



# Iowa House of Representatives End of Session News

April, 2008

Iowa House of Representatives

## Capitol Comments

The 2008 legislative session concluded Saturday morning as the House adjourned “sine die” at 2:30 a.m. We have closed the books on the 82<sup>nd</sup> General Assembly, and in these past two years enacted a progressive and mainstream agenda that rewards working families and moves Iowa forward. Some of my proudest achievements this year are passing legislation that provides equity for our rural schools, expands healthcare for more children in Iowa, and protects our natural resources.

We entered into the 82<sup>nd</sup> General Assembly in January 2007 determined to create positive change for Iowa by enacting our 15-point “Plan for Prosperity”. In the face of many challenges, we acted on all but one of these points and continued to support and fund what we believe are the priorities of Iowans. I am extremely proud of our accom-

plishments, and know that there is much more to do in the years to come.

I want to thank you for your emails, letters and phone calls, and also for your interest in this weekly newsletter. I am always heartened to receive your feedback when I send this newsletter out. I am elected to serve and listen to you, and am glad that this newsletter helps to keep you informed about the workings of your state government. Your input allows me to be a more effective and responsible legislator.

As always, feel free to contact me anytime. Also, don’t be surprised to see me at your door this summer and fall. I want to visit with you personally about your thoughts on our work in the past two years and what your priorities are for the 83<sup>rd</sup> General Assembly.

### District Update

- Local legislators have reached an agreement with Wellmark Blue Cross Blue Shield that will allow children in Fayette County on the state HAWK-I program to receive services at Gunderson Clinics.
- On Monday, Wellmark officials sent a letter to local legislators saying they would modify their current contracting practice regarding HAWK-I to allow payments for Gunderson Clinics in Fayette County.
- Earlier this month, local families and providers brought their concerns to legislators at the Capitol and during a meeting at Palmer Lutheran Health Center in West Union.

## Health Care Bill Advances to Governor

The Legislature adopted House File 2539, which is based on recommendations from creates several initiatives and studies to improve health care and wellness for Iowans.

It is the intent of the General Assembly that all Iowans have health care coverage, with the first priority being health care coverage for all children by January 1, 2011. In addition, it is the goal of the General Assembly to decrease health care costs and health care

coverage costs by implementing health insurance reforms that assure the availability of private health insurance coverage for Iowans.

### More Children Covered

The *hawk-i* Expansion Program is created to provide health insurance to children who are at or below 300% federal poverty level. For a family of 4, this is equivalent to \$63,600 a year.

To cover the costs of covering children under Medicaid, *hawk-i*, *hawk-i* expansion, and for outreach to identify more children, \$4.8 million is appropriated for the fiscal year beginning July 1. The following year, the appropriation will grow to \$14.8 million and the following year it will reach \$24.8 million. The funding is contingent upon the enactment of a comprehensive plan during the 2009 Legislative Session that provides health

care coverage for all children in Iowa.

**Cover All Kids and Adults**

The Iowa Choice Health Care Coverage Advisory Council is established to assist the Iowa Comprehensive Health Insurance Association to develop a comprehensive health care coverage plan to cover all uninsured children.

In addition, the association will develop options to provide access to private, unsubsidized, affordable, qualified health care coverage to all children, adults, and families who are not otherwise eligible for health care coverage through public programs.

**Lowering Costs**

The bill creates an Electronic Health Information Advisory Council, as a public/private effort, to promote the adoption and use of health information technology in Iowa. The council will make recommendations to the Iowa Board of Health to improve health care quality, increase patient safety, and reduce health care costs.

The bill requires health insurance companies to cover children

up to the age of 25, or as long as the child maintains full-time status as a student in a post-secondary educational institution. In addition, individuals who move from a group insurance policy to an individual insurance policy will not be underwritten due to preexisting conditions.

The bill creates patient centered medical homes, which focus on prevention, wellness, and chronic care management that should lower costs and improve quality. A council is also established, to help develop an initiative for prevention and chronic care management.

The Department of Elder Affairs (DEA) is to work with other state agencies to develop educational and patient centered information on end of life care for terminally ill patients and health care professionals.

**Prevention and Wellness**

The Iowa Department of Public Health will develop a state initiative for prevention and chronic care management. The bill also requires public health to establish a grant program to energize local

communities to promote healthy lifestyles. The intent is to lead collectively, community by community, to a healthier Iowa.

A Governor's Council on Physical Fitness and Nutrition is established, to help implement a statewide comprehensive plan to increase physical activity, improve physical fitness, improve nutrition, and promote healthy behaviors of Iowans.

**Direct Care Workers**

A council will advise the IDPH regarding regulation and certification of direct care workers, and develop recommendations regarding certification, education and training, standardization requirements for supervision and functions for each direct care worker. The Department of Human Services is required to convene an initial advisory committee to develop recommendations regarding wages, and other compensation paid to direct care workers in nursing facilities.

The bill now goes to the Governor for consideration.

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## Smoke Free Air Act Takes Effect July 1st

The Smoke Free Air Act applies to all workplaces and public places. Public places are enclosed areas that permit the public including restaurants, bars, stores, public buildings, schools, and health care providers.

Exceptions to the ban include private homes not used for child care, private long-term-care rooms, casino gaming areas, designated hotel/motel rooms, stores primarily selling tobacco, private limos, vehicles provided solely to one em-

ployee, farm vehicles, state and county fair grounds, National Guard facilities and the Iowa Veterans Home.

Enforcement is by the Department of Public Health (DPH), which will provide compliance information. All state and local government inspectors must also report violations to DPH.

Employers and custodians of public places must inform violators of the ban and post signs that in-



clude the telephone number for reporting complaints. Any employee or other person may file a complaint with DPH or bring legal action to enforce the ban.

Penalties for smoking in a banned area is a \$50 fine. Failure to comply is a \$100 fine, \$200 the second time in a year, and \$500 for more violations within a year. Retaliation against an employee who reports a violation is a fine of from \$2,000 to \$10,000 per violation.

Governor Chet Culver has signed House File 2212 into law. It takes effect on July 1, 2008.

## School Infrastructure Sales Tax Goes to Governor

House File 2663 was sent to Governor Culver this week and he is expected to sign it into law. This legislation would replace the current one cent local option sales tax for schools with a statewide sales tax.

House File 2663 repeals the current local option sales tax that a school district can impose for school infrastructure and replaces it with a statewide one cent tax. Currently, all 99 counties have approved the one cent local option sales tax, with Linn and Johnson counties being the last to approve the local option in 2007. Other counties, such as Woodbury, have already reauthorized the local option tax for another 10 years. This means that the sales tax on most items covered will not increase.

The exception is items purchased out of state.

Under current law, voters in a county can impose the one cent local option tax to be used for specific purposes outlined in a "revenue purpose plan" as allowed by Iowa law. The purposes that can be included relate to school infrastructure such as the cost of construction, repayment of bonds, or property tax relief.

House File 2663 would still require that school districts use the revenue for specific purposes but would allow counties to develop a new "revenue purpose plan". If the purpose changes, then the new revenue purpose statement will need voter approval.

All the sales tax money will go into one "pot." It will be distributed out to school districts on a per pupil basis. The amount distributed in the first year, fiscal year 2009, is estimated to be \$372 million to school districts. Another \$28 million would be used for property tax relief and distributed out of the property tax equity and relief fund.

The final version of the bill does not increase the use tax on motor vehicles that was previously discussed as part of the bill. The bill deals only with the same sales taxes that are currently raised for purposes of school infrastructure though the local option sales tax.

This statewide sales tax is repealed at the end of 2029.

## Federal Rebates Exempted From State Taxes

The Governor signed House File 2417 in law, exempting the federal tax rebate checks from Iowa income taxes. This will save Iowans \$67.5 million when they file their 2008 state tax return next spring.

For most, the rebate is equal to 2007 tax liability up to \$600 (\$1,200 joint returns). The minimum is \$300 (\$600 joint) and there

is an extra \$300 per eligible child for the Child Tax Credit.

Those with little or no tax bill may qualify for the minimum \$300 rebate (\$600 joint), with at least \$3,000 in qualifying income. Rebates are reduced by 5% of the amount of income exceeding \$75,000 (\$150,000 joint).

### Small Business Incentive

Senate File 2123 has also been signed by the Governor, which adopts the increased Section 179 small business incentive, allowing a bigger deduction in the first year new equipment is placed in service. The deduction goes from \$128,000 to \$250,000 and the maximum investment limit from \$510,000 to \$800,000.

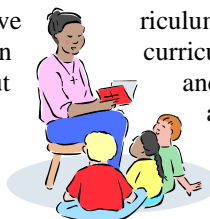
## Core Curriculum First Statewide Mandate in Iowa

Senate File 2216, the Iowa Model Core Curriculum bill, has been sent to the Governor for his consideration. The bill would mandate a core curriculum for all accredited Iowa schools.

Iowa is currently the only state that does not have any mandatory

statewide measures or standards for curriculum and teaching. Senate File 2216 would achieve this, allowing Iowa to join the rest of the states to put measures in place.

Senate File 2216 will require that all accredited



public and accredited non-public schools adopt the model core curriculum. Right now, a model core curriculum exists but it is voluntary and schools do not have to adopt it. The Iowa Core Curriculum provides local school districts a guide to

delivering instructional content that is challenging and meaningful to students.

In 2005, the Legislature directed the department of education to engage stakeholder groups to develop the core curriculum for high schools in math, science, and literacy. In 2007, the work expanded when the Legislature mandated standards, expanded the core curriculum to include kindergarten through eighth grade, and added the additional subject areas of social studies and 21<sup>st</sup> Century learning skills.

In the interim, the department assessed school districts' readiness to implement the Iowa Core Curriculum. The department determined that about half of Iowa's school districts were already utilizing the Iowa Core Curriculum on a voluntary basis. It was determined that the rest of the school districts were either waiting for a mandate or needed assistance with implementation.

Core curriculum was already developed for use in grades nine

through twelve. The department was required, in 2007, to develop core curriculum for grades kindergarten through eight in order to make the Iowa Core Curriculum fluid for K-12 education.

Important considerations in completing this work included the following:

- The needs of students.
- The needs of a changing workforce.
- The need to remain globally competitive.

The curriculum that was developed identifies the essential concepts and skill sets needed for literacy, mathematics, science and social studies, as well as 21st century learning skills that include civic literacy, financial literacy, technology literacy, health literacy, and employability. The Iowa Core Curriculum encourages instructional practices that deeply engage students by requiring them to be active learners and critical thinkers who can apply their learning to new and unpredictable situations.

As part of the high school curriculum for graduation requirements, a school district must adopt, at a minimum, four years of English and language arts, three years of mathematics, three years of science, and three years of social studies. Also included in the high school core curriculum will be the core content standards and the 21<sup>st</sup> Century learning skills.

The Iowa department of education will aid Iowa's school districts in the implementation of the new mandate. The department anticipates hiring staff for assistance around the state. School districts have until 2010 to implement the Iowa Core Curriculum into grades nine through twelve and until 2012 for K-8.

For more information on the Iowa Core Curriculum, visit the department of education's site at <http://www.iowa.gov/educate/content/view/674/1023/> or the model core curriculum site at <http://www.iowamodelcore.org/>.

## Military Leave Re-employment Bill

House File 2065 became law on February 14, 2008, when Governor Chet Culver signed the legislation. The bill helps service men and women return to their jobs after serving their country or state.

There is currently a federal law, the Uniformed Services Employment and Reemployment Rights Act (USERRA), which provides some protection to Iowa soldiers who are activated for federal purposes. Upon review of Iowa's military leave and reemployment laws, some areas needed to be updated to reflect USERRA provisions. This will ensure that Iowa's military leave law also provides the same protections to military mem-

bers who may be activated for state purposes, such as flood control work, which are not covered by USERRA.

The bill amends Iowa law to clarify that returning troops are entitled to return to a position of like seniority, status, and pay to that which they held prior to their leave of absence. This change is consistent with the federal law. The bill also requires the either the Iowa Attorney General, or the county attorney in counties where the violation occurs, to prosecute businesses who violate the law. The bill maintains the current penalty for violations of this provision as a simple misdemeanor.

House File 2065 also amends existing Iowa law related to military leave of six months or less for public employees. The intent is to clarify that employees whose period of service crosses one calendar day, such as firefighters who work 24 hour shifts, are only charged one day for military leave. Current law allows public employees to take up to 30 days of military leave with pay. There have been situations where firefighters have been charged for three days of leave for one day of military leave. This means they begin losing pay after only ten days of military pay. This bill will rectify this misunderstanding and insure these firefighters get 30 days of military leave with pay.

## K-12 Education Remains an Iowa Priority

The education of Iowa children remains a priority for Legislators, just as it is to does for all Iowans. The 2008 session continued to build upon improvements made in recent years to our K-12 public school systems. Most education issues were handled in a bi-partisan manner that resulted in improvements to our schools. Among the issues were school funding, teacher pay, and early childhood.

### School Funding

Each year, the Legislature must set the allowable growth in funding for Iowa's K-12 school districts. The funding is a combination of state aid and local property tax revenues. House File 2140 set the allowable growth for the 2009-2010 school year at 4%, which is distributed on a per pupil basis. At a 4% growth rate, the state cost per pupil will increase from \$5,546 to \$5,768, an increase of \$222 per pupil. The measure has been signed into law by Governor Culver.

### Teacher Quality

Teachers will see another increase in salaries this coming school year with another increase in teacher quality funding. Salaries for teachers have been lagging in Iowa, and the Legislature addressed this problem in 2007 by allocating an additional \$70 million specifi-

cally for salaries. In 2008, another \$75 million will be added. The goal is to boost Iowa from its national ranking of 42<sup>nd</sup> to 25<sup>th</sup>.

The total package for teacher quality in 2008 is \$249 million. This funding will go toward programs such as professional development, mentoring and induction, and market factor incentives.

### Early Childhood

Early childhood education was a priority for this Legislature. We know that a child's learning begins long before kindergarten and that early childhood education helps a child succeed in school. This is the reason for the focus on preschool education and birth to three.

With the passage of the statewide voluntary preschool bill in 2007, an additional 4,500 four year olds received preschool assistance. This is the second year of funding for the program, and the allocation of \$15 million this year will give another 5,000 four year olds access to quality preschool.

The goal of the statewide four year old preschool program is to provide access to quality preschool to 90% of the 20,000 four year olds in the state by the end of a four year ramp up in 2012. The state-

wide voluntary preschool programming does not compete with existing programs such as Head Start, Shared Visions, and Empowerment.

House File 2530 builds upon the Price Laboratory School, located at the Univer-

sity of Northern Iowa, and its role in further developing a state research, development, demonstration, and dissemination school. The role of the school is to provide research and development to improve prekindergarten through grade twelve learning.

### Senior Year Plus

One of the Governor's initiatives was to bring advanced placement, dual enrollment, and post secondary enrollment options under one umbrella. This would allow high school students the opportunity to earn up to one year of college credit before graduating from high school.

The Senior Year Plus program achieves this goal. With the passage of the education budget, the program will now be delivered as another option for Iowa's students to earn cost effective post secondary credit.



## \$138 Million for Roads by 2012

Governor Culver signed Senate File 2420 into law on April 22, which allocates new revenues to the Transportation Investment Moves the Economy in the Twenty-First Century (TIME-21) fund. The bill provides an estimated \$132 million in road and

bridge construction and repair funding by FY 2012.

### Background

The TIME-21 Study Committee was established by the Iowa Legislature in 2007 to address the revenue needs of Iowa's road and

bridge infrastructure. In 2007, the Iowa Legislature created the TIME-21 fund but provided no money for it. The fund will distribute any revenue allocating 60% to the Primary Road Fund, 20% to the Secondary Road Fund and 20% to the City Street Fund. The TIME-21

committee found that Iowa roads need an additional \$200 million annually. To address this shortfall, the House and Senate decided to raise road funding through registration fee adjustments for cars and multipurpose vehicles, truck registrations, special truck registrations, trailer registrations, and title fees.

### **Motor Vehicles and Trucks**

Current owners of cars and trucks will not pay more for annual registration fees. The TIME-21 legislation increases annual registration fees for trucks purchased after January 1, 2009. Registration fees for model year 2010 and later trucks will be based on a weight plus value formula, similar to how SUVs and car registration fees are computed. Truck owners who utilize their trucks for business, including farmers, will be able to register as a "business class truck." "Business class truck" registrations will be based on a flat fee schedule, as they are under current law.

The TIME-21 legislation also extends the time before registration fees for cars, SUVs and trucks decrease.

### **Title Fees**

Senate File 2420 increases title fees for several certificates of title. Generally, title fees for most certificates of title will be \$20 under TIME-21. These title fee increases take effect January 1, 2009.

### **Trailer Registration Fees**

The bill also increases the registration fee for trailers. The registration fee for trailers that weigh 2,000 lbs. or less will increase to \$20 annually and trailers that weigh more than 2,000 lbs will increase to \$30 annually.

### **Motorcycle License Fee**

Senate File 2420 increases the license fee for motorcycle licenses by \$2 per year of license validity. The additional revenue goes to the motorcycle rider education fund.

Two new studies are also established. First, the department of transportation (DOT) is to study additional revenue sources needed to provide at least \$200 million annually for roads and highways. Second, the legislation requires the DOT to study public transit and public transit funding. The public transit study will focus on whether public transit revenues are sufficient to meet future needs and transit improvements. In particular, how to meet the state's energy independence goals and the transit needs of Iowa's seniors.

Additionally, Senate File 2420 constitutionally protects TIME-21 funds to go solely to road use expenses. The legislation also includes extensive grandfathering of any new or increased fee. Generally, owners will not have to pay more than what they paid in a previous year, and many of the increases will only affect Iowan's when they purchase a vehicle or trailer.

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## **Balanced Budget Approved**

Legislators entered this year with the goal of crafting a budget to keep our promises and build toward a better future for Iowa. The \$6.1 billion balanced budget has an \$80 million ending balance, and over \$620 million in our reserve funds to weather any downturn in the economy.

The fiscal year 2009 budget, which starts on July 1, provides a \$75 million increase in funding that will move Iowa to a more competitive position in attracting teachers to this state by investing in teacher salaries. This should raise Iowa from its 42<sup>nd</sup> ranking in the nation to 25<sup>th</sup> over the next two years.

The budget includes additional funding to help more families with health care and child care for their children. The budget invests more in improving quality education programming in preschools to better prepare students for kindergarten.

The budget invests more in our state universities and community colleges to keep tuitions below the rate of inflation and to maintain quality faculty at these institutions. The Board of Regents will receive \$653.8 million for FY 09, and community colleges receive an additional \$10.1 million, for a total of \$184.5 million. Work study programs for students receive a total appropriation of \$1 million to aid

students in financing higher education costs.

A Science, Technology, Engineering, and Mathematics (STEM) collaborative initiative at the University of Northern Iowa receives \$4 million. This program will aid in bringing educators and practitioners into STEM fields.

This budget also includes the second installment of a four year, \$100 million investment to position Iowa as an energy independence leader. The plan will invest in renewable energy alternatives such as biofuel, wind, and other alternative energy efforts that will free Iowa from its dependence on foreign oil.

## Two Major Insurance Reform Bills Sent to Governor

House File 2555 establishes a Consumer Advocate Bureau, within the Division of Insurance, to ensure fair treatment by insurance companies and for preventing unfair trade practices. The advocate will:

- Investigate consumer complaints and if any insurance laws were broken. This includes the establishment of insurance rates.
- Request the Insurance Commissioner to hold hearings when needed to protect consumers.
- Seek assistance from other federal or state agencies or private entities to assist consumers.

### **Long-Term-Care Insurance**

House File 2694 will protect the public from unfair sales practices and establish standards for long-term-care (LTC) insurance.

The law requires new disclosures at the time the



initial solicitation including a description of benefits, exclusions and limits; terms for continuing or discontinuing the policy; any ability for the insurer to change the premium; and a brief description of how cost of care relates to benefits.

New consumer protections prohibit the insurer from:

- Cancelling or challenging the policy due to age or failing mental or physical health, except for fraud.

- Applying a new waiting period if the policy is replaced by the same insurer.
- Excluding coverage for a pre-existing condition after policy is in effect for six months.
- Denying a full premium refund if the policy is returned after 30 days of delivery for any reason.

LTC policies define events that “trigger” benefits, such as functional or cognitive impairment. If the insurer denies benefits claiming the criteria were not met, then the policyholder has the right to independent review of the denial. The policyholder must file a request for an independent review with the Insurance Commissioner within 60 days of the final denial.

## Continued Focus on Higher Education

Another priority for Iowans is higher education. At a time when a higher education is more necessary than ever, it is important that Iowa’s schools remain affordable so Iowa’s middle class families can afford to send their children to college.

Tuition at many of Iowa’s community colleges and universities has soared in recent years. This is putting college out of reach for many of Iowa’s students. In our Plan for Prosperity announced in the fall of 2006, one of the goals was to keep college tuition increases at no higher than the rate of inflation. This promise was kept both last year and again this year.

### **Regent Universities**

The Board of Regents and its universities continued to receive higher allocations than in the previous ten years. Total funding in the next fiscal year will be at \$650 million.

For the second year in a row, salaries were funded at a higher level than in the past. This year, salaries will total \$46.6 million. By funding salaries at this level, the universities will not have to raise tuition or eliminate classes in order to make their budgets balance.

### **Community Colleges**

Community colleges will see an increase of \$10.1 million over

this year’s funding. This is the second year they have received a significant increase. The total appropriation for the schools is \$184.5 million.

In addition to the general aid, another \$1 million from the general fund will go toward teacher salaries at the community colleges. This will allow more of their funds to be used for other purposes, keeping tuition increases down.

Iowa’s community colleges have some of the highest tuitions in the nation, so this increase in funding is badly needed to help bring Iowa tuitions in line with other states.

## Conservation and Energy Efficiency

The Legislature continued its efforts to promote conservation energy and energy efficiency throughout Iowa. Senate File 517 requires the State Building Code Commissioner to adopt sustainable design and green building standards; applies thermal efficiency standards to all buildings; and en-

ergy conservation standards to new one or two-family homes.

Senate File 517 also updates state agency duties regarding energy efficiency and conservation programs and related financing programs.

Senate File 2386 creates a two-year commission to evaluate and

make recommendations regarding future energy efficiency standards and practices for buildings. The bill also requires utilities to assess potential energy savings available through energy efficiency measures and programs.

## Student Debt Bill Will Give Borrowers More Insight

With scandals in other states involving student loan organizations, the Legislature decided it was time to shed more light on the student debt industry in Iowa. Iowa currently ranks number two in the nation for overall student loan debt for its graduates of post secondary schools. This is alarming for a state that puts a high importance on education and forces many students to leave Iowa for better paying jobs.

House File 2690 will aid in getting better and more information to students and families on financing their higher education. The bill also sets standards for the relationship between universities and colleges and the student loan industry outlining what is appropriate versus inappropriate activity.

House File 2690 addresses student loans by private lenders and their relationship to educational institutions. The bill will also shed more light on the financial aid that students are receiving. The goal is to provide better protection and guidance to Iowa students and their families.

In the past several years, there has been increased scrutiny of the

secondary and private educational loan market. The federal government has already investigated the secondary market in many states, and required some of those organizations to pay back reimbursements they received from the federal government. This has happened in states such as Pennsylvania, where the secondary market was ordered to pay back millions of dollars. Other states were denied future reimbursements.

House File 2690 will provide students with more clear guidance when choosing their student loan provider. The bill will require disclosure by financial aid offices of all financial choices including private, state, local and federal loans. A student must be educated on all of their available assistance options before taking out a private loan.

There is a prohibition on costly loans to the borrowers. Lenders will not be able to give gifts to colleges and student aid employees in order to gain an advantage over other lenders.

Standards will be put in place on how a financial aid office should create a preferred lender list for private educational loans, and the

financial aid office must provide the complete list to potential borrowers without prejudice. Many times a private educational loan carries a higher interest rate, and interest is capitalized. However, the bill does not prevent a student from taking out private educational loans. What it does state is that the private educational loan should provide the better rate if a student chooses this option.

Penalties will be incurred if a violation of this law takes place. The bill creates a student lending education fund, under control of the Iowa Attorney General, where penalty charges will be deposited if a violation occurs. The goal is to utilize those dollars to educate students about the loan process and to reimburse borrowers who received certain inflated loan prices.

The Attorney General will be continuing their on going investigation of the educational student loans industry and the Iowa secondary market. A report on this investigation is due back to the Legislature and Government Oversight Committee by the October meeting of the committee.

# Environmental Bills Move Through the Legislature

The Legislature has worked to protect Iowa's land and water this year. The committee passed bills on inspections of septic tanks, prohibiting the disposal of mercury thermostats and oil filters, studying the recycling of mercury lamps, and establishing the Comprehensive Recycling Planning Task Force.

## Septic Tank Inspections

In order to protect our groundwater and new property owners, Senate File 261 requires that private sewage disposal systems be inspected prior to the sale or transfer of property. Currently, at least 21 counties in Iowa have adopted this requirement.

At the time of inspection, any septic tank, as part of the sewage disposal system, must be opened and have the contents pumped out and disposed. However, this requirement can be waived if the owner provides evidence that the septic tank was pumped out within the previous year.

After the inspection, an official inspection form and any related reports must be submitted to the

county, for enforcement of any mandatory follow up system improvements, and to the department of natural resources.

Governor Culver has signed Senate File 261 into law, and it will take effect on July 1, 2009.

## Oil Filters and Mercury Recycling

House File 2668 prohibits businesses from disposing of used oil filters in sanitary landfills. Instead, the bill requires that these filters be separated out and recycled.

Similarly, House File 2669 requires that a person who discards solid waste must separate out mercury-added thermostats to be recycled properly. A mercury-added thermostat uses a mercury switch to sense and control the temperature. Beginning July 1, 2009, the bill prohibits the sale of mercury-added thermostats.

Senate File 2321 requires the Department of Natural Resources

to conduct a study for the implementation and financing of a convenient and effective mercury-containing lamp recycling program.

House File 2668, House File 2669, and Senate File 2321 have been sent to Governor Culver for his signature.



## Recycling Task Force

House File 2570, which has been signed by the Governor, establishes the Comprehensive Recycling Planning Task Force. The purpose of the task force is to:

- Study and make recommendations for the planning and implementation of comprehensive state-wide recycling programs, including an evaluation of the current beverage container control law, also known as the Bottle Bill.
- Make recommendations for reducing the amount of recyclable materials being discarded and for reducing litter.

The task force must submit a written report containing its findings and recommendations to the Governor and the General Assembly by January 1, 2009.

# Banner Year for Natural Resources

The 2008 Legislative session was a banner year for Iowa's natural resources and the environment.

## Constitutional Amendment

First, the Legislature started the process to protect constitutionally new funding for our natural resources and outdoor recreation. Senate Joint Resolution 2002 still has to pass the House and Senate again over the next two years before it would go on the ballot for the general public to vote on. At the earliest, it would be on the November 2010 ballot.

No revenue will be credited to the fund until the sales tax rate is increased after the general public votes on it. The intent is to credit 3/8<sup>th</sup> of 1¢ when the sales tax is increased, which would generate approximately \$150 million. The Legislature is to establish the parameters for distributing the money.

## REAP

Secondly, the REAP program (Resource Enhancement and Protection) was increased another \$2.5 million next year, for a total of \$18

million. Over the past two years, the Legislature has increased this very popular program by \$7 million. REAP, which needs \$20 million to be fully funded, provides moneys for projects that enhance our natural, cultural, and recreational resources including environmental education, soil and water enhancement, parks, trails, museums, and roadside beautification.



**Tax Credits**

Iowa landowners who want to set aside land for preservation and conservation will be eligible for charitable tax credits under House File 2700. These tax credits can be leveraged with federal tax deductions for charitable contributions in order to protect conservation lands for future generations.

**Life Jackets for Kids**

Kids 12 and younger will be required to wear a life jacket while boating if House File 2612 is signed into law. They do not need to wear them when the boat is not moving, in an enclosed cabin or below deck, or if they are a passenger on a commercial boat with a capacity of 25 people or more. A one-year grace period is provided so officers can only issue warning citations for the first year. After that, there would be a \$25 fine.

**ATV and Snowmobiles**

House File 2662 finally repays the ending balances that were scooped from the all-terrain vehicle (ATV) fund and snowmobile fund

in 2002 to help balance the budget. These two funds are totally paid for by owners who pay a registration user fee. The moneys are used for new parks, trails, groomers, and upkeep of existing parks and trails.

House File 2612 also allows ATVs, off-road motorcycles, or off-road utility vehicles registered with the Department of Natural Resources to drive on ice for ice fishing. Current law already allows this for snowmobiles.

**Riverfront Improvements**

A new financial assistance program is established for projects that promote and enhance recreational opportunities and community attractions on and near rivers or lakes within cities across the state. Senate File 2430 establishes the River Enhancement Community Attraction and Tourism program to help projects near rivers or lakes, such as pedestrian trails and walkways, amphitheaters, bike trails, water trails or whitewater courses for watercraft. The Legislature is

authorizing \$12 million to the program for next year, and an additional \$10 million for the each of the following four years.

In addition, Senate File 2380 requires the Department of Natural Resources to conduct a water trails and low head dam public hazard study of Iowa waterways for recreational purposes and to develop a statewide plan by January 1, 2010.

**Surface Water Protection**

Finally, the Legislature adopted House File 2400, known as the Surface Water Protection Act. The bill calls for 56 regional watershed assessments be completed in five years, to provide a summary of the overall condition of Iowa's watersheds. In addition, smaller community-based subwatershed improvement plans are to be developed and implemented.

The bill also creates a Water Resources Coordinating Council to coordinate water efforts throughout Iowa. The success of the council's efforts will ultimately be measured by the improvement to the quality of surface water in Iowa.

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## Two Major Identity Theft Bills Will Help Consumers

Senate File 2308 requires notification of consumers if there is a security breach involving their computerized personal information. This applies to the entity that owns or licenses the information. If the breach occurs at another entity that possesses the information, that entity notifies the owner or licensee, who then notifies consumers.

Notice must include the date and description of the breach, type of data obtained, how to contact reporting agencies, and how to report suspected identity theft incidents to the Attorney General or to local law enforcement.

**Credit Security Freeze**

Senate File 2277 has been signed by the Governor. It allows a consumer to make credit reporting agencies freeze the release of their credit information. The request must be sent by certified mail, with proper identification.

The reporting agency must start the freeze within five business days of getting the request. Within 10 business days of the start of the freeze, the agency must send written confirmation and a personal password for the consumer to use

when authorizing suspension or removal of the freeze.

The consumer may get a temporarily suspension of the freeze, which lets the agency release their credit report so the consumer can open a new line of credit.

A credit reporting agency can not charge any fee to a victim of identity theft if, with the initial freeze request, the consumer submits a copy of the police report regarding the unlawful use of their ID information by another person.

## Prison Expansion Approved by Legislature

Senate File 2432 appropriates money from several infrastructure funds to prison and correction projects throughout Iowa, including bonding of over \$130 million for a new maximum security Iowa State Penitentiary at Fort Madison.

Iowa's prison population has more than doubled in the last 18 years. Currently there are over 1,000 maximum security offenders in the Iowa prison system. This prison population includes 616 "lifers," with a growth rate of about 2 per month. The Iowa Department

of Corrections anticipates a continued increase in the growth of the lifer population

The current Iowa State Penitentiary in Fort Madison was erected in the Civil War era and is the oldest prison west of the Mississippi. According to the Department of Corrections, the proposed new Iowa State Penitentiary at Fort Madison would include over 200 new maximum security beds. The facility would be built on land near an Iowa Prison Farm on the outskirts of Fort Madison.

Senate File 2432 creates the Prison Bonding Fund. The bill authorizes the treasurer to issue bonds for the fund. The treasurer will not sell bonds unless the bond rates and bond market is favorable.

In addition to the new prison facility, improvements will be made to the prisons at Mitchellville, Mt. Pleasant and Rockwell City, and for the expansion of the community-based correction system.

## Infrastructure Assistance for Businesses

Senate File 2325 would allow the use of up to \$5 million under the business assistance portion of the Grow Iowa Values Fund to be used for projects qualifying for assistance under the Physical Infrastructure Assistance (PIAP) program. The bill is designed to allow businesses to have a greater access to needed infrastructure assistance.

Applicants for the \$5 million would not have to meet the wage

threshold requirements of the Grow Iowa Values Fund, but the tenant would have to meet the requirements within three years. This is the standard time to meet such requirements for economic development projects.

In awarding funds through PIAP, the Department of Economic Development must give special consideration to projects that include significant physical infra-

structure components designed to increase property tax revenues to local governments.

The bill is designed to help Tech. Works of Waterloo since they received PIAP dollars to help build their facility, but will not directly be creating jobs. Although designed for Tech. Works, the bill will also help other Iowa projects. The bill took affect immediately after the Governor signed the bill.

## House Judiciary Addresses Multiple Issues

The 2008 Legislature addressed multiple judicial issues.

### **Statute of Limitations**

Senate File 2292 extends the time for filing a complaint with the Iowa civil rights commission from 180 days to 300 days. The bill brings the filing period for the Iowa civil rights commission more in line with federal requirements for filing a civil rights claim.

### **Military Custody**

Senate File 2214 creates new requirements on child custody or-

ders and physical care orders when a child's parent is serving on active military duty. The bill requires that a court entering a child custody or physical care order while a parent is serving on active duty may only enter a temporary order. When a parent returns from active duty, the court must reinstate the custody or physical care order that was in effect just before the parent was deployed.

Senate File 2214 also clarifies that in an application for modification of a child custody order, a parent's absence due to the parent's

active duty service does not constitute a substantial change in circumstances. Finally, a parent's absence due to active duty cannot be considered in making a determination regarding the best interest of the child in a custody or physical care order.

### **Private Cause of Action**

House File 2592 expresses the intent of the Legislature to protect consumers from fraud by providing a statutory protection for victims of consumer fraud. It was voted out of the House Judiciary Committee

along partisan lines, with all minority party members voting against the bill. Currently, only the Iowa Attorney General can bring consumer fraud cases in Iowa. House File 2592 never made it to the House floor for debate, but this did mark the first time it was voted out of committee.

### **Medical Copying Costs**

The Iowa Legislature addressed medical record copying

costs. The Legislature passed House File 2700, which sets the fee for the cost of producing medical records requested by a patient at the actual cost of producing the records. There have been some instances where the cost of obtaining medical records has been prohibitive.

In certain specific cases relating to a patient's mental health, substance abuse, or AIDS related condition, the patient cannot be

charged more than the rates set by the worker's compensation commissioner for medical record copies in worker's compensation cases.

A patient is also entitled to one free copy of the patient's complete billing statement and can only be charged the actual costs of postage or delivery charges for providing the statement.

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## **Unemployment Job Training and Fact Findings**

Under Senate File 2160, employers who do not participate in the initial fact-finding to determine eligibility for unemployment benefits, but who prevail upon appeal, will not recover overpayment charges paid to the claimant. An accounting firm or agent (but not an attorney) who represents an employer, and demonstrates a con-

tinuous pattern of failure to participate in the initial determinations, will be denied permission to represent any employers in unemployment insurance matters.

Iowa's system depends heavily upon fact finding hearings after the employer has made an initial protest. By participating in the initial fact finding, it will reduce over-

payments in unemployment benefits, reduce administration costs, and help all employers since the unemployment trust fund would benefit from fewer overpayments.

The bill increases fines related to unemployment insurance violations. The bill also creates fees when an employer bounces checks or fails to honor a subpoena.

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## **“CHAT” Bill Signed by Governor**

Under Senate File 2176, the development of Culture, History and Arts Teams, or CHAT, is created. This would enhance communication among and between local culture, history and arts organizations and between those local organizations and the Department of Cultural Affairs.

Supporters believe the development of these CHAT teams in all parts of the state will invigorate local organizations as they learn more about sister organizations in their own community. By enabling organizations to meet local colleagues working on similar activities, the capabilities of all of our

organizations are enhanced. Invigorated local organizations contribute to a vibrant cultural atmosphere in our state.

### **Civil War Sesquicentennial**

The bill also establishes a twenty-member citizen's advisory committee within the State Historical Society of Iowa to assist the Society in planning for the state's commemoration of the sesquicentennial of the American Civil War. This committee will sunset upon completion of the commemoration.

The committee will advise the Historical Society as it plans and implements commemorative activi-

ties and programs throughout the state. These activities may include creation of exhibitions, literature and films, and special events.

The Historical Society will be authorized to develop logos, and to hold copyrights and trademarks for interpretative materials. The Historical Society is already authorized to sell mementos and other items relating to Iowa history. Senate File 2176 authorizes the Historical Society to license logos and trademarks to private vendors as they prepare materials for sale through other venues

## More Iowans Eligible for State Disaster Aid

Starting July 1<sup>st</sup>, more Iowans will receive state assistance to replace property damaged by a storm. Governor Culver signed into law House File 2564, which expands the eligibility requirements and reimbursable amounts for the state's individual disaster aid assistance program.

Last year was the first year the State provided aid to Iowans if the Governor declares a disaster, such as a winter storm, flooding, or a tornado. The grants are provided to low-income Iowans to reimburse the costs of repairs of storm-damaged property, home repair,

temporary housing, and food. Up to \$1 million a year is authorized for this disaster aid program.

House File 2564 increases eligibility from an annual income of 130% of the federal poverty level to 200% of the federal poverty level. This means individuals with an income of up to \$20,800 or a family of four with an income of up to \$42,400 will now be eligible for state assistance.

The bill also increases the maximum grant award from \$3,319 to \$5,000, with uninsured structure repair allowable up to the maximum of \$5,000. DHS noted that,

especially during recent flood events, the current awards were insufficient to repair non-insured structural damages like basement walls or foundations.

DHS said that in 2007, the Governor issued six disaster emergency proclamations. There were a total of 757 grant assistance applications with 694 qualifying for assistance. A total of just over \$300,000 was provided in grant assistance to Iowans harmed by winter storms, tornados, or flooding.

## House Considers New Transportation Policies

The 2008 Legislature passed several pieces of legislation to improve or enhance transportation policies in Iowa.

### **Electronic Payments**

House File 2196 requires the Department of Transportation (DOT) to study the feasibility of offering electronic payment methods, such as credit cards, at DOT locations. The DOT must review the current payment methods at DOT locations and then to consider electronic payment methods at those same locations. A report on their finding is due to the House Transportation Committee by December 31, 2008.

### **Private University Plates**

As part of the Department of Transportation policy bill, House File 2651, a new four year private college or university special license plate is created. Any private college or university in the state can submit an application to the DOT to have a special license plate, similar to the plates currently offered for state universities, created. Once an application has been submitted, the DOT will work with the applying institution to design a license plate that displays the colors associated with that university.

The new license plates will cost \$25, in addition to the regular annual fee, and the plates can be personalized. New policy language

also allows the new private college or university plate, as well as the current state university license plates, to be displayed on not only motor vehicles, but also on motor trucks, motor homes, and multipurpose vehicles.

### **Alternative Energy**

House File 2651 allows the Department of Transportation to issue annual and single-trip highway permits for cranes transported on Iowa roads for use in the construction of alternative energy facilities. The bill allows for multi-trip permits for the movement of oversize and overweight vehicles used at alternative energy construction sites or staging areas.

## Governor Signs Deer Bill That Helps Farmers/Hunters

Governor Culver signed Senate File 2328, which establishes a depredation management program to help farmers address the problems

they're having from deer. The Legislature wanted to make sure this legislation started immediately so it went into effect upon his sig-

nature, which was Tuesday, April 8<sup>th</sup>.

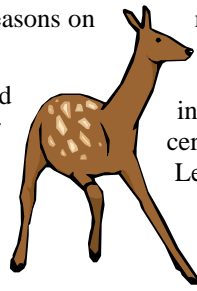
Senate File 2328 requires the Department of Natural Resources

(DNR) to make deer depredation hunting licenses available to resident hunters. These licenses allow the hunting of does on farmers' property during the hunting seasons.

A landowner who incurs crop, horticultural product, tree, or nursery damage in excess of \$1,000 or more, due to wildlife, is to enter into a depredation management agreement with DNR. The producers will be issued a set number of licenses from the department. These licenses are available to hunters for that farmer's property.

Deer shooting permits must also be available from DNR. These permits may be used outside the established deer hunting seasons on the farmers' property.

DNR is also required to develop a master hunter program and maintain a list of master hunters who are available to assist producers with hunting does on their property.



Finally, the bill establishes a deer study advisory committee to study the best way to maintain a

sustainable, socially acceptable deer population in Iowa, while maximizing and balancing the economic value of deer hunting to Iowa's economy with the needs of the agricultural industry and public safety concerns. A final report is due to the Legislature by January 10, 2009.

## Lottery Games for Veterans Trust Fund

House File 2359 directs the Iowa Lottery to create two additional scratch and pull-tab games annually with the profits dedicated to veterans, their spouses, and dependents. The Lottery estimates that these additional games would generate approximately \$3 million a year.

The bill dedicates these lottery ticket profits to the Veterans Trust Fund, until the fund reaches a balance of \$50 million or more. Once the trust fund is filled, the remaining moneys are appropriated to the county directors of veteran affairs. The funds are distributed to the

counties 50% equally to each county and 50% based on population.

The Veterans Affairs Commission is currently authorized to expend the interest earned on the Veterans Trust Fund, as long as a \$5 million balance is maintained, for the following purposes:

- Travel expenses for wounded veterans directly related to follow-up medical care.
- Job training or college tuition assistance for job retraining.
- Unemployment assistance dur-

ing a period of unemployment due to prolonged physical or mental illness or disability resulting from military service.

- Expenses related to nursing facility or at-home care.
- Benefits provided to children of disabled or deceased veterans.
- Individual or family counseling programs.
- Family support group programs or programs for children of members of the military.
- Honor guard services.

## Livestock Odor Mitigation Study

House File 2688 establishes an odor research and air modeling study to reduce odor emitted from livestock operations and to better address siting concerns. The bill requires Iowa State University to consult with the Department of Natural Resources and the Department of Agriculture and Land Stewardship to establish and administer on-site research efforts to mitigate odor emitted from livestock operations involving swine,

beef or dairy cattle, chickens, or turkeys.

This study would apply basic research on the farms to determine what technologies would help reduce odor. The bill also requires certain livestock producers to conduct an evaluation of their site through an air model developed by Iowa State University. This could be as easy as filling out a questionnaire on the internet, to having an ISU specialist come to their farm and assist the producer with the

evaluation, or to actually completing a full community-based odor assessment model developed by ISU. The information from this evaluation would only be used as part of the odor mitigation study.

Iowa State University, the Department of Natural Resources, and the Department of Agriculture and Land Stewardship established a five-year comprehensive research plan to address the livestock odor issue. House File 2688 puts in place the parameters for imple-

menting this joint proposal. This five-year plan comes with a total

cost of \$22.8 million. The bill es-

tablishes the study but does not fund it

## Incentives Adopted to Attract Microsoft to Iowa

House File 2233 offers tax incentives to attract Microsoft, one of the world's biggest computer technology firms, to Iowa. Specifically, the bill exempts computers and related equipment needed to operate a web search portal and the electricity and fuel needed to run the portal.

Similar incentives adopted last year successfully lured the Google Company to build a \$600 million data center in Council Bluffs. These incentives are similar to those long offered to manufacturers. It only makes sense to offer them to attract cutting edge, high-tech, high-wage jobs of the future.

In order to qualify for the incentives, a company must invest at least \$200 million in Iowa within six years of beginning operation. Failure to meet 80% of this commitment within six years will trigger repayment of all incentives.

## New State Regulation of Foreclosure Consultants

House File 2653 regulates foreclosure consultants, who offer to help homeowners avoid foreclosure. The bill prohibits them from:

- Being paid until all services are performed or from taking a lien, wage assignment, or other security to ensure payment.
- Taking third-party payment for services, unless disclosed.
- Acquiring interest in a home from an owner with whom the consultant contracted.

- Getting power of attorney from an owner, except to inspect documents as provided by law.
- Taking payment to renegotiate a loan or real estate contract without successfully doing so.
- Trying to prohibit the borrower from contacting any lender, servicer, government entity, or any other person helping the consumer.

A foreclosure reconveyance is the transfer of title by the homeowner with a later transfer back to that homeowner after completion of foreclosure proceedings. The bill prohibits a foreclosure consultant

from entering into a foreclosure reconveyance unless the buyer verifies that the homeowner has a reasonable ability to pay for the reconveyance.

In addition, the buyer and homeowner must complete a real estate closing, if the buyer gets a deed or mortgage. The buyer must get written consent for taking any interest in the property while the homeowner maintains any interest. Finally, the buyer must comply with federal requirements for disclosure, loan terms, and foreclosure.

## Election Bill Signed by Governor Culver

There is growing concern that the number of special elections in Iowa is increasing. This, in turn, increases the costs to taxpayers. To alleviate this problem, the legislature has passed a bill to limit the number of times special elections can be held.

House File 2620 received bipartisan support in both the House and Senate. It has been signed into law by Governor Culver.

According to the Secretary of State's office, there have been 409 special elections in the state since January 2006. Polk County taxpayers alone have spent more than \$1 million on elections since January 2006 – more than one-third has been spent on 16 special elections at a cost of \$334,059. Linn County has held 12 special elections since 2006 costing taxpayers \$106,602.

This bill sets specific dates when special election can be held. These are as follows:

- **School districts and merged areas:** In even-numbered years on the first Tuesday in February, the first Tuesday in April, the second Tuesday in September, or the first Tuesday in December. In the odd-numbered years, on the first Tuesday in February, the first Tuesday in April, the last Tuesday in June,

or the second Tuesday in September.

- **Cities and Counties:** May hold special elections on the first

Tuesday in March, May, August and November.

This requirement applies to elections held on or after January 1, 2009.

## Sex Offenders Banned from Child Care Centers

Legislation banning registered sex offenders convicted of a criminal or sexually violent offense against a minor from entering a child care home or day care facility now awaits the Governor's signature.

House File 2700 contains this loitering-type law, which prohibits an offender on the sex offender registry from entering the property of a child care provider or preschool, unless the registrant is dropping off or picking up his/her child, responding to a health or behavioral emergency regarding his/her child, summoned to discuss the developmental activity or social progress of his/her child, or voting (if the child care provider or day care is a voting precinct). Violations are an aggravated misdemeanor (maximum two years in prison and \$6,250 fine).

The bill also increases the penalty for indecent contact with a child from an aggravated misdemeanor to a class D felony (maximum five years in prison and \$7,500 fine). The penalty of lascivious conduct with a minor is also increased from a serious misdemeanor (maximum one year in prison and \$1,875 fine) to an aggravated misdemeanor (maximum two years in prison and \$6,250 fine).

### Research Council

Senate File 2036 makes the current task force that makes recommendations to the Legislature for treating and supervising sex offenders in prison and in the community a permanent council. The new Sex Offender Research Council will examine all Iowa sex offender sentencing policies, be-

yond what was currently required of the task force. Examples include residency restrictions and the effectiveness of safe zones, efforts to prevent sex abuse related crimes including child sex abuse, computer/internet related sex crimes, and other issues related to the sex offender registry. The bill also expands the duties to include juvenile sex offender issues.

### Sex Offender Monitoring

The Legislature is also providing an additional \$1 million for parole and probation officers to supervise and treat sex offenders, and to the command center in Des Moines that monitors the global positioning system (GPS) tracking devices for parolees.

## Commission on Native American Affairs Established

A new Commission on Native American Affairs is established under Senate File 2400. The newly created commission is under the Department of Human Rights along with other commissions which have been established over the years to ensure that every Iowan is equally protected and respected.

The bill sets up an eleven-member commission appointed by the Governor and confirmed by the Senate.

The purpose of the commission is to work with tribal governments, Native American groups, and Native American persons in this state in the areas of human

rights, access to justice, economic equality, and the elimination of discrimination.

In addressing the committee, Rep. Mary Mascher (D-Iowa City) stated that this is a great day when we are able to establish a commission that recognizes the first Iowans.

## Bouncer Bill Goes to Governor

The Iowa House and Senate have approved a bill requiring individuals designated as security personnel employed by bars and tav-

erns to be trained in special security techniques.

Under House File 901, a pilot project is established in Polk

County that requires bars and taverns with an occupancy of at least 200 and that charge a cover charge of at least \$5.00 to employ at least

one person trained in security techniques.

The training covers techniques for safely removing people from the premises, de-escalation, use of force, anger management, civil rights, and recognition of fake IDs.

The training course will be conducted by the Labor Commis-

sioner and a \$50 fee may be charged to those taking the training.

The pilot project sunsets June 30, 2011. A report is due to the Legislature on January 1, 2011, concerning the effectiveness of the pilot project and any recommendations for legislative action to either expand or modify the pilot project.

The bill is a result of the death of Charles Lovelady a few years ago. Mr. Lovelady was asked to leave a bar, even though he had been admitted and was in the establishment for a period of time, because he was wearing a “hoodie”, a shirt with a hood attached to it. Mr. Lovelady died as the result of the actions of the security personnel.

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## Council on Homelessness

Senate File 2161 makes permanent the Council on Homelessness. The council is to study the effects and causes of homelessness, especially because of the current housing crisis that is affecting the nation.

Governor Vilsack originally created the council by Executive Order in 2003. Senate File 2161 would create the council under law. It would consist of 26 members of the public appointed to two-year staggered terms by the governor.

The council may establish other committees and subcommittees comprised of members of the council, but there are seven tasks assigned to the council including advising the Governor, state agencies and the Iowa Finance Authority on homeless issues. In addition, the council shall work to identify causes and effects of homelessness and increase awareness among policymakers and the general public.

Specific items for the council to study include housing issues for low-income seniors and persons with disabilities, including mental illness, substance abuse disorders, and AIDS. They would also look at transportation issues to and from work for low and moderate income people, affordable rental housing, and issues related to affordable financing for a house.

Governor Culver has signed the bill into law.