulated by the department of natural resources or the
34 environmental protection commission.
35 ~~*a.*~~ *b.* (1) A person shall be classified as a chronic

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1 violator if the person has committed three or more violations
2 as described in this subsection prior to, on, or after July 1,
3 1996. In addition, in relation to each violation, the person
4 must have been subject to either of the following:
5 (a) The assessment of a civil penalty by the department or
6 the commission in an amount equal to three thousand dollars or
7 more.
8 (b) A court order or judgment for a legal action brought
9 by the attorney general after referral by the department or
10 commission.
11 (2) Each violation must have occurred within five years
12 prior to the date of the latest violation, counting any
13 violation committed by a confinement feeding operation in which
14 the person holds a controlling interest. A violation occurs
15 on the date the department issues an administrative order to
16 the person assessing a civil penalty of three thousand dollars
17 or more, or on the date the department notifies a person in
18 writing that the department will recommend that the commission
19 refer, or the commission refers the case to the attorney
20 general for legal action, or the date of entry of the court
21 order or judgment, whichever occurs first. A violation under
22 this subsection shall not be counted if the civil penalty
23 ultimately imposed is less than three thousand dollars, the
24 department or commission does not refer the action to the
25 attorney general, the attorney general does not take legal
26 action, or a court order or judgment is not entered against
27 the person. A person shall be removed from the classification
28 of chronic violator on the date on which the person and all
29 confinement feeding operations in which the person holds a
30 controlling interest have committed less than three violations
31 described in this subsection for the prior five years.
32 ~~b.~~ c. For purposes of counting violations, a continuing and
33 uninterrupted violation shall be considered as one violation.
34 Different types of violations shall be counted as separate
35 violations regardless of whether the violations were committed

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1 during the same period. The violation must be a violation of
2 a state statute, or a rule adopted by the department, which
3 applies to a confinement feeding operation and any related
4 animal feeding operation structure, including an anaerobic
5 lagoon, earthen manure storage basin, formed manure storage
6 structure, or egg washwater storage structure; or any related
7 pollution control device or practice. The structure, device,
8 or practice must be part of the confinement feeding operation.
9 The violation must be one of the following:
10 (1) Constructing or operating a related animal feeding
11 operation structure or installing or using a related pollution
12 control device or practice, for which the person must obtain
13 a permit, in violation of statute or rules adopted by the
14 department, including the terms or conditions of the permit.
15 (2) Intentionally making a false statement or
16 misrepresenting information to the department as part of an
17 application for a construction permit for the related animal
18 feeding operation structure, or the installation of the related
19 pollution control device or practice, for which the person must
20 obtain a construction permit from the department.
21 (3) Failing to obtain a permit or approval by the department
22 for a permit to construct or operate a confinement feeding
23 operation or use a related animal feeding operation structure
24 or pollution control device or practice, for which the person
25 must obtain a permit from the department.
26 (4) Operating a confinement feeding operation, including a
27 related animal feeding operation structure or pollution control
28 device or practice, which causes pollution to the waters of the
29 state, if the pollution was caused intentionally, or caused
30 by a failure to take measures required to abate the pollution
31 which resulted from an act of God.
32 (5) Failing to submit a manure management plan as required,
33 or operating a confinement feeding operation required to have
34 a manure management plan without having submitted the manure
35 management plan.

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1 Sec. 136. Section 692.5, Code 2014, is amended to read as
2 follows:
3 **692.5 Right of notice, access and challenge.**
4 1. Any person or the person's attorney shall have the
5 right to examine and obtain a copy of criminal history data
6 filed with the department that refers to the person. The
7 person or person's attorney shall present or mail to the
8 department written authorization and the person's fingerprint
9 identification. The department shall not copy the fingerprint
10 identification and shall return or destroy the identification
11 after the copy of the criminal history data is made. The
12 department may prescribe reasonable hours and places of
13 examination.
14 2. Any person who files with the division a written
15 statement to the effect that a statement contained in the
16 criminal history data that refers to the person is nonfactual,
17 or information not authorized by law to be kept, and requests
18 a correction or elimination of that information that refers
19 to that person shall be notified within twenty days by the
20 division, in writing, of the division's decision or order
21 regarding the correction or elimination. Judicial review of
22 the actions of the division may be sought in accordance with
23 the terms of the Iowa administrative procedure Act, chapter
24 17A. Immediately upon the filing of the petition for judicial
25 review the court shall order the division to file with the
26 court a certified copy of the criminal history data and in no
27 other situation shall the division furnish an individual or the
28 individual's attorney with a certified copy, except as provided
29 by this chapter.
30 3. Upon the request of the petitioner, the record and
31 evidence in a judicial review proceeding shall be closed to
32 all but the court and its officers, and access thereto shall
33 be refused unless otherwise ordered by the court. The clerk
34 shall maintain a separate docket for such actions. A person,
35 other than the petitioner, shall not permit a copy of any of

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1 the testimony or pleadings or the substance thereof to be made
2 available to any person other than a party to the action or
3 the party's attorney. Violation of this section shall be a
4 public offense, punishable under section 692.7. The provisions
5 of this section shall be the sole right of action against the
6 department, its subdivisions, or employees regarding improper
7 storage or release of criminal history data.
8 4. Whenever the division corrects or eliminates data as
9 requested or as ordered by the court, the division shall advise
10 all agencies or individuals who have received the incorrect
11 information to correct their files. Upon application to the
12 district court and service of notice on the commissioner of
13 public safety, any individual may request and obtain a list of
14 all persons and agencies who received criminal history data
15 referring to the individual, unless good cause be shown why the
16 individual should not receive ~~said~~ the list.
17 Sec. 137. Section 707.11, subsection 1, Code 2014, is
18 amended to read as follows:
19 1. A person commits the offense of attempt to commit murder
20 when, with the intent to cause the death of another person
21 and not under circumstances which would justify the person's
22 actions, the person does any act by which the person expects
23 to set in motion a force or chain of events which will cause or
24 result in the death of the other person.
25 Sec. 138. Section 715C.1, subsection 11, Code 2014, is
26 amended to read as follows:
27 11. *a.* *"Personal information"* means an individual's first
28 name or first initial and last name in combination with any
29 one or more of the following data elements that relate to the
30 individual if any of the data elements are not encrypted,
31 redacted, or otherwise altered by any method or technology in
32 such a manner that the name or data elements are unreadable:
33 ~~*a.*~~ (1) Social security number.
34 ~~*b.*~~ (2) Driver's license number or other unique
35 identification number created or collected by a government

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1 body.
2 ~~c.~~ (3) Financial account number, credit card number, or
3 debit card number in combination with any required security
4 code, access code, or password that would permit access to an
5 individual's financial account.
6 ~~d.~~ (4) Unique electronic identifier or routing code, in
7 combination with any required security code, access code, or
8 password that would permit access to an individual's financial
9 account.
10 ~~e.~~ (5) Unique biometric data, such as a fingerprint, retina
11 or iris image, or other unique physical representation or
12 digital representation of biometric data.
13 *b.* *"Personal information"* does not include information
14 that is lawfully obtained from publicly available sources, or
15 from federal, state, or local government records lawfully made
16 available to the general public.
17 Sec. 139. Section 719.1, subsections 1 and 2, Code 2014, are
18 amended to read as follows:
19 1. *a.* A person commits interference with official acts when
20 the person knowingly resists or obstructs anyone known by the
21 person to be a peace officer, emergency medical care provider
22 under chapter 147A, or fire fighter, whether paid or volunteer,
23 in the performance of any act which is within the scope of the
24 lawful duty or authority of that officer, emergency medical
25 care provider under chapter 147A, or fire fighter, whether paid
26 or volunteer, or who knowingly resists or obstructs the service
27 or execution by any authorized person of any civil or criminal
28 process or order of any court.
29 ~~a.~~ *b.* Interference with official acts is a simple
30 misdemeanor. In addition to any other penalties, the
31 punishment imposed under this paragraph shall include
32 assessment of a fine of not less than two hundred fifty
33 dollars.
34 ~~b.~~ *c.* If a person commits interference with official acts,
35 as defined in this subsection, which results in bodily injury,

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1 the person commits a serious misdemeanor.
2 ~~c.~~ *d.* If a person commits interference with official acts,
3 as defined in this subsection, which results in serious injury,
4 the person commits an aggravated misdemeanor.
5 ~~d.~~ *e.* If a person commits ~~an~~ interference with official
6 acts, as defined in this subsection, and in so doing inflicts
7 bodily injury other than serious injury, that person commits an
8 aggravated misdemeanor.
9 ~~e.~~ *f.* If a person commits ~~an~~ interference with official
10 acts, as defined in this subsection, and in so doing inflicts
11 or attempts to inflict serious injury, or displays a dangerous
12 weapon, as defined in section 702.7, or is armed with a
13 firearm, that person commits a class "D" felony.
14 2. *a.* A person under the custody, control, or supervision
15 of the department of corrections commits interference with
16 official acts when the person knowingly resists, obstructs, or
17 interferes with a correctional officer, agent, employee, or
18 contractor, whether paid or volunteer, in the performance of
19 the person's official duties.
20 ~~a.~~ *b.* Interference with official acts in violation of this
21 subsection is a serious misdemeanor.
22 ~~b.~~ *c.* If a person violates this subsection and in so doing
23 commits an assault, as defined in section 708.1, the person
24 commits an aggravated misdemeanor.
25 ~~c.~~ *d.* If a person violates this subsection and the
26 violation results in bodily injury to another, the person
27 commits an aggravated misdemeanor.
28 ~~d.~~ *e.* If a person violates this subsection and the
29 violation results in serious injury to another, the person
30 commits a class "D" felony.
31 ~~e.~~ *f.* If a person violates this subsection and in so
32 doing inflicts or attempts to inflict bodily injury other
33 than serious injury to another, displays a dangerous weapon,
34 as defined in section 702.7, or is armed with a firearm, the
35 person commits a class "D" felony.

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1 ~~f.~~ g. If a person violates this subsection and uses or
2 attempts to use a dangerous weapon, as defined in section
3 702.7, or inflicts serious injury to another, the person
4 commits a class "C" felony.
5 Sec. 140. Section 904.602, subsection 10, Code 2014, is
6 amended to read as follows:
7 10. Regulations, procedures, and policies that govern the
8 internal administration of the department and the judicial
9 district departments of correctional services under chapter
10 905, which if released may jeopardize the secure operation of a
11 correctional institution operation or program are confidential
12 unless otherwise ordered by a court. These records include
13 procedures on inmate movement and control, staffing patterns
14 and regulations, emergency plans, internal investigations,
15 equipment use and security, building plans, operation,
16 and security, security procedures for inmate, staff, and
17 visits, daily operation records, and contraband and medicine
18 control. These records are exempt from the public inspection
19 requirements in section 17A.3 and section 22.2.
20 ~~These records are exempt from the public inspection~~
21 ~~requirements in section 17A.3 and section 22.2.~~
22 DIVISION II
23 CORRESPONDING CHANGES
24 Sec. 141. Section 99F.15, subsection 6, Code 2014, is
25 amended to read as follows:
26 6. Except for wagers on gambling games or exchanges for
27 money as provided in section 99F.9, subsection ~~4~~ 3, a licensee
28 who exchanges tokens, chips, or other forms of credit to be
29 used on gambling games for anything of value commits a simple
30 misdemeanor.
31 Sec. 142. Section 99F.16, subsection 2, Code 2014, is
32 amended to read as follows:
33 2. Except for coins authorized in section 99F.9, subsection
34 ~~4~~ 3, all moneys, coin, and currency found in close proximity of
35 wagers, or of records of wagers are presumed forfeited. The

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1 burden of proof is upon the claimant of the property to rebut
2 this presumption.
3 Sec. 143. Section 422.34A, subsection 8, Code 2014, is
4 amended to read as follows:
5 8. Utilizing a distribution facility within this state,
6 owning or leasing property at a distribution facility within
7 this state that is used at or distributed from the distribution
8 facility, or selling property shipped or distributed from
9 a distribution facility. For purposes of this subsection,
10 *"distribution facility"* means an establishment where shipments
11 of tangible personal property are processed for delivery
12 to customers. *"Distribution facility"* does not include an
13 establishment where retail sales of tangible personal property
14 or returns of such property are undertaken with respect to
15 retail customers on more than twelve days a year except for a
16 distribution facility which processes customer sales orders
17 by mail, telephone, or electronic means, if the distribution
18 facility also processes shipments of tangible personal property
19 to customers provided that not more than ten percent of the
20 dollar amount of goods are delivered and shipped so as to be
21 included in the gross sales of the corporation within this
22 state as provided in section 422.33, subsection 2, paragraph ~~*"b"*~~
23 *"a"*, subparagraph ~~(6)~~ (2), subparagraph division (f).
24 Sec. 144. Section 422.36, subsection 6, Code 2014, is
25 amended to read as follows:
26 6. A foreign corporation is not required to file a return
27 if its only activities in Iowa are the storage of goods for a
28 period of sixty consecutive days or less in a warehouse for
29 hire located in this state whereby the foreign corporation
30 transports or causes a carrier to transport such goods
31 to that warehouse and provided that none of the goods are
32 delivered or shipped so as to be included in the gross sales
33 of the corporation within this state as provided in section
34 422.33, subsection 2, paragraph ~~*"b"*~~ *"a"*, subparagraph ~~(6)~~ (2),
35 subparagraph division (f).

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1 Sec. 145. Section 805.8C, subsection 5, paragraphs a and b,
2 Code 2014, are amended to read as follows:
3 *a.* For violations of legal age for gambling wagering under
4 section 99D.11, subsection 7, section 99F.9, subsection ~~5~~ 4,
5 and section 725.19, subsection 1, the scheduled fine is five
6 hundred dollars. Failure to pay the fine by a person under the
7 age of eighteen shall not result in the person being detained
8 in a secure facility.
9 *b.* For legal age violations for entering or attempting
10 to enter a facility under section 99F.9, subsection ~~6~~ 5, the
11 scheduled fine is five hundred dollars. Failure to pay the
12 fine by a person under the age of eighteen shall not result in
13 the person being detained in a secure facility.
14 DIVISION III
15 DIRECTIVES
16 Sec. 146. CODE EDITOR DIRECTIVES.
17 1. Sections 53.38, 53.39, 53.41, 53.44, 53.48, 53.49,
18 53.50, 53.51, 53.52, 73.15, 73.21, 85.63, 85.67, 85.68,
19 234.24, 234.26, 234.27, 234.28, 260C.56, 260C.57, 260C.61,
20 260C.63, 260C.64, 260C.65, 260C.67, 262.53, 262.56, 262.59,
21 262.60, 262.62, 262.63, 262.64, 262.65, 263.13, 358.36, 358.37,
22 461A.75, 461A.76, 461A.78, 462A.85, 476.26, 476.82, 483A.56,
23 and 499.71, are amended by striking the word "division" and
24 inserting in lieu thereof the word "subchapter".
25 2. Sections 53.46, subsections 1, 3, 5, 6, and 7; 53.53,
26 subsections 1 and 3; 73.16, subsection 2, paragraph "c";
27 85.65A, subsection 3, paragraph "e"; 85.66, subsection 1;
28 262.55, unnumbered paragraph 1; 263.11, unnumbered paragraph
29 1; 462A.77, subsection 9; 462A.83, unnumbered paragraph 1;
30 476.23, subsections 2 and 4; 476.25, subsection 1; 476.42,
31 unnumbered paragraph 1; 476.42, subsection 1, paragraph
32 "b"; 476.42, subsection 4, paragraph "b"; 476.44, subsection
33 2, paragraph "a"; 476.72, unnumbered paragraph 1; 476.76,
34 unnumbered paragraph 1; 483A.50, unnumbered paragraph 1;
35 483A.50, subsection 1; 483A.51, subsections 2, 5, and 6;

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1 499.61, unnumbered paragraph 1; 499.69, subsection 1, paragraph
2 "a"; and 499.69, subsection 1, paragraph "b", subparagraph (3),
3 are amended by striking the word "division" and inserting in
4 lieu thereof the word "subchapter".
5 3. Sections 144A.12, 331.449, 331.470, 554.9801, 554.9802,
6 554.9803, 554.9805, and 554.9809 are amended by striking,
7 within the Iowa Acts citation, the word "chapter" and inserting
8 in lieu thereof the abbreviation "ch.".
9 4. Sections 202B.202, subsections 2 and 3; 490.1703,
10 subsection 1, unnumbered paragraph 1; 490.1703, subsection
11 2; 514C.27, subsection 1, unnumbered paragraph 1; 516B.2,
12 unnumbered paragraph 1; 535.2, subsection 6, paragraph "a";
13 554.9804, subsection 1; 554.9806, subsection 1, paragraph "a";
14 554.9806, subsection 2, paragraph "b"; 554.9806, subsection
15 3, paragraph "a"; 554.9807, subsections 2 and 5; 602.11101,
16 subsection 2, paragraph "b"; and 602.11101, subsection 3, are
17 amended by striking, within the Iowa Acts citation, the word
18 "chapter" and inserting in lieu thereof the abbreviation "ch.".
19 5. Section 589.22 is amended by striking, within the Iowa
20 Acts citation, the letters "ch" and inserting in lieu thereof
21 the abbreviation "ch.".
22 6. Sections 202B.202, subsection 1; 426C.4, subsection
23 1, paragraph "b", subparagraph (2); 504.1703, subsection 1,
24 unnumbered paragraph 1; 504.1703, subsection 2; and 508.38,
25 subsection 11, are amended by striking, within the Iowa Acts
26 citation, the letters "ch" and inserting in lieu thereof the
27 abbreviation "ch.".
28 7. Section 155A.43 is amended by striking, within the Iowa
29 Acts citation, the words "chapter" and "section" and inserting
30 in lieu thereof the abbreviation "ch." and the symbol "§".
31 8. Sections 8.57, subsection 2; 135C.2, subsection 5;
32 144D.4, subsection 10; 233A.1, subsection 3; 233B.1, subsection
33 3; and 411.30, subsection 1, paragraph "c", are amended by
34 striking, within the Iowa Acts citation, the words "chapter"
35 and "section" and inserting in lieu thereof the abbreviation

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1 "ch." and the symbol "§".
2 9. Section 554.1110l is amended by striking, within the Iowa
3 Acts citation, the words "chapter" and "sections" and inserting
4 in lieu thereof the abbreviation "ch." and the symbol "§".
5 10. Sections 12E.3A, subsection 1; 16.54, subsection
6 2; 135.153, subsection 1; 135.166, subsection 1; 249L.4,
7 subsection 5, paragraph "a"; 312A.3, subsection 1, paragraph
8 "a"; 315.4, subsection 1, paragraph "a", subparagraph (2);
9 455E.11, subsection 2, paragraph "a", subparagraph (2),
10 subparagraph division (f); and 505.32, subsection 2, paragraph
11 "g", are amended by striking, within the Iowa Acts citation,
12 the word "section" and inserting in lieu thereof the symbol
13 "§".
14 11. Section 446.45 is amended by striking, within the
15 Iowa Acts citation, the word "sections" and inserting in lieu
16 thereof the symbol "§".
17 12. Section 229.39, subsection 3, paragraph "a", is amended
18 by striking, within the Iowa Acts citation, the word "sections"
19 and inserting in lieu thereof the symbol "§".
20 EXPLANATION
21 The inclusion of this explanation does not constitute agreement with
22 the explanation's substance by the members of the general assembly.
23 This bill makes Code changes and corrections that are
24 considered to be nonsubstantive and noncontroversial, in
25 addition to style changes. Changes made include updating
26 or correcting names of and references to public and private
27 entities and funds, corrections to references to federal
28 Acts, changes to format, correcting internal Code and Iowa
29 Acts references and terminology, making various corrections
30 to spelling and grammar, punctuation changes, and numbering,
31 renumbering, and reorganizing various provisions to eliminate
32 unnumbered paragraphs and to facilitate citation. The Code
33 sections in which the technical, grammatical, and other
34 nonsubstantive changes are made include the following:
35 DIVISION I.

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1 Code section 2.10: Numbers unnumbered paragraphs to
2 eliminate the unanchored unnumbered paragraph within this
3 provision relating to payment of per diem to members of the
4 general assembly.
5 Code section 2.48: Adds a subsection headnote to a
6 provision relating to subsequent reviews of tax expenditures or
7 incentives by the legislative oversight committee. All other
8 subsections in the Code section have subsection headnotes.
9 Code section 8.6: Combines a paragraph relating to rules
10 pertaining to customer councils with another paragraph that
11 also relates to those rules, and renumbers the resulting
12 paragraph.
13 Code sections 10A.104 and 10A.105: Updates punctuation
14 by replacing parentheses with commas around citations to the
15 federal Indian Gaming Regulatory Act, in provisions regarding
16 agreements or compacts between the state of Iowa and Indian
17 tribes to implement the federal Act and the confidentiality of
18 related records and materials.
19 Code section 13B.4B: Updates the style of language relating
20 to when summary claims data, which has been submitted to
21 the state public defender and pertains to an attorney's
22 representation of an indigent client, may be released.
23 Code section 15J.2: Corrects the subject-verb agreement in
24 language defining what constitutes a substantial improvement
25 to property.
26 Code section 16.1: Reformats and adds the words "the
27 following" to eliminate a nonconforming Code numbering scheme
28 in language defining the term "low or moderate income families"
29 for purposes of provisions under the jurisdiction of the Iowa
30 finance authority.
31 Code section 16.2A: Adds the word "division" before the
32 word "board" in two places in language relating to the board
33 of the title guaranty division of the Iowa finance authority.
34 The term "board" is defined in Code chapter 16 to mean the Iowa
35 finance authority board of directors.

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1 Code section 24.9: Numbers unnumbered paragraphs to
2 facilitate citation to this provision pertaining to the process
3 for adoption and certification of municipal budget estimates.
4 Code section 28E.24: Numbers unnumbered paragraphs to
5 facilitate citation to this provision pertaining to the
6 determination of the amount and sources of revenue for a
7 unified law enforcement district created by a Code chapter 28E
8 agreement.
9 Code section 49.7: Numbers unnumbered paragraphs to
10 facilitate citation to this provision pertaining to the
11 schedule and filing requirement for changes to election
12 precinct boundary lines after the redistricting if
13 congressional and legislative districts becomes law.
14 Code section 49.64: Numbers items in a series that appears
15 after a colon and which describes the number of ballots that
16 are to be delivered to an election precinct by the commissioner
17 of elections in presidential and nonpresidential elections.
18 Code section 53.37: Replaces chapter subunit references
19 to "division" with chapter subunit references to "subchapter"
20 and corrects the name of a federal Act pertaining to absentee
21 voting by members of the armed forces and oversees citizens,
22 in this provision regarding absentee voting by members of the
23 armed forces.
24 Code sections 70A.26 and 70A.39: Adds, to facilitate
25 hypertext linkage, a numeric citation to the Code chapter which
26 contains Iowa tort claims Act after a reference to that Act by
27 name in provisions relating to disaster service volunteer leave
28 by public employees and the bone marrow and organ donation
29 incentive program.
30 Code section 73A.21: Strikes an extraneous "that" in
31 language relating to the remedies for the failure of a
32 contractor or subcontractor of a public improvement to file
33 records after receiving a request for records from the labor
34 commissioner.
35 Code section 85.64: Replaces a chapter subunit reference to

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1 "division" with a chapter subunit reference to "subchapter" and
2 numbers unnumbered paragraphs to facilitate citation to this
3 provision regarding limitations of benefits for an employee who
4 becomes permanently disabled due to a compensable injury to or
5 loss of a member or organ if the employee has previously lost
6 or lost use of a different member or organ.
7 Code section 88.5: Updates punctuation by replacing a set of
8 parentheses with commas in language relating to the contents of
9 an application for an order for a temporary variance from an
10 occupational safety or health standard.
11 Code section 89.4: Changes the language of an exception from
12 boiler regulations, for continuous coil-type boilers that are
13 used only for steam vapor, that describes the water temperature
14 that the water inside the boiler cannot exceed, so that the
15 expression of temperature is in numerals, not in words.
16 Code section 96.3: Moves a quotation mark to correct a
17 reference to the term "off" indicator to conform to other
18 instances of that same term in other provisions of Code chapter
19 96, which pertains to unemployment compensation. The term
20 appears correctly in Code section 96.19, subsections 21, 29,
21 and 30, and Code section 96.29, subsection 5.
22 Code section 96.11: Changes the word "insure" to "ensure" in
23 language relating to the taking of actions by the department
24 to make certain that the Iowa extended unemployment insurance
25 benefit language is interpreted and applied in a manner which
26 meets federal requirements.
27 Code section 99F.9: Renumbers to eliminate a reserved
28 subsection within this provision regulating wagering on
29 gambling games. Internal references to this provision are
30 corrected in Division II of this bill.
31 Code section 99F.11: Adds a numeric citation after a
32 reference to the rebuild Iowa infrastructure fund by name to
33 facilitate hypertext linkage to the statute in which the fund
34 is created in language relating to distribution of tax revenues
35 from gambling games.

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1 Code section 101A.7: Numbers unnumbered paragraphs to
2 facilitate citation to this provision relating to inspection
3 by the state fire marshal's office of storage facilities for
4 explosives.
5 Code section 123.41: Moves the words "to a manufacturer" to
6 improve the readability of language relating to application,
7 granting, and renewal of licenses to allow the manufacture,
8 storage, and wholesale disposition and sale of alcoholic
9 liquors.
10 Code section 123.50: Corrects the form of two citations to
11 Code section 123.49 to facilitate hypertext linkage to that
12 Code section in language stating that if a liquor control
13 licensee or wine or beer permittee is convicted of certain
14 offenses, the conviction constitutes grounds for revocation or
15 suspension of the person's license or permit.
16 Code section 124.401: Changes the capitalization of a
17 reference to the term "federal register" in language regarding
18 the designation of controlled substances to conform the
19 capitalization of the term to other instances of the term
20 elsewhere in the Code.
21 Code section 135.64: Corrects a reference to the university
22 of Iowa hospitals and clinics by name in language relating to
23 applications for certificates of need that are submitted by
24 that institution.
25 Code section 135.152: Adds the word "for" to improve
26 the readability of language relating to determinations of
27 eligibility for assistance under the medical assistance and
28 medically needy programs and the obstetrical and newborn
29 indigent patient care program.
30 Code section 135B.34: Adds the word "adult" to correct
31 a reference to dependent adult abuse in language relating
32 to employment screening for persons being considered for
33 employment in hospitals.
34 Code section 137F.1: Changes an exception to the definition
35 of potentially hazardous food that describes the hydrogen

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1 ion concentration of certain food when measured at certain
2 temperatures by changing the description of temperature levels
3 from words to numbers.
4 Code sections 163.4 and 163.5: Strikes the extraneous
5 word "such" in language describing the powers of assistant
6 veterinarians.
7 Code section 163.27: Changes language describing the
8 boiling requirements for garbage that is to be fed to animals
9 by changing the description of temperature levels from words
10 to numbers.
11 Code section 175.5: Adds the word "and" before the last
12 item in a series to correct the grammar of language describing
13 the duties and powers of the Iowa finance authority under the
14 chapter relating to agricultural development.
15 Code section 176A.10: Corrects internal references to
16 subparagraphs to allow for hypertext linkage in this provision
17 relating to taxation for county agricultural extension
18 education.
19 Code section 185C.6: Adds the word "an" before the words
20 "at-large" in language describing the election of directors
21 to the Iowa corn promotion board to conform the language to
22 similar language elsewhere in the Code describing at-large
23 representation by elected officials.
24 Code section 189A.2: Updates punctuation by replacing
25 parentheses with commas in citations to various federal Acts
26 within definitions referring to those Acts in the Code chapter
27 relating to meat and poultry inspection.
28 Code section 196.8: Changes language describing the
29 temperature limit for storage of eggs intended for human
30 consumption by changing the description of temperature levels
31 from words to numbers.
32 Code section 203C.3: Adds, to facilitate hypertext
33 linkage, a numeric reference to the Code chapter containing
34 the administrative procedure Act, after a reference to that
35 Act by name, in language relating to the appointment of the

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1 department of agriculture and land stewardship as the receiver
2 for agricultural commodities stored in the warehouse of a
3 licensee whose license has been suspended.
4 Code section 203C.28: Numbers unnumbered paragraphs to
5 facilitate citation to a provision relating to tariff rates on
6 the receiving, storage, and load-out of grain by warehouses for
7 agricultural products.
8 Code section 207.4: Numbers and renumbers to eliminate
9 unanchored unnumbered paragraphs in language relating to coal
10 mine site permits.
11 Code section 215.20: Changes language describing the
12 temperature at which liquefied petroleum gas shall be kept,
13 offered, exposed for sale, or sold by the pound or metered
14 cubic foot of vapor by changing the description of the
15 temperature level from words to numbers.
16 Code section 225C.12: Corrects the name of the mental
17 health and disabilities fund in language relating to local
18 deposit and use of state funds appropriated for mental health
19 and disability services to conform to the changes made by 2012
20 Acts, chapter 1120, to the name of the county fund contained in
21 Code section 331.424A.
22 Code sections 225C.32 and 227.2: Updates the name of the
23 local board that coordinates mental health and disability
24 services to conform the name to the changes made to the names
25 of entities, funds, and services for persons with mental health
26 and other disabilities by 2012 Acts, chapter 1120.
27 Code section 226.9C: Corrects the name of the mental health
28 and disabilities fund in language relating to the splitting
29 of charges for services between the fund established in Code
30 section 331.424A and the county's budget for substance abuse
31 expenditures to conform to the change made to the name of that
32 fund by 2012 Acts, chapter 1120.
33 Code section 229.21: Moves a reference to Code section
34 229.6 to place the reference both in Code order and with the
35 language relating to involuntary hospitalization that the

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1 reference modifies in this provision relating to the filing of
2 applications for involuntary hospitalization of persons with
3 mental health or substance-related disorders.
4 Code section 231.23A: Strikes the word "program" from
5 language listing the aging and disability resource center as
6 an entity that is administered by the department on aging to
7 conform to changes made to the enabling statute for the center,
8 Code section 231.64, by 2013 Acts, chapter 29, §29.
9 Code section 232.7: Corrects the year of enactment in a
10 citation to the federal Adoption and Safe Families Act in this
11 provision relating to juvenile court proceedings involving an
12 Indian child. Public law number 105-89 was signed on November
13 19, 1997, by President Bill Clinton.
14 Code sections 232.175 and 232.178: Corrects the name of the
15 federal Adoption Assistance and Child Welfare Act in language
16 relating to foster care placement of children in conformance
17 with that Act.
18 Code section 235A.18: Adds the word "that" to improve the
19 readability of language regarding the retention of a person's
20 name on the child abuse registry.
21 Code section 249A.26: Changes language relating to case
22 management for mental health and disabilities services
23 to conform to the changes made by 2012 Acts, chapter
24 1120, to names of the entities, funds, and services that
25 provide assistance to persons with mental health and other
26 disabilities.
27 Code section 252.13: Numbers unnumbered paragraphs and
28 creates a lettered list in language describing the recovery of
29 expenditures made by counties for the assistance or support of
30 the poor from various persons and entities.
31 Code sections 252B.4, 252B.13A, and 252.24: Corrects
32 multiple federal United States Code section citations by
33 lower-casing the lettered portion of the alphanumeric section
34 cited in provisions governing the collection of child support.
35 Code section 256.35: Corrects a reference in this provision

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1 establishing the regional autism assistance program to the
2 child health specialty clinics of the university of Iowa
3 hospitals and clinics by name to conform the reference to other
4 references to the clinics elsewhere in the Code.
5 Code section 256.39: Changes a verb to a noun to conform
6 the usage in this paragraph describing an element that must be
7 included in a career pathways program to the language contained
8 in the prefatory clause and to the usage in the remaining
9 paragraphs of the subsection.
10 Code section 256F.2: Corrects the subject-verb agreement in
11 this definition of an "innovation zone consortium".
12 Code section 257.31: Corrects the subject-verb agreement
13 and replaces generic paragraph references with specific
14 letter references in language relating to the appropriation of
15 supplemental aid to certain school districts.
16 Code section 258.16: Corrects an internal reference to
17 facilitate hypertext linkage in language relating to planning
18 for vocational education instructional programs.
19 Code section 260C.18A: Strikes the words "of education"
20 after a reference to the department of education in language
21 relating to the development of career academies. The term
22 "department" is defined in Code chapter 260C as meaning the
23 department of education.
24 Code sections 260C.58 and 260C.62: Numbers unnumbered
25 paragraphs to facilitate citation and replaces chapter subunit
26 references to "division" with chapter subunit references
27 to "subchapter" in two provisions relating to bonding for
28 community college facilities.
29 Code sections 260F.6, 260F.6B, and 260F.7: Strikes the
30 words "economic development" that appear before the word
31 "authority" in two Iowa jobs training program provisions. The
32 term "authority" is defined in Code chapter 260F as meaning the
33 economic development authority.
34 Code section 261.19: Corrects a reference by name to the Des
35 Moines university — osteopathic medical center within language

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1 establishing the health care professional recruitment program
2 to conform the reference to other references to that medical
3 center elsewhere in the Code.
4 Code sections 262.57 and 262.61: Numbers unnumbered
5 paragraphs to facilitate citation and replaces chapter subunit
6 references to "division" with chapter subunit references
7 to "subchapter" in two provisions relating to bonding for
8 facilities at board of regents institutions.
9 Code section 275.23A: Changes the word "nor" to "and not" to
10 correct the grammar of a sentence that established the timing
11 for adoption of a resolution by a school board to authorize
12 a change in the boundaries, the number of directors, or the
13 method of election of directors of an existing school district
14 director district.
15 Code section 297.36: Numbers unnumbered paragraphs to
16 facilitate citation to this provision regarding loan agreements
17 that are entered into by school boards in anticipation of
18 collection of a voter-approved tax levy to fund physical plant
19 and equipment improvements.
20 Code section 312.2: Reformats an internal reference to
21 facilitate hypertext linkage in language relating to allotments
22 from the road use tax fund.
23 Code section 321.258: Reformats an extended series into
24 a lettered list to improve the readability of this provision
25 regarding arrangement of lights on official traffic-control
26 signals.
27 Code section 321.440: Updates the punctuation in a lettered
28 list to conform to current Code style in a provision that
29 enumerates the defects that will cause a pneumatic tire to be
30 deemed unsafe.
31 Code section 331.382: Strikes an extraneous "or" in a series
32 of citations to Code chapters and portions of Code chapters,
33 which a county board must follow when taking action regarding
34 the special districts that are authorized under those Code
35 chapters.

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1 Code section 341A.18: Numbers unnumbered paragraphs to
2 facilitate citation to this provision enumerating the civil
3 rights and responsibilities of persons who seek or obtain civil
4 service employment.
5 Code section 392.5: Numbers unnumbered paragraphs and
6 modifies the format of an existing Iowa Acts reference in
7 this provision relating to local library boards to facilitate
8 citation and to conform to the Iowa Acts reference to
9 references which are modified elsewhere in this bill.
10 Code sections 403.8 and 403.9: Reformats internal
11 references to facilitate hypertext linkage in these two
12 provisions in the urban renewal chapter.
13 Code section 419.4: Adds the word "the" before the word
14 "lessee" to improve the readability of a series and conform the
15 series to other language within the same subparagraph in this
16 provision relating to bond revenues for municipal projects.
17 Code section 422.11S: Strikes an extraneous "and" in a
18 series that describes the years and amounts which constitute
19 "total approved tax credits" in the enumerated tax years.
20 Code section 422.12C: Renumbers to eliminate unanchored
21 unnumbered paragraphs within this provision governing early
22 childhood development tax credits and expenses.
23 Code section 422.33: Renumbers to eliminate unanchored
24 unnumbered paragraphs and corrects internal references within
25 this provision relating to business tax on corporations.
26 Internal references to this Code section are corrected in
27 division II of this bill.
28 Code section 422.70: Splits a paragraph into two and then
29 redesignates the new and the remaining, succeeding paragraphs
30 to perfect the listing of the powers of the director of revenue
31 with respect to determinations of taxpayer tax liability.
32 Code section 423.3: Renumbers to eliminate unanchored
33 unnumbered paragraphs within this provision defining the term
34 "prosthetic device" for purposes of a sales tax exemption for
35 certain drugs, devices, and equipment.

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1 Code section 426A.8: Numbers unnumbered paragraphs to
2 facilitate citation and corrects an internal reference in this
3 provision governing military service tax exemptions.
4 Code section 426A.11: Adds commas in two places to complete
5 the set-off of descriptive clauses in language describing the
6 amount of the value of a veteran's property that is allowed for
7 purposes of the military service tax exemption.
8 Code section 426B.5: Corrects, in two places, references
9 by name to the mental health and disabilities fund which is
10 established in Code section 331.424A to conform to the changes
11 made to the name of that fund by 2012 Acts, chapter 1120.
12 Code section 445.37: Numbers unnumbered paragraphs to
13 facilitate citation to this provision describing when taxes are
14 considered delinquent.
15 Code sections 452A.2, 452A.3, and 452A.86: Changes language
16 describing the temperature at which various motor fuels
17 are kept when offered for sale, exposed for sale, or sold,
18 for purposes of excise taxes on that fuel, by changing the
19 description of the temperature level from words to numbers.
20 Code section 455B.171: Changes language in two definitions
21 describing petroleum and other regulated substances, for
22 purposes of federal and state environmental protection
23 regulation, by changing the description of temperature levels
24 from words to numbers.
25 Code section 455E.11: Splits a subparagraph subdivision and
26 numbers the resulting new subparagraph subdivision, to place
27 a definition that, by its own terms, applies to the entire
28 subparagraph division.
29 Code section 455G.2: Changes language in the definition of
30 petroleum-leaking underground petroleum storage tank chapter,
31 by changing the description of temperature levels from words
32 to numbers.
33 Code section 455G.13: Changes "owner" to "owner's" and
34 strikes a comma to correct the grammar and punctuation in this
35 provision relating to rights and liabilities of persons for

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1 release of petroleum from an underground storage tank.
2 Code section 456A.37: Changes a reference to wildlife
3 or plant species, within this provision relating to invasive
4 species, from plural to singular, to make references to those
5 species consistent throughout this Code section.
6 Code section 462A.2: Moves a quotation mark that relates to
7 a subdefinition within the definition of the term "proceeds" to
8 be consistent with the quotation marks used to describe another
9 related subdefinition within this definitions provision for the
10 Code chapter regulating water navigation.
11 Code section 468.188: Numbers unnumbered paragraphs to
12 facilitate citation to this provision relating to public
13 improvements which divide a levee and drainage district.
14 Code section 468.500: Adds the words "subchapter II" to
15 two internal references to facilitate hypertext linkage to
16 those references in a provision relating to the placement of
17 the management of a drainage or levee district under a board
18 of trustees.
19 Code section 479.5: Numbers and letters unnumbered
20 paragraphs to facilitate citation to this provision relating to
21 applications for permits to construct, maintain, and operate a
22 pipeline in this state.
23 Code section 481A.1: Capitalizes the scientific names used
24 in this definition of whitetail deer to be consistent with the
25 capitalization of the other scientific names used in this Code
26 section.
27 Code section 481A.10A: Reformats this provision relating
28 to the farmer advisory committee to create subsections and to
29 put the elements of an extended series into a lettered list to
30 improve the readability of the provision.
31 Code section 483A.54: Numbers unnumbered paragraphs to
32 facilitate citation and replaces chapter subunit references to
33 "division" with chapter subunit references to "subchapter" in
34 this provision that exempts the state and state officials from
35 liability for the payment of bonds that are payable from the

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1 wildlife habitat bond fund.
2 Code section 493.9: Changes the word "two-third" to
3 "two-thirds" to correctly describe the proportion of the
4 vote of each class of stock that is needed for a business or
5 professional corporation to make changes to the corporation's
6 stock.
7 Code section 508.36: Redesignates this provision describing
8 the weighting factors used in computation of the minimum
9 standard for the valuation of life insurance policies,
10 annuities, and pure endowment contracts to eliminate one
11 level of numbering, and corrects related internal references,
12 because the current scheme has a subparagraph (1), but has no
13 subparagraph (2).
14 Code section 514.1: Alphabetizes definitions within
15 the definitions provision for the Code chapter relating to
16 nonprofit health service corporations.
17 Code section 514I.10: Strikes parentheses within a United
18 State Code reference to correct the alphanumeric section
19 reference in language describing the federal cost sharing
20 standards used in the hawk-i program.
21 Code section 521B.102: Replaces parentheses with commas to
22 improve the punctuation within this provision governing when
23 credit for reinsurance is allowed to a domestic ceding insurer.
24 Code section 554.1110: Enacts a Code section headnote
25 for a section of the uniform commercial code, pertaining to
26 the adoption of rules for filing and indexing. The headnote
27 for the Code section was supplied by the Code editor at the
28 time the section was codified, because the headnote was not
29 present in 1967 Iowa Acts, chapter 390, §6, when the enabling
30 legislation was enacted. Code section 3.3 provides that
31 headnotes in Code chapter 554 are to be considered part of the
32 law as enacted.
33 Code section 554.1201: Places quotes around defined terms
34 that are within the definition of the term "document of title"
35 in the general definitions section for the uniform commercial

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1 code.
2 Code section 554.2311: Supplies two missing commas after
3 internal references that appear in this provision regarding
4 options relating to assortment of the goods under a contract
5 for sale.
6 Code section 556.1: Redesignates paragraphs to eliminate
7 unanchored unnumbered paragraphs in this definition of property
8 that is contained within the general definitions section of the
9 Code chapter governing disposition of unclaimed property.
10 Code section 559.2: Supplies missing commas in two
11 provisions that each contain a series describing the nature of
12 a power to appoint that is conveyed in a written instrument and
13 that affects real property.
14 Code section 562A.2: Changes the word "insure" to "ensure"
15 in language describing the purposes of the Code chapter
16 governing the rental of property and obligations of landlords
17 and tenants.
18 Code section 562A.12: Hyphenates to correct the usage of
19 the term "bad-faith" in this provision describing when the
20 retention of a deposit by a landlord will subject the landlord
21 to punitive damages.
22 Code section 589.16: Standardizes the citation form of
23 two citations to the Code of 1935 to permit future hypertext
24 linkage to those prior Codes within this legalizing Act that
25 validates certain tax sales.
26 Code sections 600.1 and 600A.3: Corrects the year of
27 enactment within two citations to the federal Adoption and
28 Safe Families Act, Pub. L. No. 105-89, in provisions relating
29 to adoption of an Indian child and termination of the child's
30 parents' parental rights. The public law was signed on
31 November 19, 1997, by President Bill Clinton.
32 Code section 602.11101: Updates the form of citations to
33 1983 Iowa Acts, chapter 186 to facilitate future hypertext
34 linkage to that 1983 Iowa Act and to distinguish references
35 to portions of that Act from references to portions of Code

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1 chapter 602 in this provision describing the transitional
2 implementation of those 1983 changes to this Code chapter
3 relating to the operation of the Iowa judicial system.
4 Code section 633.356: Adds the word "the" to enhance the
5 readability of language describing the circumstances under
6 which a decedent's personal property may be distributed by
7 affidavit.
8 Code section 633.361: Strikes parentheses to improve the
9 readability of this provision describing the probate report and
10 inventory by the personal representative of an estate.
11 Code section 633.510: Strikes parentheses to improve
12 the punctuation of this provision describing one of the
13 circumstances that must be alleged in order that administration
14 may be had upon the estate of a person who is an absentee.
15 Code section 633.647: Updates the punctuation and deletes
16 the extraneous word "or" within a list describing the way that
17 payments may be made by a conservator to a ward, to conform the
18 provision to current style.
19 Code section 657.11: Redesignates, to eliminate an initial
20 unanchored unnumbered paragraph and to conform to current Code
21 drafting style, in this provision describing when an animal
22 feeding operation is or is not considered to be a chronic
23 violator for purposes of defending against a nuisance suit
24 against the operation.
25 Code section 692.5: Numbers unnumbered paragraphs to
26 facilitate citation to this provision regarding a person's
27 rights with respect to criminal history data that is filed with
28 the department of public safety.
29 Code section 707.11: Adds the words "the offense of"
30 before language naming the offense and then describing the
31 elements of the crime of attempt to commit murder to improve
32 the readability of the language.
33 Code section 715C.1: Redesignates to eliminate unanchored
34 unnumbered paragraphs in the definition of "personal
35 information" in the general definitions provision of the

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1 chapter regarding personal information security breach
2 protection.
3 Code section 719.1: Redesignates, to eliminate an initial
4 unanchored unnumbered paragraph and to conform to current Code
5 drafting style, within this provision regarding the commission
6 of the crime of interference with official acts.
7 Code section 904.602: Combines two paragraphs to eliminate
8 an unanchored unnumbered paragraph in language describing one
9 of the types of records of the department of corrections that
10 are confidential, unless otherwise ordered by a court.
11 DIVISION II. This division contains corrections to internal
12 references to Code sections 99F.9 and 422.33 that are numbered,
13 renumbered, designated, or redesignated in division I of this
14 bill.
15 DIVISION III. This division contains a series of 12 Code
16 editor directives that make internal references within the
17 Code more consistent. The first two directives amend various
18 provisions within the Code to replace references to divisions
19 with references to subchapters in chapters in which the
20 chapter subunits are not currently assigned a chapter subunit
21 designation or numbered, but which have a chapter subunit
22 title. The third through twelfth directives modify the format
23 of existing Iowa Acts references throughout the Code to make
24 the citations consistent.

Senate File 2131 - Introduced

SENATE FILE 2131
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3089)

A BILL FOR

1 An Act relating to standard valuation and standard forfeiture
2 provisions for life insurance policies or contracts and
3 including applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5218SV (2) 85
av/nh

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1 Section 1. Section 508.36, Code 2014, is amended by adding
2 the following new subsection:
3 NEW SUBSECTION. 01. *Definitions.*
4 *a.* As used in this section, unless the context otherwise
5 requires:
6 (1) *"Accident and health insurance"* means policies
7 or contracts that incorporate morbidity risk and provide
8 protection against economic loss resulting from accident,
9 sickness, or medical conditions and as may be specified in the
10 valuation manual.
11 (2) *"Appointed actuary"* means a qualified actuary who is
12 appointed in accordance with the valuation manual to prepare
13 the actuarial opinion required in subsection 2, paragraph *"a"*.
14 (3) *"Company"* means an entity which has done any of the
15 following:
16 (a) Written, issued, or reinsured life insurance policies
17 or contracts, accident and health insurance policies or
18 contracts, or deposit-type policies or contracts in this state
19 and has at least one such policy or contract in force or on
20 claim.
21 (b) Written, issued, or reinsured life insurance policies
22 or contracts, accident and health insurance policies or
23 contracts, or deposit-type policies or contracts in any state
24 and is required to hold a certificate of authority to write
25 life insurance, accident and health insurance, or deposit-type
26 policies or contracts in any state and is required to hold a
27 certificate of authority to write life insurance, accident and
28 health insurance, or deposit-type policies or contracts in this
29 state.
30 (4) *"Deposit-type policy or contract"* means policies or
31 contracts that do not incorporate mortality or morbidity risks
32 and such policies or contracts as may be specified in the
33 valuation manual.
34 (5) *"Life insurance"* means policies or contracts that
35 incorporate mortality risk, including annuity and pure

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1 endowment contracts, and such policies or contracts as may be
2 specified in the valuation manual.
3 (6) *"NAIC"* means the national association of insurance
4 commissioners.
5 (7) *"Operative date of the valuation manual"* means the
6 operative date of the valuation manual as provided in
7 subsection 13.
8 (8) *"Policyholder behavior"* means any action a policyholder,
9 contract holder, or any other person with the right to elect
10 options, such as a certificate holder, may take under a policy
11 or contract subject to this section including but not limited
12 to lapse, withdrawal, transfer, deposit, premium payment, loan,
13 annuitization, or benefit elections prescribed by the policy or
14 contract, but excluding events of mortality or morbidity that
15 result in benefits prescribed in their essential aspects by the
16 terms of the policy or contract.
17 (9) *"Principle-based valuation"* means a reserve valuation
18 that uses one or more methods or one or more assumptions
19 determined by the insurer and that is required to comply with
20 subsection 14 as specified in the valuation manual.
21 (10) *"Qualified actuary"* means an individual who is
22 qualified to sign the applicable statement of actuarial
23 opinion in accordance with the American academy of actuaries
24 qualification standards for actuaries signing such statements
25 and who meets the requirements specified in the valuation
26 manual.
27 (11) *"Tail risk"* means a risk that occurs either where the
28 frequency of low probability events is higher than expected
29 under a normal probability distribution or where there are
30 observed events of very significant size or magnitude.
31 (12) *"Valuation manual"* means the manual of valuation
32 instructions adopted by the NAIC as specified in this section
33 or as subsequently amended.
34 *b.* This subsection is applicable on or after the operative
35 date of the valuation manual.

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1 Sec. 2. Section 508.36, subsection 1, Code 2014, is amended
2 to read as follows:
3 1. *Reserve valuation.*
4 *a. Policies and contracts issued prior to operative date of*
5 *valuation manual.*
6 (1) The commissioner shall annually value, or cause to be
7 valued, the reserve liabilities, referred to in this section
8 as reserves, for all outstanding life insurance policies and
9 annuity and pure endowment contracts of every life insurance
10 company doing business in this state, ~~and may certify the~~
11 ~~amount of any such reserves, specifying the mortality table~~
12 ~~or tables, rate or rates of interest, and the net level~~
13 ~~premium method or other methods used in the calculation of~~
14 ~~such reserves~~ issued on or after July 1, 1973, and prior to
15 the operative date of the valuation manual. In calculating
16 the reserves, the commissioner may use group methods and
17 approximate averages for fractions of a year or otherwise. In
18 lieu of the valuation of the reserves required in this section
19 of any foreign or alien company, the commissioner may accept
20 any valuation made, or caused to be made, by the insurance
21 supervisory official of any state or other jurisdiction when
22 such valuation complies with the minimum standard provided
23 for in this section ~~and if the official of such state or~~
24 ~~jurisdiction accepts as sufficient and valid for all legal~~
25 ~~purposes the certificate of valuation of the commissioner when~~
26 ~~such certificate states the valuation to have been made in a~~
27 ~~specified manner according to which the aggregate reserves~~
28 ~~would be at least as large as if they had been computed in the~~
29 ~~manner prescribed by the law of that state or jurisdiction~~.
30 (2) The provisions set forth in subsections 3 through 12
31 shall apply to all policies and contracts, as appropriate,
32 subject to this section that were issued on or after July 1,
33 1973, and prior to the operative date of the valuation manual
34 and the provisions set forth in subsections 13 and 14 shall not
35 apply to any such policies or contracts.

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1 (3) The minimum standard for the valuation of policies and
2 contracts issued prior to July 1, 1973, shall be the standard
3 provided by the laws in effect immediately prior to that date.
4 *b. Policies and contracts issued on or after operative date*
5 *of valuation manual.*
6 (1) The commissioner shall annually value, or cause to
7 be valued, the reserve liabilities for all outstanding life
8 insurance policies or contracts, annuity and pure endowment
9 policies or contracts, accident and health insurance policies
10 or contracts, and deposit-type policies or contracts of every
11 company issued on or after the operative date of the valuation
12 manual. In lieu of the valuation of the reserves required
13 of a foreign or alien company, the commissioner may accept
14 a valuation made, or caused to be made, by the insurance
15 supervisory official of any state or other jurisdiction when
16 the valuation complies with the minimum standard provided in
17 this section.
18 (2) The provisions set forth in subsections 13 and 14 shall
19 apply to all policies or contracts issued on or after the
20 operative date of the valuation manual.
21 Sec. 3. Section 508.36, subsection 2, Code 2014, is amended
22 to read as follows:
23 2. *Actuarial opinion of reserves.* ~~This subsection is~~
24 ~~effective January 1, 1996.~~
25 *a. Actuarial opinion of reserves prior to operative date of*
26 *valuation manual.* This paragraph *"a"* applies to an actuarial
27 opinion of reserves submitted prior to the operative date of
28 the valuation manual.
29 ~~a.~~ (1) *General.* A life insurance company doing business
30 in this state shall annually submit the written opinion of
31 a qualified actuary as to whether the reserves and related
32 actuarial items held in support of the policies and contracts
33 specified by the commissioner by regulation are computed
34 appropriately, are based on assumptions which satisfy
35 contractual provisions, are consistent with prior reported

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amounts, and are in compliance with applicable laws of this state. The commissioner shall define by rule the requirements and content of this opinion and add any other items deemed to be necessary.

~~*b.*~~ (2) *Actuarial analysis of reserves and assets supporting such reserves.*

~~(1)~~ (a) Unless exempted by rule, a life insurance company shall also annually include in the opinion required by ~~paragraph "*a*"~~ subparagraph (1), an opinion of the same qualified actuary as to whether the reserves and related actuarial items held in support of policies and contracts specified by the commissioner by rule, when considered ~~with respect to~~ in light of the assets held by the company ~~associated~~ with respect to the reserves and related actuarial items, including~~,~~ but not limited to~~,~~ the investment earnings on the assets and the considerations anticipated to be received and retained under the policies and contracts, ~~are sufficient~~ make adequate provision for the company's obligations under the policies and contracts, including but not limited to the benefits under and expenses associated with the policies and contracts.

~~(2)~~ (b) The commissioner may provide by rule for a transition period for establishing any higher reserves which the qualified actuary may deem necessary in order to render the opinion required by this ~~section~~ paragraph "*a*".

~~*c.*~~ (3) *Requirements for ~~actuarial analysis~~ opinions subject to subparagraph (2).* An opinion required by ~~paragraph "*b*"~~ subparagraph (2) shall be governed by the following provisions:

~~(1)~~ (a) A memorandum, in form and substance acceptable to the commissioner as specified by rule, shall be prepared to support each actuarial opinion.

~~(2)~~ (b) If the insurance company fails to provide a supporting memorandum at the request of the commissioner within a period specified by rule or the commissioner determines that the supporting memorandum provided by the insurance company fails to meet the standards prescribed by the rules or is

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1 otherwise unacceptable to the commissioner, the commissioner
2 may engage a qualified actuary at the expense of the company to
3 review the opinion and the basis for the opinion and prepare
4 such supporting memorandum as is required by the commissioner.
5 ~~*d.*~~ (4) *Requirement for all opinions subject to this*
6 *paragraph.* An opinion required under this ~~section~~ paragraph *"a"*
7 is governed by the following provisions:
8 ~~(1)~~ (a) The opinion shall be submitted with the annual
9 statement reflecting the valuation of such reserve liabilities
10 for each year ending on or after December 31, 1995.
11 ~~(2)~~ (b) The opinion shall apply to all business in force,
12 including individual and group health insurance plans, in form
13 and substance acceptable to the commissioner as specified by
14 rule.
15 ~~(3)~~ (c) The opinion shall be based on standards adopted
16 from time to time by the actuarial standards board and on such
17 additional standards as the commissioner may by rule prescribe.
18 ~~(4)~~ (d) In the case of an opinion required to be submitted
19 by a foreign or alien company, the commissioner may accept the
20 opinion filed by that company with the insurance supervisory
21 official of another state if the commissioner determines that
22 the opinion reasonably meets the requirements applicable to a
23 company domiciled in this state.
24 ~~(5)~~ (e) For the purposes of this ~~section~~ paragraph *"a"*,
25 *"qualified actuary"* means a member in good standing of the
26 American academy of actuaries who meets the requirements of the
27 commissioner as specified by rule.
28 ~~(6)~~ (f) Except in cases of fraud or willful misconduct,
29 a qualified actuary is not liable for damages to any person,
30 other than to the insurance company and the commissioner, for
31 any act, error, omission, decision, or conduct with respect to
32 the actuary's opinion.
33 ~~(7)~~ (g) Disciplinary action which may be taken by the
34 commissioner against the company or the qualified actuary shall
35 be defined in rules adopted by the commissioner.

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1 ~~(8) (a)~~ (h) (i) Any memorandum in support of the
2 opinion, and any other material provided by the company to
3 the commissioner in connection with the opinion, shall be
4 kept confidential by the commissioner and shall not be made
5 public and shall not be subject to subpoena, other than for the
6 purpose of defending an action seeking damages from any person
7 by reason of any action required by this ~~section~~ paragraph *"a"*
8 or by rules adopted pursuant to this ~~section~~ paragraph *"a"*.
9 Notwithstanding this subparagraph division, the memorandum or
10 other material may be released by the commissioner if either of
11 the following applies:
12 ~~(i)~~ (A) The commissioner receives the written consent of
13 the company with which the opinion is associated.
14 ~~(ii)~~ (B) The American academy of actuaries requests that
15 the memorandum or other material is required for the purpose
16 of professional disciplinary proceedings and setting forth
17 procedures satisfactory to the commissioner for preserving the
18 confidentiality of the memorandum or other material.
19 ~~(b)~~ (ii) Once any portion of the confidential memorandum
20 is cited by the company in its marketing, is cited before any
21 governmental agency other than a state insurance department, or
22 is released by the company to the news media, all portions of
23 the confidential memorandum are no longer confidential.
24 *b. Actuarial opinion of reserves on or after operative date*
25 *of valuation manual.* This paragraph *"b"* applies to an actuarial
26 opinion of reserves submitted on or after the operative date
27 of the valuation manual.
28 (1) *General.* Every company with outstanding life insurance
29 policies or contracts, accident and health insurance policies
30 or contracts, or deposit-type policies or contracts in
31 this state and subject to regulation by the commissioner
32 shall annually submit the opinion of the appointed actuary
33 as to whether the reserves and related actuarial items
34 held in support of the policies and contracts are computed
35 appropriately, are based on assumptions that satisfy

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1 contractual provisions, are consistent with prior reported
2 amounts, and comply with applicable laws of this state. The
3 valuation manual shall prescribe the specifics of this opinion
4 including any items deemed to be necessary to its scope.
5 (2) *Actuarial analysis of reserves and assets supporting*
6 *reserves.* Every company with outstanding life insurance
7 policies or contracts, accident and health insurance policies
8 or contracts, or deposit-type policies or contracts in this
9 state and subject to regulation by the commissioner, except as
10 exempted in the valuation manual, shall annually include in
11 the opinion required by subparagraph (1), an opinion of the
12 same appointed actuary as to whether the reserves and related
13 actuarial items held in support of the policies and contracts
14 specified in the valuation manual, when considered in light of
15 the assets held by the company with respect to the reserves
16 and related actuarial items, including but not limited to
17 the investment earnings on the assets and the considerations
18 anticipated to be received and retained under the policies
19 and contracts, make adequate provision for the company's
20 obligations under the policies and contracts, including but not
21 limited to the benefits under and expenses associated with the
22 policies and contracts.
23 (3) *Requirements for opinions subject to subparagraph*
24 *(2).* An opinion required by subparagraph (2) shall be governed
25 by the following provisions:
26 (a) A memorandum, in form and substance as specified in the
27 valuation manual, and that is acceptable to the commissioner,
28 shall be prepared to support each actuarial opinion.
29 (b) If the company fails to provide a supporting memorandum
30 at the request of the commissioner within a period specified
31 in the valuation manual or the commissioner determines that
32 the supporting memorandum provided by the company fails to
33 meet the standards prescribed by the valuation manual or is
34 otherwise unacceptable to the commissioner, the commissioner
35 may engage a qualified actuary at the expense of the company to

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1 review the opinion and the basis for the opinion and prepare
2 the supporting memorandum required by the commissioner.
3 (4) *Requirements for all opinions subject to this*
4 *paragraph.* Every opinion subject to this paragraph "*b*" shall be
5 governed by the following provisions:
6 (a) The opinion shall be in form and substance as specified
7 in the valuation manual and acceptable to the commissioner.
8 (b) The opinion shall be submitted with the annual statement
9 reflecting the valuation of such reserve liabilities for each
10 year ending on or after the operative date of the valuation
11 manual.
12 (c) The opinion shall apply to all policies and contracts
13 subject to subparagraph (2) plus other actuarial liabilities as
14 may be specified in the valuation manual.
15 (d) The opinion shall be based on standards adopted from
16 time to time by the actuarial standards board or its successor,
17 and on such additional standards as may be prescribed in the
18 valuation manual.
19 (e) In the case of an opinion required to be submitted by
20 a foreign or alien company, the commissioner may accept the
21 opinion filed by that company with the insurance supervisory
22 official of another state if the commissioner determines that
23 the opinion reasonably meets the requirements applicable to a
24 company domiciled in this state.
25 (f) Except in cases of fraud or willful misconduct, the
26 appointed actuary shall not be liable for damages to any
27 person, other than the company and the commissioner, for any
28 act, error, omission, decision, or conduct with respect to the
29 appointed actuary's opinion.
30 (g) Disciplinary action by the commissioner against the
31 company or the appointed actuary shall be defined in rules
32 adopted by the commissioner pursuant to chapter 17A.
33 Sec. 4. Section 508.36, subsection 3, paragraph a,
34 unnumbered paragraph 1, Code 2014, is amended to read as
35 follows:

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1 For ~~all~~ ordinary policies of life insurance issued on the
2 standard basis, excluding any disability and accidental death
3 benefits in the policies, the following:
4 Sec. 5. Section 508.36, subsection 3, paragraph a,
5 subparagraph (2), Code 2014, is amended to read as follows:
6 (2) The commissioners 1958 standard ordinary mortality
7 table for such policies issued on or after the operative date
8 of section 508.37, subsection 5, paragraph ~~"e"~~ "a", and prior to
9 the operative date of section 508.37, subsection 5, paragraph
10 "c", provided that for any category of policies issued on female
11 risks, all modified net premiums and present values referred to
12 in this section may be calculated according to an age not more
13 than six years younger than the actual age of the insured.
14 Sec. 6. Section 508.36, subsection 6, paragraph a,
15 unnumbered paragraph 1, Code 2014, is amended to read as
16 follows:
17 Except as otherwise provided in subsections 7, 10, and ~~12~~
18 11, reserves calculated according to the commissioner's reserve
19 valuation method, for the life insurance and endowment benefits
20 of policies providing for a uniform amount of insurance and
21 requiring the payment of uniform premiums, shall be the excess,
22 if any, of the present value, at the date of valuation, of
23 future guaranteed benefits provided for by such policies, over
24 the present value, at the date of valuation, of any future
25 modified net premiums for such policies. The modified net
26 premiums for such policy is the uniform percentage of the
27 respective contract premiums for the benefits such that the
28 present value, at the date of issue of the policy, of all
29 modified net premiums shall be equal to the sum of the present
30 value, at the date of valuation, of such benefits provided
31 for by the policy and the excess of the amount determined in
32 subparagraph (1) over the amount determined in subparagraph
33 (2), as follows:
34 Sec. 7. Section 508.36, subsection 10, paragraph a, Code
35 2014, is amended to read as follows:

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1 *a.* If in any contract year the gross premium charged by a
2 ~~life insurance~~ company on a policy or contract is less than the
3 valuation net premium for the policy or contract, as calculated
4 by the method used in calculating the reserve for such policy
5 or contract but using the minimum valuation standards of
6 mortality and rate of interest, the minimum reserve required
7 for such policy or contract is the greater of either the
8 reserve calculated according to the mortality table, rate of
9 interest, and method actually used for such policy or contract,
10 or the reserve calculated by the method actually used for such
11 policy or contract but using the minimum valuation standards
12 of mortality and rate of interest and replacing the valuation
13 net premium by the actual gross premium in each contract year
14 for which the valuation net premium exceeds the actual gross
15 premium. The minimum valuation standards of mortality and rate
16 of interest referred to in this section are those standards
17 established in subsections 4 and 5.
18 Sec. 8. Section 508.36, subsection 12, Code 2014, is amended
19 to read as follows:
20 12. *Minimum standards for accident and health ~~(disability,~~*
21 *~~accident, and sickness) plans~~ insurance policies or*
22 *contracts.* ~~The commissioner shall adopt rules containing~~
23 ~~the minimum standards applicable to the valuation of health,~~
24 ~~disability, and sickness and accident plans.~~ For accident and
25 health insurance policies or contracts issued on or after the
26 operative date of the valuation manual, the standard prescribed
27 in the valuation manual is the minimum standard of valuation
28 required under subsection 1, paragraph *"b"*. For health,
29 disability, and sickness and accident insurance policies or
30 contracts issued on or after July 1, 1973, and prior to the
31 operative date of the valuation manual, the minimum standard of
32 valuation is the standard adopted by the commissioner by rule.
33 Sec. 9. Section 508.36, Code 2014, is amended by adding the
34 following new subsections:
35 NEW SUBSECTION. 13. *Valuation manual for policies or*

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contracts issued on or after operative date of valuation manual.

a. For policies or contracts issued on or after the operative date of the valuation manual, the standard prescribed in the valuation manual is the minimum standard of valuation required under subsection 1, paragraph *"b"*, except as provided under paragraph *"e"* or *"g"* of this subsection.

b. The operative date of the valuation manual is January 1 of the first calendar year following the first July 1 as of which all of the following have occurred:

(1) The valuation manual has been adopted by the NAIC by an affirmative vote of at least forty-two members, or three-fourths of the members voting, whichever is greater.

(2) The standard valuation law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions, has been enacted by states representing greater than seventy-five percent of the direct premiums written as reported in the following annual statements submitted for 2008:

(a) Life, accident, and health insurance annual statements.

(b) Health insurance annual statements.

(c) Fraternal benefit society annual statements.

(3) The standard valuation law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions, has been enacted by at least forty-two of the following fifty-five jurisdictions: the fifty states of the United States, American Samoa, the American Virgin Islands, the District of Columbia, Guam, and Puerto Rico.

c. Unless a change in the valuation manual specifies a later effective date, changes to the valuation manual shall be effective on January 1 following the date when all of the following have occurred:

(1) The changes to the valuation manual have been adopted by the NAIC by an affirmative vote representing:

(a) At least three-fourths of the members of the NAIC voting, but not less than a majority of the total membership.

(b) Members of the NAIC representing jurisdictions totaling

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1 greater than seventy-five percent of the direct premiums
2 written as reported in the following annual statements most
3 recently available prior to the vote in subparagraph division
4 (a):
5 (i) Life, accident, and health insurance annual statements.
6 (ii) Health insurance annual statements.
7 (iii) Fraternal benefit society annual statements.
8 *d.* The valuation manual shall specify all of the following:
9 (1) Minimum valuation standards for and definitions of
10 the policies or contracts subject to subsection 1, paragraph
11 *"b"*. Such minimum valuation standards shall include all of the
12 following:
13 (a) The commissioner's reserve valuation method for life
14 insurance contracts, other than annuity contracts, subject to
15 subsection 1, paragraph *"b"*.
16 (b) The commissioner's annuity reserve valuation method for
17 annuity contracts subject to subsection 1, paragraph *"b"*.
18 (c) Minimum reserves for all other policies of contracts
19 subject to subsection 1, paragraph *"b"*.
20 (2) Which policies or contracts or types of policies or
21 contracts are subject to the requirements of a principle-based
22 valuation in subsection 14, paragraph *"a"*, and the minimum
23 valuation standards consistent with those requirements.
24 (3) For policies and contracts subject to a principle-based
25 valuation under subsection 14, specify all of the following:
26 (a) Requirements for the format of reports to the
27 commissioner under subsection 14 which shall include
28 information necessary to determine if the valuation is
29 appropriate and in compliance with this section.
30 (b) Assumptions that are prescribed for risks over which the
31 company does not have significant control or influence.
32 (c) Procedures for corporate governance and oversight of
33 the actuarial function, and a process for appropriate waiver or
34 modification of such procedures.
35 (4) For policies or contracts not subject to a

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1 principle-based valuation under subsection 14, the minimum
2 valuation standard shall do either of the following:
3 (a) Be consistent with the minimum standard of valuation
4 prior to the operative date of the valuation manual.
5 (b) Develop reserves that quantify the benefits and
6 guarantees, and the funding, associated with the policies or
7 contracts and their risks at a level of conservatism that
8 reflects conditions that include unfavorable events that have a
9 reasonable probability of occurring.
10 (5) Other requirements, including but not limited to
11 those relating to reserve methods, models for measuring
12 risk, generation of economic scenarios, assumptions, margins,
13 use of company experience, risk measurement, disclosure,
14 certifications, reports, actuarial opinions and memorandums,
15 transition rules, and internal controls.
16 (6) The data and form of the data required under subsection
17 15, to whom the data must be submitted, and other specified
18 requirements, including data analyses and reporting of
19 analyses.
20 *e.* In the absence of a specific valuation requirement or
21 if a specific valuation requirement in the valuation manual
22 is not, in the opinion of the commissioner, in compliance
23 with this subsection, then the company shall, with respect to
24 such requirements, comply with minimum valuation standards
25 prescribed by the commissioner by rule.
26 *f.* The commissioner may engage a qualified actuary, at the
27 expense of the company, to perform an actuarial examination of
28 the company and opine on the appropriateness of any reserve
29 assumption or method used by the company, or to review and
30 opine on a company's compliance with any requirements set forth
31 in this section. The commissioner may rely upon the opinion,
32 regarding provisions contained in this section, of a qualified
33 actuary engaged by the commissioner of another state, district,
34 or territory of the United States. As used in this paragraph,
35 "*engage*" includes employment of and contracting with a qualified

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1 actuary.
2 *g.* The commissioner may require a company to change any
3 assumption or method that in the opinion of the commissioner
4 is necessary in order to comply with the requirements of the
5 valuation manual or this section and the company shall adjust
6 the reserves as required by the commissioner. The commissioner
7 may take other disciplinary action as authorized pursuant to
8 section 505.8.
9 NEW SUBSECTION. 14. *Requirements of principle-based*
10 *valuation.*
11 *a.* A company shall establish reserves using a
12 principle-based valuation that meets all of the following
13 conditions for policies or contracts as specified in the
14 valuation manual:
15 (1) Quantifies the benefits and guarantees, and the
16 funding, associated with the policies or contracts and the
17 risks of the policies or contracts at a level of conservatism
18 that reflects conditions that include unfavorable events that
19 have a reasonable probability of occurring during the lifetime
20 of the policies or contracts. For policies or contracts with
21 a significant tail risk, the valuation reflects conditions
22 appropriately adverse to quantify the tail risk.
23 (2) Incorporates assumptions, risk analysis methods, and
24 financial models and management techniques that are consistent
25 with, but not necessarily identical to, those utilized
26 within the company's overall risk assessment process, while
27 recognizing potential differences in financial reporting
28 structures and any prescribed assumptions or methods.
29 (3) Incorporates assumptions that are derived in one of the
30 following manners:
31 (a) The assumption is prescribed in the valuation manual.
32 (b) For assumptions that are not prescribed in the valuation
33 manual, the assumptions shall meet either of the following
34 requirements:
35 (i) Be established utilizing the company's available

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1 experience, to the extent that the experience is relevant and
2 statistically credible.
3 (ii) To the extent that company data is not available,
4 relevant, or statistically credible, be established utilizing
5 other relevant, statistically credible experience.
6 (4) Provides margins for uncertainty including adverse
7 deviation and estimation error, such that the greater the
8 uncertainty the larger the margin and resulting reserve.
9 *b.* A company using a principle-based valuation for one
10 or more policies or contracts subject to this subsection
11 as specified in the valuation manual shall do all of the
12 following:
13 (1) Establish procedures for corporate governance and
14 oversight of the actuarial valuation function consistent with
15 those described in the valuation manual.
16 (2) Provide to the commissioner and the board of directors
17 an annual certification of the effectiveness of the company's
18 internal controls with respect to the principle-based
19 valuation. Such controls shall be designed to assure that
20 all material risks inherent in the liabilities and associated
21 assets subject to such valuation are included in the valuation,
22 and that the valuation is made in accordance with the valuation
23 manual. The certification shall be based on the internal
24 controls in place as of the end of the preceding calendar year.
25 (3) Develop, and file with the commissioner upon request, a
26 principle-based valuation report that complies with standards
27 prescribed in the valuation manual.
28 *c.* A principle-based valuation may include a prescribed
29 formulaic reserve component.
30 NEW SUBSECTION. 15. *Experience reporting for policies*
31 *or contracts in force on or after operative date of valuation*
32 *manual.* A company shall submit mortality, morbidity,
33 policyholder behavior, or expense experience and other data as
34 prescribed in the valuation manual.
35 NEW SUBSECTION. 16. *Confidentiality.*

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1 *a. Definition.* For purposes of this subsection,
2 *"confidential information"* means all of the following:
3 (1) A memorandum in support of an opinion submitted
4 under subsection 2 and any other documents, materials, or
5 other information, including but not limited to all working
6 papers, and copies thereof, created, produced, obtained by, or
7 disclosed to the commissioner or any other person in connection
8 with the memorandum.
9 (2) All documents, materials, or other information,
10 including but not limited to all working papers, and copies
11 thereof, created, produced, obtained by, or disclosed
12 to the commissioner or any other person in the course of
13 an examination made under subsection 13, paragraph *"f"*;
14 provided, however, that if an examination report or other
15 materials prepared in connection with an examination made
16 under chapter 507 is not held as private and confidential
17 information under section 507.14, an examination report or
18 other material prepared in connection with an examination made
19 under subsection 13, paragraph *"f"*, shall not be *"confidential*
20 *information"* to the same extent as if such examination report or
21 other material had been prepared under chapter 507.
22 (3) Any reports, documents, materials, or other information
23 developed by a company in support of, or in connection with,
24 an annual certification by the company under subsection 14,
25 paragraph *"b"*, subparagraph (2), evaluating the effectiveness
26 of the company's internal controls with respect to a
27 principle-based valuation and any other documents, materials,
28 or other information, including but not limited to all working
29 papers, and copies thereof, created, produced, obtained by, or
30 disclosed to the commissioner or any other person in connection
31 with such reports, documents, materials, or other information.
32 (4) Any principle-based valuation report developed under
33 subsection 14, paragraph *"b"*, subparagraph (3), and any other
34 documents, materials, or other information, including but not
35 limited to all working papers, and copies thereof, created,

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1 produced, obtained by, or disclosed to the commissioner or any
2 other person in connection with such report.
3 (5) Any documents, materials, data, or other information
4 submitted by a company under subsection 15, collectively known
5 as *"experience data"* or *"experience materials"*, and any other
6 documents, materials, data, or other information, including
7 but not limited to all working papers, and copies thereof,
8 created or produced in connection with such experience data,
9 in each case that includes any potentially company-identifying
10 or personally identifiable information, that is provided to or
11 obtained by the commissioner, together with any *"experience*
12 *data"* or *"experience materials"*, and any other documents,
13 materials, data, or other information, including but not
14 limited to all working papers, and copies thereof, created,
15 produced, obtained by, or disclosed to the commissioner or
16 any other person in connection with such experience data or
17 experience materials.
18 *b. Privilege for, and confidentiality of, confidential*
19 *information.*
20 (1) Except as provided in this subsection, a company's
21 confidential information is confidential by law and privileged,
22 and shall not be subject to chapter 22, shall not be subject
23 to subpoena, and shall not be subject to discovery or
24 admissible in evidence in any private civil action; provided,
25 however, that the commissioner is authorized to use the
26 confidential information in the furtherance of any regulatory
27 or legal action brought against the company as a part of the
28 commissioner's official duties.
29 (2) Neither the commissioner nor any person who received
30 confidential information while acting under the authority of
31 the commissioner shall be permitted or required to testify
32 in any private civil action concerning any confidential
33 information.
34 (3) In order to assist in the performance of the
35 commissioner's duties, the commissioner may share confidential

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1 information as follows:
2 (a) With other state, federal, or international regulatory
3 agencies and with the NAIC and its affiliates and subsidiaries.
4 (b) In the case of confidential information specified
5 in paragraph "a", subparagraphs (1) and (4) only, with the
6 actuarial board for counseling and discipline or its successor
7 upon request stating that the confidential information
8 is required for the purpose of professional disciplinary
9 proceedings, and with state, federal, and international law
10 enforcement officials.
11 (c) The sharing of confidential information under
12 subparagraph division (a) or (b) requires that the recipient
13 of the confidential information agrees, and has the legal
14 authority to agree to maintain the confidentiality and
15 privileged status of such documents, materials, data, and
16 other information in the same manner and to the same extent as
17 required for the commissioner.
18 (4) The commissioner may receive documents, materials,
19 data, and other information, including otherwise confidential
20 and privileged documents, materials, data, or information, from
21 the NAIC and its affiliates and subsidiaries, from regulatory
22 or law enforcement officials of other foreign or domestic
23 jurisdictions, and from the actuarial board for counseling
24 and discipline, or its successor, and shall maintain as
25 confidential or privileged any documents, materials, data, or
26 other information received with notice or the understanding
27 that it is confidential or privileged under the laws of the
28 jurisdiction that is the source of the documents, materials,
29 data, or other information.
30 (5) The commissioner may enter into agreements governing
31 the sharing and use of information consistent with this
32 paragraph "b".
33 (6) No waiver of any applicable privilege or claim
34 of confidentiality in the confidential information shall
35 occur as a result of disclosure to the commissioner under

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1 this subsection or as a result of sharing as authorized in
2 subparagraph (3).
3 (7) A privilege established under the law of any state or
4 jurisdiction that is substantially similar to the privilege
5 established in this paragraph *"b"* shall be available and
6 enforced in any proceeding in, and in any court of, this state.
7 (8) For the purposes of this subsection, *"regulatory*
8 *agency"*, *"law enforcement agency"*, and the *"NAIC"*, include but
9 are not limited to their employees, agents, consultants, and
10 contractors.
11 *c. Sharing of confidential information.* Notwithstanding
12 paragraph *"b"*, any confidential information specified in
13 paragraph *"b"* may be shared as follows:
14 (1) May be subject to subpoena for the purpose of defending
15 an action seeking damages from the appointed actuary submitting
16 the related memorandum in support of an opinion submitted under
17 subsection 2 or a principle-based valuation report developed
18 under subsection 14, paragraph *"b"*, subparagraph (3), by reason
19 of an action required by this section or by rules promulgated
20 under this section.
21 (2) May otherwise be released by the commissioner with the
22 written consent of the company.
23 (3) Once any portion of a memorandum in support of an
24 opinion submitted under subsection 2 or a principle-based
25 valuation report developed under subsection 14, paragraph *"b"*,
26 subparagraph (3), is cited by a company in its marketing or is
27 publicly volunteered to or before a governmental agency other
28 than a state insurance department or is released by the company
29 to the news media, all portions or such memorandum or report
30 shall no longer be confidential information.
31 NEW SUBSECTION. 17. *Single state exemption.*
32 *a.* The commissioner may exempt specific product forms or
33 product lines of a domestic company that is licensed and doing
34 business only in this state from the requirements of subsection
35 13 provided that all of the following have occurred:

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1 (1) The commissioner has issued an exemption in writing to
2 the company and has not subsequently revoked the exemption in
3 writing.
4 (2) The company computes reserves using assumptions and
5 methods used prior to the operative date of the valuation
6 manual in addition to any requirements established by the
7 commissioner and promulgated by rule.
8 *b.* For any company granted an exemption under this
9 subsection, subsections 2 through 12 shall be applicable. With
10 respect to any company applying this exemption, any reference
11 to subsection 13 found in subsections 2 through 12 shall not
12 be applicable.
13 Sec. 10. Section 508.37, Code 2014, is amended by adding the
14 following new subsection:
15 NEW SUBSECTION. 01. As used in this section, *"operative*
16 *date of the valuation manual"* means the same as provided in
17 section 508.36, subsection 13.
18 Sec. 11. Section 508.37, subsection 6, paragraph h,
19 subparagraph (6), Code 2014, is amended to read as follows:
20 (6) ~~Any~~ For policies issued prior to the operative date
21 of the valuation manual, any commissioners' standard ordinary
22 mortality tables adopted after 1980 by the national association
23 of insurance commissioners and approved by rule adopted by the
24 commissioner for use in determining the minimum nonforfeiture
25 standard may be substituted for the Commissioners 1980 Standard
26 Ordinary Mortality Table with or without Ten-Year Select
27 Mortality Factors or for the Commissioners 1980 Extended Term
28 Insurance Table.
29 Sec. 12. Section 508.37, subsection 6, paragraph h, Code
30 2014, is amended by adding the following new subparagraph:
31 NEW SUBPARAGRAPH. (07) For policies issued on or after the
32 operative date of the valuation manual, the valuation manual
33 shall provide the commissioners' standard mortality table for
34 use in determining the minimum forfeiture standard that may
35 be substituted for the Commissioners' 1980 Standard Ordinary

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1 Mortality Table with or without Ten-year Select Mortality
2 Factors or for the Commissioners' 1980 Extended Term Insurance
3 Table. If the commissioner approves by rule the Commissioners'
4 Standard Ordinary Mortality Table adopted by the national
5 association of insurance commissioners for use in determining
6 the minimum nonforfeiture standard for policies or contracts
7 issued on or after the operative date of the valuation manual,
8 then that minimum nonforfeiture standard supersedes the minimum
9 nonforfeiture standard provided by the valuation manual.
10 Sec. 13. Section 508.37, subsection 6, paragraph i, Code
11 2014, is amended to read as follows:
12 *i.* The nonforfeiture interest rate is defined as follows:
13 (1) ~~The~~ For policies issued prior to the operative date of
14 the valuation manual, the nonforfeiture interest rate per annum
15 for any policy issued in a particular calendar year shall be
16 equal to one hundred twenty-five percent of the calendar year
17 statutory valuation interest rate for the policy as defined
18 in section 508.36, rounded to the nearest one quarter of one
19 percent.
20 (2) For policies issued on or after the operative date of
21 the valuation manual, the nonforfeiture interest rate per annum
22 for any policy issued in a particular calendar year shall be
23 provided by the valuation manual.
24 Sec. 14. APPLICABILITY. This Act applies on and after the
25 operative date of the valuation manual as provided in section
26 508.36, as amended in this Act.
27 EXPLANATION

28 **The inclusion of this explanation does not constitute agreement with**
29 **the explanation's substance by the members of the general assembly.**

30 This Act relates to standard valuation and standard
31 forfeiture provisions for life insurance policies or contracts
32 and includes applicability provisions. The bill includes
33 provisions of model acts adopted by the national association
34 of insurance commissioners (NAIC) pertaining to such standard
35 valuations and forfeitures. The bill refers to a valuation

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1 manual which is a manual of valuation instructions adopted by
2 the NAIC.
3 Code section 508.36 concerning standard valuations for
4 life insurance policies or contracts is amended to include
5 definitions that are applicable on or after the operative date
6 of the valuation manual. Code section 508.36 is also amended
7 to provide that specified existing valuation standards apply
8 to policies and contracts issued prior to the operative date
9 of the valuation manual and specified new standards apply on
10 or after the operative date of the valuation manual. The bill
11 includes changes to valuation standards pertaining to reserve
12 valuation, actuarial opinions of reserves, computations of
13 minimum standards, and minimum standards for accident and
14 health insurance policies or contracts.
15 New standards are added pertaining to minimum standards for
16 accident and health insurance; use of the valuation manual;
17 requirements of a principle-based valuation; experience
18 reporting for policies or contracts in force or effect after
19 the operative date of the valuation manual; confidentiality
20 of documents, materials, or other information relating to an
21 actuarial opinion of reserves; and single state exemptions of
22 certain product forms or lines of insurance.
23 New Code section 508.36, subsection 13, paragraph *"b"*, sets
24 forth the conditions which must be met before the valuation
25 manual becomes operative. The operative date of the manual
26 will occur on January 1 of the first calendar year following
27 the first July 1 after all of the following events have
28 occurred: (1) the valuation manual has been adopted by
29 the NAIC by an affirmative vote of at least 42 members or
30 three-fourths of the members voting, whichever is greater; (2)
31 the standard valuation law, as amended by the NAIC in 2009,
32 or substantially similar legislation, has been enacted by
33 states representing greater than 75 percent of specified direct
34 premiums written as reported in annual statements for 2008; (3)
35 the standard valuation law, as amended by the NAIC in 2009,

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1 or substantially similar legislation, has been enacted by at
2 least 42 of the 55 jurisdictions including the 50 states of the
3 United States, American Samoa, the American Virgin Islands, the
4 District of Columbia, Guam, and Puerto Rico.
5 Code section 508.37 concerning standard forfeiture
6 provisions applicable to life insurance policies or contracts
7 is amended to provide that specified existing standards apply
8 to policies or contracts issued prior to the operative date
9 of the valuation manual and specified new standards apply to
10 policies issued on or after the operative date of the manual.
11 The bill is applicable on and after the operative date of the
12 new NAIC valuation manual.

Senate File 2132 - Introduced

SENATE FILE 2132
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3092)

A BILL FOR

1 An Act relating to matters under the purview of the utilities
2 division of the department of commerce.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5298SV (1) 85
rn/nh

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Section 1. Section 476.1D, subsection 1, paragraph c, Code 2014, is amended by striking the paragraph.

Sec. 2. Section 476.1D, subsection 2, Code 2014, is amended to read as follows:

2. ~~Except as provided in subsection 1, paragraph "c",~~ ~~deregulation~~ Deregulation of a service or facility for a utility is effective only after a finding of effective competition by the board.

Sec. 3. Section 476.3, subsection 2, paragraph b, Code 2014, is amended by striking the paragraph.

Sec. 4. Section 476.5, Code 2014, is amended to read as follows:

476.5 Adherence to schedules ~~— discounts~~.

No public utility subject to rate regulation shall directly or indirectly charge a greater or less compensation for its services than that prescribed in its tariffs, and no such public utility shall make or grant any unreasonable preferences or advantages as to rates or services to any person or subject any person to any unreasonable prejudice or disadvantage.

~~Nothing in this section shall be construed to prohibit any public utility furnishing communications services from providing any service rendered by it without charge or at reduced rate to any of its active or retired officers, directors, or employees, or such officers, directors or employees of other public utilities furnishing communications services. Provided, however, said service is for personal use, and not for engaging in a business for profit.~~

Sec. 5. Section 476.6, subsection 9, Code 2014, is amended by striking the subsection.

Sec. 6. Section 476.29, subsection 15, Code 2014, is amended by striking the subsection.

Sec. 7. Section 476.96, Code 2014, is amended to read as follows:

476.96 Definitions.

As used in ~~section 476.95, this section, and~~ sections

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1 ~~476.97 through 476.102~~ 476.100 and 476.101, unless the context
2 otherwise requires:
3 ~~1. *"Basic communications service"* includes at a minimum,~~
4 ~~basic local telephone service, switched access, 911 and~~
5 ~~E-911 services, and dual party relay service. The board is~~
6 ~~authorized to classify by rule at any time, any other two-way~~
7 ~~switched communications services as basic communications~~
8 ~~services consistent with community expectations and the public~~
9 ~~interest.~~
10 ~~2. *"Basic local telephone service"* means the provision~~
11 ~~of dial tone access and usage, for the transmission of~~
12 ~~two-way switched communications within a local exchange area,~~
13 ~~including, but not limited to, the following:~~
14 ~~*a.* Residence service and business services, including flat~~
15 ~~rate or local measured service, private branch exchange trunks,~~
16 ~~trunk type hunting services, direct inward dialing, and the~~
17 ~~network access portion of central office switched exchange~~
18 ~~service.~~
19 ~~*b.* Extended area service.~~
20 ~~*c.* Touch tone service when provided separately.~~
21 ~~*d.* Call tracing.~~
22 ~~*e.* Calling number blocking on either a per call or a per~~
23 ~~line basis.~~
24 ~~*f.* Local exchange white pages directories.~~
25 ~~*g.* Installation and repair of local network access.~~
26 ~~*h.* Local operator services, excluding directory assistance.~~
27 ~~*i.* Toll service blocking and 1-900 and 1-976 access~~
28 ~~blocking.~~
29 ~~3.~~ 1. *"Competitive local exchange service provider"* means
30 any person, including a municipal utility, that provides local
31 exchange services, other than a local exchange carrier or a
32 nonrate-regulated wireline provider of local exchange services
33 under an authorized certificate of public convenience and
34 necessity within a specific geographic area described in maps
35 filed with and approved by the board as of September 30, 1992.

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1 ~~4. *"Interim number portability"* means one or more mechanisms~~
2 ~~by which a local exchange customer at a particular location~~
3 ~~may change the customer's local exchange services provider~~
4 ~~without any change in the local exchange customer's telephone~~
5 ~~number, while experiencing as little loss of functionality as~~
6 ~~is feasible using available technology.~~
7 ~~5.~~ 2. *"Local exchange carrier"* means any person that was
8 the incumbent and historical rate-regulated wireline provider
9 of local exchange services or any successor to such person
10 that provides local exchange services under an authorized
11 certificate of public convenience and necessity within a
12 specific geographic area described in maps filed with and
13 approved by the board as of September 30, 1992.
14 ~~6. *"Nonbasic communications services"* means all~~
15 ~~communications services subject to the board's jurisdiction~~
16 ~~which are not deemed either by statute or by rule to be basic~~
17 ~~communications services, including any service offered by~~
18 ~~the local exchange carrier for the first time after July 1,~~
19 ~~1995. A service is not considered new if it constitutes the~~
20 ~~bundling, unbundling, or repricing of an already existing~~
21 ~~service. Consistent with community expectations and the public~~
22 ~~interest, the board may reclassify by rule as nonbasic those~~
23 ~~two-way switched communications services previously classified~~
24 ~~by rule as basic.~~
25 ~~7. *"Provider number portability"* means the capability of a~~
26 ~~local exchange customer to change the customer's local exchange~~
27 ~~services provider at the customer's same location without any~~
28 ~~change in the local exchange customer's telephone number, while~~
29 ~~preserving the full range of functionality that the customer~~
30 ~~currently experiences. *"Provider number portability"* includes~~
31 ~~the equal availability of information concerning the local~~
32 ~~exchange provider serving the number to all carriers, and the~~
33 ~~ability to deliver traffic directly to that provider without~~
34 ~~having first to route traffic to the local exchange carrier or~~
35 ~~otherwise use the services, facilities, or capabilities of the~~

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1 ~~local exchange carrier to complete the call, and without the~~
2 ~~dialing of additional digits or access codes.~~
3 Sec. 8. Section 476.101, subsections 4, 5, and 6, Code 2014,
4 are amended by striking the subsections.
5 Sec. 9. Section 476.101, subsection 8, Code 2014, is amended
6 to read as follows:
7 8. Any person may file a written complaint with the
8 board requesting the board to determine compliance by a
9 local exchange carrier with the provisions of sections
10 476.96 ~~through~~ and 476.100, 476.102, and this section, or any
11 board rules implementing those sections. Upon the filing
12 of such complaint, the board may promptly initiate a formal
13 complaint proceeding and give notice of the proceeding and the
14 opportunity for hearing. The formal complaint proceeding may
15 be initiated at any time by the board on its own motion. The
16 board shall render a decision in the proceeding within ninety
17 days after the date the written complaint was filed.
18 Sec. 10. REPEAL. Sections 476.4A, 476.97, and 476.99, Code
19 2014, are repealed.
20 EXPLANATION
21 **The inclusion of this explanation does not constitute agreement with**
22 **the explanation's substance by the members of the general assembly.**
23 This bill relates to matters under the purview of the
24 utilities division of the department of commerce, and is
25 primarily focused on the removal of specified outdated or
26 obsolete provisions.
27 The bill eliminates provisions contained in Code sections
28 476.1D and 476.97 which provided for the retail rate-regulation
29 or price regulation of telephone local exchange services and
30 the discontinuance of retail rate regulation on a gradual
31 basis.
32 The bill also eliminates a provision which authorizes
33 an exemption from tariff filing requirements for telephone
34 utilities for certain specific services which are no longer
35 being offered. Additionally, the bill eliminates a provision

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1 permitting telephone utilities to offer discounted service
2 either without charge or at a discounted rate to specified
3 active or retired officers, directors, or employees consistent
4 with the fact that retail rate regulation is no longer being
5 undertaken. A provision permitting the Iowa utilities board to
6 approve a schedule of rate levels for regulated communications
7 services is similarly eliminated. The bill also eliminates an
8 outdated provision requiring the board to provide a written
9 report to the general assembly no later than January 20, 2005,
10 describing the current status of local telephone service in
11 Iowa.
12 The bill deletes definitions contained in Code section
13 476.96 which are referenced in Code sections repealed by the
14 bill. The bill additionally eliminates outdated provisions in
15 Code section 476.101 relating to rulemaking in 1995 which was
16 not undertaken, requiring tariffs or price lists to be filed
17 by incumbent local exchange carriers which were superseded by
18 federal law, and applying to contested cases pending as of July
19 1, 1995, which have all been completed.

Senate File 2133 - Introduced

SENATE FILE 2133
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3120)

A BILL FOR

1 An Act relating to federal home loan bank rights regarding
2 collateral pledged by insurer-members.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5775SV (1) 85
rn/nh

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1 Section 1. Section 507C.2, Code 2014, is amended by adding
2 the following new subsections:
3 NEW SUBSECTION. 10A. *"Federal home loan bank"* means a
4 federal home loan bank established under the federal Home Loan
5 Bank Act, 12 U.S.C. §1421 et seq.
6 NEW SUBSECTION. 16A. *"Insurer-member"* means an insurer who
7 is a member of a federal home loan bank.
8 Sec. 2. Section 507C.5, Code 2014, is amended by adding the
9 following new subsection:
10 NEW SUBSECTION. 3. *a.* Notwithstanding any other provision
11 to the contrary, a federal home loan bank shall not be stayed
12 or prohibited from exercising its rights regarding collateral
13 pledged by an insurer-member.
14 *b.* If a federal home loan bank exercises its rights
15 regarding collateral pledged by an insurer-member who is
16 subject to a delinquency proceeding, the federal home loan
17 bank shall repurchase any outstanding capital stock that is in
18 excess of that amount of federal home loan bank stock that the
19 insurer-member is required to hold as a minimum investment, to
20 the extent the federal home loan bank in good faith determines
21 the repurchase to be permissible under applicable laws,
22 regulations, regulatory obligations, and the federal home loan
23 bank's capital plan, and consistent with the federal home loan
24 bank's current capital stock practices applicable to its entire
25 membership.
26 *c.* Following the appointment of a receiver for an
27 insurer-member, the federal home loan bank shall, within ten
28 business days after a request from the receiver, provide a
29 process and establish a timeline for all of the following:
30 (1) The release of collateral that exceeds the amount
31 required to support secured obligations remaining after
32 any repayment of loans as determined in accordance with the
33 applicable agreements between the federal home loan bank and
34 the insurer-member.
35 (2) The release of any of the insurer-member's collateral

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1 remaining in the federal home loan bank's possession following
2 repayment of all outstanding secured obligations of the
3 insurer-member in full.
4 (3) The payment of fees owed by the insurer-member and the
5 operation of deposits and other accounts of the insurer-member
6 with the federal home loan bank.
7 (4) The possible redemption or repurchase of federal
8 home loan bank stock or excess stock of any class that an
9 insurer-member is required to own.
10 *d.* Upon request from a receiver, the federal home loan
11 bank shall provide any available options for an insurer-member
12 subject to a delinquency proceeding to renew or restructure
13 a loan to defer associated prepayment fees, subject to
14 market conditions, the terms of any loans outstanding to the
15 insurer-member, the applicable policies of the federal home
16 loan bank, and the federal home loan bank's compliance with
17 federal laws and regulations.
18 Sec. 3. Section 507C.28A, Code 2014, is amended by adding
19 the following new subsection:
20 NEW SUBSECTION. 10. Notwithstanding any other provision
21 of this chapter to the contrary, the receiver for an
22 insurer-member shall not void any transfer of, or any
23 obligation to transfer, money or any other property arising
24 under or in connection with any federal home loan bank
25 security agreement, or any pledge, security, collateral,
26 or guarantee agreement, or any other similar arrangement
27 or credit enhancement relating to a federal home loan bank
28 security agreement made in the ordinary course of business
29 and in compliance with the applicable federal home loan bank
30 agreement. However, a transfer may be avoided under this
31 subsection if the transfer was made with actual intent to
32 hinder, delay, or defraud the insurer-member, the receiver for
33 the insurer-member, or existing or future creditors. This
34 subsection shall not affect a receiver's rights regarding
35 advances to an insurer-member in delinquency proceedings

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1 pursuant to 12 C.F.R. §1266.4.
2 EXPLANATION
3 The inclusion of this explanation does not constitute agreement with
4 the explanation's substance by the members of the general assembly.
5 This bill relates to federal home loan bank rights regarding
6 collateral pledged by insurer-members in delinquency or
7 receivership proceedings. The bill defines a "federal home
8 loan bank" to mean a federal home loan bank established under
9 the federal Home Loan Bank Act, and an "insurer-member" to mean
10 an insurer who is a member of a federal home loan bank.
11 The bill provides that a federal home loan bank shall not
12 be stayed or prohibited from exercising its rights regarding
13 collateral pledged by an insurer-member.
14 The bill provides that if a federal home loan bank exercises
15 its rights regarding collateral pledged by an insurer-member
16 who is subject to a delinquency proceeding, the federal home
17 loan bank shall repurchase any outstanding capital stock that
18 is in excess of that amount of federal home loan bank stock
19 that the insurer-member is required to hold as a minimum
20 investment, to the extent the federal home loan bank in
21 good faith determines the repurchase to be permissible under
22 applicable laws, regulations, regulatory obligations, and the
23 federal home loan bank's capital plan, and consistent with
24 the federal home loan bank's current capital stock practices
25 applicable to its entire membership.
26 The bill provides that after the appointment of a receiver
27 for an insurer-member, the federal home loan bank shall,
28 within 10 business days after a request from the receiver,
29 provide a process and establish a timeline for the release of
30 collateral that exceeds the amount required to support secured
31 obligations remaining after any repayment of loans, the release
32 of any of the insurer-member's collateral remaining in the
33 federal home loan bank's possession following repayment of
34 all outstanding secured obligations of the insurer-member in
35 full, the payment of fees owed by the insurer-member and the

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1 operation of deposits and other accounts of the insurer-member
2 with the federal home loan bank, and the possible redemption or
3 repurchase of federal home loan bank stock or excess stock of
4 any class that an insurer-member is required to own.
5 The bill additionally provides that upon request from
6 a receiver, the federal home loan bank shall provide
7 any available options for an insurer-member subject to a
8 delinquency proceeding to renew or restructure a loan to defer
9 associated prepayment fees. Such a renewal or restructuring
10 would be subject to market conditions, the terms of any loans
11 outstanding to the insurer-member, the applicable policies of
12 the federal home loan bank, and the federal home loan bank's
13 compliance with federal laws and regulations.
14 The bill also provides that a receiver for an insurer-member
15 shall not void any transfer of, or any obligation to transfer,
16 money or any other property arising under or in connection with
17 any federal home loan bank security agreement, or any pledge,
18 security, collateral, or guarantee agreement, or any other
19 similar arrangement or credit enhancement relating to a federal
20 home loan bank security agreement made in the ordinary course
21 of business and in compliance with the applicable federal
22 home loan bank agreement, unless the transfer was made with
23 actual intent to hinder, delay, or defraud the insurer-member,
24 the receiver for the insurer-member, or existing or future
25 creditors. The bill adds that this provision shall not affect
26 a receiver's rights regarding advances to an insurer-member in
27 delinquency proceedings pursuant to federal law.

Senate File 2134 - Introduced

SENATE FILE 2134
BY HOGG

A BILL FOR

1 An Act relating to utilization of energy efficient forms of
2 lighting with regard to city and county exterior flood
3 lighting and certain parking facility lighting.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6018XS (3) 85
rn/sc

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Section 1. NEW SECTION. **331.363 Energy-efficient lighting required.**

The energy-efficient lighting replacement and utilization requirements and the dates applicable for their utilization specified in section 476.62 shall be applicable to any county-owned exterior flood lighting, including but not limited to street and security lighting not otherwise owned by or provided by a public utility. The requirements and the dates applicable for their utilization shall be equally applicable to privately owned parking facilities located within a county outside the limits of a city if such parking facilities contain sixteen or more parking spaces or units. For the purposes of this section, *"parking facilities"* means the same as defined in section 384.37.

Sec. 2. Section 364.23, Code 2014, is amended to read as follows:

364.23 Energy-efficient lighting required.

1. ~~All~~ Beginning January 1, 2015, all city-owned exterior flood lighting, including but not limited to street and security lighting but not including era or period lighting which has a minimum efficiency rating of fifty-eight lumens per watt and not including stadium or ball park lighting, shall be replaced, when worn-out, exclusively with ~~high pressure sodium~~ light-emitting diode lighting or lighting with equivalent or better energy efficiency as approved in rules adopted by the utilities board within the utilities division of the department of commerce. By January 1, 2020, all city-owned exterior flood lighting shall utilize light-emitting diode lighting or lighting with equivalent or better energy efficiency as approved in rules adopted by the utilities board within the utilities division of the department of commerce. In lieu of the requirements established for replacement lighting under this section, stadium or ball park lighting shall be replaced, when worn-out, with the most energy-efficient lighting available at the time of replacement which may include metal

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1 halide, high-pressure sodium, light-emitting diode, or other
2 light sources which may be developed.
3 2. The lighting replacement and utilization requirements
4 specified in subsection 1, and the dates applicable for their
5 utilization, shall be equally applicable to privately owned
6 parking facilities containing sixteen or more parking spaces
7 or units. For the purposes of this subsection, *"parking*
8 *facilities"* means the same as defined in section 384.37.
9 Sec. 3. Section 476.62, Code 2014, is amended to read as
10 follows:
11 **476.62 Energy-efficient lighting required.**
12 ~~All~~ Beginning January 1, 2015, all public utility-owned
13 exterior flood lighting, including but not limited to street
14 and security lighting, shall be replaced when worn-out
15 exclusively with ~~high pressure sodium~~ light-emitting diode
16 lighting or lighting with equivalent or better energy
17 efficiency as approved in rules adopted by the board. By
18 January 1, 2020, all public utility-owned exterior flood
19 lighting shall utilize light-emitting diode lighting or
20 lighting with equivalent or better energy efficiency as
21 approved in rules adopted by the board.
22 EXPLANATION
23 **The inclusion of this explanation does not constitute agreement with**
24 **the explanation's substance by the members of the general assembly.**
25 This bill requires the utilization of energy efficient
26 forms of lighting with regard to exterior flood lighting and
27 designated parking facility lighting.
28 Currently, cities and public utilities are required
29 to replace exterior flood lighting, including but not
30 limited to street and security lighting, with high pressure
31 sodium lighting or lighting with equivalent or better
32 energy efficiency as approved in rules adopted by the Iowa
33 utilities board. The bill changes this requirement to refer
34 to replacement with light-emitting diode lighting. Such
35 replacement would be applicable beginning January 1, 2015, with

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the requirement that by January 1, 2020, all city-owned or public utility-owned flood lighting will utilize light-emitting diode lighting or lighting with equivalent or better energy efficiency as approved in rules adopted by the Iowa utilities board.

Additionally, the bill extends the replacement and utilization lighting requirements, and the dates applicable for their utilization, to privately owned parking facilities located within a city or a county if the parking facilities contain 16 or more parking spaces or units. The bill references a definition of "parking facility" contained in Code section 384.37 as meaning parking lots or other off-street areas for the parking of vehicles, including areas below or above the surface of streets.

Senate File 2135 - Introduced

SENATE FILE 2135
BY BEALL

A BILL FOR

1 An Act relating to identification required for operation of a
2 railroad train.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5713SS (2) 85
dea/nh

S.F. 2135

1 Section 1. NEW SECTION. **327F.32 Railroad employee**
2 **credentials.**
3 An engineer, conductor, brake operator, or any other member
4 of the crew of a locomotive or railroad train operated upon a
5 railroad track, including a railroad track intersecting with a
6 street or highway at a railroad grade crossing, is not required
7 to provide a driver's license to a law enforcement officer in
8 connection with the operation of the locomotive or railroad
9 train.
10 EXPLANATION
11 **The inclusion of this explanation does not constitute agreement with**
12 **the explanation's substance by the members of the general assembly.**
13 This bill provides that an engineer, conductor, brake
14 operator, or other crew member of a locomotive or railroad
15 train is not required to provide a driver's license to a law
16 enforcement officer in connection with the operation of the
17 locomotive or train. The provision applies anywhere the train
18 is operated, including at a railroad grade crossing.

Senate File 2136 - Introduced

SENATE FILE 2136
BY McCOY

A BILL FOR

1 An Act relating to a school infrastructure safety and security
2 fund and program, making appropriations, and including
3 effective dates.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5531XS (2) 85
rh/tm

S.F. 2136

1 Section 1. NEW SECTION. **293.1 School infrastructure safety**
2 **and security fund — grant program.**
3 1. A school infrastructure safety and security fund is
4 established in the state treasury under the control of the
5 department of education. The fund shall consist of moneys
6 appropriated to the fund for purposes of the grant program as
7 specified in subsection 2.
8 2. Moneys in the fund shall be used by the department to
9 provide financial assistance in the form of grants to school
10 districts for costs relating to the purchase, installation,
11 operation, and maintenance of safety and security products for
12 school districts including but not limited to entry control
13 devices, door locking hardware, two-way doors and glass, alarm
14 communication systems, glass-break sensors, two-way radios, and
15 other equipment that reflect school safety and security best
16 practices.
17 3. To receive financial assistance pursuant to this
18 section, a school district shall provide dollar-for-dollar
19 local matching moneys through tax revenues received pursuant
20 to section 423F.2 and through other sources according to rules
21 adopted by the department.
22 4. The department shall adopt rules pursuant to chapter 17A
23 to administer this section.
24 5. Notwithstanding section 8.33, moneys in the fund at the
25 close of any fiscal year shall not revert to any other fund but
26 shall remain in the fund for the subsequent fiscal year to be
27 used for purposes of the fund.
28 Sec. 2. SCHOOL INFRASTRUCTURE SAFETY AND SECURITY FUND —
29 APPROPRIATION. There is appropriated from the general fund of
30 the state to the department of education for the fiscal year
31 beginning July 1, 2013, and ending June 30, 2014, the following
32 amount, or so much thereof as is necessary, to be used for the
33 purposes designated:
34 For deposit in the school infrastructure safety and security
35 fund created in section 293.1:

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1 ..... $ 10,000,000
2 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
3 immediate importance, takes effect upon enactment.
4 EXPLANATION

5 The inclusion of this explanation does not constitute agreement with
6 the explanation's substance by the members of the general assembly.

7 This bill relates to a school infrastructure safety and
8 security fund and program and includes an effective date.
9 The bill appropriates $10 million from the general fund of
10 the state to the department of education for the fiscal year
11 beginning July 1, 2013, and ending June 30, 2014, to be used
12 for purposes of the school infrastructure safety and security
13 fund, created in the bill.
14 The bill creates a school infrastructure safety and
15 security fund in the state treasury under the control of the
16 department of education. Moneys in the fund shall be used by
17 the department to provide financial assistance in the form of
18 grants to school districts for costs relating to the purchase,
19 installation, operation, and maintenance of safety and
20 security products for school districts such as entry control
21 devices, door locking hardware, two-way doors and glass, alarm
22 communication systems, glass-break sensors, two-way radios, and
23 other equipment that reflect school safety and security best
24 practices. To receive financial assistance, a school district
25 is required to provide dollar-for-dollar local matching moneys
26 through tax revenues received pursuant to Code section 423F.2
27 and through other sources according to rules adopted by the
28 department. The department is required to adopt rules pursuant
29 to Code chapter 17A to administer the fund. Notwithstanding
30 Code section 8.33, moneys in the fund at the close of any
31 fiscal year shall not revert to any other fund but shall remain
32 in the fund for the subsequent fiscal year to be used for
33 purposes of the fund.
34 The bill takes effect upon enactment.

Senate File 2137 - Introduced

SENATE FILE 2137
BY MATHIS

A BILL FOR

1 An Act providing for the establishment of a uniform statewide
2 emergency outdoor warning system task force.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5345XS (5) 85
rn/nh

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1 Section 1. UNIFORM STATEWIDE EMERGENCY OUTDOOR WARNING
2 SYSTEM — TASK FORCE ESTABLISHED.
3 1. a. The director of the department of homeland security
4 and emergency management, or the director's designee, shall
5 convene a task force that includes members representing the
6 departments of homeland security and emergency management,
7 public defense, public safety, and education, private
8 sector meteorologists, and cities, counties, townships, and
9 unincorporated areas of varying populations and geographic
10 areas of the state. The objective of the task force shall be to
11 establish common guidelines across the state for the activation
12 of emergency outdoor warning systems.
13 b. The task force shall collect and analyze data relating to
14 the criteria for emergency outdoor warning system activation
15 and the extent to which the criteria varies, and the varying
16 procedures for activation of emergency outdoor warning
17 systems. Based on this analysis, the task force shall develop
18 recommendations for standardizing emergency outdoor warning
19 system activation, and a set of best practices regarding the
20 operation and maintenance of such systems.
21 2. The task force shall submit a report summarizing its
22 findings and recommendations to the governor and the general
23 assembly by January 1, 2015.
24 EXPLANATION

25 **The inclusion of this explanation does not constitute agreement with**
26 **the explanation's substance by the members of the general assembly.**

27 This bill establishes a uniform statewide emergency outdoor
28 warning system task force.
29 The bill requires the director of the department of homeland
30 security and emergency management, or the director's designee,
31 to convene a task force that includes members representing the
32 departments of homeland security and emergency management,
33 public defense, public safety, and education, private
34 sector meteorologists, and cities, counties, townships, and
35 unincorporated areas of varying populations and geographic

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areas of the state. The bill provides that the objective of the task force shall be to establish common guidelines across the state for the activation of emergency outdoor warning systems.

The task force is charged with collecting and analyzing data relating to the criteria for emergency outdoor warning system activation and the extent to which the criteria varies, and the varying procedures for activation of emergency outdoor warning systems. Based on this analysis, the bill requires the task force to develop recommendations for standardizing emergency outdoor warning system activation, and a set of best practices regarding the operation and maintenance of such systems.

The bill requires the task force to submit a report summarizing its findings and recommendations to the governor and the general assembly by January 1, 2015.

Senate File 2138 - Introduced

SENATE FILE 2138
BY COMMITTEE ON VETERANS
AFFAIRS

(SUCCESSOR TO SSB 3122)

A BILL FOR

1 An Act relating to property taxes of veterans by providing an
2 additional homestead credit for certain disabled veterans,
3 modifying the military service property tax exemption
4 and credit, making penalties applicable, and including
5 applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5501SV (4) 85
md/sc

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Section 1. Section 25B.7, subsection 2, paragraph c, Code 2014, is amended to read as follows:

c. Military service property tax credit and exemption pursuant to chapter 426A~~, to the extent of six dollars and ninety-two cents per thousand dollars of assessed value of the exempt property~~.

Sec. 2. Section 425.15, Code 2014, is amended to read as follows:

425.15 Disabled veteran tax credit.

If the owner of a homestead allowed a credit under this chapter is a veteran ~~of any of the military forces of the United States,~~ who acquired the homestead under 38 U.S.C. § 21.801, 21.802, prior to August 6, 1991, or 38 U.S.C. § 2101~~,~~ through 2102, a veteran as defined in section 35.1 with a service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs, or a former member of the national guard of any state who otherwise meets the service requirements of section 35.1, subsection 2, paragraph *"b"*, subparagraph (2) or (7), with a service-connected disability rating of one hundred percent, as certified by the United States department of veterans affairs, the credit allowed on the homestead from the homestead credit fund shall be the entire amount of the tax levied on the homestead. The credit allowed shall be continued to the estate of a veteran who is deceased or the surviving spouse and any child, as defined in section 234.1, who are the beneficiaries of a deceased veteran, so long as the surviving spouse remains unmarried. ~~This section is not applicable to the holder of title to any homestead whose annual income, together with that of the titleholder's spouse, if any, for the last preceding twelve-month income tax accounting period exceeds thirty-five thousand dollars. For the purpose of this section *"income"* means taxable income for federal income tax purposes plus income from securities of state and other political subdivisions exempt from federal income tax.~~ A

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veteran or a beneficiary of a veteran who elects to secure the credit provided in this section is not eligible for any other real property tax exemption provided by law for veterans of military service. If a veteran acquires a different homestead, the credit allowed under this section may be claimed on the new homestead unless the veteran fails to meet the other requirements of this section.

Sec. 3. Section 426A.2, Code 2014, is amended to read as follows:

426A.2 Military service tax credit.

The moneys shall be apportioned each year so as to replace all or a portion of the tax which would be due on property eligible for military service tax exemption in the state, if the property were subject to taxation~~, the amount of the credit to be not more than six dollars and ninety-two cents per thousand dollars of assessed value of property which would be subject to the tax, except for the military service tax exemption~~.

Sec. 4. Section 426A.11, subsection 1, Code 2014, is amended by striking the subsection.

Sec. 5. Section 426A.11, subsections 2 and 4, Code 2014, are amended to read as follows:

2. The property, not to exceed ~~one thousand eight hundred fifty-two~~ the lesser of ten percent of the taxable value or fifteen thousand dollars in taxable value of an honorably separated, retired, furloughed to a reserve, placed on inactive status, or discharged veteran, as defined in section 35.1, subsection 2, ~~paragraph *"a"* or *"b"*~~ or subsections 3 and 4 of this section.

4. For purposes of this chapter, unless the context otherwise requires, *"veteran"* also means ~~a~~ any of the following:

a. A resident of this state who is a former member of the armed forces of the United States and who served for a minimum aggregate of eighteen months and who was discharged under honorable conditions. ~~However, *"veteran"* also means a~~

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b. A resident of this state who is a former member of the armed forces of the United States and who, after serving fewer than eighteen months, was honorably discharged because of a service-related injury sustained by the veteran.

c. A resident of this state who is a former member of the national guard of any state who otherwise meets the service requirements of section 35.1, subsection 2, paragraph *"b"*, subparagraph (2) or (7).

Sec. 6. Section 426A.12, Code 2014, is amended to read as follows:

426A.12 Exemptions to relatives.

1. In case any person in the foregoing classifications does not claim the exemption from taxation, it shall be allowed in the name of the person to the same extent on the property of any one of the following persons in the order named:

a. The spouse, or surviving spouse remaining unmarried, of a veteran, as defined in this chapter or in section 35.1, subsection 2, ~~paragraph *"a"* or *"b"*,~~ where they are living together or were living together at the time of the death of the veteran.

b. The parent whose spouse is deceased and who remains unmarried, of a veteran, as defined in this chapter or in section 35.1, subsection 2, ~~paragraph *"a"* or *"b"*,~~ whether living or deceased, where the parent is, or was at the time of death of the veteran, dependent on the veteran for support.

c. The minor child, or children owning property as tenants in common, of a deceased veteran, as defined in this chapter or in section 35.1, subsection 2~~, paragraph *"a"* or *"b"*~~.

2. No more than one tax exemption shall be allowed under this section or section 426A.11 in the name of a veteran, as defined in this chapter or in section 35.1, subsection 2~~, paragraph *"a"* or *"b"*~~.

Sec. 7. Section 426A.13, unnumbered paragraphs 1 and 2, Code 2014, are amended to read as follows:

A person named in section 426A.11, who is a resident of

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1 and domiciled in the state of Iowa, shall receive a reduction
2 equal to the exemption, to be made from any property owned
3 by the person or owned by a family farm corporation of which
4 the person is a shareholder and occupant of the property and
5 so designated by proceeding as provided in the section. To
6 be eligible to receive the exemption, the person claiming it
7 shall have recorded in the office of the county recorder of
8 the county in which is located the property designated for the
9 exemption, evidence of property ownership by that person or the
10 family farm corporation of which the person is a shareholder
11 and the military certificate of satisfactory service, order
12 transferring to inactive status, reserve, retirement, order of
13 separation from service, honorable discharge or a copy of any
14 of these documents of the person claiming or through whom is
15 claimed the exemption. In the case of a person claiming the
16 exemption as a veteran described in section 35.1, subsection
17 2, paragraph *"b"*, subparagraph (6) or (7), or under section
18 426A.11, subsection 4, paragraph *"c"*, the person shall file the
19 statement required by section 35.2.
20 The person shall file with the appropriate assessor on forms
21 obtained from the assessor the claim for exemption for the year
22 for which the person is first claiming the exemption. The
23 claim shall be filed not later than July 1 of the year for which
24 the person is claiming the exemption. The claim shall set out
25 the fact that the person is a resident of and domiciled in the
26 state of Iowa, and a person within the terms of section 426A.11
27 or section 426A.12, and shall give the volume and page on which
28 the certificate of satisfactory service, order of separation,
29 retirement, furlough to reserve, inactive status, or honorable
30 discharge or certified copy thereof is recorded in the office
31 of the county recorder, and may include the designation of the
32 property from which the exemption is to be made, and shall
33 further state that the claimant is the equitable or legal owner
34 of the property designated or if the property is owned by a
35 family farm corporation, that the person is a shareholder of

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1 that corporation and that the person occupies the property.
2 In the case of a person claiming the exemption as a veteran
3 described in section 35.1, subsection 2, paragraph "b",
4 subparagraph (6) or (7), or under section 426A.11, subsection
5 4, paragraph "c", the person shall file the statement required
6 by section 35.2.
7 Sec. 8. APPLICABILITY. This Act applies to property taxes
8 due and payable in fiscal years beginning on or after July 1,
9 2014.
10 EXPLANATION
11 The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.
13 This bill relates to property taxes of veterans by providing
14 an additional homestead credit for certain disabled veterans
15 and by modifying the military service property tax exemption.
16 The disabled veterans tax credit under Code section 425.15
17 provides a credit on the homestead of an eligible veteran
18 who acquired the homestead under specified federal programs
19 in an amount equal to the entire amount of the tax levied
20 on the homestead. The bill modifies the qualifications for
21 the disabled veterans tax credit by adding the following
22 to the list of veterans who are eligible for the credit:
23 (1) a veteran as defined in Code section 35.1 with a
24 service-connected disability rating of 100 percent as certified
25 by the United States department of veterans affairs; and (2) a
26 former member of the national guard of any state who otherwise
27 meets the service requirements for Iowa national guard members
28 under Code section 35.1(2)(b), subparagraph (2) or (7), with a
29 service-connected disability rating of 100 percent as certified
30 by the United States department of veterans affairs. The bill
31 also strikes the income limitation qualifications for the
32 disabled veteran tax credit.
33 Under current law, veterans of the First World War are
34 entitled to a property tax exemption of $2,778 in taxable value
35 and honorably discharged veterans who served during other

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1 specific time periods are entitled to a property tax exemption
2 of $1,852 in taxable value. The bill removes the provision
3 relating to veterans of the First World War and increases the
4 exemption amount for all eligible veterans to 10 percent of the
5 taxable value of the veteran's property or $15,000, whichever
6 is less.
7 The bill also modifies the qualifications for the military
8 service property tax exemption and credit by adding the
9 following to the list of veterans who are eligible for the
10 credit: (1) a resident of this state who is a current member of
11 the national guard, organized reserves, or regular component of
12 the armed forces of the United States; (2) a resident of this
13 state who is a former member of the national guard of any state
14 who otherwise meets the service requirements for members of the
15 Iowa national guard under Code section 35.1(2)(b), subparagraph
16 (2) or (7); and (3) a resident of this state who served on
17 federal active duty, other than training, in the armed forces
18 of the United States and who was discharged under honorable
19 conditions.
20 Current law limits the amount of the military service
21 property tax credit state payment that replaces all or a
22 portion of the property tax revenue otherwise due to local
23 governments to not more than $6.92 per $1,000 of assessed
24 value.
25 Under current law, the state provides funding to local
26 governments for the military service property tax exemption and
27 credit up to $6.92 per $1,000 of assessed value of the exempt
28 property. Code section 25B.7 provides that for a property tax
29 credit or exemption enacted on or after January 1, 1997, if a
30 state appropriation made to fund the credit or exemption is not
31 sufficient to fully fund the credit or exemption, the political
32 subdivision shall be required to extend to the taxpayer only
33 that portion of the credit or exemption estimated by the
34 department of revenue to be funded by the state appropriation.
35 The provisions of current Code section 25B.7 apply to the

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1 military service property tax credit and exemption to the
2 extent of $6.92 per $1,000 of assessed value of the exempt
3 property.
4 The bill strikes the military service property tax credit
5 amount limitation of $6.92 per $1,000 of assessed value and
6 strikes the $6.92 per $1,000 of assessed value limit from Code
7 section 25B.7.
8 The bill applies to property taxes due and payable in fiscal
9 years beginning on or after July 1, 2014.

Senate Study Bill 3156 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON HOGG)

A BILL FOR

1 An Act relating to the imposition of a term of parole or work
2 release for forcible felons, and providing penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5592XC (8) 85
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1 Section 1. Section 901.5, Code 2014, is amended by adding
2 the following new subsection:
3 NEW SUBSECTION. 15. In addition to any other sentence or
4 other penalty imposed against a defendant for commission of a
5 forcible felony as defined in section 702.11, the court may
6 impose a term of parole or work release for a forcible felon
7 pursuant to section 902.9, subsection 1, paragraph "*f*", if
8 the court determines that a term of mandatory parole or work
9 release of up to two years would provide maximum opportunity
10 for the rehabilitation of the defendant, and for the protection
11 of the community from further offenses by the defendant.
12 Sec. 2. Section 902.9, subsection 1, Code 2014, is amended
13 by adding the following new paragraph:
14 NEW PARAGRAPH. *f.* A person sentenced for a forcible felony
15 as defined in section 702.11 shall be confined for no longer
16 than is authorized by law and may be placed on mandatory parole
17 or work release for up to two years in accordance with the
18 sentencing conditions of section 901.5, subsection 15. The
19 parole or work release shall commence upon completion of the
20 sentence imposed under any applicable criminal sentencing
21 provisions for the underlying criminal offense.
22 Sec. 3. Section 906.4, subsection 2, Code 2014, is amended
23 by adding the following new paragraph:
24 NEW PARAGRAPH. *c.* A person serving a sentence for a
25 forcible felony as defined in section 702.11 may be placed on
26 mandatory parole or work release for up to two years pursuant
27 to section 902.9, subsection 1, paragraph "*f*". Violations of
28 mandatory parole or work release shall be subject to the same
29 set of procedures set out in chapters 901B, 905, 906, and 908,
30 and rules adopted under those chapters for persons on parole or
31 work release.
32 EXPLANATION

33 **The inclusion of this explanation does not constitute agreement with**
34 **the explanation's substance by the members of the general assembly.**

35 This bill relates to the discretionary imposition by

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1 the court of a term of mandatory parole or work release for
2 forcible felons.
3 Under the bill, a person serving a sentence for a forcible
4 felony as defined in Code section 702.11 may be placed on
5 parole or work release for up to two years, if the court
6 determines that a term of mandatory parole or work release
7 would provide maximum opportunity for the rehabilitation of the
8 defendant, and for the protection of the community from further
9 offenses by the defendant. The bill requires the parole or
10 work release to commence upon completion of the sentence
11 imposed under any applicable criminal sentencing provisions
12 for the underlying criminal offense. Violations of mandatory
13 parole or work release under the bill shall be subject to the
14 same set of procedures set out in Code chapters 901B, 905,
15 906, and 908, and rules adopted under those Code chapters for
16 persons on parole or work release.

Senate Study Bill 3157 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON HOGG)

A BILL FOR

1 An Act relating to the Iowa business corporation Act by
2 removing limitations imposed on shareholders making
3 long-term arrangements affecting the affairs of the
4 corporation, and by providing for the delivery of financial
5 information to shareholders.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5481SC (7) 85
da/rj

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DIVISION I
VOTING TRUSTS AND
SHAREHOLDER AGREEMENTS

Section 1. Section 490.730, Code 2014, is amended to read as follows:

490.730 Voting trusts.

1. One or more shareholders may create a voting trust, conferring on a trustee the right to vote or otherwise act for them, by signing an agreement setting out the provisions of the trust, which may include anything consistent with its purpose, and transferring their shares to the trustee. When a voting trust agreement is signed, the trustee ~~shall~~ must prepare a list of the names and addresses of all voting trust beneficial owners ~~of beneficial interests in the trust~~, together with the number and class of shares each transferred to the trust, and deliver copies of the list and agreement to the corporation's principal office.

2. A voting trust becomes effective on the date the first shares subject to the trust are registered in the trustee's name. ~~A voting trust is valid for not more than ten years after its effective date unless extended under subsection 3.~~

3. ~~All or some of the parties to a voting trust may extend it for additional terms of not more than ten years each by signing an extension agreement and obtaining the voting trustee's written consent to the extension. An extension is valid for ten years from the date the first shareholder signs the extension agreement. The voting trustee must deliver copies of the extension agreement and list of beneficial owners to the corporation's principal office. An extension agreement binds only those parties signing it.~~ Limits, if any, on the duration of a voting trust shall be as set forth in the voting trust. A voting trust that became effective between December 31, 1989, and June 30, 2014, both dates inclusive, remains governed by the provisions of this section then in effect, unless the voting trust is amended to provide otherwise by

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1 unanimous agreement of the parties to the voting trust.
2 Sec. 2. Section 490.732, subsection 2, paragraph c, Code
3 2014, is amended by striking the paragraph.
4 Sec. 3. Section 490.732, Code 2014, is amended by adding the
5 following new subsection:
6 NEW SUBSECTION. 8. Limits, if any, on the duration of an
7 agreement authorized by this section shall be as set forth in
8 the agreement. An agreement that became effective between
9 January 1, 2003, and June 30, 2014, both dates inclusive,
10 unless the agreement provided otherwise, remains governed by
11 the provisions of this section then in effect.
12 DIVISION II
13 FINANCIAL STATEMENTS FOR SHAREHOLDERS
14 Sec. 4. Section 490.1620, subsection 3, Code 2014, is
15 amended to read as follows:
16 3. *a.* Within one hundred twenty days after the close
17 of each fiscal year, the corporation shall send the annual
18 financial statements to each shareholder. Thereafter, on
19 written request from a shareholder to whom the statements were
20 not sent, the corporation shall send the shareholder the latest
21 financial statements.
22 *b.* A public corporation may fulfill its responsibilities
23 under ~~this section~~ paragraph *"a"* by delivering the specified
24 financial statements, or otherwise making them available, in
25 any manner permitted by the applicable rules and regulations of
26 the United States securities and exchange commission.
27 Sec. 5. Section 490.1620, Code 2014, is amended by adding
28 the following new subsection:
29 NEW SUBSECTION. 3A. A corporation that is not a public
30 corporation may fulfill its responsibilities under this section
31 by filing annual financial reports in compliance with state or
32 federal law, provided that such reports meet all the following
33 requirements:
34 *a.* Contain a balance sheet as of the end of the fiscal year
35 and an income statement for that year.

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1 *b.* Are required by state or federal law to be filed with a
2 state or federal agency within one hundred twenty days after
3 the close of each fiscal year.
4 *c.* Are available to the public, including via internet
5 access, without charge.
6 EXPLANATION
7 **The inclusion of this explanation does not constitute agreement with**
8 **the explanation's substance by the members of the general assembly.**
9 BILL'S PROVISIONS —— VOTING TRUSTS AND SHAREHOLDER
10 AGREEMENTS. This bill amends provisions which govern voting
11 trusts and shareholder agreements. Through these arrangements,
12 shareholders may fundamentally affect how a corporation is
13 controlled, the management of its assets, and the rights and
14 duties of its shareholders and officers by entering into
15 certain arrangements (Code sections 490.730 and 490.732). This
16 bill eliminates a 10-year term restriction imposed on a voting
17 trust or shareholder agreement. However, a voting trust or
18 shareholder agreement formed prior to the effective date of the
19 bill continues to be subject to the 10-year term restriction.
20 BILL'S PROVISIONS —— FINANCIAL STATEMENTS FOR SHAREHOLDERS.
21 The bill provides that a corporation other than a public
22 corporation (e.g., closed corporation), is not required to
23 deliver financial statements to shareholders if the corporation
24 files certain reports with a state or federal agency. The
25 reports must include a balance sheet as of the end of the
26 fiscal year and an income statement for that year. The reports
27 must be filed with a state or federal agency within 120 days
28 after the close of the fiscal year. Finally, the records must
29 be available to the public without charge.
30 CURRENT LAW —— VOTING TRUSTS. A voting trust is a special
31 arrangement between one or more shareholders and a trustee
32 (either through a single agreement or many separate agreements
33 made between a number of shareholders and a trustee) in which
34 the shareholder or shareholders surrenders legal ownership of
35 their respective shares of common stock and the trustee acts

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1 on their behalf as a principal rather than a proxy. A voting
2 trust becomes effective on the date the first shares subject to
3 the trust are registered in the trustee's name, and continues
4 for a term not to exceed 10 years but which may be extended
5 for additional terms each not to exceed 10 years (Code section
6 490.730).
7 CURRENT LAW — SHAREHOLDER AGREEMENTS. The shareholders
8 of a closed corporation (whose stock is not publicly traded)
9 may execute a shareholder agreement that governs the exercise
10 of the corporate powers or the management of its business
11 and affairs (Code section 490.732). This includes how it is
12 controlled; how distributions are made; the management by a
13 board of directors or offices; the rights and duties of its
14 shareholders, including voting rights; the management of its
15 property, assets, and contracts; and its dissolution. It
16 must be approved or signed by all shareholders. There is no
17 requirement that a shareholder agreement be filed with the
18 secretary of state. Purchasers of shares take subject to the
19 agreement only if they are notified of the agreement (printed
20 on the share certificates or on an information statement).
21 The shareholder agreement may be inconsistent with another
22 provision of the Code chapter, but presumably cannot conflict
23 with the corporation's articles of incorporation.
24 CURRENT LAW — FINANCIAL STATEMENTS FOR SHAREHOLDERS. A
25 corporation is required to prepare and submit to shareholders
26 various financial statements at the end of the corporation's
27 fiscal year, including a balance sheet, an income statement,
28 and a statement of changes in shareholders' equity. The
29 financial statements are to be sent to each shareholder within
30 120 days after the close of the fiscal year (Code section
31 490.1620(3)). In 2013, the general assembly enacted HF 469
32 (2013 Iowa Acts, chapter 31) which allows a public corporation
33 to fulfill these requirements by delivering or making the
34 financial statements available in accordance with rules and
35 regulations of the United States securities and exchange

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1 commission. A public corporation has a class of voting stock
2 listed on a national securities exchange or is held of record
3 by more than 2,000 shareholders (Code section 490.140(27)).

Senate Study Bill 3158 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM BILL)

A BILL FOR

1 An Act concerning the Iowa public employees' retirement system
2 and including effective date and retroactive applicability
3 provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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Section 1. Section 97B.1A, subsection 5, Code 2014, is amended to read as follows:

5. *"Beneficiary"* means the person or persons who are entitled to receive any benefits payable under this chapter at the death of a member, if the person or persons have been designated on a form provided by the system and filed with the system or designated pursuant to a qualified domestic relations order on file with the system. If no such designation is in effect at the time of death of the member or if no person so designated is living at that time, then the beneficiary is the estate of the member.

Sec. 2. Section 97B.1A, subsection 8, paragraph b, subparagraph (7), Code 2014, is amended to read as follows:

(7) Employees of an area agency on aging~~, if as of July 1, 1994, the agency provides for participation by all of its employees~~ who were participating in an alternative qualified plan pursuant to the requirements of the federal Internal Revenue Code on June 30, 2012, and who by September 1, 2013, filed with the system a valid decision to elect out of coverage under this chapter.

Sec. 3. Section 97B.1A, subsection 14A, Code 2014, is amended to read as follows:

14A. *"Member account"* means the account established for each member and includes the member's accumulated contributions and the member's share of the accumulated employer contributions as provided in section 97B.53. ~~*"Member account"* does not mean the supplemental account for active members.~~

Sec. 4. Section 97B.1A, subsection 22A, Code 2014, is amended by striking the subsection.

Sec. 5. Section 97B.7A, subsection 5, Code 2014, is amended to read as follows:

5. *Travel.* In the administration of the investment of moneys in the retirement fund, employees of the system and members of the board may travel outside the state for the purpose of meeting with investment firms and consultants and

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attending conferences and meetings to fulfill their fiduciary responsibilities. ~~This travel is not subject to section 8A.512, subsection 2.~~

Sec. 6. Section 97B.40, subsection 2, Code 2014, is amended to read as follows:

2. If the system determines that a person may have engaged in a fraudulent practice as described under this section, the system may, in addition to any statutory or equitable remedies provided by law, refuse to approve an application for benefits, suspend or reduce benefits to the person, and refer the matter to the auditor of state and to the appropriate law enforcement authorities for possible investigation and prosecution.

Sec. 7. Section 97B.44, Code 2014, is amended to read as follows:

97B.44 Beneficiary.

1. Each member shall ~~designate~~, on a form to be furnished by the system or through a qualified domestic relations order on file with the system, designate a beneficiary for death benefits payable under this chapter on the death of the member. The designation may be changed from time to time by the member by filing a new designation with the system. A designation or change in designation made by a member on or after July 1, 2000, shall contain the written consent of the member's spouse, if applicable. The designation of a beneficiary is not applicable if the member receives a refund of all contributions of the member. If a member who has received a refund of contributions returns to employment, the member shall file a new designation with the system.

2. If a member has not designated a beneficiary ~~on a form furnished by the system~~ as provided by this section, or if there are no surviving designated beneficiaries of a member, death benefits payable under this chapter shall be paid to the member's estate.

3. ~~However, the~~ The system may accept a married member's designation or change in designation under this section without

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the written consent of the member's spouse if the member submits a notarized statement indicating that the member has been unable to locate the member's spouse to obtain the written consent of the spouse after reasonable diligent efforts. The member's designation or change in designation shall become effective upon filing the necessary forms, including the notarized statement, or orders, with the system. The system shall not be liable to the member, the member's spouse, or to any other person affected by the member's designation or change of designation, based upon a designation or change of designation accomplished without the written consent of the member's spouse.

Sec. 8. Section 97B.46, subsection 2, Code 2014, is amended to read as follows:

2. A member remaining in service after attaining the age of seventy years is entitled to receive a retirement allowance under sections 97B.49A through ~~97B.49H~~ 97B.49G, as applicable, without terminating employment.

Sec. 9. Section 97B.48, subsection 4, Code 2014, is amended to read as follows:

4. Payment of a member's retirement allowance pursuant to sections 97B.49A through ~~97B.49H~~ 97B.49G shall commence no later than the required beginning date specified under section 401(a)(9) of the federal Internal Revenue Code regardless of whether the member has submitted the appropriate notice to receive an allowance. If the lump sum actuarial equivalent under subsection 1 could have been selected by the member, payments shall be made in a lump sum rather than as a monthly allowance.

Sec. 10. Section 97B.49F, subsection 2, Code 2014, is amended by striking the subsection.

Sec. 11. Section 97B.50A, subsection 1, paragraph b, Code 2014, is amended to read as follows:

b. "Net disability retirement allowance" means the amount determined by subtracting the amount paid during the previous

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1 calendar year by the member for health insurance or similar
2 health care coverage for the member and the member's dependents
3 from the amount of the member's disability retirement
4 allowance, including any dividends ~~and distributions from~~
5 ~~supplemental accounts,~~ paid for that year pursuant to this
6 section.
7 Sec. 12. Section 97B.50A, subsection 9, Code 2014, is
8 amended to read as follows:
9 9. *Medical board.* The system shall designate a medical
10 board to be composed of ~~three~~ a physician or physicians from
11 the university of Iowa hospitals and clinics who shall arrange
12 for and pass upon the medical examinations required under
13 this section and shall report in writing to the system the
14 conclusions and recommendations upon all matters duly referred
15 to the medical board. Each report of a medical examination
16 under this section shall include the medical board's findings
17 as to the extent of the member's physical or mental impairment.
18 Except as required by this section, each report shall be
19 confidential and shall be maintained in accordance with the
20 federal Americans With Disabilities Act, and any other state
21 or federal law containing requirements for confidentiality of
22 medical records.
23 Sec. 13. Section 97B.53, Code 2014, is amended by adding the
24 following new subsection:
25 NEW SUBSECTION. 11. A request for a refund under this
26 section made by a member who is married requires the written
27 acknowledgment of the member's spouse. However, the system
28 may accept a married member's request for a refund under this
29 section without the written acknowledgment of the member's
30 spouse if the member submits a statement affirming that after
31 reasonable diligent efforts the member has been unable to
32 locate the member's spouse to obtain the written acknowledgment
33 of the spouse. A married member's request for a refund under
34 this section shall become effective upon filing the necessary
35 forms, or including the affirmation if applicable, with the

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1 system. The system shall not be liable to the member, the
2 member's spouse, nor to any other person affected by the
3 member's request for a refund based upon a request for a refund
4 accomplished without the written acknowledgment of the member's
5 spouse.
6 Sec. 14. Section 97B.53A, Code 2014, is amended to read as
7 follows:
8 **97B.53A Duty of system.**
9 Upon a member's termination of covered employment prior to
10 the member's retirement, the system shall send the member by
11 first class mail, to the member's last known mailing address,
12 a notice setting forth the balance and status of the member's
13 account ~~and supplemental account~~ and an explanation of the
14 courses of action available to the member under this chapter.
15 Sec. 15. Section 97B.53B, subsection 1, paragraph d,
16 subparagraph (1), subparagraph division (a), Code 2014, is
17 amended to read as follows:
18 (a) All or any portion of a member's account ~~and~~
19 ~~supplemental account~~.
20 Sec. 16. Section 97B.70, subsection 3, Code 2014, is amended
21 to read as follows:
22 3. Interest shall be credited to the accumulated
23 contributions and accumulated employer contributions accounts~~,~~
24 ~~and supplemental accounts~~ of ~~active members,~~ inactive vested
25 members, and, effective January 1, 1999, to inactive nonvested
26 members, until the quarter prior to the quarter in which the
27 member's first retirement allowance is paid or in which the
28 member is issued a refund under section 97B.53, or in which a
29 death benefit is issued.
30 Sec. 17. Section 97B.80, subsection 1, Code 2014, is amended
31 to read as follows:
32 1. *a.* For purposes of this subsection, *"eligible member"*
33 means as follows:
34 (1) For the period beginning July 1, 1992, and ending June
35 30, 2014, a vested or retired member who has one or more full

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1 calendar years of covered wages.
2 (2) Beginning on or after July 1, 2014, a member vested by
3 service or a retired member who is vested by service and who
4 is within six months of the retired member's first month of
5 entitlement.
6 *b.* ~~Effective July 1, 1992, a vested or retired~~ An eligible
7 member ~~who has one or more full calendar years of covered wages~~
8 ~~and~~ who at any time served on active duty in the armed forces of
9 the United States, upon submitting verification of the dates
10 of the active duty service, may make contributions to the
11 retirement system for all or a portion of the period of time of
12 the active duty service, in increments of one or more calendar
13 quarters, and receive credit for membership service and prior
14 service for the period of time for which the contributions are
15 made.
16 Sec. 18. Section 97B.80C, subsection 1, Code 2014, is
17 amended by adding the following new paragraph:
18 NEW PARAGRAPH. *0a.* *"Eligible member"* means as follows:
19 (1) Prior to July 1, 2014, a vested or retired member.
20 (2) Beginning on or after July 1, 2014, a member vested by
21 service or a retired member who is vested by service and who
22 is within six months of the retired member's first month of
23 entitlement.
24 Sec. 19. Section 97B.80C, subsection 2, paragraphs a, b, and
25 c, Code 2014, are amended to read as follows:
26 *a.* ~~A vested or retired~~ An eligible member may make
27 contributions to the retirement system to purchase up to the
28 maximum amount of permissive service credit for qualified
29 service as determined by the system, pursuant to Internal
30 Revenue Code section 415(n), the requirements of this section,
31 and the system's administrative rules.
32 *b.* ~~A vested or retired~~ An eligible member of the retirement
33 system may make contributions to the retirement system to
34 purchase up to a maximum of twenty quarters of permissive
35 service credit for nonqualified service as determined by the

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system, pursuant to Internal Revenue Code section 415(n), the requirements of this section, and the system's administrative rules. ~~A vested or retired~~ An eligible member must have at least twenty quarters of covered wages in order to purchase permissive service credit for nonqualified service.

c. ~~A vested or retired~~ An eligible member may convert regular member service credit to special service credit by payment of the amount actuarially determined as necessary to fund the resulting increase in the member's accrued benefit. The conversion shall be treated as a purchase of qualified service credit subject to the requirements of paragraph *"a"* if the service credit to be converted was or would have been for qualified service. The conversion shall be treated as a purchase of nonqualified service credit subject to the requirements of paragraph *"b"* if the service credit to be converted was purchased as nonqualified service credit.

Sec. 20. Section 231.33, subsection 21, Code 2014, is amended to read as follows:

21. Comply with all applicable requirements of the Iowa public employees' retirement system established pursuant to chapter 97B. ~~Notwithstanding any provision to the contrary, an employee of an area agency on aging that was enrolled in an alternative qualified plan prior to July 1, 2012, may continue participation in that alternative qualified plan in lieu of mandatory participation in the Iowa public employees' retirement system.~~

Sec. 21. Section 602.11115, subsection 2, Code 2014, is amended to read as follows:

2. To commence coverage under the judicial retirement system pursuant to article 9, part 1, effective July 1, 1984, but to become an inactive member of the Iowa public employees' retirement system pursuant to chapter 97B and remain eligible for benefits under sections 97B.49A through ~~97B.49H~~ 97B.49G for the period of membership service under chapter 97B.

Sec. 22. Section 602.11116, subsection 2, Code 2014, is

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1 amended to read as follows:
2 2. To commence membership under the judicial retirement
3 system pursuant to article 9, part 1, effective July 1, 1998,
4 but to become an inactive member of the Iowa public employees'
5 retirement system pursuant to chapter 97B and remain eligible
6 for benefits under sections 97B.49A through ~~97B.49H~~ 97B.49G, as
7 applicable, for the period of membership service under chapter
8 97B.
9 Sec. 23. REPEAL. Sections 97B.49H and 97B.49I, Code 2014,
10 are repealed.
11 Sec. 24. EFFECTIVE UPON ENACTMENT. The following
12 provision or provisions of this Act, being deemed of immediate
13 importance, take effect upon enactment:
14 1. The section of this Act amending section 97B.1A,
15 subsection 8, paragraph b, subparagraph (7).
16 Sec. 25. RETROACTIVE APPLICABILITY. The following
17 provision or provisions of this Act apply retroactively to June
18 30, 2012:
19 1. The section of this Act amending section 97B.1A,
20 subsection 8, paragraph b, subparagraph (7).
21 2. The section of this Act amending section 231.33,
22 subsection 21.
23 EXPLANATION
24 The inclusion of this explanation does not constitute agreement with
25 the explanation's substance by the members of the general assembly.
26 This bill concerns the Iowa Public Employees' Retirement
27 System (IPERS).
28 Code sections 97B.1A(5) and 97B.44, concerning beneficiaries
29 under IPERS, are amended to provide that beneficiaries can be
30 designated through a qualified domestic relations order.
31 Code section 97B.1A(8)(b), defining employees who are not
32 covered under IPERS, is amended to provide that employees of an
33 area agency on aging who were participating in an alternative
34 retirement plan on June 30, 2012, and who elected out of IPERS
35 coverage by September 1, 2013, are excluded from coverage under

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1 IPERS. A corresponding amendment is made to Code section
2 231.33, concerning area agencies on aging. These provisions
3 take effect upon enactment and apply retroactively to June 30,
4 2012.
5 Code section 97B.40, concerning fraudulent practices under
6 IPERS, is amended. The bill authorizes IPERS to refuse to
7 approve an application for benefits or to suspend or reduce
8 benefits to a person if the IPERS system determines the person
9 may have engaged in a fraudulent practice.
10 Code section 97B.49F(2), establishing the favorable
11 experience dividend program for IPERS members who retired on or
12 after July 1, 1990, is stricken.
13 Code section 97B.49H, establishing active member
14 supplemental accounts, is repealed. The bill includes
15 corresponding amendments related to the repeal.
16 Code section 97B.49I, providing for a qualified benefits
17 arrangement, is repealed.
18 Code section 97B.50A(9), concerning the medical board
19 used for purposes of disability benefits for special service
20 IPERS members, is amended to allow IPERS to use one or more
21 physicians from the University of Iowa as the medical board.
22 Current law requires that the medical board consist of three
23 physicians from the University of Iowa.
24 Code section 97B.53, concerning refunds, is amended to
25 require a married IPERS member seeking a refund to submit
26 a written acknowledgment of the member's spouse to IPERS.
27 The bill provides that a married member may still receive
28 a refund if the member is unable to locate the spouse and
29 IPERS shall not be liable based upon a refund made without the
30 acknowledgment of the member's spouse.
31 Code section 97B.80, concerning the purchase of IPERS
32 service for military service, is amended to provide that only a
33 member vested by service or a retired member who is vested by
34 service and is within six months of the member's first month
35 of entitlement may make a service purchase under this Code

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1 section. Currently, any vested or retired member, regardless
2 of how the member became vested, who has at least one year of
3 IPERS wages may make a service purchase at any time.
4 Code section 97B.80C, concerning purchases of permissive
5 service credit, is amended to provide that only a member
6 vested by service or a retired member who is vested by
7 service and is within six months of the member's first month
8 of entitlement may make a service purchase under this Code
9 section. Currently, any vested or retired member, regardless
10 of how the member became vested, may make a service purchase
11 under this Code section at any time.

Senate Study Bill 3159 - Introduced

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

A BILL FOR

1 An Act concerning public retirement systems, including the
2 public safety peace officers' retirement, accident, and
3 disability system, the Iowa public employees' retirement
4 system, the statewide fire and police retirement system,
5 the judicial retirement system, making appropriations, and
6 including effective date and retroactive applicability
7 provisions.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 DIVISION I
2 PUBLIC SAFETY PEACE OFFICERS' RETIREMENT, ACCIDENT, AND
3 DISABILITY SYSTEM
4 Section 1. Section 97A.1, Code 2014, is amended by adding
5 the following new subsections:
6 NEW SUBSECTION. 5A. *"Cancer"* means prostate cancer, primary
7 brain cancer, breast cancer, ovarian cancer, cervical cancer,
8 uterine cancer, malignant melanoma, leukemia, non-Hodgkin's
9 lymphoma, bladder cancer, colorectal cancer, multiple myeloma,
10 testicular cancer, and kidney cancer.
11 NEW SUBSECTION. 9A. *"Infectious disease"* means HIV or
12 AIDS as defined in section 141A.1, all strains of hepatitis,
13 meningococcal meningitis, and mycobacterium tuberculosis.
14 Sec. 2. Section 97A.6, subsection 5, paragraph b, Code 2014,
15 is amended to read as follows:
16 *b.* (1) Disease under this ~~section~~ subsection shall mean
17 heart disease or any disease of the lungs or respiratory tract
18 and shall be presumed to have been contracted while on active
19 duty as a result of strain, exposure, or the inhalation of
20 noxious fumes, poison, or gases.
21 (2) Disease under this subsection shall also mean cancer
22 or infectious disease and shall be presumed to have been
23 contracted while on active duty as a result of that duty.
24 (3) However, if a person's membership in the system first
25 commenced on or after July 1, 1992, and the heart disease
26 or disease of the lungs or respiratory tract, cancer, or
27 infectious disease would not exist, but for a medical condition
28 that was known to exist on the date that membership commenced,
29 the presumption established in this paragraph *"b"* shall not
30 apply.
31 Sec. 3. Section 97A.8, subsection 1, paragraph e,
32 subparagraph (8), subparagraph division (a), subparagraph
33 subdivision (v), Code 2014, is amended to read as follows:
34 (v) For the fiscal year beginning July 1, 2014, and each
35 fiscal year thereafter, eleven and ~~thirty-five hundredths~~

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1 four-tenths percent.
2 Sec. 4. PUBLIC SAFETY PEACE OFFICERS' RETIREMENT, ACCIDENT,
3 AND DISABILITY SYSTEM — REPORT. The public safety peace
4 officers' retirement, accident, and disability system, as
5 established pursuant to chapter 97A, shall collect data related
6 to the implementation, utilization, and costs associated with
7 the requirements of this division of this Act providing that
8 cancer and infectious disease are presumed to be a disease
9 contracted while a member of the retirement system is on active
10 duty as provided in section 97A.6, subsection 5. In collecting
11 and reporting data, the system shall provide information as
12 to the actuarial cost to the system of the requirements of
13 this division of this Act and shall collect data relative to
14 any associated medical, insurance, or other costs incurred
15 as a result of this division of this Act. The retirement
16 system shall submit a written report to the general assembly by
17 October 1, 2019, concerning the data collected and including
18 the system's findings and recommendations.
19 DIVISION II
20 IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
21 Sec. 5. Section 97B.1A, subsection 5, Code 2014, is amended
22 to read as follows:
23 5. *"Beneficiary"* means the person or persons who are
24 entitled to receive any benefits payable under this chapter
25 at the death of a member, if the person or persons have been
26 designated on a form provided by the system and filed with the
27 system or designated pursuant to a qualified domestic relations
28 order on file with the system. If no such designation is in
29 effect at the time of death of the member or if no person so
30 designated is living at that time, then the beneficiary is the
31 estate of the member.
32 Sec. 6. Section 97B.1A, subsection 8, paragraph b,
33 subparagraph (7), Code 2014, is amended to read as follows:
34 (7) Employees of an area agency on aging~~, if as of July~~
35 ~~1, 1994, the agency provides for participation by all of its~~

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1 ~~employees~~ who were participating in an alternative qualified
2 plan pursuant to the requirements of the federal Internal
3 Revenue Code on June 30, 2012, and who by September 1, 2013,
4 filed with the system a valid decision to elect out of coverage
5 under this chapter.
6 Sec. 7. Section 97B.1A, subsection 14A, Code 2014, is
7 amended to read as follows:
8 14A. *"Member account"* means the account established for each
9 member and includes the member's accumulated contributions and
10 the member's share of the accumulated employer contributions as
11 provided in section 97B.53. ~~*"Member account"* does not mean the~~
12 ~~supplemental account for active members.~~
13 Sec. 8. Section 97B.1A, subsection 22A, Code 2014, is
14 amended by striking the subsection.
15 Sec. 9. Section 97B.7A, subsection 5, Code 2014, is amended
16 to read as follows:
17 5. *Travel.* In the administration of the investment of
18 moneys in the retirement fund, employees of the system and
19 members of the board may travel outside the state for the
20 purpose of meeting with investment firms and consultants and
21 attending conferences and meetings to fulfill their fiduciary
22 responsibilities. ~~This travel is not subject to section~~
23 ~~8A.512, subsection 2.~~
24 Sec. 10. Section 97B.40, subsection 2, Code 2014, is amended
25 to read as follows:
26 2. If the system determines that a person may have engaged
27 in a fraudulent practice as described under this section, the
28 system may, in addition to any statutory or equitable remedies
29 provided by law, refuse to approve an application for benefits,
30 suspend or reduce benefits to the person, and refer the matter
31 to the auditor of state and to the appropriate law enforcement
32 authorities for possible investigation and prosecution.
33 Sec. 11. Section 97B.44, Code 2014, is amended to read as
34 follows:
35 **97B.44 Beneficiary.**

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1 1. Each member shall ~~designate,~~ on a form to be furnished
2 by the system or through a qualified domestic relations order
3 on file with the system, designate a beneficiary for death
4 benefits payable under this chapter on the death of the member.
5 The designation may be changed from time to time by the member
6 by filing a new designation with the system. A designation
7 or change in designation made by a member on or after July
8 1, 2000, shall contain the written consent of the member's
9 spouse, if applicable. The designation of a beneficiary is not
10 applicable if the member receives a refund of all contributions
11 of the member. If a member who has received a refund of
12 contributions returns to employment, the member shall file a
13 new designation with the system.
14 2. If a member has not designated a beneficiary ~~on a form~~
15 ~~furnished by the system~~ as provided by this section, or if
16 there are no surviving designated beneficiaries of a member,
17 death benefits payable under this chapter shall be paid to the
18 member's estate.
19 3. ~~However, the~~ The system may accept a married member's
20 designation or change in designation under this section without
21 the written consent of the member's spouse if the member
22 submits a notarized statement indicating that the member has
23 been unable to locate the member's spouse to obtain the written
24 consent of the spouse after reasonable diligent efforts. The
25 member's designation or change in designation shall become
26 effective upon filing the necessary forms, including the
27 notarized statement, or orders, with the system. The system
28 shall not be liable to the member, the member's spouse, or
29 to any other person affected by the member's designation or
30 change of designation, based upon a designation or change of
31 designation accomplished without the written consent of the
32 member's spouse.
33 Sec. 12. Section 97B.46, subsection 2, Code 2014, is amended
34 to read as follows:
35 2. A member remaining in service after attaining the age

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1 of seventy years is entitled to receive a retirement allowance
2 under sections 97B.49A through ~~97B.49H~~ 97B.49G, as applicable,
3 without terminating employment.
4 Sec. 13. Section 97B.48, subsection 4, Code 2014, is amended
5 to read as follows:
6 4. Payment of a member's retirement allowance pursuant to
7 sections 97B.49A through ~~97B.49H~~ 97B.49G shall commence no
8 later than the required beginning date specified under section
9 401(a)(9) of the federal Internal Revenue Code regardless of
10 whether the member has submitted the appropriate notice to
11 receive an allowance. If the lump sum actuarial equivalent
12 under subsection 1 could have been selected by the member,
13 payments shall be made in a lump sum rather than as a monthly
14 allowance.
15 Sec. 14. Section 97B.49B, subsection 1, paragraph e, Code
16 2014, is amended by adding the following new subparagraph:
17 NEW SUBPARAGRAPH. (13) An employee of a judicial district
18 department of correctional services whose condition of
19 employment requires the employee to be certified by the Iowa
20 law enforcement academy and who is required to perform the
21 duties of a parole officer as provided in section 906.2.
22 Sec. 15. Section 97B.49F, subsection 2, Code 2014, is
23 amended by striking the subsection.
24 Sec. 16. Section 97B.50A, subsection 1, paragraph b, Code
25 2014, is amended to read as follows:
26 *b. "Net disability retirement allowance"* means the amount
27 determined by subtracting the amount paid during the previous
28 calendar year by the member for health insurance or similar
29 health care coverage for the member and the member's dependents
30 from the amount of the member's disability retirement
31 allowance, including any dividends ~~and distributions from~~
32 ~~supplemental accounts,~~ paid for that year pursuant to this
33 section.
34 Sec. 17. Section 97B.50A, subsection 9, Code 2014, is
35 amended to read as follows:

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1 9. *Medical board.* The system shall designate a medical
2 board to be composed of ~~three~~ a physician or physicians from
3 the university of Iowa hospitals and clinics who shall arrange
4 for and pass upon the medical examinations required under
5 this section and shall report in writing to the system the
6 conclusions and recommendations upon all matters duly referred
7 to the medical board. Each report of a medical examination
8 under this section shall include the medical board's findings
9 as to the extent of the member's physical or mental impairment.
10 Except as required by this section, each report shall be
11 confidential and shall be maintained in accordance with the
12 federal Americans With Disabilities Act, and any other state
13 or federal law containing requirements for confidentiality of
14 medical records.
15 Sec. 18. Section 97B.53, Code 2014, is amended by adding the
16 following new subsection:
17 NEW SUBSECTION. 11. A request for a refund under this
18 section made by a member who is married requires the written
19 acknowledgment of the member's spouse. However, the system
20 may accept a married member's request for a refund under this
21 section without the written acknowledgment of the member's
22 spouse if the member submits a statement affirming that after
23 reasonable diligent efforts the member has been unable to
24 locate the member's spouse to obtain the written acknowledgment
25 of the spouse. A married member's request for a refund under
26 this section shall become effective upon filing the necessary
27 forms, or including the affirmation if applicable, with the
28 system. The system shall not be liable to the member, the
29 member's spouse, nor to any other person affected by the
30 member's request for a refund based upon a request for a refund
31 accomplished without the written acknowledgment of the member's
32 spouse.
33 Sec. 19. Section 97B.53A, Code 2014, is amended to read as
34 follows:
35 **97B.53A Duty of system.**

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Upon a member's termination of covered employment prior to the member's retirement, the system shall send the member by first class mail, to the member's last known mailing address, a notice setting forth the balance and status of the member's account ~~and supplemental account~~ and an explanation of the courses of action available to the member under this chapter.

Sec. 20. Section 97B.53B, subsection 1, paragraph d, subparagraph (1), subparagraph division (a), Code 2014, is amended to read as follows:

(a) All or any portion of a member's account ~~and supplemental account~~.

Sec. 21. Section 97B.70, subsection 3, Code 2014, is amended to read as follows:

3. Interest shall be credited to the accumulated contributions and accumulated employer contributions accounts~~, and supplemental accounts~~ of ~~active members,~~ inactive vested members, and, effective January 1, 1999, to inactive nonvested members, until the quarter prior to the quarter in which the member's first retirement allowance is paid or in which the member is issued a refund under section 97B.53, or in which a death benefit is issued.

Sec. 22. Section 97B.80, subsection 1, Code 2014, is amended to read as follows:

1. *a.* For purposes of this subsection, *"eligible member"* means as follows:

(1) For the period beginning July 1, 1992, and ending June 30, 2014, a vested or retired member who has one or more full calendar years of covered wages.

(2) Beginning on or after July 1, 2014, a member vested by service or a retired member who is vested by service and who is within six months of the retired member's first month of entitlement.

b. ~~Effective July 1, 1992, a vested or retired~~ An eligible member ~~who has one or more full calendar years of covered wages and~~ who at any time served on active duty in the armed forces of

S.F. _____

1 the United States, upon submitting verification of the dates
2 of the active duty service, may make contributions to the
3 retirement system for all or a portion of the period of time of
4 the active duty service, in increments of one or more calendar
5 quarters, and receive credit for membership service and prior
6 service for the period of time for which the contributions are
7 made.
8 Sec. 23. Section 97B.80C, subsection 1, Code 2014, is
9 amended by adding the following new paragraph:
10 NEW PARAGRAPH. *0a. "Eligible member"* means as follows:
11 (1) Prior to July 1, 2014, a vested or retired member.
12 (2) Beginning on or after July 1, 2014, a member vested by
13 service or a retired member who is vested by service and who
14 is within six months of the retired member's first month of
15 entitlement.
16 Sec. 24. Section 97B.80C, subsection 2, paragraphs a, b, and
17 c, Code 2014, are amended to read as follows:
18 *a.* ~~A vested or retired~~ An eligible member may make
19 contributions to the retirement system to purchase up to the
20 maximum amount of permissive service credit for qualified
21 service as determined by the system, pursuant to Internal
22 Revenue Code section 415(n), the requirements of this section,
23 and the system's administrative rules.
24 *b.* ~~A vested or retired~~ An eligible member of the retirement
25 system may make contributions to the retirement system to
26 purchase up to a maximum of twenty quarters of permissive
27 service credit for nonqualified service as determined by the
28 system, pursuant to Internal Revenue Code section 415(n), the
29 requirements of this section, and the system's administrative
30 rules. ~~A vested or retired~~ An eligible member must have at
31 least twenty quarters of covered wages in order to purchase
32 permissive service credit for nonqualified service.
33 *c.* ~~A vested or retired~~ An eligible member may convert
34 regular member service credit to special service credit by
35 payment of the amount actuarially determined as necessary to

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fund the resulting increase in the member's accrued benefit. The conversion shall be treated as a purchase of qualified service credit subject to the requirements of paragraph "a" if the service credit to be converted was or would have been for qualified service. The conversion shall be treated as a purchase of nonqualified service credit subject to the requirements of paragraph "b" if the service credit to be converted was purchased as nonqualified service credit.

Sec. 25. Section 231.33, subsection 21, Code 2014, is amended to read as follows:

21. Comply with all applicable requirements of the Iowa public employees' retirement system established pursuant to chapter 97B. ~~Notwithstanding any provision to the contrary, an employee of an area agency on aging that was enrolled in an alternative qualified plan prior to July 1, 2012, may continue participation in that alternative qualified plan in lieu of mandatory participation in the Iowa public employees' retirement system.~~

Sec. 26. Section 602.11115, subsection 2, Code 2014, is amended to read as follows:

2. To commence coverage under the judicial retirement system pursuant to article 9, part 1, effective July 1, 1984, but to become an inactive member of the Iowa public employees' retirement system pursuant to chapter 97B and remain eligible for benefits under sections 97B.49A through ~~97B.49H~~ 97B.49G for the period of membership service under chapter 97B.

Sec. 27. Section 602.11116, subsection 2, Code 2014, is amended to read as follows:

2. To commence membership under the judicial retirement system pursuant to article 9, part 1, effective July 1, 1998, but to become an inactive member of the Iowa public employees' retirement system pursuant to chapter 97B and remain eligible for benefits under sections 97B.49A through ~~97B.49H~~ 97B.49G, as applicable, for the period of membership service under chapter 97B.

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1 Sec. 28. REPEAL. Sections 97B.49H and 97B.49I, Code 2014,
2 are repealed.
3 Sec. 29. EFFECTIVE UPON ENACTMENT. The following provision
4 or provisions of this division of this Act, being deemed of
5 immediate importance, take effect upon enactment:
6 1. The section of this division of this Act amending section
7 97B.1A, subsection 8, paragraph b, subparagraph (7).
8 Sec. 30. RETROACTIVE APPLICABILITY. The following
9 provision or provisions of this division of this Act apply
10 retroactively to June 30, 2012:
11 1. The section of this division of this Act amending section
12 97B.1A, subsection 8, paragraph b, subparagraph (7).
13 2. The section of this division of this Act amending section
14 231.33, subsection 21.
15 DIVISION III
16 STATEWIDE FIRE AND POLICE RETIREMENT SYSTEM
17 Sec. 31. NEW SECTION. **411.19 State appropriation.**
18 1. There is appropriated from the general fund of the state
19 for each fiscal year an amount equal to three and seventy-nine
20 hundredths percent of the covered earnable compensation to be
21 distributed to the statewide fire and police retirement system,
22 or to the cities participating in the system, to finance the
23 cost of benefits provided in this chapter by amendments of the
24 Acts of the Sixty-sixth General Assembly, chapter 1089. The
25 method of distribution shall be determined by the board of
26 trustees based on information provided by the actuary of the
27 statewide retirement system.
28 2. Moneys appropriated by the state shall not be used
29 to reduce the normal rate of contribution of any city below
30 seventeen percent.
31 DIVISION IV
32 JUDICIAL RETIREMENT SYSTEM
33 Sec. 32. JUDICIAL RETIREMENT FUND. There is transferred
34 from the general fund of the state to the judicial retirement
35 fund described in section 602.9104, for the fiscal year

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1 beginning July 1, 2013, and ending June 30, 2014, an amount
2 equal to $18,900,000.
3 Sec. 33. EFFECTIVE UPON ENACTMENT. This division of this
4 Act, being deemed of immediate importance, takes effect upon
5 enactment.
6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill makes numerous changes to public retirement
10 systems, including the public safety peace officers'
11 retirement, accident, and disability system, the Iowa public
12 employees' retirement system, the statewide fire and police
13 retirement system, and the judicial retirement system. The
14 changes to each applicable public retirement system are as
15 follows:
16 PEACE OFFICERS' RETIREMENT, ACCIDENT, AND DISABILITY SYSTEM
17 (PORS).
18 This division of the bill provides that certain cancers and
19 infectious diseases contracted by peace officer members of
20 PORS are presumed to be a disease contracted while on active
21 duty due to the job for purposes of establishing an accidental
22 disability pension. "Cancer" and "infectious disease" are
23 defined the same as those terms are defined for the statewide
24 fire and police retirement system established in Code chapter
25 411. The bill also provides that the presumption will not
26 apply to peace officer members who joined the retirement system
27 after July 1, 1992, in which the cancer or infectious disease
28 would not have existed but for a medical condition that was
29 known on the date the member joined. The bill also increases
30 the minimum contribution rate for peace officer members of the
31 pension system beginning July 1, 2014, from 11.35 percent to
32 11.4 percent of earnable compensation. The PORS is directed to
33 conduct a study and collect data related to the implementation,
34 utilization, and costs associated with the requirements related
35 to cancers and infectious diseases and to submit a written

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1 report to the general assembly by October 1, 2019, concerning
2 the data collected and including the system's findings and
3 recommendations.
4 IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (IPERS).
5 Code sections 97B.1A(5) and 97B.44, concerning beneficiaries
6 under IPERS, are amended to provide that beneficiaries can be
7 designated through a qualified domestic relations order.
8 Code section 97B.1A(8)(b), defining employees who are not
9 covered under IPERS, is amended to provide that employees of an
10 area agency on aging who were participating in an alternative
11 retirement plan on June 30, 2012, and who elected out of IPERS
12 coverage by September 1, 2013, are excluded from coverage under
13 IPERS. A corresponding amendment is made to Code section
14 231.33, concerning area agencies on aging. These provisions
15 take effect upon enactment and apply retroactively to June 30,
16 2012.
17 Code section 97B.40, concerning fraudulent practices under
18 IPERS, is amended. The bill authorizes IPERS to refuse to
19 approve an application for benefits or to suspend or reduce
20 benefits to a person if the IPERS system determines the person
21 may have engaged in a fraudulent practice.
22 Code section 97B.49B, concerning members in a protection
23 occupation, is amended to provide that parole officers employed
24 by a judicial district department of correctional services who
25 are certified by the Iowa law enforcement academy are included
26 within the protection occupation category of IPERS.
27 Code section 97B.49F(2), establishing the favorable
28 experience dividend program for IPERS members who retired on or
29 after July 1, 1990, is stricken.
30 Code section 97B.49H, establishing active member
31 supplemental accounts, is repealed. The bill includes
32 corresponding amendments related to the repeal.
33 Code section 97B.49I, providing for a qualified benefits
34 arrangement, is repealed.
35 Code section 97B.50A(9), concerning the medical board

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1 used for purposes of disability benefits for special service
2 IPERS members, is amended to allow IPERS to use one or more
3 physicians from the University of Iowa as the medical board.
4 Current law requires that the medical board consist of three
5 physicians from the University of Iowa.
6 Code section 97B.53, concerning refunds, is amended to
7 require a married IPERS member seeking a refund to submit
8 a written acknowledgment of the member's spouse to IPERS.
9 The bill provides that a married member may still receive
10 a refund if the member is unable to locate the spouse and
11 IPERS shall not be liable based upon a refund made without the
12 acknowledgment of the member's spouse.
13 Code section 97B.80, concerning the purchase of IPERS
14 service for military service, is amended to provide that only a
15 member vested by service or a retired member who is vested by
16 service and is within six months of the member's first month
17 of entitlement may make a service purchase under this Code
18 section. Currently, any vested or retired member, regardless
19 of how the member became vested, who has at least one year of
20 IPERS wages may make a service purchase at any time.
21 Code section 97B.80C, concerning purchases of permissive
22 service credit, is amended to provide that only a member
23 vested by service or a retired member who is vested by
24 service and is within six months of the member's first month
25 of entitlement may make a service purchase under this Code
26 section. Currently, any vested or retired member, regardless
27 of how the member became vested, may make a service purchase
28 under this Code section at any time.
29 STATEWIDE FIRE AND POLICE RETIREMENT SYSTEM
30 New Code section 411.19 provides for a state appropriation
31 to the statewide fire and police retirement system established
32 in Code chapter 411 equal to 3.79 percent of the covered
33 earnable compensation of the members. The percentage
34 represents the cost of benefits provided by Acts of the
35 66th General Assembly. The bill restores the standing state

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1 appropriation to the retirement system that was repealed by
2 2010 Acts, chapter 1167. The repealed language had set the
3 state appropriation based upon the cost of benefits provided
4 by the Acts of the 66th General Assembly but did not specify a
5 percentage.
6 JUDICIAL RETIREMENT SYSTEM
7 The bill transfers moneys from the general fund of the state
8 to the judicial retirement fund for FY 2013-2014. The division
9 takes effect upon enactment.

Senate Study Bill 3160 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON QUIRMBACH)

A BILL FOR

1 An Act establishing a low-income program supplement for school
2 districts to provide programs serving low-income pupils.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6034XC (8) 85
md/sc

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1 Section 1. Section 257.1, subsection 2, paragraph b, Code
2 2014, is amended to read as follows:
3 *b.* For the budget year commencing July 1, 1999, and for each
4 succeeding budget year the regular program foundation base per
5 pupil is eighty-seven and five-tenths percent of the regular
6 program state cost per pupil. For the budget year commencing
7 July 1, 1991, and for each succeeding budget year the special
8 education support services foundation base is seventy-nine
9 percent of the special education support services state cost
10 per pupil. The combined foundation base is the sum of the
11 regular program foundation base, the special education support
12 services foundation base, the total teacher salary supplement
13 district cost, the total professional development supplement
14 district cost, the total early intervention supplement district
15 cost, the total teacher leadership supplement district cost,
16 the total area education agency teacher salary supplement
17 district cost, ~~and~~ the total area education agency professional
18 development supplement district cost, and the low-income
19 program supplement.
20 Sec. 2. Section 257.1, subsection 3, Code 2014, is amended
21 to read as follows:
22 3. *Computations rounded.* In making computations and
23 payments under this chapter, except in the case of computations
24 relating to funding of special education support services,
25 media services, and educational services provided through the
26 area education agencies, and the teacher salary supplement, the
27 professional development supplement, the early intervention
28 supplement, ~~and~~ the teacher leadership supplement, and the
29 low-income program supplement, the department of management
30 shall round amounts to the nearest whole dollar.
31 Sec. 3. Section 257.4, subsection 1, paragraph a, Code 2014,
32 is amended by adding the following new subparagraph:
33 NEW SUBPARAGRAPH. (10) The amount of the low-income program
34 supplement to be received by the school district under section
35 257.10A.

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1 Sec. 4. NEW SECTION. **257.10A Low-income program supplement.**
2 1. In order to provide additional funding to school
3 districts for programs serving low-income pupils, each district
4 shall receive for each budget year beginning on or after July
5 1, 2015, a low-income program supplement as calculated under
6 subsection 2.
7 2. Each school district's low-income program supplement
8 shall be an amount equal to the number of pupils in the school
9 district, as reported by the school district on the basic
10 educational data survey for the base year, who are eligible for
11 free and reduced price meals under the federal National School
12 Lunch Act and the federal Child Nutrition Act of 1966, 42
13 U.S.C. §1751-1785, multiplied by four hundredths of the regular
14 program state cost per pupil for the budget year.
15 3. Amounts received under this section shall be utilized
16 by a school district to develop or maintain programs for
17 low-income pupils, including but not limited to before and
18 after school educational programs, summer education programs,
19 individual instructional assistance programs, tutoring and
20 mentoring programs, programs to reduce or waive student fees
21 required as part of the school district's educational program,
22 or other programs or assistance approved by the department.
23 4. For purposes of this section, *"low-income pupils"* means
24 pupils who are eligible for free and reduced price meals under
25 the federal National School Lunch Act and the federal Child
26 Nutrition Act of 1966, 42 U.S.C. §1751-1785.
27 Sec. 5. Section 257.16, subsection 4, Code 2014, is amended
28 to read as follows:
29 4. Notwithstanding any provision to the contrary, if
30 the governor orders budget reductions in accordance with
31 section 8.31, the teacher salary supplement district cost,
32 the professional development supplement district cost, the
33 early intervention supplement district cost, and the teacher
34 leadership supplement district cost as calculated under
35 section 257.10, subsections 9, 10, 11, and 12, ~~and~~ the area

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education agency teacher salary supplement district cost and the area education agency professional development supplement district cost as calculated under section 257.37A, subsections 1 and 2, and the low-income program supplement as calculated under section 257.10A shall be paid in full as calculated and the reductions in the appropriations provided in accordance with this section shall be reduced from the remaining moneys appropriated pursuant to this section and shall be distributed on a per pupil basis calculated with the weighted enrollment determined in accordance with section 257.6, subsection 5.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill provides additional funding to school districts for programs serving low-income pupils, as defined in the bill.

Under the bill, each district receives for each budget year beginning on or after July 1, 2015, a low-income program supplement. Each school district's low-income program supplement is an amount equal to the number of pupils in the school district who are eligible for free and reduced price meals multiplied by four hundredths of the regular program state cost per pupil for the budget year.

Amounts received by a school district under the bill must be utilized by a school district to develop or maintain programs for low-income pupils, including but not limited to before and after school educational programs, summer education programs, individual instructional assistance programs, tutoring and mentoring programs, programs to reduce or waive student fees required as part of the school district's educational program, or other programs or assistance approved by the department.

The amount of the low-income program supplement is included within the combined foundation base and is paid to each school district as part of the state foundation aid under Code section 257.1.

Senate Study Bill 3161 - Introduced

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

A BILL FOR

1 An Act concerning allowable uses for purse moneys designated
2 for standardbred horse racing.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5479XC (1) 85
ec/nh

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1 Section 1. Section 99D.7, subsection 5, paragraph b, Code
2 2014, is amended to read as follows:
3 *b.* The commission shall, beginning January 1, 2012, regulate
4 the purse structure for all horse racing so that seventy-six
5 percent is designated for thoroughbred racing, fifteen and
6 one-quarter percent is designated for quarter horse racing, and
7 eight and ~~three-quarter~~ three-quarters percent is designated
8 for standardbred racing. The purse moneys designated for
9 standardbred racing may only be used to support standardbred
10 harness racing purses, breeder's awards, or expenses at
11 the state fair, county fairs, or other harness racing
12 tracks approved by the commission, or for the maintenance,
13 construction, or repair of harness racing tracks located in
14 Iowa and at the fairgrounds for such fairs or other harness
15 racing tracks located in Iowa and approved by the commission.
16 The horse racetrack in Polk county shall not provide funding to
17 support standardbred racing at such county fairs that is not
18 otherwise provided for in this paragraph.
19 EXPLANATION

20 **The inclusion of this explanation does not constitute agreement with**
21 **the explanation's substance by the members of the general assembly.**

22 Code section 99D.7(5), concerning purse moneys for horse
23 racing, is amended to allow purse moneys designated for
24 standardbred racing to also be used for breeder's awards,
25 standardbred harness racing expenses, and the construction of
26 harness racing tracks located in Iowa.