

*State of Iowa*

**JOURNAL  
OF THE SENATE**

**EIGHTIETH  
GENERAL ASSEMBLY**

**2003 REGULAR AND  
EXTRAORDINARY SESSION**

**Volume I**

**MARY KRAMER, President of the Senate  
MICHAEL E. MARSHALL, Secretary of the Senate**

Published by the  
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Des Moines



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EIGHTIETH GENERAL ASSEMBLY  
2003 Regular Session

OFFICERS OF THE SENATE

MARY KRAMER, <i>President</i> .....	Clive
JEFF ANGELO, <i>President Pro Tempore</i> .....	Creston
STEWART E. IVERSON, JR., <i>Majority Leader</i> .....	Dows
NANCY BOETTGER, <i>Assistant Majority Leader</i> .....	Harlan
E. THURMAN GASKILL, <i>Assistant Majority Leader</i> .....	Corwith
NEAL SCHUERER, <i>Assistant Majority Leader</i> .....	Amana
KEN VEENSTRA, <i>Assistant Majority Leader</i> .....	Orange City
MARK ZIEMAN, <i>Assistant Majority Leader</i> .....	Postville
MICHAEL E. GRONSTAL, <i>Minority Leader</i> .....	Council Bluffs
JOE BOLKCOM, <i>Assistant Minority Leader</i> .....	Iowa City
MIKE CONNOLLY, <i>Assistant Minority Leader</i> .....	Dubuque
JOHN P. “JACK” KIBBIE, <i>Assistant Minority Leader</i> .....	Emmetsburg
AMANDA RAGAN, <i>Assistant Minority Leader</i> .....	Mason City
MICHAEL E. MARSHALL, <i>Secretary of the Senate</i> .....	West Des Moines
TOM ASHWORTH, <i>Majority Caucus Research Analyst</i> .....	West Des Moines
ERIC BAKKER, <i>Administrative Assistant to Minority Leader</i> .....	Des Moines
BECKY BEACH, <i>Administrative Assistant to President of the Senate</i> .....	Des Moines
STACY BEATTIE, <i>Administrative Secretary to Secretary of the Senate</i> .....	Runnells
KANN BRANDT, <i>Senior Journal Editor</i> .....	Ankeny
LORI BRISTOL, <i>Confidential Secretary to Secretary of the Senate</i> .....	Cumming
JOSH BRONSINK, <i>Majority Caucus Research Analyst</i> .....	West Des Moines
LOIS BROWNELL, <i>Finance Officer</i> .....	Des Moines
JERRY CARLSON, <i>Doorkeeper</i> .....	Des Moines
SVEND A. CHRISTENSEN, <i>Postmaster</i> .....	Des Moines
CYNTHIA A. CLINGAN, <i>Senior Assistant Secretary of the Senate</i> .....	West Des Moines

STEPHEN CONWAY, <i>Minority Caucus Senior Research Analyst</i> .....	West Des Moines
TOM COPE, <i>Administrative Assistant to Majority Leader</i> .....	Des Moines
ANISSA COWLEY, <i>Majority Caucus Secretary/Research Assistant</i> .....	Des Moines
KATHLEEN CUROE, <i>Indexer/Records and Supply</i> .....	Des Moines
ALLISON DOHERTY, <i>Minority Caucus Secretary</i> .....	Urbandale
PAMELA DUGDALE, <i>Majority Caucus Senior Research Analyst</i> .....	West Des Moines
JENNIFER DUMAS, <i>Administrative Assistant to Majority Leader</i> .....	West Des Moines
JIM FRIEDRICH, <i>Majority Caucus Research Analyst</i> .....	Ankeny
BRIDGET GODES, <i>Minority Caucus Research Analyst</i> .....	Des Moines
JANET HAWKINS, <i>Journal Editor</i> .....	Bondurant
DAREN JAQUES, <i>Majority Caucus Research Analyst</i> .....	West Des Moines
CAROLANN JENSEN, <i>Majority Caucus Senior Research Analyst</i> .....	Osceola
DEBBIE KATTENHORN, <i>Administrative Assistant to Minority Leader</i> .....	Norwalk
THERESA L. KEHOE, <i>Minority Caucus Senior Research Analyst</i> .....	Des Moines
WILLIAM L. KRIEG, <i>Sergeant-at-Arms</i> .....	Des Moines
ROBERT LANGBEHN, <i>Doorkeeper</i> .....	Des Moines
JO ANN LARSON, <i>Switchboard Operator</i> .....	Indianola
LINDA LAURENZO, <i>Senior Finance Officer</i> .....	Clive
FRANK LOEFFEL, <i>Doorkeeper</i> .....	Des Moines
KAYE LOZIER, <i>Administrative Assistant to President of the Senate</i> .....	Des Moines
RUSTY MARTIN, <i>Minority Caucus Research Analyst</i> .....	Perry
PETER MATTHES, <i>Majority Caucus Research Analyst</i> .....	Ankeny
JACE MIKELS, <i>Minority Caucus Research Analyst</i> .....	Windsor Heights
JAY MOSHER, <i>Bill Clerk</i> .....	Milo
KATHY OLAH, <i>Senior Indexer</i> .....	West Des Moines
RON PARKER, <i>Minority Caucus Staff Director</i> .....	Newton
DICK ROSONKE, <i>Doorkeeper</i> .....	West Des Moines
TOM SHELDAHL, <i>Assistant Sergeant-at-Arms</i> .....	West Des Moines

JULIE T. SIMON, <i>Minority Caucus Research Analyst</i> .....	Des Moines
KIMBERLY STEENHOEK <i>Majority Caucus Communications Director</i> .....	West Des Moines
KERMIT A. TANNATT, <i>Doorkeeper</i> .....	Des Moines
MEGAN THOMPSON, <i>Assistant Journal Editor</i> .....	Ankeny
PAT WARD, <i>Majority Caucus Staff Director</i> .....	Clive
ANDY WARREN, <i>Administrative Assistant to Majority Leader</i> .....	West Des Moines
BOB WHITE, <i>Doorkeeper</i> .....	West Des Moines
TRICIA WILLEMSEN, <i>Assistant to Legal Counsel</i> .....	Johnston
KERRY WRIGHT, <i>Minority Caucus Research Analyst</i> .....	West Des Moines

#### JOINT EMPLOYEES OF THE SENATE AND HOUSE

MARK L. WILLEMSEN, <i>Facilities Manager</i> .....	Johnston
MARK S. LUNDBERG, <i>Conservation/Restoration Specialist</i> .....	Des Moines
SHAWNA S. PADGETT, <i>Security Secretary</i> .....	Norwalk
NICKOLAS S. BROWN, <i>Security Officer</i> .....	Des Moines
RICHARD C. CLEMENS, JR., <i>Security Officer</i> .....	Granger
RICHARD A. CRAWFORD, <i>Security Officer</i> .....	Des Moines
MARSHALL T. IRWIN, <i>Security Officer</i> .....	Des Moines
CARL E. LAMI, <i>Security Officer</i> .....	Grimes
MAHLON Y. LAMP, <i>Security Officer</i> .....	Atlantic
STEVEN D. MARSH, <i>Security Officer</i> .....	Madrid
ROY E. PARADISE, <i>Security Officer</i> .....	Des Moines
TRUDY L. PAULSON, <i>Security Officer</i> .....	Des Moines
ROBERT J. PORTER, <i>Security Officer</i> .....	Osceola
JUDITH A. SALIER, <i>Security Officer</i> .....	Monroe
KERT J. SCHNELL, <i>Security Officer</i> .....	Newton

**ELECTED STATE OFFICIALS**

Official Address: Des Moines, Iowa

THOMAS J. VILSACK, <i>Governor</i> .....	Mt. Pleasant
SALLY J. PEDERSON, <i>Lieutenant Governor</i> .....	Des Moines
CHET CULVER, <i>Secretary of State</i> .....	West Des Moines
DAVID A. VAUDT, <i>Auditor of State</i> .....	West Des Moines
MICHAEL L. FITZGERALD, <i>Treasurer of State</i> .....	West Des Moines
PATTY JUDGE, <i>Secretary of Agriculture</i> .....	Albia
TOM MILLER, <i>Attorney General</i> .....	Des Moines

**JUSTICES OF THE IOWA SUPREME COURT**

LOUIS A. LAHORATO, <i>Chief Justice</i> .....	Des Moines
MARK S. CADY, <i>Justice</i> .....	Fort Dodge
JAMES H. CARTER, <i>Justice</i> .....	Cedar Rapids
J. L. LARSON, <i>Justice</i> .....	Harlan
LINDA K. NEUMAN, <i>Justice</i> .....	LeClaire
MICHAEL J. STREIT, <i>Justice</i> .....	Chariton
MARSHA K. TERNUS, <i>Justice</i> .....	Des Moines

**JUDGES OF THE IOWA COURT OF APPEALS**

ROSEMARY SHAW SACKETT, <i>Chief Judge</i> .....	Okoboji
LARRY J. EISENHAUER, <i>Judge</i> .....	Ankeny
DARYL L. HECHT, <i>Judge</i> .....	Sioux City
TERRY L. HUITINK, <i>Judge</i> .....	Ireton
ROBERT E. MAHAN, <i>Judge</i> .....	Waterloo
JOHN C. MILLER, <i>Judge</i> .....	Burlington
ANURADHA VAITHESWARAN, <i>Judge</i> .....	Des Moines
GAYLE NELSON VOGEL, <i>Judge</i> .....	Knoxville
VAN D. ZIMMER, <i>Judge</i> .....	Vinton

## MEMBERS OF THE SENATE

EIGHTIETH GENERAL ASSEMBLY  
2003 REGULAR SESSION

(Xs refer to extraordinary sessions.)

**JEFF ANGELO**

Address ..... Creston  
 Age ..... 38  
 Occupation ..... Media Consultant  
 Senatorial District ..... 48—Adams, Clarke, Decatur, Montgomery  
 Ringgold, Taylor, Union  
 Former Legislative Service ..... 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**DARYL BEALL**

Address ..... Fort Dodge  
 Age ..... 56  
 Occupation ..... Journalist  
 Senatorial District ..... 25—Calhoun, Greene, Webster  
 Former Legislative Service ..... None

**JERRY BEHN**

Address ..... Boone  
 Age ..... 48  
 Occupation ..... Farmer/Agribusiness  
 Senatorial District ..... 24—Boone, Dallas  
 Former Legislative Service ..... 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**DENNIS H. BLACK**

Address ..... Grinnell  
 Age ..... 63  
 Occupation ..... Conservationist  
 Senatorial District ..... 21—Jasper, Polk  
 Former Legislative Service ..... 70, 71, 72, 72X, 72XX, 73, 74, 74X, 74XX,  
 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**NANCY BOETTGER**

Address ..... Harlan  
 Age ..... 59  
 Occupation ..... Farmer/Former Educator  
 Senatorial District ..... 29—Adair, Audubon, Cass, Guthrie,  
 Pottawattamie, Shelby  
 Former Legislative Service ..... 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**JOE BOLKCOM**

Address ..... Iowa City  
 Age ..... 46  
 Senatorial District ..... 39—Johnson  
 Former Legislative Service ..... 78, 79, 79X, 79XX, 79XXX, 79XXXX

**BOB BRUNKHORST**

Address ..... Waverly  
 Age ..... 36  
 Occupation ..... Computer Analyst  
 Senatorial District ..... 9—Black Hawk, Bremer, Butler, Fayette  
 Former Legislative Service ..... 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**MIKE CONNOLLY**

Address ..... Dubuque  
 Age ..... 57  
 Occupation ..... Legislator  
 Senatorial District ..... 14—Dubuque  
 Former Legislative Service ..... 68, 69, 69X, 69XX, 70, 71, 72, 72X, 72XX,  
 73, 74, 74X, 74XX, 75, 76, 77, 78,  
 79, 79X, 79XX, 79XXX, 79XXXX

**THOMAS G. COURTNEY**

Address ..... Burlington  
 Age ..... 55  
 Occupation ..... Retired  
 Senatorial District ..... 44—Des Moines, Louisa, Muscatine  
 Former Legislative Service ..... None

**DICK L. DEARDEN**

Address ..... Des Moines  
 Age ..... 64  
 Occupation ..... Retired, Job Developer—5th Judicial District  
 Senatorial District ..... 34—Polk  
 Former Legislative Service ..... 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**WILLIAM A. DOTZLER, JR.**

Address ..... Waterloo  
 Age ..... 53  
 Occupation ..... Machine Operator/Labor Representative  
 Senatorial District ..... 11—Black Hawk  
 Former Legislative Service ..... 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**RICHARD F. DRAKE**

Address ..... Muscatine  
 Age ..... 75  
 Occupation ..... General Farming  
 Senatorial District ..... 40—Cedar, Johnson, Muscatine  
 Former Legislative Service ..... 63, 64, 65, 66, 67, 67X, 68, 69, 69X, 69XX,  
 70, 71, 72, 72X, 72XX, 73, 74, 74X, 74XX,  
 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**ROBERT E. DVORSKY**

Address ..... Coralville  
 Age ..... 54  
 Occupation ..... Job Developer, 6th District—Dept. of Correctional Services  
 Senatorial District ..... 15—~~Johnson~~, Linn  
 Former Legislative Service ..... 72, 72X, 72XX, 73, 74, 74X, 74XX,  
 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**GENE FRAISE**

Address ..... Fort Madison  
 Age ..... 70  
 Occupation ..... Farmer  
 Senatorial District ..... 46—Henry, Lee  
 Former Legislative Service ..... 71(2nd), 72, 72X, 72XX, 73, 74, 74X, 74XX, 75, 76,  
 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX  
 (Elected in special election held on January 7, 1986.)

**E. THURMAN GASKILL**

Address ..... Corwith  
 Age ..... 67  
 Occupation ..... Farmer  
 Senatorial District ..... 6—Cerro Gordo, Franklin, Hancock, Winnebago, Worth  
 Former Legislative Service ..... 77(2nd), 78, 79, 79X, 79XX, 79XXX, 79XXXX  
 (Elected in special election held on February 3, 1998.)

**MICHAEL E. GRONSTAL**

Address ..... Council Bluffs  
 Age ..... 52  
 Senatorial District ..... 50—Pottawattamie  
 Former Legislative Service ..... 70, 71, 72, 72X, 72XX, 73, 74, 74X, 74XX, 75, 76  
 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**JACK HATCH**

Address ..... Des Moines  
 Age ..... 52  
 Occupation ..... Real Estate Developer  
 Senatorial District ..... 33—Polk  
 Former Legislative Service ..... 71, 72, 72X, 72XX, 73, 74, 74X, 74XX,  
 79, 79X, 79XX, 79XXX, 79XXXX

**JACK HOLVECK**

Address ..... Des Moines  
 Age ..... 59  
 Occupation ..... Attorney  
 Senatorial District ..... 32—Polk  
 Former Legislative Service ..... 69, 69X, 69XX, 70, 71, 72, 72X, 72XX,  
 73, 74, 74X, 74XX, 75, 76, 77, 78,  
 79, 79X, 79XX, 79XXX, 79XXXX

**WALLY E. HORN**

Address ..... Cedar Rapids  
 Age ..... 69  
 Occupation ..... Legislator  
 Senatorial District ..... 17—Linn  
 Former Legislative Service ..... 65, 66, 67, 67X, 68, 69, 69X, 69XX, 70, 71,  
 72, 72X, 72XX, 73, 74, 74X, 74XX, 75, 76,  
 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**JULIE M. HOSCH**

Address ..... Cascade  
 Age ..... 63  
 Occupation ..... Farmer  
 Senatorial District ..... 16—Delaware, Dubuque, Jones  
 Former Legislative Service ..... None

**HUBERT HOUSER**

Address ..... Carson  
 Age ..... 60  
 Occupation ..... Farmer  
 Senatorial District ..... 49—Fremont, Mills, Page, Pottawattamie  
 Former Legislative Service ..... 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**STEWART E. IVERSON, JR.**

Address ..... Dows  
 Age ..... 52  
 Occupation ..... Farmer  
 Senatorial District ..... 5—Franklin, Hamilton, Story, Webster, Wright  
 Former Legislative Service ..... 73(2nd), 74, 74X, 74XX, 75, 76, 77, 78,  
 79, 79X, 79XX, 79XXX, 79XXXX

(Elected in special election held on November 7, 1989.)

**DAVID JOHNSON**

Address ..... Ocheyedan  
 Age ..... 51  
 Senatorial District ..... 3—Clay, Dickinson, O'Brien, Osceola, Sioux  
 Former Legislative Service ..... 78, 79, 79X, 79XX, 79XXX, 79XXXX

**STEVE KETTERING**

Address ..... Lake View  
 Age ..... 58  
 Occupation ..... Community Banker  
 Senatorial District ..... 26—Buena Vista, Carroll, Crawford, Sac  
 Former Legislative Service ..... 78, 79, 79X, 79XX, 79XXX, 79XXXX

**JOHN P. “JACK” KIBBIE**

Address ..... Emmetsburg  
 Age ..... 73  
 Occupation ..... Farmer  
 Senatorial District ..... 4—Emmet, Humboldt, Kossuth,  
Palo Alto, Pocahontas, Webster  
 Former Legislative Service ..... 59, 60, 60X, 61, 62, 73, 74, 74X, 74XX, 75, 76,  
 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**MARY KRAMER**

Address ..... Clive  
 Age ..... 67  
 Senatorial District ..... 30—Polk  
 Former Legislative Service ..... 74, 74X, 74XX, 75, 76, 77, 78,  
 79, 79X, 79XX, 79XXX, 79XXXX

**KEITH A. KREIMAN**

Address ..... Bloomfield  
 Age ..... 47  
 Occupation ..... Attorney  
 Senatorial District ..... 47—Appanoose, Davis, Wapello, Wayne  
 Former Legislative Service ..... 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**JEFF LAMBERTI**

Address ..... Ankeny  
 Age ..... 40  
 Occupation ..... Attorney  
 Senatorial District ..... 35—Polk  
 Former Legislative Service ..... 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**CHARLES W. LARSON, JR.**

Address ..... Cedar Rapids  
 Age ..... 33  
 Occupation ..... Attorney  
 Senatorial District ..... 19—Linn  
 Former Legislative Service ..... 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**MARY LUNDBY**

Address ..... Marion  
 Age ..... 54  
 Senatorial District ..... 18—Linn  
 Former Legislative Service ..... 72, 72X, 72XX, 73, 74, 74X, 74XX, 75, 76,  
 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**MATT McCOY**

Address ..... Des Moines  
 Age ..... 36  
 Occupation ..... Vice President of Industry Relations  
 Senatorial District ..... 31—Polk  
 Former Legislative Service ..... 75, 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**LARRY McKIBBEN**

Address ..... Marshalltown  
 Age ..... 56  
 Occupation ..... Lawyer  
 Senatorial District ..... 22—Hardin, Marshall  
 Former Legislative Service ..... 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**PAUL McKINLEY**

Address ..... Chariton  
 Age ..... 55  
 Occupation ..... Businessman  
 Senatorial District ..... 36—Jasper, Lucas, Mahaska, Marion, Monroe  
 Former Legislative Service ..... 79, 79X, 79XX, 79XXX, 79XXXX



**NEAL SCHUERER**

Address ..... Amana  
 Age ..... 48  
 Occupation ..... Restaurateur  
 Senatorial District ..... 38—Iowa, Keokuk, Mahaska, Poweshiek, Tama  
 Former Legislative Service ..... 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**JOE M. SENG**

Address ..... Davenport  
 Age ..... 55  
 Occupation ..... Veterinarian  
 Senatorial District ..... 43—Scott  
 Former Legislative Service ..... 79, 79X, 79XX, 79XXX, 79XXXX

**JAMES A. SEYMOUR**

Address ..... Woodbine  
 Age ..... 63  
 Occupation ..... Hospital Administrator/CEO  
 Senatorial District ..... 28—Crawford, Harrison, Ida, Monona,  
 Pottawattamie, Woodbury  
 Former Legislative Service ..... None

**DOUG SHULL**

Address ..... Indianola  
 Age ..... 59  
 Occupation ..... Community Service, Retired  
 Senatorial District ..... 37—Dallas, Madison, Warren  
 Former Legislative Service ..... None

**BRYAN J. SIEVERS**

Address ..... New Liberty  
 Age ..... 42  
 Occupation ..... Farmer  
 Senatorial District ..... 42—Clinton, Scott  
 Former Legislative Service ..... 79, 79X, 79XX, 79XXX, 79XXXX

**ROGER STEWART**

Address ..... Preston  
 Age ..... 71  
 Occupation ..... Banker/Farmer  
 Senatorial District ..... 13—Clinton, Dubuque, Jackson  
 Former Legislative Service ..... None

**MAGGIE TINSMAN**

Address ..... Davenport  
 Age ..... 66  
 Occupation ..... Social Worker/Legislator  
 Senatorial District ..... 41—Scott  
 Former Legislative Service ..... 73, 74, 74X, 74XX, 75, 76, 77, 78,  
 79, 79X, 79XX, 79XXX, 79XXXX

**KEN VEENSTRA**

Address ..... Orange City  
 Age ..... 63  
 Occupation ..... Insurance Agent  
 Senatorial District ..... 2—Lyon, Plymouth, Sioux  
 Former Legislative Service ..... 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**STEVE WARNSTADT**

Address ..... Sioux City  
 Age ..... 34  
 Occupation ..... Legislator/National Guard  
 Senatorial District ..... 1—Woodbury  
 Former Legislative Service ..... 76, 77, 78, 79, 79X, 79XX, 79XXX, 79XXXX

**RON WIECK**

Address ..... Sioux City  
 Age ..... 58  
 Occupation ..... Insurance Agent  
 Senatorial District ..... 27—Cherokee, Plymouth, Woodbury  
 Former Legislative Service ..... None

**MARK ZIEMAN**

Address ..... Postville  
 Age ..... 57  
 Occupation ..... Farmer/Trucking Owner  
 Senatorial District ..... 8—Allamakee, Chickasaw, Howard, Winneshiek  
 Former Legislative Service ..... 79, 79X, 79XX, 79XXX, 79XXXX



# JOURNAL OF THE SENATE

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FIRST CALENDAR DAY  
FIRST SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, January 13, 2003

Pursuant to chapter two (2), sections two point one (2.1) and two point three (2.3), Code of Iowa, the 2003 Regular Session of the Eightieth General Assembly convened at 10:02 a.m. The Senate was called to order by President Mary Kramer.

Prayer was offered by the Reverend Ken Arendson, associate pastor of the Westminster Presbyterian Church in Des Moines, Iowa. He was the guest of President Kramer.

## OPENING REMARKS BY THE PRESIDENT OF THE SENATE

President Kramer addressed the Senate with the following remarks:

Good morning and welcome to this beautiful chamber. It has been restored to historic grandeur and at the same time prepared to be functional for today's deliberations. And for that we owe many people a real debt of gratitude. Specifically, the architects who researched what could be—and with a wonderfully innovative spirit combined history with preparation for the future. The craftsman—what skill it took for them to reclaim and refurbish the wood, the marble, the windows, the seating, the desks—all beautifully and lovingly restored. The Senate staff, who have continued to function among all the construction, and who have assisted in many decisions that will make our lives easier but preserve the deliberative process. And to our predecessors whose vision of preservation is now bearing fruit. Thank you all.

Today, as we complete the swearing-in process, we complete what is considered a miracle in many other parts of the world. Orderly elections. The people have spoken and they have given us an awesome responsibility. To represent our constituency and all of Iowa. And if this campaign and election cycle did nothing else, it created a consensus in Iowa—we must grow our economy. Status quo is an unacceptable vision for the future. A window of opportunity has been given to us. We must not squander it. The stakes are too high.

So let's not waste our time debating whether education or economic growth is our top priority. Instead, we will continue to invest in and to improve our education systems, but we work equally as hard to create "destinations", that is, jobs so there is a vision for the desired future for our young people in Iowa.

We must seek new questions. For instance, the same multiple choice question is raised every time the Medicaid program is discussed. When asked, how will we fix Medicaid?, five multiple choice answers are given—cut benefits, cut eligibility, cut provider payment, all of the above, or none of the above. Because none of these actually solve the problem, none of the above has been the answer. Let's ask a new question. What do the various customers being served by the Medicaid program need? Then we can look for new ways of providing those needs. This will require cooperation and collaboration, not name calling and fingerpointing. In other words, leadership. Harry Truman said, ". . . in periods where there is no leadership, society stands still. Progress occurs when courageous, skillful leaders seize the opportunity to change things for the better." We were elected to lead and we have opportunity to change things for the better.

Iowa has severe economic problems to be sure. But due to some unique structural foresight and some very difficult decision making over the past few years, our problems are not of the magnitude of many other states. We have a unique opportunity, if we are nimble and innovative enough, to create a business platform for growth that will vault us into a leadership position among the states and in the world.

We then have another opportunity—culminating in January 2004—when the caucus system will thrust us into the world limelight for several months. If we have made the changes we need to make, we will have a great story to tell, and the marketing and promotion opportunity provided during that time period can be priceless! The window of opportunity is short. Will we seize these opportunities for leadership?

The words to a song written for the Olympics several years ago say—"give me one moment in time to be more than I thought I could be—when all of my dreams are a heartbeat away and the answers are all up to me." We have been given our one moment in time.

Nelson Mandela, in his 1994 inaugural, provided these words—about the power and responsibility of each individual in relationship to their higher calling.

"Our deepest fear is not that we are inadequate. Our deepest fear is that we are powerful beyond measure. It is our light, not our darkness, that most frightens us. We ask ourselves, who am I to be brilliant, gorgeous, talented, and fabulous? Actually, who are you not to be? You are a child of God. Your playing small doesn't serve the world. There's nothing enlightening about shrinking so that other people won't feel insecure around you. You were born to make manifest the glory of God that is within us. It's not just in some of us; it's in everyone. And as we let our light shine, we unconsciously give other people permission to do the same. As we are liberated from our own fear, our presence automatically liberates others."

I believe we have a common vision for the desired future of Iowa. It is a vision of a vibrant and growing economy that provides great opportunity and preserves the values that serve us so well.

And so we begin.

## REMARKS BY THE MAJORITY LEADER

Senator Iverson addressed the Senate as follows:

I want to welcome all of you to the 2003 Legislative Session. This year's session will deal with many of the most pressing issues facing our state. One thing that I have learned as a legislator is that if the legislature tries to address all of the challenges facing Iowa, it will accomplish nothing. Therefore, to be successful, the legislature must set specific goals and identify the best way to accomplish those goals.

Three of the goals that I have heard expressed most in the time leading up to the start of the legislative session are (1) creating more wealth for all Iowans, (2) developing a stable financial future for state government, and (3) boosting student achievement in Iowa's classrooms. I think it is important to stress that these are not Republican goals, they are not Democrat goals, they are the goals of all Iowans. The key is how we go about accomplishing these goals.

Let's start with creating more wealth for all Iowans. A lot of Iowans are coming to the realization that we have to change how Iowans pay taxes. Our income, sales, and property tax systems are not set up in a way that promotes growth and creates wealth for all Iowans. We need to look at the things we tax and the things we don't tax, and ask "Does our tax on this activity significantly impact our ability to grow Iowa and create wealth?" We also need to look at those things we don't tax and ask "Why don't we tax these activities—is it because the activity promotes growth and creates wealth?" If the answer to that question is no, then maybe it is time we take the tax off of those things that promote growth and create wealth and instead tax those items that don't grow Iowa or create wealth.

This is a bold concept, especially for those items that we currently don't tax and yet don't provide much economic activity. But if we want to get Iowa growing again, then we must think boldly.

Another key to creating wealth for all Iowans is reinvigorating the Iowa Department of Economic Development. State government can't create jobs, but it can create opportunities for jobs to come to Iowa. Frankly, state government is failing in its efforts to lure good-paying jobs to Iowa—a job that is the responsibility of the Iowa Department of Economic Development. The legislature needs to establish some performance standards for this department, and if these performance measures are not met, then we need to look at another entity, maybe even a private entity, to run our job creation programs in state government.

And if we want to create more good-paying jobs in Iowa, we need to conduct a comprehensive review of how we regulate business in Iowa. Those regulations that are duplicative, outdated, or violate Iowa's commonsense tradition need to be eliminated. In addition to growing the economy, we have to develop a stable financial footing for

the future of state government. That starts by returning fiscal responsibility and common sense to the state budget process. Republicans are committed to working with Democrats to balance Iowa's budget, but we are not willing to violate our commitment to sound budgeting practices in order to get there. Balancing the budget requires tough choices and it means that no sacred cow can be ignored—just as we are doing with our tax code. We have to take a long look at our state labor costs and what steps can be taken to get these costs under control.

The Program Elimination Commission has generated a great deal of discussion regarding what areas of state government can be downsized or eliminated. This group of Iowans, which included Senators Mike Connolly and Neal Schuerer, put in a lot of thought and work into this very important issue, and we should give their report very serious consideration. Two of the most important areas that the commission identified were sentencing reforms and Medicaid cost-containment measures.

And, finally, this session will see us continue to focus on boosting student achievement in the classroom. There will be strong efforts made to eliminate inequities in funding provided to our schools, and there will be efforts to enhance the accountability of our local schools.

This may sound like a long list of goals and the task may seem daunting right now, but I know we are up to the task. I look forward to working with each and every one of you to make this a very productive session for the people of Iowa.

## REMARKS BY THE MINORITY LEADER

Senator Gronstal addressed the Senate as follows:

Thank you, Madam President.

Madam President and ladies and gentlemen of the Senate.

First of all, I'd like to welcome the new members, those of you that moved from the lower chamber to the upper chamber, those who won reelection last fall on the campaign trail, and the holdover senators who were lucky enough to have NOT been on the campaign trail last fall.

It is good to see all of you.

For the past two years, we have waded through an unprecedented fiscal crisis, resulting in deep cuts in services that are critical to many Iowa families.

Unfortunately, the past two years were also highlighted by unprecedented partisan bickering and a remarkable lack of bipartisan cooperation.

What I am hoping for this year is a change of heart. And this is not just wishful thinking.

History tells us that we are at our best in the Iowa Legislature when we sit down, resolve our differences, and move ahead with confidence and boldness.

When we are together and bold, the people of Iowa—whether they are Republican or Democrat—are the winners.

When we look back over the past few years, what are we proudest of?

- We can all be proud of the landmark legislation in 1999 that has resulted in smaller class sizes and—after a decade of slipping test scores—we are finally seeing increased student achievement. Iowa’s children and educators deserve our praise and respect for their progress.
- We broke new ground by creating the Senior Living Trust, which will result in more choices and a better quality of life for older Iowans.
- We came together to approve a Clean Water Initiative that is a model for other states hoping to clean up their drinking water with buffer strips and other innovative measures.
- In an effort to keep more of our best and brightest graduates in Iowa, we created dozens of new recreational and cultural opportunities with the Vision Iowa program.
- And let’s not forget last year’s bipartisan legislation that was designed to tackle the problem of factory farms and to ensure that the quality of life in rural Iowa is better protected for our children and grandchildren.

What’s the common theme for all those initiatives: All were broadly bipartisan measures that involved negotiations and discussions with the Governor’s office and legislators of both parties.

With a new Legislature, the election behind us, and improving fiscal news, we must resist the temptation to hunker down or “play it safe.”

Instead, I call on Republicans and Democrats in the Senate and House to work together to take the bold steps necessary this year to ensure that when this session is over, we can go home and honestly say, “I have made Iowa a better place to live!!!”

Democrats stand here today committed to work with you in a bipartisan way to solve this challenge. During the last campaign, Democrats *and* Republicans promised to address several core issues—including better jobs, better schools, ensuring public safety.

Now it is time for us to sit down and work together to make sure we fulfill ALL our common promises to the people of Iowa.

What Iowans want and need now is for us to solve problems, to be bold, and to make Iowa an even better place to live, work, and raise a family.

So, let’s get to work—together.

Thank you, Madam President.

### APPOINTMENT OF TEMPORARY SECRETARY OF THE SENATE

Senator Iverson moved that Michael E. Marshall be appointed as temporary Secretary of the Senate.

The motion prevailed by a voice vote, and Mr. Marshall appeared before the rostrum and was duly sworn to the oath of office.

### ADOPTION OF TEMPORARY RULES AND TEMPORARY COMPENSATION

Senator Iverson moved that the rules of the Senate and provisions for compensation adopted by the 79th General Assembly be adopted as the temporary rules and temporary compensation provisions for the 2003 Session of the Eightieth General Assembly.

The motion prevailed by a voice vote.

### ANNOUNCEMENT OF VACANCY

President Kramer announced that notification had been received from the office of Governor Vilsack of the following vacancy in the Senate:

District 26 – Steve King, resignation effective December 3, 2002.

### COMMITTEE ON CREDENTIALS

Senator Iverson moved that a committee of five be appointed as a committee on credentials.

The motion prevailed by a voice vote, and the Chair announced the appointment of Senators Tinsman, Chair; Miller, Behn, Dvorsky, and Black.

### RECESS

On motion of Senator Iverson, the Senate recessed at 10:25 a.m. until the completion of a meeting of the committee on credentials.

RECONVENED

The Senate reconvened at 10:28 a.m., President Kramer presiding.

REPORT OF THE COMMITTEE ON CREDENTIALS

MADAM PRESIDENT: We, your committee on credentials, respectfully report that we find the persons named in the attached copy of the certification of the Secretary of State duly elected to and entitled to seats in the Senate for the Eightieth General Assembly.

MAGGIE TINSMAN, Chair  
DAVID MILLER  
JERRY BEHN  
ROBERT E. DVORSKY  
DENNIS BLACK

STATE OF IOWA  
*Office of the*  
**Secretary Of State**  
CERTIFICATION

*To the Honorable Secretary of the Senate:*

I, CHESTER J. CULVER, Secretary of State of the State of Iowa, custodian of the files and records pertaining to elections in the state, do hereby certify that the State Canvassing Board has declared that at the General Election held on November 5, 2002, each of the following named persons in odd numbered districts were duly elected to the office of State Senator for the term of four years and those persons in even numbered districts for a term of two years beginning on the thirteenth day of January, 2003:

DISTRICTS

First .....	Steve Warnstadt
Second.....	Kenneth Veenstra
Third.....	David Johnson
Fifth.....	Stewart Iverson, Jr.
Seventh.....	Amanda Ragan
Eighth.....	Mark Ziemann
Ninth.....	Bob Brunkhorst
Eleventh.....	Bill Dotzler
Thirteenth.....	Roger Tabor Stewart
Fifteenth.....	Robert E. Dvorsky
Sixteenth.....	Julie Hosch
Seventeenth.....	Wally E. Horn
Nineteenth.....	Chuck Larson
Twentieth.....	John Putney
Twenty-first.....	Dennis H. Black
Twenty-third.....	Herman C. Quirnbach
Twenty-fifth.....	Daryl Beall

Twenty-seventh.....	Ron Wieck
Twenty-eighth.....	James Seymour
Twenty-ninth.....	Nancy Boettger
Thirtieth.....	Mary E. Kramer
Thirty-first.....	Matt McCoy
Thirty-third.....	Jack Hatch
Thirty-fourth.....	Dick L. Dearden
Thirty-fifth.....	Jeff Lamberti
Thirty-seventh.....	Doug Shull
Thirty-ninth.....	Joe Bolkom
Fortieth.....	Richard F. Drake
Forty-first.....	Maggie Tinsman
Forty-second.....	Bryan J. Sievers
Forty-third.....	Joe M. Seng
Forty-fourth.....	Thomas G. Courtney
Forty-fifth.....	David Miller
Forty-seventh.....	Keith A. Kreiman
Forty-ninth.....	Hubert Houser

I FURTHER CERTIFY that the State Canvassing Board has declared that at the General Election held on November 7, 2000, each of the following named persons was duly elected to the office of State Senator for the term of four years beginning on the eighth day of January 2001:

Fourth.....	John P. Kibbie
Sixth.....	E. Thurman Gaskill
Tenth.....	Donald B. Redfern
Twelfth.....	Kitty Rehberg
Fourteenth.....	Mike Connolly
Eighteenth.....	Mary Lundby
Twenty-second.....	Larry McKibben
Twenty-fourth.....	Jerry Behn
Twenty-sixth.....	Steve King
Thirty-second.....	Jack Holveck
Thirty-sixth.....	Paul McKinley
Thirty-eighth.....	Neal Schuerer
Forty-sixth.....	Eugene Fraise
Forty-eighth.....	Jeff Angelo
Fiftieth.....	Michael Gronstal

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Secretary of State at the Statehouse in Des Moines this seventh day of January, 2003.

(SEAL)

CHESTER J. CULVER  
Secretary of State

I hereby acknowledge receipt of the original copy of this document on this tenth day of January, 2003.

MICHAEL E. MARSHALL  
Secretary of the Senate

On motion of Senator Tinsman, the report was adopted by a voice vote, and the duly elected senators appeared before the bar of the Senate, were duly sworn, and subscribed their names to the oath of office.

#### ELECTION OF PRESIDENT

Senator Iverson placed in nomination the name of Senator Mary Kramer of Polk County as a candidate for the office of President of the Senate for the Eightieth General Assembly.

There being no further nominations, the Chair put the question to the Senate, and Senator Kramer was unanimously elected by a voice vote.

Senator Kramer was administered the oath of office by Chief Justice Louis A. Lavorato of the Iowa Supreme Court.

#### ELECTION OF PRESIDENT PRO TEMPORE

Senator Iverson placed in nomination the name of Senator Jeff Angelo of Union County as a candidate for the office of President Pro Tempore for the Senate for the Eightieth General Assembly.

There being no further nominations, the Chair put the question to the Senate, and Senator Angelo was unanimously elected by a voice vote.

The Chair announced the Senator Angelo had been elected President Pro Tempore of the Eightieth General Assembly.

The Chair requested that Senators Drake, Hosch, and Schuerer escort Senator Angelo to the rostrum.

Senator Angelo appeared, took the oath of office, and was congratulated and presented to the Senate by President Kramer.

Senator Angelo addressed the Senate with brief remarks and thanked the Senate for the honor of serving as President Pro Tempore.

## COMMITTEE TO NOTIFY THE GOVERNOR

Senator Iverson moved that a committee of five be appointed to notify the Governor that the Senate was organized and ready to receive any communication that he might be ready to transmit.

The motion prevailed by a voice vote, and the Chair announced the appointment of Senators Sievers, Chair; Ziemann, Lundby, Bolkcom, and Stewart.

## COMMITTEE TO NOTIFY THE HOUSE

Senator Iverson moved that a committee of five be appointed to notify the House of Representatives that the Senate was organized and ready for business.

The motion prevailed by a voice vote and the Chair announced the appointment of Senators Johnson, Chair; Houser, Wieck, Hatch, and Seng.

## COMMITTEE FROM THE HOUSE

A committee from the House appeared and notified the Senate that the House was duly organized and ready to receive any communication the Senate might be ready to transmit.

## ASSIGNMENTS OF SEATS IN THE PRESS GALLERY

Senator Iverson moved that the Secretary of the Senate be authorized to assign seats to the representatives of the news media and that appropriate badges be provided for their use.

The motion prevailed by a voice vote and the Secretary assigned the following:

### Seat No.

- 51 THE DES MOINES REGISTER: Jonathan Roos, Thomas Beaumont, Perry Beaman, Lynn Okamoto, Mark Siebert, David Yepsen, Tony Leys
- 52 THE ASSOCIATED PRESS: Mike Glover, David Pitt
- 53 WHO-AM RADIO: Richard Lee, Pat Curtis, Rachel Conradt, Dan Welk
- 54 RADIO IOWA NEWS NETWORK: O. Kay Henderson
- 55 SINGLE DAY VISITOR PRESS SEAT

- 56 IOWA LEGISLATIVE NEWS SERVICE: Thomas Hunt, Jack Hunt, Barbara Hunt
- 57 WOI-AM: Joyce Russell
- 58 THE CEDAR RAPIDS GAZETTE: Rod Boshart, James Lynch
- 59 BURLINGTON HAWKEYE: Kiley A. Miller, John Gaines
- 60 LEE ENTERPRISES DM BUREAU: Kathie Obradovich, Todd Dorman
- 61 DUBUQUE TELEGRAPH HERALD: Mary Rae Bragg
- 62 WATERLOO CEDAR FALLS COURIER: Charlotte Eby
- 63 KUNI RADIO: Jeneane Beck
- 64 KCCI-TV: Eric Hanson, Michelle Parker, Todd Magel, Geoff Greenwood, Judy Slate

GENERAL ASSIGNMENT

- FOX NEWS CHANNEL/CHICAGO BUREAU: Steve Brown, Yolanda Maggi, Robert Lee, Tom Jachman, Chris Becker, Jeff Goldblatt, Cherie Gazech, Svein Schwab, Glenn Wargo, Tom Ewing, Dustin Grudish
- IFPC RADIO NETWORK: Chad Thompson, Mike Hartwig
- IOWANEWS.NET: Gary Barrett
- IOWA STATE DAILY: Cavan Reagan, Jessica Graham, Kari Harapat
- KIMT-TV: Adam Sodersten, Danielle Williams, Shawn Harmsen, Justin Foss, Elisa Mangesho
- KWWL TELEVISION: Tami Wiencek, Dan De Roos, Crystal Britt, John Lauritsen, Laura Alper
- MARION TIMES: Dave Tapp, Sarah Morey
- WHO-TV: Dave Price, Patrick Dix
- WOI-TV: Jay Villwock, Don Schmith

APPOINTMENT OF PERMANENT OFFICERS AND EMPLOYEES

Senator Iverson asked and received unanimous consent to take up the following report of the committee on Rules and Administration:

MADAM PRESIDENT: Your committee on Rules and Administration begs leave to submit the names of the following individuals as permanent Officers and Employees of the Senate for the 2003 Session of the Eightieth General Assembly:

Secretary of the Senate .....Michael E. Marshall

Administrative

Confidential Secretary to the Secretary II ..... Lori Bristol  
 Administrative Secretary to the Secretary ..... Stacy Beattie  
 Senior Finance Officer II ..... Linda Laurenzo  
 Finance Officer II ..... Lois Brownell

Indexing

Sr. Indexer ..... Kathy Olah  
 Indexer II/Records and Supply ..... Kathleen Curoe

Journal

Sr. Editor ..... K'Ann Brandt  
 Editor I ..... Janet Hawkins  
 Assistant Editor ..... Megan Thompson

Legal Counsel

Assistant Secretary of the Senate ..... Cynthia A. Clingan  
 Assistant to the Legal Counsel ..... Patricia Willemsen

President of the Senate's Office

Sr. Administrative Assistant to Leader ..... Kaye Lozier  
 Sr. Administrative Assistant to Leader ..... Becky Beach

Majority Caucus

Sr. Administrative Assistant to Leader ..... Tom Cope  
 Administrative Assistant to Leader ..... Jennifer Dumas  
 Administrative Assistant to Leader III ..... Andy Warren  
 Caucus Staff Director ..... Patricia Ward  
 Secretary to Leader ..... Vicki Iverson  
 Sr. Legislative Research Analyst ..... Carolann Jensen  
 Sr. Legislative Research Analyst ..... Pamela Dugdale  
 Legislative Research Analyst I ..... Jim Friedrich  
 Legislative Research Analyst ..... Thomas Ashworth  
 Legislative Research Analyst ..... Joshua W. Bronsink  
 Legislative Research Analyst ..... Daren Jaques  
 Legislative Research Analyst ..... Peter Matthes  
 Legislative Research Analyst ..... Kimberly Steenhoek  
 Research Assistant ..... Anissa Cowley

Minority Caucus

Sr. Administrative Assistant to Leader ..... Eric Bakker  
 Confidential Secretary to Leader ..... Debbie Kattenhorn  
 Caucus Staff Director ..... Ron Parker  
 Sr. Legislative Research Analyst ..... Steve Conway  
 Sr. Legislative Research Analyst ..... Theresa Kehoe  
 Legislative Research Analyst I ..... Rusty Martin  
 Legislative Research Analyst I ..... Julie Simon  
 Legislative Research Analyst I ..... Kerry Wright  
 Legislative Research Analyst ..... Bridget Godes  
 Legislative Research Analyst ..... Jace Mikels  
 Secretary ..... Allison Doherty

Sergeant-at-Arms

Sergeant-at-Arms ..... Bill Krieg  
 Assistant Sergeant-at-Arms ..... Tom Sheldahl  
 Doorkeeper ..... Jerry Carlson

Doorkeeper .....	Robert Langbehn
Doorkeeper .....	Frank Loeffel
Doorkeeper .....	Dick Rosonke
Doorkeeper .....	Kermit Tannatt
Doorkeeper .....	Bob White

Services

Bill Clerk .....	Jay Mosher
Switchboard Operator .....	Jo Ann Larson
Postmaster .....	Svend Christensen

STEWART E. IVERSON, JR., Chair

Senator Iverson moved the adoption of the report and appointment of the permanent officers and employees of the Senate.

The motion prevailed by a voice vote, and the foregoing officers and employees appeared before the bar of the Senate and were duly sworn.

APPOINTMENT OF SENATE SECRETARIES

Senator Iverson asked and received unanimous consent to take up the following report of the committee on Rules and Administration:

MADAM PRESIDENT: Your committee on Rules and Administration begs leave to report the employment of the following individuals as secretaries to senators for the 2003 Session of the Eightieth General Assembly:

ASPENGREN, Mary Lou .....	McKINLEY, Paul
AUDLEHELM, John .....	QUIRMBACH, Herman
BOETTGER, David .....	BOETTGER, Nancy J.
BURNETT, Anne Marie .....	BLACK, Dennis H.
COURTNEY, Donna .....	COURTNEY, Thomas
COWDEN, Susan .....	DRAKE, Richard
DAVIS, Vicki .....	ZIEMAN, Mark
DIERENFELD, Judy .....	LUNDBY, Mary A.
ELMITT, Alyce .....	LAMBERTI, Jeff
FRAISE, Faye .....	FRAISE, Gene
FURLER, Jean .....	SHULL, Doug
GASKILL, Gerry .....	GASKILL, E. Thurman
GIBSON, Audrey .....	KREIMAN, Keith
HAUGE, Madonna .....	BEALL Daryl
HOFFMAN, Diane .....	HORN, Wally E.
HOUSER, Paula .....	HOUSER, Hubert M.
HUHN, Marce .....	BEHN, Jerry
IVERSON, Vicki .....	IVERSON, Stewart, Jr.
JESINA, LeAnn .....	McKIBBEN, Larry

JONES, Barbara .....	HOLVECK, Jack
KIBBIE, Kay.....	KIBBIE, John P. (Jack)
KOBERG, Katie.....	HOSCH, Julie
KOPACEK, Kim .....	REDFERN, Donald
LARSON, Ellen .....	LARSON, Charles W., Jr.
LARSON, John .....	DVORSKY, Robert E.
LONG, Jennifer.....	ANGELO, Jeff
MEYER, Amy .....	TINSMAN, Maggie
NELSON, William .....	BOLKCOM, Joe
OSWALD, Joel.....	MILLER, David
POTTHOFF, Dorothy.....	BRUNKHORST, Bob
PUTNEY, Emily .....	PUTNEY, John
RANDLEMAN, LuAnn .....	WARNSTADT, Steve
RYAN, John .....	HATCH, Jack
SENG, Heidi .....	SENG, Joe
SOURBEER, Virginia .....	JOHNSON, David
STEWART, Jennie .....	STEWART, Roger
THOMPSON, Nikki .....	DOTZLER, Bill
THROENER, Sara .....	McCOY, Matt
ULLEM, Martha.....	SIEVERS, Bryan J.
VEENSTRA, Jan .....	VEENSTRA, Ken
WALSMITH, Beverly .....	SCHUERER, Neal
WARREN, Ann .....	SEYMOUR, James
WENGERT, Joanne .....	DEARDEN, Dick L.
WEST, Jo Ann .....	CONNOLLY, Michael W.
WIECK, Carol.....	WIECK, Ron
WISE, Betty .....	REHBERG, Kitty
WISHMAN, Charles.....	RAGAN, Amanda

STEWART E. IVERSON, JR., Chair

Senator Iverson moved the adoption of the report and the appointment of the Senate secretaries.

The motion prevailed by a voice vote, and the foregoing Senate secretaries appeared before the bar of the Senate and were duly sworn.

#### REPORT OF THE COMMITTEE TO NOTIFY THE GOVERNOR

Senator Sievers reported that the committee assigned to notify the governor that the Senate was organized and ready for business had performed its duty.

The report was accepted, and the committee was discharged.

## APPOINTMENT OF PAGES

Senator Iverson asked and received unanimous consent to take up the following report of the committee on Rules and Administration:

MADAM PRESIDENT: Your committee on Rules and Administration begs leave to submit the names of the following persons as Pages for the Senate for the 2003 Session of the Eightieth General Assembly:

Erica Barbour, Gilbert  
Lucas Beenken, Belmond  
Michelle Burns, Maquoketa  
Craig Buske, Johnston  
Kenneth Doss, Milo  
Kristina Hauge, Boone  
Susan Hildebrand, Woolstock  
Kristin Irwin, Iowa Falls  
Abigail Kiernan, Sioux City  
Jenafer Kovacevich, Carlisle  
Hannah Mahan, Des Moines  
Kristy Palmer, Manchester  
Jaron Rosien, Washington  
Matthew Schwieger, Waterloo  
Eva Sersland, Rockwell City  
Brea Tschopp, Hartley  
Chelsea White, Des Moines  
JoAnna Woodley, Thompson

STEWART E. IVERSON, JR., Chair

Senator Iverson moved the adoption of the report and the appointment of the Senate Pages.

The motion prevailed by a voice vote, and the foregoing Senate Pages appeared before the bar of the Senate and were duly sworn to their oaths of office.

## REPORT OF THE COMMITTEE TO NOTIFY THE HOUSE

Senator Johnson reported that the committee assigned to notify the House that the Senate was organized and ready for business had performed its duty.

The report was accepted, and the committee was discharged.

### COMMITTEE ON MILEAGE

Senator Iverson moved that a committee of four be appointed as the committee on mileage.

The motion prevailed by a voice vote, and the Chair appointed as such committee Senators Veenstra, Chair; Seymour, Connolly, and Warnstadt.

### COMMITTEE ON CHAPLAINS

Senator Iverson moved that Senator Kramer be appointed as a committee of one to work with a Representative of the House in securing chaplains for the Senate during the Eightieth General Assembly, which motion prevailed by a voice vote.

### TELLERS OF JOINT CONVENTION

Senator Iverson moved that three members of the Senate be appointed to serve as tellers to assist in the canvassing of the vote for Governor and Lieutenant Governor at a joint convention to be held for such purpose.

The motion prevailed by a voice vote and the Chair appointed as such committee Senators Shull, McKibben, and McCoy.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on January 13, 2003, **adopted** the following resolutions in which the concurrence of the Senate is asked:

**House Concurrent Resolution 1**, a concurrent resolution designating a joint convention of the two houses of the 2003 session of the Eightieth General Assembly be held on Monday, January 13, 2003, at 1:30 p.m.

Read first time and **placed on calendar**.

**House Concurrent Resolution 2**, a concurrent resolution designating a joint convention of the two houses of the 2003 session of the Eightieth General Assembly be held on Wednesday, January 15, 2003, at 10:00 a.m.

Read first time and **placed on calendar**.

**House Concurrent Resolution 3**, a concurrent resolution relating to appointment of a joint inaugural committee.

Read first time and **placed on calendar**.

#### CONSIDERATION OF RESOLUTIONS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Concurrent Resolutions 1, 2, and 3.

#### **House Concurrent Resolution 1**

On motion of Senator Iverson, **House Concurrent Resolution 1**, a concurrent resolution designating a joint convention of the two houses of the 2003 session of the Eightieth General Assembly be held on Monday, January 13, 2003, at 1:30 p.m., was taken up for consideration.

Senator Iverson moved the adoption of House Concurrent Resolution 1, which motion prevailed by a voice vote.

#### **House Concurrent Resolution 2**

On motion of Senator Iverson, **House Concurrent Resolution 2**, a concurrent resolution designating a joint convention of the two houses of the 2003 session of the Eightieth General Assembly be held on Wednesday, January 15, 2003, at 10:00 a.m., was taken up for consideration.

Senator Iverson moved the adoption of House Concurrent Resolution 2, which motion prevailed by a voice vote.

**House Concurrent Resolution 3**

On motion of Senator Iverson, **House Concurrent Resolution 3**, a concurrent resolution relating to appointment of a joint inaugural committee, was taken up for consideration.

Senator Iverson moved the adoption of House Concurrent Resolution 3, which motion prevailed by a voice vote.

Pursuant to House Concurrent Resolution 3, duly adopted, the Chair appointed as such committee Senators Hosch, Zieman, and Putney on the part of the Senate.

SELECTION OF SEATS

The Chair announced the next order of business would be the selection of seats.

Senator Iverson moved that the holdover and reelected senators who participated in seat selection in 2002 be granted the privilege of selecting new seats in order of seniority from unassigned seats; that the reelected senators first elected during the 2002 session be granted the privilege of selecting their seats from the unassigned seats according to their seniority; that former members of the House of Representatives be granted the privilege of selecting their seats from the unassigned seats according to seniority; and that first, the Majority Floor Leader and the Minority Floor Leader be permitted to select their seats.

The motion prevailed by a voice vote.

The Secretary of the Senate called the roll, and seat selections were made as follows:

<u>NAME</u>	<u>SEAT NO.</u>
Angelo of Union.....	48
Beall of Webster.....	11
Behn of Boone .....	46
Black of Jasper.....	29
Boettger of Shelby.....	38
Bolkcom of Johnson .....	31
Brunkhorst of Bremer .....	6

Connolly of Dubuque .....	45
Courtney of Des Moines .....	7
Dearden of Polk.....	21
Dotzler of Black Hawk.....	5
Drake of Muscatine.....	40
Dvorsky of Johnson.....	47
Fraise of Lee.....	39
Gaskill of Hancock.....	36
Gronstal of Pottawattamie.....	37
Hatch of Polk.....	27
Holveck of Polk .....	23
Horn of Linn.....	43
Hosch of Jones.....	24
Houser of Pottawattamie .....	30
Iverson of Wright .....	42
Johnson of Osceola.....	14
Kibbie of Palo Alto.....	41
Kramer of Polk.....	8
Kreiman of Davis.....	35
Lamberti of Polk .....	16
Larson of Linn.....	10
Lundby of Linn.....	49
McCoy of Polk .....	15
McKibben of Marshall .....	34
McKinley of Lucas .....	26
Miller of Jefferson .....	22
Putney of Tama.....	12
Quirnbach of Story.....	3
Ragan of Cerro Gordo.....	33
Redfern of Black Hawk.....	44
Rehberg of Buchanan .....	20
Schuerer of Iowa .....	4
Seng of Scott.....	25
Seymour of Harrison .....	19
Shull of Warren.....	2
Sievers of Scott.....	32
Stewart of Jackson.....	13
Tinsman of Scott .....	50
Veenstra of Sioux.....	28
Warnstadt of Woodbury .....	9
Wieck of Woodbury .....	17
Zieman of Allamakee.....	18
Vacant .....	1

## RECESS

On motion of Senator Iverson, the Senate recessed at 11:45 a.m. until 1:30 p.m.

## AFTERNOON SESSION

The Senate reconvened at 1:40 p.m., President Kramer presiding.

## COMMITTEE FROM THE HOUSE

A committee from the House appeared and announced that pursuant to law the House was ready to receive the Senate in joint session for the purpose of canvassing the vote for the Governor and Lieutenant Governor.

President Kramer moved that the Senate proceed to the House chamber in accordance with House Concurrent Resolution 1, duly adopted.

The motion prevailed by a voice vote and the Senate proceeded to the House under the direction of the Secretary of the Senate and the Sergeant-at-Arms.

## JOINT CONVENTION

In accordance with law and concurrent resolution duly adopted, the joint convention was called to order at 1:40 p.m., President Kramer presiding.

Senator Iverson moved that the roll call be dispensed with and that the President of the joint convention be authorized to declare a quorum present, which motion prevailed by a voice vote.

President Kramer declared a quorum present and the joint convention duly organized.

## CANVASS OF VOTES

President Kramer announced that the time had arrived for the canvass of votes for the offices of Governor and Lieutenant Governor at the General Election held on November 5, 2002, and announced as teller on the part of the Senate, Senator Shull of Warren, and assistant tellers Senators McKibben of Marshall and Dvorsky of Johnson, and as teller on the part of the House, Representative

Carroll of Poweshiek, and assistant tellers, Representatives Upmeyer of Hancock and Jochum of Dubuque.

President Kramer further announced that, in accordance with statute, the six tellers just named would constitute the judges of said canvass.

The joint convention stood at ease at 1:46 p.m., until the fall of the gavel.

The returns were opened in the presence of the joint convention and the tellers then proceeded to canvass the vote for Governor and Lieutenant Governor of the State of Iowa, cast at the General Election held on November 5, 2002.

The joint convention resumed session at 2:04 p.m.

Representative Gipp moved that the joint convention recess until the fall of the gavel at 10:00 a.m. Tuesday, January 14, 2003.

The motion prevailed by a voice vote and the joint convention was recessed.

The Senate returned to the Senate chamber, President Kramer presiding.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 2:06 p.m. until 8:30 a.m. Tuesday, January 14, 2003.

**APPENDIX****COMMUNICATIONS RECEIVED**

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau during the 2002 interim, after the adjournment of the Second Extraordinary Session:

May 14, 2002

**OFFICE OF CITIZENS' AIDE OMBUDSMAN**

FY 2001 annual report — notification that the report in electronic form is available online.

May 31, 2002

**IOWA COMMUNICATIONS NETWORK**

FY 2001 annual report — notification that the report in electronic form is available online.

July 2, 2002

**OFFICE OF CONSUMER ADVOCATE**

Report on the estimates of the return of a local exchange carrier operating under price regulation, pursuant to Iowa Code chapter 476.

July 8, 2002

**IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION**

Homeland Defense Integration of Federal and State Networking Projects Agreement, pursuant to Iowa Code section 28E.8.

July 12, 2002

**IOWA ENERGY CENTER**

2001 Annual Report.

August 15, 2002

**IOWA ALCOHOLIC BEVERAGES DIVISION**

2001 Annual Report — notification that the report in electronic form is available online.

September 30, 2002

DEPARTMENT OF PERSONNEL

2002 Affirmative Action in Iowa report, pursuant to Iowa Code section 19B.5.

October 1, 2002

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

Renewable Fuels FY 2002 Annual Report — notification that the report in electronic form is available online.

October 3, 2002

DEPARTMENT OF PERSONNEL

Final report for 2002 regarding the early termination programs — notification that the report in electronic form is available online.

October 25, 2002

BOARD OF REGENTS

Annual report on the College Bound and IMAGES programs, pursuant to Iowa Code sections 262.92 and 269.93.

DEPARTMENT OF NATURAL RESOURCES

Energy Fund Disbursement Council Annual Report to the Governor and General Assembly.

November 12, 2002

CHILD ADVOCACY BOARD

Iowa Citizen Foster Care Review Board Annual Report for FY 2002, pursuant to Iowa Code section 237.18.

November 14, 2002

IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Review of Maintenance Contract, pursuant to Iowa Code section 8D.3.

November 19, 2002

DEPARTMENT OF TRANSPORTATION

Recycled Content Plastic Bag and Soy Inks Report for FY 2002, pursuant to Iowa Code section 307.21.

November 20, 2002

IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Five-Year Financial Plan for the Iowa Communications Network, pursuant to Iowa Code section 8D.3.

November 25, 2002

DEPARTMENT OF NATURAL RESOURCES

2001 Public Drinking Water Program Annual Compliance Report — notification that the report in electronic form is available online.

December 2, 2002

IOWA UTILITIES BOARD

2001 Annual Report, pursuant to Iowa Code sections 7A.1, 7A.10, and 476.16.

December 3, 2002

DEPARTMENT OF TRANSPORTATION

Report on Close-Clearance Conditions Near Railroad Tracks, pursuant to 2002 Acts, House File 2614.

Road Equipment Procurement and Utilization Study, pursuant to 2001 Acts, House File 324.

December 9, 2002

DEPARTMENT OF TRANSPORTATION

Midwest Regional Rail Passenger Initiative — notification that the report in electronic form is available online.

December 10, 2002

CHILD ADVOCACY BOARD

CASA Annual Report for FY 2002.

December 12, 2002

DEPARTMENT OF INSPECTIONS AND APPEALS

Annual Report for FY 2002, pursuant to Iowa Code section 7E.3 (4).

December 13, 2002

CHILD ADVOCACY BOARD

Report pertaining to the consolidation of the CASA program and the ICFCRB program, pursuant to 2002 Acts, Senate File 2325.

December 16, 2002

BOARD OF REGENTS

Annual report pertaining to the ISU land sale — notification that the report in electronic form is available online.

DEPARTMENT OF TRANSPORTATION

2003 – 2007 Transportation Improvement Program — notification that the report in electronic form is available online.

December 17, 2002

DEPARTMENT OF EDUCATION

Recommendations to the Legislature on the Pilot for Implementation of Career Path, pursuant to 2002 Acts, House File 2549.

December 18, 2002

DEPARTMENT OF EDUCATION

Team-Based Variable Pay: Report of the Iowa Pilot Project, pursuant to 2001 Acts, Senate File 476.

December 19, 2002

BOARD OF REGENTS

Report from the University of Iowa Hospital and Clinics to the General Assembly, pursuant to Iowa Code section 263A.13.

December 23, 2002

IOWA WORKFORCE DEVELOPMENT

2002 Iowa Workforce Development Annual Surcharge Office Report, pursuant to Iowa Code section 96.7.

December 27, 2002

**BOARD OF REGENTS**

Report on the Iowa Medicaid Pharmaceutical Case Management Program Evaluation, pursuant to 1999 Acts, chapter 203, section 7.15.

December 31, 2002

**PROGRAM ELIMINATION COMMISSION**

Final Report, pursuant to 2002 Acts, House File 2627, section 217.

January 7, 2003

**TREASURER OF STATE**

Annual report of the Tobacco Settlement Authority — notification that the report in electronic form is available online.

January 9, 2003

**IOWA UTILITIES BOARD**

Customer Contribution Fund Annual Report, pursuant to Iowa Code section 476.66.

January 10, 2003

**MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA**

Annual Report for the fiscal year ended June 30, 2002.

**AGENCY ICN REPORTS**

December 6, 2002

**IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

December 10, 2002

**DEPARTMENT OF TRANSPORTATION**

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

January 3, 2003

DEPARTMENT OF HUMAN SERVICES

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

January 6, 2003

DEPARTMENT OF EDUCATION

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

DIVISION OF VOCATIONAL REHABILITATION SERVICES

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

January 9, 2003

DEPARTMENT OF PUBLIC DEFENSE

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

RESIGNATIONS FROM OFFICE

The following resignations were received subsequent to the adjournment of the 2002 Session of the Seventy-ninth General Assembly:

December 3, 2002

Honorable Tom Vilsack  
Governor of Iowa  
Statehouse  
Des Moines, Iowa 50319

RE: Senate Resignation

Dear Governor Vilsack:

I have been elected by the great people of the Fifth Congressional District of Iowa to serve them in the United States Congress. Therefore, and in accordance with Iowa

Code chapter 69.4(2), I hereby submit my resignation from the Iowa Senate (District 26), effective as of today.

Although we have identified a number of philosophical disagreements over the years, we share a commitment to the people of this great state. As we carry out our respective duties, I trust that I will have your hand and ear as you have mine. We have each pledged to work to grow our economy. My focus will continue to be on transportation, education, and high-speed telecommunications. I pledge to work together on these and any issues that provide for a better future for our children and grandchildren.

The honor of my life has been my daily service to Iowans as a state senator. Service in the United States Congress cannot diminish that honor. I look forward to the upcoming years and the opportunity to build a network of cooperation from Washington, D.C., to Des Moines, and to Iowa's new Fifth Congressional District.

Respectfully,  
Senator Steve King  
Iowa Senate District 26  
Congressman-Elect, Iowa District #5

ALSO:

December 5, 2002

The Honorable Tom Vilsack  
Governor of Iowa  
Statehouse  
Des Moines, Iowa 50319

RE: Senate Resignation

Dear Governor Vilsack:

My appointment as interim director of the Department of General Services, State of Iowa, effective December 6, 2002, requires that I resign my position as State Senator. Therefore, and in accordance with Iowa Code chapter 69.4(2), I hereby submit my resignation from the Iowa Senate, District 22, effective at the end of the day today and with no break in service as an employee of the State of Iowa. It has been an honor to represent the people of Scott County and to work on issues important to the people of Iowa.

Sincerely,  
Patrick J. Deluhery

## REPORT OF THE COMMITTEE ON RULES AND ADMINISTRATION

MADAM PRESIDENT: Pursuant to Senate Concurrent Resolution 5, adopted by the Seventy-ninth General Assembly, 2001 Session, your committee on Rules and Administration submits the following names of officers and employees of the Senate for the Eightieth General Assembly, 2003 Session, and their respective classifications, grades, and steps:

		<u>CLASS</u>	<u>GRADE</u>	<u>STEP</u>
Secretary of the Senate	Mike Marshall	P-FT	\$96,179	annual
Sr. Assistant Secretary of the Senate	Cynthia A. Clingan	P-FT	41	6
Sr. Administrative Assistant to Leader	Tom Cope	P-FT	38	6
Administrative Assistant to Leader III	Andy Warren	P-FT	35	2
Administrative Assistant to Leader	Jennifer Dumas	P-FT	27	3
Secretary to Leader	Vicki Iverson	S-O	19	2
Sr. Administrative Assistant to President	Kaye Lozier	P-FT	38	6
Sr. Administrative Assistant to President	Becky Beach	P-FT	38	6
Sr. Administrative Assistant to Leader	Eric Bakker	P-FT	38	2
Confidential Secretary to Leader	Debbie Kattenhorn	P-FT	27	2
Caucus Staff Director	Petricia Ward	P-FT	38	6
Sr. Legis. Research Analyst	Carolann Jensen	P-FT	38	6
Sr. Legis. Research Analyst	Pamela Dugdale	P-FT	38	6
Legis. Research Analyst I	Jim Friedrich	P-FT	29	5
Legis. Research Analyst I	Kimberly Steenhoek	P-FT	29	1
Legis. Research Analyst	Thomas Ashworth	P-FT	27	2
Legis. Research Analyst	Joshua Bronsink	P-FT	27	2
Legis. Research Analyst	Daren Jaques	P-FT	27	2
Legis. Research Analyst	Peter Matthes	P-FT	27	1
Research Assistant	Anissa Cowley	P-FT	24	2
Caucus Staff Director	Ron Parker	P-FT	38	6
Sr. Legis. Research Analyst	Theresa Kehoe	P-FT	38	6
Sr. Legis. Research Analyst	Steve T. Conway	P-FT	38	6
Legis. Research Analyst I	Rusty Martin	P-FT	29	5
Legis. Research Analyst I	Julie Simon	P-FT	29	5
Legis. Research Analyst I	Kerry Wright	P-FT	29	4
Legis. Research Analyst	Bridget Godes	P-FT	27	2
Legis. Research Analyst	Jace Mikels	P-FT	27	1
Secretary	Alison Doherty	S-O	15	1
Confidential Secretary to Secretary II	Lori Bristol	P-FT	32	6
Administrative Secretary to Secretary	Stacy Beattie	S-O	21	2

Sr. Journal Editor	K'Ann Brandt	P-FT	30	3
Journal Editor I	Janet Hawkins	P-FT	22	4
Asst. Journal Editor	Megan Thompson	P-FT	19	3
Sr. Finance Officer II	Linda Laurenzo	P-FT	35	4
Finance Officer II	Lois Brownell	P-FT	27	5
Assistant to Legal Counsel	Patricia Willemsen	S-O	19	1
Sr. Indexer	Kathy Olah	P-FT	28	3
Indexer II/Rec. and Supply	Kathleen Curoe	P-FT	25	6
Switchboard Operator	JoAnn Larson	S-O	14	1
Bill Clerk	Jay Mosher	S-O	14	4
Postmaster	Svend Christensen	S-O	12	6
Sergeant-at-Arms II	Bill Krieg	S-O	20	3
Asst. Sergeant-at-Arms	Tom Sheldahl	S-O	14	3
Doorkeeper	Gerald Carlson	S-O	11	1
Doorkeeper	Robert Langbehn	S-O	11	4
Doorkeeper	Frank Loeffel	S-O	11	2
Doorkeeper	Dick Rosonke	S-O	11	1
Doorkeeper	Kermit Tannatt	S-O	11	3
Doorkeeper	Bob White	S-O	11	1
Legislative Secretary	John Audlehelm	S-O	16	1
Legislative Secretary	Anne Marie Burnett	S-O	16	3
Legislative Secretary	Donna Courtney	S-O	16	1
Legislative Secretary	Brian Flaherty (2/12)	S-O	18	1
Legislative Secretary	Faye Fraise	S-O	17	6
Legislative Secretary	Jean Furler	S-O	17	1
Legislative Secretary	Madonna Hauge	S-O	15	4
Legislative Secretary	Diane Hoffman	S-O	16	1
Legislative Secretary	Audrey Gibson	S-O	16	6+2
Legislative Secretary	Barbara Jones	S-O	16	2
Legislative Secretary	Kay Kibbie	S-O	18	5
Legislative Secretary	Katie Koberg	S-O	16	1
Legislative Secretary	Ellen Larson	S-O	16	3
Legislative Secretary	John Larson	S-O	16	2
Legislative Secretary	William Nelson (1/13)	S-O	18	1
Legislative Secretary	Dorothy Potthoff	S-O	16	6+2
Legislative Secretary	Emily Putney	S-O	16	1
Legislative Secretary	LuAnn Randleman	S-O	17	5
Legislative Secretary	John Ryan	S-O	17	1
Legislative Secretary	Heidi Seng	S-O	16	1
Legislative Secretary	Virginia Sourbeer	S-O	17	2
Legislative Secretary	Jennie Stewart	S-O	15	1
Legislative Secretary	Nikki Thompson	S-O	16	1
Legislative Secretary	Sara Throener	S-O	16	1
Legislative Secretary	Martha Ullem	S-O	17	3
Legislative Secretary	Ann Warren	S-O	16	1
Legislative Secretary	Joanne Wengert	S-O	16	6
Legislative Secretary	Jo Ann West	S-O	18	6+2
Legislative Secretary	Carol Wieck	S-O	16	1
Legislative Secretary	Charles Wishman	S-O	18	1
Legis. Committee Secretary	Mary Lou Aspengren	S-O	18	3
Legis. Committee Secretary	David Boettger	S-O	18	2
Legis. Committee Secretary	Susan Cowden	S-O	18	3

Legis. Committee Secretary	Vicki Davis	S-O	18	5
Legis. Committee Secretary	Judy Dierenfeld	S-O	17	2
Legis. Committee Secretary	Alyce Elmitt	S-O	18	6+2
Legis. Committee Secretary	Gerry Gaskill	S-O	18	2
Legis. Committee Secretary	Paula Houser	S-O	18	3
Legis. Committee Secretary	Marce Huhn	S-O	18	2
Legis. Committee Secretary	LeAnn Jesina	S-O	18	2
Legis. Committee Secretary	Kim Kopacek	S-O	18	1
Legis. Committee Secretary	Jennifer Long	S-O	18	2
Legis. Committee Secretary	Amy Meyer	S-O	17	1
Legis. Committee Secretary	Joel Oswald	S-O	18	2
Legis. Committee Secretary	Jan Veenstra	S-O	18	3
Legis. Committee Secretary	Beverly Walsmith	S-O	18	2
Legis. Committee Secretary	Betty Wise	S-O	17	6+2
Page	Erica Barbour	S-O	9	1
Page	Lucas Beenken	S-O	9	1
Page	Michelle Burns	S-O	9	1
Page	Craig Buske	S-O	9	1
Page	Kenneth Doss	S-O	9	1
Page	Kristina Hauge	S-O	9	1
Page	Susan Hildebrand	S-O	9	1
Page	Kristin Irwin	S-O	9	1
Page	Abigail Kiernan	S-O	9	1
Page	Jenafer Kovacevich	S-O	9	1
Page	Hannah Mahan	S-O	9	1
Page	Kristy Palmer	S-O	9	1
Page	Jaron Rosien	S-O	9	1
Page	Matthew Schwieger	S-O	9	1
Page	Eva Sersland	S-O	9	1
Page	Brea Tschopp	S-O	9	1
Page	Chelsea White	S-O	9	1
Page	JoAnna Woodley	S-O	9	1

STEWART E. IVERSON, JR., Chair

## REPORT OF THE COMMITTEE ON RULES AND ADMINISTRATION

MADAM PRESIDENT: Pursuant to Senate Concurrent Resolution 5, adopted by the Seventy-ninth General Assembly, 2001 Session, the committee on Rules and Administration submits the following increases, reclassifications, and the effective dates of Senate employees:

Sr. Admin. Asst. to Ldr.	Tom Cope	Step 5 to Step 6 Effective 7/02
Admin. Asst. to Ldr.	Jennifer Dumas	Step 2 to Step 3 Effective 3/02
Sr. Legis. Research Analyst	Pam Dugdale	Step 5 to Step 6 Effective 5/02

Legis. Research Analyst I	Angela Dorsey	Step 3 to Step 4 Effective 4/02 RESIGNED Effective 12/19/02
Legis. Research Analyst I	Jim Friedrich	Step 3 to Step 4 Effective 1/02
Legis. Research Analyst	Tom Ashworth	Step 1 to Step 2 Effective 2/02
Legis. Research Analyst	Josh Bronsink	Step 1 to Step 2 Effective 3/02
Legis. Research Analyst	Daren Jacques	Step 1 to Step 2 Effective 2/02
Sr. Admin. Asst to Ldr.	Rebecca Beach	Step 5 to Step 6 Effective 7/02
Sr. Admin. Asst. to Ldr.	Kaye Lozier	Step 5 to Step 6 Effective 7/02
Sr. Admin. Asst. to Ldr.	Eric Bakker	Step 1 to Step 2 Effective 6/02
Legis. Research Analyst I	James Fitzgerald	RESIGNED Effective 6/6/02
Legis. Research Analyst I	Julie Simon	Step 4 to Step 5 Effective 1/03
Legis. Research Analyst I	Kerry Wright	Step 3 to Step 4 Effective 7/02
Legis. Research Analyst I	Rusty Martin	Step 4 to Step 5 Effective 8/02
Legis. Research Analyst	Bridget Godes	Step 1 to Step 2 Effective 3/02
Conf. Sec. to Ldr.	Debbie Kattenhorn	Step 2 to Step 3 Effective 1/03
Sr. Finance Officer II	Linda Laurenzo	Step 3 to Step 4 Effective 6/02
Finance Officer II	Lois Brownell	Step 4 to Step 5 Effective 6/02
Sr. Journal Editor	K'Ann Brandt	Step 2 to Step 3 Effective 6/02
Editor I	Janet Hawkins	Step 3 to Step 4 Effective 6/02
Asst. Journal Editor	Megan Thompson	Step 2 to Step 3 Effective 6/02
Sr. Indexer	Kathy Olah	Step 2 to Step 3 Effective 6/02
Indexer II/Rec. and Supply	Kathleen Curoe	Step 5 to Step 6 Effective 6/02
Doorkeeper	Gerald Carlson	Step 1 to Step 2 Effective 4/11/03
Doorkeeper	Richard Rosonke	Step 1 to Step 2 Effective 4/11/03
Doorkeeper	Bob White	Step 1 to Step 2 Effective 4/11/03
Switchboard Operator	JoAnn Larson	Step 1 to Step 2 Effective 4/11/03

Sergeant-at-Arms II	Bill Krieg	Step 3 to Step 4 Effective 4/11/03
Asst. to Legal Counsel	Patricia Willemsen	Step 1 to Step 2 Effective 3/14/03
Legis. Committee Secretary	Susan Cowden	Step 3 to Step 4 Effective 2/14/03
Legis. Committee Secretary	Marce Huhn	Step 2 to Step 3 Effective 2/14/03
Legislative Secretary	Virginia Sourbeer	Step 2 to Step 3 Effective 2/14/03
Legislative Secretary	Jan Veenstra	Step 3 to Step 4 Effective 2/14/03

STEWART E. IVERSON, JR. Chair

## REPORT OF THE COMMITTEE ON MILEAGE

MADAM PRESIDENT: Pursuant to Section 2.10, Code 2003, the following has been determined to be the mileage to which senators are entitled for the Eightieth General Assembly:

<u>NAME</u>	<u>ROUND TRIP MILES</u>
Angelo, Jeff.....	144
Beall, Daryl.....	188
Behn, Jerry.....	94
Black, Dennis H.....	104
Boettger, Nancy J.....	222
Bolkcom, Joe.....	236
Brunkhorst, Bob.....	240
Connolly, Mike.....	400
Courtney, Thomas.....	380
Dearden, Dick.....	0
Dotzler, Bill.....	226
Drake, Richard.....	306
Dvorsky, Robert E.....	224
Fraise, Eugene.....	369
Gaskill, E. Thurman.....	250
Gronstal, Michael E.....	270
Hatch, Jack.....	0
Holveck, Jack.....	0
Horn, Wally E.....	250
Hosch, Julie.....	350
Houser, Hubert.....	252
Iverson, Stewart, Jr.....	152
Johnson, David.....	458
Kibbie, John P.....	344
Kramer, Mary E.....	28
Kreiman, Keith.....	204
Lamberti, Jeff.....	0
Larson, Charles, Jr.....	270

Lundby, Mary A .....	272
McCoy, Matt .....	0
McKibben, Larry .....	110
McKinley, Paul .....	124
Miller, David .....	220
Putney, John .....	150
Quirnbach, Herman .....	75
Ragan, Amanda .....	240
Redfern, Donald B. ....	210
Rehberg, Kitty .....	272
Schuerer, Neal .....	212
Seng, Joe .....	334
Seymour, James .....	254
Shull, Doug .....	34
Sievers, Bryan .....	324
Stewart, Roger .....	384
Tinsman, Maggie .....	360
Veenstra, Kenneth .....	480
Warnstadt, Steve .....	400
Wieck, Ron .....	396
Zieman, Mark .....	410

KENNETH VEENSTRA, Chair  
 JAMES SEYMOUR  
 MICHAEL CONNOLLY  
 STEVE WARNSTADT

## REPORT OF COMMITTEE MEETING

### RULES AND ADMINISTRATION

**Convened:** January 13, 2003, 9:45 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Approved lists of changes, reclassifications, and resignations over the interim, officers' and employees' grades and steps, and staff directors' recommended personnel actions. Amended and passed to the calendar a Senate resolution to provide rules for the Senate for the 80th General Assembly.

**Recessed:** 10:00 a.m.

**Reconvened:** 11:45 a.m.

**Adjourned:** 12:00 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 1**, by committee on Rules and Administration, a resolution relating to permanent rules of the Senate for the Eightieth General Assembly.

Read first time under Rule 28 and **placed on calendar.**

## INTRODUCTION OF BILLS

**Senate File 1**, by Warnstadt, a bill for an act allocating moneys to the Iowa Lewis and Clark bicentennial fund and providing an effective date.

Read first time under Rule 28 and referred to committee on **Appropriations.**

**Senate File 2**, by Angelo, a bill for an act requiring municipal water utilities to refund deposits to account holders under certain circumstances.

Read first time under Rule 28 and referred to committee on **Local Government.**

**Senate File 3**, by Johnson, a bill for an act relating to the inclusion of certain information in a termination of pregnancy report.

Read first time under Rule 28 and referred to committee **Human Resources.**

**Senate File 4**, by McKibben, a bill for an act increasing the exemption for pension and retirement income for purposes of state individual income tax and providing a retroactive applicability date.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 5**, by Rehberg, a bill for an act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 6**, by Johnson, a bill for an act providing that certain financial information of certain foundations which support state board of regents institutions is a public record.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 7**, by Johnson, a bill for an relating to controlled burns of demolished buildings.

Read first time under Rule 28 and referred to committee on **Local Government**.

## STUDY BILL RECEIVED

### SSB 1001      **Judiciary**

Providing for a .08 blood alcohol concentration limit for motor vehicle operating while intoxicated offenses.

## SUBCOMMITTEE ASSIGNMENT

### SSB 1001

JUDICIARY: Redfern, Chair; Kreiman and Larson

## COMMITTEE REPORT

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 1, a bill for an act relating to permanent rules of the Senate for the Eightieth General Assembly.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Present, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

# JOURNAL OF THE SENATE

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SECOND CALENDAR DAY  
SECOND SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, January 14, 2003

The Senate met in regular session at 8:37 a.m., President Kramer presiding.

Prayer was offered by Pastor Paul Thompson of the First and Vernon Lutheran Churches in Dows, Iowa. He was the guest of Senator Iverson.

## OATH OF OFFICE

The report of the committee on credentials having been previously adopted, Senator-elect Larson appeared before the bar of the Senate, was duly sworn, and subscribed his name to the oath of office.

The Journal of Monday, January 13, 2003, was approved.

The Senate stood at ease at 8:43 a.m. until the fall of the gavel.

The Senate resumed session at 9:38 a.m., President Kramer presiding.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 1.

### **Senate Resolution 1**

On motion of Senator Iverson, **Senate Resolution 1**, a resolution relating to permanent rules of the Senate for the Eightieth General Assembly, was taken up for consideration.

Senator Gronstal asked and received unanimous consent that action on **Senate Resolution 1** be **deferred**.

### COMMITTEE FROM THE HOUSE

A committee from the House appeared and announced that the House was ready to receive the Senate in joint convention.

In accordance with House Concurrent Resolution 1, duly adopted, the Senate proceeded to the House chamber under the direction of the Secretary of the Senate and the Sergeant-at-Arms.

### JOINT CONVENTION

The joint convention convened at 10:02 a.m., President Kramer presiding.

Senator Iverson moved that the roll call be dispensed with and that the President of the joint convention be authorized to declare a quorum present, which motion prevailed by a voice vote.

President Kramer declared a quorum present and the joint convention duly organized.

Senator Iverson moved that a committee of six, three members from the Senate and three members from the House, be appointed to notify Governor Thomas J. Vilsack that the joint convention was ready to receive him.

The motion prevailed by a voice vote and the Chair announced the appointment of Senators Gaskill, Putney, and Holveck on the part of the Senate, and Representatives Jenkins, Lukan, and Oldson on the part of the House.

Secretary of State Chet Culver, Secretary of Agriculture Patty Judge, Auditor of State David A. Vaudt, and Attorney General Tom Miller were escorted into the House chamber.

Chief Justice Lavorato and the Justices of the Supreme Court and Chief Judge Sackett and the Judges of the Court of Appeals were escorted into the House chamber.

Lieutenant Governor Sally J. Pederson was escorted into the House chamber.

Mrs. Christie Vilsack, wife of the Governor, was escorted into the House chamber.

The committee waited upon Governor Thomas J. Vilsack and escorted him to the Speaker's station.

President Kramer presented Governor Thomas J. Vilsack, who delivered the following Condition of the State Address:

Thank you, Madam President. Thank you, Mr. Speaker, members of the General Assembly and our Supreme Court, distinguished guests, and my fellow Iowans.

We are blessed, in troubled times and in a troubled world, to live in a special place. A special place of shared values—a place where we celebrate family and community, where we cherish learning and good health, value hard work and self-reliance, and love our land, our air and our water. To remain that special place, we must nurture hope and opportunity. For if we remain content with the Iowa of today, we will surely compromise the Iowa of tomorrow.

With our strong values, no Iowan should be satisfied if bright Iowans leave believing there is no meaningful opportunity here, if Iowans can't find or afford healthcare services, or if Iowans are prevented from enjoying the outdoors because our rivers and streams are polluted. Sadly, this is happening in our state today.

But my fellow Iowans, we should and we must do better. Iowans must respond to the challenge by embracing and directing change. I am confident we are up to the challenge, but state government should not approach this challenge alone.

The primary responsibility for effecting change will rightfully be with the private and nonprofit sectors. State government's role is to act as a catalyst for change and remove barriers to progress. To fulfill that responsibility, we must act now and we must act boldly.

The state budget complicates our task. The work begun two years ago to align revenues with expenditures must continue. Our law requires a balanced budget and we will have a balanced budget. But while complicated, the task is not impossible.

I want to acknowledge the hard work of the previous legislature. Tough unpopular choices had to be made, but those choices create options today that most states do not enjoy. Few states enjoyed surpluses last year or will this year. Fewer still were able to reduce the size of government while increasing the commitment to K-12, expanding access to healthcare for children and seniors, and starting a new venture capital fund. These achievements, and many others, share more than being accomplished during tough times; they also share, more importantly, having been accomplished in a bipartisan effort.

Let me identify the four cornerstones to future progress that will preserve, nurture, and expand hope and opportunity: a transformed Iowa economy, continuous improvement to education, expanded access to healthcare services and other community services, and renewed commitment to our environment.

The economy of Iowa, grounded in the production of ever-increasing volumes of low-priced ag commodities and the creation of well-intended but still lower-paying manufacturing and service sector jobs, no longer adequately supports our values; nor will it expand hope and opportunity for the future.

For the benefit of ourselves and future generations of Iowans, we must transform our economy to one rooted in the development and growth of high-priced, value-added ag ingredients to be used to feed, fuel, and heal, and in the creation of wealth through high-paying jobs held by a highly educated Iowa work force.

This new Iowa economy will preserve and enhance our values, better support our families and communities, and allow for continued investment in quality of life.

In the Iowa economy of today, less than 30 percent of our work force has any college experience. Iowans who learn more, earn more. Our goal in the Iowa economy of tomorrow—a high tech, bio-based economy—should be to double the number of employed Iowans with college experience. Immediate progress toward this goal should be the standard by which our work here is judged.

Now, to reach that ambitious goal requires a new, focused effort on economic development—one that is key to life sciences, value-added agriculture, advanced manufacturing, insurance, and other information solutions. Vision Iowa, and its success, taught us the power of state resources leveraging private and more public investment. We must apply that important lesson to economic development.

A companion fund, the Iowa Values Fund, should be created and dedicated to partnering with private investment to transform our economy. Administered and managed as a public/private partnership, the fund's investments should promote regional economic development so no part of Iowa is left behind. The fund should work more closely with the Regents universities, community colleges, and independent colleges to double the number of college experienced workers in the work force. Over the next five years, we should commit \$500 million to this fund. It is that important.

The initial investment from the Iowa Values Fund should be dedicated to making Iowa the life sciences leader in protein development and production. Developing the necessary life sciences infrastructure with an appropriate regulatory structure should be a top economic development priority of the state, allowing us to reach a goal of starting 100 new life sciences companies in Iowa in the next five years.

Initial resources from the fund should also spur the development of more renewable fuel and energy of all kinds. The benefits to our economy and our environment from ethanol and biodiesel fuel are well known. Similar benefits will operate from an expansion of renewable energy production. Today, Iowa annually produces 200 megawatts of electricity from renewable energy sources—wind, solar, and biomass. By the end of the decade, our goal should be to annually produce a minimum of 1,000 megawatts committed to the goal of making Iowa a net exporter of energy.

Barriers to a new Iowa economy must also be removed. Regulatory approval for new business and expansion needs to be timely, for progress delayed is progress denied. A complex income tax system with loopholes places Iowa in a noncompetitive position. Simplifying the system and closing loopholes will remove a barrier to progress. No Iowan—no Iowan should have to use a form larger than a postcard to report state income and pay state taxes.

At the same time, the property tax system pays for services not related to property ownership; extends credits, exemptions, and benefits in a haphazard fashion; encourages inefficiencies in government; and discriminates among and between classes of property owners. Members of the General Assembly, the time has come. Sunset the system that doesn't work, and replace it with one that does. Remove the barrier.

Now, as our investments result in a new economy, our values demand that we not forget those struggling in the old economy. Today in our state, there are over 100,000 Iowans working at or near a minimum wage. Many support families. Most qualify for public assistance. All work hard. Let us honor their work, and all work, by raising the minimum wage.

Each generation of Iowans carries a special responsibility to support the education of all of our children. The members of the last legislature understood that value in supporting change and continued investment in Iowa's schools even in the face of tough economic times. Their commitment to lower class sizes, reading initiatives, and improving teacher quality is already paying positive results in improved test scores and better professional development.

We cannot and should not abandon those efforts—but more is needed to keep faith with our values and maximize hope and opportunity.

A transformed Iowa economy requires continuous improvement in education.

If we are to double the number of college experienced workers in the work force, more children will have to attend college. To achieve success in school, children must be ready to learn before they enter school. Bold goals precede and encourage bold action. Let us work together to challenge ourselves to create an Iowa where virtually all (over 90 percent) of our children have access to quality preschool and where virtually all (at least 90 percent) of our children complete their formal education with at least two years college experience.

I need not remind the General Assembly that achievement gaps and dropouts carry a heavy price for failure. Just a generation ago, the thought of all-day kindergarten for all of our children seemed an impossible dream. Today, over 90 percent of our children have access to all-day kindergarten. Our 90/90 goal embodies our values. This is a goal that can be reached. The goal must be reached. The goal will be reached.

The creation of the Iowa Learns Council with representatives from all levels of education and statewide leaders will help to develop strategies and policy recommendations for accomplishing the 90/90 goal.

The goal needs resources. As investments from the Iowa Values Fund are made and opportunities are expanded and benefits are realized, a portion of new revenues generated from these investments should be dedicated to achieving the 90/90 goal. In

the meantime, college tuitions continue to go up and some students may be discouraged from attending. That is why this legislature should restore funding to the important work-study program to empower students to earn their way through college.

Barriers to reaching our 90/90 goal must also be removed. Today, a disparity exists in educational opportunity in our state.

Very small school districts with high schools of less than 100 students find it increasingly difficult to provide the range of opportunities necessary for success. Now, this barrier can be removed through collaboration or consolidation. The creation of a Virtual Academy allowing access to students to online courses and Regional Academies enabling schools to combine their course opportunities will help reduce the disparity. For those districts where consolidation provides the only answer, we should provide financial incentives to encourage school consolidation.

Now some believe that a financial disparity in education exists. For more than a generation, based on a study of school finances, Iowans operated under the belief that the school funding formula promoted equity. Much has changed since that study—and the times call for a new study of school finances. If inequities exist, they must be addressed. Our values require it. Hope and opportunity will depend on it.

Iowans have a right to expect quality healthcare. We've worked hard to extend that right to all of our children. Today, we protect almost 95 percent of our youngsters by providing access to healthcare through Medicaid, HAWK-I, our children's health insurance program, or other private insurance. We take pride in knowing almost 90 percent of adults are also covered.

However, access to quality healthcare, even in Iowa, remains threatened. An unfair Medicare reimbursement system, rising costs of prescription drugs, and the exploding costs of Medicaid all will test our commitment to the value of quality healthcare.

Let me be clear. We will fight whenever, wherever, and for as long as it takes for a fair Medicare reimbursement system in this state.

We will negotiate whenever, wherever, and for as long as it takes until Iowa seniors have fair drug prices.

We will negotiate whenever, wherever, and for as long as it takes for strategies to control Medicaid costs without limiting access to quality healthcare. I want to thank Senator Kramer, in particular, for her efforts in these areas and pledge to work with the President of the Senate and the General Assembly to maintain quality healthcare.

To remain true to our values and to extend hope and opportunity to all, we must protect those vulnerable Iowans who cannot protect themselves. Thousands suffering from mental illness—vulnerable Iowans—do not have access to the treatment they need. The fact is that one out of every four Iowa families has family members touched by mental illness. Barriers exist to the quality care they need.

Let us stop the needless suffering. Iowa should lead the nation with the highest percentage of residents with mental health and substance abuse coverage. Let us make the enactment of mental health parity a landmark for which this General Assembly will be remembered and celebrated for years to come.

But people with mental illness, mental retardation, or other disabilities need more than access to quality medical care, they need access to basic community resources that most of us take for granted—like housing, transportation and job opportunities—so they, too, can participate in the American dream.

This goal has been a personal passion for Lt. Governor Sally Pederson. That is why I have asked her to lead the effort to transform our system of services to respond more effectively to the needs of those with disabilities.

Changes in the system will be directed by a commission of stakeholders created through bipartisan legislation passed last year. The Lt. Governor will continue to work with the commission and Republican and Democratic legislators to create a system that supports self-determination, self-sufficiency, and independence.

It is our goal over the next four years to substantially increase residential housing and workplace opportunities through public/private partnerships and leveraging funds in new and innovative ways. I promise you this—we will make the largest investment in housing for people with disabilities in Iowa history.

And we will ask you to give the Department of Inspections and Appeals the authority to regulate adult day care facilities for dependent adults and seniors, so that families can feel secure about the quality of care their loved one is receiving.

In a special land where stewardship is a value and virtue, knowing that we have over 150 rivers and streams, a number likely to grow, impaired by pollution should be a call to action to all of us. A new Iowa economy should support resources necessary to clean up our rivers and streams. By 2010, there should be no—I repeat no impaired waters list in Iowa. By that year, Iowans should be free to swim, fish, or use this great natural resource as God intended.

Now to those who doubt such a goal is obtainable, I ask you to stand aside. Iowans working together to achieve a common goal will succeed, but to succeed there must be consensus. One hundred years ago, Theodore Roosevelt brought interested parties together in a summit dedicated to conservation. The time is right for a statewide summit on water quality to eliminate the impaired waters list. So today I ask the Department of Natural Resources, the Iowa Farm Bureau, the Association of Business and Industry, the Iowa Environmental Council, and other groups each to designate a representative to work with me and representatives of the General Assembly, cities, and counties to plan and hold such a summit to develop a conservation plan to restore our waters.

Earlier I mentioned the role of the nonprofit sector to effect change. The vital role of nonprofit organizations in our state must be clearly understood and actively supported. Nonprofit organizations are often small and may need technical assistance and help. All of us need to help them. I asked Willard “Sandy” Boyd, President Emeritus of the University of Iowa, Director of the Iowa Nonprofit Resource Center, and a great Iowan, to chair a task force to be appointed for this purpose, to lay out strategies how we can strengthen nonprofits in our state.

My time with you is limited, so I cannot share thoughts about other important aspects of Iowa life, from public safety to support for arts and culture. Please know these are important in our effort to help build a better Iowa.

All will be needed in this effort.

Great values, great needs, great goals mandate from all of us, inside and outside state government, great action. Many may question if it all can be done.

Theodore Roosevelt said it so well so long ago. "It is not the critic who counts; not the person who points out how strong persons stumbled or where the doer of deeds could have done them better. The credit belongs to the person who is actually in the arena, whose face is marred by dust, and sweat, and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions, and spends a life in a worthy cause, who at the best, knows in the end the triumph of high achievement and who at the worst, if he or she fails, at least fails while daring greatly, so that their place shall never be with those cold and timid souls who knew neither victory nor defeat."

Ladies and gentlemen of the General Assembly, let that be said of this generation of Iowans who risked embracing change, fought to preserve our values, and nurtured hope and opportunity for all.

God bless you. God bless our great State of Iowa, and the United States of America.

Governor Thomas J. Vilsack was escorted from the House chamber by the committee previously appointed.

Representative Gipp moved that the joint convention be dissolved, which motion prevailed by a voice vote.

The Senate returned to the Senate chamber.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 10:42 a.m. until 8:30 a.m. Wednesday, January 15, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 8, 2003

#### DEPARTMENT OF TRANSPORTATION

Annual Report of the Highway Division — notification that the report in electronic form is available online.

January 13, 2003

#### DEPARTMENT OF CORRECTIONS

2002 Vocational Program Update — notification that the report in electronic form is available online.

#### DEPARTMENT OF GENERAL SERVICES

2002 Legislative Fleet Study, pursuant to Iowa Code section 18.114.

January 14, 2003

#### DEPARTMENT OF ECONOMIC DEVELOPMENT

2002 CEBA Self-Sustaining Report — notification that the report in electronic form is available online.

#### DEPARTMENT OF PUBLIC HEALTH

Anatomical Gifts Annual Donation and Compliance Report — notification that the report in electronic form is available online.

Access to Obstetrical Care in Iowa — notification that the report in electronic form is available online.

#### IOWA COMMISSION ON THE STATUS OF WOMEN

2003 Proposals to the Governor and the Eightieth General Assembly.

#### UNIVERSITY OF IOWA HOSPITALS AND CLINICS

An Overview of the Use of Home Telemedicine in the University of Iowa Hospital and Clinics' Indigent Patient Care Program — notification that the report in electronic form is available online.

## REPORTS OF COMMITTEE MEETINGS

### COMMERCE

**Convened:** January 14, 2003, 3:05 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Redfern, Sievers, and Stewart.

**Members Absent:** Larson, McCoy, and Schuerer (all excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 3:10 p.m.

### ECONOMIC GROWTH

**Convened:** January 14, 2003, 1:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** Larson (excused).

**Committee Business:** Introductions and organizational meeting.

**Adjourned:** 1:20 p.m.

### HUMAN RESOURCES

**Convened:** January 14, 2003, 2:10 p.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Horn, Hosch, Kreiman, Schuerer, and Tinsman.

**Members Absent:** Holveck and McKinley (both excused).

**Committee Business:** Introductions and organizational meeting.

**Adjourned:** 2:35 p.m.

### JUDICIARY

**Convened:** January 14, 2003, 4:00 p.m.

**Members Present:** Redfern, Chair; Kreiman, Ranking Member; Boettger, Fraise, Horn, Lamberti, Miller, Putney, Quirmbach, and Tinsman.

**Members Absent:** Larson, Vice Chair; Holveck, McCoy, and McKibben (all excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 4:20 p.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** January 14, 2003, 1:05 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Bolkcom, Brunkhorst, Dearden, Drake, Kibbie, Lundby, Miller, Wieck, and Zieman.

**Members Absent:** Black and Holveck (both excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 1:30 p.m.

## TRANSPORTATION

**Convened:** January 14, 2003, 2:05 p.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; Beall, Dearden, Fraise, Houser, Johnson, Shull, Warnstadt, and Zieman.

**Members Absent:** McCoy, Ranking Member; and Rehberg (both excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 2:25 p.m.

## INTRODUCTION OF BILLS

**Senate File 8**, by Johnson, a bill for an act relating to nongovernmental internet advertising by governmental entities.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 9**, by Bolkcom, a bill for an act requiring Iowa national pollutant discharge elimination system program permit holders to post signs at discharge points and providing a penalty.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

**Senate File 10**, by Bolkcom, a bill for an act requiring the department of education to study the sale of carbonated beverages in schools.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 11**, by Bolkcom, a bill for an act relating to health care delivery, including staffing requirements, and providing remedies and penalties.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 12**, by Bolkcom, a bill for an act relating to ongoing absentee voter status for general elections.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 13**, by Sievers, a bill for an act relating to supplemental appropriations to reimburse counties for certain property tax credits and exemptions allowed and including an effective date.

Read first time under Rule 28 and referred to committee on **Appropriations.**

**Senate File 14**, by Sievers, a bill for an act relating to the installation of certain aboveground petroleum storage tanks.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 15**, by Kreiman, a bill for an act creating a criminal offense for promoting a sexual content telephone card to a minor, and providing a penalty.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 16**, by Bolkcom, a bill for an act exempting from sales and use taxes the purchase of trees and other planting materials by a nonprofit entity for contribution to various governmental entities.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 17**, by Bolkcom, a bill for an act exempting from sales and use taxes multifuel pellet stoves.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

### SUBCOMMITTEE ASSIGNMENTS

#### **Senate File 2**

LOCAL GOVERNMENT: Angelo, Chair; Houser and Kreiman

#### **Senate File 7**

LOCAL GOVERNMENT: Miller, Chair; Seymour and Stewart

# JOURNAL OF THE SENATE

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THIRD CALENDAR DAY  
THIRD SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, January 15, 2003

The Senate met in regular session at 8:40 a.m., President Kramer presiding.

Prayer was offered by Gregg Rivers, Branch President of the Church of Jesus Christ of Latter Day Saints in Newton, Iowa. He was the guest of Senator Black.

The Journal of Tuesday, January 14, 2003, was approved.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Schuerer, until he arrives, on request of Senator Ziemann.

The Senate stood at ease at 8:50 a.m. until the fall of the gavel.

The Senate resumed session at 9:58 a.m., President Kramer presiding.

## COMMITTEE FROM THE HOUSE

A committee from the House appeared and announced that the House was ready to receive the Senate in joint convention.

In accordance with House Concurrent Resolution 2, duly adopted, the Senate proceeded to the House chamber under the direction of the Secretary of the Senate and the Sergeant-at-Arms.

## JOINT CONVENTION

In accordance with law and House Concurrent Resolution 2, duly adopted, the joint convention was called to order at 10:03 a.m., President Kramer presiding.

Senator Iverson moved that the roll call be dispensed with and that the President of the joint convention be authorized to declare a quorum present, which motion prevailed by a voice vote.

President Kramer declared a quorum present and the joint convention duly organized.

Senator Iverson moved that a committee of six, three members from the Senate and three members from the House, be appointed to escort Governor Thomas J. Vilsack to the Condition of the Iowa Judiciary Message.

The motion prevailed by a voice vote and the Chair announced the appointment of Senators Lamberti, Boettger, and Kreiman on the part of the Senate, and Representatives Upmeyer, Baudler, and Struyk on the part of the House.

Senator Iverson moved that a committee of six, three members from the Senate and three members from the House, be appointed to notify the Honorable Louis A. Lavorato, Chief Justice of the Iowa Supreme Court, that the joint convention was ready to receive him.

The motion prevailed by a voice vote and the Chair announced the appointment of Senators Angelo, Redfern, and Fraise on the part of the Senate, and Representatives Maddox, Paulsen, and Miller on the part of the House.

Secretary of State Chet Culver, Secretary of Agriculture Patty Judge, Auditor of State David A. Vaudt, and Attorney General Tom Miller were escorted into the House chamber.

The Justices of the Supreme Court, Chief Judge Sackett and the Judges of the Court of Appeals, and the District Court Chief Judges were escorted into the House chamber.

Lieutenant Governor Sally J. Pederson was escorted into the House chamber.

Mrs. Janis Lavorato, wife of the Chief Justice; his sons, Anthony and Dominick Lavorato; his stepdaughter, Jenna Green; his sister-in-law, Delayne Johnson, and her sons Matt and Jacob Johnson were escorted into the House chamber.

The committee waited upon Governor Thomas J. Vilsack and escorted him into the House chamber.

The committee waited upon Chief Justice Louis A. Lavorato and escorted him to the Speaker's station.

President Kramer then presented Chief Justice Louis A. Lavorato, who delivered the following Condition of the Judiciary Message:

Mr. Speaker, Madam President, Members of the General Assembly, Governor Vilsack, Lieutenant Governor Pederson, distinguished guests, and friends. On behalf of the Iowa Judicial Branch, thank you for the invitation to speak here today. Before I begin, I would like to invite you to join us downstairs in our courtroom for coffee and conversation following my remarks.

I would also like to extend a warm welcome to the new members of the General Assembly, and to acknowledge the newest member of the Iowa Judicial Council, Judge Michael Walsh, Chief Judge of the Third Judicial District, which encompasses most of northwest Iowa. No doubt you will encounter many challenges in your new roles, especially this year. But that's what public service is all about—finding solutions to challenges facing our society.

#### **Dr. Martin Luther King**

It's appropriate to take a moment to acknowledge the birthday of Dr. Martin Luther King, Jr., which is today. Challenges did not deter Dr. King and his followers. They encountered hostile, often violent opposition to their peaceful efforts to end racial segregation and discrimination, and yet they persevered, helping bring the promise of the Constitution to all Americans.

Dr. King once said: "The ultimate measure of man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy." Although the present challenges we face in Iowa are much different from those Dr. King confronted, his example and words can serve to inspire us as we work through our present difficulties.

We are concerned, as you are, about the state's fiscal problems. I'm here to report that notwithstanding continuing financial hardships and unprecedented cuts in court operations, the Judicial Branch is managing to perform its basic responsibilities. All credit for this belongs to our judges and court staff. We're immensely proud of them.

I will discuss the condition of our day-to-day operations later in my remarks. But first, some encouraging news about progress we've made in the midst of these most trying times.

### **Termination of Parental Rights: Appellate Rules**

Like you, we regard our work with troubled families, especially children, as one of the most important things we do, and we are always searching for new strategies to address their needs. One of our most notable accomplishments this year has been our continuing effort to move children out of foster care and into permanent homes faster by speeding up the process in termination of parental rights cases.

The 1997 federal Adoption and Safe Families Act, and subsequent state action, sought to reduce the amount of time children spend in foster care and to bring permanency to their lives as quickly as possible. Immediately following the adoption of the Act, our trial courts made great strides fulfilling its spirit, but the appellate process, which the Act did not address, continued to be slow in termination of parental rights cases. We sought to correct this.

Last year we adopted new court rules that simplified appellate procedures and cut the time for appeal by more than half for these cases. A process that used to drag on for about 13 months, now takes about four months. That means children can be adopted sooner, or in some cases, families wait less time before they're reunited.

The longer a case continues, the more stress on the families and children involved. Children in these situations routinely need more therapy to cope with the uncertainty of waiting for the process to conclude. Our new rules ease the strain of families and children. As Judge Stephen Clarke so aptly said, "One of the primary goals of the new rules is to let children have a childhood." Our new procedures are helping us do this. The new rules have also helped ease the workload of juvenile judges, social workers, juvenile court officers, court-appointed attorneys, and county attorneys.

Many people deserve credit for this success. The new procedures were the brainchild of our Iowa Court Improvement Project Task Force. The General Assembly and the Governor also deserve praise for your part in this success story. A simple, but important, statutory change that you approved in 2001 helped make the expedited procedures possible. We're grateful for your assistance.

Our new appellate rules are the first of their kind and a model for other states. Now we're ready to expand the rules to child in need of assistance cases, and again, we need your help to do so. We urge you to pass legislation, which we have submitted to you, that would allow us to expedite more of these important cases.

### **[iowacourtsonline.org](http://iowacourtsonline.org)**

Perhaps our most significant advancements in the past few years have come through the use of information technology. The Internet is increasingly becoming the place where government business is conducted. According to a recent study, citizens' use of the Internet to access government services increased in the US from 24% to 43% in 2001.

Last February, we took a giant step by starting [iowacourtsonline](http://iowacourtsonline.org), a service that enables anyone with Internet access to search court records in all counties and the appellate courts. Before this, people had to travel to each clerk of court office to search

for the information. Now it's at their fingertips. A person can search the records by typing in a name or case number. And the basic service, which provides important information such as criminal charges, restitution, child support payments, and criminal sentences, is free. This site has been very popular, attracting 12,000 to 15,000 hits each day.

In September last year, we expanded the service by offering more detailed case information for a monthly subscription fee of \$25. This feature is popular with lawyers, abstractors, insurance companies, and state and local government agencies.

### **E-Pay**

Before long, we'll be adding another feature: e-pay. E-pay will allow people to pay their fines and court costs online. We hope the convenience of paying online will encourage people to pay their fines promptly.

The benefits of our online services are two-fold: they serve as convenient tools for citizens, and they ease the burden on clerks' offices. The time that clerks' offices used to spend retrieving records has been freed up for other priorities.

### **Online Access: Deferred Judgment Records**

Recently, we began a new program that provides direct online access to the state's deferred judgment docket for authorized users such as judges, clerks, and county attorneys. This program places confidential deferred judgment information into the hands of county attorneys and judges faster. With your help we can improve the process even more.

We recommend that you pass legislation authorizing access to deferred judgment records by corrections officers. These officers need this information to complete sentencing reports. Online access to the records would facilitate their work. We have submitted a bill to you to accomplish this.

### **Technology Funds**

Clearly, the public is enjoying the fruits of our advances in technology. The online services I mentioned were accomplished through planning, hard work, and the dedication of resources. Many years ago, you astutely recognized that innovations of this magnitude would require a reliable and continuous funding stream, and you wisely earmarked funds for court technology. Now your foresight is paying off. Despite our present financial crisis, we're harnessing information technology to bring court services to the people, and we can do more.

We have plans to revolutionize the way in which we gather, store, and retrieve court records through electronic filing and electronic data management. The demand for this type of service is growing. But it will take a substantial investment of resources to put this technology in place. We recommend you take two steps to ensure further advancements in public service through technology: (1) transfer our on-going technology operating budget from earmarked funds to the general fund; and (2) raise the cap on the Enhanced Court Collections Fund from \$4 million to \$6 million.

### **Court Generated Revenue**

The Enhanced Court Collections Fund is derived from court-generated revenue from fines and fees that exceed the projections of the Revenue Estimating Conference. We view the collection of fines and fees as an integral part of enforcing court orders.

The diligent efforts of our judges and staff produced a 6% increase in court-generated revenue last fiscal year. This was certainly a bright note in an otherwise gloomy revenue picture for the state.

### **New Judicial Branch Building**

I would be remiss not to mention and thank you for our most visible symbol of progress this year—the new Judicial Branch Building. Although the project has taken longer than originally anticipated, we are extremely pleased with the results, and we hope you are too. We are expecting to move into our new quarters later this spring, and that will free up most of our Capitol space for the General Assembly's use.

I must admit that, when legislative leaders approached the Court in 1998 about moving out of the Capitol, we were reluctant to even talk about the idea. After all, our three branches of government have worked together in the same building for over a century. On the other hand, the new building will allow us to house all of our offices together in one facility, and its strong, identifiable civic presence reflects the independent status of the judicial branch of government.

Not only is the building capable of meeting present day needs, it has been designed to meet future demands. It was planned to handle the anticipated growth in our workload; it is wired for extensive use of electronic technology, including audio and video communications; and it was built to last as long as the Capitol. In short, it will serve the public well, and it is a solid investment.

We're pleased to report that the building has already received two honors. The American Institute of Architects recently recognized our architects, DLR Group and Kaplan/McLaughlin/Diaz, for the building's design. In addition, the American Council of Engineering awarded its 2003 Engineering Excellence Award to Pulley & Associates for the building's mechanical, electrical, and lighting systems.

As Sir Winston Churchill wisely recognized in 1943 when debating the reconstruction of the House of Commons after it had been destroyed in the blitz: "We shape our buildings, and afterwards, our buildings shape us." Iowa's new Judicial Branch Building, designed with that principle in mind, will support the mission of the Judicial Branch for years to come.

### **Judicial Branch Mission**

Which brings me back to the primary reason we are gathered here today, to take stock of the mission of the Judicial Branch. For the benefit of the new members of the General Assembly, I would like to briefly review our mission, which is administering justice under the law equally to all people by providing independent and accessible forums for the fair and prompt resolution of disputes.

We rely on our judges and staff, who are committed to excellence, to fulfill this critical mission. Judges serve the public by using their legal skills and knowledge to impartially interpret and apply the laws you pass. Their role is crucial, but their ability to perform this role effectively in today's complicated and litigious society requires the assistance of support staff. A team of indispensable specialists—clerks of court, court attendants, court reporters, juvenile court officers, secretaries, administrators, computer programmers, law clerks, and others—work closely with our judges, helping them coordinate the disposition of hundreds of thousands of cases from beginning to end.

Iowans have many reasons to be proud of their top-rate court system. According to a national survey, Iowa is rated as one of the top five states for creating a fair and reasonable litigation environment. The survey, which was released early last year, ranked Iowa high in treatment of class actions, timeliness of summary judgments and dismissals, judges' impartiality, and judges' competence.

The fine quality of Iowa's judicial system is, in part, a result of your backing. The General Assembly and the Governor have a history of recognizing the importance of fair compensation for judges and court staff.

### **Budget Cuts and Making Ends Meet**

Our achievements over the past year, though important, are only part of the whole picture, however. We must not lose sight of the fact that these are the most difficult times we've ever faced. The cost-cutting measures we put in place last year to help address the state's fiscal problems have taken a heavy toll on every facet of court operations.

Last year, after unprecedented staff reductions, about sixty clerk of court offices cut back their public hours so that they could focus on processing court files and data entry without interruption. Many offices are sharing staff with each other to cover for vacation and sick leave, or sometimes to help with training.

Presently, we have 14 clerks who are managing more than one office. While sharing managers works better in some offices than in others, we think it is a sound policy that would help us reallocate some resources. We recommend a statutory change that would allow us to continue this practice on a permanent basis, while maintaining a clerks' office in each county.

Our judges and employees are doing all they can to make ends meet. And many people are pitching in whenever and however they can. Here are a few more examples.

Court reporters such as Brook Davis, Mark Sturgeon, and Kathy Gray are helping clerks with jury management duties, updating law libraries, and purging files. Other court reporters such as Deb Bergman, Jodi Krueger, and Cheryl Smith are performing case scheduling and court attendant duties.

When budget cuts gutted funding for juvenile services, resourceful juvenile court officers and others found ways to continue services at minimal cost to the state. For example, Juvenile Court Officers Annette Peterson and Patty Redmond started a skill-building program for troubled young people, with the support of local community organizations. The program offers classes on topics such as teen pregnancy, anger management, and victim empathy. Annette and Patty work long hours to attend the life-skills classes, not because they must, but because they care.

In the past, the state's juvenile restitution fund paid wages to juveniles doing community service work so that they would have money to pay their victim restitution obligations. After the funds were cut, a number of juvenile court offices, and state and local agencies, worked with Peggy Sullivan, our Director of Finance and Personnel, to keep the restitution program alive through a patchwork of other funding sources.

On-going education and training for judges and staff are an essential investment for a first-rate court system. Regrettably, for the time being, all of our state-funded

education programs are on hold. But we're always searching for alternative resources to fill the gap, and we've had some success with that.

Our Court Improvement Program has provided some federal funds for several juvenile law conferences. Also, thanks to the efforts of Jerry Beatty, our Director of Education, federal traffic safety funds are available to cover the cost of a judges' program. In addition, Jennifer Juhler, our Domestic Abuse Coordinator, with the help of a substantial federal grant, has developed a web-based training program for judicial magistrates. This innovative program will serve as a model for future efforts.

Unquestionably, we have a duty to the taxpayers to carefully manage the resources you provide us, and to that end, we are doing everything in our power to operate as efficiently as possible and to channel available resources to meet our most pressing needs. Certainly, we want to be part of the solution, but the quick fixes and band-aids will not sustain the courts indefinitely. We need to implement lasting solutions, and we must do so now. Otherwise we will be unable to fulfill our mission to the people.

### **Searching for Solutions**

The Judicial Branch must take full advantage of the benefits of state funding—system uniformity, economies of scale, and shifting resources to areas where they are most needed. Along that line, we have embarked on an ambitious effort to examine every component of our trial court operations to identify best practices, streamline procedures, develop or update staffing formulas, and achieve uniformity throughout the state, as much as possible.

The Supreme Court has established four committees to spearhead this effort. The committees are composed of court employees, judges, and attorneys—the people who are actually doing the work. There are two separate studies underway involving the operations of clerk of court offices: one to update the clerks' staffing formula, and another to identify management strategies and best business practices aimed at improving the operation of the clerks' offices within the current statutory framework and funding levels. Another committee is studying similar issues concerning the operation of our juvenile court offices. Shortly, a fourth committee will study the operation of district court administration. We look forward to receiving their recommendations for efficiencies and improvements.

### **Legislative Solutions: Streamlining the Courts**

Although the judicial branch is an independent and separate branch of government, we do not work in a vacuum. By constitutional design, the three branches of government, in differing roles, contribute to the administration of justice. Our role is to promptly but carefully decide cases according to law, equally to all people. But it is up to you, the legislature and the governor, to provide the tools and resources we need to carry out these enormous responsibilities.

As you can see, we are doing our part to watch expenses and operate within our budget constraints. With your help, we can do more. We have many sound ideas for statutory changes that would reduce costs, improve services, and enable us to do more with our existing resources. These include allowing one clerk of court to manage more than one office, realigning district court judges through attrition, delaying the filling of judicial vacancies for budgetary reasons, eliminating outdated statutory duties, and streamlining a multitude of procedures.

We suggested most of these changes to you last year, but you did not approve them. Clearly in times such as these we should not cling to the status quo. We urge you to reconsider these ideas, which have been submitted as prefiled bills. The benefits are too great to pass up.

### **Reorganization of Judicial Districts**

One of the statutory changes we seek would establish a process for regularly reviewing and adjusting the configuration of the judicial districts. The organization of the districts has not changed for thirty years.

The court views the general concept of redistricting as a valuable tool in any comprehensive plan to effectively manage judicial resources. It has the potential to give us greater flexibility in the equitable distribution of judicial staffing power throughout our state. Given the severe budgetary constraints facing us as an institution, we cannot afford to ignore the administrative efficiencies redistricting offers.

Last month, the Court received the report of its advisory committee on judicial branch redistricting. In response to its charge, the committee proposed alternative administrative structures to address changes in demographics and judicial workload that have affected court services since our current eight-district structure was established. We commend the committee, and especially its chairs, Chief Judge David Remley and businessman David Oman. Their thoughtful analysis, enhanced by their initiative in seeking public comment, deserves our appreciation.

As our Commission on Planning for the 21st century said in its 1996 report, the Court should periodically evaluate the administrative effectiveness of the district boundaries and suggest legislative changes when appropriate. We feel it's appropriate now. After careful consideration, the court has decided to recommend legislation for redrawing judicial district boundaries. Due to the complexity of implementing such changes, we anticipate that the new boundaries would become effective no sooner than July 1, 2004.

Moreover, we do not view redistricting as an isolated or short-term solution. To be truly effective, any redistricting plan must be complimented by other important initiatives, some of which I have mentioned.

### **Impact of Legislation on Court**

There is another way you can help. The courts are charged with the responsibility of deciding cases brought before them. We have no control over the number of cases presented. Nor should we. Though well-intentioned, legislation nearly always adds to our workload. We ask that when debating new laws, you carefully consider the impact your actions have on the court system. More responsibilities without commensurate resources sometimes make for poor results.

### **Conclusion**

I began this report talking about achievements and challenges—we have our share of both.

We are heartened by recent accomplishments that bolster our efforts to serve the people of Iowa. Our new procedures to expedite appeals of termination of parental rights cases are a huge benefit to troubled children and families, reducing the period of

uncertainty in their lives. Technology is an enormous help to us, making us more efficient and accessible, bringing the courts closer to the people. Our achievements are cause for optimism in these otherwise gloomy times.

Certainly, we face many challenges. The greatest challenge, for all of us, will be to continue performing our constitutional responsibilities to the people despite Iowa's present fiscal hardships. While the problem is serious, it is not insurmountable. We must find lasting solutions to our problems. We have offered you many ideas for sensible changes that would help us place scarce resources where we need them most, enabling us to deliver affordable and high-quality judicial services to the citizens of Iowa, now and in the future. We cannot act unilaterally; these changes require your approval. Although we as citizens know of the demands being made upon you, we trust you will respond to the needs of the justice system. It is in the public interest to do so.

And finally, we are grateful for our dedicated judges and court employees, whose collective talents, resourcefulness, and perseverance, enable the courts to make progress and to pursue our mission with vigor. The ultimate measure of these dedicated public servants is being proven over and over again in these times of great challenges.

Thank you.

Chief Justice Louis A. Lavarato was escorted from the House chamber by the committee previously appointed.

Governor Thomas J. Vilsack was escorted from the House chamber by the committee previously appointed.

Representative Gipp moved that the joint convention be dissolved, which motion prevailed by a voice vote.

The Senate returned to the Senate chamber.

## RECESS

On motion of Senator Iverson, the Senate recessed at 10:48 a.m. until 2:30 p.m.

## AFTERNOON SESSION

The Senate reconvened at 2:33 p.m., President Kramer presiding.

UNFINISHED BUSINESS  
(Deferred January 14, 2003)**Senate Resolution 1**

The Senate resumed consideration of **Senate Resolution 1**, a resolution relating to permanent rules of the Senate for the Eightieth General Assembly, deferred January 14, 2003.

The Senate stood at ease at 2:34 p.m. until the fall of the gavel.

The Senate resumed session at 4:12 p.m., President Kramer presiding.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator McCoy, until he returns, on request of Senator Gronstal; and Senator Larson, until he returns, on request of Senator Iverson.

## BUSINESS PENDING

**Senate Resolution 1**

The Senate resumed consideration of Senate Resolution 1.

Senator Connolly offered amendment S-3001, filed by Senator Connolly, et al., from the floor to pages 3 and 10 of the resolution and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3001 be adopted?" (S.R. 1), the vote was:

Yeas, 20:

Beall	Dearden	Hatch	Quirmbach
Black	Dotzler	Holveck	Ragan

Bolkcom	Dvorsky	Horn	Seng
Connolly	Fraise	Kibbie	Stewart
Courtney	Gronstal	Kreiman	Warnstadt

Nays, 27:

Angelo	Houser	McKinley	Shull
Behn	Iverson	Miller	Sievers
Boettger	Johnson	Putney	Tinsman
Brunkhorst	Kramer	Redfern	Veenstra
Drake	Lamberti	Rehberg	Wieck
Gaskill	Lundby	Schuerer	Zieman
Hosch	McKibben	Seymour	

Absent, 2:

Larson	McCoy
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Vacant, 1.

Amendment S–3001 lost.

Senator Connolly offered amendment S–3004, filed by Senators Connolly, et al., from the floor to pages 3 and 10 of the resolution and yielded the floor to Senator Kreiman.

The Senate stood at ease at 5:27 p.m. until the fall of the gavel.

The Senate resumed session at 6:09 p.m., President Kramer presiding.

Senator Kreiman moved the adoption of amendment S–3004.

A record roll call was requested.

On the question “Shall amendment S–3004 be adopted?” (S.R. 1), the vote was:

Yeas, 20:

Beall	Dearden	Hatch	Quirnbach
Black	Dotzler	Holveck	Ragan
Bolkcom	Dvorsky	Horn	Seng
Connolly	Fraise	Kibbie	Stewart
Courtney	Gronstal	Kreiman	Warnstadt

Nays, 27:

Angelo	Houser	McKinley	Shull
Behn	Iverson	Miller	Sievers
Boettger	Johnson	Putney	Tinsman
Brunkhorst	Kramer	Redfern	Veenstra
Drake	Lamberti	Rehberg	Wieck
Gaskill	Lundby	Schuerer	Zieman
Hosch	McKibben	Seymour	

Absent, 2:

Larson	McCoy
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Vacant, 1.

Amendment S-3004 lost.

Senator Iverson offered amendment S-3003, filed by him from the floor to page 3 of the resolution.

Senator Kreiman offered amendment S-3005, filed by him from the floor to page 1 of amendment S-3003, and moved its adoption.

Amendment S-3005 was adopted by a voice vote.

Senator Iverson asked unanimous consent to withdraw amendment S-3003, as amended.

Senator Gronstal objected to the request for unanimous consent to withdraw amendment S-3003.

Senator Connolly raised the point of order whether unanimous consent is needed on an individually sponsored amendment.

The Chair stated that unanimous consent is needed when there is more than one sponsor on the amendment or the amendment has been amended, as in this case.

Senator Iverson moved to withdraw amendment S-3003.

Senator Black raised the point of order whether this motion was debatable.

The Chair ruled that the motion to withdraw was debatable.

Senator Gronstal withdrew his objection to Senator Iverson's request for unanimous consent to withdraw amendment S-3003.

Senator Iverson asked and received unanimous consent to withdraw amendment S-3003, as amended.

Senator Iverson offered amendment S-3002, filed by Senators Iverson and Kramer from the floor to pages 3 and 10 of the resolution and moved its adoption.

Amendment S-3002 was adopted by a voice vote.

Senator Iverson moved the adoption of Senate Resolution 1.

A record roll call was requested.

On the question "Shall the resolution be adopted?" (S.R. 1), the vote was:

Yeas, 27:

Angelo	Houser	McKinley	Shull
Behn	Iverson	Miller	Sievers
Boettger	Johnson	Putney	Tinsman
Brunkhorst	Kramer	Redfern	Veenstra
Drake	Lamberti	Rehberg	Wieck
Gaskill	Lundby	Schuerer	Zieman
Hosch	McKibben	Seymour	

Nays, 20:

Beall	Dearden	Hatch	Quirmbach
Black	Dotzler	Holveck	Ragan
Bolkcom	Dvorsky	Horn	Seng
Connolly	Fraise	Kibbie	Stewart
Courtney	Gronstal	Kreiman	Warnstadt

Absent, 2:

Larson	McCoy
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Vacant, 1.

The motion prevailed and the resolution was adopted.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 7:33 p.m. until 8:30 a.m. Thursday, January 16, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 15, 2003

#### BOARD OF REGENTS

Annual Report of the Center for Health Effects of Environmental Contamination, pursuant to Iowa Code section 263.17.

#### DEPARTMENT OF EDUCATION

Student Achievement and Accountability Annual Report, pursuant to 2001 Acts, Senate File 476.

#### DEPARTMENT OF HUMAN SERVICES

Annual Report of the Healthy and Well Kids in Iowa Board, pursuant to Iowa Code section 514I.5.

#### DEPARTMENT OF PUBLIC DEFENSE

Enhanced 911 Status Report, pursuant to Iowa Code section 34A.7A.

#### DEPARTMENT OF PUBLIC HEALTH

Iowa Child Death Review Team Report — notification that the report in electronic form is available online.

#### IOWA TELECARE CONSORTIUM

Report on Chronic Disease Management: Breakthrough Opportunities for Improving the Health and Productivity of Iowans, pursuant to 2001 Acts, House File 732.

**AGENCY ICN REPORTS**

**DEPARTMENT OF PUBLIC HEALTH**

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

**REPORT OF COMMITTEE MEETING**

**AGRICULTURE**

**Convened:** January 15, 2003, 1:00 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** Black (excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 1:20 p.m.

**INTRODUCTION OF BILLS**

**Senate File 18**, by Angelo, a bill for an act relating to hunting by allocating nonresident turkey and deer hunting licenses.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

**Senate File 19**, by Gronstal, Beall, Black, Bolkcom, Connolly, Courtney, Dearden, Dotzler, Dvorsky, Fraise, Hatch, Holveck, Horn, Kibbie, Kreiman, McCoy, Quirmbach, Ragan, Seng, Stewart, and Warnstadt, a bill for an act relating to the allowance of and reimbursement for the homestead, agricultural land, military service, and elderly and disabled property tax credits, making appropriations, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Appropriations**.

**Senate File 20**, by Veenstra, a bill for an act relating to the certification of manure applicators, making penalties applicable, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment.**

**Senate File 21**, by McKibben, a bill for an act reducing the number of days of payment for the expenses of office for members of the general assembly during a regular legislative session.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 22**, by Kibbie and Bolkcom, a bill for an act providing for special late voter registration to enable an eligible elector to vote at the polling place on election day and providing a durational residency requirement for voting.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 23**, by Miller, a bill for an act relating to a capital gain deduction for state individual income tax purposes and providing effective and retroactive applicability date provisions.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 24**, by Hatch, a bill for an act relating to payments from the personal property tax replacement fund to city-county consolidated governments and community commonwealths.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

## SUBCOMMITTEE ASSIGNMENTS

### **Senate File 1**

APPROPRIATIONS: McKinley, Chair; Behn and Warnstadt

### **Senate File 3**

HUMAN RESOURCES: Boettger, Chair; Kreiman and Seymour

**Senate File 11**

HUMAN RESOURCES: Behn, Chair; Hatch and Schuerer

**AMENDMENTS FILED**

S-3001	S.R.	1	Mike Connolly Robert E. Dvorsky Herman C. Quirnbach Daryl Beall Thomas Courtney Roger Stewart Jack Hatch William Dotzler Steven Warnstadt Amanda Ragan Dennis H. Black Joe Bolkcom Keith Kreiman John P. Kibbie Jack Holveck Dick L. Dearden Eugene S. Fraise Wally E. Horn Michael E. Gronstal Joe Seng
S-3002	S.R.	1	Stewart Iverson, Jr. Mary E. Kramer
S-3003	S.R.	1	Stewart Iverson, Jr.
S-3004	S.R.	1	Mike Connolly Robert E. Dvorsky Herman C. Quirnbach Daryl Beall Thomas Courtney Roger Stewart Jack Hatch William Dotzler Steven Warnstadt Amanda Ragan Joe Bolkcom Keith Kreiman John P. Kibbie

			Jack Holveck
			Dick L. Dearden
			Eugene S. Fraise
			Wally E. Horn
			Michael E. Gronstal
			Joe Seng
S-3005	S.R.	1	Keith Kreiman

# JOURNAL OF THE SENATE

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FOURTH CALENDAR DAY  
FOURTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, January 16, 2003

The Senate met in regular session at 8:33 a.m., President Kramer presiding.

Prayer was offered by the Honorable Nancy J. Boettger, member of the Senate from Shelby County, Harlan, Iowa.

The Journal of Wednesday, January 15, 2003, was approved.

## SPECIAL GUEST

Effie Burt vocally performed “Sweet Home Iowa” and “I’ll Make Me a World in Iowa.” She was the guest of Senator Dotzler.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:56 a.m. until 11:45 a.m.

## RECONVENED

The Senate reconvened at 11:51 a.m., President Pro Tempore Angelo presiding.

## ADJOURNMENT

On motion of Senator Boettger, the Senate adjourned at 11:55 a.m. until 8:30 a.m. Friday, January 17, 2003.

## APPENDIX

### REPORTS OF COMMITTEE MEETINGS

#### BUSINESS AND LABOR RELATIONS

**Convened:** January 16, 2003, 9:40 a.m.

**Members Present:** Schuerer, Chair; Dearden, Ranking Member; Courtney, Dotzler, Horn, Johnson, Lundby, McKibben, Seymour, and Wieck.

**Members Absent:** None.

**Committee Business:** Organizational meeting.

**Adjourned:** 9:50 a.m.

#### EDUCATION

**Convened:** January 16, 2003, 9:40 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Quirnbach, and Rehberg.

**Members Absent:** Larson and Redfern (both excused).

**Committee Business:** Introductions and organizational meeting.

**Adjourned:** 10:10 a.m.

#### LOCAL GOVERNMENT

**Convened:** January 16, 2003, 10:30 a.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirnbach, Ranking Member; Angelo, Hatch, Hosch, Kreiman, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** Houser and McCoy (both excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 10:55 a.m.

#### STATE GOVERNMENT

**Convened:** January 16, 2003, 10:35 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Connolly, Courtney, Dearden, Johnson, Lamberti, Ragan, Schuerer, Shull, and Tinsman.

**Members Absent:** Black, Drake, and Veenstra (all excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 10:45 a.m.

## INTRODUCTION OF BILL

**Senate File 25**, by Lamberti, a bill for an act relating to resident license fees for hunting, fishing, trapping and related activities for members of the armed forces of the United States.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

## STUDY BILL RECEIVED

### **SSB 1002      Commerce**

Relating to telecommunications, including jurisdiction and territory issues for the utilities board, board review of regulated rates and long distance interconnection charges, directory assistance issues, price regulation for local directory exchange carriers, broadband investments, low-income program credits, making appropriations and providing civil penalties.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate File 12**

STATE GOVERNMENT: Johnson, Chair; Dearden and Shull

### **Senate File 13**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

### **Senate File 14**

STATE GOVERNMENT: Sievers, Chair; Courtney and Drake

### **Senate File 19**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

### **SSB 1002**

COMMERCE: Angelo, Chair; Brunkhorst, Gronstal, Warnstadt, and Wieck

# JOURNAL OF THE SENATE

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FIFTH CALENDAR DAY  
FIFTH SESSION DAY

Knapp Center, Drake University  
Des Moines, Iowa, Friday, January 17, 2003

The Senate met in regular session at 8:45 a.m., President Kramer presiding.

Prayer was offered by the Honorable Mary Kramer, President of the Senate from Polk County, West Des Moines, Iowa.

The Journal of Thursday, January 16, 2003, was approved.

## COMMITTEE FROM THE HOUSE

A committee from the House of Representatives appeared and announced that the House was ready to receive the Senate in joint convention.

In accordance with House Concurrent Resolution 3, duly adopted, the Senate proceeded to the joint convention with the House in the Bell Center Multipurpose Room.

## JOINT CONVENTION

The joint convention was called to order in the Bell Center Multipurpose Room on the Drake University Campus at 8:47 a.m., President Kramer presiding.

Senator Iverson moved that the roll call be dispensed with and that the President be authorized to declare a quorum present, which motion prevailed by a voice vote.

President Kramer declared a quorum present and the joint convention duly organized.

REPORT OF CANVASS OF VOTE

The report of canvass of the vote was read by Margaret Thomson, the Secretary of the Joint Convention, as follows:

MADAM PRESIDENT AND GENTLEMEN AND LADIES OF THE JOINT CONVENTION:

Your tellers, appointed by the President of the Senate and the Speaker of the House of Representatives to canvass the vote cast for candidates for Governor and Lieutenant Governor at the election held November 5, 2002, beg leave to make the following report of the total vote cast for Governor:

Thomas J. Vilsack .....	540,449
Doug Gross.....	456,612
Jay Robinson.....	14,628
Clyde Cleveland.....	13,098
Scattering.....	1,015

And the total vote cast for Lieutenant Governor at the election held November 5, 2002:

Sally J. Pederson .....	540,449
Debi Durham .....	456,612
Holly Jane Hart.....	14,628
Richard Campagna.....	13,098
Scattering.....	1,015

All of which is most respectfully submitted,

DOUGLAS K. SHULL	DANNY C. CARROLL
Teller of the Senate	Teller of the House
LARRY E. McKIBBEN	MARY PAMELA JOCHUM
Assistant Teller	Assistant Teller
ROBERT E. DVORSKY	LINDA L. UPMEYER
Assistant Teller	Assistant Teller
MARGARET THOMSON	
Secretary of the Joint Convention	

Senator Shull moved the adoption of the report.

The motion prevailed by a voice vote and the report was adopted.

President Kramer announced that the Honorable Thomas J. Vilsack, having received the highest number of votes cast for Governor at the last general election, has been duly elected to the office of Governor of the State of Iowa for the ensuing term, or until a successor is duly elected and qualified; and the Honorable Sally J.

Pederson, having received the highest number of votes cast for Lieutenant Governor at the last general election, has been duly elected to the office of Lieutenant Governor of the State of Iowa for the ensuing term, or until a successor is duly elected and qualified.

The following certificates were signed in the presence of the joint convention:

CERTIFICATE OF ELECTION  
STATE OF IOWA  
GENERAL ASSEMBLY

GREETING:

This is to certify that upon a canvass in Joint Convention of the two Houses of the Eightieth General Assembly of the State of Iowa, of all the votes cast at the general election held November 5, 2002, for the office of Governor of the State of Iowa, it appeared that Thomas J. Vilsack received the highest number of all votes cast for any candidate at said election for said office and was thereupon declared duly elected to said office for the term of four years and until a successor is duly elected and qualified.

Signed in the presence of the Joint Convention this thirteenth day of January, A.D., 2003.

CHRISTOPHER RANTS

Speaker of the House

DOUG SHULL

Teller of the Senate

DANNY C. CARROLL

Teller of the House

MARGARET A. THOMSON

Chief Clerk of the House and Secretary of the Joint Convention

MARY E. KRAMER

Presiding Officer of the

Joint Convention

CERTIFICATE OF ELECTION  
STATE OF IOWA  
GENERAL ASSEMBLY

GREETING:

This is to certify that upon a canvass in Joint Convention of the two Houses of the Eightieth General Assembly of the State of Iowa, of all the votes cast at the general election held November 5, 2002, for the office of Lieutenant Governor of the State of Iowa, it appeared that Sally Pederson received the highest number of all votes cast for any candidate at said election for said office and was thereupon declared duly elected to said office for the term of four years and until a successor is duly elected and qualified.

Signed in the presence of the Joint Convention this thirteenth day of January, A.D., 2003.

CHRISTOPHER RANTS

Speaker of the House

DOUG SHULL

Teller of the Senate

DANNY C. CARROLL

Teller of the House

MARGARET A. THOMSON

Chief Clerk of the House and Secretary of the Joint Convention

MARY E. KRAMER

Presiding Officer of the

Joint Convention

President Kramer then directed that the abstract of votes and certificates of election be filed with the Secretary of State.

Senator Iverson moved that a committee of six, three members from the Senate and three members from the House, be appointed to notify Governor Thomas J. Vilsack and Lieutenant Governor Sally J. Pederson of the official result of the canvass of votes.

The motion prevailed by a voice vote and President Kramer announced the appointment of Senators Boettger of Shelby, Shull of Warren, and Dotzler of Black Hawk, on the part of the Senate and Representatives Schickel of Cerro Gordo, S. Olson of Clinton, and Bell of Jasper on the part of the House.

The joint convention stood at ease at 8:50 a.m. until the fall of the gavel.

The joint convention resumed session at 9:08 a.m., Senator Zieman presiding.

## REPORT OF COMMITTEE

Senator Iverson moved adoption of the report by the joint committee appointed to notify Thomas J. Vilsack and Sally J. Pederson of their election to the office of Governor and Lieutenant Governor.

MR. PRESIDENT: As a committee appointed at the Joint Convention to notify the Honorable Thomas J. Vilsack and the Honorable Sally Pederson of their election to the office of Governor and Lieutenant Governor, respectively, we beg leave to report that we have performed the duty assigned to us and that they stand ready to assume duties of the offices to which they were elected.

Respectfully submitted,

NANCY BOETTGER  
DOUG SHULL  
BILL DOTZLER

BILL SCHICKEL  
STEVEN OLSON  
PAUL BELL

The motion prevailed by a voice vote and the committee discharged.

The joint convention stood at ease and proceeded to the floor of the auditorium of the Knapp Center for the inauguration of Governor Thomas J. Vilsack and Lieutenant Governor Sally J. Pederson.

The joint convention resumed session at 9:40 a.m., President Kramer presiding.

The Legislative Inaugural Committee, consisting of Senators Hosch of Jones, Ziemann of Allamakee, Putney of Tama, Kibbie of Palo Alto, Ragan of Cerro Gordo, and Gronstal of Pottawattamie on the part of the Senate; and Representatives Raecker of Polk, Jim R. Van Fossen of Scott, Granzow of Hardin, Osterhaus of Jackson, Winckler of Scott, and Lensing of Johnson on the part of the House, was retired to escort Governor Thomas J. Vilsack and Lieutenant Governor Sally J. Pederson to the joint convention.

Auditor of State David A. Vaudt, Attorney General Tom Miller, Secretary of State Chet Culver and wife Mary, Secretary of Agriculture Patty Judge and husband former-Senator John Judge, Treasurer of State Michael L. Fitzgerald, and former-Governor Robert D. Ray were escorted to their seats.

Chief Justice Louis A. Lavarato was escorted to his seat.

Lieutenant Governor Sally J. Pederson, her husband Jim Autry, and their son Ronald Autry were escorted to their seats.

Governor Thomas J. Vilsack, his wife Christie, and their sons, Doug and Jess, were escorted to their seats.

The colors were advanced by the Iowa National Guard.

The National Anthem was sung by Effie Burt of Waterloo.

The Pledge of Allegiance was led by firefighter Joe Coen of Newton.

The invocation was delivered by Sister Catherine Dunn, BVM, President of Clarke College in Dubuque.

Jordyn Kracht, Adrianna Schrader, Jeff Becker and Danielle Jackson of KidsSake read an excerpt from Maya Angelou's "On the Pulse of Morning."

The oath of office was administered to Lieutenant Governor Sally J. Pederson by Chief Justice Louis A. Lavorato, assisted by Jim Autry.

President Kramer presented Lieutenant Governor Sally J. Pederson who gave the following remarks:

Governor Vilsack, Governor Ray, Lieutenant Governor Corning, Chief Justice Lavorato, members of the Court, distinguished elected officials, family, friends and Iowans everywhere.

It is an honor to be here.

Four years ago, when I first had the privilege of taking the oath of office as Lieutenant Governor, I thought I knew Iowa. After all, I was born here, went to school here, lived her all of my life.

Boy, was I wrong.

During the past four years, I have had the privilege to work with Governor Vilsack on issues ranging from work force development to mental health to ending domestic violence and child abuse. I have appreciated the governor's commitment to making me a full partner in all the decisions of this administration, in word and deed.

This job of Lieutenant Governor also has given me an opportunity to learn about Iowa and Iowans in ways I never could have imagined. One of the most surprising experiences in this learning process was my weeklong Discover Iowa Tour in the spring of 2001.

In an effort to promote more tourism by Iowans within Iowa, I visited the arts, cultural, and historical attractions of 36 communities in every corner of our state.

I discovered a vibrant arts and cultural scene that I was only vaguely aware of, despite all my years of living here. Our ethnic heritage is celebrated with the foods and customs and arts of the Native American, English, German, Italian, Irish, Dutch, Norwegian, Czech, French, Danish, African, Asian, Pacific Islander, Mexican, Bosnian and Sudanese. All have been newcomers in their time. Each has added richness and texture to our communities—and to our state.

On this wonderful tour of the world within Iowa, I relearned the power of the arts to teach and inspire us in ways that nothing else can. And I rediscovered that, despite all the differences in our backgrounds and traditions, there are common values that unite us.

One of those Iowa values is our spirit of community, of neighbor helping neighbor, of reaching out to those in need.

Four years ago in my inaugural speech, I pledged to honor that spirit by volunteering once a week, somewhere in Iowa.

And week after week, whether for an hour or an afternoon, this has been one of the most rewarding, inspiring, and encouraging experiences of my life. I have had the opportunity to work side-by-side with hundreds of Iowans—young and old—in communities large and small as we have tried to make Iowa a better place to work and live.

Of the hundreds of projects on which I worked, some stand out—like the Saturday spent clearing brush in the Loess Hills near Council Bluffs, or the afternoon leading a sing-along at the nursing home in Ames, or helping blind students with the band saw in the industrial arts class at the Iowa Braille and Sight-Saving School, or serving a meal at a domestic violence shelter in rural Iowa, or interviewing a young student looking for a match at the Big Brother Big Sisters program in Sioux City.

But perhaps the experience that stands out most in my mind is the day that I helped with craft projects at the day center for dependent adults in Cedar Falls.

In one of those mysterious incidents that touch us in a special way, I found myself face-to-face with a woman in her late thirties or early forties whom I had known as a child. She was the daughter of my high school principal, and she had a mental disability. As a teenager growing up in Vinton, I was her baby-sitter.

Life is a circle, and somehow, in that moment, I understood how everything about my life had prepared me in some small way for my current responsibilities.

Governor Vilsack said in his inaugural address four years ago, “Iowa is great, because Iowa is good.”

I have seen that goodness in our citizens and in the shared experience of helping others. It has confirmed my belief in the importance of honoring volunteerism, and in fostering public-private partnerships to make our communities better and stronger.

There is so much to do. While we know that government can do a lot, government cannot do it alone.

And here in Iowa it doesn't have to, because all across our state there are good people making a difference in the world by making a difference in their own communities and neighborhoods.

I have met hundreds of people who have moved to Iowa from other states or countries, or who left Iowa at one time and have now returned. And when I ask them why they want to live in Iowa, they all say something that can be boiled down to the words: “quality of life.”

It is our great schools, our safe streets and communities, our caring neighbors, our good hospitals and nursing homes. It is the 15-minute “rush hour” or the ease with which you can get tickets to a ball game or the symphony or can participate in a community chorus or little theatre.

These are things native Iowans often take for granted, but that others envy. (One recent transplant from the Big Apple told me, “I love Iowa. I’ve seen more Broadway shows since I moved here than I saw in all my years in New York.”)

As we seek to strengthen Iowa in the years ahead, we must place a renewed focus on economic development—because a good job with a future is what will draw and keep people here.

But economic development is about a lot more than just economics. If we are to grow, and grow we must, we need to create an environment attractive to the next generation of dreamers, inventors, and doers.

Study after study has shown that good schools, good housing, safe neighborhoods, and amenities from parks and libraries to cultural attractions are even more important than economic factors in a company’s choice of where to locate—and a family’s choice of where to live.

We have that special quality of life here in Iowa. It is a unique ingredient that can help us attract new businesses and new residents to our state.

And we must strive to ensure that our special Iowa quality of life is available to all our residents—no matter their backgrounds or the obstacles they face in life.

Among the family of Iowans are racial, ethnic, and religious minorities, gays and lesbians, people with mental illness, the poor, the abused and neglected, and the physically or mentally challenged.

We must call upon the very best of our Iowa values—our sense of community—to remove the barriers that keep us from tapping our full pool of talents as we seek to realize the economic and human potential of our state.

In the next four years, let us work to create an environment that allows people to step out of the shadow of poverty and abuse, and out of the closet of shame and fear; an environment that closes the achievement gap in schools and the workplace; that supports people with disabilities to live and work in the mainstream of community life; that respects the spiritual practices of every faith; that showcases the best of who we are to the rest of the nation and the world.

This is what will inspire young Iowans to build their futures here, as well as, attract new residents to our state.

This is the path to a brighter future, offering hope and opportunity to all our citizens.

This is the good Iowa we are, and the even greater Iowa we can be.

Thank you.

The Des Moines Gay Men's Chorus performed "The Promise of Living" by Aaron Copeland.

The oath of office was administered to Governor Thomas J. Vilsack by Chief Justice Louis A. Lavorato, assisted by Mrs. Christie Vilsack.

President Kramer presented Governor Thomas J. Vilsack who delivered the following inaugural address:

My fellow Iowans:

I came to Iowa in August 1970.

It was because of a girl.

I was 19, in college, and in love.

This girl invited me to come here and meet her family.

I got in my car and drove for 13 hours. I crossed the Mississippi at Burlington—it was the first time I had ever been that far west—and before I left, I had fallen in love for the second time.

The first time, of course, was with the girl.

The second time was with the state.

Your state. My state. Our state.

I was, naturally, predisposed to have nice thoughts about Iowa. After all, a state that produced as smart, as pretty, as wonderful a girl as Christie Bell had to be a pretty special place.

But I was instantly taken by Iowa's beauty, by her people, and by her land. I started noticing the rivers, the trees, the fields, the prairie flowers. I noticed the colors. I thought to myself, the state is as pretty as the girl.

On my first evening in Iowa those 33 years ago, Christie and her family took me to a potluck supper in a cabin on the banks of the Skunk River in Henry County. I saw there two things—really my first two impressions of Iowans. I saw a sense of pride—pride in the quality of the pies and the stews and the dishes that folks brought to the potluck. And I saw a sense of community—a joy of being together, a wisdom shared between old and young, a caring about those things we should care about, a concern about those things we should be concerned about, and most of all, a simple gratitude of being able to be among friends and one 19-year-old stranger.

But that's the wrong word. I never felt like a stranger from the moment I crossed that bridge at Burlington. For me, that bridge spanned more than Mississippi. It brought me to a new life as well as a new land—one where small towns are more than a place to live. I've learned that they represent a lifestyle and values worth preserving—Iowa values—hard work, self-reliance, family, community.

It's a life, I've come to realize, that is bound tightly to the rich land that God handed to us and to the strong values our ancestors bred in us. From the beginning, Iowa's success has been rooted in its rich soil and natural bounty. That is still true today, and it will be tomorrow if we have the vision to seize the opportunities of the future. A parent can give a child only a few things of real worth—love, values, knowledge, and an education. And those are the things our ancestors have passed onto us. A great capacity to love this land and the people on it, the strong values of hard work and honesty and sharing, a knowledge of our land and ourselves, and one of the best educational systems in the world.

A sense of pride, and a sense of community.

All of that, we have in abundance. Those are the strengths we must build on.

Our values, our land, our schools, and, most of all, our people. Those are the resources we must marshal to build the New Iowa. For, ladies and gentlemen, we must build a new Iowa. We must build a New Iowa that encourages entrepreneurship from within and attracts development from afar. We must build a New Iowa that guarantees the best education for all, from preschool through college and beyond. We must build a New Iowa that has the resources, and the will, to take care of the needy and the ill—the physically ill and the mentally ill—as well as our natural resources—the land, air, and water. We must build a New Iowa so rich in opportunities to succeed and so varied in resources to enjoy that our sons and daughters will want to settle here and sons and daughters from elsewhere will want to move here—even if they aren't pursuing a pretty girl from Mount Pleasant.

But wishing won't make it true.

We must act.

We must change.

Whether or not we act, we will, of course, change. But without bold actions, the change that comes will be change for the worse. For if we do not manage change, change will manage us. We have already begun to act. Through the partnerships forged by Vision Iowa—partnerships involving cities and counties and schools and private interests—through those partnerships, we are committing upwards of \$2 billion to make Iowa a better place for those of us lucky enough to live here and a more attractive place for those seeking to move here. From the spectacular new waterfront in Dubuque to Music Man Square in Mason City to the canals and windmills of Pella, we are putting Iowa on the tourism map, the economic development map, and the let's-just-have-some-fun map. We are building trails and libraries and skate parks and community centers—as well as the wondrous new downtown in Des Moines and riverfronts in Davenport, Sioux City, Council Bluffs, Waterloo, and Clinton, along with Dubuque.

This is part of the New Iowa.

And it is just a start.

It shows, though, what we can do in this great state. It shows how we can build spectacularly on our values and our resources to provide good jobs and clean fun. It

shows we can work together—city with county, school with town, state with everyone—to leverage our dollars and our ideas and our energies. And it shows, most of all, that good ideas are abundant in this wonderful state, and that there are legions of good people ready to bring those ideas to life. It shows that dreams can come true.

But only if we accept change. No, we must do more than accept it. We must embrace it.

Embracing change means a new, focused economic development effort. Changing our economy from one of low-priced agricultural commodities and lower paying jobs to one of high-priced agricultural ingredients that feed, fuel, and heal; that create wealth through high-paying jobs held by highly educated workers. The state must act as a catalyst for change building on the lessons of Vision Iowa and creating a resource to transform our economy. The state must remove barriers by simplifying our income tax system and reforming our property tax system.

We must embrace the new technologies while reaffirming the old values. We must find ways to identify and encourage the Henry Wallaces and John Vincent Atanasoffs of this generation. It is not accident that the greatest agriculture scientist in American history—Henry Wallace—was an Iowan. It is no accident that the genius behind the most important technological advancement in American history—John Vincent Atanasoff—did his work in Iowa. The environment for them was there. But now we must redouble our efforts to encourage the entrepreneur, the genius, the innovator, by providing the resources and the atmosphere for innovation and invention.

Embracing change means continuously improving education. Our values require that we remain a leader in education. We must commit to better preparing our children for school by supporting early childhood education. We must encourage more of our children to attend college. If they are to earn more, they must learn more.

We cannot just tinker—we must reinvent. For example, expanding educational opportunity by giving students access to online courses, enabling schools to combine courses to widen course selections, and encouraging consolidation where it improves educational opportunity becomes important in a regional system.

By doing so, we can tell those looking to invest in Iowa: “Put your business here—it’s best for your needs.”

We’re making progress as class sizes are falling; test scores are rising. But we need to do better.

There will be risk. Some ideas may be difficult to accept or implement. It will not be easy. However, I sense an already great amount of cooperation between this legislature and our administration. We are dedicated to getting the job done.

To get the job done, we must manage the power of partnerships between governments at all levels and between the public and private sectors. We can do little alone. We can do anything together.

We must take risks—as individuals and as a state. We must not be afraid to lead, not be afraid to fail.

We must be dogged in our pursuits, as dogged as Arabella Mansfield, as dogged as Alexander Clark.

Arabella Mansfield was born in Burlington, was educated at Iowa Wesleyan in Mount Pleasant, and taught at Simpson and then at Iowa Wesleyan. Even though there were no women lawyers in America, she studied law in a law office in Mount Pleasant and then applied for admission to the bar in 1869. After reading her paper, the examiners said that her performance gave “the very best rebuke possible to the imputation that ladies cannot qualify for the practice of law.” They then certified her as the first woman to be admitted to the bar of any state in the union.

She took risks. She wrought change.

Alexander Clark Jr. was a loving father who thought his twelve-year-old daughter should attend the neighborhood school in Muscatine. The school board didn’t think so. It said it had a special school for children like her—a separate school for “colored” children. This was in 1868, and Mr. Clark sued on behalf of his daughter. The Supreme Court said of course Susan Clark could go to the neighborhood school. Whether we are African, German, Irish, French, or English, it said we are “one harmonious people” and we all should be treated alike.

He took risks. He wrought change.

We were then, and we are today, “one harmonious people.” Irish escaping famines of the 1840’s were among the first people to settle in Iowa, and they were quickly followed by Norwegians, French, Swedes, and Germans. A look at the names of our counties tells the story. Lajos Kossuth was a Hungarian patriot. Will Smith O’Brien was a leader for Irish independence. Marquis de la Fayette—for whom Fayette County was named—was a French statesman. Frederick Bremer was a Swedish author. Baron Friedrich von Humboldt was a German scientist. We must continue to be one harmonious people. We must continue to welcome anyone and everyone to this state so they enjoy the blessings of the liberties we prize, and we can gain from the skills and productivity they bring.

“The liberties we prize.” That’s one half of the Iowa motto. “Our liberties we prize and our rights we will maintain.” We must never forget that motto, for those liberties and rights define our state every bit as much as our fields and factories do. We have fought dear to preserve those freedoms. When Abraham Lincoln asked for troops in 1861, Iowa Governor Samuel Kirkwood said we would send one regiment. But we had tenfold that number of volunteers, and ultimately provided 48 regiments of infantry, nine regiments of cavalry, and four batteries of artillery—more than 75,000 men, about a tenth of the population of the entire state. Thirteen thousand of those men died—a higher percentage of loss than any other Union state sustained—and another 8800 were wounded.

But our liberties were saved, our rights were maintained.

The world had changed markedly since I stood before you four years ago. The national economy is weaker. Let us never forget the budget problems we have in state government reflect the day-to-day struggles of people from our state. We lost revenue. They’ve lost jobs and incomes. We struggle with rising health care costs. They can’t find a doctor. We cut and scrimp to pay our bills, and so do they.

We face new battles—a war on terrorism at home, and, soon perhaps, a war on terrorists abroad. Already, Iowans have lost their lives to terrorists. Already, our National Guard has been called up—we are bracing for the worst, hoping for the best. In difficult times our values get tested. We must be ever vigilant in protecting our liberties as well as our rights. We should not allow the terrorists to destroy our rights any more than our liberties. Our Iowa constitution is as precious as our Iowa soil. Both must be tended with care.

In the past four years, Christie and I have traveled this state from corner to corner, border to border, river to river. We will continue to do so in the years to come. We never cease to be impressed by the landscape and awed by the people, the young and the old. We have talked with farmers and teachers and doctors and truck drivers, and as often as not, they ask us: “What can we do for you? What can we do for Iowa?”

I’ve thought about that, and there is an answer.

You can dream of a better Iowa.

You can act by embracing change for a better Iowa.

Dream your dreams. Plan on how to turn them into reality. Then work to do it.

The next 12 months for this state are the most critical 12 months the state has faced for as long as I’ve lived here. Reforming the tax system. Redesigning the education system. Re-examining the issues involving health care. Reworking the whole theory of economic development. These all must be explored. These things are all huge undertakings.

But if all of us—farmer and factory worker, teacher and student, firefighter and chief executive, governor and legislator—if all of us dream and plan and work, if all of us are willing to take bold steps, to risk failure, to build on our strengths, to love our past and embrace our future—if we’re all willing to do that, we’ll have a New Iowa where all of us thrive and prosper, where we can have jobs and have fun, where we can learn and lead, where we can live and love.

By seizing the opportunities of a new transformed economy and by embracing change, we can preserve and maintain the values we cherish for generations to come. This is our challenge. This shall be our legacy.

You don’t always have to cross a bridge at Burlington to get to a new land.

Sometimes, you can make a new land right where you are.

God bless you, our great state, and our nation.

The Capitol View Elementary Children’s Chorus of Des Moines sang “Iowa” by Meredith Wilson.

The benediction was offered by Cantor Laura Berkson of Temple B’Nai Jeshurun, Des Moines.

Speaker Pro Tempore Carroll moved that the joint convention be dissolved, which motion prevailed by a voice vote.

**ADJOURNMENT**

On motion of Senator Iverson, the Senate adjourned at 10:55 a.m. until 1:00 p.m. Tuesday, January 21, 2003.

**APPENDIX**

**COMMUNICATIONS RECEIVED**

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 16, 2003

**DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP**

The State Pseudorabies Advisory Committee 2003 Report, pursuant to Iowa Code section 166D.3.

**DEPARTMENT OF CORRECTIONS**

Drug Court Evaluation Plan for FY 2002 — notification that the report in electronic form is available online.

Hard Labor Law Progress Report for 2002 — notification that the report in electronic form is available online.

ICON Report — notification that the report in electronic form is available online.

Iowa Prison Industries Annual Report — notification that the report in electronic form is available online.

**AGENCY ICN REPORT**

**DEPARTMENT OF MANAGEMENT**

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

January 17, 2003

DEPARTMENT OF ELDER AFFAIRS

State Long-Term Care Ombudsman Program 2002 Annual Report, pursuant to 321 Iowa Administrative Code section 8.4.

DEPARTMENT OF NATURAL RESOURCES

Household Hazardous Materials Programs Report to the General Assembly, pursuant to Iowa Code section 455F.8.

INTRODUCTION OF BILLS

**Senate File 26**, by Ragan, a bill for an act relating to the healthy and well kids in Iowa program.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 27**, by McKibben, a bill for an act eliminating the tax on social security benefits under the state individual income tax and including a retroactive applicability date provision.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 28**, by Johnson and Tinsman, a bill for an act relating to requirements for securing children transported in certain motor vehicles and making a penalty applicable.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 29**, by Bolkcom, a bill for an act relating to the age at which an elector is eligible to register to vote and to vote in a school district election.

Read first time under Rule 28 and referred to committee on **State Government**.

# JOURNAL OF THE SENATE

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NINTH CALENDAR DAY  
SIXTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, January 21, 2003

The Senate met in regular session at 1:04 p.m., President Kramer presiding.

Prayer was offered by the Honorable Ken Veenstra, member of the Senate from Sioux County, Orange City, Iowa.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Page Kristina Hauge.

The Journal of Friday, January 17, 2003, was approved.

## COMMITTEE ON CREDENTIALS

Senator Iverson moved that a committee on credentials be appointed to examine and report on the election in Senate District 26.

The motion prevailed by a voice vote and the Chair announced the appointment of Senators Boettger, Chair; Miller, Gaskill, Dvorsky, and Black.

The Senate stood at ease at 1:10 p.m. until the fall of the gavel.

The Senate resumed session at 1:11 p.m., President Kramer presiding.

## REPORT OF THE COMMITTEE ON CREDENTIALS

MADAM PRESIDENT: We, your committee on credentials, respectively report that we find the person named in the attached copy of the certification of the Secretary of

State duly elected to and entitled to a seat in the Senate for the Eightieth General Assembly.

NANCY BOETTGER, Chair  
 DAVID MILLER  
 E. THURMAN GASKILL  
 ROBERT E. DVORKSY  
 DENNIS BLACK

CERTIFICATION—STATE OF IOWA  
 OFFICE OF THE SECRETARY OF STATE

To the Honorable Michael E. Marshall, Secretary of the Senate:

I, CHESTER J. CULVER, Secretary of State of the State of Iowa, custodian of the files and records pertaining to the elections in the state, do hereby certify that the State Canvassing Board has declared that at a special election held on January 14, 2003, Steve Kettering was elected to fill a vacancy in the office of State Senator of the Twenty-sixth District for the balance of the term that began on January 2, 2001.

(SEAL)

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Secretary of State at the Statehouse in Des Moines, this twenty-first day of January, 2003.

CHESTER J. CULVER  
 Secretary of State

I hereby acknowledge receipt of the original copy of this document on this twenty-first day of January, 2003.

MICHAEL E. MARSHALL  
 Secretary of the Senate

Senator Boettger moved the adoption of the report of the committee on credentials, which motion prevailed by a voice vote.

Senator-elect Steve Kettering appeared before the bar of the Senate, was duly sworn, and subscribed his name to the oath of office.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Larson, until he arrives, on request of Senator Iverson.

ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 1:26 p.m. until 8:30 a.m. Wednesday, January 22, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 21, 2003

#### BOARD OF REGENTS

Annual Report on Economic Development and Technology Transfer — notification that the report in electronic form is available online.

#### DEPARTMENT OF CORRECTIONS

Intermediate Criminal Sanctions Report — notification that the report in electronic form is available online.

#### IOWA HIGHER EDUCATION LOAN AUTHORITY

2002 Annual Report, pursuant to Iowa Code section 261A.21.

#### DEPARTMENT OF HUMAN SERVICES

Report on the Resident Advocate Committee Program, pursuant to 2002 Acts, House File 2430.

#### DEPARTMENT OF MANAGEMENT

Contract Compliance Annual Report for FY 2002 — notification that the report in electronic form is available online.

#### DEPARTMENT OF NATURAL RESOURCES

Demolition Site Waste Task Force Report, pursuant to 2002 Acts, Senate File 2325.

#### DEPARTMENT OF PUBLIC HEALTH

Final Report of the Task Force on the Development of an Interstate Prescription Drug Purchasing Cooperative — notification that the report in electronic form is available online.

#### IOWA WORKFORCE DEVELOPMENT

Annual Report for FY 2002 — notification that the report in electronic form is available online.

## AGENCY ICN REPORTS

### OFFICE OF DRUG CONTROL POLICY

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

### STATE LIBRARY OF IOWA

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

## STANDING COMMITTEES APPOINTED

The Majority and Minority Leaders announced the following appointments to the standing committees of the Senate for the Eightieth General Assembly:

\*Vice Chair

\*\*Ranking Member

### AGRICULTURE—15 Members

Behn, Chair	Black	Johnson	Seng
Hosch*	Courtney	Kibbie	Veenstra
Fraise**	Gaskill	Putney	Zieman
Angelo	Houser	Ragan	

### APPROPRIATIONS—25 Members

Lamberti, Chair	Dotzler	McKibben	Shull
Kramer*	Fraise	McKinley	Sievers
Dvorsky**	Gaskill	Miller	Tinsman
Behn	Hatch	Schuerer	Veenstra
Black	Horn	Seng	Warnstadt
Bolkcom	Houser	Seymour	Zieman
Connolly			

### BUSINESS AND LABOR RELATIONS—11 Members

Schuerer, Chair	Courtney	Johnson	Seymour
Lundby*	Dotzler	Kettering	Wieck
Dearden**	Horn	McKibben	

### COMMERCE—15 Members

Angelo, Chair	Behn	Kettering	Schuerer
Wieck*	Bolkcom	Larson	Sievers
Warnstadt**	Brunkhorst	McCoy	Stewart
Beall	Gronstal	Redfern	

ECONOMIC GROWTH—13 Members

Rehberg, Chair	Boettger	McKinley	Seymour
Shull*	Dotzler	Putney	Stewart
Hatch**	Larson	Ragan	Veenstra
Beall			

EDUCATION—15 Members

Boettger, Chair	Beall	Holveck	Quirnbach
McKinley*	Behn	Hosch	Redfern
Connolly**	Brunkhorst	Kreiman	Rehberg
Angelo	Dvorsky	Larson	

ETHICS—6 Members

Drake, Chair	Kibbie**	Dearden	McKibben
Redfern*	Connolly		

GOVERNMENT OVERSIGHT—5 Members

Lundby, Chair	Courtney**	Dvorsky	Wieck
Brunkhorst*			

HUMAN RESOURCES—13 Members

Veenstra, Chair	Boettger	Horn	McKinley
Seymour*	Hatch	Hosch	Schuerer
Ragan**	Holveck	Kreiman	Tinsman
Behn			

JUDICIARY—15 Members

Redfern, Chair	Fraise	Lamberti	Putney
Larson*	Holveck	McCoy	Quirnbach
Kreiman**	Horn	McKibben	Tinsman
Boettger	Kettering	Miller	

LOCAL GOVERNMENT—13 Members

Gaskill, Chair	Hatch	Kreiman	Seymour
Miller*	Hosch	McCoy	Stewart
Quirnbach**	Houser	Rehberg	Wieck
Angelo			

NATURAL RESOURCES AND ENVIRONMENT—15 Members

Houser, Chair	Bolkcom	Holveck	Miller
Johnson*	Brunkhorst	Kettering	Wieck
Seng**	Dearden	Kibbie	Zieman
Black	Drake	Lundby	

RULES AND ADMINISTRATION—11 Members

Iverson, Chair	Boettger	Dvorsky	Ragan
Kramer*	Courtney	Gaskill	Sievers
Gronstal**	Drake	Putney	

STATE GOVERNMENT—15 Members

Zieman, Chair	Connolly	Johnson	Shull
Sievers*	Courtney	Lamberti	Tinsman
Kibbie	Dearden	Ragan	Veenstra
Black	Drake	Schuerer	

TRANSPORTATION—13 Members

Drake, Chair	Dearden	Johnson	Shull
Putney*	Fraise	Kettering	Warnstadt
McCoy**	Houser	Rehberg	Zieman
Beall			

WAYS AND MEANS—17 Members

McKibben, Chair	Dotzler	McCoy	Rehberg
Shull*	Hosch	McKinley	Seng
Bolkcom**	Lamberti	Miller	Sievers
Angelo	Larson	Quirnbach	Stewart
Connolly			

## SENATE APPROPRIATIONS SUBCOMMITTEES

ADMINISTRATION AND REGULATION

Zieman, Chair	Holveck**	Stewart
Sievers*	Rehberg	

AGRICULTURE AND NATURAL RESOURCES

Gaskill, Chair	Black**	Seymour
Houser*	Seng	

ECONOMIC DEVELOPMENT

McKinley, Chair	Dotzler**	Quirnbach
Behn*	Putney	

EDUCATION

Schuerer, Chair	Horn**	Shull
Boettger*	Kibbie	

HEALTH AND HUMAN SERVICES

Tinsman, Chair	Hatch**	Veenstra
Johnson*	Bolkcom	

JUSTICE SYSTEM

Miller, Chair	Fraise**	Kreiman
Angelo*	Hosch	

TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS

McKibben, Chair	Warnstadt**	Kettering
Lamberti*	Beall	

## SENATORS AND THEIR RESPECTIVE COMMITTEES

ANGELO, Jeff	Agriculture Commerce, Chair Education Local Government Ways and Means Justice System Appropriations Subcommittee, Vice Chair
BEALL, Daryl	Commerce Economic Growth Education Transportation Transportation, Infrastructure, and Capitals Appropriations Subcommittee
BEHN, Jerry	Agriculture, Chair Appropriations Commerce Education Human Resources Economic Development Appropriations Subcommittee, Vice Chair
BLACK, Dennis H.	Agriculture Appropriations Natural Resources and Environment State Government Agriculture and Natural Resources Appropriations Subcommittee, Ranking Member
BOETTGER, Nancy	Economic Growth Education, Chair Human Resources Judiciary

	Rules and Administration Education Appropriations Subcommittee, Vice Chair
BOLKCOM, Joe	Appropriations Commerce Natural Resources and Environment Ways and Means, Ranking Member Health and Human Services Appropriations Subcommittee
BRUNKHORST, Bob	Commerce Education Government Oversight, Vice Chair Natural Resources and Environment
CONNOLLY, Mike	Appropriations Education, Ranking Member Ethics State Government Ways and Means
COURTNEY, Thomas G.	Agriculture Business and Labor Relations Government Oversight, Ranking Member Rules and Administration State Government
DEARDEN, Dick L.	Business and Labor Relations, Ranking Member Ethics Natural Resources and Environment State Government Transportation
DOTZLER, William A., Jr.	Appropriations Business and Labor Relations Economic Growth Ways and Means Economic Development Appropriations Subcommittee, Ranking Member
DRAKE, Richard F.	Ethics, Chair Natural Resources and Environment Rules and Administration State Government Transportation, Chair
DVORSKY, Robert E.	Appropriations, Ranking Member Education Government Oversight Rules and Administration

FRAISE, Gene	Agriculture, Ranking Member Appropriations Judiciary Transportation Justice System Appropriations Subcommittee, Ranking Member
GASKILL, E. Thurman	Agriculture Appropriations Local Government, Chair Rules and Administration Agriculture and Natural Resources Appropriations Subcommittee, Chair
GRONSTAL, Michael E.	Commerce Rules and Administration, Ranking Member
HATCH, Jack	Appropriations Economic Growth, Ranking Member Human Resources Local Government Health and Human Services Appropriations Subcommittee, Ranking Member
HOLVECK, Jack	Education Human Resources Judiciary Natural Resources and Environment Administration and Regulation Appropriations Subcommittee, Ranking Member
HORN, Wally E.	Appropriations Business and Labor Relations Human Resources Judiciary Education Appropriations Subcommittee, Ranking Member
HOSCH, Julie M.	Agriculture, Vice Chair Education Human Resources Local Government Ways and Means Justice System Appropriations Subcommittee
HOUSER, Hubert	Agriculture Appropriations Local Government Natural Resources and Environment, Chair Transportation

	Agriculture and Natural Resources Appropriations Subcommittee, Vice Chair
IVERSON, Stewart E., Jr.	Rules and Administration, Chair
JOHNSON, David	Agriculture Business and Labor Relations Natural Resources and Environment, Vice Chair State Government Transportation Health and Human Services Appropriations Subcommittee, Vice Chair
KETTERING, Steve	Business and Labor Relations Commerce Judiciary Natural Resources and Environment Transportation Transportation, Infrastructure, and Capitals Appropriations Subcommittee
KIBBIE, John P. (Jack)	Agriculture Ethics, Ranking Member Natural Resources and Environment State Government, Ranking Member Education Appropriations Subcommittee
KRAMER, Mary	Appropriations, Vice Chair Rules and Administration, Vice Chair
KREIMAN, Keith A.	Education Human Resources Judiciary, Ranking Member Local Government Justice System Appropriations Subcommittee
LAMBERTI, Jeff	Appropriations, Chair Judiciary State Government Ways and Means Transportation, Infrastructure, and Capitals Appropriations Subcommittee, Vice Chair
LARSON, Charles W., Jr.	Commerce Economic Growth Education Judiciary, Vice Chair Ways and Means

LUNDBY, Mary	Business and Labor Relations, Vice Chair Government Oversight, Chair Natural Resources and Environment
McCOY, Matt	Commerce Judiciary Local Government Transportation, Ranking Member Ways and Means
McKIBBEN, Larry	Appropriations Business and Labor Relations Ethics Judiciary Ways and Means, Chair Transportation, Infrastructure, and Capitals Appropriations Subcommittee, Chair
McKINLEY, Paul	Appropriations Economic Growth Education, Vice Chair Human Resources Ways and Means Economic Development Appropriations Subcommittee, Chair
MILLER, David	Appropriations Judiciary Local Government, Vice Chair Natural Resources and Environment Ways and Means Justice System Appropriations Subcommittee, Chair
PUTNEY, John	Agriculture Economic Growth Judiciary Rules and Administration Transportation, Vice Chair Economic Development Appropriations Subcommittee
QUIRMBACH, Herman C.	Education Judiciary Local Government, Ranking Member Ways and Means Economic Development Appropriations Subcommittee
RAGAN, Amanda	Agriculture Economic Growth Human Resources, Ranking Member

	Rules and Administration State Government
REDFERN, Donald B.	Commerce Education Ethics, Vice Chair Judiciary, Chair
REHBERG, Kitty	Economic Growth, Chair Education Local Government Transportation Ways and Means Administration and Regulation Appropriations Subcommittee
SCHUERER, Neal	Appropriations Business and Labor Relations, Chair Commerce Human Resources State Government Education Appropriations Subcommittee, Chair
SENG, Joe M.	Agriculture Appropriations Natural Resources and Environment, Ranking Member Ways and Means Agriculture and Natural Resources Appropriations Subcommittee
SEYMOUR, James A.	Appropriations Business and Labor Relations Economic Growth Human Resources, Vice Chair Local Government Agriculture and Natural Resources Appropriations Subcommittee
SHULL, Doug	Appropriations Economic Growth, Vice Chair State Government Transportation Ways and Means, Vice Chair Education Appropriations Subcommittee
SIEVERS, Bryan J.	Appropriations Commerce Rules and Administration State Government, Vice Chair Ways and Means

	Administration and Regulation Appropriations Subcommittee, Vice Chair
STEWART, Roger	Commerce Economic Growth Local Government Ways and Means Administration and Regulation Appropriations Subcommittee
TINSMAN, Maggie	Appropriations Human Resources Judiciary State Government Health and Human Services Appropriations Subcommittee, Chair
VEENSTRA, Ken	Agriculture Appropriations Economic Growth Human Resources, Chair State Government Health and Human Services Appropriations Subcommittee
WARNSTADT, Steve	Appropriations Commerce, Ranking Member Transportation Transportation, Infrastructure, and Capitals Appropriations Subcommittee, Ranking Member
WIECK, Ron	Business and Labor Relations Commerce, Vice Chair Government Oversight Local Government Natural Resources and Environment
ZIEMAN, Mark	Agriculture Appropriations Natural Resources and Environment State Government, Chair Transportation Administration and Regulation Appropriations Subcommittee, Chair

## REPORTS OF COMMITTEE MEETINGS

### AGRICULTURE

**Convened:** January 21, 2003, 1:30 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Courtney, Gaskill, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** Houser (excused).

**Committee Business:** Joint meeting with the House Agriculture committee to listen to speakers from ISU and TransOva.

**Adjourned:** 3:00 p.m.

### GOVERNMENT OVERSIGHT

**Convened:** January 21, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Organizational meeting.

**Adjourned:** 3:55 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION

**Convened:** January 21, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; and Stewart.

**Members Absent:** Rehberg (excused).

**Committee Business:** Organizational meeting.

**Adjourned:** 3:20 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT

**Convened:** January 21, 2003, 3:05 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; Putney and Quirnbach.

**Members Absent:** None.

**Committee Business:** Organizational meeting.

**Adjourned:** 3:25 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** January 21, 2003, 3:05 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Organizational meeting.

**Adjourned:** 4:15 p.m.

#### INTRODUCTION OF RESOLUTION

**Senate Resolution 2**, by Bolkcom, a resolution relating to the maintenance of the Iowa Department of Elder Affairs as a separate department within state government.

Read first time under Rule 28 and referred to committee on **State Government**.

#### INTRODUCTION OF BILLS

**Senate File 30**, by Brunkhorst, a bill for an act limiting the types of courses secondary students may take under the postsecondary enrollment options Act.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 31**, by Brunkhorst, a bill for an act relating to the establishment of a public charter school pilot program and providing effective and applicability dates.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 32**, by Brunkhorst, a bill for an act relating to the disbursement and accounting of child support payments made to the clerk of the district court or to the collection services center and providing penalties and effective dates.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 33**, by Bolkcom, Dvorsky, Quirmbach, Hatch, Holveck, Lundby, and Dotzler, a bill for an act relating to discrimination based upon a person's sexual orientation under the Iowa civil rights Act.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 34**, by Bolkcom, a bill for an act relating to the personal needs allowance amount for a recipient of medical assistance residing in a nursing facility.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 35**, by Bolkcom, a bill for an act relating to the establishment of an assisted living and adult day care task force.

Read first time under Rule 28 and referred to committee on **Human Resources**.

## STUDY BILLS RECEIVED

### **SSB 1003      Transportation**

Relating to highway, aviation, and motor vehicle transportation, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, fees charged for driver's licenses and nonoperator's identification cards, and exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations.

**SSB 1004 Commerce**

Relating to the provision under a group health insurance policy or health maintenance organization contract for compensation of podiatrists.

**SSB 1005 Business and Labor Relations**

Providing that interest on weekly workers' compensation payments is paid at the same rate for court judgments and decrees.

**SSB 1006 Appropriations**

Supplementing appropriations made for the fiscal year beginning July 1, 2002, to the departments of human services, corrections, and public safety, and to the state public defender and the public broadcasting division of the department of education, and providing effective date and applicability provisions.

**SUBCOMMITTEE ASSIGNMENTS****Senate File 4**

WAYS AND MEANS: Rehberg, Chair; Seng and Shull

**Senate File 5**

EDUCATION: Rehberg, Chair; Beall and Boettger

**Senate File 6**

EDUCATION: Boettger, Chair; Brunkhorst and Kreiman

**Senate File 8**

STATE GOVERNMENT: Johnson, Chair; Black and Schuerer

**Senate File 10**

EDUCATION: Boettger, Chair; Connolly and McKinley

**Senate File 15**

JUDICIARY: Larson, Chair; Kreiman and McKibben

**Senate File 16**

WAYS AND MEANS: Angelo, Chair; Miller and Stewart

**Senate File 17**

WAYS AND MEANS: Sievers, Chair; Larson and McCoy

**Senate File 22**

STATE GOVERNMENT: Shull, Chair; Drake and Kibbie

**Senate File 28**

TRANSPORTATION: Johnson, Chair; Fraise and Putney

**Senate File 29**

STATE GOVERNMENT: Veenstra, Chair; Dearden and Tinsman

**SSB 1002**

COMMERCE: Angelo, Chair; Brunkhorst, Gronstal, Warnstadt, and Wieck

**SSB 1003**

TRANSPORTATION: Drake, Chair; McCoy and Putney

**SSB 1004**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**SSB 1005**

BUSINESS AND LABOR RELATIONS: Seymour, Chair; Dotzler and McKibben

**SSB 1006**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

# JOURNAL OF THE SENATE

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TENTH CALENDAR DAY  
SEVENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, January 22, 2003

The Senate met in regular session at 8:30 a.m., President Kramer presiding.

Prayer was offered by the Most Reverend Daniel Dinardo, Bishop of the Diocese in Sioux City, Iowa. He was the guest of Senators Johnson and Warnstadt.

The Journal of Tuesday, January 21, 2003, was approved.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Larson and Sievers, for the day, on request of Senator Iverson.

## SPECIAL GUEST

The Chair welcomed the Honorable Andrew J. McKean, former member of the Senate from Jones County, Anamosa, Iowa.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:42 a.m. until 10:30 a.m.

## RECONVENED

The Senate reconvened at 10:31 a.m., President Kramer presiding.

## INTRODUCTION OF BILL

**Senate File 36**, by committee on Appropriations, a bill for an act supplementing appropriations made for the fiscal year beginning July 1, 2002, to the departments of human services, corrections, and public safety, and to the state public defender and the public broadcasting division of the department of education, and providing effective date and applicability provisions.

Read first time and **placed on Appropriations calendar.**

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Black, until he arrives, on request of Senator Connolly.

## COMMITTEE REPORT

## APPROPRIATIONS

**Final Bill Action:** \*SENATE FILE 36 (SSB 1006), a bill for an act supplementing appropriations made for the fiscal year beginning July 1, 2002, to the departments of human services, corrections, and public safety, and to the state public defender and the public broadcasting division of the department of education, and providing effective date and applicability provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 24: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Tinsman, Veenstra, Warnstadt, and Ziemann. Nays, none. Absent, 1: Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 36, and they were attached to the committee report.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 36.

## Senate File 36

On motion of Senator Lamberti, **Senate File 36**, a bill for an act supplementing appropriations made for the fiscal year beginning July 1, 2002, to the departments of human services, corrections, and public safety, and to the state public defender and the public broadcasting division of the department of education, and providing effective date and applicability provisions, was taken up for consideration.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 36), the vote was:

Yeas, 47:

Angelo	Fraise	Kramer	Rehberg
Beall	Gaskill	Kreiman	Schuerer
Behn	Gronstal	Lamberti	Seng
Boettger	Hatch	Lundby	Seymour
Bolkcom	Holveck	McCoy	Shull
Brunkhorst	Horn	McKibben	Stewart
Connolly	Hosch	McKinley	Tinsman
Courtney	Houser	Miller	Veenstra
Dearden	Iverson	Putney	Warnstadt
Dotzler	Johnson	Quirmbach	Wieck
Drake	Kettering	Ragan	Zieman
Dvorsky	Kibbie	Redfern	

Nays, none.

Absent, 3:

Black	Larson	Sievers
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 36** be **immediately messaged** to the House.

## RECESS

On motion of Senator Iverson, the Senate recessed at 10:45 a.m. until 1:30 p.m.

## AFTERNOON SESSION

The Senate reconvened at 1:35 p.m., Senator Veenstra presiding.

## ADJOURNMENT

On motion of Senator Boettger, the Senate adjourned at 1:37 p.m. until 8:30 a.m. Thursday, January 23, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Lucille Arthur, LaPorte City — For celebrating her 100th birthday. Senator Rehberg (1/22/03).

Glen and Cheryl Christensen, Scranton — For being recognized as Second-Generation Master Pork Producers. Senator Beall (1/21/03).

Kevin Herink, Clutier — For being named a Top Pork Producer. Senator Sievers (1/27/03).

Linda Hilmer, LaPorte City — For celebrating her 100th birthday. Senator Rehberg (1/30/03).

Mark Ketcham, Marshalltown — For achieving the rank of Eagle Scout, Boy Scout Troop 310. Senator McKibben (1/19/03).

Rachel Parmer, Maquoketa — For achieving the highest award for Senior Girl Scouts, "The Gold Award," Troop 4041. Senator Stewart (1/22/03).

Dave and Becky Struthers, Collins — For being named Top Pork Producers. Senator Sievers (1/27/03).

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** January 21, 2003, 3:10 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Organizational meeting and budget overview by Legislative Fiscal Bureau.

**Adjourned:** 3:40 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** January 21, 2003, 3:05 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Organizational meeting and presentation by the Legislative Fiscal Bureau.

**Adjourned:** 3:30 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** January 21, 2003, 3:05 p.m.

**Members Present:** McKibben, Chair; Lamberti, Vice Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** None.

**Committee Business:** Organizational meeting and budget overview by Legislative Fiscal Bureau.

**Adjourned:** 4:05 p.m.

#### **APPROPRIATIONS**

**Convened:** January 22, 2003, 9:00 a.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Tinsman, Veenstra, Warnstadt, and Zieman.

**Members Absent:** Sievers (excused).

**Committee Business:** Approved committee rules and approved SSB 1006 (as amended).

**Adjourned:** 9:25 a.m.

#### **EDUCATION**

**Convened:** January 22, 2003, 9:40 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Quirnbach, Redfern, and Rehberg.

**Members Absent:** Larson (excused).

**Committee Business:** Presentation by Judy Jeffrey, Department of Education.

**Adjourned:** 10:40 a.m.

**JUDICIARY**

**Convened:** January 22, 2003, 1:05 p.m.

**Members Present:** Redfern, Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McKibben, Miller, Putney, Quirmbach, and Tinsman.

**Members Absent:** Larson, Vice Chair; and McCoy (both excused).

**Committee Business:** Approved SSB 1001.

**Adjourned:** 1:35 p.m.

**WAYS AND MEANS**

**Convened:** January 22, 2003, 2:15 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Lamberti, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, and Stewart.

**Members Absent:** Hosch, Larson, and Sievers (all excused).

**Committee Business:** Introduction of committee members and assignment of subcommittees.

**Adjourned:** 2:55 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE AND NATURAL RESOURCES**

**Convened:** January 22, 2003, 3:05 p.m.

**Members Present:** Gaskill, Chair; Houser, Vice Chair; Seng and Seymour.

**Members Absent:** Black, Ranking Member (excused).

**Committee Business:** Organizational meeting, approval of committee rules, and presentation by Legislative Fiscal Bureau.

**Adjourned:** 3:30 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**

**Convened:** January 22, 2003, 3:00 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; Putney and Quirmbach.

**Members Absent:** None.

**Committee Business:** Presentation by Jim Riordan, PERB.

**Adjourned:** 3:45 p.m.

## INTRODUCTION OF BILLS

**Senate File 37**, by committee on Judiciary, a bill for an act providing for a .08 blood alcohol concentration limit for motor vehicle operating while intoxicated offenses.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 38**, by Warnstadt, a bill for an act relating to and making an appropriation for the statewide poison control center.

Read first time under Rule 28 and referred to committee on **Appropriations.**

**Senate File 39**, by Brunkhorst, a bill for an act relating to property tax assessments of subdivided property and providing an applicability date.

Read first time under Rule 28 and referred to committee on **Local Government.**

## STUDY BILLS RECEIVED

**SSB 1007**      **Commerce**

Eliminating certain public disclosure requirements by state banks.

**SSB 1008**      **Commerce**

Relating to delinquency charges on certain precomputed consumer credit transactions.

**SSB 1009**      **Commerce**

Relating to the required provider provisions under group health insurance policies and health maintenance organization contracts.

**SSB 1010 Commerce**

Relating to real estate appraiser certification.

**SSB 1011 State Government**

Providing for the term of office of the chief executive officer of the Iowa public employees' retirement system and providing an effective and retroactive applicability date.

**SUBCOMMITTEE ASSIGNMENTS****Senate File 21**

STATE GOVERNMENT: Schuerer, Chair; Connolly and Tinsman

**Senate File 23**

WAYS AND MEANS: Rehberg, Chair; Quirmbach and Shull

**Senate File 24**

WAYS AND MEANS: Angelo, Chair; Hosch and Stewart

**Senate File 26**

HUMAN RESOURCES: Seymour, Chair; Boettger and Kreiman

**Senate File 27**

WAYS AND MEANS: Sievers, Chair; Larson and McCoy

**Senate File 32**

HUMAN RESOURCES: Seymour, Chair; Horn and Schuerer

**Senate File 33**

STATE GOVERNMENT: Schuerer, Chair; Ragan and Veenstra

**Senate File 34**

HUMAN RESOURCES: Veenstra, Chair; Hatch and Seymour

**Senate File 35**

HUMAN RESOURCES: McKinley, Chair; Hosch and Ragan

**SSB 1007**

COMMERCE: Kettering, Chair; Larson and Stewart

**SSB 1008**

COMMERCE: Kettering, Chair; Redfern and Stewart

**SSB 1009**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**SSB 1010**

COMMERCE: Sievers, Chair; Beall and Behn

**SSB 1011**

STATE GOVERNMENT: Zieman, Chair; Drake and Kibbie

**EXPLANATION OF VOTE**

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on January 22, 2003, when the vote was taken on Senate File 36. Had I been present, I would have voted "Yea."

DENNIS H. BLACK

**COMMITTEE REPORT****JUDICIARY**

**Final Bill Action:** SENATE FILE 37 (SSB 1001), a bill for an act providing for a .08 blood alcohol concentration limit for motor vehicle operating while intoxicated offenses.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Redfern, Kreiman, Boettger, Fraise, Holveck, Kettering, Lamberti, McKibben, Putney, Quirnbach, and Tinsman. Nays, none. Present, 2: Horn and Miller. Absent, 2: Larson and McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

# JOURNAL OF THE SENATE

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ELEVENTH CALENDAR DAY  
EIGHTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, January 23, 2003

The Senate met in regular session at 8:30 a.m., President Kramer presiding.

Prayer was offered by Reverend David Ruhe, pastor of the Plymouth Congregational Church in Des Moines, Iowa. He was the guest of President Kramer.

The Journal of Wednesday, January 22, 2003, was approved.

RECESS

On motion of Senator Veenstra, the Senate recessed at 8:34 a.m. until 11:45 a.m.

RECONVENED

The Senate reconvened at 11:45 a.m., President Pro Tempore Angelo presiding.

HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on January 22, 2003, **adopted** the following resolution in which the concurrence of the Senate is asked:

**House Concurrent Resolution 4**, a concurrent resolution relating to joint rules of the Senate and House of Representatives for the Eightieth General Assembly.

Read first time and referred to committee on **Rules and Administration.**

#### ADJOURNMENT

On motion of Senator Boettger, the Senate adjourned at 12:20 p.m. until 1:00 p.m. Monday, January 27, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 23, 2003

#### DEPARTMENT OF NATURAL RESOURCES

Report of the State Preserves Advisory Board for the Biennium 2001–2002, pursuant to Iowa Code section 465C.8.

#### STATE APPEAL BOARD

Report of claims against the State of Iowa during May 2002–January 2003.

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Seventeen Student Senate members from Iowa Central Community College in Fort Dodge, Iowa, accompanied by their advisor David Drissel. Senator Daryl Beall is a past-president of the Iowa Central Community College Student Senate. Senator Beall.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Audrey Carroll, Davenport — For celebrating your 100th birthday on February 4, 2003. Senator Seng (1/23/03).

The Klint and Cheri Cork family, Galva — For being named the recipient of the Iowa Farm Bureau's 2002 Outstanding Young Farmer Achievement Award. Senator Seymour (1/23/03).

Brandon England, Red Oak — For achieving the rank of Eagle Scout, Boy Scout Troop 86. Senator Angelo (1/23/03).

Adam Gebel, New Hampton — For achieving the rank of Eagle Scout, Boy Scout Troop 48. Senator Zieman (1/23/03).

Frieda Guldner, Davenport — For celebrating your 100th birthday on February 10, 2003. Senator Seng (1/23/03).

Melinda Jaster, Elkader — For achieving the highest award for Senior Girl Scouts, “The Gold Award.” Senator Rehberg (1/23/03).

## PETITION

The following petition was presented and placed on file:

From 170 residents of the Cedar Rapids area, Linn County, Iowa, favoring legislation to allow 17-year-olds to vote in school board elections. Senator Horn.

## REPORTS OF COMMITTEE MEETINGS

### GOVERNMENT OVERSIGHT

**Convened:** January 22, 2003, 3:00 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Update by the Department of Management and presentation by the ITD.

**Adjourned:** 4:40 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION

**Convened:** January 22, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** Sievers, Vice Chair (excused).

**Committee Business:** Organizational meeting and presentations by Department of Commerce, Department of Management, and ITD.

**Adjourned:** 4:25 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** January 22, 2003, 3:05 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentations by the Department of Elder Affairs, the Department of Public Health, and the Commission on Veterans' Affairs.

**Adjourned:** 5:00 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** January 22, 2003, 3:05 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Presentation by David Boyd, Deputy State Court Administrator.

**Adjourned:** 4:35 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** January 22, 2003, 3:05 p.m.

**Members Present:** McKibben, Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** Lamberti, Vice Chair (excused).

**Committee Business:** Presentation by the Department of Transportation.

**Adjourned:** 4:15 p.m.

#### **COMMERCE**

**Convened:** January 23, 2003, 1:10 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Bolkcom, Brunkhorst, Kettering, Redfern, and Stewart.

**Members Absent:** Behn, Gronstal, Larson, McCoy, Schuerer, and Sievers (all excused).

**Committee Business:** Subcommittee assignments.

**Adjourned:** 1:15 p.m.

## EDUCATION

**Convened:** January 23, 2003, 2:05 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, Redfern, and Rehberg.

**Members Absent:** Connolly, Ranking Member (excused).

**Committee Business:** Presentation by David Palmer, DMACC, and other community college representatives.

**Adjourned:** 2:55 p.m.

## HUMAN RESOURCES

**Convened:** January 23, 2003, 10:45 a.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, and Tinsman.

**Members Absent:** Schuerer (excused).

**Committee Business:** Adoption of rules and subcommittee assignments.

**Adjourned:** 10:50 a.m.

## LOCAL GOVERNMENT

**Convened:** January 23, 2003, 9:45 a.m.

**Members Present:** Gaskill, Chair; Quirmbach, Ranking Member; Angelo, Hatch, Hosch, Houser, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** Miller, Vice Chair; and Kreiman (both excused).

**Committee Business:** Presentation regarding the Help America Vote Act.

**Adjourned:** 10:35 a.m.

## STATE GOVERNMENT

**Convened:** January 23, 2003, 9:45 a.m.

**Members Present:** Zieman, Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** Sievers, Vice Chair (excused).

**Committee Business:** Presentation regarding the Help America Vote Act.

**Adjourned:** 10:35 a.m.

## TRANSPORTATION

**Convened:** January 23, 2003, 10:40 a.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Presentation by Mark Wandro, Department of Transportation.

**Adjourned:** 11:10 a.m.

## INTRODUCTION OF BILLS

**Senate File 40**, by Brunkhorst, a bill for an act relating to the issuance of free hunting licenses for antlerless deer, providing for the disposition of harvested deer meat to public institutions, and providing a penalty and for a repeal.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

**Senate File 41**, by Miller, a bill for an act relating to property taxation by requiring funding for state mandates, modifying the regular program school foundation base percentage, limiting certain school district property tax levies, establishing an ending fund balance limitation for counties, relating to county levies for mental health, mental retardation, and developmental disabilities services, excepting school district revenue from taxes collected for tax increment financing districts, repealing certain property tax credits, modifying certain property tax credits to operate as exemptions and striking state reimbursement for the credits, modifying certain property tax exemptions, providing for an ad valorem tax on mobile homes and manufactured homes, making changes to the method of assessment of property, establishing an agricultural land reserve, establishing limits on taxes collectible by class of property and by taxpayer, and lowering the rate of interest charged on delinquent taxes, and providing for other properly related matters and including effective and applicability date provisions.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 42**, by Bolkcom and Lundby, a bill for an act allowing greater third party ballot access by redefining political party.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 43**, by Warnstadt, Bolkcom, Stewart, Connolly, Dotzler, Beall, Courtney, Ragan, Kreiman, Holveck, Kibbie, and Gronstal, a bill for an act making changes in the elements of the criminal offense of identity theft.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 44**, by Larson, a bill for an act creating a criminal offense of sexual exploitation by a school employee, and providing a penalty.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 45**, by Larson, a bill for an act relating to the taxation of activities involving out-of-state qualified state tuition programs and including effective and retroactive applicability date provisions.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 46**, by Larson, a bill for an act relating to city and county ordinances allowing adoption of ordinances by petition and election.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 47**, by Larson, a bill for an act relating to the exclusion of certain nonprofit transitional housing from forcible entry and detainer actions and remedies.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 48**, by Lamberti, a bill for an act relating to the criminal offense of indecent exposure, and providing a penalty.

Read first time under Rule 28 and referred to committee on **Judiciary**.

### STUDY BILLS RECEIVED

#### **SSB 1012      Agriculture**

Relating to the powers and duties of the department of agriculture and land stewardship by providing for the elimination of administrative requirements.

#### **SSB 1013      Agriculture**

Relating to the Iowa agricultural development authority, by providing for administration, programs, and reporting.

#### **SSB 1014      Ethics**

Relating to the Senate Rules Governing Lobbyists and their interactions with the Senate and members of the Senate during the Eightieth General Assembly.

#### **SSB 1015      Ethics**

Relating to the Senate Code of Ethics governing the conduct of members of the Senate in relation to their senatorial duties during the Eightieth General Assembly.

#### **SSB 1016      Ways and Means**

Relating to a sales tax exemption for supplies for machinery, equipment, and computers.

**SSB 1017      Local Government**

Relating to formatting standards for recording documents or instruments by a county recorder, specifying a recording fee for certain documents or instruments, and providing an effective date.

**SUBCOMMITTEE ASSIGNMENTS****Senate File 38**

APPROPRIATIONS: Kramer, Chair; Tinsman and Warnstadt

**SSB 1012**

AGRICULTURE: Houser, Chair; Courtney and Putney

**SSB 1013**

AGRICULTURE: Johnson, Chair; Fraise and Hosch

**SSB 1014**

ETHICS: Drake, Chair; Kibbie and McKibben

**SSB 1015**

ETHICS: Drake, Chair; Kibbie and McKibben

**SSB 1016**

WAYS AND MEANS: McKibben, Chair; Connolly and Shull

**SSB 1017**

LOCAL GOVERNMENT: Houser, Chair; Kreiman and Rehberg

# JOURNAL OF THE SENATE

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FIFTEENTH CALENDAR DAY  
NINTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, January 27, 2003

The Senate met in regular session at 1:10 p.m., President Kramer presiding.

Prayer was offered by the Reverend David Larson, pastor of the First Baptist Church in Independence, Iowa. He was the guest of Senator Rehberg.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Pages Kristin Irwin and Abigail Kiernan.

The Journal of Thursday, January 23, 2003, was approved.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Gaskill, for the day, on request of Senator McKibben.

The Senate stood at ease at 1:18 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 1:59 p.m., President Pro Tempore Angelo presiding.

## ADJOURNMENT

On motion of Senator Boettger, the Senate adjourned at 2:06 p.m. until 8:30 a.m. Tuesday, January 28, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 27, 2003

#### DEPARTMENT OF TRANSPORTATION

Biodiesel Fuel Revolving Fund Expenditures FY 2002 Report — notification that the report in electronic form is available online.

#### STATE APPEAL BOARD

General Tort Claims, Highway Tort Claims, and Settlements and Judgements for 2002, pursuant to Iowa Code section 669.12.

#### AGENCY ICN REPORT

#### DEPARTMENT OF INSPECTIONS AND APPEALS

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Christopher L. Collett, Jesup — For achieving the rank of Eagle Scout. Senator Rehberg (1/27/03).

### PETITION

The following petition was presented and placed on file:

From 207 residents of Iowa favoring legislation to remove the motorboat horsepower restriction on Lake MacBride while requiring operators to motor at a “no wake speed.” Senator Sievers.

## REPORTS OF COMMITTEE MEETINGS

### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** January 22, 2003, 3:05 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Presentations by the Board of Educational Examiners and Iowa Public Television.

**Adjourned:** 4:00 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION

**Convened:** January 23, 2003, 3:35 p.m.

**Members Present:** Zieman, Chair; Holveck, Ranking Member; and Stewart.

**Members Absent:** Sievers, Vice Chair; and Rehberg (both excused).

**Committee Business:** Presentations by the Auditor's Office, Treasurer's Office, Ethics and Campaign Disclosure Board, and the Department of Human Rights.

**Adjourned:** 5:15 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** January 23, 2003, 3:05 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Presentation by Gary Nichols, Iowa College Aid Commission.

**Adjourned:** 4:05 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** January 23, 2003, 3:10 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentation on the Medicaid program.

**Adjourned:** 4:40 p.m.

## EDUCATION

**Convened:** January 27, 2003, 2:15 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Quirmbach, Redfern, and Rehberg.

**Members Absent:** Larson (excused).

**Committee Business:** Presentation by Ted Stilwell, Department of Education.

**Adjourned:** 3:30 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 1**, by Seymour, Angelo, Beall, Behn, Black, Boettger, Bolkcom, Brunkhorst, Connolly, Courtney, Dearden, Dotzler, Drake, Dvorsky, Fraise, Gaskill, Gronstal, Hatch, Holveck, Horn, Hosch, Houser, Iverson, Johnson, Kettering, Kibbie, Kreiman, Lamberti, Lundby, McCoy, McKibben, McKinley, Miller, Putney, Quirmbach, Ragan, Redfern, Rehberg, Schuerer, Seng, Shull, Sievers, Stewart, Tinsman, Veenstra, Warnstadt, Wieck, and Zieman, a concurrent resolution relating to the federal Medicare program and requesting assistance from the federal government.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 49**, by Kibbie, a bill for an act to limit certain political campaign advertising prior to an election, and applying a penalty.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 50**, by Miller, Zieman, Schuerer, Behn, McKinley, Hosch, Kettering, Rehberg, and Brunkhorst, a bill for an act relating to the coordination of economic development activities at the

institutions of higher learning under the control of the state board of regents.

Read first time under Rule 28 and referred to committee on **Economic Growth.**

**Senate File 51**, by Angelo, a bill for an act relating to the withdrawal of blood without a warrant from a person under arrest for an operating-while-intoxicated offense when the arrest results from a traffic accident resulting in death or personal injury reasonably likely to cause death.

Read first time under Rule 28 and referred to committee on **Judiciary.**

#### STUDY BILLS RECEIVED

**SSB 1018 Commerce**

Relating to the time periods that unclaimed demutualization proceeds and wages are presumed to be abandoned and providing an effective date.

**SSB 1019 Commerce**

Relating to the procedures for handling abandoned property and property presumed to be abandoned.

**SSB 1020 Business and Labor Relations**

Modifying workers' compensation laws and providing an effective date.

**SSB 1021 Business and Labor Relations**

Relating to workers' compensation.

#### SUBCOMMITTEE ASSIGNMENTS

**Senate Resolution 2**

STATE GOVERNMENT: Sievers, Chair; Dearden and Shull

**Senate File 30**

EDUCATION: Boettger, Chair; Brunkhorst and Connolly

**Senate File 31**

EDUCATION: Angelo, Chair; Brunkhorst and Kreiman

**Senate File 39**

LOCAL GOVERNMENT: Miller, Chair; Stewart and Wieck

**Senate File 41**

WAYS AND MEANS: Miller, Chair; Bolkcom, Quirnbach, Shull, and Sievers

**Senate File 43**

JUDICIARY: Miller, Chair; Kreiman and Putney

**Senate File 44**

JUDICIARY: Boettger, Chair; Horn and Larson

**Senate File 47**

JUDICIARY: Larson, Chair; Holveck and Tinsman

**Senate File 48**

JUDICIARY: Lamberti, Chair; Boettger and Fraise

**SSB 1018**

COMMERCE: Wieck, Chair; McCoy and Redfern

**SSB 1019**

COMMERCE: Warnstadt, Chair; Brunkhorst and Sievers

**SSB 1020**

BUSINESS AND LABOR RELATIONS: Seymour, Chair; Dotzler and McKibben

**SSB 1021**

BUSINESS AND LABOR RELATIONS: Seymour, Chair; Dotzler and Wieck

# JOURNAL OF THE SENATE

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SIXTEENTH CALENDAR DAY  
TENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, January 28, 2003

The Senate met in regular session at 8:31 a.m., President Pro Tempore Angelo presiding.

Prayer was offered by the Reverend Dan Witkowski, pastor of St. John's Lutheran Church in Des Moines, Iowa. He was the guest of Senator Seng.

The Journal of Monday, January 27, 2003, was approved.

Senator Tinsman offered tribute to Senator Lyle Zieman, former member of the Senate from Allamakee County, Postville, Iowa, who passed away on January 25, 2003. Senator Tinsman read the following poems written by Senator Lyle Zieman:

## **LIFE'S JOURNEY**

When we come to the end  
of life's journey's lane  
And we gaze at the sunset  
and in joy explain  
that after the sunset  
comes the bright morn  
and ask of the Lord  
that we will be reborn.  
May we meet our friends  
that have long been passed  
and thanks to the Lord  
we have held to His grasp  
Let us think of the joys  
we have to use  
and they continue  
as He shall choose.

**NO MORE CLOUDS**

I'm sure there've been times in all our lives,  
when we felt we would like to turn back.  
But this, my friends, is the impossible task  
for we all must face the facts.  
It's up to us to accept and cope  
the hardships we've endured  
and not be overcome by some fantastic lure.  
But with faith and hope in that ray of light  
that is trying to come through our door  
May we open it wide and let it shine in,  
so the clouds will be no more.

A moment of silence was observed by the Senate in memory of Senator Lyle Zieman.

**ADJOURNMENT**

On motion of Senator Veenstra, the Senate adjourned at 8:44 a.m. until 8:30 a.m. Wednesday, January 29, 2003.

## APPENDIX

The following appointments were announced on January 27, 2003:

### APPOINTMENTS BY THE SENATE MAJORITY AND MINORITY LEADERS

\*Indicates appointment mandated by statute

#### IOWA LEGISLATIVE COUNCIL (Iowa Code section 2.41) (Expires 2/1/2005)

\*Stewart E. Iverson, Jr., Vice Chair  
 \*Mary Kramer  
 \*Jeff Angelo  
 \*Michael E. Gronstal  
 \* Jeff Lamberti  
 \*Robert E. Dvorsky  
 Nancy Boettger  
 Joe Bolkcom  
 Mike Connolly  
 John Putney  
 Amanda Ragan  
 Neal Schuerer

#### IOWA LEGISLATIVE COUNCIL COMMITTEES (Iowa Code section 2.45) (Expires 2/1/2005)

##### ADMINISTRATION

Jeff Angelo, Vice Chair  
 Mike Connolly  
 Neal Schuerer

##### CAPITAL PROJECTS

\*Jeff Lamberti, Vice Chair  
 Nancy Boettger  
 Joe Bolkcom  
 Robert E. Dvorsky  
 Mary Kramer

##### FISCAL

\*Jeff Lamberti, Chair  
 \*Joe Bolkcom  
 \*Robert E. Dvorsky  
 \*Larry McKibben  
 Neal Schuerer

##### INTERNATIONAL RELATIONS

Nancy Boettger, Chair  
 Dennis H. Black  
 Gene Fraise  
 Jack Holveck  
 Hubert Houser  
 John Putney  
 Maggie Tinsman

##### SERVICE

Mary Kramer, Chair  
 Jeff Angelo  
 Michael E. Gronstal

##### STUDIES

Stewart E. Iverson, Jr., Chair  
 Nancy Boettger  
 Michael E. Gronstal  
 Mary Kramer  
 Amanda Ragan

## COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 28, 2003

### BOARD OF REGENTS

Beginning Farmer Center Annual Report — notification that the report in electronic form is available online.

### DEPARTMENT OF CORRECTIONS

Report on Pay for Stay during the fiscal year beginning July 1, 2001 — notification that the report in electronic form is available online.

## CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Samuel Steven Becker, Storm Lake — For achieving the rank of Eagle Scout. Senator Kettering (1/28/03).

Thomas O. Haukap, Lake View — For achieving the rank of Eagle Scout. Senator Kettering (1/28/03).

Irma Pullin, Waterloo — For celebrating your 95th birthday on January 22, 2003. Senator Dotzler (1/28/03).

## REPORTS OF COMMITTEE MEETINGS

### ETHICS

**Convened:** January 27, 2003, 4:30 p.m.

**Members Present:** Drake, Chair; Kibbie, Ranking Member; Connolly and McKibben.

**Members Absent:** Redfern, Vice Chair; and Dearden (both excused).

**Committee Business:** Approved SSBs 1014 and 1015.

**Adjourned:** 4:40 p.m.

**JUDICIARY**

**Convened:** January 27, 2003, 3:35 p.m.

**Members Present:** Redfern, Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McKibben, Miller, Putney, and Quirmbach.

**Members Absent:** Larson, Vice Chair; McCoy and Tinsman (all excused).

**Committee Business:** Subcommittee assignments.

**Adjourned:** 3:40 p.m.

**INTRODUCTION OF RESOLUTIONS**

**Senate Joint Resolution 1**, by Kramer and Iverson, a joint resolution authorizing the temporary use and consumption of wine in the State Capitol in conjunction with the awards ceremony of the World Food Prize Foundation.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 3**, by committee on Ethics, a resolution relating to the Senate Code of Ethics governing the conduct of members of the Senate in relation to their senatorial duties during the Eightieth General Assembly.

Read first time under Rule 28 and **placed on calendar**.

**Senate Resolution 4**, by committee on Ethics, a resolution relating to the Senate Rules Governing Lobbyists and their interactions with the Senate and members of the Senate during the Eightieth General Assembly.

Read first time under Rule 28 and **placed on calendar**.

**Senate Resolution 5**, by Iverson and Gronstal, a resolution designating January 29, 2003, as Iowa Insurance Day.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 52**, by Rehberg, a bill for an act providing for a valid marital property order under the Iowa public employee's retirement system.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 53**, by Connolly, a bill for an act relating to city or county civil service commissions.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 54**, by Connolly, a bill for an act specifying that health insurance benefits for retirees are included within the topic of insurance as a mandatory subject of bargaining for public employees.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 55**, by Lundby, a bill for an act modifying allocations and apportionments of road use tax funds.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 56**, by Tinsman, a bill for an act relating to delivery of voted absentee ballots to the commissioner's office.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 57**, by Angelo, a bill for an act relating to the various duties of the county treasurer.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 58**, by Tinsman, Lundby, and Holveck, a bill for an act relating to third-party payment of health care coverage costs for biologically based mental illness treatment services.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 59**, by Tinsman, a bill for an act requiring establishment of county child protection assistance teams.

Read first time under Rule 28 and referred to committee on **Human Resources**.

### STUDY BILLS RECEIVED

#### **SSB 1022      Local Government**

Allowing county recorders to collect fees for planning and implementation of electronic recording and transactions and for development of electronic access websites.

#### **SBB 1023      Commerce**

Relating to financial services business licensing and regulation, providing criminal and civil penalties, and providing an effective date.

### SUBCOMMITTEE ASSIGNMENTS

#### **Senate File 51**

JUDICIARY: Boettger, Chair; Kettering and McCoy

#### **SSB 1022**

LOCAL GOVERNMENT: Angelo, Chair; Houser and McCoy

#### **SSB 1023**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

## COMMITTEE REPORTS

## ETHICS

**Final Bill Action:** SENATE RESOLUTION 3 (SSB 1015), a resolution relating to the Senate Code of Ethics governing the conduct of members of the Senate in relation to their senatorial duties during the Eightieth General Assembly.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 4: Drake, Kibbie, Connolly, and McKibben. Nays, none. Absent, 2: Redfern and Dearden.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** SENATE RESOLUTION 4 (SSB 1014), a resolution relating to the Senate Rules Governing Lobbyists and their interactions with the Senate and members of the Senate during the Eightieth General Assembly.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 4: Drake, Kibbie, Connolly, and McKibben. Nays, none. Absent, 2: Redfern and Dearden.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AMENDMENT FILED

S-3006      S.F.      37      David Miller

# JOURNAL OF THE SENATE

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SEVENTEENTH CALENDAR DAY  
ELEVENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, January 29, 2003

The Senate met in regular session at 8:41 a.m., President Kramer presiding.

Prayer was offered by the Reverend Orris L. Drake, pastor of the United Methodist Church in Shelby, Iowa. He was the guest of Senator Boettger. Reverend Drake is the uncle of Representative Jack Drake.

The Journal of Tuesday, January 28, 2003, was approved.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Larson and Putney, for the day, on request of Senator Gaskill; and Senator Kibbie, until he arrives, on request of Senator Bolkcom.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on January 27, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 32**, a bill for an act relating to supplemental appropriations to reimburse counties for certain property tax credits and exemptions allowed and including an effective date.

Read first time and referred to committee on **Appropriations**.

A moment of silence was observed by the Senate in memory of Rob Miller, lobbyist with the Iowa Optometrists and the Iowa Egg Council.

## COMMITTEE REPORT

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 5, a resolution designating January 29, 2003, as Iowa Insurance Day.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Ragan, and Sievers. Nays, none. Absent, 2: Iverson and Putney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Gaskill asked and received unanimous consent to take up for consideration Senate Resolution 5.

### Senate Resolution 5

On motion of Senator Gronstal, **Senate Resolution 5**, a resolution designating January 29, 2003, as Iowa Insurance Day, with report of committee recommending passage, was taken up for consideration.

Senator Gronstal moved the adoption of Senate Resolution 5, which motion prevailed by a voice vote.

## RECESS

On motion of Senator Gaskill, the Senate recessed at 8:49 a.m. until 11:45 a.m.

## RECONVENED

The Senate reconvened at 11:45 a.m., President Pro Tempore Angelo presiding.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on January 29, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 36**, a bill for an act supplementing appropriations made for the fiscal year beginning July 1, 2002, to the departments of human services, corrections, and public safety, and to the state public defender and the public broadcasting division of the department of education, and providing effective date and applicability provisions. (S-3007)

## SPECIAL GUEST

Senator Boettger welcomed to the Senate chamber Robert Biwer, Consul General of Luxembourg.

The Senate rose and expressed its welcome.

## ADJOURNMENT

On motion of Senator Veenstra, the Senate adjourned at 12:09 p.m. until 8:30 a.m. Thursday, January 30, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

December 13, 2002

#### DEPARTMENT OF JUSTICE

Iowa Prosecutor Intern Program Report, pursuant to Iowa Code section 13.2 (12).

January 29, 2003

#### DEPARTMENT OF HUMAN SERVICES

Iowa Medicaid Pharmaceutical Case Management Program Evaluation, pursuant to 2000 Acts, Senate File 2435, section 9.

#### DEPARTMENT OF MANAGEMENT

Utility Tax Replacement Task Force Report, pursuant to Iowa Code section 437A.15.

### SUPPLEMENTAL REPORT OF THE COMMITTEE ON RULES AND ADMINISTRATION

MADAM PRESIDENT: Pursuant to Senate Concurrent Resolution 4, the committee on Rules and Administration submits the following supplemental report of changes, increases, and reclassifications and the effective dates for Senate employees:

Legislative Secretary

Ann Ihm

Grade 15, Step 2  
Effective 1/21/03

STEWART E. IVERSON, JR., Chair

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** January 28, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Presentation by William Angrick, Citizen's Aide Ombudsman.

**Adjourned:** 3:55 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** January 28, 2003, 3:30 p.m.

**Members Present:** Sievers, Vice Chair; Holveck, Ranking Member; and Stewart.

**Members Absent:** Zieman, Chair; and Rehberg (both excused).

**Committee Business:** Presentations by representatives of Department of General Services, Department of Personnel, and Department of Revenue and Finance.

**Adjourned:** 5:15 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** January 28, 2003, 3:00 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Presentations by representatives of Department of Public Safety.

**Adjourned:** 3:50 p.m.

#### **EDUCATION**

**Convened:** January 29, 2003, 9:50 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Quirmbach, and Rehberg.

**Members Absent:** Larson and Redfern (both excused).

**Committee Business:** Presentation by Department of Education on the financing of public education in Iowa.

**Adjourned:** 10:45 a.m.

#### **JUDICIARY**

**Convened:** January 29, 2003, 1:00 p.m.

**Members Present:** Redfern, Chair; Kreiman, Ranking Member; Boettger, Fraise, Horn, McKibben, Miller, Quirmbach, and Tinsman.

**Members Absent:** Larson, Vice Chair; Holveck, Kettering, Lamberti, McCoy, and Putney (all excused).

**Committee Business:** Subcommittee assignments.

**Adjourned:** 1:10 p.m.

## **RULES AND ADMINISTRATION**

**Convened:** January 29, 2003, 8:20 a.m.

**Members Present:** Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Ragan, and Sievers.

**Members Absent:** Iverson, Chair; and Putney (both excused).

**Committee Business:** Approved SJR 1, SR 1, and resolutions concerning pay, the joint rules, and floor access for the Governor's staff.

**Adjourned:** 8:40 a.m.

## **INTRODUCTION OF RESOLUTION**

**Senate Concurrent Resolution 2**, by committee on Rules and Administration, a concurrent resolution relating to the compensation of chaplains, officers and employees of the Eightieth General Assembly.

Read first time under Rule 28 and **placed on calendar**.

## **INTRODUCTION OF BILLS**

**Senate File 60**, by Warnstadt, a bill for an act transferring the powers and duties of the Missouri river preservation and land use authority to the loess hills development and conservation authority and providing effective dates.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

**Senate File 61**, by Warnstadt, a bill for an act allowing cities and counties to create enterprise zones near modes of transportation.

Read first time under Rule 28 and referred to committee on **Economic Growth.**

**Senate File 62**, by Lamberti, a bill for an act creating a presumption of owner consent when the child of an owner operates the owner's motor vehicle.

Read first time under Rule 28 and referred to committee on **Transportation.**

**Senate File 63**, by Kibbie and Drake, a bill for an act relating to the use of sick leave by certain members of the Iowa department of public safety peace officers' retirement, accident, and disability system who are temporarily incapacitated for duty.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 64**, by Kibbie and Lundby, a bill for an act relating to mandatory disclosures in certain political telephone communications, and applying a penalty.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 65**, by Zieman, a bill for an act allowing the issuance of deer licenses to certain landowners without a fee.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment.**

**Senate File 66**, by Houser, a bill for an act eliminating local assessor examining boards.

Read first time under Rule 28 and referred to committee on **Local Government.**

## STUDY BILLS RECEIVED

**SSB 1024      Judiciary**

Establishing a criminalistics laboratory surcharge and creating a criminalistics laboratory fund, making an appropriation of surcharge moneys, and making related changes.

**SSB 1025      Judiciary**

Relating to the state fire marshal's office of the department of public safety concerning the publication of administrative rule notices and explosives licensing and making criminal penalties applicable.

**SSB 1026      Judiciary**

Relating to appeals filed in child in need of assistance proceedings.

**SSB 1027      Judiciary**

Relating to criminal law and procedure, including the criminal offenses of arson, communications by an arrested person, and harassment, and the sex offender registry.

**SSB 1028      Judiciary**

Relating to the criminal penalties for an assault on members of certain occupations.

**SSB 1029      Judiciary**

Relating to the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses.

**SSB 1030      Judiciary**

Expanding the criminal offense of possessing contraband in correctional institutions to include possessing contraband in a secure facility for the detention or custody of juveniles, a detention facility, or a jail.

**SSB 1031      Natural Resources and Environment**

Relating to the regulation of vessels by increasing certain boat registration fees, and pilot and engineer licensing fees, providing for increased inspections of registered boats, and appropriating the moneys collected to the state fish and game protection fund.

**SSB 1032      Judiciary**

Relating to the criminal offense of sexual exploitation of a minor.

**SSB 1033      Natural Resources and Environment**

Relating to all-terrain vehicles and snowmobiles, requiring annual user permits for nonresidents, and making a penalty applicable.

**SSB 1034      Natural Resources and Environment**

Creating a premier destination park program and making an appropriation.

**SSB 1035      Natural Resources and Environment**

Relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates.

**SSB 1036      Ways and Means**

Updating the Iowa Code references to the Internal Revenue Code, coupling with certain provisions of federal law relating to economic growth, and providing a retroactive applicability date and an effective date.

**SSB 1037      Commerce**

Relating to provision of telecommunications services by municipal utilities, including the burden of proof for disclosure of business information, and limiting cross-subsidization of telecommunications systems and services from other funding sources.

**SSB 1038 State Government**

Providing for state ownership of Part III Iowa communications network video connections under specified circumstances.

**SSB 1039 Economic Growth**

Relating to the licensure, permit, and approval process for site development of economic development projects.

**SUBCOMMITTEE ASSIGNMENTS****Senate File 9**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Bolkcom and Kettering

**Senate File 18**

NATURAL RESOURCES AND ENVIRONMENT: Houser, Chair; Brunkhorst, Dearden, Kibbie, and Miller

**Senate File 20**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Seng and Ziemann

**Senate File 25**

NATURAL RESOURCES AND ENVIRONMENT: Kettering, Chair; Brunkhorst and Kibbie

**Senate File 40**

NATURAL RESOURCES AND ENVIRONMENT: Houser, Chair; Brunkhorst, Dearden, Kibbie, and Miller

**Senate File 42**

STATE GOVERNMENT: Veenstra, Chair; Black and Lamberti

**Senate File 46**

LOCAL GOVERNMENT: Gaskill, Chair; McCoy and Rehberg

**Senate File 50**

ECONOMIC GROWTH: McKinley, Chair; Hatch and Seymour

**Senate File 52**

STATE GOVERNMENT: Veenstra, Chair; Johnson and Ragan

**Senate File 53**

LOCAL GOVERNMENT: Miller, Chair; Hatch and Houser

**Senate File 54**

STATE GOVERNMENT: Schuerer, Chair; Connolly and Sievers

**Senate File 57**

LOCAL GOVERNMENT: Angelo, Chair; Seymour and Stewart

**Senate File 58**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 61**

ECONOMIC GROWTH: Boettger, Chair; Beall and Shull

**House File 32**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

**SSB 1024**

JUDICIARY: Lamberti, Chair; Larson and Quirmbach

**SSB 1025**

JUDICIARY: Boettger, Chair; Kreiman and Lamberti

**SSB 1026**

JUDICIARY: Tinsman, Chair; Boettger and Horn

**SSB 1027**

JUDICIARY: Putney, Chair; Holveck and Tinsman

**SSB 1028**

JUDICIARY: Miller, Chair; Boettger and Fraise

**SSB 1029**

JUDICIARY: McKibben, Chair; Miller and Quirnbach

**SSB 1030**

JUDICIARY: Putney, Chair; McCoy and Redfern

**SSB 1031**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Kibbie and Wieck

**SSB 1032**

JUDICIARY: McKibben, Chair; Holveck and Kettering

**SSB 1033**

NATURAL RESOURCES AND ENVIRONMENT: Kettering, Chair; Miller and Seng

**SSB 1034**

NATURAL RESOURCES AND ENVIRONMENT: Kettering, Chair; Bolcom and Brunkhorst

**SSB 1035**

NATURAL RESOURCES AND ENVIRONMENT: Houser, Chair; Black and Kettering

**SSB 1036**

WAYS AND MEANS: McKibben, Chair; Dotzler and Shull

**SSB 1037**

COMMERCE: Larson, Chair; Brunkhorst and McCoy

**SSB 1038**

STATE GOVERNMENT: Drake, Chair; Connolly and Shull

**SSB 1039**

ECONOMIC GROWTH: Larson, Chair; Dotzler and Putney

## COMMITTEE REPORTS

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE JOINT RESOLUTION 1, a joint resolution authorizing the temporary use and consumption of wine in the State Capitol in conjunction with the awards ceremony of the World Food Prize Foundation.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Ragan, and Sievers. Nays, none. Absent, 2: Iverson and Putney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 2, a concurrent resolution relating to the compensation of chaplains, officers and employees of the Eightieth General Assembly.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Ragan, and Sievers. Nays, none. Absent, 2: Iverson and Putney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** HOUSE CONCURRENT RESOLUTION 4, a concurrent resolution relating to joint rules of the Senate and House of Representatives for the Eightieth General Assembly.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Ragan, and Sievers. Nays, none. Absent, 2: Iverson and Putney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## EXPLANATION OF VOTE

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on January 22, 2003, when the vote was taken on Senate File 36. Had I been present, I would have voted "Yea."

CHARLES W. LARSON, JR.

## AMENDMENT FILED

S-3007      S.F.      36      House

# JOURNAL OF THE SENATE

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EIGHTEENTH CALENDAR DAY  
TWELFTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, January 30, 2003

The Senate met in regular session at 8:30 a.m., President Kramer presiding.

Prayer was offered by the Reverend Ron Burcham, pastor of the Gloria Dei Lutheran Church in Urbandale, Iowa. He was the guest of Senator Holveck.

The Journal of Wednesday, January 29, 2003, was approved.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Larson, Putney, and Veenstra, for the day, on request of Senator Iverson.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:38 a.m. until 5:00 p.m.

## EVENING SESSION

The Senate reconvened at 5:04 p.m., President Pro Tempore Angelo presiding.

## ADJOURNED

On motion of Senator McKinley, the Senate adjourned at 5:05 p.m. until 1:00 p.m. Monday, February 3, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

January 30, 2003

#### DEPARTMENT OF HUMAN RIGHTS

Iowa Commission on the Status of Women 2002 Annual Report — notification that the report in electronic form is available online.

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Hattie Isabel Thompson, Gladbrook — For celebrating your 104th birthday on February 2, 2003. Senator Schuerer (1/30/03).

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION

**Convened:** January 29, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Presentations by Department of Personnel, Department of Inspections and Appeals, and Governor's Office of Drug Control Policy.

**Adjourned:** 4:40 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT

**Convened:** January 29, 2003, 3:05 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; and Quirmbach.

**Members Absent:** Putney (excused).

**Committee Business:** Presentation by Iowa Workforce Development.

**Adjourned:** 4:00 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**Convened:** January 29, 2003, 3:10 p.m.

**Members Present:** Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** Schuerer, Chair (excused).

**Committee Business:** Presentations by Board of Regents, Department of Education, and Department for the Blind.

**Adjourned:** 4:45 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** January 29, 2003, 3:05 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Presentation by Department of Corrections.

**Adjourned:** 4:20 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** January 29, 2003, 3:10 p.m.

**Members Present:** McKibben, Chair; Lamberti, Vice Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** None.

**Committee Business:** Presentation by Department of General Services.

**Adjourned:** 4:00 p.m.

#### **AGRICULTURE**

**Convened:** January 30, 2003, 2:10 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Courtney, Gaskill, Kibbie, Ragan, Seng, and Zieman.

**Members Absent:** Houser, Johnson, Putney, and Veenstra (all excused).

**Committee Business:** Presentation by representative of the Grain Warehouse Bureau and comments from Patty Judge, Secretary of Agriculture.

**Adjourned:** 2:45 p.m.

## ECONOMIC GROWTH

**Convened:** January 30, 2003, 9:35 a.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, McKinley, Ragan, Seymour, and Stewart.

**Members Absent:** Larson, Putney, and Veenstra (all excused).

**Committee Business:** Adopted rules and presentation by Department of Economic Development.

**Adjourned:** 10:30 a.m.

## GOVERNMENT OVERSIGHT

**Convened:** January 30, 2003, 3:00 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; and Dvorsky.

**Members Absent:** Wieck (excused).

**Committee Business:** Adjourned to meet in subcommittees.

**Adjourned:** 3:05 p.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** January 30, 2003, 9:40 a.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann.

**Members Absent:** None.

**Committee Business:** Presentations by Department of Natural Resources.

**Adjourned:** 10:35 a.m.

## STATE GOVERNMENT

**Convened:** January 30, 2003, 10:40 a.m.

**Members Present:** Ziemann, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Courtney, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, and Tinsman.

**Members Absent:** Black, Connolly, Dearden, and Veenstra (all excused).

**Committee Business:** Subcommittee assignments.

**Adjourned:** 10:45 a.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** January 30, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Presentation by Chet Culver, Secretary of State.

**Adjourned:** 3:30 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**

**Convened:** January 30, 2003, 3:00 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; and Quirmbach.

**Members Absent:** Putney (excused).

**Committee Business:** Presentations by representatives of University of Iowa, Iowa State University, and University of Northern Iowa.

**Adjourned:** 4:10 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**Convened:** January 30, 2003, 3:05 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Kibbie and Shull.

**Members Absent:** Horn, Ranking Member (excused).

**Committee Business:** Presentations by Department of Cultural Affairs and the State Library.

**Adjourned:** 4:35 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** January 30, 2003, 3:05 p.m.

**Members Present:** Miller, Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** Angelo, Vice Chair (excused).

**Committee Business:** Presentation by representative of the Iowa Board of Parole.

**Adjourned:** 3:40 p.m.

## INTRODUCTION OF RESOLUTIONS

**Senate Joint Resolution 2**, by Rehberg, a joint resolution proposing an amendment to the Constitution of the State of Iowa to restrict the expenditure of state fees received from snowmobile registrations.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

**Senate Concurrent Resolution 3**, by Kibbie and Drake, a resolution requesting the establishment of standing Senate and House subcommittees on veteran affairs.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 67**, by Bolkcom, Holveck, Dearden, Dvorsky, Dotzler, Ragan, and Hatch, a bill for an act relating to required notices and disclosures of delayed deposit services, prohibited acts by licensees, and providing for fees.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 68**, by Brunkhorst, Zieman, and Rehberg, a bill for an act relating to the recycling property exemption from property tax and including an applicability date.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 69**, by McKibben, a bill for an act relating to the repeal of the state inheritance tax and state qualified use inheritance tax.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 70**, by Brunkhorst, Zieman, and Rehberg, a bill for an act relating to maintaining a magistrate court in a city other than the county seat.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 71**, by Lundby, a bill for an act relating to massage therapy by providing for a study regarding the modalities associated with massage therapy and providing a temporary exemption from licensure requirements.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 72**, by Beall, Seymour, Wieck, Kibbie, Gaskill, Courtney, Black, and Warnstadt, a bill for an act making appropriations from the general fund of the state for snowmobile and all-terrain vehicle programs.

Read first time under Rule 28 and referred to committee on **Appropriations**.

**Senate File 73**, by McKinley, a bill for an act relating to the reporting requirements under the Iowa industrial new jobs training Act.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

# JOURNAL OF THE SENATE

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TWENTY-SECOND CALENDAR DAY  
THIRTEENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, February 3, 2003

The Senate met in regular session at 1:02 p.m., President Kramer presiding.

Prayer was offered by the Reverend Phil Barrett of the Presbytery of Des Moines, Iowa. He was the guest of Senator McKinley.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Adrienne and Isaac Boettger, grandchildren of Senator Nancy Boettger.

A moment of silence was observed by the Senate in memory of the seven members of the Columbia space shuttle.

The Journal of Thursday, January 30, 2003, was approved.

## RECESS

On motion of Senator Iverson, the Senate recessed at 1:18 p.m. until 4:00 p.m.

## AFTERNOON SESSION

The Senate reconvened at 4:03 p.m., President Kramer presiding.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Larson, for the day, on request of Senator Iverson; and Senators Beall and McCoy, until they return, on request of Senator Gronstal.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Joint Resolution 1.

**Senate Joint Resolution 1**

On motion of Senator Iverson, **Senate Joint Resolution 1**, a joint resolution authorizing the temporary use and consumption of wine in the State Capitol in conjunction with the awards ceremony of the World Food Prize Foundation, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved that the resolution be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the resolution was read the last time.

**Senate Joint Resolution 1**, a joint resolution authorizing the temporary use and consumption of wine in the State Capitol in conjunction with the awards ceremony of the World Food Prize Foundation.

WHEREAS, the State of Iowa has the honor of being the home of the World Food Prize Foundation which annually presents an international award recognizing outstanding individual achievement in improving the quality, quantity, or availability of food in the world; and

WHEREAS, Iowa's unique State Capitol is an optimal location for this awards ceremony of the World Food Prize Foundation and previously served as the ceremony location; and

WHEREAS, wine is customarily served as an accompaniment to the food and entertainment provided at this type of awards ceremony and wine was served when the ceremony was previously held at the State Capitol; and

WHEREAS, under 401 IAC 3.4(8), which prohibits the consumption of alcoholic beverages on the capitol complex, it is not possible to serve wine at this type of awards ceremony in the State Capitol; NOW THEREFORE, BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Notwithstanding 401 IAC 3.4(8) and any contrary provisions of chapter 123, prohibiting the use and consumption of alcoholic beverages in public places, wine may be used and consumed within the state capitol at an awards ceremony, to be held on or around October 16, 2003, hosted and organized in whole or in part by the world food prize foundation if the person providing the food and wine at the awards ceremony possesses an appropriate valid liquor control license. For the purpose of this section and section 123.95, the state capitol is a private place.

On the question "Shall the resolution be adopted?" (S.J.R. 1), the vote was:

Yeas, 44:

Angelo	Fraise	Kramer	Schuerer
Behn	Gaskill	Lamberti	Seng
Black	Gronstal	Lundby	Seymour
Boettger	Hatch	McKibben	Shull
Bolkcom	Horn	McKinley	Sievers
Connolly	Hosch	Miller	Stewart
Courtney	Houser	Putney	Tinsman
Dearden	Iverson	Quirnbach	Veenstra
Dotzler	Johnson	Ragan	Warnstadt
Drake	Kettering	Redfern	Wieck
Dvorsky	Kibbie	Rehberg	Zieman

Nays, 2:

Holveck	Kreiman
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Absent, 4:

Beall	Brunkhorst	Larson	McCoy
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The resolution, having received a constitutional majority, was declared to have been adopted by the Senate and the title was agreed to.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Concurrent Resolution 4.

**House Concurrent Resolution 4**

On motion of Senator Iverson, **House Concurrent Resolution 4**, a concurrent resolution relating to joint rules of the Senate and House of Representatives for the Eightieth General Assembly, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of House Concurrent Resolution 4, which motion prevailed by a voice vote.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Joint Resolution 1** and **House Concurrent Resolution 4** be **immediately messaged** to the House.

HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 3, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 66**, a bill for an act requiring motor vehicle operators to take certain precautions when passing stationary utility maintenance or municipal maintenance vehicles and making a penalty applicable.

Read first time and referred to committee on **Transportation**.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 4:16 p.m. until 8:30 a.m. Tuesday, February 4, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 3, 2003

#### DEPARTMENT FOR THE BLIND

Report on Purchase of Products with Recycled Content, Pursuant to Iowa Code section 216B.3.

#### IOWA COUNTY ENGINEERS ASSOCIATION SERVICE BUREAU

Annual Report of Activities, pursuant to Iowa Code section 312.3.

#### IOWA JUDICIAL BRANCH

Enhanced Court Collections and Technology Fund Report — notification that the report in electronic form is available online.

#### LEGISLATIVE FISCAL BUREAU

Summary of FY 2004 Budget and Governor's Recommendations.

#### DEPARTMENT OF MANAGEMENT

Annual Report on Affirmative Action and Annual Governance Report on Diversity Programs — notification that the report in electronic form is available online.

### REPORT OF COMMITTEE MEETING

#### EDUCATION

**Convened:** February 3, 2003, 3:10 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Quirnbach, Redfern, and Rehberg.

**Members Absent:** Angelo and Larson (both excused).

**Committee Business:** Subcommittee assignment.

**Adjourned:** 3:20 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 6**, by Warnstadt, a resolution urging the United States Congress to immediately enact legislation assisting states and local governments in improving their first responder networks.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 74**, by Black, a bill for an act relating to gambling on excursion boats and at racetracks, by eliminating the ongoing reauthorization requirement of a referendum permitting gambling games and the cruise requirement for excursion gambling boats.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 75**, by Connolly, a bill for an act relating to training programs for adult volunteers who work with adolescent youths in after school mentoring programs, and making an appropriation.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 76**, by Zieman, a bill for an act relating to bond issuance elections and authorizing a political subdivision to impose an income surtax to partially fund the issuance of certain bonds.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 77**, by Rehberg, a bill for an act making appropriations from the general fund of the state for aviation.

Read first time under Rule 28 and referred to committee on **Appropriations.**

**Senate File 78**, by Rehberg, a bill for an act making appropriations from the general fund of the state for snowmobile and all-terrain vehicle programs.

Read first time under Rule 28 and referred to committee on **Appropriations.**

### STUDY BILLS RECEIVED

#### **SSB 1040      State Government**

Transferring responsibility for establishing the state plumbing code from the Iowa department of public health to the state building code commissioner and providing an effective date.

#### **SSB 1041      Transportation**

Relating to enforcement of motor vehicle law provisions and making penalties applicable.

#### **SSB 1042      Commerce**

Providing for the licensing and regulation of mortgage originators, providing penalties, and providing an effective date.

#### **SSB 1043      Judiciary**

To prohibit unauthorized computer access to operational or support data of a rural water district and providing a penalty.

#### **SSB 1044      Judiciary**

Relating to using an emergency exit to facilitate a theft, and providing a penalty.

**SSB 1045      Judiciary**

Relating to statutory corrections which may adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities, and including effective and retroactive applicability date provisions.

**SSB 1046      Judiciary**

Relating to nonsubstantive Code corrections and including effective and retroactive applicability date provisions.

**SUBCOMMITTEE ASSIGNMENTS****Senate Concurrent Resolution 1**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Concurrent Resolution 3**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 49**

STATE GOVERNMENT: Schuerer, Chair; Johnson and Ragan

**Senate File 55**

TRANSPORTATION: Putney, Chair; Drake and Fraise

**Senate File 56**

STATE GOVERNMENT: Tinsman, Chair; Connolly and Sievers

**Senate File 62**

TRANSPORTATION: Houser, Chair; Drake and Fraise

**Senate File 63**

STATE GOVERNMENT: Drake, Chair; Kibbie and Tinsman

**Senate File 64**

STATE GOVERNMENT: Johnson, Chair; Connolly and Veenstra

**Senate File 67**

COMMERCE: Schuerer, Chair; Behn and Bolkcom

**Senate File 73**

ECONOMIC GROWTH: McKinley, Chair; Dotzler and Veenstra

**SSB 1040**

STATE GOVERNMENT: Shull, Chair; Dearden and Sievers

**SSB 1041**

TRANSPORTATION: Shull, Chair; Beall and Putney

**SSB 1042**

COMMERCE: Sievers, Chair; Bolkcom and Wieck

**SSB 1043**

JUDICIARY: Kettering, Chair; Fraise and Miller

**SSB 1044**

JUDICIARY: Kettering, Chair; McCoy and McKibben

**SSB 1045**

JUDICIARY: Kreiman, Chair; Kettering and Larson

**SSB 1046**

JUDICIARY: Quirnbach, Chair; Putney and Tinsman

**EXPLANATION OF VOTE**

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on February 3, 2003, when the vote was taken on Senate Joint Resolution 1. Had I been present, I would have voted "Yea."

DARYL BEALL

# JOURNAL OF THE SENATE

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TWENTY-THIRD CALENDAR DAY  
FOURTEENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, February 4, 2003

The Senate met in regular session at 8:28 a.m., President Pro Tempore Angelo presiding.

Prayer was offered by the Reverend Jack Gannett, pastor of St. John's Episcopal Church in Mason City, Iowa. He was the guest of Senator Ragan.

The Journal of Monday, February 3, 2003, was approved.

RECESS

On motion of Senator Iverson, the Senate recessed at 8:32 a.m. until 11:45 a.m.

RECONVENED

The Senate reconvened at 11:45 a.m., President Pro Tempore Angelo presiding.

ADJOURNMENT

On motion of Senator Zieman, the Senate adjourned at 11:46 a.m. until 8:30 a.m. Wednesday, February 5, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 4, 2003

#### DEPARTMENT OF NATURAL RESOURCES

Registry of Hazardous Waste or Hazardous Substance Disposal Sites — notification that the report in electronic form is available online.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Jeremy Ansel, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (2/4/03).

Marcia Baumhover, Urbandale — For being named a 2002 Urbandale Citizen of the Year. Senator Holveck (2/4/03).

Michael Boxdleiter, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (2/4/03).

Sister Ruth Cox, Clinton — For being named recipient of the first Long-Term Nursing Award, recognizing a nurse for outstanding leadership in the care and services for older people. Senator Stewart (2/4/03).

Beth Dennler, Elkader — For achieving the highest award for Senior Girl Scouts, “The Gold Award.” Senator Rehberg (2/4/03).

Joshua John Deutmeyer, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (2/4/03).

Logan Gloss-Ivory, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (2/4/03).

Kristoffer Griffith, Burlington — For achieving the rank of Eagle Scout. Senator Courtney (2/4/03).

Ryan Johnson, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (2/4/03).

James Kosar, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (2/4/03).

Nathan Lacina, Davenport — For achieving the rank of Eagle Scout, Boy Scout Troop 43. Senator Seng (2/4/03).

Elaine Landis, Elkader — For achieving the highest award for Senior Girl Scouts, “The Gold Award.” Senator Rehberg (2/4/03).

Ann MacGregor, Mason City — For being named a recipient of the Bob Dutcher Award. Senator Ragan (2/4/03).

Erica McCorkindale, Elkader — For achieving the highest award for Senior Girl Scouts, “The Gold Award.” Senator Rehberg (2/4/03).

Matthew Oberhoffer, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (2/4/03).

Bob Simon, Urbandale — For being named a 2002 Urbandale Citizen of the Year. Senator Holveck (2/4/03).

Theresa Emma Thompson, Elkader — For achieving the highest award for Senior Girl Scouts, “The Gold Award.” Senator Rehberg (2/4/03).

Justin Wilson, Dubuque — For achieving the rank of Eagle Scout, Boy Scout Troop 48. Senator Connolly (2/4/03).

## REPORTS OF COMMITTEE MEETINGS

### COMMERCE

**Convened:** February 4, 2003, 1:00 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkom, Brunkhorst, Gronstal, Kettering, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** Larson and McCoy (both excused).

**Committee Business:** Presentation by representative of the Iowa Policy Project.

**Adjourned:** 1:40 p.m.

### ECONOMIC GROWTH

**Convened:** February 4, 2003, 9:55 a.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** Boettger and Larson (both excused).

**Committee Business:** Presentations by University of Iowa, Iowa State University, and University of Northern Iowa.

**Adjourned:** 11:10 a.m.

**NATURAL RESOURCES AND ENVIRONMENT**

**Convened:** February 4, 2003, 9:55 a.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundy, Miller, Wieck, and Ziemann.

**Members Absent:** None.

**Committee Business:** Presentation by Jeffrey Vonk, Director of the Department of Natural Resources.

**Adjourned:** 10:45 a.m.

**APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** February 4, 2003, 3:05 p.m.

**Members Present:** Ziemann, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Dr. Steven Gleason, Governor's Chief of Staff gave an overview of the office. Budget overview by the Legislative Fiscal Bureau.

**Adjourned:** 3:40 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE AND NATURAL RESOURCES**

**Convened:** February 4, 2003, 3:05 p.m.

**Members Present:** Gaskill, Chair; Black, Ranking Member; Seng and Seymour.

**Members Absent:** Houser, Vice Chair (excused).

**Committee Business:** Overview of the Governor's budget by Legislative Fiscal Bureau.

**Adjourned:** 3:20 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 7**, by Black, Behn, Iverson, and McCoy, a resolution supporting a proposal to invite the Republic of China (Taiwan) to participate in the upcoming meeting of the World Health Assembly as an observer.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 79**, by Brunkhorst, a bill for an act governing the regulation of elevators and other conveyances and providing penalties.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 80**, by Hatch, a bill for an act relating to body piercing and providing penalties.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 81**, by Lundby, a bill for an act prohibiting registration of a motor vehicle pending delivery of the certificate of title for notation of a security interest.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 82**, by Rehberg, a bill for an act relating to aviation by creating an aviation investment fund and making an appropriation.

Read first time under Rule 28 and referred to committee on **Appropriations**.

**Senate File 83**, by Rehberg, a bill for an act relating to the elimination of the state inheritance and qualified use inheritance taxes.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 84**, by Rehberg, a bill for an act requiring annual registration of snowmobiles and establishing a fee.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 85**, by Connolly, a bill for an act relating to the approval and administration of pilot community education programs, and making an appropriation.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 86**, by Zieman, a bill for an act relating to the payment by a county of the agricultural land tax credit and reimbursement to the county of its payment and providing an effective date.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 87**, by Dearden, Quirnbach, and Dvorsky, a bill for an act relating to smoking prohibitions.

Read first time under Rule 28 and referred to committee on **Human Resources**.

#### STUDY BILLS RECEIVED

#### **SSB 1047      Local Government**

Relating to motor vehicle parking violations, and providing a penalty.

**SSB 1048      Local Government**

Modifying the duties of county recorders.

**SSB 1049      Transportation**

Relating to the jurisdiction and funding of roads by transferring jurisdiction of and funding for certain primary and farm-to-market roads, raising the level of local effort required to receive and use certain road funds, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

**SUBCOMMITTEE ASSIGNMENTS****Senate Resolution 6**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 59**

HUMAN RESOURCES: Ragan, Chair; Hatch and Tinsman

**Senate File 66**

LOCAL GOVERNMENT: Houser, Chair; Hosch and Kreiman

**Senate File 68**

WAYS AND MEANS: Angelo, Chair; Hosch and Stewart

**Senate File 69**

WAYS AND MEANS: Larson, Chair; Hosch and McCoy

**Senate File 70**

JUDICIARY: Redfern, Chair; Holveck and Lamberti

**Senate File 72**

APPROPRIATIONS: Lamberti, Chair; Black and Houser

**Senate File 76**

WAYS AND MEANS: McKinley, Chair; Lamberti and Seng

**Senate File 77**

APPROPRIATIONS: McKibben, Chair; Connolly and Lamberti

**Senate File 78**

APPROPRIATIONS: Lamberti, Chair; Black and Houser

**Senate File 79**

STATE GOVERNMENT: Drake, Chair; Dearden and Johnson

**Senate File 80**

STATE GOVERNMENT: Shull, Chair; Ragan and Schuerer

**House File 66**

TRANSPORTATION: Putney, Chair; Shull and Warnstadt

**SSB 1047**

LOCAL GOVERNMENT: Angelo, Chair; McCoy and Miller

**SSB 1048**

LOCAL GOVERNMENT: Houser, Chair; Kreiman and Wieck

**SSB 1049**

TRANSPORTATION: Shull, Chair; Drake, McCoy, Warnstadt, and Zieman

**EXPLANATION OF VOTE**

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on February 3, 2003, when the vote was taken on Senate Joint Resolution 1. Had I been present, I would have voted "Yea."

CHARLES W. LARSON, JR.

# JOURNAL OF THE SENATE

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TWENTY-FOURTH CALENDAR DAY  
FIFTEENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, February 5, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend Corey Miller, pastor of the Carroll Church of Christ in Carroll, Iowa. He was the guest of Senator Kettering.

The Chair welcomed to the Senate chamber Senator JoAnn Johnson, former member of the Senate from Dallas County, Adel, Iowa.

The Journal of Tuesday, February 4, 2003, was approved.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Houser, until he arrives, on request of Senator Iverson.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:38 a.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 8:48 a.m., President Kramer presiding.

RECESS

On motion of Senator Iverson, the Senate recessed at 8:49 a.m. until 11:45 a.m.

RECONVENED

The Senate reconvened at 11:59 a.m., Senator Johnson presiding.

ADJOURNMENT

On motion of Senator Gaskill, the Senate adjourned at 12:01 p.m. until 8:30 a.m. Thursday, February 6, 2003.

## APPENDIX

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Don and Barb Small, Sioux City — For celebrating your 50th wedding anniversary. Senator Warnstadt (2/5/03).

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** February 4, 2003, 3:35 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; and Wieck.

**Members Absent:** Dvorsky (excused).

**Committee Business:** Presentation regarding fees.

**Adjourned:** 4:40 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT

**Convened:** February 4, 2003, 3:05 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; Putney and Quirmbach.

**Members Absent:** None.

**Committee Business:** Overview of the Governor's budget recommendations and presentation on performance measures.

**Adjourned:** 3:45 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** February 4, 2003, 3:05 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Overview of the Governor's budget recommendations and presentation by Ted Stilwell, Director of the Department of Education.

**Adjourned:** 4:05 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** February 4, 2003, 3:05 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Hosch and Kreiman.

**Members Absent:** Fraise, Ranking Member (excused).

**Committee Business:** Presentations by representatives of the Department of Public Defense.

**Adjourned:** 4:20 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** February 4, 2003, 3:05 p.m.

**Members Present:** McKibben, Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** Lamberti, Vice Chair (excused).

**Committee Business:** Overview of the Governor's budget recommendations and presentation by Telecommunications and Technology Commission.

**Adjourned:** 4:20 p.m.

**EDUCATION**

**Convened:** February 5, 2003, 11:05 a.m.

**Members Present:** Boettger, Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Hosch, Kreiman, Larson, Quirnbach, Redfern, and Rehberg.

**Members Absent:** McKinley, Vice Chair; and Holveck (both excused).

**Committee Business:** Presentation by Ted Stilwell, Director of the Department of Education, regarding the Program Elimination Commission and its impact on education.

**Adjourned:** 12:00 p.m.

**RULES AND ADMINISTRATION**

**Convened:** February 5, 2003, 8:38 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** Courtney and Drake (both excused).

**Committee Business:** Passed SCRs 1 and 3 and the Ronald Reagan resolution.

**Adjourned:** 8:42 a.m.

#### STATE GOVERNMENT

**Convened:** February 5, 2003, 2:40 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** Lamberti (excused).

**Committee Business:** Approved SSB 1011 (as amended).

**Adjourned:** 3:05 p.m.

#### TRANSPORTATION

**Convened:** February 5, 2003, 10:05 a.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman.

**Members Absent:** Houser (excused).

**Committee Business:** Approved SSB 1003.1.

**Adjourned:** 10:40 a.m.

#### INTRODUCTION OF RESOLUTION

**Senate Resolution 8**, by committee on Rules and Administration, a resolution to recognize February 6 as Ronald Reagan Day in the State of Iowa.

Read first time under Rule 28 and **placed on calendar.**

#### INTRODUCTION OF BILLS

**Senate File 88**, by Dotzler, a bill for an act relating to an employer's failure to make payments for employee health care benefits and providing a penalty.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 89**, by Dvorsky, a bill for an act concerning the creation of and the method for imposition of the domestic violence shelter surcharge.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 90**, by Tinsman, a bill for an act relating to the establishment of a centralized reporting and education program for sepsis.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 91**, by Warnstadt, a bill for an act relating to the required fuel efficiency of newly purchased state and local government vehicles.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 92**, by Connolly and Kibbie, a bill for an act relating to utilization of the district management levy to pay the cost of employee health insurance benefits.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 93**, by Larson, a bill for an act exempting from the individual income tax income of an individual received while on active duty as a member of the national guard or armed forces regular or reserve unit, and including effective and retroactive date provisions.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 94**, by Warnstadt, a bill for an act providing for the confidentiality of certain veterans' records maintained by county recorders.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 95**, by Johnson, a bill for an act establishing a choose life motor vehicle registration plate and appropriating fees from such plates for adoption-related services.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 96**, by Larson, a bill for an act providing for the regulation and licensing of home inspectors.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 97**, by committee on Transportation, a bill for an act relating to highway, aviation, motor vehicle transportation and public transit, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, applications for certificates of title by motor vehicle dealers, fees charged for driver's licenses and nonoperator's identification cards and making an appropriation, security interests in motor vehicles, charges financed in a motor vehicle retail installment transaction, confidentiality of motor vehicle accident reports, requirements for motor carrier safety rules, exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations, load limits for vehicles transporting construction machinery, urban public transit funding, and tariffs charged by motor carriers of household goods, and including effective and retroactive applicability date provisions.

Read first time under Rule 28 and **placed on calendar**.

**STUDY BILLS RECEIVED****SSB 1003.1    Transportation**

Relating to highway, aviation, motor vehicle transportation and public transit, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, application for certificates of title by motor vehicle dealers, fees charged for driver's licenses and nonoperator's identification cards and making an appropriation, security interests in motor vehicles, charges financed in a motor vehicle retail installment transaction, confidentiality of motor vehicle accident reports, requirements for motor carrier safety rules, exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations, load limits for vehicles transporting construction machinery, urban public transit funding, and tariffs charged by motor carriers of household goods, including effective and retroactive applicability date provisions.

**SSB 1050        Judiciary**

Relating to fraudulent use of a credit card and providing a penalty.

**SSB 1051        State Government**

Amending certain procedures for local government consolidation and allowing formation of local government empowerment committees.

**SSB 1052        Ways and Means**

Relating to a community renewal initiative by establishing a community development program to provide tax credits for income tax, franchise tax, premiums tax, and moneys and credits tax for businesses contributing to community development projects to aid certain neighborhoods and communities and including effective and applicability date provisions.

**SSB 1053      Education**

Relating to school district transportation routes outside a district's boundaries.

**SSB 1054      Education**

Relating to a review of statistical information compiled by the board of educational examiners from Praxis II examinations administrated to initial, provisional teaching license applicants.

**SSB 1055      Human Resources**

Relating to informed consent to an abortion and providing a criminal penalty, and providing an effective date.

**SSB 1056      Human Resources**

Relating to the establishment of exclusive grounds for a dissolution of marriage.

**SSB 1057      Human Resources**

Prohibiting the adoption and foster care of children by individuals who are homosexual.

**SSB 1058      Commerce**

Permitting written demand via regular mail prior to an action under the uniform commercial code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service.

**SUBCOMMITTEE ASSIGNMENTS****Senate Resolution 7**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 75**

EDUCATION: Boettger, Chair; Connolly and McKinley

**Senate File 82**

APPROPRIATIONS: McKibben, Chair; Connolly and Lamberti

**Senate File 83**

WAYS AND MEANS: Sievers, Chair; Larson and McCoy

**Senate File 84**

WAYS AND MEANS: McKinley, Chair; Connolly and Miller

**Senate File 85**

EDUCATION: Boettger, Chair; Connolly and McKinley

**Senate File 86**

WAYS AND MEANS: Sievers, Chair; Bolkcom and Rehberg

**Senate File 87**

HUMAN RESOURCES: McKinley, Chair; Behn and Horn

**SSB 1003.1**

TRANSPORTATION: Drake, Chair; McCoy and Putney

**SSB 1050**

JUDICIARY: Putney, Chair; Holveck and Miller

**SSB 1051**

STATE GOVERNMENT: Shull, Chair; Drake and Kibbie

**SSB 1052**

WAYS AND MEANS: Angelo, Chair; McKibben and Stewart

**SSB 1053**

EDUCATION: Boettger, Chair; Behn and Kreiman

**SSB 1054**

EDUCATION: Hosch, Chair; Boettger and Connolly

**SSB 1055**

HUMAN RESOURCES: Veenstra, Chair; Boettger and Ragan

**SSB 1056**

HUMAN RESOURCES: Veenstra, Chair; Boettger and Hatch

**SSB 1057**

HUMAN RESOURCES: Schuerer, Chair; Behn and Kreiman

**SSB 1058**

COMMERCE: Behn, Chair; Sievers and Warnstadt

**COMMITTEE REPORTS****RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 1, a concurrent resolution relating to the federal Medicare program and requesting assistance from the federal government.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Courtney and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 3, a resolution requesting the establishment of standing Senate and House subcommittees on veterans affairs.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Courtney and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 8 (LSB 1590sv), a resolution to recognize February 6 as Ronald Reagan Day in the State of Iowa.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Courtney and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**TRANSPORTATION**

**Final Bill Action:** SENATE FILE 97 (SSB 1003.1), a bill for an act relating to highway, aviation, motor vehicle transportation and public transit, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, applications for certificates of title by motor vehicle dealers, fees charged for driver's licenses and nonoperator's identification cards and making an appropriation, security interests in motor vehicles, charges financed in a motor vehicle retail installment transaction, confidentiality of motor vehicle accident reports, requirements for motor carrier safety rules, exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations, load limits for vehicles transporting construction machinery, urban public transit funding, and tariffs charged by motor carriers of household goods, and including effective and retroactive applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Drake, Putney, McCoy, Beall, Dearden, Fraise, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Ziemann. Nays, none. Absent, 1: Houser.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

# JOURNAL OF THE SENATE

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TWENTY-FIFTH CALENDAR DAY  
SIXTEENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, February 6, 2003

The Senate met in regular session at 8:32 a.m., President Kramer presiding.

Prayer was offered by the Honorable Ken Veenstra, member of the Senate from Sioux County, Orange City, Iowa.

The Journal of Wednesday, February 5, 2003, was approved.

## BILL REASSIGNED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate File 79** be reassigned from the committee on State Government to the committee on **Business and Labor Relations**.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator McKinley, for the day, on request of Senator Veenstra; Senators Houser and Tinsman, until they arrive, on request of Senator Iverson; and Senators Holveck and Kreiman, until they arrive, on request of Senator Gronstal.

## HOUSE AMENDMENT CONSIDERED

### **Senate File 36**

Senator Lamberti called up for consideration **Senate File 36**, a bill for an act supplementing appropriations made for the fiscal year beginning July 1, 2002, to the departments of human services, corrections, and public safety, and to the state public defender and the public broadcasting division of the department of education, and

providing effective date and applicability provisions, amended by the House, and moved that the Senate concur in House amendment S-3007, filed January 29, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Lamberti moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 36), the vote was:

Yeas, 45:

Angelo	Dvorsky	Lamberti	Seng
Beall	Fraise	Larson	Seymour
Behn	Gaskill	Lundby	Shull
Black	Gronstal	McCoy	Sievers
Boettger	Hatch	McKibben	Stewart
Bolkcom	Horn	Miller	Veenstra
Brunkhorst	Hosch	Putney	Warnstadt
Connolly	Iverson	Quirnbach	Wieck
Courtney	Johnson	Ragan	Zieman
Dearden	Kettering	Redfern	
Dotzler	Kibbie	Rehberg	
Drake	Kramer	Schuerer	

Nays, none.

Absent, 5:

Holveck	Kreiman	Tinsman
Houser	McKinley	

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 8.

### **Senate Resolution 8**

On motion of Senator Iverson, **Senate Resolution 8**, a resolution to recognize February 6 as Ronald Reagan Day in the State of Iowa, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 8, which motion prevailed by a voice vote.

#### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 1.

### **Senate Concurrent Resolution 1**

On motion of Senator Iverson, **Senate Concurrent Resolution 1**, a concurrent resolution relating to the federal Medicare program and requesting assistance from the federal government, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Concurrent Resolution 1, which motion prevailed by a voice vote.

#### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 3.

### **Senate Concurrent Resolution 3**

On motion of Senator Iverson, **Senate Concurrent Resolution 3**, a resolution requesting the establishment of standing Senate and House subcommittees on veteran affairs, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Concurrent Resolution 3, which motion prevailed by a voice vote.

CONSIDERATION OF RESOLUTIONS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolutions 3 and 4.

**Senate Resolution 3**

On motion of Senator Drake, **Senate Resolution 3**, a resolution relating to the Senate Code of Ethics governing the conduct of members of the Senate in relation to their senatorial duties during the Eightieth General Assembly, was taken up for consideration.

Senator Drake moved the adoption of Senate Resolution 3, which motion prevailed by a voice vote.

**Senate Resolution 4**

On motion of Senator Drake, **Senate Resolution 4**, a resolution relating to the Senate Rules Governing Lobbyists and their interactions with the Senate and members of the Senate during the Eightieth General Assembly, was taken up for consideration.

Senator Drake moved the adoption of Senate Resolution 4, which motion prevailed by a voice vote.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 36** and **Senate Concurrent Resolutions 1** and **3** be **immediately messaged** to the House.

ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 8:58 a.m. until 1:00 p.m. Monday, February 10, 2003.

## APPENDIX

### APPOINTMENTS

The following appointees were submitted to the Secretary of the Senate for Senate confirmation (all appointees are submitted as **members** unless otherwise specified):

#### BY THE GOVERNOR

#### TERM

ACCOUNTANCY EXAMINING BOARD (Sec. 542C) Richard Johnson, Sheldahl	01/02/2003 – 04/30/2003
COMMISSION ON THE STATUS OF AFRICAN-AMERICANS (Sec. 216A.142) Jamie Howard, Davenport	06/27/2002 – 04/30/2004
IOWA CAPITAL INVESTMENT BOARD (Sec. 15E.223) Eugene Blanshan, Panora Burt Chojnowski, Fairfield Carol Garrett, Bettendorf Cyril Mandelbaum, West Des Moines Gordon Neumann, Des Moines	06/04/2002 – 04/30/2005 06/04/2002 – 04/30/2004 06/04/2002 – 04/30/2003 06/04/2002 – 04/30/2007 06/04/2002 – 04/30/2006
CHILD ADVOCACY BOARD (Sec. 237.16) Christine Boyken, Britt Brian Michaelson, Sioux City	07/01/2002 – 04/30/2006 07/01/2002 – 04/30/2006
IOWA STATE CIVIL RIGHTS COMMISSION (Sec. 216.3) Frederick Morain, Jefferson	09/27/2002 – 04/30/2005
DRUG POLICY COORDINATOR (Sec. 80E.1) Marvin Van Haaften, Pella	01/28/2003 – Pleasure of the Governor
DRUG POLICY ADVISORY COUNCIL (Sec. 80E.2) Terry Sweeney, Granger	05/01/2002 – 04/30/2006
DIRECTOR OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT (Sec. 15.105) Michael Blouin, Des Moines	01/16/2003 – Pleasure of the Governor
ENGINEERING AND LAND SURVEYING EXAMINING BOARD (Sec. 542B.3) Lyle TeKippe, West Union	09/12/2002 – 04/30/2005
ENVIRONMENTAL PROTECTION COMMISSION (Sec. 455A.6) Jerry Peckum, Jefferson	10/04/2002 – 04/30/2003
HEALTHY AND WELL KIDS IN IOWA (HAWK-I) BOARD (Sec. 514I.4) James Yeast, Dubuque	05/28/2002 – 04/30/2005
DIRECTOR OF THE DEPARTMENT OF HUMAN RIGHTS (Sec. 216A.2) Ruth White, Cedar Rapids	04/01/2003 – Pleasure of the Governor

## IOWACCESS ADVISORY COUNCIL (Sec. 14B.201)

Sheila Castaneda, Dubuque 05/24/2002 – 04/30/2004

## IOWA LEWIS AND CLARK BICENTENNIAL COMMISSION (Sec. 15.221)

Wynema Morris, Walthill, NE 11/13/2002 – 04/30/2003  
Michele Walker, Red Oak 01/03/2003 – 04/30/2003

## LOTTERY BOARD (Sec. 99E.5)

Elaine Baxter, Burlington 05/01/2002 – 04/30/2003

## BOARD OF EXAMINERS FOR MASSAGE THERAPY (Sec. 147.14(17))

Carla Eshelman, Des Moines 07/09/2002 – 04/30/2004

MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES COMMISSION  
(Sec. 225C.5(1))

Cathy Anderson, Des Moines 11/01/2002 – 04/30/2005  
Michael Bergan, Decorah 11/01/2002 – 04/30/2005  
Lynn Ferrell, Urbandale 11/01/2002 – 04/30/2006  
Russell Finken, Glenwood 11/01/2002 – 04/30/2004  
William Gorman, Solon 11/01/2002 – 04/30/2006  
Jon Grate, Davenport 11/01/2002 – 04/30/2004  
Jane Halliburton, Ames 11/01/2002 – 04/30/2006  
Mary Hughes, Kalona 11/01/2002 – 04/30/2004  
Julie Jetter, Independence 11/01/2002 – 04/30/2006  
Linda Kellen, Sioux City 11/01/2002 – 04/30/2005  
Jacqueline Kibbie-Williams, Sheldon 11/01/2002 – 04/30/2005  
Lannie Miller, West Bend 11/01/2002 – 04/30/2005  
Lori Reynolds, Anamosa 11/01/2002 – 04/30/2004  
Brian Ridler, Woodward 11/01/2002 – 04/30/2004  
Ronald Walls, Clear Lake 11/01/2002 – 04/30/2006  
Kittie Weston-Knauer, Des Moines 11/01/2002 – 04/30/2004

## BOARD OF PAROLE (Sec. 904A.1-3)

Barbara Binnie, Des Moines 06/10/2002 – 04/30/2005

## BOARD OF PHYSICAL AND OCCUPATIONAL THERAPY EXAMINERS

(Sec. 147.14(10))

Helen McNurlen, Grinnell 06/03/2002 – 04/30/2003

## BOARD OF PODIATRY EXAMINERS (147.14(1A))

Patsy Hastings 06/03/2002 – 04/30/2005

## PUBLIC EMPLOYMENT RELATIONS BOARD (Sec. 20.5)

Neil Barrick, Johnston 01/31/2003 – 04/30/2004

## STATE RACING AND GAMING COMMISSION (Sec. 99D.5)

Kathryne Cutler, Honey Creek 06/04/2002 – 04/30/2005  
Joyce Jarding, Farley 09/02/2002 – 04/30/2003

## REAL ESTATE APPRAISER EXAMINING BOARD (Sec. 543D.4)

Barbara Leestamper, Waterloo 08/01/2002 – 04/30/2003

REAL ESTATE COMMISSION (Sec. 543B.8)	
James O'Neill, Council Bluffs	10/30/2002 – 04/30/2005
STATE BOARD OF REGENTS (Sec. 262.1-2)	
Neala Arnold, Bettendorf	06/25/2002 – 04/30/2003
DIRECTOR OF REVENUE AND FINANCE (Sec. 421.2)	
Michael Ralston, Nevada	02/17/2003 – Pleasure of the Governor
STATE SOIL CONSERVATION COMMITTEE (Sec. 161A.4)	
Todd Scott, Iowa City	08/01/2002 – 04/30/2003
BOARD OF SPEECH PATHOLOGY AND AUDIOLOGY EXAMINERS (Sec. 147.14(9))	
Jeannette Adamski, Mason City	09/23/2002 – 04/30/2005
Becky Vilda, Iowa City	10/18/2002 – 04/30/2003
DIRECTOR OF THE OFFICE FOR STATE-FEDERAL RELATIONS (Sec. 7F.1)	
John Cacciatore, Des Moines	01/17/2003 – Pleasure of the Governor
STATE BOARD OF TAX REVIEW (Sec. 421.1)	
David Erickson, West Des Moines	11/01/2002 – 04/30/2005
COMMANDANT OF THE IOWA VETERANS HOME (Sec. 35D.13)	
Byron Coghlan, Marshalltown	12/09/2002 – Pleasure of the Governor
IOWA BOARD OF VETERINARY MEDICINE (Sec. 169.5)	
Anne Duffy, Cedar Rapids	05/22/2002 – 04/30/2003
Ellen Kroc, Ames	11/15/2002 – 04/30/2005

The appointments were referred to the committee on **Rules and Administration**.

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 6, 2003

#### DEPARTMENT OF MANAGEMENT

Statement of Standing Appropriations, pursuant to Iowa Code section 8.6.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Jerry and Shirley Burke, Madrid — For celebrating your 50th wedding anniversary on February 8, 2003. Senator Quirmbach (2/6/03).

Bill and Carolyn Guigli, Madrid — For celebrating your 50th wedding anniversary on February 7, 2003. Senator Quirmbach (2/6/03).

Randall Dennis Kasparbauer, Manning — For achieving the rank of Eagle Scout. Senator Kettering (2/6/03).

Joe and Dora Romitti, Madrid — For celebrating your 50th wedding anniversary on February 8, 2003. Senator Quirmbach (2/6/03).

## REPORTS OF COMMITTEE MEETINGS

### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 4, 2003, 3:10 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Overview of the Medicaid program by the Legislative Fiscal Bureau.

**Adjourned:** 4:50 p.m.

### GOVERNMENT OVERSIGHT

**Convened:** February 5, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Overview and discussion of the Program Elimination Commission bill and subcommittee work. Presentation by Treasurer's office regarding the Senior Living Trust.

**Adjourned:** 4:10 p.m.

### WAYS AND MEANS

**Convened:** February 5, 2003, 2:05 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Miller, Quirmbach, Seng, Sievers, and Stewart.

**Members Absent:** Lamberti, Larson, McCoy, McKinley, and Rehberg (all excused).

**Committee Business:** Presentations by the Department of Revenue and Finance.

**Adjourned:** 2:30 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** February 5, 2003, 3:55 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Presentations by the Department of Personnel and the Iowa Lottery Board.

**Adjourned:** 4:20 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE AND NATURAL RESOURCES**

**Convened:** February 5, 2003, 3:05 p.m.

**Members Present:** Gaskill, Chair; Black, Ranking Member; Seng and Seymour.

**Members Absent:** Houser, Vice Chair (excused).

**Committee Business:** Presentations by Ron Rowland, Department of Agriculture and Land Stewardship, on milk regulation and by Wayne Gieselman, Department of Natural Resources, on animal confinement operations.

**Adjourned:** 4:05 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**

**Convened:** February 5, 2003, 3:05 p.m.

**Members Present:** Behn, Vice Chair; Dotzler, Ranking Member; Putney and Quirnbach.

**Members Absent:** McKinley, Chair (excused).

**Committee Business:** Presentation by the Department of Economic Development.

**Adjourned:** 4:00 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**Convened:** February 5, 2003, 3:10 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Presentation regarding the condition of community colleges.

**Adjourned:** 4:50 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES**

**Convened:** February 5, 2003, 3:15 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentation by Department of Human Services on the Medicaid program.

**Adjourned:** 5:00 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** February 5, 2003, 3:10 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Presentations by Iowa Law Enforcement Academy and Iowa Communications Network.

**Adjourned:** 4:40 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** February 5, 2003, 3:05 p.m.

**Members Present:** McKibben, Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** Lamberti, Vice Chair (excused).

**Committee Business:** Presentation by Department of Agriculture and Land Stewardship regarding the Soil Conservation Division.

**Adjourned:** 4:20 p.m.

#### **AGRICULTURE**

**Convened:** February 6, 2003, 2:05 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** Courtney (excused).

**Committee Business:** Presentation by Department of Agriculture regarding homeland security.

**Adjourned:** 2:30 p.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** February 6, 2003, 2:35 p.m.

**Members Present:** Houser, Chair; Seng, Ranking Member; Black, Bolkom, Brunkhorst, Drake, Holveck, Kettering, Kibbie, and Zieman.

**Members Absent:** Johnson, Vice Chair; Dearden, Lundby, Miller, and Wieck (all excused).

**Committee Business:** Presentation regarding the Enviro-Kleen oil filter system.

**Adjourned:** 3:00 p.m.

## INTRODUCTION OF BILLS

**Senate File 98**, by Dvorsky and Holveck, a bill for an act relating to manufactured and mobile homes by providing for tenants' rights and safety.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 99**, by Veenstra, a bill for an act relating to insurance fraud, and providing civil remedies.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 100**, by Connolly, a bill for an act relating to advanced placement award programs and providing for the appropriation of moneys.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 101**, by Tinsman, a bill for an act increasing the exemption for pension and retirement income, including social security benefits, for purposes of state individual income tax and providing an applicability date.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 102**, by committee on State Government, a bill for an act relating to the chief executive officer of the Iowa public employees' retirement system and providing an effective and retroactive applicability date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 103**, by Lundby, a bill for an act relating to the age of enrollment for kindergarten programs.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 104**, by Kreiman and Angelo, a bill for an act relating to the establishment of multicounty jails, and making an appropriation.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 105**, by Bolkcom, Dvorsky, Quirmbach, Hatch, Holveck, Lundby, Dotzler, Dearden, Black, Seng, McCoy, Horn, and Connolly, a bill for an act regarding discrimination based upon a person's sexual orientation under the Iowa civil rights Act.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 106**, by Bolkcom, Dotzler, and Hatch, a bill for an act relating to collecting and disseminating information concerning motor vehicle stops.

Read first time under Rule 28 and referred to committee on **Transportation.**

### STUDY BILLS RECEIVED

#### **SSB 1059      Government Oversight**

Relating to government efficiency by providing for the delivery of administrative services to state government, establishment of common states services regional boundaries, revising medical assistance program eligibility and benefits provisions, improving coordination of veterans benefits eligibility determinations, requiring a comprehensive study of the state mental health institutes, and revising requirements involving the judicial district departments of correctional services, and providing effective dates.

#### **SSB 1060      Education**

Relating to the use of physical plant and equipment levy revenue, and providing an effective date.

#### **SSB 1061      Commerce**

Increasing the surcharge for certain dishonored negotiable instruments.

### SUBCOMMITTEE ASSIGNMENTS

#### **Senate File 71**

STATE GOVERNMENT: Tinsman, Chair; Courtney and Johnson

#### **Senate File 74**

STATE GOVERNMENT: Tinsman, Chair; Black and Sievers

#### **Senate File 79**

BUSINESS AND LABOR RELATIONS: Lundby, Chair; Dearden and Kettering

#### **Senate File 93**

WAYS AND MEANS: Larson, Chair; Connolly and McKibben

**Senate File 101**

WAYS AND MEANS: Rehberg, Chair; Seng and Shull

**SSB 1059**

GOVERNMENT OVERSIGHT: Lundby, Chair; Brunkhorst, Courtney, and Wieck

**SSB 1060**

EDUCATION: Beall, Chair; Behn and Boettger

**SSB 1061**

COMMERCE: Warnstadt, Chair; Kettering and Larson

**EXPLANATION OF VOTES**

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on February 6, 2003, when the vote was taken on Senate File 36. Had I been present, I would have voted "Yea."

PAUL MCKINLEY

ALSO:

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on February 6, 2003, when the vote was taken on Senate File 36. Had I been present, I would have voted "Yea."

MAGGIE TINSMAN

**COMMITTEE REPORT****STATE GOVERNMENT**

**Final Bill Action:** \*SENATE FILE 102 (SSB 1011), a bill for an act relating to the chief executive officer of the Iowa public employees' retirement system and providing an effective and retroactive applicability date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Ragan, Shull, Tinsman, and Veenstra. Nays, 1: Schuerer. Absent, 1: Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the State Government Committee on Senate File 102, and they were attached to the committee report.

# JOURNAL OF THE SENATE

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TWENTY-NINTH CALENDAR DAY  
SEVENTEENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, February 10, 2003

The Senate met in regular session at 1:09 p.m., President Kramer presiding.

Prayer was offered by the Reverend Darran Whiting, pastor of the Calvary Baptist Church in Coggon, Iowa. He was the guest of Senator Lundby.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Pages Susan Hildebrand and Eva Sersland.

The Journal of Thursday, February 6, 2003, was approved.

## COMMITTEE ON MEMORIALS

Senator Iverson moved that a committee of six be appointed to ascertain the names of the deceased members of the Senate and that the committee be authorized to appoint committees to prepare suitable memorial resolutions.

The motion prevailed by a voice vote and the Chair announced the appointment of Senators Drake, Chair; Hosch, Gaskill, Connolly, Kibbie, and Beall.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 6, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 65**, a bill for an act relating to motor vehicle operating while intoxicated offenses.

Read first time and **passed on file**.

#### RECESS

On motion of Senator Iverson, the Senate recessed at 1:15 p.m. until the completion of a meeting of the committee on Rules and Administration.

#### RECONVENED

The Senate reconvened at 1:17 p.m., President Kramer presiding.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 1:18 p.m. until 8:30 a.m. Tuesday, February 11, 2003.

## **APPENDIX**

### **REPORT OF THE COMMITTEE ON RULES AND ADMINISTRATION**

The committee on Rules and Administration referred the following Governor's appointments to state boards, commissions, and departments to Senate standing committees, as indicated for investigation on February 10, 2003:

#### **AGRICULTURE**

Todd Scott – State Soil Conservation Committee

#### **BUSINESS AND LABOR RELATIONS**

Neil Barrick – Public Employment Relations Board

#### **ECONOMIC GROWTH**

Eugene Blanshan – Iowa Capital Investment Board  
Burt Chojnowski – Iowa Capital Investment Board  
Carol Garrett – Iowa Capital Investment Board  
Cyril Mandelbaum – Iowa Capital Investment Board  
Gordon Neumann – Iowa Capital Investment Board

Michael Blouin – Director of the Department of Economic Development

#### **EDUCATION**

Neala Arnold – State Board of Regents

#### **HUMAN RESOURCES**

Christine Boyken – Child Advocacy Board  
Brian Michaelson – Child Advocacy Board

James Yeast – Healthy and Well Kids in Iowa (HAWK-I) Board

Ruth White – Director of the Department of Human Rights

Cathy Anderson – Mental Health and Developmental Disabilities Commission  
Michael Bergan – Mental Health and Developmental Disabilities Commission  
Lynn Ferrell – Mental Health and Developmental Disabilities Commission  
Russell Finken – Mental Health and Developmental Disabilities Commission  
William Gorman – Mental Health and Developmental Disabilities Commission  
Jon Grate – Mental Health and Developmental Disabilities Commission  
Jane Halliburton – Mental Health and Developmental Disabilities Commission  
Mary Hughes – Mental Health and Developmental Disabilities Commission

Julie Jetter – Mental Health and Developmental Disabilities Commission  
Linda Kellen – Mental Health and Developmental Disabilities Commission  
Jacqueline Kibbie-Williams – Mental Health and Developmental Disabilities Commission

Lannie Miller – Mental Health and Developmental Disabilities Commission  
Lori Reynolds – Mental Health and Developmental Disabilities Commission  
Brian Ridler – Mental Health and Developmental Disabilities Commission  
Ronald Walls – Mental Health and Developmental Disabilities Commission  
Kittie Weston-Knauer – Mental Health and Developmental Disabilities Commission

### **JUDICIARY**

Frederick Morain – Iowa State Civil Rights Commission

Marvin Van Haaften – Drug Policy Coordinator

Terry Sweeney – Drug Policy Advisory Council

Barbara Binnie – Board of Parole

### **LOCAL GOVERNMENT**

Wynema Morris – Iowa Lewis and Clark Bicentennial Commission  
Michele Walker – Iowa Lewis and Clark Bicentennial Commission

### **NATURAL RESOURCES AND ENVIRONMENT**

Jerry Peckumn – Environmental Protection Commission

### **STATE GOVERNMENT**

Richard Johnson – Accountancy Examining Board

Jamie Howard – Commission on the Status of African-Americans

Lyle TeKippe – Engineering and Land Surveying Examining Board

Sheila Castaneda – IowAccess Advisory Council

Elaine Baxter – Lottery Board

Carla Eshelman – Board of Massage Therapy Examiners

Helen McNurlen – Board of Physical and Occupational Therapy Examiners

Patsy Hastings – Board of Podiatry Examiners

Kathryne Cutler – State Racing and Gaming Commission  
Joyce Jarding – State Racing and Gaming Commission

Barbara Leestamper – Real Estate Appraiser Examining Board

James O'Neill – Real Estate Commission

Jeannette Adamski – Board of Speech Pathology and Audiology Examiners  
Becky Vilda – Board of Speech Pathology and Audiology Examiners

John Cacciatore – Director of the Office for State-Federal Relations

Byron Coghlan – Commandant of the Iowa Veterans Home

Anne Duffy – Iowa Board of Veterinary Medicine  
Ellen Kroc – Iowa Board of Veterinary Medicine

### WAYS AND MEANS

Michael Ralston – Director of Revenue and Finance

David Erickson – State Board of Tax Review

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 10, 2003

#### DEPARTMENT OF NATURAL RESOURCES

Report to the Natural Resources Commission on the Classification and Management of Iowa's State Parks, State Recreation Areas, and State Preserves, pursuant to Iowa Code section 455A.4.

#### DEPARTMENT OF PUBLIC HEALTH

Tobacco Use Prevention and Control Progress Report — notification that the report in electronic form is available online.

#### TREASURER OF STATE

Linked Investments for Tomorrow Annual Report.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Ryan Jesse, Roland — For achieving the rank of Eagle Scout. Senator Iverson (2/10/03).

Kyle Robert Kehrli, Manchester — For achieving the rank of Eagle Scout. Senator Rehberg (2/10/03).

Walter B. Stevens, Fort Dodge — For receiving the Iowa Newspaper Association Distinguished Service Award. Senator Beall (2/10/03).

## REPORTS OF COMMITTEE MEETINGS

### APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION

**Convened:** February 6, 2003, 3:55 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Presentations by Department of Personnel and the Iowa Lottery Board.

**Adjourned:** 4:20 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT

**Convened:** February 6, 2003, 3:05 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; and Quirmbach.

**Members Absent:** Putney (excused).

**Committee Business:** Overview of the Governor's budget recommendations by Legislative Fiscal Bureau.

**Adjourned:** 3:45 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** February 6, 2003, 3:10 p.m.

**Members Present:** Schuerer, Chair; Kibbie and Shull.

**Members Absent:** Boettger, Vice Chair; and Horn, Ranking Member (both excused).

**Committee Business:** Presentation on community empowerment by the Department of Management.

**Adjourned:** 4:10 p.m.

**EDUCATION**

**Convened:** February 10, 2003, 1:35 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Beall, Behn, Brunkhorst, Holveck, Hosch, Kreiman, Larson, Quirmbach, Redfern, and Rehberg.

**Members Absent:** Angelo and Dvorsky (both excused).

**Committee Business:** Presentation on the No Child Left Behind legislation.

**Adjourned:** 2:30 p.m.

**RULES AND ADMINISTRATION**

**Convened:** February 10, 2003, 1:15 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Approved Governor's appointments to state boards, commissions, and departments.

**Adjourned:** 1:20 p.m.

**TRANSPORTATION**

**Convened:** February 10, 2003, 3:05 p.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman.

**Members Absent:** None.

**Committee Business:** Passed HF 66.

**Adjourned:** 3:25 p.m.

**INTRODUCTION OF RESOLUTIONS**

**Senate Resolution 9**, by Holveck, Beall, Black, Bolkcom, Connolly, Courtney, Dearden, Dotzler, Dvorsky, Fraise, Gronstal, Hatch, Horn, Kibbie, Kreiman, McCoy, Quirmbach, Ragan, Seng, Stewart, and Warnstadt, a resolution to honor former President Jimmy Carter for winning the Nobel Peace Prize for the year 2002.

Read first time under Rule 28 and referred to committee on **Rules and Administration.**

**Senate Resolution 10**, by Shull and Quirmbach, a resolution to recognize February 12, 2003, as City Day in the State of Iowa.

Read first time under Rule 28 and referred to committee on **Rules and Administration.**

#### INTRODUCTION OF BILLS

**Senate File 107**, by Johnson and Kibbie, a bill for an act requiring every insurer offering group health insurance to provide coverage for certain enteral formulas.

Read first time under Rule 28 and referred to committee on **Commerce.**

**Senate File 108**, by Rehberg, a bill for an act making interest on bonds and notes issued for school infrastructure purposes exempt from state income tax.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 109**, by Connolly, a bill for an act relating to the retirement allowance for an accidental disability under the statewide fire and police retirement system.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 110**, by Putney, a bill for an act authorizing the issuance of special cattlemen's registration plates to owners of motor trucks.

Read first time under Rule 28 and referred to committee on **Transportation.**

## STUDY BILLS RECEIVED

### **SSB 1062      Ways and Means**

Establishing a new economy employment initiative by providing for a partial deduction under the individual income tax for the capital gain from the sale or exchange of capital stock of a corporation acquired by an individual on account of employment with the corporation, limiting the fiscal impact of the partial deductions, and including an effective and retroactive date provision.

### **SSB 1063      Judiciary**

Requiring a physician to report certain burn injuries to the state fire marshal's office, and providing a penalty.

### **SSB 1064      Judiciary**

Creating an exception to the statutory rule against perpetuities and making related changes.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate File 88**

JUDICIARY: Boettger, Chair; Kettering and McCoy

### **Senate File 89**

JUDICIARY: Larson, Chair; Horn and Tinsman

### **Senate File 90**

HUMAN RESOURCES: Tinsman, Chair; Horn and Seymour

### **Senate File 92**

EDUCATION: Boettger, Chair; Connolly and McKinley

### **Senate File 105**

HUMAN RESOURCES: McKinley, Chair; Behn and Kreiman

### **SSB 1062**

WAYS AND MEANS: McKinley, Chair; Dotzler and Shull

**SSB 1063**

JUDICIARY: Tinsman, Chair; Quirnbach and Rehberg

**SSB 1064**

JUDICIARY: Larson, Chair; Holveck and Miller

**COMMITTEE REPORT**

**TRANSPORTATION**

**Final Bill Action:** HOUSE FILE 66, a bill for an act requiring motor vehicle operators to take certain precautions when passing stationary utility maintenance or municipal maintenance vehicles and making a penalty applicable.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Drake, Putney, McCoy, Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

# JOURNAL OF THE SENATE

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THIRTIETH CALENDAR DAY  
EIGHTEENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, February 11, 2003

The Senate met in regular session at 8:30 a.m., President Pro Tempore Angelo presiding.

Prayer was offered by the Reverend John De Boef, pastor of the Hilltop Chapel in What Cheer, Iowa. He was the guest of Senator Schuerer and the brother-in-law of Representative Betty De Boef.

The Journal of Monday, February 10, 2003, was approved.

The Senate stood at ease at 8:35 a.m. until the fall of the gavel.

The Senate resumed session at 8:45, President Pro Tempore Angelo presiding.

## SPECIAL GUESTS

In celebration of The World Food Prize's "Day at the Capitol," Senator Iverson introduced to the Senate chamber Nobel Peace Prize Laureate Dr. Norman E. Borlaug. Accompanying Dr. Borlaug were Mr. John Ruan III, Chairman of The World Food Prize Foundation; Ambassador Kenneth Quinn, President of The World Food Prize Foundation; and Council of Advisors members Mr. Al Clausi, Dr. Robert Havener, and Mr. Michael Gartner. Also present were seven 2002 Borlaug-Ruan international interns who served in agricultural research centers in Malaysia, Trinidad, Mexico, Brazil, China, the Philippines, and Kenya.

The Senate rose and expressed its welcome.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 8:50 a.m. until 8:30 a.m. Wednesday, February 12, 2003.

## APPENDIX

### APPOINTMENTS TO BOARDS AND COMMISSIONS

In accordance with Senate Rule 59, the following senators were appointed to subcommittees of standing committees on February 11, 2003, to investigate the appointment and reappointment of the following appointees:

#### AGRICULTURE

As a member of the State Soil Conservation Committee:

TODD SCOTT – Hosch, Chair; Angelo and Fraise

#### BUSINESS AND LABOR RELATIONS

As a member of the Public Employment Relations Board:

NEIL BARRICK – Johnson, Chair; Dearden and Wiecek

#### ECONOMIC GROWTH

As members of the Iowa Capital Investment Board:

EUGENE BLANSHAN – Shull, Chair; Beall and McKinley  
BURT CHOJNOWSKI – Putney, Chair; Larson and Ragan  
CAROL GARRETT – Veenstra, Chair; Rehberg and Stewart  
CYRIL MANDELBAUM – Larson, Chair; Hatch and Shull  
GORDON NEUMANN – McKinley, Chair; Dotzler and Rehberg

As Director of the Department of Economic Development:

MICHAEL BLOUIN – Boettger, Chair; Hatch and Seymour

#### EDUCATION

As a member of the State Board of Regents:

NEALA ARNOLD – Brunkhorst, Chair; Kreiman and Redfern

### HUMAN RESOURCES

As members of the Child Advocacy Board:

CHRISTINE BOYKEN – Hatch, Chair; Holveck and Seymour  
 BRIAN MICHAELSON – Hatch, Chair; Holveck and Seymour

As a member of the Healthy and Well Kids in Iowa (HAWK-I) Board:

JAMES YEAST – Boettger, Chair; Behn and Seymour

As Director of the Department of Human Rights:

RUTH WHITE – Kreiman, Chair; Horn and McKinley

As members of the Mental Health and Developmental Disabilities Commission:

CATHY ANDERSON – Hosch, Chair; Holveck and Tinsman  
 MICHAEL BERGAN – Hosch, Chair; Holveck and Tinsman  
 LYNN FERRELL – Horn, Chair; Kreiman and Tinsman  
 RUSSELL FINKEN – Horn, Chair; Kreiman and Tinsman  
 WILLIAM GORMAN – Holveck, Chair; Horn and Hosch  
 JON GRATE – Holveck, Chair; Horn and Hosch  
 JANE HALLIBURTON – Schuerer, Chair; Kreiman and Tinsman  
 MARY HUGHES – Schuerer, Chair; Kreiman and Tinsman  
 JULIE JETTER – Ragan, Chair; Hatch and Holveck  
 LINDA KELLEN – Ragan, Chair; Hatch and Holveck  
 JACQUELINE KIBBIE-WILLIAMS – Boettger, Chair; Hatch and Veenstra  
 LANNIE MILLER – Kreiman, Chair; Behn and Ragan  
 LORI REYNOLDS – Kreiman, Chair; Behn and Ragan  
 BRIAN RIDLER – McKinley, Chair; Holveck and Hosch  
 RONALD WALLS – McKinley, Chair; Holveck and Hosch  
 KITTIE WESTON-KNAUER – McKinley, Chair; Horn and Schuerer

### JUDICIARY

As a member of the Iowa State Civil Rights Commission:

FREDERICK MORAIN – Boettger, Chair; Quirnbach and Tinsman

As Drug Policy Coordinator:

MARVIN VAN HAAFTEN – Miller, Chair; Kreiman and Putney

As a member of the Drug Policy Advisory Council:

TERRY SWEENEY – Holveck, Chair; Lamberti and McKibben

As a member of the Board of Parole:

BARBARA BINNIE – Lamberti, Chair; Holveck and Larson

**LOCAL GOVERNMENT**

As members of the Iowa Lewis and Clark Bicentennial Commission:

WYNEMA MORRIS – Houser, Chair; Quirnbach and Wieck  
MICHELE WALKER – Angelo, Chair; Hatch and Seymour

**NATURAL RESOURCES AND ENVIRONMENT**

As a member of the Environmental Protection Commission:

JERRY PECKUMN – Kettering, Chair; Seng and Wieck

**STATE GOVERNMENT**

As a member of the Accountancy Examining Board:

RICHARD JOHNSON – Lamberti, Chair; Kibbie and Sievers

As a member of the Commission on the Status of African-Americans:

JAMIE HOWARD – Tinsman, Chair; Black and Drake

As a member of the Engineering and Land Surveying Examining Board:

LYLE TeKIPPE – Zieman, Chair; Connolly and Johnson

As a member of the IowAccess Advisory Council:

SHEILA CASTANEDA – Connolly, Chair; Tinsman and Veenstra

As a member of the Lottery Board:

ELAINE BAXTER – Courtney, Chair; Schuerer and Shull

As a member of the Board of Massage Therapy Examiners:

CARLA ESHELMAN – Johnson, Chair; Ragan and Sievers

As a member of the Board of Physical and Occupational Therapy Examiners:

HELEN McNURLLEN – Schuerer, Chair; Black and Tinsman

As a member of the Board of Podiatry Examiners:

PATSY HASTINGS – Ragan, Chair; Lamberti and Zieman

As members of the State Racing and Gaming Commission:

KATHRYNE CUTLER – Black, Chair; Drake and Schuerer  
JOYCE JARDING – Dearden, Chair; Shull and Veenstra

As a member of the Real Estate Appraiser Examining Board:

BARBARA LEESTAMPER – Kibbie, Chair; Lamberti and Tinsman

As a member of the Real Estate Commission:

JAMES O'NEILL – Sievers, Chair; Johnson and Ragan

As members of the Board of Speech Pathology and Audiology Examiners:

JEANNETTE ADAMSKI – Ragan, Chair; Drake and Shull

BECKY VILDA – Drake, Chair; Dearden and Sievers

As Director of the Office for State-Federal Relations:

JOHN CACCIATORE – Veenstra, Chair; Kibbie and Schuerer

As Commandant of the Iowa Veterans Home:

BYRON COGHLAN – Drake, Chair; Kibbie and Shull

As members of the Iowa Board of Veterinary Medicine:

ANNE DUFFY – Sievers, Chair; Ragan and Veenstra

ELLEN KROC – Johnson, Chair; Black and Sievers

#### WAYS AND MEANS

As Director of Revenue and Finance:

MICHAEL RALSTON – McKibben, Chair; Bolkcom and Shull

As a member of the State Board of Tax Review:

DAVID ERICKSON – McKinley, Chair; Connolly and Lamberti

#### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 11, 2003

#### ALCOHOLIC BEVERAGES DIVISION

Alcoholic Beverages Division Annual Report — notification that the report in electronic form is available online.

**IOWA LAW ENFORCEMENT ACADEMY**

Iowa Law Enforcement Academy Annual Report — notification that the report in electronic form is available online.

**DEPARTMENT OF TRANSPORTATION**

2002 Annual Report of the Iowa Railway Finance Authority — notification that the report in electronic form is available online.

**AGENCY ICN REPORT****BOARD OF REGENTS**

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

**CERTIFICATES OF RECOGNITION**

The Secretary of the Senate issued the following certificates of recognition:

Patrick L. Dillon, Dubuque — For being inducted into the Dubuque Area Labor Hall of Fame. Senator Connolly (2/11/03).

Nate and Ruby Dvorkin, Sioux City — For celebrating your 60th wedding anniversary on February 6, 2003. Senator Warnstadt (2/11/03).

Joseph S. Griesel, Sioux City — For achieving the rank of Eagle Scout. Senator Warnstadt (2/11/03).

Edward A. Rosenow, Dubuque — For being inducted into the Dubuque Area Labor Hall of Fame. Senator Connolly (2/11/03).

Robert W. Runde, Dubuque — For being inducted into the Dubuque Area Labor Hall of Fame. Senator Connolly (2/11/03).

Megan Srinivas, Fort Dodge — For being named one of Iowa's top student volunteers in the 2003 Prudential Spirit of Community Awards. Senator Beall (2/11/03).

**PETITION**

The following petition was presented and placed on file:

From residents of Senate District 47 favoring legislation to enact laws establishing protocol for the use of high speed pursuit tactics by law enforcement personnel. Senator Kreiman.

## REPORTS OF COMMITTEE MEETINGS

### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** February 6, 2003, 3:00 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; and Kreiman.

**Members Absent:** Hosch.

**Committee Business:** Presentation on the 2004 budget and on the Iowa Communications Network.

**Adjourned:** 3:55 p.m.

### JUDICIARY

**Convened:** February 10, 2003, 2:35 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, McCoy, Putney, and Quirmbach.

**Members Absent:** Lamberti, McKibben, Miller, and Tinsman (all excused).

**Committee Business:** Subcommittee assignments.

**Adjourned:** 2:50 p.m.

### COMMERCE

**Convened:** February 11, 2003, 2:05 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Brunkhorst, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** Bolkom, Gronstal, and Larson (all excused).

**Committee Business:** Approved SSB 1010 and presentation by representative of Credit Union Division of the Department of Commerce.

**Adjourned:** 2:30 p.m.

### HUMAN RESOURCES

**Convened:** February 11, 2003, 1:05 p.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hosch, Kreiman, and McKinley.

**Members Absent:** Hatch, Holveck, Horn, Schuerer, and Tinsman (all excused).

**Committee Business:** Presentations by representatives of the Department of Public Health.

**Adjourned:** 2:05 p.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** February 11, 2003, 9:35 a.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Miller, and Wieck.

**Members Absent:** Kibbie, Lundby, and Zieman (all excused).

**Committee Business:** Presentation by the Department of Natural Resources regarding fishing issues.

**Adjourned:** 10:05 a.m.

## TRANSPORTATION

**Convened:** February 11, 2003, 1:05 p.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman.

**Members Absent:** None.

**Committee Business:** Presentations by the Department of Transportation and by the Road Use Tax Fund Committee.

**Adjourned:** 2:00 p.m.

## INTRODUCTION OF BILLS

**Senate File 111**, by Connolly, a bill for an act relating to funding for the arts by providing an Iowa individual income tax checkoff for the arts, making an appropriation, and providing a retroactive applicability date.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 112**, by Hatch and Larson, a bill for an act relating to the operations of the state board of education, the department of education, school districts, accredited nonpublic schools, and other

state and local agencies with regard to attendance and truancy, academic standards, and related matters.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 113**, by Hatch, Dotzler, Stewart, Ragan, Kreiman, and Holveck, a bill for an act creating an office of science and technology within the department of economic development.

Read first time under Rule 28 and referred to committee on **Economic Growth.**

**Senate File 114**, by Warnstadt, Seng, Dotzler, Ragan, Bolkcom, Gronstal, Hatch, Stewart, Quirmbach, Beall, and Kreiman, a bill for an act relating to the service standard for issuance of driver's licenses and nonoperator's identification cards by authorizing waivers or refunds of fees.

Read first time under Rule 28 and referred to committee on **Transportation.**

**Senate File 115**, by Lundby, a bill for an act providing an Iowa individual income tax checkoff for deposit in the free health clinic fund, making an appropriation, and including effective and applicability date provisions.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 116**, by Rehberg and Hosch, a bill for an act relating to the restoration of dedicated funds used for nondedicated purposes and providing an effective date.

Read first time under Rule 28 and referred to committee on **Appropriations.**

**Senate File 117**, by Lundby, a bill for an act providing annual purchase or generation requirements for certain electric utilities from alternate energy production facilities, requiring establishment of a

system of alternate energy credit trading, making related changes, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Commerce.**

**Senate File 118**, by Rehberg, a bill for an act relating to fire fighter preparedness by creating a fire fighter preparedness fund, providing an income tax checkoff for fire fighter preparedness, making an appropriation, and providing a retroactive applicability date.

Read first time under Rule 28 and referred to committee on **Appropriations.**

**Senate File 119**, by committee on Commerce, a bill for an act relating to real estate appraiser certification.

Read first time under Rule 28 and **placed on calendar.**

#### STUDY BILLS RECEIVED

#### **SSB 1065      Agriculture**

Requesting that the United States Congress take all action required to preserve free and private enterprise, prevent monopoly, and protect consumers including by immediately enacting legislation to prohibit livestock packers from owning, controlling, or feeding livestock to such an extent that producers can no longer materially participate in the management of their livestock operations as provided in the Senate bill 27 introduced by the Honorable Senator Charles E. Grassley and cosponsored by the Honorable Tom Harkin and others.

#### **SSB 1066      Agriculture**

Relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

**SSB 1067      State Government**

Changing the time for closing precinct polling places.

**SSB 1068      Agriculture**

Relating to the governance of cooperatives.

**SSB 1069      Local Government**

Relating to the procedure for reducing the number of members of a city council from five to three in certain cities.

**SUBCOMMITTEE ASSIGNMENTS****Senate Resolution 9**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 91**

STATE GOVERNMENT: Schuerer, Chair; Johnson and Kibbie

**Senate File 92**

EDUCATION: Boettger, Chair; Connolly and McKinley

**Senate File 94**

STATE GOVERNMENT: Kibbie, Chair; Drake and Sievers

**Senate File 96**

COMMERCE: Larson, Chair; Beall and Schuerer

**Senate File 98**

LOCAL GOVERNMENT: Gaskill, Chair; Angelo and McCoy

**Senate File 99**

COMMERCE: Wieck, Chair; McCoy and Redfern

**Senate File 104**

LOCAL GOVERNMENT: Angelo, Chair; Kreiman and Seymour

**Senate File 107**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 108**

WAYS AND MEANS: Shull, Chair; Connolly and Hosch

**Senate File 110**

TRANSPORTATION: Drake, Chair; McCoy and Putney

**Senate File 117**

COMMERCE: Angelo, Chair; Beall, Bolkcom, Brunkhorst, and Larson

**SSB 1065**

AGRICULTURE: Johnson, Chair; Ragan and Veenstra

**SSB 1066**

AGRICULTURE: Gaskill, Chair; Houser and Kibbie

**SSB 1067**

STATE GOVERNMENT: Zieman, Chair; Ragan and Tinsman

**SSB 1068**

AGRICULTURE: Putney, Chair; Gaskill and Seng

**SSB 1069**

LOCAL GOVERNMENT: Miller, Chair; Seymour and Stewart

**COMMITTEE REPORT**

**COMMERCE**

**Final Bill Action:** SENATE FILE 119 (SSB 1010), a bill for an act relating to real estate appraiser certification.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Angelo, Wieck, Warnstadt, Beall, Behn, Brunkhorst, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, 3: Bolkcom, Gronstal, and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

# JOURNAL OF THE SENATE

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THIRTY-FIRST CALENDAR DAY  
NINETEENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, February 12, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend Bill Steward, pastor of the Grace United Methodist Church in Des Moines, Iowa. He was the guest of Senator Sievers.

The Journal of Tuesday, February 11, 2003, was approved.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 2.

### **Senate Concurrent Resolution 2**

On motion of Senator Iverson, **Senate Concurrent Resolution 2**, a concurrent resolution relating to the compensation of chaplains, officers and employees of the eightieth general assembly, was taken up for consideration.

Senator Iverson moved the adoption of Senate Concurrent Resolution 2, which motion prevailed by a voice vote.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 2** be **immediately messaged** to the House.

RECESS

On motion of Senator Iverson, the Senate recessed at 8:43 a.m. until 11:45 a.m.

RECONVENED

The Senate reconvened at 11:46 a.m., President Kramer presiding.

ADJOURNMENT

On motion of Senator Boettger, the Senate adjourned at 11:51 a.m. until 8:30 a.m. Thursday, February 13, 2003.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 12, 2003

#### DEPARTMENT OF HUMAN SERVICES

Mental Health and Developmental Disabilities Commission Annual and Biennial Report, pursuant to Iowa Code section 225C.6.

#### AGENCY ICN REPORT

#### DEPARTMENT OF PERSONNEL

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** February 11, 2003, 3:00 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Discussion regarding the Program Elimination Commission recommendations.

**Adjourned:** 4:40 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION

**Convened:** February 11, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Presentation by representatives of the Department of Revenue and Finance.

**Adjourned:** 4:30 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE AND NATURAL RESOURCES**

**Convened:** February 11, 2003, 3:05 p.m.

**Members Present:** Gaskill, Chair; Houser, Vice Chair; Black, Ranking Member; Seng and Seymour.

**Members Absent:** None.

**Committee Business:** Presentations by Department of Agriculture regarding the FY 2004 budget, pseudorabies, and Exotic Newcastle disease.

**Adjourned:** 3:30 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**Convened:** February 11, 2003, 3:05 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Overview by the Legislative Fiscal Bureau regarding the FY 2004 budget and Governor's recommendations.

**Adjourned:** 3:40 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES**

**Convened:** February 11, 2003, 3:05 p.m.

**Members Present:** Johnson, Vice Chair; Hatch, Ranking Member; Bolcom and Veenstra.

**Members Absent:** Tinsman, Chair (excused).

**Committee Business:** Presentations by various representatives of the Department of Human Services.

**Adjourned:** 4:35 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** February 11, 2003, 3:00 p.m.

**Members Present:** Miller, Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** Angelo, Vice Chair.

**Committee Business:** Presentations by the Office of the State Public Defender and the Department of Corrections.

**Adjourned:** 4:35 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** February 11, 2003, 3:10 p.m.

**Members Present:** Beall and Kettering.

**Members Absent:** McKibben, Chair; Lamberti, Vice Chair; and Warnstadt, Ranking Member (all excused).

**Committee Business:** Presentations by the Department of General Services and Iowa Public Television.

**Adjourned:** 4:20 p.m.

#### **BUSINESS AND LABOR RELATIONS**

**Convened:** February 12, 2003, 10:10 a.m.

**Members Present:** Schuerer, Chair; Dearden, Ranking Member; Courtney, Dotzler, Horn, Johnson, Kettering, Seymour, and Wieck.

**Members Absent:** Lundby, Vice Chair; and McKibben (both excused).

**Committee Business:** Subcommittee assignments.

**Adjourned:** 10:15 a.m.

#### **LOCAL GOVERNMENT**

**Convened:** February 12, 2003, 10:30 a.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirnbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** None.

**Committee Business:** Passed SFs 7 and 57.

**Adjourned:** 11:00 a.m.

**STATE GOVERNMENT**

**Convened:** February 12, 2003, 10:35 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, and Veenstra.

**Members Absent:** Connolly and Tinsman (both excused).

**Committee Business:** Approved Governor's appointees.

**Adjourned:** 10:45 a.m.

**WAYS AND MEANS**

**Convened:** February 12, 2003, 2:05 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Lamberti, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** Larson (excused).

**Committee Business:** Discussion of SF 41.

**Adjourned:** 2:55 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** February 12, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Rehberg and Stewart.

**Members Absent:** Holveck, Ranking Member (excused).

**Committee Business:** Presentations by Chet Culver, Secretary of State, and by Ethics and Campaign Disclosure Board.

**Adjourned:** 4:00 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE AND NATURAL RESOURCES**

**Convened:** February 12, 2003, 3:05 p.m.

**Members Present:** Gaskill, Chair; Houser, Vice Chair; Black, Ranking Member; Seng and Seymour.

**Members Absent:** None.

**Committee Business:** Presentation by Jeffrey Vonk, Director of Department of Natural Resources.

**Adjourned:** 3:40 p.m.

## INTRODUCTION OF BILLS

**Senate File 120**, by Connolly, a bill for an act establishing a grant process to provide school districts with resources to implement volunteer student mentoring pilot projects, making an appropriation, and providing emergency rulemaking authority.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 121**, by Connolly, a bill for an act relating to the establishment of a smaller learning communities pilot program for school districts and making an appropriation.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 122**, by Bolkcom and Connolly, a bill for an act relating to the annual designation of a “state of Iowa theater” by the Iowa arts council and the governor.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 123**, by Boettger and Fraise, a bill for an act relating to anatomical gifts including bone marrow and organ donation by state employees and grants from the anatomical gift public awareness and transplantation fund.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 124**, by Houser, a bill for an act relating to local government financing, including local government fiscal reform, authority for bonding, and the percentage of actual value at which residential property is assessed, and including a retroactive applicability date provision.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 125**, by Lundby, a bill for an act relating to funding for nongame wildlife programs by increasing the fees for special natural resources motor vehicle registration plates.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 126**, by Zieman, a bill for an act relating to all-terrain vehicle use for agricultural purposes by children under sixteen years of age.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 127**, by Gronstal and Iverson, a bill for an act establishing a special breast cancer awareness motor vehicle registration plate and appropriating fees from such plates for breast cancer screening.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 128**, by Black, a bill for an act relating to condemnation of agricultural land for recreational trails.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

**Senate File 129**, by Houser, a bill for an act establishing a commission on state and local taxation.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 130**, by committee on Local Government, a bill for an act relating to controlled burns of demolished buildings.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 131**, by Kibbie, a bill for an act relating to the operation of all-terrain vehicles in cities of a certain size, providing a fee, and making penalties applicable.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 132**, by Lundby, a bill for an act relating to procedures and services relating to dependent adults and at-risk older adults.

Read first time under Rule 28 and referred to committee on **Government Oversight**.

**Senate File 133**, by Shull, a bill for an act authorizing cities to impose park impact fees.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

#### STUDY BILLS RECEIVED

##### **SSB 1070 Commerce**

Relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability.

##### **SSB 1071 Ways and Means**

Relating to the establishment of tax credits for income tax, franchise tax, premiums tax, and moneys and credits tax for businesses contributing to child care benefits for employees and including effective and applicability date provisions.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate Resolution 10**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate File 81**

TRANSPORTATION: Drake, Chair; McCoy and Putney

### **Senate File 95**

TRANSPORTATION: Drake, Chair; McCoy and Putney

### **Senate File 106**

TRANSPORTATION: Drake, Chair; McCoy and Putney

### **Senate File 111**

WAYS AND MEANS: Rehberg, Chair; Dotzler and McKinley

### **Senate File 115**

WAYS AND MEANS: Larson, Chair; Connolly and Miller

### **Senate File 116**

APPROPRIATIONS: Lamberti, Chair; Black and Kramer

### **Senate File 118**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

### **Senate File 120**

EDUCATION: McKinley, Chair; Connolly and Rehberg

### **Senate File 121**

EDUCATION: Boettger, Chair; Hosch and Kreiman

### **Senate File 127**

TRANSPORTATION: Drake, Chair; Rehberg and Warnstadt

### **SSB 1070**

COMMERCE: Schuerer, Chair; Bolcom and Redfern

**SSB 1071**

WAYS AND MEANS: Angelo, Chair; McCoy and McKinley

**LSB 2393sv**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**COMMITTEE REPORT****LOCAL GOVERNMENT**

**Final Bill Action:** \*SENATE FILE 130 (formerly SF 7), a bill for an act relating to controlled burns of demolished buildings.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Gaskill, Miller, Quirmbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Local Government Committee on Senate File 130, and they were attached to the committee report.

**GOVERNOR'S APPOINTEES PLACED ON  
EN BLOC CALENDAR**

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendation for confirmation:

**STATE GOVERNMENT**

Richard Johnson – Accountancy Examining Board

Elaine Baxter – Lottery Board

Jeannette Adamski – Board of Speech Pathology and Audiology Examiners

Becky Vilda – Board of Speech Pathology and Audiology Examiners

Byron Coghlan – Commandant of the Iowa Veterans Home

**AMENDMENT FILED**

S-3008	S.F.	97	Richard F. Drake Steven H. Warnstadt
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# JOURNAL OF THE SENATE

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THIRTY-SECOND CALENDAR DAY  
TWENTIETH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, February 13, 2003

The Senate met in regular session at 8:31 a.m., President Kramer presiding.

Prayer was offered by the Reverend Ron Riley, pastor of the Christian Church in Logan, Iowa. He was the guest of Senator Seymour.

The Journal of Wednesday, February 12, 2003, was approved.

Mr. Rick Powell of Logan vocally performed "I Pledge Allegiance to the Lamb."

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:40 a.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 8:44 a.m., President Kramer presiding.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 11**, by committee on Rules and Administration, a resolution relating to gubernatorial appointments and other appointments requiring Senate confirmation.

Read first time and **placed on calendar**.

## COMMITTEE REPORT

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 11 (LSB 2393sv), a resolution relating to gubernatorial appointments and other appointments requiring Senate confirmation.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Gaskill.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 11.

#### Senate Resolution 11

On motion of Senator Iverson, **Senate Resolution 11**, a resolution relating to gubernatorial appointments and other appointments requiring Senate confirmation, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 11, which motion prevailed by a voice vote.

### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 8:53 a.m. until 1:00 p.m. Monday, February 17, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 12, 2003

#### DEPARTMENT FOR THE BLIND

Report of activities and recommendations — notification that the report in electronic form is available online.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Tracy Cross, Norwalk — For being named on of Iowa's top student volunteers in the 2003 Prudential Spirit of Community Awards. Senator Shull (2/13/03).

William Jensen, Urbandale — For being named a recipient of the 2003 Time Magazine Quality Dealer Award. Senator Holveck (2/13/03).

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** February 12, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Approved SSB 1059.

**Recessed:** 3:50 p.m.

**Reconvened:** February 13, 2003, 3:00 p.m.

**Adjourned:** 3:10 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 12, 2003, 3:10 p.m.

**Members Present:** Johnson, Vice Chair; Hatch, Ranking Member; Bolcom and Veenstra.

**Members Absent:** Tinsman, Chair (excused).

**Committee Business:** Presentations on hunger in Iowa and on the Midwest Child Care Research Consortium.

**Adjourned:** 4:20 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** February 12, 2003, 3:00 p.m.

**Members Present:** Miller, Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** Angelo, Vice Chair.

**Committee Business:** Presentations by representatives of Department of Corrections.

**Adjourned:** 4:30 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** February 12, 2003, 3:10 p.m.

**Members Present:** McKibben, Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** Lamberti, Vice Chair (excused).

**Committee Business:** Presentations regarding the FY 2004 budget and the Hungry Canyon Alliance.

**Adjourned:** 4:15 p.m.

#### **AGRICULTURE**

**Convened:** February 13, 2003, 11:35 a.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Courtney, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann.

**Members Absent:** Black and Gaskill (both excused).

**Committee Business:** Presentations by representative of ABIL and the owner/operator of Lanehaven Farms, Inc.

**Adjourned:** 12:25 p.m.

**JUDICIARY**

**Convened:** February 13, 2003, 10:35 a.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Quirnbach.

**Members Absent:** Tinsman (excused).

**Committee Business:** Subcommittee assignments and approved SSB 1045 (as amended).

**Adjourned:** 10:55 a.m.

**RULES AND ADMINISTRATION**

**Convened:** February 13, 2003, 8:35 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Putney, Ragan, and Sievers.

**Members Absent:** Gaskill (excused).

**Committee Business:** Passed SRs 7, 9, 10, and LSB 2393sv.

**Adjourned:** 8:40 a.m.

**INTRODUCTION OF RESOLUTIONS**

**Senate Concurrent Resolution 4**, by McCoy, a concurrent resolution requesting that the legislative council create an interim study committee relating to county consolidation.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 12**, by Holveck, Bolkcom, Connolly, Dvorsky, Horn, Hatch, and Seng, a resolution regarding preemptive, unilateral military action against Iraq.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 134**, by committee on Local Government, a bill for an act relating to the various duties of the county treasurer.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 135**, by Connolly, a bill for an act relating to bingo games and games using pull-tab tickets conducted by qualified organizations.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 136**, by Connolly, a bill for an act establishing an energy conservation program for school districts.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 137**, by Putney, a bill for an act relating to the exemption from the sales and use taxes of certain horses and certain tangible personal property used in the raising of horses.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 138**, by Houser, a bill for an act directing the mental health and developmental disabilities commission to make recommendations for redesigning the mental health and developmental disabilities services system for adults and children and providing an effective date.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 139**, by Schuerer, a bill for an act relating to elimination of the certificate of need provisions for certain new health services.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 140**, by Kibbie, Drake, and Courtney, a bill for an act relating to eligible beneficiaries for a line of duty death benefit under the statewide fire and police retirement system and providing effective and applicability dates.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 141**, by Schuerer, a bill for an act relating to the price of products sold by state forest nurseries and state fish nurseries and hatcheries.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment.**

**Senate File 142**, by Bolkcom, a bill for an act establishing a courthouse security surcharge on criminal fines, creating a courthouse security fund, making an appropriation of surcharge moneys, and making related changes.

Read first time under Rule 28 and referred to committee on **Local Government.**

**Senate File 143**, by McCoy, a bill for an act providing for a study on a deferred retirement option program for the statewide fire and police retirement system and providing an effective date.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 144**, by McCoy, a bill for an act increasing the tax imposed on cigarettes.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 145**, by Kreiman, a bill for an act limiting the tenure of certain nonresident hunting licenses.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment.**

**Senate File 146**, by Kibbie, Courtney, Kreiman, Ragan, Fraise, Stewart, and Beall, a bill for an act relating to the sale of gasoline, including ethanol blended gasoline, providing for taxes on gasoline, and providing for an effective date and applicability.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 147**, by Sievers, a bill for an act providing for the administration of funds for animal agriculture, including moneys transferred from and deposited into these funds, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Agriculture.**

**Senate File 148**, by Kreiman, Courtney, Kibbie, Stewart, and Holveck, a bill for an act providing for the elimination of specified school district budget guarantee provisions, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 149**, by Kreiman and Courtney, a bill for an act relating to requirements for the disbursement of economic development-related financial assistance by the department of economic development.

Read first time under Rule 28 and referred to committee on **Economic Growth.**

**Senate File 150**, by committee on Government Oversight, a bill for an act relating to government efficiency by providing for the delivery of administrative services to state government, establishment of common state services regional boundaries, revising medical assistance program eligibility and benefits provisions, improving coordination of veterans benefits eligibility determinations,

requiring a comprehensive study of the state mental health institutes, and revising requirements involving the judicial district departments of correctional services, and providing effective dates.

Read first time under Rule 28 and **placed on calendar.**

## SUBCOMMITTEE ASSIGNMENTS

### **Senate File 100**

EDUCATION: Rehberg, Chair; Brunkhorst and Connolly

### **Senate File 103**

EDUCATION: Behn, Chair; Holveck and Rehberg

### **Senate File 109**

STATE GOVERNMENT: Schuerer, Chair; Connolly and Johnson

### **Senate File 112**

EDUCATION: Rehberg, Chair; Connolly and McKinley

### **Senate File 113**

ECONOMIC GROWTH: McKinley, Chair; Hatch and Larson

### **Senate File 122**

EDUCATION: McKinley, Chair; Boettger and Connolly

### **Senate File 123**

HUMAN RESOURCES: Boettger, Chair; Kreiman and Tinsman

### **Senate File 133**

WAYS AND MEANS: McKinley, Chair; Dotzler and Rehberg

### **Senate File 136**

EDUCATION: Brunkhorst, Chair; Dvorsky and Redfern

## COMMITTEE REPORTS

### GOVERNMENT OVERSIGHT

**Final Bill Action:** \*SENATE FILE 150 (SSB 1059), a bill for an act relating to government efficiency by providing for the delivery of administrative services to state government, establishment of common state services regional boundaries, revising medical assistance program eligibility and benefits provisions, improving coordination of veterans benefits eligibility determinations, requiring a comprehensive study of the state mental health institutes, and revising requirements involving the judicial district departments of correctional services, and providing effective dates.

**Recommendation:** WITHOUT RECOMMENDATION.

**Final Vote:** Ayes, 5: Lundby, Brunkhorst, Courtney, Dvorsky, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Government Oversight Committee on Senate File 150, and they were attached to the committee report.

### LOCAL GOVERNMENT

**Final Bill Action:** \*SENATE FILE 134 (formerly SF 57), a bill for an act relating to the various duties of the county treasurer.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Gaskill, Miller, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Local Government Committee on Senate File 134, and they were attached to the committee report.

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 7, a resolution supporting a proposal to invite the Republic of China (Taiwan) to participate in the upcoming meeting of the World Health Assembly as an observer.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Gaskill.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 9, a resolution to honor former President Jimmy Carter for winning the Nobel Peace Prize for the year 2002.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Gaskill.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 10, a resolution to recognize February 12, 2003, as City Day in the state of Iowa.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Gaskill.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**BILL ENROLLED, SIGNED, AND SENT TO GOVERNOR**

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bill has been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 13th day of February, 2003:

Senate File 36.

MICHAEL E. MARSHALL  
Secretary of the Senate

# JOURNAL OF THE SENATE

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THIRTY-SIXTH CALENDAR DAY  
TWENTY-FIRST SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, February 17, 2003

The Senate met in regular session at 1:07 p.m., President Kramer presiding.

Prayer was offered by the Reverend Paul Schaedig, pastor of the Bethel Lutheran Church in Parkersburg, Iowa. He was the guest of Senator Brunkhorst.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Legislative Fiscal Bureau Page Dan Harder.

The Journal of Thursday, February 13, 2003, was approved.

## SPECIAL GUEST

Senator Gronstal welcomed to the Senate chamber Democratic presidential candidate John Edwards, U.S. Senator from North Carolina.

The Senate rose and expressed its welcome.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 1:17 p.m. until 8:30 a.m. Tuesday, February 18, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 17, 2003

#### DEPARTMENT OF HUMAN RIGHTS

Management to Staff Ratios Report — notification that the report in electronic form is available online.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Patricia and Henry Clark, Clinton — For celebrating your 50th wedding anniversary on February 15, 2003. Senator Stewart (2/17/03).

Joshua Ryan Lichti, Dubuque — For achieving the rank of Eagle Scout, Boy Scout Troop 22. Senator Connolly (2/17/03).

Matthew Loren Lichti, Dubuque — For achieving the rank of Eagle Scout, Boy Scout Troop 22. Senator Connolly (2/17/03).

Gregory James Metcalf, Peosta — For achieving the rank of Eagle Scout, Boy Scout Troop 11. Senator Connolly (2/17/03).

Kevin Riedl, Dubuque — For achieving the rank of Eagle Scout, Boy Scout Troop 48. Senator Connolly (2/17/03).

Ronald and Valeta Schmidt, Delmar — For celebrating your 60th wedding anniversary on February 10, 2003. Senator Stewart (2/17/03).

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** February 13, 2003, 3:05 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Presentations by representatives from the Board of Regents, University of Northern Iowa, Iowa State University, and University of Iowa.

**Adjourned:** 5:00 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** February 13, 2003, 3:05 p.m.

**Members Present:** Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** Miller, Chair (excused).

**Committee Business:** Presentations by representatives of the Department of Corrections.

**Adjourned:** 3:55 p.m.

### JUDICIARY

**Convened:** February 17, 2003, 2:45 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** Boettger and McKibben (both excused).

**Committee Business:** Discussed agenda for next meeting.

**Adjourned:** 2:55 p.m.

### TRANSPORTATION

**Convened:** February 17, 2003, 2:25 p.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed SF 127 (as amended).

**Adjourned:** 2:40 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 13**, by Warnstadt, a resolution to recognize Company D, 109th Aviation, of the Iowa Army National Guard for its dedication and outstanding performance of duty.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 151**, by Kibbie and Lundby, a bill for an act limiting the amount of contributions a candidate for office may accept from outside counties in whole or in part within the candidate's elective district, and providing a civil penalty.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 152**, by Kibbie, a bill for an act relating to compensation for members of county commissions of veteran affairs.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 153**, by Rehberg, a bill for an act relating to the regulation of snowmobiles and all-terrain vehicles and making penalties applicable.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 154**, by Kreiman, a bill for an act providing for the use, consumption, or possession of a controlled substance while on public streets or highways or public school property, or while attending a public or private school-related function.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 155**, by committee on Judiciary, a bill for an act relating to statutory corrections which may adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities, and including effective and retroactive applicability date provisions.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 156**, by Connolly, a bill for an act providing for continuation of group insurance for certain retired employees of the general assembly, and providing an applicability date.

Read first time under Rule 28 and referred to committee on **State Government**.

#### STUDY BILL RECEIVED

#### **SSB 1072      Transportation**

Relating to snowmobile franchises by requiring the repurchase of certain inventory upon termination of a franchise.

#### SUBCOMMITTEE ASSIGNMENTS

##### **Senate File 138**

HUMAN RESOURCES: Boettger, Chair; Holveck and Veenstra

##### **Senate File 139**

HUMAN RESOURCES: Schuerer, Chair; Kreiman and Seymour

##### **Senate File 149**

ECONOMIC GROWTH: Shull, Chair; Beall and Larson

##### **SSB 1072**

TRANSPORTATION: Rehberg, Chair; Fraise and Zieman

## COMMITTEE REPORT

### JUDICIARY

**Final Bill Action:** \*SENATE FILE 155 (SSB 1045), a bill for an act relating to statutory corrections which may adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities, and including effective and retroactive applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Quirmbach. Nays, none. Absent, 1: Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 155, and they were attached to the committee report.

### BILL SIGNED BY THE GOVERNOR

A communication was received announcing that on February 17, 2003, the Governor approved and transmitted to the Secretary of State the following bill:

S.F. 36 – Supplementing appropriations made for the fiscal year beginning July 1, 2002, to the departments of human services, corrections, and public safety, and to the state public defender, and providing effective date and applicability provisions.

# JOURNAL OF THE SENATE

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THIRTY-SEVENTH CALENDAR DAY  
TWENTY-SECOND SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, February 18, 2003

The Senate met in regular session at 8:31 a.m., President Kramer presiding.

Prayer was offered by the Reverend Herb Shafer, pastor of the First United Methodist Church in Clinton, Iowa. He was the guest of Senators Sievers and Stewart.

The Journal of Monday, February 17, 2003, was approved.

## BILL REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate File 150** be referred from the Regular Calendar to the committee on **State Government**.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:38 a.m. until 11:45 a.m.

## RECONVENED

The Senate reconvened at 11:49 a.m., President Pro Tempore Angelo presiding.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 11:55 a.m. until 8:30 a.m. Wednesday, February 19, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 17, 2003

#### DEPARTMENT OF HUMAN RIGHTS

Iowa Criminal and Juvenile Justice Plan 2003 Update — notification that the report in electronic form is available online.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Iva French, Nevada — For celebrating your 103rd birthday on February 14, 2003. Senator Iverson (2/18/03).

Kenneth and Norma Hill, Dows — For celebrating your 50th wedding anniversary on February 18, 2003. Senator Iverson (2/18/03).

Brad Klug, Fort Dodge — For being elected President of the Coalition of Family and Children's Services. Senator Beall (2/18/03).

Agnes Sybesma, Orange City — For celebrating your 90th birthday on February 7, 2003. Senator Veenstra (2/18/03).

### REPORTS OF COMMITTEE MEETINGS

#### AGRICULTURE

**Convened:** February 17, 2003, 4:05 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Courtney, Houser, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann.

**Members Absent:** Black, Gaskill, and Johnson (all excused).

**Committee Business:** Approved Governor's appointee and approved SSB 1065.

**Adjourned:** 4:15 p.m.

## EDUCATION

**Convened:** February 17, 2003, 3:10 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Hosch, Kreiman, Larson, Quirnbach, Redfern, and Rehberg.

**Members Absent:** Holveck (excused).

**Committee Business:** Presentation by Superintendent of Des Moines Public Schools.

**Adjourned:** 4:00 p.m.

## ECONOMIC GROWTH

**Convened:** February 18, 2003, 2:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, McKinley, Putney, Seymour, and Stewart.

**Members Absent:** Larson, Ragan, and Veenstra (all excused).

**Committee Business:** Approved Governor's appointees and presentations by representatives of the University of Iowa.

**Adjourned:** 3:10 p.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** February 18, 2003, 2:05 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Zieman.

**Members Absent:** None.

**Committee Business:** Presentation regarding the use of natural resources for economic growth.

**Adjourned:** 2:50 p.m.

## STATE GOVERNMENT

**Convened:** February 18, 2003, 10:35 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed SFs 63 and 94 and approved Governor's appointees. Presentation regarding the Iowa Veterans' Home.

**Adjourned:** 11:25 a.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** February 18, 2003, 3:20 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; and Stewart.

**Members Absent:** Rehberg (excused).

**Committee Business:** Budget presentations by State Auditor's Office, Department of Inspections and Appeals, and State Racing and Gaming Commission.

**Adjourned:** 3:45 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** February 18, 2003, 3:00 p.m.

**Members Present:** McKibben, Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** Lamberti, Vice Chair (excused).

**Committee Business:** Presentations regarding the Iowa State Fair Authority and by representatives for the Iowa Project and the Pooled Technology Account.

**Adjourned:** 3:50 p.m.

### **INTRODUCTION OF RESOLUTION**

**Senate Concurrent Resolution 5**, by committee on Agriculture, a concurrent resolution requesting that the United States Congress take all action required to preserve free and private enterprise, prevent monopoly, and protect consumers including by immediately enacting legislation to prohibit livestock packers from owning, controlling, or feeding livestock to such an extent that producers can no longer materially participate in the management of their livestock operations as provided in Senate Bill 27 introduced by the Honorable Senator Charles E. Grassley and cosponsored by the Honorable Senator Tom Harkin and others.

Read first time under Rule 28 and **placed on calendar.**

### INTRODUCTION OF BILLS

**Senate File 157**, by Tinsman, a bill for an act providing for the establishment of a regional academy pilot program.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 158**, by Johnson, a bill for an act prohibiting the state board of regents or a school corporation from competing with private enterprise in regard to the sale of durable medical equipment and medical services.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 159**, by Schuerer, a bill for an act abolishing the targeted small business financial assistance program.

Read first time under Rule 28 and referred to committee on **Economic Growth.**

**Senate File 160**, by Warnstadt, a bill for an act authorizing the district court to waive the requirement that the state or any of its political subdivisions file a supersedeas bond upon appeal to the Iowa supreme court.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 161**, by Warnstadt, a bill for an act establishing a pilot project to waive restrictions on placement of traffic devices within cities.

Read first time under Rule 28 and referred to committee on **Transportation.**

**Senate File 162**, by Black, Miller, and Kreiman, a bill for an act designating highway 2 as the second infantry division highway.

Read first time under Rule 28 and referred to committee on **Transportation.**

**Senate File 163**, by Hatch, Dvorsky, Bolkcom, and Holveck, a bill for an act relating to the private sale or transfer of firearms between unlicensed persons and providing penalties.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 164**, by Rehberg and Hosch, a bill for an act relating to fire fighter preparedness by creating a fire fighter preparedness fund, providing a voluntary checkoff for fire fighter preparedness, establishing requirements of the county treasurer, and making an appropriation.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 165**, by McKibben, a bill for an act relating to the state individual income tax by imposing a single rate tax and including an effective and applicability date provision.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 166**, by Schuerer, a bill for an act designating advanced registered nurse practitioners as providers of health care services pursuant to managed care or prepaid services contracts under the medical assistance program.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 167**, by Warnstadt, a bill for an act relating to the distribution to a city or county of state sales tax collected at events sponsored by a private entity and the city or county and making an appropriation.

Read first time under Rule 28 and referred to committee on **Appropriations.**

## STUDY BILLS RECEIVED

**SSB 1073      Government Oversight**

Relating to the regulation of adult day services and assisted living programs, providing an appropriation and penalties, and providing a contingent effective date.

**SSB 1074      Government Oversight**

Relating to life science enterprises by providing for financing, and providing an effective date.

## SUBCOMMITTEE ASSIGNMENTS

**Senate Concurrent Resolution 4**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 12**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 13**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 114**

TRANSPORTATION: Drake, Chair; McCoy and Putney

**Senate File 124**

LOCAL GOVERNMENT: Houser, Chair; Hatch and Wieck

**Senate File 125**

TRANSPORTATION: Drake, Chair; Fraise and Putney

**Senate File 126**

TRANSPORTATION: Drake, Chair; Putney and Warnstadt

**Senate File 129**

STATE GOVERNMENT: Sievers, Chair; Courtney and Zieman

**Senate File 131**

TRANSPORTATION: Putney, Chair; Fraise and Shull

**Senate File 137**

WAYS AND MEANS: Seng, Chair; Angelo and Hosch

**Senate File 140**

STATE GOVERNMENT: Kibbie, Chair; Drake and Tinsman

**Senate File 142**

LOCAL GOVERNMENT: Miller, Chair; Quirmbach and Rehberg

**Senate File 144**

WAYS AND MEANS: Miller, Chair; Dotzler and Hosch

**Senate File 146**

WAYS AND MEANS: Shull, Chair; Larson and Quirmbach

**Senate File 147**

AGRICULTURE: Johnson, Chair; Houser and Ragan

**Senate File 148**

EDUCATION: Brunkhorst, Chair; Connolly and Larson

**Senate File 150**

STATE GOVERNMENT: Schuerer, Chair; Connolly and Zieman

**Senate File 152**

LOCAL GOVERNMENT: Quirmbach, Chair; Gaskill and Houser

**Senate File 153**

TRANSPORTATION: Rehberg, Chair; Fraise and Zieman

**Senate File 156**

STATE GOVERNMENT: Sievers, Chair; Connolly and Tinsman

**SSB 1073**

GOVERNMENT OVERSIGHT: Lundby, Chair; Courtney and Wieck

## SSB 1074

GOVERNMENT OVERSIGHT: Lundby, Chair; Dvorsky and Wieck

## COMMITTEE REPORTS

## AGRICULTURE

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 5 (SSB 1065), a concurrent resolution requesting that the United States Congress take all action required to preserve free and private enterprise, prevent monopoly, and protect consumers including by immediately enacting legislation to prohibit livestock packers from owning, controlling, or feeding livestock to such an extent that producers can no longer materially participate in the management of their livestock operations as provided in Senate Bill 27 introduced by the Honorable Senator Charles E. Grassley and cosponsored by the Honorable Senator Tom Harkin and others.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Behn, Hosch, Fraise, Angelo, Courtney, Houser, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, 3: Black, Gaskill, and Johnson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## STATE GOVERNMENT

**Final Bill Action:** SENATE FILE 63, a bill for an act relating to the use of sick leave by certain members of the Iowa department of public safety peace officers' retirement, accident, and disability system who are temporarily incapacitated for duty.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** SENATE FILE 94, a bill for an act providing for the confidentiality of certain veterans' records maintained by county recorders.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**TRANSPORTATION**

**Final Bill Action:** \*SENATE FILE 127, a bill for an act establishing a special breast cancer awareness motor vehicle registration plate and appropriating fees from such plates for breast cancer screening.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3009.

**Final Vote:** Ayes, 13: Drake, Putney, McCoy, Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Transportation Committee on Senate File 127, and they were attached to the committee report.

**GOVERNOR'S APPOINTEES PLACED ON  
EN BLOC CALENDAR**

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendation for confirmation:

**AGRICULTURE**

Todd Scott – State Soil Conservation Committee

**ECONOMIC GROWTH**

Eugene Blanshan – Iowa Capital Investment Board  
Burt Chojnowski – Iowa Capital Investment Board  
Gordon Neumann – Iowa Capital Investment Board

**STATE GOVERNMENT**

Lyle TeKippe – Engineering and Land Surveying Examining Board

Sheila Castaneda – IowAccess Advisory Council

Helen McNurlen – Board of Physical and Occupational Therapy Examiners

Patsy Hastings – Board of Podiatry Examiners

Kathryne Cutler – State Racing and Gaming Commission  
Joyce Jarding – State Racing and Gaming Commission

Barbara Leestamper – Real Estate Appraiser Examining Board

Ellen Kroc – Iowa Board of Veterinary Medicine

AMENDMENT FILED

S-3009      S.F.    127      Transportation

# JOURNAL OF THE SENATE

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THIRTY-EIGHTH CALENDAR DAY  
TWENTY-THIRD SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, February 19, 2003

The Senate met in regular session at 8:33 a.m., President Kramer presiding.

Prayer was offered by the Reverend Jim Wakelin, pastor of the Christian Church in Bloomfield, Iowa. He was the guest of Senator Kreiman.

The Journal of Tuesday, February 18, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 18, 2003, **adopted** the following resolution in which the concurrence of the Senate is asked:

**House Joint Resolution 3**, a joint resolution proposing an amendment to the Constitution of the State of Iowa relating to the qualification of electors.

Read first time and referred to committee on **State Government**.

ALSO: That the House has on February 18, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 175**, a bill for an act relating to the use of physical plant and equipment levy revenue, and providing an effective date.

Read first time and referred to committee on **Education**.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Behn, until he arrives, on request of Senator Iverson.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 97.

### **Senate File 97**

On motion of Senator Drake, **Senate File 97**, a bill for an act relating to highway, aviation, motor vehicle transportation and public transit, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, applications for certificates of title by motor vehicle dealers, fees charged for driver's licenses and nonoperator's identification cards and making an appropriation, security interests in motor vehicles, charges financed in a motor vehicle retail installment transaction, confidentiality of motor vehicle accident reports, requirements for motor carrier safety rules, exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations, load limits for vehicles transporting construction machinery, urban public transit funding, and tariffs charged by motor carriers of household goods, and including effective and retroactive applicability date provisions, was taken up for consideration.

The Senate stood at ease at 8:40 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:05 a.m., President Kramer presiding.

Senator Drake asked and received unanimous consent to withdraw amendment S-3010, filed by Senators Drake, Warnstadt, and Putney from the floor to pages 5 and 12 of the bill.

Senator Drake offered amendment S-3012, filed by Senators Drake, Warnstadt, and Putney from the floor to pages 5 and 12 of the bill, and moved its adoption.

Amendment S-3012 was adopted by a voice vote.

Senator Kreiman offered amendment S-3013, filed by him from the floor to pages 5, 11, and to the title page of the bill, and moved its adoption.

Amendment S-3013 lost by a voice vote.

Senator Drake offered amendment S-3008, filed by Senators Drake and Warnstadt on February 12, 2003, to pages 5, 6, and 11 of the bill, and moved its adoption.

Amendment S-3008 was adopted by a voice vote.

Senator Connolly asked and received unanimous consent to withdraw amendment S-3011, filed by him from the floor to page 10 and to the title page of the bill.

Senator Holveck offered amendment S-3014, filed by Senators Holveck and Quirnbach from the floor to page 1 and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3014 be adopted?" (S.F. 97), the vote was:

Yeas, 7:

Beall	Dotzler	Holveck	Ragan
Connolly	Hatch	Quirnbach	

Nays, 42:

Angelo	Gronstal	Larson	Seymour
Black	Horn	Lundby	Shull
Boettger	Hosch	McCoy	Sievers
Bolkcom	Houser	McKibben	Stewart
Brunkhorst	Iverson	McKinley	Tinsman
Courtney	Johnson	Miller	Veenstra

Dearden	Kettering	Putney	Warnstadt
Drake	Kibbie	Redfern	Wieck
Dvorsky	Kramer	Rehberg	Zieman
Fraise	Kreiman	Schuerer	
Gaskill	Lamberti	Seng	

Absent, 1:

Behn

Amendment S–3014 lost.

Senator Quirnbach offered amendment S–3015, filed by him from the floor to page 10 of the bill, and moved its adoption.

Amendment S–3015 lost by a voice vote.

Senator Drake moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 97), the vote was:

Yeas, 45:

Angelo	Fraise	Lundby	Seymour
Beall	Gaskill	McCoy	Shull
Behn	Gronstal	McKibben	Sievers
Black	Hosch	McKinley	Stewart
Boettger	Houser	Miller	Tinsman
Bolkcom	Iverson	Putney	Veenstra
Brunkhorst	Johnson	Quirnbach	Warnstadt
Connolly	Kettering	Ragan	Wieck
Dearden	Kibbie	Redfern	Zieman
Dotzler	Kramer	Rehberg	
Drake	Lamberti	Schuerer	
Dvorsky	Larson	Seng	

Nays, 4:

Courtney	Hatch	Holveck	Horn
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Absent, 1:

Kreiman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 97** be **immediately messaged** to the House.

## BILL REASSIGNED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate File 132** be reassigned from the committee on Government Oversight to the committee on **Human Resources**.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 10:41 a.m. until 8:30 a.m. Thursday, February 20, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Orville and Joann Hammitt, Lehigh — For celebrating your 50th wedding anniversary on February 1, 2003. Senator Iverson (2/19/03).

Michelle Wright, London, England — In recognition of her return to the Iowa Senate. Senator Beall (2/19/03).

Marian Weis, Bellevue — For celebrating your 80th birthday on February 21, 2003. Senator Stewart (2/19/03).

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** February 18, 2003, 3:00 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Discussion regarding the Senior Living Trust Fund.

**Adjourned:** 3:25 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 18, 2003, 3:10 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentations by Department of Human Services service area managers and coordinators.

**Adjourned:** 5:00 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** February 18, 2003, 3:15 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Presentations by Attorney General's Office and Civil Rights Commission.

**Adjourned:** 4:45 p.m.

## **BUSINESS AND LABOR RELATIONS**

**Convened:** February 19, 2003, 10:50 a.m.

**Members Present:** Schuerer, Chair; Lundby, Vice Chair; Dearden, Ranking Member; Courtney, Dotzler, Horn, Johnson, Kettering, McKibben, Seymour, and Wieck.

**Members Absent:** None.

**Committee Business:** Discussed upcoming committee agenda.

**Adjourned:** 10:55 a.m.

## **EDUCATION**

**Convened:** February 19, 2003, 10:45 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, Redfern, and Rehberg.

**Members Absent:** None.

**Committee Business:** Passed SFs 5 and 31.

**Adjourned:** 11:35 a.m.

## **JUDICIARY**

**Convened:** February 19, 2003, 11:40 a.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, McCoy, McKibben, Putney, Quirmbach, and Tinsman.

**Members Absent:** Lamberti and Miller (both excused).

**Committee Business:** Presentation by Correctional Services Study Group.

**Adjourned:** 12:45p.m.

**APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** February 19, 2003, 3:05 p.m.

**Members Present:** Ziemann, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Presentations by Office of Treasurer of State, Department of Management, and Department of Commerce.

**Adjourned:** 3:50 p.m.

**INTRODUCTION OF BILLS**

**Senate File 168**, by Kibbie, a bill for an act requiring submission of rejected state claims to the general assembly's appropriations committees.

Read first time under Rule 28 and referred to committee on **Appropriations**.

**Senate File 169**, by Angelo, a bill for an act relating to the conduct and licensure of school employees by creating a criminal offense of sexual exploitation by a school employee, providing a penalty, authorizing the board of educational examiners to perform record checks at the applicant's expense, and requiring school districts and schools to report practitioner misconduct under certain circumstances.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 170**, by Lundby, Hatch, Dotzler, Dvorsky, Bolckom, Black, Ragan, Kibbie, Seng, Dearden, Courtney, Kreiman, Beall, Quirnbach, Holveck, and Tinsman, a bill for an act creating a housing trust fund and making an appropriation.

Read first time under Rule 28 and referred to committee on **Appropriations**.

**Senate File 171**, by Tinsman, Schuerer, Hosch, Putney, Sievers, Houser, Wieck, Brunkhorst, Seymour, Angelo, Veenstra, Boettger, Iverson, Drake, Zieman, Gaskill, Behn, Rehberg, McKinley, and Kettering, a bill for an act establishing a limitation on the recovery of punitive or exemplary damages in a civil case.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 172**, by committee on Education, a bill for an act relating to the establishment of a public charter school pilot program and providing effective and applicability dates.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 173**, by committee on Education, a bill for an act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations.

Read first time under Rule 28 and **placed on calendar**.

#### STUDY BILLS RECEIVED

##### **SSB 1075      Local Government**

Relating to conflicts of interest in public contracts.

##### **SSB 1076      Judiciary**

Relating to public assistance benefits received by persons who were not entitled or eligible to receive the benefits, providing criminal and civil penalties, and appropriating certain penalties received.

##### **SSB 1077      Judiciary**

Relating to nonprofit corporations and providing penalties and effective and applicability dates.

**SSB 1078      Judiciary**

Relating to the uniform principal and income Act and a trustee's power to adjust between income and principal.

**SSB 1079      Judiciary**

Relating to intelligence data and intelligence assessment dissemination to an agency, organization, or person.

**SSB 1080      Judiciary**

Providing for the performance of criminal background investigations and the submission of arrest information with regard to specified individuals employed by the state in an electronic information systems capacity.

**SSB 1081      Natural Resources and Environment**

Relating to fees charged to certain private water supply contractors, establishing a private water supply system account within the water quality protection fund, and appropriating moneys in the account.

**SSB 1082      Natural Resources and Environment**

Relating to the use of certain motorboats on lake Macbride and providing an effective date.

**SSB 1083      State Government**

Relating to professional licensing boards by providing for the updating of continuing education and regulatory requirements to include specified licensing boards, authorizing specified licensing boards to obtain criminal history data relating to applicants for licensure and licensees, and authorizing the collection of fees for related costs.

**SSB 1084 State Government**

Providing for licensure requirements relating to the practice of athletic training and increasing a penalty.

**SSB 1085 State Government**

Relating to the use of titles pertaining to physical therapy and providing a penalty.

**SSB 1086 Business and Labor Relations**

Relating to food establishment licensing and training procedures, and establishing fees.

**SSB 1087 Natural Resources and Environment**

Relating to the registration of hunting outfitters or hunting guides and providing a penalty.

**SSB 1088 Natural Resources and Environment**

Providing that revenues deposited in the state conservation fund are temporarily exempt from reversion and providing an effective date.

**SSB 1089 Appropriations**

Relating to state financial obligations by making supplemental appropriations for property tax replacement claims and elderly and disabled tax credit reimbursement, providing for the application of debt service proceeds from tobacco settlement authority bonds, providing for related matters, and including an effective date.

**SSB 1090 Local Government**

Providing for exceptions to municipal tort liability for claims arising from bicycling on public property.

**SSB 1091      Local Government**

Relating to contract letting procedures for certain public improvements.

**SSB 1092      Local Government**

Relating to electronic financial transactions with county treasurers.

**SUBCOMMITTEE ASSIGNMENTS****Senate Joint Resolution 2**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Drake and Kibbie

**Senate File 60**

NATURAL RESOURCES AND ENVIRONMENT: Wieck, Chair; Kettering and Kibbie

**Senate File 65**

NATURAL RESOURCES AND ENVIRONMENT: Zieman, Chair; Dearden and Miller

**Senate File 125  
(Reassignment)**

TRANSPORTATION: Houser, Chair; Fraise and Putney

**Senate File 128**

NATURAL RESOURCES AND ENVIRONMENT: Brunkhorst, Chair; Black and Zieman

**Senate File 135**

STATE GOVERNMENT: Johnson, Chair; Dearden and Shull

**Senate File 141**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Black and Drake

**Senate File 145**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Brunkhorst and Seng

**Senate File 151**

STATE GOVERNMENT: Schuerer, Chair; Johnson and Ragan

**Senate File 157**

EDUCATION: Behn, Chair; Boettger and Dvorsky

**Senate File 158**

EDUCATION: Boettger, Chair; Holveck and Hosch

**Senate File 159**

ECONOMIC GROWTH: Veenstra, Chair; Larson and Ragan

**Senate File 165**

WAYS AND MEANS: McKibben, Chair; Connolly, Seng, Shull, and Sievers

**Senate File 166**

HUMAN RESOURCES: Schuerer, Chair; Ragan and Seymour

**Senate File 167**

APPROPRIATIONS: Gaskill, Chair; Warnstadt and Zieman

**SSB 1075**

LOCAL GOVERNMENT: Miller, Chair; McCoy and Wieck

**SSB 1076**

JUDICIARY: Tinsman, Chair; Holveck and McKibben

**SSB 1077**

JUDICIARY: Miller, Chair; Holveck and Larson

**SSB 1078**

JUDICIARY: McKibben, Chair; McCoy and Putney

**SSB 1079**

JUDICIARY: Larson, Chair; Boettger and Holveck

**SSB 1080**

JUDICIARY: Larson, Chair; Quirmbach and Tinsman

**SSB 1081**

NATURAL RESOURCES AND ENVIRONMENT: Kettering, Chair; Bolcom and Johnson

**SSB 1082**

NATURAL RESOURCES AND ENVIRONMENT: Wieck, Chair; Kettering and Seng

**SSB 1083**

STATE GOVERNMENT: Tinsman, Chair; Black and Johnson

**SSB 1084**

STATE GOVERNMENT: Shull, Chair; Dearden and Drake

**SSB 1085**

STATE GOVERNMENT: Sievers, Chair; Ragan and Veenstra

**SSB 1086**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Horn and Kettering

**SSB 1087**

NATURAL RESOURCES AND ENVIRONMENT: Brunkhorst, Chair; Dearden and Wieck

**SSB 1088**

NATURAL RESOURCES AND ENVIRONMENT: Brunkhorst, Chair; Bolkcom and Kettering

**SSB 1089**

APPROPRIATIONS: Sievers, Chair; Dotzler and Lamberti

**SSB 1090**

LOCAL GOVERNMENT: Miller, Chair; Angelo and Stewart

**SSB 1091**

LOCAL GOVERNMENT: Weick, Chair; Quirnbach and Rehberg

**SSB 1092**

LOCAL GOVERNMENT: Angelo, Chair; Seymour and Stewart

## COMMITTEE REPORTS

### EDUCATION

**Final Bill Action:** SENATE FILE 172 (formerly SF 31), a bill for an act relating to the establishment of a public charter school pilot program and providing effective and applicability dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Hosch, Kreiman, Larson, Quirnbach, Redfern, and Rehberg. Nays, 2: Dvorsky and Holveck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### ALSO:

**Final Bill Action:** SENATE FILE 173 (formerly SF 5), a bill for an act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Boettger, McKinley, Angelo, Behn, Brunkhorst, Hosch, Larson, Redfern, and Rehberg. Nays, 6: Connolly, Beall, Dvorsky, Holveck, Kreiman, and Quirnbach. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## EXPLANATION OF VOTE

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on February 19, 2003, when the vote was taken on Senate File 97. Had I been present, I would have voted "Yea."

KEITH A. KREIMAN

## GOVERNOR'S APPOINTEE PLACED ON EN BLOC CALENDAR

The following appointee, assigned to standing committee for investigation, was placed on the En Bloc Calendar with recommendation for confirmation:

### WAYS AND MEANS

David Erickson – State Board of Tax Review

## GOVERNOR'S APPOINTEE PLACED ON INDIVIDUAL CONFIRMATION CALENDAR

The following appointee, assigned to standing committee for investigation, was placed on the Individual Confirmation Calendar with recommendation for confirmation:

### WAYS AND MEANS

Michael Ralston – Director of Revenue and Finance

## WITHDRAWAL OF GOVERNOR'S APPOINTEE

The following letter from the Governor was received in the office of the Secretary of the Senate on February 19, 2003:

I submitted the name of Cathy R. Anderson to serve on the Mental Health and Developmental Disabilities Commission on November 1, 2002. I am withdrawing her name from further consideration by the Senate.

Sincerely,  
THOMAS J. VILSACK  
Governor

## AMENDMENTS FILED

S-3010	S.F.	97	Richard F. Drake Steven H. Warnstadt John Putney
S-3011	S.F.	97	Mike Connolly
S-3012	S.F.	97	Richard F. Drake Steven H. Warnstadt John Putney
S-3013	S.F.	97	Keith A. Kreiman
S-3014	S.F.	97	Jack Holveck Herman C. Quirmbach
S-3015	S.F.	97	Herman C. Quirmbach

# JOURNAL OF THE SENATE

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THIRTY-NINTH CALENDAR DAY  
TWENTY-FOURTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, February 20, 2003

The Senate met in regular session at 8:33 a.m., President Kramer presiding.

Prayer was offered by the Reverend Doug Helon, pastor of the Calvary Baptist Church in St. Charles, Iowa. He was the guest of Senators Iverson and Shull.

The Journal of Wednesday, February 19, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 19, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 85**, a bill for an act relating to tip-up fishing in the waters of the Missouri and Big Sioux rivers and subjecting violators to an existing penalty.

Read first time and referred to committee on **Natural Resources and Environment**.

**House File 170**, a bill for an act relating to the criminal offense of identity theft by making changes in the elements of the offense.

Read first time and referred to committee on **Judiciary**.

**House File 171**, a bill for an act relating to nonsubstantive Code corrections and including effective and retroactive applicability date provisions.

Read first time and referred to committee on **Judiciary**.

**House File 180**, a bill for an act relating to character education and service learning in Iowa's elementary and secondary schools.

Read first time and referred to committee on **Education**.

#### ADJOURNMENT

On motion of Senator Boettger, the Senate adjourned at 8:40 a.m. until 1:00 p.m. Monday, February 24, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Caroline Lingenfelter, Denmark — For celebrating your 100th birthday on February 25, 2003. Senator Fraise (2/20/03).

Norwalk Community Schools, Norwalk — For being selected as having exemplary entries using technology in the statewide showcase on educational technology projects. Senator Shull (2/20/03).

Leon and Joyce Sheldon, Webster City — For celebrating your 60th wedding anniversary on February 20, 2003. Senator Iverson (2/20/03).

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** February 19, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Discussion regarding the Public Strategies Group.

**Adjourned:** 4:10 p.m.

#### WAYS AND MEANS

**Convened:** February 19, 2003, 2:05 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Approved Governor's appointees and presentation on the Iowa Taxpayer Simplification Act.

**Adjourned:** 2:45 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 19, 2003, 3:15 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentation by Department of Elder Affairs.

**Adjourned:** 4:45 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** February 19, 2003, 3:10 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Presentation by Department of Public Safety.

**Adjourned:** 3:55 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** February 19, 2003, 3:05 p.m.

**Members Present:** McKibben, Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** Lamberti, Vice Chair (excused).

**Committee Business:** Presentations by representatives of the Board of Regents institutions.

**Adjourned:** 4:15 p.m.

#### **COMMERCE**

**Convened:** February 20, 2003, 11:25 a.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Subcommittees assignment and approved SSBs 1007 and 1019.

**Adjourned:** 11:35 a.m.

**JUDICIARY**

**Convened:** February 20, 2003, 11:35 a.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** McKibben (excused).

**Committee Business:** Subcommittee assignments. Approved SSB 1027 (as amended) and approved Governor's appointee.

**Adjourned:** 12:05 p.m.

**STATE GOVERNMENT**

**Convened:** February 20, 2003, 10:30 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentation regarding IPERS.

**Adjourned:** 11:20 a.m.

**APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** February 20, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Rehberg and Stewart.

**Members Absent:** Holveck, Ranking Member (excused).

**Committee Business:** Presentations by Treasurer of State's Office, Department of Management, and Department of Commerce.

**Adjourned:** 3:30 p.m.

**INTRODUCTION OF RESOLUTIONS**

**Senate Resolution 14**, by Kramer, Angelo, Beall, Behn, Black, Boettger, Bolkcom, Brunkhorst, Connolly, Courtney, Dearden, Dotzler, Drake, Dvorsky, Fraise, Gaskill, Gronstal, Hatch, Holveck, Horn, Hosch, Houser, Iverson, Johnson, Kettering, Kibbie, Kreiman, Lamberti, Larson, Lundby, McCoy, McKibben, McKinley, Miller,

Putney, Quirmbach, Ragan, Redfern, Rehberg, Schuerer, Seng, Seymour, Shull, Sievers, Stewart, Tinsman, Veenstra, Warnstadt, Wieck, and Zieman, a resolution honoring Iowa State University student-athlete Jack Trice during Black History Month.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 15**, by Iverson, Redfern, Kramer, Angelo, Behn, Hosch, Tinsman, Veenstra, Miller, Zieman, Seymour, Wieck, Lundby, Larson, Houser, Boettger, Shull, Drake, Schuerer, McKinley, Johnson, Putney, Brunkhorst, Lamberti, Kettering, Gaskill, Rehberg, McKibben, and Sievers, a resolution to support the efforts of President George W. Bush and the United States Armed Forces to disarm Iraq.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

#### INTRODUCTION OF BILLS

**Senate File 174**, by Lundby, a bill for an act relating to health facility staffing, and providing civil penalties.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 175**, by Bolkcom, a bill for an act relating to the collection and maintenance of obesity-related data by the Iowa department of public health and participating elementary and secondary schools.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 176**, by Black, a bill for an act relating to property taxes levied by a township for improvement and maintenance of certain cemeteries.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 177**, by Schuerer, a bill for an act relating to inspection fees pursuant to city housing codes.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 178**, by Schuerer, a bill for an act repealing the linked investments for tomorrow Act.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

**Senate File 179**, by Schuerer, Boettger, Sievers, Behn, Veenstra, Gaskill, Angelo, Rehberg, Zieman, and Houser, a bill for an act creating a super ethanol-powered motor vehicle purchase tax credit for individual taxpayers, and providing a retroactive applicability date.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 180**, by committee on Commerce, a bill for an act relating to the procedures for handling abandoned property and property presumed to be abandoned.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 181**, by Schuerer and Kreiman, a bill for an act authorizing the department of human services to disclose information regarding the presence of a perpetrator of certain sexual offenses or sexual abuse in the client's home.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 182**, by Kreiman, a bill for an act relating to the calculation of employers' contributions to the unemployment compensation fund.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations**.

**Senate File 183**, by Kreiman, a bill for an act relating to notice regarding the use of geothermal energy in development plans for undeveloped land.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 184**, by Dvorsky, a bill for an act relating to rules and standards for hazardous chemical management practices adopted and administered by the state fire marshal and to school requirements regarding hazardous waste management.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 185**, by committee on Judiciary, a bill for an act relating to criminal law and procedure, including the criminal offenses of arson, communications by an arrested person, and harassment.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 186**, by committee on Commerce, a bill for an act eliminating certain public disclosure requirements by state banks.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 187**, by Rehberg and Zieman, a bill for an act relating to operation permits for public disposal systems and providing an effective date.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

#### STUDY BILLS RECEIVED

#### **SSB 1093      Education**

Relating to the establishment of a school infrastructure financing program by providing for a local option school infrastructure sales tax and providing for the use of the revenues from the local option tax for

school infrastructure or property tax relief purposes and including an effective date.

**SSB 1094 Commerce**

Relating to insurance, including various filing and information privacy requirements throughout the insurance code, calculation of assessments by the Iowa individual health benefit reinsurance association, payment of certain insurance fees, certain self-funded insurance plans by school corporations or political subdivisions, designation of the commissioner of insurance as process agent for various entities conducting insurance business in this state, cancellation of insurance, beneficial stock ownership filings, funding agreements, creating an insurable interest in active or retired employee lives for the benefit of an employer, providing for an interstate insurance product regulation compact, and providing for retroactive applicability and an effective date.

**SSB 1095 Commerce**

Relating to the time periods that unclaimed demutualization proceeds and wages are presumed to be abandoned and providing an effective date.

**SSB 1096 Judiciary**

Creating the criminal offense of intellectual property counterfeiting, and providing a penalty.

**SUBCOMMITTEE ASSIGNMENTS**

**Senate Resolution 14**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 168**

APPROPRIATIONS: Lamberti, Chair; Connolly and Kramer

**Senate File 169**

EDUCATION: Angelo, Chair; Beall and Larson

**Senate File 170**

APPROPRIATIONS: McKinley, Chair; Hatch and Lamberti

**House File 175**

EDUCATION: Beall, Chair; Behn and Boettger

**House File 180**

EDUCATION: Brunkhorst, Chair; Dvorsky and McKinley

**SSB 1038**

(Reassignment)

STATE GOVERNMENT: Lamberti, Chair; Connolly and Shull

**SSB 1093**

EDUCATION: Angelo, Chair; Boettger and Connolly

**SSB 1094**

COMMERCE: Wieck, Chair; Angelo and McCoy

**SSB 1095**

COMMERCE: Wieck, Chair; McCoy and Redfern

**SSB 1096**

JUDICIARY: Lamberti, Chair; Holveck and Miller

**COMMITTEE REPORTS****COMMERCE**

**Final Bill Action:** SENATE FILE 180 (SSB 1019), a bill for an act relating to the procedures for handling abandoned property and property presumed to be abandoned.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 186 (SSB 1007), a bill for an act eliminating certain public disclosure requirements by state banks.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**JUDICIARY**

**Final Bill Action:** SENATE FILE 185 (SSB 1027), a bill for an act relating to criminal law and procedure, including the criminal offenses of arson, communications by an arrested person, and harassment.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, 1: McKibben.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**GOVERNOR'S APPOINTEE PLACED ON  
EN BLOC CALENDAR**

The following appointee, assigned to standing committee for investigation, was placed on the En Bloc Calendar with recommendation for confirmation:

**JUDICIARY**

Barbara Binnie – Board of Parole

**AMENDMENT FILED**

S-3016      S.F.      155      Keith Kreiman  
Steve Kettering

# JOURNAL OF THE SENATE

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FORTY-THIRD CALENDAR DAY  
TWENTY-FIFTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, February 24, 2003

The Senate met in regular session at 1:12 p.m., President Kramer presiding.

Prayer was offered by Father Mark Osterhaus of St. Matthew's Church in Cedar Rapids, Iowa. He was the guest of Senator Stewart. Father Osterhaus is the son of Representative Robert Osterhaus.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Pages Jenna Kovacevich and Kristy Palmer.

The Journal of Thursday, February 20, 2003, was approved.

The Senate stood at ease at 1:15 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 1:50 p.m., President Kramer presiding.

## RECESS

On motion of Senator Iverson, the Senate recessed at 2:07 p.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 2:10 p.m., President Kramer presiding.

## RECESS

On motion of Senator Iverson, the Senate recessed at 2:11 p.m. until 5:00 p.m.

## APPENDIX — 1

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 24, 2003

#### DEPARTMENT OF ECONOMIC DEVELOPMENT

Community Economic Betterment Account (CEBA) Annual Report for FY 2002.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

American Federation of State, County, and Municipal Employees Local 12 — For 60 years of dedicated service to the employees of the University of Iowa. Senator Dvorsky (2/24/03).

Mr. and Mrs. Henry Delger, Clarion — For celebrating your 70th wedding anniversary on February 25, 2003. Senator Iverson (2/24/03).

Jason Geinger, Gladbrook — For receiving the National FFA's highest honor when awarded with the American FFA Degree at the 75th National FFA Convention. Senator Putney (2/24/03).

Sylvester Peakin, Colo — For celebrating your 90th birthday on February 20, 2003. Senator Iverson (2/24/03).

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 20, 2003, 3:20 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Discussion regarding the Program Elimination Commission.

**Adjourned:** 4:10 p.m.

## **BUSINESS AND LABOR RELATIONS**

**Convened:** February 24, 2003, 4:05 p.m.

**Members Present:** Schuerer, Chair; Lundby, Vice Chair; Dearden, Ranking Member; Courtney, Dotzler, Horn, Johnson, Kettering, Seymour, and Wieck.

**Members Absent:** McKibben (excused).

**Committee Business:** Subcommittee assignments and approval of Governor's appointee.

**Adjourned:** 4:15 p.m.

## **JUDICIARY**

**Convened:** February 24, 2003, 2:30 p.m.

**Members Present:** Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** Redfern, Chair; and McKibben (both excused).

**Committee Business:** Presentation regarding the Iowa Board of Parole.

**Adjourned:** 4:05 p.m.

## **RULES AND ADMINISTRATION**

**Convened:** February 24, 2003, 2:05 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Passed SRs 12, 14, and 15.

**Adjourned:** 2:10 p.m.

## **TRANSPORTATION**

**Convened:** February 24, 2003, 2:15 p.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed SF 28.

**Adjourned:** 2:45 p.m.

## STUDY BILLS RECEIVED

### **SSB 1097      Judiciary**

Relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, optional operational provisions for some correctional facilities, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees.

### **SSB 1098      Judiciary**

Relating to the clerk of the district court by changing the method of appointment and removal, by permitting a clerk to serve in more than one county, and by eliminating certain residency requirements.

### **SSB 1099      Judiciary**

Relating to emergency procedures for the temporary detention and treatment of persons who are incapacitated or impaired due to substance abuse or mental health problems.

### **SSB 1100      Judiciary**

Relating to child endangerment offenses resulting in the death of a child or minor and providing a penalty.

### **SSB 1101      Judiciary**

Concerning procedures, duties, and fees related to the judicial branch.

**SSB 1102 State Government**

To establish an interior design examining board, to provide for the registration of interior designers in order to use the title of registered interior designer, and to provide fees and penalties.

**SSB 1103 Human Resources**

Relating to the authorization of podiatrists to administer anesthesia.

**SSB 1104 State Government**

Relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, and including effective and applicability date provisions.

**SSB 1105 Judiciary**

Relating to real property, including acknowledgements of real property conveyances and limitations on causes of action concerning real property.

**SSB 1106 Judiciary**

Relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision.

**SSB 1107 State Government**

Providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date.

**SSB 1108      State Government**

Providing for changes relating to pharmaceutical practice and the regulation of licensed pharmacists, and making penalties applicable.

**SSB 1109      Commerce**

Relating to business entities, based on revisions related to the Iowa business corporation Act, including addition of a savings clause and addition of provisions related to director and officer liability, duty, and indemnification for certain insurance companies and indemnification for cooperative associations.

**SUBCOMMITTEE ASSIGNMENTS****Senate Resolution 15**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 174**

HUMAN RESOURCES: Tinsman, Chair; Behn and Holveck

**Senate File 175**

HUMAN RESOURCES: Hosch, Chair; Kreiman and Tinsman

**Senate File 181**

HUMAN RESOURCES: Schuerer, Chair; Hosch and Kreiman

**Senate File 187**

NATURAL RESOURCES AND ENVIRONMENT: Zieman, Chair; Brunkhorst and Kibbie

**SSB 1097**

JUDICIARY: Larson, Chair; Fraise and Putney

**SSB 1098**

JUDICIARY: Larson, Chair; Holveck and McKibben

**SSB 1099**

JUDICIARY: Tinsman, Chair; Boettger and Quirmbach

**SSB 1100**

JUDICIARY: Kreiman, Chair; Larson and Miller

**SSB 1101**

JUDICIARY: Miller, Chair; Horn and Tinsman

**SSB 1102**

STATE GOVERNMENT: Schuerer, Chair; Dearden and Sievers

**SSB 1103**

HUMAN RESOURCES: Behn, Chair; Boettger and Ragan

**SSB 1104**

STATE GOVERNMENT: Shull, Chair; Drake and Kibbie

**SSB 1105**

JUDICIARY: Boettger, Chair; Horn and Putney

**SSB 1106**

JUDICIARY: Kettering, Chair; Holveck and McKibben

**SSB 1107**

STATE GOVERNMENT: Sievers, Chair; Connolly and Zieman

**SSB 1108**

STATE GOVERNMENT: Veenstra, Chair; Courtney and Tinsman

**SSB 1109**

COMMERCE: Brunkhorst, Chair; Kettering and Warnstadt

**COMMITTEE REPORTS****RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE RESOLUTION 12, a resolution regarding preemptive, unilateral military action against Iraq.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 14, a resolution honoring Iowa State University student-athlete Jack Trice during Black History Month.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 15, a resolution to support the efforts of President George W. Bush and the United States Armed Forces to disarm Iraq.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## EVENING SESSION

The Senate reconvened at 5:02 p.m., President Kramer presiding.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 14.

**Senate Resolution 14**

On motion of Senator Iverson, **Senate Resolution 14**, a resolution honoring Iowa State University student-athlete Jack Trice during Black History Month, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 14, which motion prevailed by a voice vote.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Redfern, until he returns, on request of Senator Iverson.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 12.

**Senate Resolution 12**

On motion of Senator Holveck, **Senate Resolution 12**, a resolution regarding preemptive, unilateral military action against Iraq, with report of committee recommending passage, was taken up for consideration.

President Pro Tempore Angelo took the chair at 5:36 p.m.

President Kramer took the chair at 5:45 p.m.

Senator Holveck moved the adoption of Senate Resolution 12.

A record roll call was requested.

On the question "Shall the resolution be adopted?" (S.R. 12), the vote was:

Yeas, 18:

Beall	Dearden	Hatch	Ragan
Black	Dotzler	Holveck	Seng
Bolkcom	Dvorsky	Horn	Stewart
Connolly	Fraise	Kreiman	
Courtney	Gronstal	Quirnbach	

Nays, 31:

Angelo	Iverson	McCoy	Shull
Behn	Johnson	McKibben	Sievers
Boettger	Kettering	McKinley	Tinsman
Brunkhorst	Kibbie	Miller	Veenstra
Drake	Kramer	Putney	Warnstadt
Gaskill	Lamberti	Rehberg	Wieck
Hosch	Larson	Schuerer	Zieman
Houser	Lundby	Seymour	

Absent, 1:

Redfern

The motion lost.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 15.

### Senate Resolution 15

On motion of Senator Iverson, **Senate Resolution 15**, a resolution to support the efforts of President George W. Bush and the United States Armed Forces to disarm Iraq, with report of committee recommending passage, was taken up for consideration.

Senator Gronstal offered amendment S-3017, filed by him from the floor to pages 1-5 of the resolution, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3017 be adopted?" (S.R. 15), the vote was:

Yeas, 21:

Beall	Dotzler	Horn	Seng
Black	Dvorsky	Kibbie	Stewart
Bolkcom	Fraise	Kreiman	Warnstadt
Connolly	Gronstal	McCoy	
Courtney	Hatch	Quirmbach	
Dearden	Holveck	Ragan	

Nays, 28:

Angelo	Houser	Lundby	Seymour
Behn	Iverson	McKibben	Shull
Boettger	Johnson	McKinley	Sievers
Brunkhorst	Kettering	Miller	Tinsman
Drake	Kramer	Putney	Veenstra
Gaskill	Lamberti	Rehberg	Wieck
Hosch	Larson	Schuerer	Zieman

Absent, 1:

Redfern

Amendment S-3017 lost.

President Pro Tempore Angelo took the chair at 6:55 p.m.

Senator Iverson moved the adoption of Senate Resolution 15.

A record roll call was requested.

On the question "Shall the resolution be adopted?" (S.R. 15), the vote was:

Yeas, 42:

Angelo	Horn	Lundby	Seymour
Beall	Hosch	McCoy	Shull
Behn	Houser	McKibben	Sievers

Black	Iverson	McKinley	Stewart
Boettger	Johnson	Miller	Tinsman
Brunkhorst	Kettering	Putney	Veenstra
Dearden	Kibbie	Quirnbach	Warnstadt
Dotzler	Kramer	Ragan	Wieck
Drake	Kreiman	Redfern	Zieman
Gaskill	Lamberti	Rehberg	
Gronstal	Larson	Schuerer	

Nays, 8:

Bolkcom	Courtney	Fraise	Holveck
Connolly	Dvorsky	Hatch	Seng

Absent, none.

The motion prevailed and the resolution was adopted.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 7:10 p.m. until 8:30 a.m. Tuesday, February 25, 2003.

**APPENDIX — 2****REPORTS OF COMMITTEE MEETINGS****EDUCATION**

**Convened:** February 24, 2003, 4:10 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirnbach, and Rehberg.

**Members Absent:** Redfern (excused).

**Committee Business:** Passed HF 175, approved SSB 1054, and approved the Governor's appointee.

**Adjourned:** 4:20 p.m.

**HUMAN RESOURCES**

**Convened:** February 24, 2003, 2:15 p.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** None.

**Committee Business:** Presentation regarding Medicaid reform. Approval of the Governor's appointees.

**Adjourned:** 3:05 p.m.

**INTRODUCTION OF RESOLUTION**

**Senate Resolution 16**, by Fraise, a resolution honoring Iowa Wesleyan College and its Responsible Social Involvement Program.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**INTRODUCTION OF BILLS**

**Senate File 188**, by Sievers, a bill for an act relating to participation in open enrollment in school districts subject to

voluntary desegregation and providing effective date and retroactive applicability provisions.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 189**, by Rehberg, a bill for an act relating to fire fighter preparedness by creating a fire fighter preparedness fund, by allocating a certain portion of insurance premiums tax to the fire fighter preparedness fund, and making an appropriation and providing a retroactive applicability date.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 190**, by Lundby, a bill for an act providing for a reduction in annual registration fees for motor vehicles based on federal fuel economy ratings.

Read first time under Rule 28 and referred to committee on **Transportation.**

**Senate File 191**, by Zieman, a bill for an act providing for the production and marketing of industrial hemp, and providing for penalties.

Read first time under Rule 28 and referred to committee on **Agriculture.**

**Senate File 192**, by Warnstadt, Stewart, Courtney, Bolkom, Quirnbach, Beall, Dvorsky, Kibbie, Connolly, Gronstal, Black, Ragan, Holveck, Dotzler, Seng, Dearden, Horn, Kreiman, Hatch, Fraise, and McCoy, a bill for an act providing for free annual consumer access to consumer credit reports, and providing a private right of action.

Read first time under Rule 28 and referred to committee on **Commerce.**

**Senate File 193**, by Rehberg, a bill for an act providing a property tax exemption and rental income exclusion as incentives for certain landowners to rent agricultural land to certain small farmers.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 194**, by McCoy, a bill for an act relating to payments from the personal property tax replacement fund to city-county consolidated governments, multicounty consolidated governments, and community commonwealths.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 195**, by McCoy, a bill for an act relating to the filing and qualifying for a claim for reimbursement for rent constituting property taxes paid and including an applicability date provision.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 196**, by McCoy, a bill for an act relating to rotation of judges' names on the ballots in certain counties.

Read first time under Rule 28 and referred to committee on **State Government**.

## SUBCOMMITTEE ASSIGNMENT

### Senate File 188

EDUCATION: Boettger, Chair; Behn and Connolly

## COMMITTEE REPORT

### EDUCATION

**Final Bill Action:** HOUSE FILE 175, a bill for an act relating to the use of physical plant and equipment levy revenue, and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, and Rehberg. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### HUMAN RESOURCES

Christine Boyken – Child Advocacy Board  
Brian Michaelson – Child Advocacy Board

Lynn Ferrell – Mental Health and Developmental Disabilities Commission  
Russell Finken – Mental Health and Developmental Disabilities Commission  
Jane Halliburton – Mental Health and Developmental Disabilities Commission  
Mary Hughes – Mental Health and Developmental Disabilities Commission  
Julie Jetter – Mental Health and Developmental Disabilities Commission  
Linda Kellen – Mental Health and Developmental Disabilities Commission  
Brian Ridler – Mental Health and Developmental Disabilities Commission  
Ronald Walls – Mental Health and Developmental Disabilities Commission  
Kittie Weston-Knauer – Mental Health and Developmental Disabilities Commission

### AMENDMENT FILED

S-3017      S.R.      15      Michael E. Gronstal

# JOURNAL OF THE SENATE

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FORTY-FOURTH CALENDAR DAY  
TWENTY-SIXTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, February 25, 2003

The Senate met in regular session at 8:31 a.m., President Kramer presiding.

Prayer was offered by the Reverend Mick Schultz, pastor of the New Covenant Bible Church in Cedar Rapids, Iowa. He was the guest of Senator Lundby.

The Journal of Monday, February 24, 2003, was approved.

## RECESS

On motion of Senator Boettger, the Senate recessed at 8:38 a.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 8:40 a.m., President Kramer presiding.

## COMMITTEE REPORT

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 16, a resolution honoring Iowa Wesleyan College and its Responsible Social Involvement Program.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 16.

**Senate Resolution 16**

On motion of Senator Fraise, **Senate Resolution 16**, a resolution honoring Iowa Wesleyan College and its Responsible Social Involvement Program, with report of committee recommending passage, was taken up for consideration.

Senator Fraise introduced to the Senate chamber Mr. William N. Johnston, President of Iowa Wesleyan College.

Senator Fraise moved the adoption of Senate Resolution 16, which motion prevailed by a voice vote.

RECESS

On motion of Senator Iverson, the Senate recessed at 8:45 a.m. until 11:45 a.m.

RECONVENED

The Senate reconvened at 11:45 a.m., President Pro Tempore Angelo presiding.

HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 25, 2003, **adopted** the following resolution in which the concurrence of the Senate is asked:

**House Concurrent Resolution 6**, a concurrent resolution relating to the federal Medicare program and requesting assistance from the federal government.

Read first time and referred to committee on **Rules and Administration.**

ALSO: That the House has on February 25, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 204**, a bill for an act relating to massage therapy by providing for a study regarding the modalities associated with massage therapy and providing a temporary exemption from licensure requirements.

Read first time and referred to committee on **State Government.**

**House File 215**, a bill for an act eliminating certain public disclosure requirements by state banks.

Read first time and **attached to companion Senate File 186.**

**House File 225**, a bill for an act modifying workers' compensation laws and providing an effective date.

Read first time and referred to committee on **Business and Labor Relations.**

**House File 240**, a bill for an act relating to the composition of the Iowa egg council.

Read first time and referred to committee on **Agriculture.**

#### ADJOURNMENT

On motion of Senator Gaskill, the Senate adjourned at 11:49 a.m. until 8:30 a.m. Wednesday, February 26, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Wilma Bender, Waterloo — For celebrating your 100th birthday on February 17, 2003. Senator Courtney (2/25/03).

Tammy Cross Dann, Central College, Pella — For being recognized as a TRIO Achiever. Senator McKinley (2/25/03).

Raymond and Marilyn Grohs, Sioux City — For celebrating your 50th wedding anniversary on February 28, 2003. Senator Warnstadt (2/25/03).

Glady's Strout, Central College, Pella — For being recognized as a TRIO Champion. Senator McKinley (2/25/03).

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS

**Convened:** February 25, 2003, 9:40 a.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman.

**Members Absent:** None.

**Committee Business:** Approved SSB 1089.

**Adjourned:** 9:50 a.m.

#### ECONOMIC GROWTH

**Convened:** February 25, 2003, 2:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** Larson (excused).

**Committee Business:** Approved Governor's appointee and presentation by representative of Vision Iowa Board.

**Adjourned:** 2:55 p.m.

**NATURAL RESOURCES AND ENVIRONMENT**

**Convened:** February 25, 2003, 2:10 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Wieck, and Zieman.

**Members Absent:** Miller (excused).

**Committee Business:** Presentation on deer regulations by representative of DNR.

**Adjourned:** 2:55 p.m.

**RULES AND ADMINISTRATION**

**Convened:** February 25, 2003, 8:40 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Passed SR 16.

**Adjourned:** 8:45 p.m.

**STATE GOVERNMENT**

**Convened:** February 25, 2003, 10:35 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed SFs 14 and 140 and approved Governor's appointees.

**Adjourned:** 11:30 a.m.

**APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** February 25, 2003, 3:20 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Presentation by Department of Commerce and Legislative Fiscal Bureau.

**Adjourned:** 3:35 p.m.

## INTRODUCTION OF RESOLUTIONS

**Senate Concurrent Resolution 6**, by Bolkcom, a concurrent resolution opposing rule changes to the new source review air pollution control program.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 17**, by Bolkcom, Gronstal, Connolly, Dvorsky, Hatch, Beall, Quirmbach, Warnstadt, Courtney, Kreiman, Kibbie, Seng, Black, Ragan, Holveck, Stewart, Dotzler, Dearden, Horn, Fraise, and McCoy, a resolution identifying problems of Iowans in meeting health care costs and calling upon candidates for national office to provide proposals for addressing the health care needs of Iowans and the people of the United States.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 197**, by Sievers, Tinsman, Houser, Schuerer, Behn, Johnson, Rehberg, Zieman, Veenstra, McKinley, Wieck, Miller, and Drake, a bill for an act abolishing county compensation boards.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 198**, by McKinley, a bill for an act relating to school bus route approval or mediation by area education agencies.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 199**, by Lamberti, McCoy, Zieman, Houser, and Kramer, a bill for an act providing for gambling on excursion boats

and at racetracks, by eliminating the cruise requirement for gambling boats, providing for gambling games at racetrack enclosures and for off-boat facilities, providing for the issuance of additional excursion boat gambling licenses, and relating to the tax on the adjusted gross receipts from gambling games.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 200**, by committee on Transportation, a bill for an act relating to requirements for securing children transported in certain motor vehicles and making a penalty applicable.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 201**, by committee on Education, a bill for an act relating to a review of statistical information compiled by the board of educational examiners from Praxis II examinations administered to initial, provisional teaching license applicants.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 202**, by committee on Appropriations, a bill for an act relating to state financial obligations by making supplemental appropriations for property tax replacement claims and elderly and disabled tax credit reimbursement, providing for the application of debt service proceeds from tobacco settlement authority bonds, providing for related matters, and including an effective date.

Read first time under Rule 28 and **placed on Appropriations calendar**.

**Senate File 203**, by committee on State Government, a bill for an act relating to the installation of certain aboveground petroleum storage tanks.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 204**, by committee on State Government, a bill for an act relating to eligible beneficiaries for a line of duty death benefit

under the statewide fire and police retirement system and providing effective and applicability dates.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 205**, by Zieman, a bill for an act relating to property tax school reorganization incentives for specified school districts, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 206**, by Schuerer, a bill for an act exempting birth centers from the certificate of need process.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 207**, by Warnstadt, a bill for an act establishing a school infrastructure assistance program, and making an appropriation.

Read first time under Rule 28 and referred to committee on **Education**.

#### STUDY BILLS RECEIVED

#### **SSB 1107      Government Oversight (Reassigned)**

Providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date.

#### **SSB 1110      Education**

Providing for annual increases in specified state aid to nonpublic schools, making appropriations, and providing effective and applicability dates.

**SSB 1111      Education**

Providing for the establishment of the state percent of growth for purpose of the state school foundation program and providing an applicability date.

**SUBCOMMITTEE ASSIGNMENTS****Senate Resolution 16**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 110**  
(Reassignment)

TRANSPORTATION: Putney, Chair; Drake and McCoy

**Senate File 143**

STATE GOVERNMENT: Drake, Chair; Lamberti and Ragan

**Senate File 154**

JUDICIARY: Miller, Chair; Kreiman and Tinsman

**Senate File 160**

JUDICIARY: McKibben, Chair; Horn and Putney

**Senate File 163**

JUDICIARY: Larson, Chair; Boettger and Holveck

**Senate File 164**

STATE GOVERNMENT: Veenstra, Chair; Black and Ziemann

**Senate File 171**

JUDICIARY: Tinsman, Chair; Kreiman and Putney

**Senate File 176**

WAYS AND MEANS: McKibben, Chair; Miller and Quirmbach

**Senate File 177**

LOCAL GOVERNMENT: Rehberg, Chair; Stewart and Wieck

**Senate File 178**

ECONOMIC GROWTH: Putney, Chair; Shull and Stewart

**Senate File 179**

WAYS AND MEANS: McKinley, Chair; Bolkcom and Lamberti

**Senate File 182**

BUSINESS AND LABOR RELATIONS: Wieck, Chair; Courtney and Johnson

**Senate File 184**

STATE GOVERNMENT: Johnson, Chair; Ragan and Veenstra

**Senate File 190**

TRANSPORTATION: Drake, Chair; Fraise and Putney

**Senate File 191**

AGRICULTURE: Zieman, Chair; Black and Hosch

**Senate File 193**

WAYS AND MEANS: Shull, Chair; Lamberti and Quirmbach

**Senate File 194**

WAYS AND MEANS: McKinley, Chair; Bolkcom and McKibben

**Senate File 195**

WAYS AND MEANS: Miller, Chair; Lamberti and Stewart

**House Joint Resolution 3**

STATE GOVERNMENT: Courtney, Chair; Shull and Tinsman

**House File 170**

JUDICIARY: Miller, Chair; Kreiman and Putney

**House File 171**

JUDICIARY: Quirmbach, Chair; Putney and Tinsman

**House File 240**

AGRICULTURE: Angelo, Chair; Gaskill and Kibbie

**SSB 1107**  
(Reassignment)

GOVERNMENT OVERSIGHT: Brunkhorst, Chair; and Dvorsky

**SSB 1110**

EDUCATION: Rehberg, Chair; Boettger and Connolly

**SSB 1111**

EDUCATION: Boettger, Chair; Connolly and McKinley

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** SENATE FILE 202 (SSB 1089), a bill for an act relating to state financial obligations by making supplemental appropriations for property tax replacement claims and elderly and disabled tax credit reimbursement, providing for the application of debt service proceeds from tobacco settlement authority bonds, providing for related matters, and including an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 25: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### EDUCATION

**Final Bill Action:** SENATE FILE 201 (SSB 1054), a bill for an act relating to a review of statistical information compiled by the board of educational examiners from Praxis II examinations administered to initial, provisional teaching license applicants.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirnbach, and Rehberg. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### STATE GOVERNMENT

**Final Bill Action:** SENATE FILE 203 (formerly SF 14), a bill for an act relating to the installation of certain aboveground petroleum storage tanks.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Zieman, Sievers, Kibbie, Courtney, Drake, Johnson, Lamberti, Schuerer, Shull, Tinsman, and Veenstra. Nays, 4: Black, Connolly, Dearden, and Ragan. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 204 (formerly SF 140), a bill for an act relating to eligible beneficiaries for a line of duty death benefit under the statewide fire and police retirement system and providing effective and applicability dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## TRANSPORTATION

**Final Bill Action:** SENATE FILE 200 (formerly SF 28), a bill for an act relating to requirements for securing children transported in certain motor vehicles and making a penalty applicable.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Drake, Putney, McCoy, Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### BUSINESS AND LABOR RELATIONS

Neil Barrick – Public Employment Relations Board

### ECONOMIC GROWTH

Carol Garrett – Iowa Capital Investment Board

**EDUCATION**

Neala Arnold – State Board of Regents

**STATE GOVERNMENT**

Jamie Howard – Commission on the Status of African-Americans

Carla Eshelman – Board of Massage Therapy Examiners

James O'Neill – Real Estate Commission

Anne Duffy – Iowa Board of Veterinary Medicine

# JOURNAL OF THE SENATE

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FORTY-FIFTH CALENDAR DAY  
TWENTY-SEVENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, February 26, 2003

The Senate met in regular session at 8:35 a.m., President Kramer presiding.

Prayer was offered by the Reverend Jim Beranek, pastor of the United Methodist Church in Pella, Iowa. He was the guest of Senator Beall.

The Journal of Tuesday, February 25, 2003, was approved.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:40 a.m. until 11:45 a.m.

## RECONVENED

The Senate reconvened at 12:00 p.m., President Pro Tempore Angelo presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 26, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 216**, a bill for an act relating to intelligence data and intelligence assessment dissemination to an agency, organization, or person.

Read first time and referred to committee on **Judiciary**.

**House File 254**, a bill for an act providing that revenues deposited in the state conservation fund are temporarily exempt from reversion and providing an effective date.

Read first time and referred to committee on **Natural Resources and Environment**.

RECESS

On motion of Senator Boettger, the Senate recessed at 12:02 p.m. until 5:00 p.m.

## APPENDIX — 1

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Grace Klocko, Lake City — For celebrating your 90th birthday on February 27, 2003. Senator Beall (2/26/03).

Pearl Zeka, Fort Dodge — For celebrating your 90th birthday on February 28, 2003. Senator Beall (2/26/03).

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** February 25, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Discussion regarding SSB 1074.

**Adjourned:** 5:05 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 25, 2003, 3:10 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentations on the Iowa Plan for Behavioral Health and the Iowa Priority Prescription Savings Program.

**Adjourned:** 5:00 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** February 25, 2003, 3:10 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; and Hosch.

**Members Absent:** Kreiman (excused).

**Committee Business:** Presentations regarding Iowa Prison Industries and other inmate work programs.

**Adjourned:** 4:25 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS**

**Convened:** February 25, 2003, 3:15 p.m.

**Members Present:** McKibben, Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** Lamberti, Vice Chair (excused).

**Committee Business:** Presentations by representatives of Department of Corrections, Department of Public Defense, Department of Cultural Affairs, Southern Iowa Development and Conservation Authority, and Destination State Park Project.

**Adjourned:** 4:45 p.m.

#### **EDUCATION**

**Convened:** February 26, 2003, 11:35 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirnbach, Redfern, and Rehberg.

**Members Absent:** None.

**Committee Business:** Approved SSB 1111.

**Adjourned:** 11:55 a.m.

#### **HUMAN RESOURCES**

**Convened:** February 26, 2003, 10:15 a.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** None.

**Committee Business:** Approved Governor's appointees and passed SF 123 (as amended).

**Adjourned:** 11:25 a.m.

**JUDICIARY**

**Convened:** February 26, 2003, 1:05 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McKibben, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** McCoy (excused).

**Committee Business:** Passed HF 171 (as amended) and approved SSBs 1026 (as amended) and 1032. Presentations by Department of Human Rights.

**Adjourned:** 2:00 p.m.

**WAYS AND MEANS**

**Convened:** February 26, 2003, 2:05 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Angelo, Connolly, Dotzler, Hosch, Larson, McKinley, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** Bolkcom, Ranking Member; Lamberti, McCoy, Miller, and Quirnbach (all excused).

**Committee Business:** Subcommittee assignments.

**Adjourned:** 2:10 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**

**Convened:** February 26, 2003, 3:10 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; Putney and Quirnbach.

**Members Absent:** None.

**Committee Business:** Presentations by representatives of the Grow Iowa Foundation, Inc., and Southwest Iowa Coalition.

**Adjourned:** 3:55 p.m.

**INTRODUCTION OF RESOLUTION**

**Senate Resolution 18**, by Courtney, Dotzler, Horn, Dearden, Beall, Stewart, Dvorsky, Connolly, Gronstal, Bolkcom, McCoy, Kibbie, Black, Ragan, Seng, Warnstadt, Kreiman, Fraise, Holveck, Hatch, and Quirnbach, a resolution requesting an interim study

regarding the economic, fiscal, and social impact of the establishment of a living wage in Iowa.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

### INTRODUCTION OF BILLS

**Senate File 208**, by Tinsman, a bill for an act providing financial incentives to encourage school district participation in a year around school pilot project, and making an appropriation.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 209**, by Tinsman, a bill for an act modifying the requirements for cities and counties to enter into certain leases.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 210**, by Sievers, a bill for an act relating to the definition of political party, defining minor political party for certain purposes, and including applicability date provisions.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 211**, by committee on Education, a bill for an act providing for the establishment of the state percent of growth for purposes of the state school foundation program and providing an applicability date.

Read first time under Rule 28 and **placed on calendar**.

**STUDY BILLS RECEIVED****SSB 1112      Government Oversight**

Expressing the appreciation of the Eightieth General Assembly to the membership of the Program Elimination Commission for their efforts on behalf of the people of Iowa.

**SSB 1113      State Government**

Relating to the number of votes required to be received in the primary election to be a political party nominee on the general election ballot.

**SSB 1114      State Government**

Relating to the establishment of a bona fide retirement under the Iowa public employees' retirement system.

**SSB 1115      State Government**

Changing the bid requirements for construction of certain public improvements.

**SSB 1116      Commerce**

Relating to the authority of a city to contract with or acquire equity interests in business entities for the purpose of participating in electric energy transmission organizations or implementing open-access tariffs for the use of transmission or distribution facilities.

**SSB 1117      State Government**

Relating to tobacco retailers and providing penalties and providing an effective date.

**SUBCOMMITTEE ASSIGNMENTS****Senate Concurrent Resolution 6**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 17**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 183**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 189**

STATE GOVERNMENT: Veenstra, Chair; Courtney and Sievers

**Senate File 192**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 197**

LOCAL GOVERNMENT: Houser, Chair; Rehberg and Stewart

**Senate File 199**

STATE GOVERNMENT: Lamberti, Chair; Black and Zieman

**House Concurrent Resolution 6**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House File 204**

STATE GOVERNMENT: Johnson, Chair; Dearden and Sievers

**House File 225**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and Seymour

**SSB 1112**

GOVERNMENT OVERSIGHT: Wieck, Chair; Lundby and Courtney

**SSB 1113**

STATE GOVERNMENT: Schuerer, Chair; Ragan and Zieman

**SSB 1114**

STATE GOVERNMENT: Drake, Chair; Kibbie and Tinsman

**SSB 1115**

STATE GOVERNMENT: Shull, Chair; Ragan and Tinsman

**SSB 1116**

COMMERCE: Sievers, Chair; Angelo and Bolkcom

**SSB 1117**

STATE GOVERNMENT: Sievers, Chair; Kibbie and Shull

**COMMITTEE REPORT**

**EDUCATION**

**Final Bill Action:** SENATE FILE 211 (SSB 1111), a bill for an act providing for the establishment of the state percent of growth for purposes of the state school foundation program and providing an applicability date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, Redfern, and Rehberg. Nays, none. Absent, none.

**Fiscal Note:** REQUIRED UNDER JOINT RULE 17.

## EVENING SESSION

The Senate reconvened at 5:06 p.m., President Kramer presiding.

## SPECIAL GUEST

Senator Iverson welcomed to the Senate chamber the Honorable Merlin E. Bartz, former member of the Senate from Worth County.

The Senate rose and expressed its welcome.

## QUORUM CALL

Senator Iverson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 37 present, 13 absent, and a quorum present.

CONSIDERATION OF RESOLUTIONS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolutions 7 and 9.

**Senate Resolution 7**

On motion of Senator Black, **Senate Resolution 7**, a resolution supporting a proposal to invite the Republic of China (Taiwan) to participate in the upcoming meeting of the World Health Assembly as an observer, with report of committee recommending passage, was taken up for consideration.

Senator Black moved the adoption of Senate Resolution 7, which motion prevailed by a voice vote.

**Senate Resolution 9**

On motion of Senator Holveck, **Senate Resolution 9**, a resolution to honor former President Jimmy Carter for winning the Nobel Peace Prize for the year 2002, with report of committee recommending passage, was taken up for consideration.

Senator Holveck moved the adoption of Senate Resolution 9, which motion prevailed by a voice vote.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Bolkcom, for the day, on request of Senator Gronstal.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 127.

#### Senate File 127

On motion of Senator Drake, **Senate File 127**, a bill for an act establishing a special breast cancer awareness motor vehicle registration plate and appropriating fees from such plates for breast cancer screening, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Drake offered amendment S-3009, filed by the committee on Transportation on February 18, 2003, striking everything after the enacting clause of the bill, and moved its adoption.

Amendment S-3009 was adopted by a voice vote.

Senator Drake moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 127), the vote was:

Yeas, 49:

Angelo	Gaskill	Lamberti	Seng
Beall	Gronstal	Larson	Seymour
Behn	Hatch	Lundby	Shull
Black	Holveck	McCoy	Sievers
Boettger	Horn	McKibben	Stewart
Brunkhorst	Hosch	McKinley	Tinsman
Connolly	Houser	Miller	Veenstra

Courtney	Iverson	Putney	Warnstadt
Dearden	Johnson	Quirnbach	Wieck
Dotzler	Kettering	Ragan	Zieman
Drake	Kibbie	Redfern	
Dvorsky	Kramer	Rehberg	
Fraise	Kreiman	Schuerer	

Nays, none.

Absent, 1:

Bolkcom

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 202.

#### **Senate File 202**

On motion of Senator Sievers, **Senate File 202**, a bill for an act relating to state financial obligations by making supplemental appropriations for property tax replacement claims and elderly and disabled tax credit reimbursement, providing for the application of debt service proceeds from tobacco settlement authority bonds, providing for related matters, and including an effective date, was taken up for consideration.

Senator Kibbie offered amendment S-3018, filed by Senator Kibbie, et al., from the floor to page 2 and to the title page of the bill.

Senator Sievers raised the point of order that amendment S-3018 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3018 out of order.

Senator Black offered amendment S-3019, filed by Senator Black, et al., from the floor to page 3 and to the title page of the bill.

Senator Sievers raised the point of order that amendment S-3019 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3019 out of order.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Hatch, until he returns, on request of Senator Gronstal.

### BUSINESS PENDING

### Senate File 202

The Senate resumed consideration of Senate File 202.

Senator Sievers moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 202), the vote was:

Yeas, 48:

Angelo	Fraise	Kreiman	Rehberg
Beall	Gaskill	Lamberti	Schuerer
Behn	Gronstal	Larson	Seng
Black	Holveck	Lundby	Seymour
Boettger	Horn	McCoy	Shull
Brunkhorst	Hosch	McKibben	Sievers
Connolly	Houser	McKinley	Stewart
Courtney	Iverson	Miller	Tinsman
Dearden	Johnson	Putney	Veenstra
Dotzler	Kettering	Quirnbach	Warnstadt
Drake	Kibbie	Ragan	Wieck
Dvorsky	Kramer	Redfern	Zieman

Nays, none.

Absent, 2:

Bolkcom	Hatch
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 211.

**Senate File 211**

On motion of Senator Boettger, **Senate File 211**, a bill for an act providing for the establishment of the state percent of growth for purposes of the state school foundation program and providing an applicability date, was taken up for consideration.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 211), the vote was:

Yeas, 48:

Angelo	Fraise	Kramer	Rehberg
Beall	Gaskill	Kreiman	Schuerer
Behn	Gronstal	Lamberti	Seng
Black	Hatch	Larson	Seymour
Boettger	Holveck	Lundby	Shull
Brunkhorst	Horn	McCoy	Sievers
Connolly	Hosch	McKibben	Stewart
Courtney	Houser	McKinley	Tinsman
Dearden	Iverson	Putney	Veenstra
Dotzler	Johnson	Quirnbach	Warnstadt
Drake	Kettering	Ragan	Wieck
Dvorsky	Kibbie	Redfern	Zieman

Nays, 1:

Miller

Absent, 1:

Bolkcom

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 127, 202, and 211** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 94 and 102.

#### Senate File 94

On motion of Senator Kibbie, **Senate File 94**, a bill for an act providing for the confidentiality of certain veterans' records maintained by county recorders, with report of committee recommending passage, was taken up for consideration.

Senator Kibbie moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 94), the vote was:

Yeas, 49:

Angelo	Gaskill	Lamberti	Seng
Beall	Gronstal	Larson	Seymour
Behn	Hatch	Lundby	Shull
Black	Holveck	McCoy	Sievers
Boettger	Horn	McKibben	Stewart
Brunkhorst	Hosch	McKinley	Tinsman
Connolly	Houser	Miller	Veenstra
Courtney	Iverson	Putney	Warnstadt
Dearden	Johnson	Quirnbach	Wieck
Dotzler	Kettering	Ragan	Zieman
Drake	Kibbie	Redfern	
Dvorsky	Kramer	Rehberg	
Fraise	Kreiman	Schuerer	

Nays, none.

Absent, 1:

Bolkcom

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 102

On motion of Senator Zieman, **Senate File 102**, a bill for an act relating to the chief executive officer of the Iowa public employees' retirement system and providing an effective and retroactive applicability date, was taken up for consideration.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 102), the vote was:

Yeas, 48:

Angelo	Fraise	Kramer	Rehberg
Beall	Gaskill	Kreiman	Schuerer
Behn	Gronstal	Lamberti	Seng
Black	Hatch	Larson	Seymour
Boettger	Holveck	McCoy	Shull
Brunkhorst	Horn	McKibben	Sievers
Connolly	Hosch	McKinley	Stewart
Courtney	Houser	Miller	Tinsman
Dearden	Iverson	Putney	Veenstra
Dotzler	Johnson	Quirnbach	Warnstadt
Drake	Kettering	Ragan	Wieck
Dvorsky	Kibbie	Redfern	Zieman

Nays, 1:

Lundby

Absent, 1:

Bolkcom

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 94 and 102** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 172.

**Senate File 172**

On motion of Senator Angelo, **Senate File 172**, a bill for an act relating to the establishment of a public charter school pilot program and providing effective and applicability dates, was taken up for consideration.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 172), the vote was:

Yeas, 47:

Angelo	Gronstal	Lamberti	Schuerer
Beall	Hatch	Larson	Seng
Behn	Holveck	Lundby	Seymour
Black	Horn	McCoy	Shull
Boettger	Hosch	McKibben	Sievers
Brunkhorst	Houser	McKinley	Stewart
Connolly	Iverson	Miller	Tinsman
Dearden	Johnson	Putney	Veenstra
Dotzler	Kettering	Quirnbach	Warnstadt
Drake	Kibbie	Ragan	Wieck
Fraise	Kramer	Redfern	Zieman
Gaskill	Kreiman	Rehberg	

Nays, 2:

Courtney	Dvorsky
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Absent, 1:

Bolkcom

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 5.

**Senate Concurrent Resolution 5**

On motion of Senator Hosch, **Senate Concurrent Resolution 5**, a concurrent resolution requesting that the United States Congress take all action required to preserve free and private enterprise, prevent monopoly, and protect consumers by immediately enacting legislation to prohibit livestock packers from owning, controlling, or feeding livestock to such an extent that producers can no longer materially participate in the management of their livestock operations as provided in Senate Bill 27 introduced by the Honorable Senator Charles E. Grassley and cosponsored by the Honorable Senator Tom Harkin and others, was taken up for consideration.

Senator Hosch offered amendment S-3020, filed by her from the floor to page 1 of the resolution.

Senator Angelo raised the point of order that amendment S-3020 was not germane to the bill.

The Chair ruled the point not well-taken and amendment S-3020 in order.

Senator Hosch moved the adoption of amendment S-3020.

A nonrecord roll call was requested.

The ayes were 41, nays 1.

Amendment S-3020 was adopted.

Senator Hosch moved the adoption of Senate Concurrent Resolution 5, which motion prevailed by a voice vote.

**CONSIDERATION OF BILL**  
**(Regular Calendar)**

Senator Iverson asked and received unanimous consent to take up for consideration House File 66.

**House File 66**

On motion of Senator Putney, **House File 66**, a bill for an act requiring motor vehicle operators to take certain precautions when passing stationary utility maintenance or municipal maintenance vehicles and making a penalty applicable, with report of committee recommending passage, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 66), the vote was:

Yeas, 49:

Angelo	Gaskill	Lamberti	Seng
Beall	Gronstal	Larson	Seymour
Behn	Hatch	Lundby	Shull
Black	Holveck	McCoy	Sievers
Boettger	Horn	McKibben	Stewart
Brunkhorst	Hosch	McKinley	Tinsman
Connolly	Houser	Miller	Veenstra
Courtney	Iverson	Putney	Warnstadt
Dearden	Johnson	Quirnbach	Wieck
Dotzler	Kettering	Ragan	Zieman
Drake	Kibbie	Redfern	
Dvorsky	Kramer	Rehberg	
Fraise	Kreiman	Schuerer	

Nays, none.

Absent, 1:

Bolkcom

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 5, Senate File 172, and House File 66** be **immediately messaged** to the House.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 26, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 206**, a bill for an act increasing the child age applicable to mandatory reporting of suspected child sexual abuse perpetrated by a person other than the person responsible for the care of the child.

Read first time and referred to committee on **Human Resources**.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 6:50 p.m. until 8:30 a.m. Thursday, February 27, 2003.

## APPENDIX — 2

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** February 26, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Approved SSBs 1074 and 1112.

**Adjourned:** 3:25 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 26, 2003, 3:20 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; and Veenstra.

**Members Absent:** Bolkcom (excused).

**Committee Business:** Presentations by Attorney General's Office, Department of Human Services, and Iowa Veterans Home.

**Adjourned:** 4:40 p.m.

### INTRODUCTION OF BILLS

**Senate File 212**, by Kreiman, a bill for an act requiring the insurance division of the department of commerce to establish a school health insurance reform team study and to make recommendations to the general assembly.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 213**, by Kreiman, a bill for an act relating to base-period and attachment-to-the-workforce requirements for unemployment benefits.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations**.

**Senate File 214**, by Warnstadt and Holveck, a bill for an act providing for civil rights enforcement concerning employment rights of persons exercising their rights under the federal Family and Medical Leave Act.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations**.

**Senate File 215**, by Hatch, a bill for an act authorizing court-ordered exceptions to regional group foster care targets under certain circumstances and providing an effective date.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 216**, by Schuerer, a bill for an act establishing covenant marriages and providing an effective date.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 217**, by Schuerer, a bill for an act relating to marriage license conditions and procedures including premarital education and marriage license fees.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 218**, by Wieck, a bill for an act relating to the training of an individual who intends to become certified as a law enforcement officer.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 219**, by Putney, a bill for an act relating to tribal law enforcement officer training at the Iowa law enforcement academy.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 220**, by Fraise, a bill for an act relating to the purchase of a police service dog by the department of corrections.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 221**, by committee on Judiciary, a bill for an act relating to the criminal offense of sexual exploitation of a minor.

Read first time under Rule 28 and **placed on calendar**.

## COMMITTEE REPORTS

### JUDICIARY

**Final Bill Action:** SENATE FILE 221 (SSB 1032), a bill for an act relating to the criminal offense of sexual exploitation of a minor.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, none. Absent, 1: McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### ALSO:

**Final Bill Action:** \*HOUSE FILE 171, a bill for an act relating to nonsubstantive Code corrections and including effective and retroactive applicability date provisions.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3021.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, none. Absent, 1: McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on House File 171, and they were attached to the committee report.

**GOVERNOR'S APPOINTEES PLACED ON  
EN BLOC CALENDAR**

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

**HUMAN RESOURCES**

James Yeast – Healthy and Well Kids in Iowa (HAWK-I) Board

Jacqueline Kibbie-Williams – Mental Health and Developmental Disabilities Commission

**AMENDMENTS FILED**

S-3018	S.F.	202	John P. Kibbie Daryl Beall Dennis H. Black Joe Bolkcom Mike Connolly Thomas G. Courtney Dick L. Dearden William A. Dotzler Robert E. Dvorsky Gene Fraise Michael E. Gronstal Jack Hatch Jack Holveck Wally E. Horn Keith Kreiman Matt McCoy Herman Quirnbach Amanda Ragan Joe M. Seng Roger Stewart Steve H. Warnstadt
S-3019	S.F.	202	Dennis H. Black Daryl Beall Joe Bolkcom Mike Connolly Thomas G. Courtney Dick L. Dearden

William A. Dotzler  
Robert E. Dvorsky  
Gene Fraise  
Michael E. Gronstal  
Jack Hatch  
Jack Holveck  
Wally E. Horn  
John P. Kibbie  
Keith Kreiman  
Matt McCoy  
Herman Quirnbach  
Amanda Ragan  
Joe M. Seng  
Roger Stewart  
Steve H. Warnstadt  
Julie Hosch  
Judiciary

S-3020      S.C.R.      5  
S-3021      H.F.      171

# JOURNAL OF THE SENATE

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FORTY-SIXTH CALENDAR DAY  
TWENTY-EIGHTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, February 27, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend Susan Vergerout, pastor of the First Presbyterian Church in Waterloo, Iowa. She was the guest of Senator Redfern.

The Journal of Wednesday, February 26, 2003, was approved.

## HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on February 27, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 211**, a bill for an act providing for the establishment of the state percent of growth for purposes of the state school foundation program and providing an applicability date.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 8:38 a.m. until 1:00 p.m. Monday, March 3, 2003.

## APPENDIX

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Graduates of Youth Homes of Mid-America accompanied by Executive Director Ron Stiehl. Senator Kramer.

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** February 26, 2003, 3:25 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Presentations by the Department of Corrections.

**Adjourned:** 4:35 p.m.

#### AGRICULTURE

**Convened:** February 27, 2003, 11:35 a.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Courtney, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** Gaskill (excused).

**Committee Business:** Passed SF 147.

**Adjourned:** 11:45 a.m.

#### COMMERCE

**Convened:** February 27, 2003, 9:50 a.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Kettering, Larson, McCoy, Schuerer, Sievers, and Stewart.

**Members Absent:** Gronstal and Redfern (both excused).

**Committee Business:** Approved SSB 1018 (as amended).

**Adjourned:** 10:00 a.m.

### LOCAL GOVERNMENT

**Convened:** February 27, 2003, 10:35 a.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirnbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Seymour, Stewart, and Wieck.

**Members Absent:** Rehberg (excused).

**Committee Business:** Passed SFs 104 and 152 and approved SSB 1069. Approved Governor's appointees.

**Adjourned:** 11:05 a.m.

### NATURAL RESOURCES AND ENVIRONMENT

**Convened:** February 27, 2003, 2:05 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Holveck, Kettering, Kibbie, Lundby, Wieck, and Zieman.

**Members Absent:** Drake and Miller (both excused).

**Committee Business:** Approved SSBs 1081 and 1088 and the Governor's appointee. Presentation on wind power projects.

**Adjourned:** 2:40 p.m.

### STATE GOVERNMENT

**Convened:** February 27, 2003, 10:35 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** Johnson and Lamberti (both excused).

**Committee Business:** Approved SSB 1083.

**Adjourned:** 10:50 a.m.

## INTRODUCTION OF RESOLUTIONS

**Senate Concurrent Resolution 7**, by committee on Government Oversight, a concurrent resolution expressing the appreciation of the

Eightieth General Assembly to the membership of the Program Elimination Commission for their efforts on behalf of the people of Iowa.

Read first time under Rule 28 and **placed on calendar.**

**Senate Concurrent Resolution 8**, by Hosch, Beall, Quirmbach, Warnstadt, Hatch, Dotzler, Gronstal, Stewart, Connolly, Kibbie, Veenstra, Houser, Wieck, Seymour, Johnson, Rehberg, Zieman, Brunkhorst, Putney, Lundby, Kettering, Schuerer, Behn, Sievers, Gaskill, Redfern, McKibben, and Iverson, a concurrent resolution supporting the completion of U.S. Highway 20 across northern Iowa and requesting federal assistance.

Read first time under Rule 28 and referred to committee on **Rules and Administration.**

#### INTRODUCTION OF BILLS

**Senate File 222**, by committee on Human Resources, a bill for an act relating to anatomical gifts including bone marrow and organ donation by state employees and grants from the anatomical gift public awareness and transplantation fund.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 223**, by committee on Government Oversight, a bill for an act relating to life science enterprises by providing for financing, and providing an effective date.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 224**, by committee on Judiciary, a bill for an act relating to appeals filed in child in need of assistance and termination of parental rights proceedings.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 225**, by Angelo, a bill for an act relating to charitable contributions by establishing a community development program to provide tax credits for income tax, franchise tax, premiums tax, and

moneys and credits tax for businesses contributing to community development projects to aid certain neighborhoods and communities, and by establishing an individual income tax credit for contributions to certain qualified endowments, and including effective and applicability date provisions.

Read first time under Rule 28 and referred to committee on **Economic Growth.**

**Senate File 226**, by Rehberg, a bill for an act relating to disposition of an award of damages in a condemnation proceeding pending appeal of the award to district court.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 227**, by Holveck, Beall, Black, Bolkcom, Connolly, Courtney, Dearden, Dotzler, Dvorsky, Fraise, Gronstal, Hatch, Horn, Kibbie, Kreiman, McCoy, Quirmbach, Ragan, Seng, Stewart, and Warnstadt, a bill for an act relating to third-party payment of health care coverage costs for mental health conditions, including substance abuse treatment services.

Read first time under Rule 28 and referred to committee on **Commerce.**

**Senate File 228**, by Miller, a bill for an act concerning the commission on the status of women by adding men to the scope of the commission and modifying the commission's objectives.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 229**, by McCoy, a bill for an act providing for a study on a deferred retirement option program for the public safety peace officers' retirement, accident, and disability system and providing an effective date.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 230**, by committee on Local Government, a bill for an act relating to the procedure for reducing the number of members of a city council from five to three in certain cities.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 231**, by Warnstadt, a bill for an act relating to a competitively bid contract to provide technical assistance to school districts and community-based organizations that provide mentoring programs to youth and making an appropriation.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 232**, by Lundby, a bill for an act requiring third-party providers of policies, contracts, or plans that provide payment or prepayment of health or medical expenses to provide coverage for neurobiological disorders and underlying co-morbidity based on rates, terms, and conditions that are no more restrictive than the rates, terms, and conditions for other health or medical conditions under the policy, contract, or plan, and providing for studies by the insurance division of the department of commerce, and by the department of public health.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 233**, by Boettger and Ragan, a bill for an act relating to mandatory newborn and infant hearing screening.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 234**, by Bolkom, Hatch, and Dvorsky, a bill for an act relating to the use of marijuana for therapeutic purposes and establishing a marijuana therapeutic research program.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 235**, by committee on State Government, a bill for an act relating to professional licensing boards by providing for the updating of continuing education and regulatory requirements to include specified licensing boards, authorizing specified licensing boards to obtain criminal history data relating to applicants for licensure and licensees, and authorizing the collection of fees for related costs.

Read first time under Rule 28 and **placed on calendar**.

#### STUDY BILLS RECEIVED

##### **SSB 1118      Business and Labor Relations**

Concerning public employee collective bargaining.

##### **SSB 1119      State Government**

Relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee ballot applications, delivery of absentee ballots to the county commissioner of elections, and including effective date provisions.

#### SUBCOMMITTEE ASSIGNMENTS

##### **Senate File 196**

STATE GOVERNMENT: Dearden, Chair; Lamberti and Shull

##### **Senate File 206**

HUMAN RESOURCES: Schuerer, Chair; Behn and Hatch

##### **Senate File 210**

STATE GOVERNMENT: Johnson, Chair; Dearden and Schuerer

##### **Senate File 215**

HUMAN RESOURCES: Behn, Chair; Hatch and Hosch

**Senate File 216**

HUMAN RESOURCES: Schuerer, Chair; Hatch and Veenstra

**Senate File 217**

HUMAN RESOURCES: Schuerer, Chair; Horn and McKinley

**House File 206**

HUMAN RESOURCES: Veenstra, Chair; Boettger and Ragan

**SSB 1118**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Courtney and Wieck

**SSB 1119**

STATE GOVERNMENT: Ziemann, Chair; Courtney and Sievers

**COMMITTEE REPORTS****AGRICULTURE**

**Final Bill Action:** SENATE FILE 147, a bill for an act providing for the administration of funds for animal agriculture, including moneys transferred from and deposited into these funds, and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Behn, Hosch, Fraise, Angelo, Black, Courtney, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann. Nays, none. Absent, 1: Gaskill.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**GOVERNMENT OVERSIGHT**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 7 (SSB 1112), a concurrent resolution expressing the appreciation of the Eightieth General Assembly to the membership of the Program Elimination Commission for their efforts on behalf of the people of Iowa.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 5: Lundby, Brunkhorst, Courtney, Dvorsky and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 223 (SSB 1074), a bill for an act relating to life science enterprises by providing for financing, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 5: Lundby, Brunkhorst, Courtney, Dvorsky and Wieck. Nays, none. Absent, none.

**Fiscal Note:** REQUIRED UNDER JOINT RULE 17.

**HUMAN RESOURCES**

**Final Bill Action:** \*SENATE FILE 222 (formerly SF 123), a bill for an act relating to anatomical gifts including bone marrow and organ donation by state employees and grants from the anatomical gift public awareness and transplantation fund.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 222, and they were attached to the committee report.

**JUDICIARY**

**Final Bill Action:** \*SENATE FILE 224 (SSB 1026), a bill for an act relating to appeals filed in child in need of assistance and termination of parental rights proceedings.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, 1: McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 224, and they were attached to the committee report.

**LOCAL GOVERNMENT**

**Final Bill Action:** SENATE FILE 104, a bill for an act relating to the establishment of multicounty jails, and making an appropriation.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Gaskill, Miller, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Seymour, Stewart, and Wieck. Nays, none. Absent, 1: Rehberg.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 152, a bill for an act relating to compensation for members of county commissions of veteran affairs.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Gaskill, Miller, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Seymour, Stewart, and Wieck. Nays, none. Absent, 1: Rehberg.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 230 (SSB 1069), a bill for an act relating to the procedure for reducing the number of members of a city council from five to three in certain cities.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Gaskill, Miller, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Seymour, Stewart, and Wieck. Nays, none. Absent, 1: Rehberg.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## STATE GOVERNMENT

**Final Bill Action:** SENATE FILE 235 (SSB 1083), a bill for an act relating to professional licensing boards by providing for the updating of continuing education and regulatory requirements to include specified licensing boards, authorizing specified licensing boards to obtain criminal history data relating to applicants for licensure and licensees, and authorizing the collection of fees for related costs.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Ragan, Shull, Tinsman, and Veenstra. Nays, 1: Schuerer. Absent, 2: Johnson and Lamberti.

**Fiscal Note:** REQUIRED UNDER JOINT RULE 17.

**BILL ENROLLED, SIGNED, AND SENT TO GOVERNOR**

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bill has been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 27th day of February, 2003:

Senate File 211.

MICHAEL E. MARSHALL  
Secretary of the Senate

**GOVERNOR'S APPOINTEES PLACED ON  
EN BLOC CALENDAR**

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

**LOCAL GOVERNMENT**

Wynema Morris – Iowa Lewis and Clark Bicentennial Commission  
Michele Walker – Iowa Lewis and Clark Bicentennial Commission

**NATURAL RESOURCES AND ENVIRONMENT**

Jerry Peckumn – Environmental Protection Commission

**AMENDMENT FILED**

S-3022      S.F.      134      Jeff Angelo

# JOURNAL OF THE SENATE

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FIFTIETH CALENDAR DAY  
TWENTY-NINTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, March 3, 2003

The Senate met in regular session at 1:02 p.m., President Pro Tempore Angelo presiding.

Prayer was offered by 2002 Miss Iowa Stephanie Moore. Miss Moore sang “God Bless America.” She was the guest of Senator Johnson.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Legislative Service Bureau Page Emily Nieman.

The Journal of Thursday, February 27, 2003, was approved.

## BILL REREFERRED TO COMMITTEE

Senator Houser asked and received unanimous consent that **Senate File 104** be rereferred from the Regular Calendar to the committee on **Appropriations**.

## ADJOURNMENT

On motion of Senator Houser, the Senate adjourned at 1:08 p.m. until 8:30 a.m. Tuesday, March 4, 2003.

## APPENDIX

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Kyle Robert Kehrli, Winthrop — For achieving the rank of Eagle Scout, Boy Scout Troop 104. Senator Rehberg (3/3/03).

### REPORT OF COMMITTEE MEETINGS

#### APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT

**Convened:** February 27, 2003, 3:05 p.m.

**Members Present:** Behn, Vice Chair; Dotzler, Ranking Member; Putney and Quirnbach.

**Members Absent:** McKinley, Chair (excused).

**Committee Business:** Presentation on the New Iowans program.

**Adjourned:** 4:00 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** February 27, 2003, 3:05 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Presentation by Outcomes Pharmaceutical Health Care regarding pharmaceutical program effectiveness.

**Adjourned:** 4:15 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** February 27, 2003, 3:05 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Hosch and Kreiman.

**Members Absent:** Fraise, Ranking Member (excused).

**Committee Business:** Presentation on the InnerChange Freedom Initiative program.

**Adjourned:** 4:05 p.m.

**RULES AND ADMINISTRATION**

**Convened:** March 3, 2003, 2:35 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Approved SR 19.

**Adjourned:** 2:40 p.m.

**INTRODUCTION OF RESOLUTIONS**

**Senate Resolution 19**, by McKibben, a resolution honoring the City of Marshalltown on its sesquicentennial year.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 20**, by Houser, a resolution honoring the City of Clarinda on its sesquicentennial year.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**INTRODUCTION OF BILLS**

**Senate File 236**, by committee on Commerce, a bill for an act relating to the time periods that unclaimed demutualization proceeds and wages are presumed to be abandoned and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 237**, by committee on Natural Resources and Environment, a bill for an act relating to fees charged to certain private water supply contractors, establishing a private water supply system account within the water quality protection fund, and appropriating moneys in the account.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 238**, by committee on Natural Resources and Environment, a bill for an act providing that revenues deposited in the state conservation fund are temporarily exempt from reversion and providing an effective date.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 239**, by Kibbie, a bill for an act prohibiting the publication of false or misleading information related to political candidates, requiring development of a statement of voluntary fair campaign practices, and applying a penalty.

Read first time under Rule 28 and referred to committee on **State Government.**

**Senate File 240**, by Johnson, a bill for an act relating to an annual appropriation of sales and use tax revenues for purposes of a tourism fund.

Read first time under Rule 28 and referred to committee on **Appropriations.**

**Senate File 241**, by Black, Kibbie, and Drake, a bill for an act expanding the military service tax credit to include those currently serving in the armed forces of the United States.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 242**, by Kettering, Rehberg, Zieman, Shull, Johnson, Drake, Stewart, and Gaskill, a bill for an act relating to the imposition of a revenue nondistribution tax on certain credit unions and including an applicability date provision.

Read first time under Rule 28 and referred to committee on **Commerce.**

**Senate File 243**, by Connolly, a bill for an act relating to third-party payment of health care coverage costs for mental health conditions, including substance abuse treatment services.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 244**, by Bolkcom and Dvorsky, a bill for an act relating to the provision of a statewide dual party relay telephone service.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 245**, by Connolly, a bill for an act relating to telephone solicitations, including establishing certain restrictions on telephone solicitors, providing for registration for persons choosing not to receive certain telephone solicitations, requiring consumer notification of rights, and providing penalties and remedies.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 246**, by Warnstadt, Dotzler, Kreiman, Courtney, Seng, Ragan, Black, Bolkcom, Gronstal, Connolly, Dvorsky, Stewart, Beall, Quirnbach, Fraise, Dearden, Hatch, and Holveck, a bill for an act exempting from state individual income tax any death benefits received as a result of the death of a member of the armed forces in or as a result of a terroristic or military action and including an effective and retroactive applicability date provision.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 247**, by Brunkhorst, a bill for an act relating to autopsies by restricting the performance of an autopsy for certain deaths unless the county medical examiner determines the public interest is affected and providing for financial responsibility for certain autopsies requested by a private individual.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 248**, by Fraise, McKibben, Putney, Courtney, Kibbie, Gaskill, and Kettering, a bill for an act regulating farm deer, providing for penalties, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Agriculture**.

**Senate File 249**, by Rehberg, a bill for an act relating to assessment of court costs in an appeal to district court of a condemnation award.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 250**, by Rehberg, a bill for an act relating to payment of court costs for appeals of certain condemnation awards.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 251**, by Bolkcom, a bill for an act relating to the reimbursement of home and community-based waiver services.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 252**, by Bolkcom, a bill for an act relating to credit counseling services for delayed deposit services customers and making penalties applicable.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 253**, by Bolkcom and Dvorsky, a bill for an act providing accessibility standards for certain public housing buildings.

Read first time under Rule 28 and referred to committee on **Commerce**.

## STUDY BILLS RECEIVED

**SSB 1120      Human Resources**

Relating to requirements related to marriage and dissolution of marriage.

**SSB 1121      State Government**

Relating to elections and voter registration by providing for nonpartisan election of township offices, allowing nomination petitions to be signed on both sides of paper, removing the requirement that judges' names be rotated on certain ballots, removing certain authority to sign voter registration forms on behalf of the registrant, relating to the use of substitute precinct election officials, relating to use of voting machine or paper ballots at certain elections, modifying opening hours and closing hours of the polls at certain elections, providing for destruction of certain ballots, relating to the abstract of votes for county offices, providing for use of certain voting machines at satellite absentee voting stations, relating to observers present when ballots are counted, allowing absentee voting at the commissioner's office for certain elections, and relating to persons nominated for city office by write-in votes.

**SSB 1122      Transportation**

Relating to the deposit and use of moneys received by cities and counties for assumption of jurisdiction of primary roads and providing effective and retroactive applicability dates.

**SSB 1123      Commerce**

Relating to cemeteries and cemetery regulation; establishing requirements for interment rights agreements, reporting, and permits; establishing and appropriating fees; and providing administration and enforcement procedures and penalties.

**SSB 1124      Commerce**

Relating to a premium tax offset for the Iowa individual health reinsurance association, and phasing-in a standing appropriation for

replacement of the individual health reinsurance association assessments upon political subdivisions and school corporations.

## **SSB 1125      Natural Resources and Environment**

Relating to the sale of wine produced by native wineries in this state.

### **SUBCOMMITTEE ASSIGNMENTS**

#### **Senate Concurrent Resolution 8**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

#### **Senate Resolution 19**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

#### **Senate File 198**

EDUCATION: Boettger, Chair; Connolly and McKinley

#### **Senate File 205**

EDUCATION: Behn, Chair; Kreiman and Redfern

#### **Senate File 207**

EDUCATION: Boettger, Chair; Dvorsky and Redfern

#### **Senate File 208**

EDUCATION: Boettger, Chair; Holveck and McKinley

#### **Senate File 209**

LOCAL GOVERNMENT: Rehberg, Chair; Kreiman and Miller

#### **Senate File 212**

EDUCATION: Boettger, Chair; Kreiman and McKinley

#### **Senate File 213**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and McKibben

#### **Senate File 214**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and McKibben

**Senate File 227**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 228**

STATE GOVERNMENT: Tinsman, Chair; Johnson and Ragan

**Senate File 229**

STATE GOVERNMENT: Drake, Chair; Connolly and Lamberti

**Senate File 231**

EDUCATION: Boettger, Chair; Connolly and McKinley

**Senate File 232**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 233**

HUMAN RESOURCES: Boettger, Chair; Hosch and Ragan

**Senate File 234**

HUMAN RESOURCES: Veenstra, Chair; Hatch and Seymour

**SSB 1120**

HUMAN RESOURCES: Veenstra, Chair; Ragan and Schuerer

**SSB 1121**

STATE GOVERNMENT: Veenstra, Chair; Kibbie and Tinsman

**SSB 1122**

TRANSPORTATION: Putney, Chair; Beall and Kettering

**SSB 1123**

COMMERCE: Beall, Chair; Schuerer and Sievers

**SSB 1124**

COMMERCE: Brunkhorst, Chair; Warnstadt and Wieck

**SSB 1125**

NATURAL RESOURCES AND ENVIRONMENT: Wieck, Chair; Bolkom and Houser

## COMMITTEE REPORTS

## COMMERCE

**Final Bill Action:** \*SENATE FILE 236 (SSB 1018), a bill for an act relating to the time periods that unclaimed demutualization proceeds and wages are presumed to be abandoned and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkom, Brunkhorst, Kettering, Larson, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: Gronstal and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Commerce Committee on Senate File 236, and they were attached to the committee report.

## NATURAL RESOURCES AND ENVIRONMENT

**Final Bill Action:** SENATE FILE 237 (SSB 1081), a bill for an act relating to fees charged to certain private water supply contractors, establishing a private water supply system account within the water quality protection fund, and appropriating moneys in the account.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Houser, Johnson, Seng, Black, Bolkom, Brunkhorst, Dearden, Holveck, Kettering, Kibbie, Wieck, and Zieman. Nays, none. Absent, 3: Drake, Lundby and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** SENATE FILE 238 (SSB 1088), a bill for an act providing that revenues deposited in the state conservation fund are temporarily exempt from reversion and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Houser, Johnson, Seng, Black, Bolkom, Brunkhorst, Dearden, Holveck, Kettering, Kibbie, Wieck, and Zieman. Nays, none. Absent, 3: Drake, Lundby and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE RESOLUTION 19, a resolution honoring the City of Marshalltown on its sesquicentennial year.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**AMENDMENT FILED**

S-3023      S.F.      134      Jeff Angelo

# JOURNAL OF THE SENATE

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FIFTY-FIRST CALENDAR DAY  
THIRTIETH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, March 4, 2003

The Senate met in regular session at 8:33 a.m., President Kramer presiding.

Prayer was offered by the Reverend Randy Widbin, pastor of the Christ Community Church in Sioux Center, Iowa. He was the guest of Senator Veenstra.

The Journal of Monday, March 3, 2003, was approved.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate Resolution 19.

### **Senate Resolution 19**

On motion of Senator McKibben, **Senate Resolution 19**, a resolution honoring the City of Marshalltown on its sesquicentennial year, with report of committee recommending passage, was taken up for consideration.

Senator McKibben welcomed to the Senate chamber over 50 Marshalltown Chamber of Commerce members and residents.

The Senate rose and expressed its welcome.

Senator McKibben moved the adoption of Senate Resolution 19, which motion prevailed by a voice vote.

## RECESS

On motion of Senator Veenstra, the Senate recessed at 8:45 a.m. until 11:45 a.m.

## RECONVENED

The Senate reconvened at 11:45 a.m., President Pro Tempore Angelo presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 4, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 234**, a bill for an act transferring the powers and duties of the Missouri river preservation and land use authority to the loess hills development and conservation authority and providing effective dates.

Read first time and referred to committee on **Natural Resources and Environment**.

**House File 249**, a bill for an act relating to the manufacture, delivery, possession with the intent to manufacture or deliver, or conspiring to manufacture, deliver, or possess with the intent to manufacture or deliver flunitrazepam, and providing a penalty.

Read first time and referred to committee on **Judiciary**.

**House File 250**, a bill for an act relating to the criminal penalties for an assault on members of certain occupations.

Read first time and referred to committee on **Judiciary**.

## RECESS

On motion of Senator Veenstra, the Senate recessed at 11:57 a.m. until 4:00 p.m.

## RECONVENED

The Senate reconvened at 4:08 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 3, 2003, **adopted** the following resolution in which the concurrence of the House was asked:

**Senate Concurrent Resolution 3**, a resolution requesting the establishment of standing Senate and House subcommittees on veterans affairs.

ALSO: That the House has on March 4, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 265**, a bill for an act relating to the withdrawal of blood without a warrant from a person under arrest for an operating-while-intoxicated offense when the arrest results from a traffic accident resulting in death or personal injury reasonably likely to cause death.

Read first time and referred to committee on **Judiciary**.

## ADJOURNMENT

On motion of Senator Angelo, the Senate adjourned at 4:09 p.m. until 8:30 a.m. Wednesday, March 5, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

February 27, 2003

#### AGENCY ICN REPORT

##### IOWA NATIONAL GUARD

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Danny Kelley, Knoxville — For achieving the rank of Eagle Scout. Senator McKinley (3/4/03).

Paul and Carol Miller, Belmond — For celebrating your 50th wedding anniversary on February 24, 2003. Senator Iverson (3/4/03).

Ina Grace Picht, Nevada — For celebrating your 100th birthday on March 29, 2003. Senator Quirnbach (3/4/03).

Bob and Regina Williams, Nevada — For celebrating your 50th wedding anniversary on March 4, 2003. Senator Iverson (3/4/03).

### PETITION

The following petition was presented and placed on file:

From 125 residents of Woodbury and Plymouth counties opposing additional taxation on credit unions. Senator Warnstadt.

### REPORTS OF COMMITTEE MEETINGS

#### AGRICULTURE

**Convened:** March 3, 2003, 5:00 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann.

**Members Absent:** Black (excused).

**Committee Business:** Approved SSB 1066 and passed SF 191 and HF 240.

**Adjourned:** 5:20 p.m.

## EDUCATION

**Convened:** March 3, 2003, 4:10 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Quirnbach, and Rehberg.

**Members Absent:** Larson and Redfern (both excused).

**Committee Business:** Approved SSB 1053 (as amended).

**Adjourned:** 4:30 p.m.

## JUDICIARY

**Convened:** March 3, 2003, 2:45 p.m.

**Members Present:** Redfern, Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, McCoy, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** Larson, Vice Chair; Lamberti, and McKibben (all excused).

**Committee Business:** Presentations regarding sentencing and corrections programs.

**Adjourned:** 4:05 p.m.

## COMMERCE

**Convened:** March 4, 2003, 9:35 a.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Passed SF 117 and approved SSB 1070.

**Adjourned:** 9:50 a.m.

**ECONOMIC GROWTH**

**Convened:** March 4, 2003, 2:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed SF 73 and approved Governor's appointee.

**Adjourned:** 2:10 p.m.

**LOCAL GOVERNMENT**

**Convened:** March 4, 2003, 10:30 a.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirnbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** None.

**Committee Business:** Approved SSBs 1048 and 1075.

**Adjourned:** 10:50 a.m.

**NATURAL RESOURCES AND ENVIRONMENT**

**Convened:** March 4, 2003, 2:05 p.m.

**Members Present:** Houser, Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Drake, Kibbie, Lundby, Wieck, and Zieman.

**Members Absent:** Johnson, Vice Chair; Holveck, Kettering, and Miller (all excused).

**Committee Business:** Passed HF 254.

**Adjourned:** 2:10 p.m.

**STATE GOVERNMENT**

**Convened:** March 4, 2003, 10:30 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** Johnson (excused).

**Committee Business:** Passed SF 150 and approved Governor's appointee.

**Recessed:** 10:35 a.m.

**Reconvened:** 10:40 a.m.

**Adjourned:** 11:25 a.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE AND NATURAL RESOURCES**

**Convened:** March 4, 2003, 3:05 p.m.

**Members Present:** Gaskill, Chair; Houser, Vice Chair; Black, Ranking Member; Seng and Seymour.

**Members Absent:** None.

**Committee Business:** Passed TLSB 1120ja 80 (proposed joint appropriations bill).

**Recessed:** 3:30 p.m.

**Reconvened:** 3:40 p.m.

**Adjourned:** 3:50 p.m.

#### **INTRODUCTION OF BILLS**

**Senate File 254**, by Dotzler, Ragan, Hatch, Dvorsky, Connolly, Gronstal, Bolkcom, Black, Seng, Courtney, Stewart, Holveck, Kreiman, Dearden, and Beall, a bill for an act providing that employees should be paid based on comparable worth and making penalties applicable.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations**.

**Senate File 255**, by Dotzler, Ragan, Hatch, Dvorsky, Connolly, Gronstal, Bolkcom, Black, Seng, Courtney, Warnstadt, Stewart, Holveck, Kreiman, Dearden, and Beall, a bill for an act relating to wage discrimination by providing for the determination of wage discrimination, applicable remedies, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations**.

**Senate File 256**, by Larson, a bill for an act granting the right-of-way to horseback riders on public highways and providing a penalty.

Read first time under Rule 28 and referred to committee on **Transportation.**

**Senate File 257**, by Tinsman, a bill for an act relating to the management of elder group homes.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 258**, by Hatch, a bill for an act relating to the medical assistance program eligibility of inmates of public institutions.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 259**, by Hatch, a bill for an act increasing the maximum amount of historic property rehabilitation tax credits available for a fiscal year.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 260**, by Larson, a bill for an act relating to certain leaves of absence for local civil service employees and providing for the Act's applicability.

Read first time under Rule 28 and referred to committee on **Local Government.**

**Senate File 261**, by Tinsman, a bill for an act establishing a planning group for merging the departments of human services and public health and providing an effective date.

Read first time under Rule 28 and referred to committee on **Government Oversight.**

**Senate File 262**, by Courtney, a bill for an act relating to the appointment of an acting clerk of the district court or temporary clerk and the appointment of the clerk of the district court.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 263**, by Larson, a bill for an act relating to reading instruction in kindergarten through grade three and providing for related matters.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 264**, by Warnstadt, Dotzler, Kreiman, Quirmbach, Beall, Stewart, Fraise, Dearden, Bolkcom, Hatch, Ragan, Connolly, and Holveck, a bill for an act relating to the time for filing income tax returns and performing related activities for individuals ordered to state active duty or reservists ordered to active duty to perform homeland security duties, and including effective and retroactive applicability date provisions.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 265**, by Dotzler, a bill for an act relating to the diversion of child support payments to a college savings plan.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 266**, by Larson, a bill for an act relating to ethanol blended gasoline tax credits, and providing for its retroactive applicability, refunds, and an effective date.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 267**, by Hatch, a bill for an act providing for an individual training account program within the department of workforce development.

Read first time under Rule 28 and referred to committee on **Economic Growth.**

**Senate File 268**, by committee on Agriculture, a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 269**, by McCoy, a bill for an act relating to the transparency of motor vehicle windshields and windows.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 270**, by committee on Education, a bill for an act relating to school district transportation routes outside a district's boundaries.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 271**, by committee on Local Government, a bill for an act modifying the duties of county recorders.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 272**, by committee on Local Government, a bill for an act relating to conflicts of interest in public contracts.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 273**, by Kreiman, a bill for an act relating to evaluator requirements and compensation for evaluator training for school administrators under the student achievement and teacher quality program.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 274**, by Lundby, a bill for an act relating to solid waste by placing restrictions on the issuance or renewal of sanitary disposal project permits, certifying certain tax-exempt organizations

that operate solid waste diversion and recycling programs, and allowing planning areas to retain a portion of tonnage fees.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment.**

**Senate File 275**, by committee on Commerce, a bill for an act relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 276**, by Lundby, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for appropriation of fees, and providing penalties.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 277**, by Hatch, a bill for an act providing for creation of special health care access partnerships for delivery of health care services to persons who have low income or do not have health insurance and providing an effective date.

Read first time under Rule 28 and referred to committee on **Human Resources.**

#### STUDY BILLS RECEIVED

#### **SSB 1035      Natural Resources and Environment (Reassigned)**

Relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates.

**SSB 1120      Human Resources (Reassigned)**

Relating to requirements related to marriage and dissolution of marriage.

**SSB 1126      Local Government**

Relating to election or appointment of trustees of a city hospital or health care facility.

**SSB 1127      Commerce**

Authorizing the sale of title insurance and regulating title insurance agents and title insurers, providing penalties, and providing effective and applicability dates.

**SSB 1128      Judiciary**

Relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

**SUBCOMMITTEE ASSIGNMENTS****Senate File 104**  
(Reassignment)

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

**Senate File 161**

TRANSPORTATION: Drake, Chair; Fraise and Putney

**Senate File 162**

TRANSPORTATION: Drake, Chair; Dearden and Putney

**Senate File 218**

JUDICIARY: Larson, Chair; Holveck and McKibben

**Senate File 219**

JUDICIARY: Putney, Chair; McKibben and Quirnbach

**Senate File 220**

JUDICIARY: Fraise, Chair; Miller and Tinsman

**Senate File 225**

ECONOMIC GROWTH: Seymour, Chair; Dotzler and Shull

**Senate File 226**

JUDICIARY: Kettering, Chair; McCoy and Miller

**Senate File 239**

STATE GOVERNMENT: Schuerer, Chair; Kibbie and Shull

**Senate File 240**

APPROPRIATIONS: McKinley, Chair; Dotzler and Lamberti

**Senate File 241**

WAYS AND MEANS: Larson, Chair; Connolly and McKibben

**Senate File 242**

COMMERCE: Angelo, Chair; Bolcom, Brunkhorst, Kettering, and Stewart

**Senate File 243**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 244**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 245**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 246**

WAYS AND MEANS: Larson, Chair; Connolly and McKibben

**Senate File 247**

LOCAL GOVERNMENT: Houser, Chair; Seymour and Stewart

**Senate File 248**

AGRICULTURE: Putney, Chair; Fraise and Hosch

**Senate File 251**

HUMAN RESOURCES: Behn, Chair; Horn and McKinley

**Senate File 252**

COMMERCE: Schuerer, Chair; Bolkcom and Redfern

**Senate File 253**

COMMERCE: Angelo, Chair; Warnstadt and Wiek

**Senate File 259**

WAYS AND MEANS: Angelo, Chair; McKibben and Stewart

**Senate File 264**

WAYS AND MEANS: Larson, Chair; Connolly and McKinley

**Senate File 266**

WAYS AND MEANS: Rehberg, Chair; McKinley and Stewart

**House File 216**

JUDICIARY: Larson, Chair; Boettger and Holveck

**House File 254**

NATURAL RESOURCES AND ENVIRONMENT: Brunkhorst, Chair; Bolkcom and Kettering

**SSB 1035**

(Reassignment)

NATURAL RESOURCES AND ENVIRONMENT: Kettering, Chair; Black and Houser

**SSB 1120**

(Reassignment)

HUMAN RESOURCES: Schuerer, Chair; Ragan and Veenstra

**SSB 1126**

LOCAL GOVERNMENT: Miller, Chair; McCoy and Rehberg

**SSB 1127**

COMMERCE: Angelo, Chair; Schuerer and Warnstadt

## SSB 1128

JUDICIARY: Lamberti, Chair; Horn and McKibben

## COMMITTEE REPORTS

## AGRICULTURE

**Final Bill Action:** SENATE FILE 191, a bill for an act providing for the production and marketing of industrial hemp, and providing for penalties.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Behn, Hosch, Fraise, Angelo, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** SENATE FILE 268 (SSB 1066), a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Behn, Hosch, Fraise, Angelo, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 240, a bill for an act relating to the composition of the Iowa egg council.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Behn, Hosch, Fraise, Angelo, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## COMMERCE

**Final Bill Action:** SENATE FILE 117, a bill for an act providing annual purchase or generation requirements for certain electric utilities from alternate energy production

facilities, requiring establishment of a system of alternate energy credit trading, making related changes, and providing an effective date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3024.

**Final Vote:** Ayes, 15: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 275 (SSB 1070), a bill for an act relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: Beall and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ECONOMIC GROWTH**

**Final Bill Action:** SENATE FILE 73, a bill for an act relating to the reporting requirements under the Iowa industrial new jobs training Act.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Rehberg, Shull, Hatch, Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**EDUCATION**

**Final Bill Action:** \*SENATE FILE 270 (SSB 1053), a bill for an act relating to school district transportation routes outside a district's boundaries.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Dvorsky, Holveck, Hosch, Quirnbach, and Rehberg. Nays, 2: Brunkhorst and Kreiman. Absent, 2: Larson and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Education Committee on Senate File 270, and they were attached to the committee report.

#### **LOCAL GOVERNMENT**

**Final Bill Action:** SENATE FILE 271 (SSB 1048), a bill for an act modifying the duties of county recorders.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Gaskill, Miller, Quirmbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### **ALSO:**

**Final Bill Action:** SENATE FILE 272 (SSB 1075), a bill for an act relating to conflicts of interest in public contracts.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Gaskill, Miller, Quirmbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### **NATURAL RESOURCES AND ENVIRONMENT**

**Final Bill Action:** HOUSE FILE 254, a bill for an act providing that revenues deposited in the state conservation fund are temporarily exempt from reversion and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Houser, Seng, Black, Bolkom, Brunkhorst, Dearden, Drake, Kibbie, Lundby, Wieck, and Zieman. Nays, none. Absent, 4: Johnson, Holveck, Kettering, and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### **STATE GOVERNMENT**

**Final Bill Action:** SENATE FILE 150, a bill for an act relating to government efficiency by providing for the delivery of administrative services to state government, establishment of common state services regional boundaries, revising medical assistance program eligibility and benefits provisions, improving coordination of veterans benefits eligibility determinations, requiring a comprehensive study of the

state mental health institutes, and revising requirements involving the judicial district departments of correctional services, and providing effective dates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, 1: Johnson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### GOVERNOR'S APPOINTEE PLACED ON EN BLOC CALENDAR

The following appointee, assigned to standing committee for investigation, was placed on the En Bloc Calendar with recommendation for confirmation:

#### ECONOMIC GROWTH

Cyril Mandelbaum – Iowa Capital Investment Board

### GOVERNOR'S APPOINTEE PLACED ON INDIVIDUAL CONFIRMATION CALENDAR

The following appointee, assigned to standing committee for investigation, was placed on the Individual Confirmation Calendar without recommendation for confirmation:

#### STATE GOVERNMENT

John Cacciatore – Director of the Office for State-Federal Relations

### BILL SIGNED BY THE GOVERNOR

A communication was received announcing that on March 3, 2003, the Governor approved and transmitted to the Secretary of State the following bill:

S.F. 211 – Providing for the establishment of the state percent of growth for purposes of the state school foundation program and providing an applicability date.

### AMENDMENT FILED

S-3024      S.F.      117      Commerce

# JOURNAL OF THE SENATE

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FIFTY-SECOND CALENDAR DAY  
THIRTY-FIRST SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, March 5, 2003

The Senate met in regular session at 8:32 a.m., President Kramer presiding.

Prayer was offered by Father Robert Striegel of Saint Mary of the Visitation Church in Ottumwa, Iowa. He was the guest of Senator Kreiman.

The Journal of Tuesday, March 4, 2003, was approved.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:35 a.m. until 11:45 a.m.

## RECONVENED

The Senate reconvened at 11:47 a.m., President Pro Tempore Angelo presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 5, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 290**, a bill for an act authorizing the issuance of special registration plates to owners of motor trucks.

Read first time and **attached to companion Senate File 296.**

**House File 311**, a bill for an act modifying the duties of county recorders.

Read first time and **attached to companion Senate File 271.**

**House File 319**, a bill for an act permitting written demand via regular mail prior to an action under the uniform commercial code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service.

Read first time and referred to committee on **Commerce.**

**House File 329**, a bill for an act relating to site preparation for targeted economic development.

Read first time and referred to committee on **Economic Growth.**

RECESS

On motion of Senator Iverson, the Senate recessed at 12:07 p.m. until 5:00 p.m.

## APPENDIX — 1

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Jeff Bickel, McGregor — For achieving the rank of Eagle Scout, Boy Scout Troop 32. Senator Zieman (3/5/03).

Florence Hughes, Bayard — For celebrating your 91st birthday on March 9, 2003. Senator Beall (3/5/03).

Evarda Lichty, Waterloo — For celebrating your 95th birthday on March 3, 2003. Senator Dotzler (3/5/03).

Edna L. Moeding, Fort Dodge — For celebrating your 91st birthday on March 2, 2003. Senator Beall (3/5/03).

Joe Montag, Manchester — For achieving the rank of Eagle Scout, Boy Scout Troop 33. Senator Rehberg (3/5/03).

Collin Nelson, McGregor — For achieving the rank of Eagle Scout, Boy Scout Troop 32. Senator Zieman (3/5/03).

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** March 4, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Presentation regarding insurance rates in Iowa and related issues.

**Adjourned:** 4:15 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** March 4, 2003, 3:10 p.m.

**Members Present:** Tinsman, Chair; Hatch, Ranking Member; Bolcom and Veenstra.

**Members Absent:** Johnson, Vice Chair (excused).

**Committee Business:** Presentation by representatives of Department of Management and Empowerment Area boards.

**Adjourned:** 4:25 p.m.

## EDUCATION

**Convened:** March 5, 2003, 9:45 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, Redfern, and Rehberg.

**Members Absent:** None.

**Committee Business:** Passed SF 169 and approved SSB 1093.

**Adjourned:** 10:40 a.m.

## HUMAN RESOURCES

**Convened:** March 5, 2003, 10:50 a.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, and Schuerer.

**Members Absent:** Tinsman (excused).

**Committee Business:** Passed SF 3. SF 206 failed. Approved Governor's appointments.

**Adjourned:** 11:25 a.m.

## JUDICIARY

**Convened:** March 5, 2003, 1:05 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Quirmbach.

**Members Absent:** Tinsman (excused).

**Committee Business:** Approved SSBs 1030 and 1050 (as amended) and the Governor's appointees. Subcommittee assignments.

**Adjourned:** 1:55 p.m.

## TRANSPORTATION

**Convened:** March 5, 2003, 10:35 a.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Houser, Kettering, Rehberg, Shull, Warnstadt, and Ziemann.

**Members Absent:** Fraise and Johnson (both excused).

**Committee Business:** Passed SFs 110 and 153. Approved SSB 1041.

**Adjourned:** 11:25 a.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION**

**Convened:** March 5, 2003, 3:10 p.m.

**Members Present:** Ziemann, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Discussion of the proposed subcommittee appropriations bill.

**Adjourned:** 3:40 p.m.

#### **INTRODUCTION OF BILL**

**Senate File 278**, by Beall, a bill for an act relating to liability of current and former owners of mining land and the public use of private land.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

#### **STUDY BILLS RECEIVED**

##### **SSB 1129      State Government**

Relating to campaign finance, including political party committees, campaign disclosure reports, independent expenditures, and income tax checkoff provisions.

##### **SSB 1130      State Government**

Relating to the ethics and campaign disclosure board, including reports of official misconduct, lobbyist and client reports, advisory opinions, campaign finance reporting, and making penalties applicable.

**SSB 1131      Rules and Administration**

Relating to legislative branch consolidation of functions by combining the legislative service bureau, legislative fiscal bureau, and legislative computer support bureau into a single central legislative staff agency, providing for legislative publications procedures, modifying the sales tax exemption for items sold or services provided by the new agency, including related matters, and providing an effective date.

**SSB 1132      State Government**

Relating to identification requirements and the receipt of public benefits or services.

**SSB 1133      Government Oversight**

Relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

**SSB 1134      Government Oversight**

Providing for transfer of the professional licensing and regulation division of the department of commerce to the secretary of state's office.

**SSB 1135      Transportation**

Relating to the establishment of a regional transit district within the unincorporated areas of one or more counties and within certain cities, authorizing the imposition of a limited property tax levy, and providing for the issuance of general obligation bonds and revenue bonds.

**SSB 1136      State Government**

Providing title restrictions relating to the practice of physical therapy, and providing a penalty.

**SSB 1137      Judiciary**

Relating to the judicial branch by changing procedures for appointing or nominating a judge, magistrate, or chief juvenile court officer, by authorizing the voluntary transfer of a district judge, by prohibiting members of a judicial nominating commission from voting on certain nominees, by apportioning judgeships among the judicial election districts, and by expanding the jurisdiction of a magistrate.

**SSB 1138      Judiciary**

Relating to the criminal sentencing and procedure by changing the penalties for certain offenses involving a substance containing cocaine base, by creating a criminal offense of robbery in the third degree, modifying residence restrictions for a sex offender, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, and providing a penalty.

**SSB 1139      Appropriations**

Providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, raising the level of local effort required to receive and use certain road funds, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

**SSB 1140      Judiciary**

Making changes to the procedures related to reorganizing judicial districts and judicial election districts.

**SSB 1141      State Government**

Relating to tobacco retailers and providing penalties.

**SSB 1142      Agriculture**

Relating to the regulation of the grain industry, and making penalties applicable.

**SSB 1143      Agriculture**

Regulating organic agriculture products, providing for fees and penalties, and providing an effective date.

**SSB 1144      Agriculture**

Regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date.

**SSB 1145      Agriculture**

Relating to the department of agriculture and land stewardship by providing for administration of and enforcement of programs, including by providing for program elimination and enhancing the readability of related provisions, and providing an effective date.

**SUBCOMMITTEE ASSIGNMENTS****Senate Resolution 20**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 249**

JUDICIARY: Kettering, Chair; McCoy and Miller

**Senate File 250**

JUDICIARY: Kettering, Chair; McCoy and Miller

**Senate File 256**

TRANSPORTATION: Drake, Chair; Dearden and Putney

**Senate File 257**

HUMAN RESOURCES: Tinsman, Chair; Kreiman and McKinley

**Senate File 258**

HUMAN RESOURCES: Seymour, Chair; Behn and Horn

**Senate File 261**

GOVERNMENT OVERSIGHT: Lundby, Chair

**Senate File 262**

JUDICIARY: Redfern, Chair; Kreiman and Larson

**Senate File 263**

EDUCATION: Boettger, Chair; Connolly and Larson

**Senate File 265**

JUDICIARY: Boettger, Chair; McCoy and Tinsman

**Senate File 267**

ECONOMIC GROWTH: Putney, Chair; Boettger and Hatch

**Senate File 269**

TRANSPORTATION: Drake, Chair; Putney and Warnstadt

**Senate File 273**

EDUCATION: Boettger, Chair; Kreiman and McKinley

**Senate File 276**

HUMAN RESOURCES: Tinsman, Chair; Kreiman and McKinley

**Senate File 277**

HUMAN RESOURCES: Hosch, Chair; Hatch and Schuerer

**House File 249**

JUDICIARY: Boettger, Chair; Horn and Tinsman

**House File 250**

JUDICIARY: Miller, Chair; Boettger and Fraise

**House File 265**

JUDICIARY: Boettger, Chair; Kettering and McCoy

**House File 329**

ECONOMIC GROWTH: Seymour, Chair; Rehberg and Stewart

**SSB 1129**

STATE GOVERNMENT: Johnson, Chair; Connolly and Zieman

**SSB 1130**

STATE GOVERNMENT: Veenstra, Chair; Dearden and Sievers

**SSB 1131**

RULES AND ADMINISTRATION: Boettger, Chair; Gronstal and Iverson

**SSB 1132**

STATE GOVERNMENT: Kibbie, Chair; Schuerer and Tinsman

**SSB 1133**

GOVERNMENT OVERSIGHT: Lundby, Chair

**SSB 1134**

GOVERNMENT OVERSIGHT: Lundby, Chair

**SSB 1135**

TRANSPORTATION: Shull, Chair; Drake and Warnstadt

**SSB 1136**

STATE GOVERNMENT: Tinsman, Chair; Black and Drake

**SSB 1137**

JUDICIARY: Redfern, Chair; Kreiman and Larson

**SSB 1138**

JUDICIARY: Redfern, Chair; Fraise, Kreiman, Larson, and Miller

**SSB 1139**

APPROPRIATIONS: Shull, Chair; Lamberti and Warnstadt

**SSB 1140**

JUDICIARY: Redfern, Chair; Kreiman and Larson

**SSB 1141**

STATE GOVERNMENT: Sievers, Chair; Johnson and Ragan

**SSB 1142**

AGRICULTURE: Angelo, Chair; Black and Gaskill

**SSB 1143**

AGRICULTURE: Putney, Chair; Hosch and Ragan

**SSB 1144**

AGRICULTURE: Zieman, Chair; Behn and Kibbie

**SSB 1145**

AGRICULTURE: Putney, Chair; Seng and Veenstra

## EVENING SESSION

The Senate reconvened at 5:05 p.m., President Kramer presiding.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Johnson and Tinsman, for the remainder of the day, on request of Senator Iverson; and Senator McCoy, until he returns, on request of Senator Kibbie.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 134, 180, and 185.

**Senate File 134**

On motion of Senator Angelo, **Senate File 134**, a bill for an act relating to the various duties of the county treasurer, was taken up for consideration.

Senator Angelo offered amendment S-3022, filed by him on February 27, 2003, to pages 2, 5, and to the title page of the bill.

Senator Angelo offered amendment S-3023, filed by him on March 3, 2003, to page 1 of amendment S-3022, and moved its adoption.

Amendment S-3023 was adopted by a voice vote.

Senator Angelo moved the adoption of amendment S-3022, as amended.

Amendment S-3022 was adopted by a voice vote.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 134), the vote was:

Yeas, 47:

Angelo	Dvorsky	Kramer	Rehberg
Beall	Fraise	Kreiman	Schuerer
Behn	Gaskill	Lamberti	Seng
Black	Gronstal	Larson	Seymour
Boettger	Hatch	Lundby	Shull
Bolkcom	Holveck	McKibben	Sievers
Brunkhorst	Horn	McKinley	Stewart
Connolly	Hosch	Miller	Veenstra
Courtney	Houser	Putney	Warnstadt
Dearden	Iverson	Quirmbach	Wieck
Dotzler	Kettering	Ragan	Zieman
Drake	Kibbie	Redfern	

Nays, none.

Absent, 3:

Johnson	McCoy	Tinsman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### Senate File 180

On motion of Senator Warnstadt, **Senate File 180**, a bill for an act relating to the procedures for handling abandoned property and property presumed to be abandoned, was taken up for consideration.

Senator Warnstadt moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 180), the vote was:

Yeas, 48:

Angelo	Dvorsky	Kramer	Redfern
Beall	Fraise	Kreiman	Rehberg
Behn	Gaskill	Lamberti	Schuerer
Black	Gronstal	Larson	Seng
Boettger	Hatch	Lundby	Seymour
Bolkcom	Holveck	McCoy	Shull
Brunkhorst	Horn	McKibben	Sievers
Connolly	Hosch	McKinley	Stewart
Courtney	Houser	Miller	Veenstra
Dearden	Iverson	Putney	Warnstadt

Dotzler	Kettering	Quirnbach	Weick
Drake	Kibbie	Ragan	Zieman

Nays, none.

Absent, 2:

Johnson	Tinsman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 185

On motion of Senator Putney, **Senate File 185**, a bill for an act relating to criminal law and procedure, including the criminal offenses of arson, communications by an arrested person, and harassment, was taken up for consideration.

Senator Putney offered amendment S-3025, filed by Senators Putney and Kreiman from the floor to pages 1-3 of the bill, and moved its adoption.

Amendment S-3025 was adopted by a voice vote.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 185), the vote was:

Yeas, 37:

Angelo	Holveck	McCoy	Seymour
Beall	Hosch	McKibben	Shull
Behn	Houser	McKinley	Sievers
Black	Iverson	Miller	Veenstra
Boettger	Kettering	Putney	Warnstadt
Brunkhorst	Kibbie	Quirnbach	Wieck
Connolly	Kramer	Ragan	Zieman
Drake	Kreiman	Redfern	
Gaskill	Larson	Rehberg	
Gronstal	Lundby	Schuerer	

Nays, 11:

Bolkcom	Dotzler	Hatch	Seng
Courtney	Dvorsky	Horn	Stewart
Dearden	Fraise	Lamberti	

Absent, 2:

Johnson	Tinsman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 134, 180, and 185** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 186 and 201.

#### **Senate File 186**

On motion of Senator Kettering, **Senate File 186**, a bill for an act eliminating certain public disclosure requirements by state banks, was taken up for consideration.

Senator Kettering asked and received unanimous consent that **House File 215** be **substituted** for **Senate File 186**.

#### **House File 215**

On motion of Senator Kettering, **House File 215**, a bill for an act eliminating certain public disclosure requirements by state banks, was taken up for consideration.

Senator Kettering moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 215), the vote was:

Yeas, 47:

Angelo	Dvorsky	Kramer	Rehberg
Beall	Fraise	Kreiman	Schuerer
Behn	Gaskill	Lamberti	Seng
Black	Gronstal	Larson	Seymour
Boettger	Hatch	Lundby	Shull
Bolkcom	Holveck	McCoy	Sievers
Brunkhorst	Horn	McKibben	Stewart
Connolly	Hosch	McKinley	Veenstra
Courtney	Houser	Miller	Warnstadt
Dearden	Iverson	Putney	Wieck
Dotzler	Kettering	Ragan	Zieman
Drake	Kibbie	Redfern	

Nays, 1:

Quirmbach

Absent, 2:

Johnson                      Tinsman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Kettering asked and received unanimous consent that **Senate File 186** be **withdrawn** from further consideration of the Senate.

### Senate File 201

On motion of Senator Hosch, **Senate File 201**, a bill for an act relating to a review of statistical information compiled by the board of educational examiners from Praxis II examinations administered to initial, provisional teaching license applicants, was taken up for consideration.

Senator Hosch moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 201), the vote was:

Yeas, 47:

Angelo	Dvorsky	Kramer	Rehberg
Beall	Fraise	Lamberti	Schuerer
Behn	Gaskill	Larson	Seng
Black	Gronstal	Lundby	Seymour
Boettger	Hatch	McCoy	Shull
Bolkcom	Holveck	McKibben	Sievers
Brunkhorst	Horn	McKinley	Stewart
Connolly	Hosch	Miller	Veenstra
Courtney	Houser	Putney	Warnstadt
Dearden	Iverson	Quirnbach	Wieck
Dotzler	Kettering	Ragan	Zieman
Drake	Kibbie	Redfern	

Nays, 1:

Kreiman

Absent, 2:

Johnson                      Tinsman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 201** and **House File 215** be **immediately messaged** to the House.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 5, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 289**, a bill for an act relating to electronic financial transactions with county treasurers.

Read first time and referred to committee on **Local Government**.

**House File 304**, a bill for an act relating to the payment by a county of the agricultural land tax credit and reimbursement to the county of its payment and providing an effective date.

Read first time and referred to committee on **Ways and Means**.

**House File 341**, a bill for an act relating to personnel and instructors employed by community colleges.

Read first time and referred to committee on **Education**.

**House File 342**, a bill for an act relating to the use of sick leave by certain members of the Iowa department of public safety peace officers' retirement, accident, and disability system who are temporarily incapacitated for duty and providing an effective date.

Read first time and **attached to similar Senate File 63**.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 6:05 p.m. until 8:30 a.m. Thursday, March 6, 2003.

**APPENDIX — 2****ANNOUNCEMENT OF APPOINTMENTS BY THE  
PRESIDENT OF THE SENATE****INFORMATION TECHNOLOGY COUNCIL**

(Iowa Code section 14B.105)

Bob Brunkhorst

Bill Dotzler

**IOWACCESS ADVISORY COUNCIL**

(Iowa Code section 14B.201)

Bob Brunkhorst

Bill Dotzler

**IOWA ECONOMIC DEVELOPMENT BOARD**

(Iowa Code section 15.103)

Thomas Courtney

E. Thurman Gaskill

**CAPITOL PLANNING COMMISSION**

(Iowa Code section 18A.2)

Jack Hatch

John Putney

**LAW ENFORCEMENT ACADEMY COUNCIL**

(Iowa Code section 80B.6)

Chuck Larson

**WORKFORCE DEVELOPMENT BOARD**

(Iowa Code section 84A.1A)

Bill Dotzler

Brian Sievers

**IPERS INVESTMENT BOARD**

(Iowa Code section 97B.8A)

John Kibbie

Mark Zieman

**RENEWABLE FUEL AND COPRODUCTS ADVISORY COMMITTEE**

(Iowa Code section 159A.4)

Jeff Angelo

Joe Bolkcom

**AGRICULTURAL ENERGY MANAGEMENT ADVISORY COUNCIL**

(Iowa Code section 161B.1)

Gene Fraise

E. Thurman Gaskill

COMMISSION ON THE STATUS OF WOMEN

(Iowa Code section 216A.52)

Jack Holveck

Maggie Tinsman

COMMISSION OF ELDER AFFAIRS

(Iowa Code section 231.11)

Joe Bolkom

David Johnson

STATE CHILD CARE ADVISORY COMMITTEE

(Iowa Code section 237A.21)

Steve Warnstadt

MEDICAL ASSISTANCE COUNCIL

(Iowa Code section 249A.4)

Jack Hatch

Maggie Tinsman

COMMUNITY COLLEGE WORKING GROUP OF STAKEHOLDERS

(Iowa Code section 256.31)

Nancy Boettger

John Kibbie

AGRICULTURE EDUCATION ADVISORY COUNCIL

(Iowa Code section 256.32)

Gene Fraise

COLLEGE STUDENT AID COMMISSION

(Iowa Code section 261.1)

Herman Quirnbach

ENERGY FUND DISBURSEMENT COUNCIL

(Iowa Code section 473.11)

Joe Bolkom

Bryan Sievers

IOWA COMPREHENSIVE HEALTH INSURANCE ASSOCIATION

(Iowa Code section 514E.2)

Jeff Angelo

IOWA COUNCIL FOR EARLY ACCESS

(Federal Law)

Kitty Rehberg

## ANNOUNCEMENT OF APPOINTMENTS BY THE SENATE MAJORITY AND MINORITY LEADERS

### IOWA EMPOWERMENT BOARD

(Iowa Code section 28.3)

Nancy Boettger  
Jack Holveck  
Maggie Tinsman

### INTERSTATE COOPERATION COMMISSION

(Iowa Code section 28B.1)

Jerry Behn  
Richard F. Drake  
Gene Fraise  
Hubert Houser  
John Kibbie

### PUBLIC RETIREMENT SYSTEMS COMMITTEE

(Iowa Code section 97D.4)

Mike Connolly  
Julie Hosch  
John Kibbie  
Paul McKinley  
Mark Zieman

### RURAL HEALTH AND PRIMARY CARE ADVISORY COMMITTEE

(Iowa Code section 135.107)

Keith Kreiman  
Ken Veenstra

### TOBACCO USE PREVENTION AND CONTROL COMMISSION

(Iowa Code section 142A.3)

Joe Bolkcom  
Maggie Tinsman

### CRIMINAL AND JUVENILE JUSTICE ADVISORY COUNCIL

(Iowa Code section 216A.132)

Robert E. Dvorsky  
Ron Wieck

### PREVENTION OF DISABILITIES POLICY COUNCIL

(Iowa Code section 225B.3)

Dick Dearden  
Julie Hosch

### SENIOR LIVING COORDINATING UNIT

(Iowa Code section 231.58)

Daryl Beall  
Nancy Boettger

**CHILD SUPPORT ADVISORY COMMITTEE**

(Iowa Code section 252B.18)

Nancy Boettger  
Keith Kreiman**EDUCATION COMMISSION OF THE STATES**

(Iowa Code section 272B.2)

Daryl Beall  
Nancy Boettger**MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES COMMISSION**

(Iowa Code section 331.438)

Amanda Ragan  
Ken Veenstra**BOARD OF TRUSTEES FOR STATEWIDE FIRE AND POLICE RETIREMENT SYSTEM**

(Iowa Code section 411.36)

Wally Horn  
Ron Wieck**HAWK-I BOARD**

(Iowa Code section 514I.5)

Amanda Ragan  
Ken Veenstra**IOWA CAPITAL INVESTMENT BOARD**

(Iowa Code section 15E.63)

Paul McKinley  
Roger Stewart**GOVERNOR'S APPOINTEES PLACED ON  
EN BLOC CALENDAR**

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

**HUMAN RESOURCES**

Michael Bergan – Mental Health and Developmental Disabilities Commission  
William Gorman – Mental Health and Developmental Disabilities Commission  
Jon Grate – Mental Health and Developmental Disabilities Commission  
Lannie Miller – Mental Health and Developmental Disabilities Commission  
Lori Reynolds – Mental Health and Developmental Disabilities Commission

**JUDICIARY**

Frederick Morain – Iowa State Civil Rights Commission  
Marvin Van Haaften – Drug Policy Coordinator  
Terry Sweeney – Iowa Drug Policy Advisory Council

## INTRODUCTION OF BILLS

**Senate File 279**, by Lundby, a bill for an act relating to substance abuse prevention and treatment, providing for an increase in the cigarette tax, making appropriations, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 280**, by Bolkcom, a bill for an act relating to redesign of the medical assistance program and providing an effective date.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 281**, by Zieman, a bill for an act relating to setback requirements for agricultural buildings and structures.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 282**, by Lamberti, a bill for an act relating to registration and regulation of off-highway vehicles by the state department of transportation, establishing fees, making an appropriation, and providing penalties.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 283**, by Larson, a bill for an act relating to the exemption from land ownership restrictions for nonresident aliens under the new jobs and income program.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

**Senate File 284**, by Warnstadt, Courtney, Beall, Stewart, Holveck, Bolkcom, Kreiman, Ragan, Gronstal, Quirmbach, Connolly, Dvorsky, Black, Seng, and Dearden, a bill for an act relating to the deduction for expenses incurred in the performance of military service in the national guard and military reserve and for student

loan repayments received while on active duty in the national guard, military reserve, or regular armed forces and including a retroactive applicability date provision.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 285**, by Shull, a bill for an act creating workforce training and economic development funds for community colleges, making related appropriations, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

**Senate File 286**, by Shull, a bill for an act creating workforce training and economic development funds for community colleges, creating a workforce training and economic development levy, making related appropriations, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

**Senate File 287**, by Shull, a bill for an act creating workforce training and economic development funds for community colleges, increasing the excise tax on cigarettes, making related appropriations, and providing effective dates.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

**Senate File 288**, by Brunkhorst, a bill for an act providing for the animal unit capacity of pullets for purposes of regulation under the animal agriculture compliance Act.

Read first time under Rule 28 and referred to committee on **Agriculture**.

**Senate File 289**, by Dvorsky, a bill for an act allowing a first-time operating-while-intoxicated offender to receive credit against a sentence of imprisonment for time spent in a court-ordered operating-

while-intoxicated weekend program that provides law enforcement security.

Read first time under Rule 28 and referred to committee on **Judiciary.**

**Senate File 290**, by Bolkcom, a bill for an act relating to permissible fees by employment agencies and making penalties applicable.

Read first time under Rule 28 and referred to committee on **Commerce.**

**Senate File 291**, by Kibbie, a bill for an act relating to the imposition of a community college income surtax.

Read first time under Rule 28 and referred to committee on **Ways and Means.**

**Senate File 292**, by Warnstadt, Courtney, Beall, Stewart, Holveck, Bolkcom, Kreiman, Ragan, Gronstal, Quirmbach, Connolly, Dvorsky, Black, Seng, and Dearden, a bill for an act providing for counseling for residents of this state who are members or former members of the United States reserve forces or the Iowa national guard that were called into active federal service or duty and for persons who are part of the members' or former members' immediate families and providing an appropriation.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 293**, by Lamberti, a bill for an act requiring teachers to disclose commission arrangements for the sale of musical instruments.

Read first time under Rule 28 and referred to committee on **Education.**

**Senate File 294**, by Hatch, a bill for an act relating to the provision of complementary and alternative health care diagnoses

and treatment by unlicensed persons, and making penalties applicable.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 295**, by Courtney, a bill for an act creating a corporate consolidation relocation program and providing related tax benefits.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

**Senate File 296**, by committee on Transportation, a bill for an act authorizing the issuance of special registration plates to owners of motor trucks.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 297**, by committee on Transportation, a bill for an act relating to the regulation of snowmobiles and all-terrain vehicles, establishing fees, providing penalties, and providing applicability dates.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 298**, by committee on Judiciary, a bill for an act expanding the criminal offense of possessing contraband in correctional institutions to include possessing contraband in a secure facility for the detention or custody of juveniles, a detention facility, or a jail.

Read first time under Rule 28 and **placed on calendar**.

## COMMITTEE REPORTS

### HUMAN RESOURCES

**Final Bill Action:** \*SENATE FILE 3, a bill for an act relating to the inclusion of certain information in a termination of pregnancy report.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, and Schuerer. Nays, none. Absent, 1: Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 3, and they were attached to the committee report.

## JUDICIARY

**Final Bill Action:** SENATE FILE 298 (SSB 1030), a bill for an act expanding the criminal offense of possessing contraband in correctional institutions to include possessing contraband in a secure facility for the detention or custody of juveniles, a detention facility, or a jail.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Redfern, Larson, Kreiman, Boettger, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Quirmbach. Nays, 1: Fraise. Absent, 1: Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## TRANSPORTATION

**Final Bill Action:** \*SENATE FILE 296 (formerly SF 110), a bill for an act authorizing the issuance of special registration plates to owners of motor trucks.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Drake, Putney, McCoy, Beall, Dearden, Houser, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, 2: Fraise and Johnson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Transportation Committee on Senate File 296, and they were attached to the committee report.

## ALSO:

**Final Bill Action:** \*SENATE FILE 297 (formerly SF 153), a bill for an act relating to the regulation of snowmobiles and all-terrain vehicles, establishing fees, providing penalties, and providing applicability dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Drake, Putney, McCoy, Beall, Dearden, Houser, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, 2: Fraise and Johnson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Transportation Committee on Senate File 297, and they were attached to the committee report.

#### AMENDMENTS FILED

S-3025	S.F.	185	John Putney Keith A. Kreiman
S-3026	S.F.	155	Keith A. Kreiman
S-3027	S.F.	173	Mike Connolly
S-3028	H.F.	65	Matt McCoy

# JOURNAL OF THE SENATE

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FIFTY-THIRD CALENDAR DAY  
THIRTY-SECOND SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, March 6, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend Doug Peters, pastor of the Walnut Hills United Methodist Church in Urbandale, Iowa. He was the guest of Senator Kramer.

The Journal of Wednesday, March 5, 2003, was approved.

## BILLS REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate Files 237** and **268** be referred from the Regular Calendar to the committee on **Ways and Means**.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 8:49 a.m. until 1:00 p.m. Monday, March 10, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Agnes Doty, Sioux City — For celebrating your 95th birthday on March 1, 2003. Senator Warnstadt (3/6/03).

Jerry Gadbois, Sioux City — For celebrating your 94th birthday on March 14, 2003. Senator Warnstadt (3/6/03).

George Naylor, Churdan — For being elected president of the National Family Farm Coalition. Senator Beall (3/6/03).

Erik Puls, Dubuque — For achieving the rank of Eagle Scout, Boy Scout Troop 22. Senator Connolly (3/6/03).

Cory Allen Weinschenk, Bellevue — For achieving the rank of Eagle Scout. Senator Stewart (3/6/03).

### REPORTS OF COMMITTEE MEETINGS

#### BUSINESS AND LABOR RELATIONS

**Convened:** March 5, 2003, 9:45 a.m.

**Members Present:** Schuerer, Chair; Lundby, Vice Chair; Dearden, Ranking Member; Courtney, Dotzler, Horn, Johnson, Kettering, McKibben, Seymour, and Wieck.

**Members Absent:** None.

**Committee Business:** Approved SSB 1118 and presentation by the PER Board.

**Recessed:** 10:30 a.m.

**Reconvened:** March 6, 2003, 9:00 a.m.

**Adjourned:** 9:10 a.m.

#### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** March 5, 2003, 3:05 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Discussion regarding the subcommittee budget targets.

**Adjourned:** 3:40 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES**

**Convened:** March 5, 2003, 3:15 p.m.

**Members Present:** Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** Tinsman, Chair; and Johnson, Vice Chair (both excused).

**Committee Business:** Presentations on the Medicaid Pharmaceutical Case Management program, the Child Care and Field Operations Support Units, and the Statewide Vision Screening program.

**Adjourned:** 5:00 p.m.

#### **APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** March 5, 2003, 3:05 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Discussion regarding the subcommittee budget bills for the judicial branch and the justice system.

**Adjourned:** 3:55 p.m.

#### **AGRICULTURE**

**Convened:** March 6, 2003, 2:05 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Courtney, Gaskill, Houser, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann.

**Members Absent:** Johnson (excused).

**Committee Business:** Presentation by the ISU Dean of Agriculture.

**Adjourned:** 2:50 p.m.

#### **ECONOMIC GROWTH**

**Convened:** March 6, 2003, 1:05 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, McKinley, Putney, Seymour, Stewart, and Veenstra.

**Members Absent:** Dotzler, Larson, and Ragan (all excused).

**Committee Business:** Approved Governor's appointee.

**Adjourned:** 1:10 p.m.

## HUMAN RESOURCES

**Convened:** March 6, 2003, 8:45 a.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Horn, Hosch, Kreiman, and McKinley.

**Members Absent:** Hatch, Holveck, Schuerer, and Tinsman (all excused).

**Committee Business:** Approved Governor's appointees.

**Adjourned:** 8:55 a.m.

## RULES AND ADMINISTRATION

**Convened:** March 6, 2003, 8:50 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Sievers.

**Members Absent:** Ragan (excused).

**Committee Business:** Passed SCR 8, SR 20, and HCR 6.

**Adjourned:** 8:55 a.m.

## STATE GOVERNMENT

**Convened:** March 6, 2003, 10:05 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, and Veenstra.

**Members Absent:** Tinsman (excused).

**Committee Business:** Passed SFs 196 and 199 and HJR 3. Approved SSBs 1104 and 1114.

**Adjourned:** 10:45 a.m.

## APPROPRIATIONS SUBCOMMITTEE ON ADMINISTRATION AND REGULATION

**Convened:** March 6, 2003, 3:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Holveck, Ranking Member; Rehberg and Stewart.

**Members Absent:** None.

**Committee Business:** Passed the subcommittee's appropriations bill.

**Adjourned:** 4:05 p.m.

## INTRODUCTION OF BILLS

**Senate File 299**, by Kreiman, a bill for an act relating to telephone solicitations, including establishing certain restrictions on telephone solicitors, providing for registration for persons choosing not to receive certain telephone solicitations, and providing penalties and remedies.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 300**, by Rehberg, a bill for an act relating to the registration and regulation of off-highway vehicles, providing fees, and making penalties applicable.

Read first time under Rule 28 and referred to committee on **Natural Resources and Environment**.

**Senate File 301**, by Kreiman, a bill for an act requiring evidence of financial liability coverage for issuance or renewal of a driver's license.

Read first time under Rule 28 and referred to committee on **Transportation**.

**Senate File 302**, by Kreiman, a bill for an act requiring the department of human services to report annually concerning the costs and benefits of various contracted services under the medical assistance program.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 303**, by Kreiman, a bill for an act relating to the contents of certain child abuse assessment reports.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 304**, by Kreiman, a bill for an act relating to the delivery of curriculum via the internet by instructional personnel employed by an accredited postsecondary educational institution under a contract with a school district.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 305**, by Dvorsky, a bill for an act relating to the apportionment or transfer of a judgeship among judicial election districts.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 306**, by Hatch, a bill for an act relating to the construction, location, and accessibility of storm shelters at manufactured home communities and mobile home parks.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 307**, by Beall and Kreiman, a bill for an act relating to telecommunication services, including creating restrictions for telephone solicitors and the use of telemarketing equipment, establishing registration for persons choosing not to receive certain telephone solicitations, establishing a private cause of action, requiring consumer notification of rights, providing for the establishment of fees, and providing penalties.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 308**, by Kreiman, a bill for an act relating to delegation of the duties of an engineer for certain public improvements by cities and counties.

Read first time under Rule 28 and referred to committee on **Local Government**.

**Senate File 309**, by Kreiman, a bill for an act relating to non-English-speaking employees and their rights and remedies and creating the position of meatpacking worker rights coordinator.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations**.

**Senate File 310**, by Bolkcom, a bill for an act relating to the limitations in the use of moneys in the senior living trust fund and providing an effective date and providing for retroactive applicability.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 311**, by Bolkcom, Dvorsky, Quirnbach, Dearden, Holveck, Hatch, Connolly, Horn, Kibbie, and Fraise, a bill for an act providing for the restoration of the right to vote for certain persons.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 312**, by Warnstadt, a bill for an act implementing the federal Indian Child Welfare Act and providing an effective date.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 313**, by committee on Business and Labor Relations, a bill for an act concerning public employee collective bargaining.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 314**, by committee on Education, a bill for an act relating to the establishment of a school infrastructure financing

program by providing for a local option school infrastructure sales tax and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 315**, by committee on Transportation, a bill for an act relating to enforcement of motor vehicle law provisions and making penalties applicable.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 316**, by committee on Education, a bill for an act relating to the conduct and licensure of school employees by creating a criminal offense of sexual exploitation by a school employee, providing a penalty, authorizing the board of educational examiners to perform record checks at the applicant's expense, and requiring school districts and schools to report practitioner misconduct under certain circumstances.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 317**, by committee on Judiciary, a bill for an act relating to fraudulent use of a credit card, scanning device, or reencoder, and providing a penalty.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 318**, by committee on State Government, a bill for an act relating to the establishment of a bona fide retirement under the Iowa public employees' retirement system.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 319**, by committee on State Government, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing

body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, and including effective and applicability date provisions.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 320**, by Warnstadt, Courtney, Kreiman, Holveck, Dearden, Fraise, Seng, Quirnbach, Stewart, Dotzler, Ragan, Black, Kibbie, Gronstal, Connolly, Beall, Bolkcom, Horn, and Dvorsky, a bill for an act relating to group health coverage for members of the national guard or organized reserves of the armed forces of the United States.

Read first time under Rule 28 and referred to committee on **Commerce.**

**Senate File 321**, by Tinsman and Ragan, a bill for an act requiring additional services to be included under the medical assistance program home and community-based services waiver for persons with mental retardation.

Read first time under Rule 28 and referred to committee on **Human Resources.**

**Senate File 322**, by Houser, a bill for an act relating to providing financing to agricultural processors, providing for bonding authority, and providing an appropriation.

Read first time under Rule 28 and referred to committee on **Agriculture.**

**Senate File 323**, by Beall, Warnstadt, Ragan, Bolkcom, Black, Kibbie, Horn, Connolly, Dvorsky, Hatch, Fraise, Dotzler, Courtney, Quirnbach, Kreiman, Stewart, Holveck, Gronstal, Seng, and Dearden, a bill for an act relating to the termination of a lease or rental agreement for a premises used as a dwelling by an Iowa national guard service member during state military service.

Read first time under Rule 28 and referred to committee on **Commerce.**

## STUDY BILLS RECEIVED

**SSB 1146      Judiciary**

Relating to landlords, tenants and actions for forcible entry or detention.

**SSB 1147      Commerce**

Relating to the marketing of motor vehicle fuel and making penalties applicable.

**SSB 1148      Commerce**

Relating to security interests in farm products, providing for fees and their expenditures, and provisions for the Act's applicability.

**SSB 1149      Human Resources**

Providing for premarital and marital mediation agreements.

**SSB 1150      Economic Growth**

Relating to animal biotechnology by creating an animal biotechnology commercialization fund, extending the time period during which a life science enterprise may purchase agricultural land, making appropriations, and providing an effective date.

**SSB 1151      Natural Resources and Environment**

Authorizing the natural resource commission to issue park user permits and collect fees for the use of state lands under its jurisdiction providing for writing fees, making an appropriations, providing civil and criminal penalties, and providing an effective date.

**SSB 1152      Commerce**

Relating to property insurance, including establishment of a mandatory plan to assure fair access to insurance requirements, and providing for an effective date and retroactive applicability.

**SUBCOMMITTEE ASSIGNMENTS****Senate File 280**

HUMAN RESOURCES: Veenstra, Chair; Horn and Seymour

**Senate File 282**

TRANSPORTATION: Rehberg, Chair; Fraise and Zieman

**Senate File 283**

ECONOMIC GROWTH: McKinley, Chair; Hatch and Veenstra

**Senate File 285**

ECONOMIC GROWTH: Shull, Chair; Boettger and Dotzler

**Senate File 286**

ECONOMIC GROWTH: Shull, Chair; Dotzler and Larson

**Senate File 287**

ECONOMIC GROWTH: Shull, Chair; Dotzler and McKinley

**Senate File 290**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 292**

HUMAN RESOURCES: Tinsman, Chair; Hatch and Schuerer

**Senate File 294**

STATE GOVERNMENT: Sievers, Chair; Ragan and Tinsman

**Senate File 295**

ECONOMIC GROWTH: Shull, Chair; Dotzler and Seymour

**Senate File 299**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 307**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**House File 319**

COMMERCE: Behn, Chair; Sievers and Warnstadt

**SSB 1146**

JUDICIARY: Redfern, Chair; Larson and McCoy

**SSB 1147**

COMMERCE: Larson, Chair; Behn and Warnstadt

**SSB 1148**

COMMERCE: Behn, Chair; Sievers and Stewart

**SSB 1149**

HUMAN RESOURCES: Veenstra, Chair; Boettger and Ragan

**SSB 1150**

ECONOMIC GROWTH: Veenstra, Chair; Hatch and Putney

**SSB 1151**

NATURAL RESOURCES AND ENVIRONMENT: Houser, Chair; Johnson and Seng

**SSB 1152**

COMMERCE: Wieck, Chair; Angelo and McCoy

**COMMITTEE REPORTS**

**BUSINESS AND LABOR RELATIONS**

**Final Bill Action:** SENATE FILE 313 (SSB 1118), a bill for an act concerning public employee collective bargaining.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 6: Schuerer, Johnson, Kettering, McKibben, Seymour, and Wieck. Nays, 5: Lundby, Dearden, Courtney, Dotzler, and Horn. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**EDUCATION**

**Final Bill Action:** \*SENATE FILE 314 (SSB 1093), a bill for an act relating to the establishment of a school infrastructure financing program by providing for a local option school infrastructure sales tax and providing for the use of the revenues from

the local option tax for school infrastructure or property tax relief purposes and including an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Hosch, Kreiman, and Rehberg. Nays, 5: Dvorsky, Holveck, Larson, Quirmbach, and Redfern. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Education Committee on Senate File 314, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 316 (formerly SF 169), a bill for an act relating to the conduct and licensure of school employees by creating a criminal offense of sexual exploitation by a school employee, providing a penalty, authorizing the board of educational examiners to perform record checks at the applicant's expense, and requiring school districts and schools to report practitioner misconduct under certain circumstances.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, Redfern, and Rehberg. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Education Committee on Senate File 316, and they were attached to the committee report.

## JUDICIARY

**Final Bill Action:** \*SENATE FILE 317 (SSB 1050), a bill for an act relating to fraudulent use of a credit card, scanning device, or reencoder, and providing a penalty.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Quirmbach. Nays, none. Absent, 1: Tinsman.

**Fiscal Note:** REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 317, and they were attached to the committee report.

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 8, a concurrent resolution supporting the completion of U.S. Highway 20 across northern Iowa and requesting federal assistance.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Sievers. Nays, none. Absent, 1: Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 20, a resolution honoring the City of Clarinda on its sesquicentennial year.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Sievers. Nays, none. Absent, 1: Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE CONCURRENT RESOLUTION 6, a concurrent resolution relating to the federal Medicare program and requesting assistance from the federal government.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Sievers. Nays, none. Absent, 1: Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**STATE GOVERNMENT**

**Final Bill Action:** HOUSE JOINT RESOLUTION 3, a joint resolution proposing an amendment to the Constitution of the State of Iowa relating to the qualification of electors.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, and Veenstra. Nays, none. Absent, 2: Lamberti and Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 196, a bill for an act relating to rotation of judges' names on the ballots in certain counties.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, and Veenstra. Nays, none. Absent, 1: Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 318 (SSB 1114), a bill for an act relating to the establishment of a bona fide retirement under the Iowa public employees' retirement system.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, and Veenstra. Nays, none. Absent, 2: Lamberti and Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 319 (SSB 1104), a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, and including effective and applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, and Veenstra. Nays, none. Absent, 2: Lamberti and Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**TRANSPORTATION**

**Final Bill Action:** \*SENATE FILE 315 (SSB 1041), a bill for an act relating to enforcement of motor vehicle law provisions and making penalties applicable.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Drake, Putney, McCoy, Beall, Dearden, Houser, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, 2: Fraise and Johnson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Transportation Committee on Senate File 315, and they were attached to the committee report.

### GOVERNOR'S APPOINTEE PLACED ON EN BLOC CALENDAR

The following appointee, assigned to standing committee for investigation, was placed on the En Bloc Calendar with recommendation for confirmation:

#### HUMAN RESOURCES

Ruth White – Director of the Department of Human Rights

### GOVERNOR'S APPOINTEE PLACED ON INDIVIDUAL CONFIRMATION CALENDAR

The following appointee, assigned to standing committee for investigation, was placed on the Individual Confirmation Calendar with recommendation for confirmation:

#### ECONOMIC GROWTH

Michael Blouin – Director of the Department of Economic Development

# JOURNAL OF THE SENATE

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FIFTY-SEVENTH CALENDAR DAY  
THIRTY-THIRD SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, March 10, 2003

The Senate met in regular session at 1:07 p.m., President Kramer presiding.

Prayer was offered by the Reverend Gene Koth, retired minister of Walnut Hills Methodist Church in Urbandale, Iowa. He was the guest of Senator Kramer.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Page Kristy Palmer.

The Journal of Thursday, March 6, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 6, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 127**, a bill for an act establishing a special breast cancer awareness motor vehicle registration plate and appropriating fees from such plates for breast cancer screening.

ALSO: That the House has on March 6, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 387**, a bill for an act relating to mental health and developmental disabilities by revising life safety requirements for intermediate care facilities for persons with mental retardation,

expanding an exemption to health care licensing requirements for certain residential programs that receive funding under a medical assistance home and community-based services waiver and approval from the department of human services, and revising membership requirements for the mental health and developmental disabilities commission, and providing an effective date.

Read first time and referred to committee on **Human Resources**.

#### SPECIAL GUESTS

Senator Larson introduced to the Senate chamber Bill and Ramona Lee. Mr. Lee is an artist from Ames displaying his watercolors in the rotunda.

The Senate rose and expressed its welcome.

The Chair welcomed to the Senate chamber the Honorable William “Bill” Fink, former member of the Senate from Warren County.

The Senate rose and expressed its welcome.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 1:35 p.m. until 8:30 a.m. Tuesday, March 11, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

March 10, 2003

#### STATE APPEAL BOARD

Report of claims against the State of Iowa during February and March 2003.

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Richard and Betty Thompson, Clarion — For celebrating your 50th wedding anniversary. Senator Iverson (3/10/03).

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** March 6, 2003, 3:15 p.m.

**Members Present:** Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** Tinsman, Chair; and Johnson, Vice Chair (both excused).

**Committee Business:** Presentations by Department of Public Health, University of Iowa, and Commission of Veterans Affairs.

**Adjourned:** 5:15 p.m.

#### AGRICULTURE

**Convened:** March 10, 2003, 4:05 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Gaskill, Houser, Johnson, Kibbie, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** Courtney and Putney (both excused).

**Committee Business:** Approved SSB 1144.

**Adjourned:** 4:25 p.m.

#### LOCAL GOVERNMENT

**Convened:** March 10, 2003, 1:40 p.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirmbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** None.

**Committee Business:** Passed SF 39 and approved SSB 1090.

**Adjourned:** 2:05 p.m.

#### STATE GOVERNMENT

**Convened:** March 10, 2003, 1:45 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed SF 189 and approved SSB 1113.

**Adjourned:** 2:40 p.m.

### INTRODUCTION OF RESOLUTION

**Senate Resolution 21**, by Bolkcom, a resolution requesting the Legislative Council to authorize a legislative interim study of debt collection practices provisions of the Iowa Consumer Credit Code.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

### INTRODUCTION OF BILLS

**Senate File 324**, by Hosch, Drake, and Kibbie, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and increasing the admission fee for racing and gaming establishments for purposes of the veterans trust fund.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 325**, by Dotzler, a bill for an act legalizing the sale and use of fireworks, providing for exceptions and limitations on sales and use, and providing penalties.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 326**, by Dotzler, a bill for an act providing for a food establishment reinspection fee and making a penalty applicable.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 327**, by committee on State Government, a bill for an act providing for gambling on excursion boats and at racetracks, by eliminating the cruise requirement for gambling boats, providing for gambling games at racetrack enclosures and for off-boat facilities, providing for the issuance of additional excursion boat gambling licenses, and relating to the tax on the adjusted gross receipts from gambling games.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 328**, by Bolkcom, Dvorsky, Horn, Kibbie, Fraise, Stewart, Lundby, Seymour, Ziemann, Houser, Hatch, and Dotzler, a bill for an act relating to liability of free health clinics participating in the volunteer health care provider program.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate File 329**, by Dotzler, a bill for an act relating to the licensure of persons owning or operating pet cemeteries and pet crematoriums, establishing standards and fees, making an appropriation, and providing for criminal penalties.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 330**, by Courtney, a bill for an act relating to courthouse security, and providing for a fee.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 331**, by Dvorsky, a bill for an act relating to the applicability of an intermediate criminal sanctions program for persons on parole or work release.

Read first time under Rule 28 and referred to committee on **Judiciary**.

### STUDY BILLS RECEIVED

#### **SSB 1153      Appropriations**

Relating to endow Iowa seed grants and endow Iowa tax credits and including effective and retroactive applicability dates.

#### **SSB 1154      Appropriations**

Relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources.

#### **SSB 1155      Business and Labor Relations**

Concerning regulatory and statutory requirements impacting business relating to liability reform, unemployment compensation benefits eligibility and employer contributions, workers' compensation, occupational safety and health administration training and compliance requirements, financial services and restrictions on property rights, environmental regulatory requirements, and public project contractor requirements.

#### **SSB 1156      Ways and Means**

Relating to the state sales and use tax exemption for the use of sorbents in processing.

**SUBCOMMITTEE ASSIGNMENTS****Senate File 260**

LOCAL GOVERNMENT: Houser, Chair; Seymour and Stewart

**Senate File 281**

LOCAL GOVERNMENT: Miller, Chair; Rehberg and Stewart

**Senate File 288**

AGRICULTURE: Houser, Chair; Johnson and Seng

**Senate File 301**

TRANSPORTATION: Drake, Chair; Fraise and Putney

**Senate File 302**

HUMAN RESOURCES: Boettger, Chair; Kreiman and Tinsman

**Senate File 303**

HUMAN RESOURCES: Kreiman, Chair; Tinsman and Veenstra

**Senate File 306**

LOCAL GOVERNMENT: Miller, Chair; Hatch and Wieck

**Senate File 308**

LOCAL GOVERNMENT: Miller, Chair; Hosch and Kreiman

**Senate File 310**

HUMAN RESOURCES: Veenstra, Chair; Boettger and Holveck

**Senate File 312**

HUMAN RESOURCES: Veenstra, Chair; Horn and Schuerer

**Senate File 321**

HUMAN RESOURCES: Tinsman, Chair; Kreiman and Ragan

**Senate File 328**

HUMAN RESOURCES: Seymour, Chair; Horn and Veenstra

**House File 387**

HUMAN RESOURCES: Tinsman, Chair; Holveck and Hosch

**SSB 1153**

APPROPRIATIONS: Kramer, Chair; Dvorsky and Lamberti

**SSB 1154**

APPROPRIATIONS: Gaskill, Chair; Black and Lamberti

**SSB 1155**

BUSINESS AND LABOR RELATIONS: Wieck, Chair; Horn and Schuerer

**SSB 1156**

WAYS AND MEANS: Shull, Chair; Dotzler and McKibben

**COMMITTEE REPORT****STATE GOVERNMENT**

**Final Bill Action:** \*SENATE FILE 327 (formerly SF 199), a bill for an act providing for gambling on excursion boats and at racetracks, by eliminating the cruise requirement for gambling boats, providing for gambling games at racetrack enclosures and for off-boat facilities, providing for the issuance of additional excursion boat gambling licenses, and relating to the tax on the adjusted gross receipts from gambling games.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Lamberti, Ragan, and Shull. Nays, 4: Drake, Johnson, Schuerer, and Veenstra. Absent, 1: Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the State Government Committee on Senate File 327, and they were attached to the committee report.

**BILL ENROLLED, SIGNED, AND SENT TO GOVERNOR**

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bill has been enrolled, signed by the President of the Senate and the Speaker

of the House, and presented to the Governor for his approval on this 10th day of March, 2003:

Senate File 127.

MICHAEL E. MARSHALL  
Secretary of the Senate

#### AMENDMENTS FILED

S-3029	S.F.	63	Richard F. Drake
S-3030	S.F.	270	Thomas G. Courtney

# JOURNAL OF THE SENATE

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FIFTY-EIGHTH CALENDAR DAY  
THIRTY-FOURTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, March 11, 2003

The Senate met in regular session at 8:33 a.m., President Kramer presiding.

Prayer was offered by the Reverend Jim W. Morris, pastor of the United Methodist Church in Emmetsburg, Iowa. He was the guest of Senator Kibbie.

The Journal of Monday, March 10, 2003, was approved.

## SPECIAL GUEST

Senator Iverson welcomed to the Senate chamber the Honorable John Redwine, former member of the Senate from Plymouth County.

The Senate rose and expressed its welcome.

## BILLS REFERRED TO COMMITTEES

Senator Iverson asked and received unanimous consent that **Senate File 333** be referred from the Regular Calendar to the committee on **Appropriations** and that **Senate File 314** be referred from the Regular Calendar to the committee on **Ways and Means**.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 9:00 a.m. until 8:30 a.m. Wednesday, March 12, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Maria Abens, Manson — For celebrating your 99th birthday on February 9, 2003. Senator Beall (3/11/03).

Mark Augspurger, Norwalk Schools — For being selected as having Exemplary Entries Using Technology in the Statewide Showcase on Educational Technology Projects. Senator Shull (3/11/03).

Charles City High School Speech and Drama Team, Charles City — For winning the Critics Choice Award at the 2003 All-State Speech Festival. Senator Ragan (3/11/03).

Dan and Arlene Huhn, Nevada — For celebrating your 50th wedding anniversary. Senator Iverson (3/11/03).

Sandi Lathrum, Norwalk Schools — For being selected as having Exemplary Entries Using Technology in the Statewide Showcase on Educational Technology Projects. Senator Shull (3/11/03).

Ella Lembke, Rockwell — For celebrating your 90th birthday on March 15, 2003. Senator Ragan (3/11/03).

Jeremy Leusink, Norwalk Schools — For being selected as having Exemplary Entries Using Technology in the Statewide Showcase on Educational Technology Projects. Senator Shull (3/11/03).

Howard and Velda Mallow, Webster City — For celebrating your 72nd wedding anniversary. Senator Iverson (3/11/03).

Tabitha Pauly, Carter Lake — For being awarded Second Place Best Essay on Women in Science and Engineering for eighth and ninth grades in the "Write Women Back Into History" contest. Senator Gronstal (3/11/03).

### REPORTS OF COMMITTEE MEETINGS

#### COMMERCE

**Convened:** March 10, 2003, 3:05 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** Gronstal and Larson (both excused).

**Committee Business:** Approved SSB 1109 (as amended).

**Adjourned:** 3:10 p.m.

## **BUSINESS AND LABOR RELATIONS**

**Convened:** March 11, 2003, 10:30 a.m.

**Members Present:** Schuerer, Chair; Lundby, Vice Chair; Dearden, Ranking Member; Courtney, Dotzler, Horn, Johnson, Kettering, McKibben, Seymour, and Wieck.

**Members Absent:** None.

**Committee Business:** Approved SSB 1155.

**Adjourned:** 11:20 a.m.

## **COMMERCE**

**Convened:** March 11, 2003, 2:50 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Passed SF 242 and approved SSB 1124 (as amended).

**Adjourned:** 3:10 p.m.

## **NATURAL RESOURCES AND ENVIRONMENT**

**Convened:** March 11, 2003, 9:10 a.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed SF 187 and approved SSBs 1035 and 1125.

**Adjourned:** 9:40 a.m.

## **INTRODUCTION OF RESOLUTIONS**

**Senate Joint Resolution 3**, by Lundby, a joint resolution proposing an amendment to the Constitution of the State of Iowa to

ensure that the moneys in the senior living trust fund are expended only for the purposes specified for the trust fund.

Read first time under Rule 28 and referred to committee on **Human Resources**.

**Senate Joint Resolution 4**, by Kramer, a joint resolution proposing redesign of the Medicaid system.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Concurrent Resolution 9**, by Ragan and Kramer, a concurrent resolution designating March 2003 as Iowa Women's History Month.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

#### INTRODUCTION OF BILLS

**Senate File 332**, by committee on State Government, a bill for an act relating to the number of votes required to be received in the primary election to be a political party nominee on the general election ballot.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 333**, by committee on State Government, a bill for an act relating to fire fighter preparedness by creating a fire fighter preparedness fund, by allocating a certain portion of insurance premiums tax to the fire fighter preparedness fund, and making an appropriation and providing a retroactive applicability date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 334**, by committee on Local Government, a bill for an act providing for exceptions to municipal tort liability for claims arising from bicycling on public property.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 335**, by Houser, a bill for an act relating to a countywide hotel and motel tax by providing for the imposition of the tax and the use of the revenues from the tax.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

**Senate File 336**, by Hatch, a bill for an act relating to agreements for financial assistance and administrative rules under the vision Iowa program.

Read first time under Rule 28 and referred to committee on **Economic Growth**.

**Senate File 337**, by Johnson, a bill for an act relating to the authority of a local governmental entity to regulate the application, use, sale, and distribution of fertilizers and soil conditioners.

Read first time under Rule 28 and referred to committee on **Agriculture**.

**Senate File 338**, by Behn, Lamberti, Rehberg, Brunkhorst, Houser, Hosch, McKibben, Sievers, Gaskill, Putney, McKinley, Seymour, Schuerer, Angelo, and Kettering, a bill for an act applying the death penalty or life imprisonment for the offense of first degree murder, by establishing circumstances under which the death penalty will be applied, by providing a minimum age for imposition of a death sentence, by providing for review of death sentences, by providing for execution by lethal injection, by amending the rules of criminal procedure, and by providing an effective date and for the Act's applicability.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 339**, by Kibbie, Fraise, Stewart, Seng, and Connolly, a bill for an act relating to agricultural contracts and providing penalties.

Read first time under Rule 28 and referred to committee on **Agriculture**.

**Senate File 340**, by committee on Commerce, a bill for an act relating to business entities, based on revisions related to the Iowa business corporation Act, including addition of a savings clause and addition of provisions related to director and officer liability, duty, and indemnification for certain insurance companies and indemnification for cooperative associations.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 341**, by committee on Agriculture, a bill for an act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 342**, by committee on Natural Resources and Environment, a bill for an act relating to the sale of wine produced by native wineries in this state.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 343**, by committee on Natural Resources and Environment, a bill for an act relating to operation permits for public disposal systems and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 344**, by committee on Business and Labor Relations, a bill for an act concerning regulatory and statutory requirements impacting business relating to liability reform, unemployment compensation benefits eligibility and employer contributions, workers' compensation, occupational safety and health administration training and compliance requirements, financial services and restrictions on property rights, environmental regulatory requirements, and public project contractor requirements.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 345**, by Hosch, a bill for an act relating to the sale of nursery stock by state nurseries.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations**.

**Senate File 346**, by Putney, a bill for an act relating to repeat operating a motor vehicle while intoxicated violations and providing penalties.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 347**, by Seng, a bill for an act creating a criminal offense for allowing a dog to run at large after the dog caused physical injury and providing a penalty.

Read first time under Rule 28 and referred to committee on **Judiciary**.

**Senate File 348**, by committee on Natural Resources and Environment, a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates.

Read first time under Rule 28 and **placed on calendar**.

#### STUDY BILLS RECEIVED

#### **SSB 1157      Human Resources**

Relating to child care requirements involving prohibitions against involvement with child care, record checks and evaluations performed by the department of human services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable.

#### **SSB 1158      Judiciary**

Relating to certain agricultural liens.

**SSB 1159      Judiciary**

Relating to detaining or the placement of criminal defendants who are mentally incompetent or dangerous and providing for a study.

**SSB 1160      Natural Resources and Environment**

Relating to E-85 ethanol.

**SUBCOMMITTEE ASSIGNMENTS**

**Senate File 40**  
(Reassignment)

NATURAL RESOURCES AND ENVIRONMENT: Brunkhorst, Chair; Dearden, Houser, Kibbie, and Miller

**Senate File 237**

WAYS AND MEANS: Bolkcom, Chair; Miller and Sievers

**Senate File 268**

WAYS AND MEANS: Seng, Chair; Angelo and Rehberg

**Senate File 279**

WAYS AND MEANS: Miller, Chair; Rehberg and Stewart

**Senate File 284**

WAYS AND MEANS: Larson, Chair; McCoy and Sievers

**Senate File 291**

WAYS AND MEANS: Hosch, Chair; Sievers and Stewart

**Senate File 300**

NATURAL RESOURCES AND ENVIRONMENT: Zieman, Chair; Black and Wieck

**Senate File 311**

STATE GOVERNMENT: Schuerer, Chair; Dearden and Sievers

**Senate File 314**

WAYS AND MEANS: Angelo, Chair; Connolly and Sievers

**Senate File 322**

AGRICULTURE: Houser, Chair; Kibbie and Putney

**Senate File 324**

STATE GOVERNMENT: Drake, Chair; Johnson and Kibbie

**Senate File 325**

STATE GOVERNMENT: Sievers, Chair; Black and Tinsman

**Senate File 326**

WAYS AND MEANS: Hosch, Chair; Bolkcom and Lamberti

**Senate File 333**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

**Senate File 335**

WAYS AND MEANS: McKinley, Chair; Lamberti and Quirmbach

**Senate File 346**

JUDICIARY: Putney, Chair; McCoy and McKibben

**House File 304**

WAYS AND MEANS: Sievers, Chair; Angelo and Dotzler

**SSB 1157**

HUMAN RESOURCES: Tinsman, Chair; Ragan and Veenstra

**SSB 1158**

JUDICIARY: Miller, Chair; Kreiman and McKibben

**SSB 1159**

JUDICIARY: Larson, Chair; Holveck and Lamberti

**SSB 1160**

NATURAL RESOURCES AND ENVIRONMENT: Houser, Chair; Johnson and Kibbie

## COMMITTEE REPORTS

### AGRICULTURE

**Final Bill Action:** SENATE FILE 341 (SSB 1144), a bill for an act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Behn, Hosch, Fraise, Angelo, Black, Gaskill, Houser, Johnson, Kibbie, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, 2: Courtney and Putney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### BUSINESS AND LABOR RELATIONS

**Final Bill Action:** SENATE FILE 344 (SSB 1155), a bill for an act concerning regulatory and statutory requirements impacting business relating to liability reform, unemployment compensation benefits eligibility and employer contributions, workers' compensation, occupational safety and health administration training and compliance requirements, financial services and restrictions on property rights, environmental regulatory requirements, and public project contractor requirements.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 6: Schuerer, Johnson, Kettering, McKibben, Seymour, and Wieck. Nays, 5: Lundby, Dearden, Courtney, Dotzler, and Horn. Absent: none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### COMMERCE

**Final Bill Action:** SENATE FILE 242, a bill for an act relating to the imposition of a revenue nondistribution tax on certain credit unions and including an applicability date provision.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 8: Angelo, Wieck, Behn, Kettering, McCoy, Schuerer, Sievers, and Stewart. Nays, 7: Warnstadt, Beall, Bolkcom, Brunkhorst, Gronstal, Larson, and Redfern. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 340 (SSB 1109), a bill for an act relating to business entities, based on revisions related to the Iowa business corporation Act, including addition of a savings clause and addition of provisions related to director and officer liability, duty, and indemnification for certain insurance companies and indemnification for cooperative associations.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkom, Brunkhorst, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: Gronstal and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Commerce Committee on Senate File 340, and they were attached to the committee report.

**LOCAL GOVERNMENT**

**Final Bill Action:** SENATE FILE 39, a bill for an act relating to property tax assessments of subdivided property and providing an applicability date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3031.

**Final Vote:** Ayes, 13: Gaskill, Miller, Quirmbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 334 (SSB 1090), a bill for an act providing for exceptions to municipal tort liability for claims arising from bicycling on public property.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Gaskill, Miller, Quirmbach, Angelo, Hatch, Hosch, Houser, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, 1: Kreiman. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**NATURAL RESOURCES AND ENVIRONMENT**

**Final Bill Action:** SENATE FILE 342 (SSB 1125), a bill for an act relating to the sale of wine produced by native wineries in this state.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Houser, Johnson, Seng, Black, Bolcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 343 (formerly SF 187), a bill for an act relating to operation permits for public disposal systems and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Houser, Johnson, Seng, Black, Brunkhorst, Drake, Kettering, Kibbie, Lundby, Miller, Wieck, and Zieman. Nays, 3: Bolcom, Dearden, and Holveck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 348 (SSB 1035), a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Houser, Johnson, Seng, Black, Bolcom, Brunkhorst, Dearden, Drake, Kettering, Kibbie, Lundby, Miller, Wieck, and Zieman. Nays, 1: Holveck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Natural Resources and Environment Committee on Senate File 348, and they were attached to the committee report.

## STATE GOVERNMENT

**Final Bill Action:** SENATE FILE 332 (SSB 1113), a bill for an act relating to the number of votes required to be received in the primary election to be a political party nominee on the general election ballot.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 8: Zieman, Sievers, Johnson, Lamberti, Schuerer, Shull, Tinsman, and Veenstra. Nays, 7: Kibbie, Black, Connolly, Courtney, Dearden, Drake, and Ragan. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 333 (formerly SF 189), a bill for an act relating to fire fighter preparedness by creating a fire fighter preparedness fund, by allocating a certain portion of insurance premiums tax to the fire fighter preparedness fund, and making an appropriation and providing a retroactive applicability date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Shull, Tinsman, and Veenstra. Nays, none. Absent, 1: Schuerer.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

AMENDMENTS FILED

S-3031	S.F.	39	Local Government
S-3032	S.F.	230	Herman C. Quirnbach

# JOURNAL OF THE SENATE

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FIFTY-NINTH CALENDAR DAY  
THIRTY-FIFTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, March 12, 2003

The Senate met in regular session at 8:30 a.m., President Pro Tempore Angelo presiding.

Prayer was offered in song by the Show Hawks from Hartley-Melvin-Sanborn High School in Hartley, Iowa. They performed “The Star Spangled Banner” and were guests of Senator Johnson.

The Journal of Tuesday, March 11, 2003, was approved.

## SPECIAL GUESTS

Senator Kibbie introduced the Honorable Denis A. O’Donovan and his daughter Naomi. Mr. O’Donovan is a Fianna Fail Deputy from Bantry County, Cork, Ireland. In 2002, Mr. O’Donovan was elected to the 29th Dail Eireann (Irish House). Elected to the Seanad Eireann (Irish Senate) in 1997, he was appointed as Spokesperson on Justice, Equality, and Law Reform. His memberships include Chairperson of Failte Beantraí in the mid 1980s, Chairperson of Cork County Council in 1989, and member of the All Party Oireachtas Committee on the Constitution and All Party Committee on Women’s Rights.

Mr. O’Donovan addressed the Senate with brief remarks.

Senator Boettger presented Mr. O’Donovan gifts on behalf of the Iowa Senate.

The Senate rose and expressed its welcome.

### SPECIAL GUESTS

Senator Kibbie introduced 2003 Miss Shamrock Laura Fog. She was accompanied by Chairman of the St. Patrick's Association Mickey Conlon, Andy and Kim Joyce, and Stacey Gappa from Emmetsburg.

### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 8:55 a.m. until 8:30 a.m. Thursday, March 13, 2003.

## APPENDIX

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Ralph Rosenberg, Ames — For being appointed as Interim Director of Heartland Senior Services and for outstanding service to the old and young of Story County. Senator Quirnbach (3/12/03).

### PETITION

The following petition was presented and placed on file:

From 1,534 residents of Johnson County and surrounding areas opposing additional taxation of credit unions. Senator Dvorsky.

### REPORTS OF COMMITTEE MEETINGS

#### HUMAN RESOURCES

**Convened:** March 11, 2003, 1:10 p.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** Boettger (excused).

**Committee Business:** Passed SFs 59 (as amended), 303, and 312 (as amended). Approved SSBs 1103 (as amended) and 1157.

**Adjourned:** 2:40 p.m.

#### JUDICIARY

**Convened:** March 11, 2003, 4:05 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** None.

**Committee Business:** Passed SF 218. Approved SSBs 1024, 1077 (as amended), 1097 (as amended), 1128 (as amended), and 1137 (as amended).

**Adjourned:** 5:40 p.m.

**ECONOMIC GROWTH**

**Convened:** March 12, 2003, 2:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** None.

**Committee Business:** Approved SSB 1150.

**Adjourned:** 2:35 p.m.

**JUDICIARY**

**Convened:** March 12, 2003, 10:45 a.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** None.

**Committee Business:** Passed SFs 219 and 220. Approved SSBs 1029 (as amended), 1099, 1106 (as amended), 1138 (as amended), 1146, and 1158.

**Adjourned:** 12:50 p.m.

**LOCAL GOVERNMENT**

**Convened:** March 12, 2003, 9:00 a.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirnbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** None.

**Committee Business:** Passed SFs 66 (as amended), 197, 209, and 247. Approved SSBs 1017 (as amended) and 1126.

**Recessed:** 9:50 a.m.

**Reconvened:** 10:00 a.m.

**Adjourned:** 10:25 a.m.

**NATURAL RESOURCES AND ENVIRONMENT**

**Convened:** March 12, 2003, 2:05 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed SFs 40 (as amended) and 300. Approved SSBs 1031 (as amended), 1160, and 1164 (as amended).

**Adjourned:** 3:20 p.m.

## RULES AND ADMINISTRATION

**Convened:** March 12, 2003, 1:35 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Passed SJR 4 and SCR 9. Approved SSB 1131.

**Adjourned:** 1:50 p.m.

## WAYS AND MEANS

**Convened:** March 12, 2003, 1:05 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Larson, McKinley, Miller, Quirnbach, Rehberg, Seng, and Stewart.

**Members Absent:** Lamberti, McCoy, and Sievers (all excused).

**Committee Business:** Overview of SSB 1168.

**Adjourned:** 1:15 p.m.

## INTRODUCTION OF BILLS

**Senate File 349**, by Bolkcom, a bill for an act establishing a local food distribution program and fund at the Leopold center for sustainable agriculture at Iowa state university of science and technology.

Read first time under Rule 28 and referred to committee on **Education**.

**Senate File 350**, by committee on Commerce, a bill for an act relating to a premium tax offset for the Iowa individual health reinsurance association, and phasing-in a standing appropriation for replacement of the individual health reinsurance association assessments upon political subdivisions and school corporations.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 351**, by committee on Human Resources, a bill for an act relating to child care requirements involving prohibitions against involvement with child care, record checks and evaluations performed by the department of human services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 352**, by committee on Judiciary, a bill for an act relating to the training of an individual who intends to become certified as a law enforcement officer.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 353**, by committee on Human Resources, a bill for an act requiring establishment of county child protection assistance teams.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 354**, by committee on Human Resources, a bill for an act implementing the federal Indian Child Welfare Act.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 355**, by committee on Human Resources, a bill for an act relating to the authorization of podiatrists to administer anesthesia.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 356**, by committee on Local Government, a bill for an act relating to autopsies by restricting the performance of an autopsy for certain deaths unless the county medical examiner determines the public interest is affected and providing for financial responsibility for certain autopsies requested by a private individual.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 357**, by committee on Local Government, a bill for an act relating to election or appointment of trustees of a city hospital or health care facility.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 358**, by committee on State Government, a bill for an act transferring responsibility for establishing the state plumbing code from the Iowa department of public health to the state building code commissioner and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 359**, by committee on Judiciary, a bill for an act relating to landlords, tenants, and actions for forcible entry or detention.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 360**, by committee on Judiciary, a bill for an act relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 361**, by committee on Judiciary, a bill for an act relating to emergency procedures for the temporary detention and treatment of persons who are incapacitated or impaired due to substance abuse or mental health problems.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 362**, by committee on Judiciary, a bill for an act relating to tribal law enforcement officer training at the Iowa law enforcement academy.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 363**, by committee on Local Government, a bill for an act allowing elimination of local assessor examining boards.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 364**, by committee on State Government, a bill for an act changing the bid requirements for construction of certain public improvements.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 365**, by committee on Rules and Administration, a bill for an act relating to legislative branch consolidation of functions by combining the legislative service bureau, legislative fiscal bureau, and legislative computer support bureau into a single central legislative staff agency, providing for legislative publications procedures, modifying the sales tax exemption for items sold or services provided by the new agency, including related matters, and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 366**, by committee on Judiciary, a bill for an act relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 367**, by committee on Economic Growth, a bill for an act relating to animal biotechnology by creating an animal biotechnology commercialization fund, extending the time period during which a life science enterprise may purchase agricultural land, making appropriations, and providing an effective date.

Read first time under Rule 28 and **placed on calendar.**

### STUDY BILLS RECEIVED

#### **SSB 1161      Commerce**

Relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date.

#### **SSB 1162      Judiciary**

Relating to the commitment of a sexually violent predator.

#### **SSB 1163      Agriculture**

Relating to assistance services provided to the department of agriculture and land stewardship, including for the filing of documents and the payment of fees and civil penalties, and the authorization to assess additional charges.

#### **SSB 1164      Natural Resources and Environment**

Relating to responsibilities of the state soil conservation committee.

#### **SSB 1165      Economic Growth**

Relating to commercial application of university technology and research.

#### **SSB 1166      Education**

Providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date.

**SSB 1167      Education**

Providing for a special education alternative reading instruction pilot project and including a contingent effectiveness clause and an effective date.

**SSB 1168      Ways and Means**

Relating to state and local taxes and budgets by imposing a single rate tax, phasing out the taxes on pensions and social security, eliminating the deduction for federal income taxes paid, and eliminating the alternative minimum tax under the individual income tax, by increasing the sales and use tax rate; by increasing the state cigarette tax rate; and by establishing an ending fund balances limitation for counties, defining terms related to the county budgeting process, providing for an ad valorem tax on mobile homes and manufactured homes, allowing counties to join in employment of a multicounty assessor, relating to property assessment guidelines and providing for state payment reductions, setting assessment limitations on residential and agricultural property and on commercial and industrial property as one taxation class, allowing for appeal of assessments of industrial property as one taxation class, allowing for appeal of assessments of industrial property to the director of revenue and finance, establishing a property tax limitation for cities and counties; and including effective and applicability date provisions.

**SSB 1169      Commerce**

Relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board.

**SSB 1170      Human Resources**

Relating to public health and safety programs and regulations under the authority of the department of public health.

**SSB 1171      Education**

Relating to a statewide program of educational assessment reporting for public school grades three through eleven.

**SSB 1172      Human Resources**

Relating to health care including reimbursement of health care facilities based on resident program eligibility.

**SUBCOMMITTEE ASSIGNMENTS****Senate Joint Resolution 3**

HUMAN RESOURCES: Veenstra, Chair; Holveck and Seymour

**Senate Joint Resolution 4**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Concurrent Resolution 9**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 254**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and Lundby

**Senate File 255**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and Lundby

**Senate File 293**

EDUCATION: Behn, Chair; Beall and Boettger

**Senate File 304**

EDUCATION: Kreiman, Chair; Boettger and Rehberg

**Senate File 309**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and Lundby

**Senate File 320**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 323**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 329**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**Senate File 336**

ECONOMIC GROWTH: McKinley, Chair; Hatch and Rehberg

**Senate File 337**

AGRICULTURE: Johnson, Chair; Houser and Ragan

**Senate File 339**

AGRICULTURE: Veenstra, Chair; Angelo and Black

**SSB 1161**

COMMERCE: Warnstadt, Chair; Angelo and Wieck

**SSB 1162**

JUDICIARY: Redfern, Chair; Kreiman and Larson

**SSB 1163**

AGRICULTURE: Angelo, Chair; Behn and Black

**SSB 1164**

NATURAL RESOURCES AND ENVIRONMENT: Kibbie, Chair; Houser and Johnson

**SSB 1165**

ECONOMIC GROWTH: McKinley, Chair; Hatch and Rehberg

**SSB 1166**

EDUCATION: Hosch, Chair; Boettger and Connolly

**SSB 1167**

EDUCATION: Brunkhorst, Chair; Kreiman and McKinley

**SSB 1168**

WAYS AND MEANS: McKibben, Chair; Connolly, Seng, Shull, and Sievers

**SSB 1169**

COMMERCE: Angelo, Chair; Brunkhorst, Gronstal, Warnstadt, and Wieck

**SSB 1170**

HUMAN RESOURCES: Veenstra, Chair; McKinley and Ragan

**SSB 1171**

EDUCATION: McKinley, Chair; Boettger and Holveck

**SSB 1172**

HUMAN RESOURCES: Veenstra, Chair; Hatch and Tinsman

**COMMITTEE REPORTS****COMMERCE**

**Final Bill Action:** \*SENATE FILE 350 (SSB 1124), a bill for an act relating to a premium tax offset for the Iowa individual health reinsurance association, and phasing-in a standing appropriation for replacement of the individual health reinsurance association assessments upon political subdivisions and school corporations.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Commerce Committee on Senate File 350, and they were attached to the committee report.

**ECONOMIC GROWTH**

**Final Bill Action:** \*SENATE FILE 367 (SSB 1150), a bill for an act relating to animal biotechnology by creating an animal biotechnology commercialization fund, extending the time period during which a life science enterprise may purchase agricultural land, making appropriations, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 8: Rehberg, Shull, Beall, Boettger, Larson, Putney, Seymour, and Veenstra. Nays, 4: Hatch, Dotzler, Ragan, and Stewart. Present, 1: McKinley. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Economic Growth Committee on Senate File 367, and they were attached to the committee report.

## **HUMAN RESOURCES**

**Final Bill Action:** SENATE FILE 303, a bill for an act relating to the contents of certain child abuse assessment reports.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Boettger.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### **ALSO:**

**Final Bill Action:** SENATE FILE 351 (SSB 1157), a bill for an act relating to child care requirements involving prohibitions against involvement with child care, record checks and evaluations performed by the department of human services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Boettger.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### **ALSO:**

**Final Bill Action:** \*SENATE FILE 353 (formerly SF 59), a bill for an act requiring establishment of county child protection assistance teams.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Boettger.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 353, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 354 (formerly SF 312), a bill for an act implementing the federal Indian Child Welfare Act.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Boettger.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 354, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 355 (SSB 1103), a bill for an act relating to the authorization of podiatrists to administer anesthesia.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: Veenstra, Ragan, Behn, Hatch, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, 2: Seymour and Holveck. Absent, 1: Boettger.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 355, and they were attached to the committee report.

**JUDICIARY**

**Final Bill Action:** SENATE FILE 352 (formerly SF 218), a bill for an act relating to the training of an individual who intends to become certified as a law enforcement officer.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Present, 1: Holveck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 359 (SSB 1146), a bill for an act relating to landlords, tenants, and actions for forcible entry or detention.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Redfern, Larson, Kreiman, Boettger, Fraise, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Tinsman. Nays, 1: Holveck. Present, 1: Quirnbach. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 360 (SSB 1097), a bill for an act relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 360, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** SENATE FILE 361 (SSB 1099), a bill for an act relating to emergency procedures for the temporary detention and treatment of persons who are incapacitated or impaired due to substance abuse or mental health problems.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 362 (formerly SF 219), a bill for an act relating to tribal law enforcement officer training at the Iowa law enforcement academy.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 366 (SSB 1106), a bill for an act relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 366, and they were attached to the committee report.

## LOCAL GOVERNMENT

**Final Bill Action:** SENATE FILE 356 (formerly SF 247), a bill for an act relating to autopsies by restricting the performance of an autopsy for certain deaths unless the county medical examiner determines the public interest is affected and providing for financial responsibility for certain autopsies requested by a private individual.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 7: Gaskill, Miller, Hosch, Houser, Rehberg, Seymour, and Wieck. Nays, 5: Quirnbach, Hatch, Kreiman, McCoy, and Stewart. Absent, 1: Angelo.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 357 (SSB 1126), a bill for an act relating to election or appointment of trustees of a city hospital or health care facility.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Gaskill, Miller, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 363 (formerly SF 66), a bill for an act allowing elimination of local assessor examining boards.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Gaskill, Miller, Quirmbach, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, 1: Angelo.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE JOINT RESOLUTION 4, a joint resolution proposing the redesign of the Medicaid system.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 9, a concurrent resolution designating March 2003 as Iowa Woman's History Month.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 365 (SSB 1131), a bill for an act relating to legislative branch consolidation of functions by combining the legislative service bureau, legislative fiscal bureau, and legislative computer support bureau into a single central legislative staff agency, providing for legislative publications procedures, modifying the sales tax exemption for items sold or services provided by the new agency, including related matters, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**STATE GOVERNMENT**

**Final Bill Action:** SENATE FILE 358 (formerly SSB 1040), a bill for an act transferring responsibility for establishing the state plumbing code from the Iowa department of public health to the state building code commissioner and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Zieman, Sievers, Drake, Johnson, Lamberti, Schuerer, Shull, Tinsman, and Veenstra. Nays, 6: Kibbie, Black, Connolly, Courtney, Dearden, and Ragan. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 364 (SSB 1115), a bill for an act changing the bid requirements for construction of certain public improvements.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Zieman, Sievers, Kibbie, Black, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, 1: Connolly. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**BILL SIGNED BY THE GOVERNOR**

A communication was received announcing that on March 12, 2003, the Governor approved and transmitted to the Secretary of State the following bill:

S.F. 127 – Establishing a special breast cancer awareness motor vehicle registration plate and appropriating fees from such plates for breast cancer screening.

**REFERRAL TO INDIVIDUAL CONFIRMATION CALENDAR**

MADAM PRESIDENT: Pursuant to Senate Rule 59, I hereby request that the following name be removed from the “En Bloc Confirmation Calendar” and placed on the “Individual Confirmation Calendar”:

Neala Arnold – State Board of Regents

JEFF LAMBERTI

# JOURNAL OF THE SENATE

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SIXTIETH CALENDAR DAY  
THIRTY-SIXTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, March 13, 2003

The Senate met in regular session at 8:31 a.m., President Pro Tempore Angelo presiding.

Prayer was offered by the Reverend David Woolsey, pastor of the St. Thomas Lutheran Church in Panora, Iowa. He was the guest of Senator Boettger.

The Journal of Wednesday, March 12, 2003, was approved.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 12, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 97**, a bill for an act relating to highway, aviation, motor vehicle transportation and public transit, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, applications for certificates of title by motor vehicle dealers, fees charged for driver's licenses and nonoperator's identification cards and making an appropriation, security interests in motor vehicles, charges financed in a motor vehicle retail installment transaction, confidentiality of motor vehicle accident reports, requirements for motor carrier safety rules, exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations, load limits for vehicles transporting construction machinery, urban public transit funding, and tariffs

charged by motor carriers of household goods, and including effective and retroactive applicability date provisions. (S-3033)

### BILL PLACED ON UNFINISHED BUSINESS CALENDAR

Senator Iverson asked and received unanimous consent that **Senate File 37** (attached to similar House File 65) be placed on the **Unfinished Business Calendar**.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 9.

### **Senate Concurrent Resolution 9**

On motion of Senator Tinsman, **Senate Concurrent Resolution 9**, a concurrent resolution designating March 2003 as Iowa Women's History Month, with report of committee recommending passage, was taken up for consideration.

Senator Tinsman moved the adoption of Senate Concurrent Resolution 9, which motion prevailed by a voice vote.

### SPECIAL GUESTS

In celebration of Women's History Month, Senators Tinsman and McCoy welcomed student winners of the 19th Annual "Write Women Back Into History" Essay Contest to the Senate chamber. The contest is sponsored by the Iowa Commission on the Status of Women, the Iowa Department of Education, and the State Historical Society of Iowa. Approximately 2,000 students participated in the contest statewide.

### Sixth and Seventh Grades:

First Place: Brittni Strouth of Sibley-Ocheyedan Middle School.

Second Place: Kathryn Skilton of Nashua-Plainfield Middle School.

Third Place: Rachel Nilles of Le Mars Community Middle School.

Eighth and Ninth Grades:

First Place: Caitlin Oponski of Indianola Middle School.  
Second Place: Amy Williams of Indianola Middle School.  
Third Place: Amy Xu of Fort Dodge Senior High School.

Best Essays on Women in Science and Engineering for Sixth and Seventh Grades:

First Place: David Maffett of Parkview Middle School in Ankeny.  
Second Place: Dianna Krejsa of Indianola Middle School.

Best Essays on Women in Science and Engineering for Eighth and Ninth Grades:

First Place: Desmond Strooh of Central Academy in Des Moines.  
Second Place: Tabby Pauly of Wilson Junior High School in Council Bluffs.

Edith Rose Murphy Sackett Award for the Best Essay on a Woman Volunteer:

*(Tie in this category—announced in alphabetical order.)*

Caitlin Hillyard of Central Academy in Des Moines.  
April Sauls of Central Academy in Des Moines.

The Senate rose and expressed its welcome.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 9** be **immediately messaged** to the House.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Kramer, until she arrives, on request of Senator Larson; and Senators Lundby, McKibben, Redfern, and Rehberg, until they arrive, on request of Senator Iverson.

## CONFIRMATION OF GOVERNOR'S APPOINTMENTS

In accordance with Senate Rule 59, Senator Iverson called up the following eligible appointees on the En Bloc Confirmation Calendar:

Richard Johnson, Accountancy Examining Board

Jamie Howard, Commission on the Status of African-Americans

Eugene Blanshan, Iowa Capital Investment Board

Burt Chojnowski, Iowa Capital Investment Board

Carol Garrett, Iowa Capital Investment Board

Cyril Mandelbaum, Iowa Capital Investment Board

Gordon Neumann, Iowa Capital Investment Board

Christine Boyken, Child Advocacy Board

Brian Michaelson, Child Advocacy Board

Frederick Morain, Iowa State Civil Rights Commission

Marvin Van Haaften, Drug Policy Coordinator

Lyle TeKippe, Engineering and Land Surveying Examining Board

Jerry Peckumn, Environmental Protection Commission

James Yeast, Healthy and Well Kids in Iowa (HAWK-I) Board

Sheila Castaneda, IowaAccess Advisory Council

Wynema Morris, Iowa Lewis and Clark Bicentennial Commission

Michele Walker, Iowa Lewis and Clark Bicentennial Commission

Elaine Baxter, Lottery Board

Carla Eshelman, Board of Examiners for Massage Therapy

Michael Bergan, Mental Health and Developmental Disabilities Commission

Lynn Ferrell, Mental Health and Developmental Disabilities Commission

Russell Finken, Mental Health and Developmental Disabilities Commission

William Gorman, Mental Health and Developmental Disabilities Commission

Jon Grate, Mental Health and Developmental Disabilities Commission

Jane Halliburton, Mental Health and Developmental Disabilities Commission

Mary Hughes, Mental Health and Developmental Disabilities Commission

Julie Jetter, Mental Health and Developmental Disabilities Commission

Linda Kellen, Mental Health and Developmental Disabilities Commission

Jacqueline Kibbie-Williams, Mental Health and Developmental Disabilities Commission

Lannie Miller, Mental Health and Developmental Disabilities Commission

Lori Reynolds, Mental Health and Developmental Disabilities Commission

Brian Ridler, Mental Health and Developmental Disabilities Commission

Ronald Walls, Mental Health and Developmental Disabilities Commission

Kittie Weston-Knauer, Mental Health and Developmental Disabilities Commission

Barbara Binnie, Board of Parole

Helen McNurlen, Board of Physical and Occupational Therapy Examiners

Patsy Hastings, Board of Podiatry Examiners

Neil Barrick, Public Employment Relations Board

Kathryne Cutler, State Racing and Gaming Commission

Joyce Jarding, State Racing and Gaming Commission

Barbara Leestamper, Real Estate Appraiser Examining Board

James O'Neill, Real Estate Commission

Todd Scott, State Soil Conservation Committee

Jeannette Adamski, Board of Speech Pathology and Audiology Examiners

Becky Vilda, Board of Speech Pathology and Audiology Examiners

David Erickson, State Board of Tax Review

Byron Coghlan, Commandant of the Iowa Veterans Home

Anne Duffy, Iowa Board of Veterinary Medicine

Ellen Kroc, Iowa Board of Veterinary Medicine

Senator Iverson moved that the foregoing appointees be confirmed by the Senate.

On the question "Shall the appointees be confirmed?" the vote was:

Yeas, 45:

Angelo	Dvorsky	Kibbie	Seymour
Beall	Fraise	Kreiman	Shull
Behn	Gaskill	Lamberti	Sievers
Black	Gronstal	Larson	Stewart
Boettger	Hatch	McCoy	Tinsman
Bolkcom	Holveck	McKinley	Veenstra
Brunkhorst	Horn	Miller	Warnstadt
Connolly	Hosch	Putney	Wieck
Courtney	Houser	Quirmbach	Zieman
Dearden	Iverson	Ragan	
Dotzler	Johnson	Schuerer	
Drake	Kettering	Seng	

Nays, none.

Absent, 5:

Kramer	McKibben	Rehberg
Lundby	Redfern	

The appointees, having received a two-thirds vote, were declared to have been confirmed by the Senate.

### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 9:00 a.m. until 1:00 p.m. Monday, March 17, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Curtis DeWulf, Dubuque — For achieving the rank of Eagle Scout, Boy Scout Troop 91. Senator Connolly (3/13/03).

Floyd and Lillian McKenna, Osage — For celebrating your 60th wedding anniversary on March 15, 2003. Senator Ragan (3/13/03).

Lloyd and Geraldine Wieck, Hinton — For celebrating your 60th wedding anniversary on April 2, 2003. Senator Wieck (3/13/03).

Amy Xu, Fort Dodge — For being a winner in the 19th annual “Write Women Back Into History” essay contest. Senator Beall (3/13/03).

### REPORTS OF COMMITTEE MEETINGS

#### COMMERCE

**Convened:** March 12, 2003, 4:00 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Schuerer, Sievers, and Stewart.

**Members Absent:** Redfern (excused).

**Committee Business:** Passed SF 96 and approved SSBs 1037, 1061, 1116, 1161, and 1169.

**Adjourned:** 6:16 p.m.

#### STATE GOVERNMENT

**Convened:** March 12, 2003, 9:05 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed SF 228 and approved SSBs 1040, 1051, 1115, 1117, and 1119.

**Recessed:** 10:30 a.m.

**Reconvened:** 5:10 p.m.

**Adjourned:** 5:40 p.m.

## AGRICULTURE

**Convened:** March 13, 2003, 1:05 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed SFs 248 (as amended), 288, and 322. Approved SSBs 1142, 1143, 1163, 1173, and 1174.

**Adjourned:** 2:05 p.m.

## ECONOMIC GROWTH

**Convened:** March 13, 2003, 2:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** Boettger and Larson (both excused).

**Committee Business:** Passed SFs 283 and 336 and approved SSB 1165.

**Adjourned:** 2:25 p.m.

## EDUCATION

**Convened:** March 13, 2003, 10:45 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirnbach, Redfern, and Rehberg.

**Members Absent:** None.

**Committee Business:** Passed SFs 45, 212, 293, and 304. Approved SSBs 1110, 1166, and 1167.

**Adjourned:** 12:15 p.m.

## LOCAL GOVERNMENT

**Convened:** March 13, 2003, 12:05 p.m.

**Members Present:** Gaskill, Chair; Quirnbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** Miller, Vice Chair; and McCoy (both excused).

**Committee Business:** Passed SF 260.

**Adjourned:** 12:10 p.m.

## TRANSPORTATION

**Convened:** March 13, 2003, 9:25 a.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed SF 125 and approved SSB 1122.

**Adjourned:** 10:00 a.m.

## INTRODUCTION OF BILLS

**Senate File 368**, by committee on Commerce, a bill for an act relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 369**, by committee on Natural Resources and Environment, a bill for an act relating to E-85 ethanol.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 370**, by committee on State Government, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of

absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 371**, by committee on Local Government, a bill for an act relating to formatting standards for recording documents or instruments by a county recorder, specifying a recording fee for certain documents or instruments, and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 372**, by committee on Commerce, a bill for an act relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 373**, by committee on Natural Resources and Environment, a bill for an act relating to the regulation of vessels by increasing certain boat registration fees, and pilot and engineer licensing fees, providing for increased inspections of registered boats, and appropriating the moneys collected to the state fish and game protection fund.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 374**, by committee on Judiciary, a bill for an act relating to nonprofit corporations and providing penalties and effective and applicability dates.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 375**, by committee on Judiciary, a bill for an act relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 376**, by committee on Commerce, a bill for an act relating to the surcharge for certain dishonored negotiable instruments.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 377**, by committee on State Government, a bill for an act providing for a study on issues affecting men.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 378**, by committee on Transportation, a bill for an act relating to the deposit and use of moneys received by cities and counties for assumption of jurisdiction of primary roads and providing effective and retroactive applicability dates.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 379**, by committee on Judiciary, a bill for an act relating to certain agricultural liens.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 380**, by committee on Transportation, a bill for an act relating to funding for nongame wildlife programs by increasing the fees for special natural resources motor vehicle registration plates.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 381**, by committee on Education, a bill for an act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 382**, by committee on Education, a bill for an act providing for annual increases in specified state aid to nonpublic schools, making appropriations, and providing effective and applicability dates.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 383**, by committee on Education, a bill for an act relating to the delivery of curriculum via the internet by instructional personnel employed by an accredited postsecondary educational institution under a contract with a school district.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 384**, by committee on Education, a bill for an act relating to the taxation of activities involving out-of-state qualified state tuition programs and including effective and retroactive applicability date provisions.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 385**, by committee on Education, a bill for an act requiring teachers to disclose commission arrangements for the sale of musical instruments.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 386**, by committee on Education, a bill for an act requiring the insurance division of the department of commerce to establish a school health insurance reform team study and to make recommendations to the general assembly.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 387**, by committee on Economic Growth, a bill for an act relating to agreements for financial assistance and administrative rules under the vision Iowa program.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 388**, by committee on Economic Growth, a bill for an act relating to commercial application of university technology and research.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 389**, by committee on Economic Growth, a bill for an act relating to the exemption from land ownership restrictions for nonresident aliens under the new jobs and income program.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 390**, by committee on State Government, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions.

Read first time under Rule 28 and **placed on calendar**.

#### STUDY BILLS RECEIVED

##### **SSB 1173      Agriculture**

Relating to the agricultural development authority by providing for its organization and administration.

##### **SSB 1174      Agriculture**

Relating to the animal agriculture compliance Act, and providing for penalties.

#### SUBCOMMITTEE ASSIGNMENTS

##### **Senate File 345**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and Lundby

##### **Senate File 349**

EDUCATION: Boettger, Chair; Connolly and McKinley

**SSB 1173**

AGRICULTURE: Gaskill, Chair; Johnson and Kibbie

**SSB 1174**

AGRICULTURE: Zieman, Chair; Houser and Ragan

**COMMITTEE REPORTS****COMMERCE**

**Final Bill Action:** SENATE FILE 368 (SSB 1169), a bill for an act relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Schuerer, Sievers, and Stewart. Nays, none. Absent, 3: Larson, McCoy, and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 372 (SSB 1161), a bill for an act relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, McCoy, and Stewart. Nays, 3: Larson, Schuerer, and Sievers. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 376 (SSB 1061), a bill for an act relating to the surcharge for certain dishonored negotiable instruments.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: McCoy and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Commerce Committee on Senate File 376, and they were attached to the committee report.

## **ECONOMIC GROWTH**

**Final Bill Action:** SENATE FILE 387 (formerly SF 336), a bill for an act relating to agreements for financial assistance and administrative rules under the vision Iowa program.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Rehberg, Shull, Hatch, Beall, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 2: Boettger and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### **ALSO:**

**Final Bill Action:** SENATE FILE 388 (SSB 1165), a bill for an act relating to commercial application of university technology and research.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Rehberg, Shull, Hatch, Beall, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 2: Boettger and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### **ALSO:**

**Final Bill Action:** SENATE FILE 389 (formerly SF 283), a bill for an act relating to the exemption from land ownership restrictions for nonresident aliens under the new jobs and income program.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Rehberg, Shull, Hatch, Beall, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 2: Boettger and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## **EDUCATION**

**Final Bill Action:** SENATE FILE 381 (SSB 1166), a bill for an act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, and Rehberg. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 382 (SSB 1110), a bill for an act providing for annual increases in specified state aid to nonpublic schools, making appropriations, and providing effective and applicability dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: Boettger, McKinley, Angelo, Behn, Brunkhorst, Hosch, Kreiman, Larson, Redfern, and Rehberg. Nays, 4: Connolly, Beall, Dvorsky, and Holveck. Absent, 1: Quirmbach.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 383 (formerly SF 304), a bill for an act relating to the delivery of curriculum via the internet by instructional personnel employed by an accredited postsecondary educational institution under a contract with a school district.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, and Rehberg. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 384 (formerly SF 45), a bill for an act relating to the taxation of activities involving out-of-state qualified state tuition programs and including effective and retroactive applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 8: Boettger, McKinley, Angelo, Behn, Brunkhorst, Hosch, Larson, and Rehberg. Nays, 6: Connolly, Beall, Dvorsky, Holveck, Kreiman, and Quirmbach. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 385 (formerly SF 293), a bill for an act requiring teachers to disclose commission arrangements for the sale of musical instruments.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, and Rehberg. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 386 (formerly SF 212), a bill for an act requiring the insurance division of the department of commerce to establish a school health insurance reform team study and to make recommendations to the general assembly.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirmbach, and Rehberg. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**JUDICIARY**

**Final Bill Action:** \*SENATE FILE 374 (SSB 1077), a bill for an act relating to nonprofit corporations and providing penalties and effective and applicability dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 374, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 375 (SSB 1128), a bill for an act relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 375, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** SENATE FILE 379 (SSB 1158), a bill for an act relating to certain agricultural liens.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### LOCAL GOVERNMENT

**Final Bill Action:** SENATE FILE 197, a bill for an act abolishing county compensation boards.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 8: Gaskill, Miller, Hatch, Hosch, Houser, Kreiman, Rehberg, and Seymour. Nays, 5: Quirnbach, Angelo, McCoy, Stewart, and Wieck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 209, a bill for an act modifying the requirements for cities and counties to enter into certain leases.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Gaskill, Miller, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 260, a bill for an act relating to certain leaves of absence for local civil service employees and providing for the Act's applicability.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Gaskill, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, 2: Miller and McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 371 (SSB 1017), a bill for an act relating to formatting standards for recording documents or instruments by a county recorder, specifying a recording fee for certain documents or instruments, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Gaskill, Miller, Quirnbach, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, 1: Angelo.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Local Government Committee on Senate File 371, and they were attached to the committee report.

## **NATURAL RESOURCES AND ENVIRONMENT**

**Final Bill Action:** SENATE FILE 300, a bill for an act relating to the registration and regulation of off-highway vehicles, providing fees, and making penalties applicable.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Houser, Johnson, Seng, Black, Bolkom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 369 (SSB 1160), a bill for an act relating to E-85 ethanol.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Houser, Johnson, Seng, Black, Bolkom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 373 (SSB 1031), a bill for an act relating to the regulation of vessels by increasing certain boat registration fees, and pilot and engineer licensing fees, providing for increased inspections of registered boats, and appropriating the moneys collected to the state fish and game protection fund.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Houser, Johnson, Seng, Black, Bolkcom, Brunkhorst, Dearden, Drake, Kettering, Kibbie, Lundby, Miller, Wieck, and Zieman. Nays, 1: Holveck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Natural Resources and Environment Committee on Senate File 373, and they were attached to the committee report.

**STATE GOVERNMENT**

**Final Bill Action:** \*SENATE FILE 370 (SSB 1119), a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Zieman, Sievers, Drake, Johnson, Lamberti, Schuerer, Shull, Tinsman, and Veenstra. Nays, 6: Kibbie, Black, Connolly, Courtney, Dearden, and Ragan. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the State Government Committee on Senate File 370, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 377 (formerly SF 228), a bill for an act providing for a study on issues affecting men.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the State Government Committee on Senate File 377, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 390 (SSB 1051), a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 8: Zieman, Drake, Johnson, Lamberti, Schuerer, Shull, Tinsman, and Veenstra. Nays, 6: Kibbie, Black, Connolly, Courtney, Dearden, and Ragan. Present, 1: Sievers. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the State Government Committee on Senate File 390, and they were attached to the committee report.

**TRANSPORTATION**

**Final Bill Action:** SENATE FILE 378 (SSB 1122), a bill for an act relating to the deposit and use of moneys received by cities and counties for assumption of jurisdiction of primary roads and providing effective and retroactive applicability dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Drake, Putney, McCoy, Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 380 (formerly SF 125), a bill for an act relating to funding for nongame wildlife programs by increasing the fees for special natural resources motor vehicle registration plates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Drake, Putney, McCoy, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, 2: Beall and Dearden. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**EXPLANATION OF VOTES**

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on March 5, 2003, when the votes were taken on Senate Files 134, 180, 185, and 201 and House File 215. Had I been present, I would have voted "Yea" on all.

MAGGIE TINSMAN

**AMENDMENTS FILED**

S-3033	S.F.	97	House
S-3034	S.F.	173	Kitty Rehberg

# JOURNAL OF THE SENATE

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SIXTY-FOURTH CALENDAR DAY  
THIRTY-SEVENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, March 17, 2003

The Senate met in regular session at 1:00 p.m., President Kramer presiding.

Prayer was offered by the Reverend John Eilers, pastor of the First Christian Church in Woodbine, Iowa. He was the guest of Senator Seymour.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Pages Erica Barbour and Abigail Kiernan.

The Journal of Thursday, March 13, 2003, was approved.

The Senate stood at ease at 1:30 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 2:40 p.m., President Kramer presiding.

## HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 13, 2003, **adopted** the following resolution in which the concurrence of the House was asked:

**Senate Concurrent Resolution 1**, a concurrent resolution relating to the federal Medicare program and requesting assistance from the federal government.

#### BILLS REFERRED TO COMMITTEES

Senator Iverson asked and received unanimous consent that **Senate Files 350, 367, and 375** be referred from the Regular Calendar to the committee on **Appropriations** and **Senate File 360** be referred from the Regular Calendar to the committee on **Ways and Means**.

#### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Larson, until he arrives, on request of Senator Veenstra; and Senator McCoy, until he arrives, on request of Senator Kibbie.

#### HOUSE AMENDMENT CONSIDERED

#### **Senate File 97**

Senator Drake called up for consideration **Senate File 97**, a bill for an act relating to highway, aviation, motor vehicle transportation and public transit, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, applications for certificates of title by motor vehicle dealers, fees charged for driver's licenses and nonoperator's identification cards and making an appropriation, security interests in motor vehicles, charges financed in a motor vehicle retail installment transaction, confidentiality of motor vehicle accident reports, requirements for motor carrier safety rules, exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations, load limits for vehicles transporting construction machinery, urban public transit funding, and tariffs charged by motor carriers of household goods, and including effective and retroactive applicability date provisions, amended by the House, and moved that the Senate concur in House amendment S-3033, filed March 13, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Drake moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 97), the vote was:

Yeas, 45:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Lamberti	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 3:

Courtney	Holveck	Kreiman
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Absent, 2:

Larson	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 73.

### Senate File 73

On motion of Senator McKinley, **Senate File 73**, a bill for an act relating to the reporting requirements under the Iowa industrial new jobs training Act, with report of committee recommending passage, was taken up for consideration.

Senator McKinley moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 73), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Lundby	McKibben	McKinley	Miller
Putney	Quirmbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Larson	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 119 and 235.

## Senate File 119

On motion of Senator Sievers, **Senate File 119**, a bill for an act relating to real estate appraiser certification, was taken up for consideration.

Senator Sievers moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 119), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Larson	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## Senate File 235

On motion of Senator Tinsman, **Senate File 235**, a bill for an act relating to professional licensing boards by providing for the updating of continuing education and regulatory requirements to include specified licensing boards, authorizing specified licensing boards to obtain criminal history data relating to applicants for licensure and licensees, and authorizing the collection of fees for related costs, was taken up for consideration.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 235), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Larson	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 73, 97, 119, and 235** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 3 and 203.

### Senate File 3

On motion of Senator Boettger, **Senate File 3**, a bill for an act relating to the inclusion of certain information in a termination of pregnancy report, with report of committee recommending passage, was taken up for consideration.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 3), the vote was:

Yeas, 42:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Connolly	Dearden
Drake	Fraise	Gaskill	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Lundby
McKibben	McKinley	Miller	Putney
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 6:

Bolkcom	Courtney	Dotzler	Dvorsky
Gronstal	Quirmbach		

Absent, 2:

Larson	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 203

On motion of Senator Sievers, **Senate File 203**, a bill for an act relating to the installation of certain aboveground petroleum storage tanks, was taken up for consideration.

Senator Sievers moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 203), the vote was:

Yeas, 44:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Drake	Dvorsky	Fraise
Gaskill	Gronstal	Hatch	Horn
Hosch	Houser	Iverson	Johnson
Kettering	Kibbie	Kramer	Kreiman
Lamberti	McKibben	McKinley	Miller
Putney	Quirmbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 4:

Dearden	Dotzler	Holveck	Lundby
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Absent, 2:

Larson	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 271 and 224.

### Senate File 271

On motion of Senator Houser, **Senate File 271**, a bill for an act modifying the duties of county recorders, was taken up for consideration.

Senator Houser asked and received unanimous consent that **House File 311** be **substituted** for **Senate File 271**.

## House File 311

On motion of Senator Houser, **House File 311**, a bill for an act modifying the duties of county recorders, was taken up for consideration.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 311), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Wieck	Zieman

Nays, 1:

Warnstadt

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

WITHDRAWN

Senator Houser asked and received unanimous consent that **Senate File 271** be **withdrawn** from further consideration of the Senate.

## Senate File 224

On motion of Senator Tinsman, **Senate File 224**, a bill for an act relating to appeals filed in child in need of assistance and termination of parental rights proceedings, was taken up for consideration.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 224), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 3, 203, and 224** and **House File 311** be **immediately messaged** to the House.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Shull, until he returns, on request of Senator Brunkhorst.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 173 and 221.

**Senate File 173**

On motion of Senator Rehberg, **Senate File 173**, a bill for an act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations, was taken up for consideration.

Senator Connolly offered amendment S-3027, filed by him on March 5, 2003, to page 1 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3027 be adopted?" (S.F. 173), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirmbach
Ragan	Seng	Stewart	Warnstadt

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 2:

McCoy                      Shull

Amendment S-3027 lost.

Senator Connolly asked and received unanimous consent that action on **Senate File 173** be **deferred**.

### **Senate File 221**

On motion of Senator McKibben, **Senate File 221**, a bill for an act relating to the criminal offense of sexual exploitation of a minor, was taken up for consideration.

Senator McKibben moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 221), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate Files 230 and 272.

**Senate File 230**

On motion of Senator Miller, **Senate File 230**, a bill for an act relating to the procedure for reducing the number of members of a city council from five to three in certain cities, was taken up for consideration.

Senator Quirmbach offered amendment S-3032, filed by him on March 11, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3032 was adopted by a voice vote.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 230), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 272

On motion of Senator Miller, **Senate File 272**, a bill for an act relating to conflicts of interest in public contracts, was taken up for consideration.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 272), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Veenstra	Warnstadt	Wieck	Zieman

Nays, 1:

Tinsman

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 221, 230, and 272** be **immediately messaged** to the House.

**CONSIDERATION OF BILL**  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 236.

**Senate File 236**

On motion of Senator Wieck, **Senate File 236**, a bill for an act relating to the time periods that unclaimed demutualization proceeds and wages are presumed to be abandoned and providing an effective date, was taken up for consideration.

Senator Wieck moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 236), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## BUSINESS PENDING

**Senate File 173**

The Senate resumed consideration of **Senate File 173**, a bill for an act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations, previously deferred.

Senator Rehberg offered amendment S-3034, filed by her on March 13, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3034 was adopted by a voice vote.

Senator Rehberg moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 173), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirmbach
Ragan	Seng	Stewart	Warnstadt

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 173 and 236** be **immediately messaged** to the House.

## BILL REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate File 382** be referred from the Regular Calendar to the committee on **Appropriations**.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 17, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 339**, a bill for an act relating to snowmobile franchises by requiring the repurchase of certain inventory upon termination of a franchise and providing effective and retroactive applicability dates.

Read first time and referred to committee on **Transportation**.

**House File 343**, a bill for an act relating to enforcement of motor vehicle law provisions and making penalties applicable.

Read first time and **attached to companion Senate File 315**.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 4:10 p.m. until 8:30 a.m. Tuesday, March 18, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Dianna Krejsa, Indianola — For a 2nd place Best Essay on Women in Science and Engineering for sixth and seventh grades in the “Write Women Back Into History” essay contest. Senator Shull (3/17/03).

David Maffett, Ankeny — For a 1st place Best Essay on Women in Science and Engineering for sixth and seventh grades in the “Write Women Back Into History” essay contest. Senator Lamberti (3/17/03).

Caitlin Oponski, Indianola — For a 1st place Best Essay on Women in Science and Engineering for eighth and ninth grades in the “Write Women Back Into History” essay contest. Senator Shull (3/17/03).

Amy Williams, Indianola — For a 2nd place Best Essay on Women in Science and Engineering for eighth and ninth grades in the “Write Women Back Into History” essay contest. Senator Shull (3/17/03).

### REPORT OF COMMITTEE MEETING

#### HUMAN RESOURCES

**Convened:** March 13, 2003, 9:45 a.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** Horn (excused).

**Committee Business:** Passed SFs 132, 166, 233, 257, and 321. Approved SSBs 1056, 1120, 1149, 1170, and 1172.

**Recessed:** 10:00 a.m.

**Reconvened:** 2:45 p.m.

**Adjourned:** 4:55 p.m.

### INTRODUCTION OF RESOLUTIONS

**Senate Resolution 22**, by Connolly and Rehberg, a resolution relating to support of Best Buddies Iowa and urging continued federal funding of the program.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 23**, by Veenstra, Putney, Gaskill, Boettger, Sievers, Kramer, Iverson, Johnson, Schuerer, Rehberg, Hosch, McKinley, Behn, Angelo, Kettering, Wieck, Seymour, Tinsman, Drake, Quirmbach, Beall, Ragan, Seng, Horn, Stewart, Dearden, Courtney, Kibbie, Black, McCoy, Connolly, Dvorsky, Dotzler, Bolkcom, Hatch, Warnstadt, Gronstal, Holveck, Kreiman, and Fraise, a resolution honoring the Iowa State University of Science and Technology Extension for 100 years of service to Iowa.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

#### INTRODUCTION OF BILLS

**Senate File 391**, by committee on Agriculture, a bill for an act relating to providing financing to agricultural processors, providing for bonding authority, and providing an appropriation.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 392**, by committee on Agriculture, a bill for an act relating to the animal agriculture compliance Act, and providing for penalties.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 393**, by committee on Agriculture, a bill for an act relating to the agricultural development authority by providing for its organization and administration.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 394**, by committee on Agriculture, a bill for an act relating to the regulation of the grain industry, and making penalties applicable.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 395**, by committee on Agriculture, a bill for an act relating to assistance services provided to the department of agriculture and land stewardship, including for the filing of documents and the payment of fees and civil penalties, and the authorization to assess additional charges.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 396**, by committee on Agriculture, a bill for an act providing for the animal unit capacity of pullets for purposes of regulation under the animal agriculture compliance Act.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 397**, by committee on Natural Resources and Environment, a bill for an act relating to the issuance of free hunting licenses for antlerless deer, providing for the disposition of harvested deer meat to public institutions, and providing a penalty.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 398**, by committee on Natural Resources and Environment, a bill for an act relating to the powers of soil and water conservation districts and county conservation boards.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 399**, by committee on Judiciary, a bill for an act establishing a criminalistics laboratory surcharge and creating a criminalistics laboratory fund, making an appropriation of surcharge moneys, and making related changes.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 400**, by committee on Commerce, a bill for an act providing for the regulation and licensing of home inspectors.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 401**, by committee on State Government, a bill for an act relating to tobacco retailers and providing penalties and providing applicability provisions and an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 402**, by committee on Judiciary, a bill for an act relating to the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 403**, by committee on Agriculture, a bill for an act regulating organic agricultural products, providing for fees and penalties, and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 404**, by committee on Commerce, a bill for an act relating to provision of telecommunications services by municipal utilities, including discovery of competitive information, permitted loans, and making related changes.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 405**, by committee on Commerce, a bill for an act relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 406**, by committee on Education, a bill for an act providing for a special education alternative reading instruction pilot project and including a contingent effectiveness clause and an effective date.

Read first time under Rule 28 and **placed on calendar**.

**Senate File 407**, by committee on Human Resources, a bill for an act relating to mandatory newborn and infant hearing screening.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 408**, by committee on Human Resources, a bill for an act relating to health care including reimbursement of health care facilities based on resident program eligibility.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 409**, by committee on Human Resources, a bill for an act providing for premarital and marital mediation agreements.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 410**, by committee on Human Resources, a bill for an act designating advanced registered nurse practitioners as providers of health care services pursuant to managed care or prepaid services contracts under the medical assistance program.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 411**, by committee on Human Resources, a bill for an act relating to the establishment of exclusive grounds for a dissolution of marriage.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 412**, by committee on Human Resources, a bill for an act relating to the management of elder group homes.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 413**, by committee on Human Resources, a bill for an act requiring additional services to be included under the medical assistance program home and community-based services waiver for persons with mental retardation.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 414**, by committee on Human Resources, a bill for an act relating to requirements related to marriage and dissolutions of marriage.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 415**, by committee on Human Resources, a bill for an act relating to public health and safety programs and regulations under the authority of the department of public health.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 416**, by committee on Human Resources, a bill for an act relating to an emergency shelter and support services demonstration project relating to dependent adults.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 417**, by committee on Judiciary, a bill for an act relating to the purchase of a police service dog by the department of corrections.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 418**, by committee on Judiciary, a bill for an act relating to the judicial branch by changing procedures for appointing or nominating a judge, or magistrate, by authorizing the voluntary transfer of a district judge, by prohibiting members of a judicial nominating commission from voting on certain nominees, and by apportioning judgeships among the judicial election districts.

Read first time under Rule 28 and **placed on calendar.**

**Senate File 419**, by Dearden, Ragan, Dvorsky, Lundby, Fraise, McCoy, Seng, Dotzler, Kibbie, Bolkcom, Gronstal, Stewart, Quirnbach, Beall, Kreiman, and Holveck, a bill for an act increasing the state's minimum hourly wage rate at a rate above the federal minimum hourly wage rate.

Read first time under Rule 28 and referred to committee on **Business and Labor Relations.**

**Senate File 420**, by Holveck, a bill for an act concerning state employees who are volunteer fire fighters or reserve peace officers.

Read first time under Rule 28 and referred to committee on **State Government**.

**Senate File 421**, by committee on Agriculture, a bill for an act regulating farm deer, providing for penalties, and providing an effective date.

Read first time under Rule 28 and **placed on calendar**.

## SUBCOMMITTEE ASSIGNMENTS

### Senate File 375

APPROPRIATIONS: Lamberti, Chair; Horn and McKibben

### House File 341

EDUCATION: Redfern, Chair; Beall and Boettger

## COMMITTEE REPORTS

### AGRICULTURE

**Final Bill Action:** SENATE FILE 391 (formerly SF 322), a bill for an act relating to providing financing to agricultural processors, providing for bonding authority, and providing an appropriation.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 392 (SSB 1174), a bill for an act relating to the animal agriculture compliance Act, and providing for penalties.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 393 (SSB 1173), a bill for an act relating to the agricultural development authority by providing for its organization and administration.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 394 (SSB 1142), a bill for an act relating to the regulation of the grain industry, and making penalties applicable.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 395 (SSB 1163), a bill for an act relating to assistance services provided to the department of agriculture and land stewardship, including for the filing of documents and the payment of fees and civil penalties, and the authorization to assess additional charges.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 396 (formerly SF 288), a bill for an act providing for the animal unit capacity of pullets for purposes of regulation under the animal agriculture compliance Act.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 403 (SSB 1143), a bill for an act regulating organic agricultural products, providing for fees and penalties, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 421 (formerly SF 248), a bill for an act regulating farm deer, providing for penalties, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Agriculture Committee on Senate File 421, and they were attached to the committee report.

## COMMERCE

**Final Bill Action:** \*SENATE FILE 400 (formerly SF 96), a bill for an act providing for the regulation and licensing of home inspectors.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkom, Brunkhorst, Gronstal, Kettering, Larson, Sievers, and Stewart. Nays, none. Absent, 3: McCoy, Redfern, and Schuerer.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Commerce Committee on Senate File 400, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 404 (SSB 1037), a bill for an act relating to provision of telecommunications services by municipal utilities, including discovery of competitive information, permitted loans, and making related changes.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: Angelo, Wieck, Warnstadt, Behn, Brunkhorst, Larson, McCoy, Schuerer, and Sievers. Nays, 5: Beall, Bolkcom, Gronstal, Kettering, and Stewart. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Commerce Committee on Senate File 404, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 405 (SSB 1116), a bill for an act relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Commerce Committee on Senate File 405, and they were attached to the committee report.

**EDUCATION**

**Final Bill Action:** \*SENATE FILE 406 (SSB 1167), a bill for an act providing for a special education alternative reading instruction pilot project and including a contingent effectiveness clause and an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 8: Boettger, McKinley, Angelo, Behn, Brunkhorst, Hosch, Larson, and Rehberg. Nays, 6: Connolly, Beall, Dvorsky, Holveck, Kreiman, and Quirmbach. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Education Committee on Senate File 406, and they were attached to the committee report.

## **HUMAN RESOURCES**

**Final Bill Action:** \*SENATE FILE 407 (formerly SF 233), a bill for an act relating to mandatory newborn and infant hearing screening.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 407, and they were attached to the committee report.

### **ALSO:**

**Final Bill Action:** \*SENATE FILE 408 (SSB 1172), a bill for an act relating to health care including reimbursement of health care facilities based on resident program eligibility.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 408, and they were attached to the committee report.

### **ALSO:**

**Final Bill Action:** \*SENATE FILE 409 (SSB 1149), a bill for an act providing for premarital and marital mediation agreements.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 8: Veenstra, Seymour, Behn, Boettger, Hosch, Kreiman, McKinley, and Schuerer. Nays, 2: Hatch and Tinsman. Present, 2: Ragan and Holveck. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 409, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 410 (formerly SF 166), a bill for an act designating advanced registered nurse practitioners as providers of health care services pursuant to managed care or prepaid services contracts under the medical assistance program.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: Veenstra, Seymour, Ragan, Behn, Boettger, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, 2: Hatch and Holveck. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 410, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 411 (SSB 1056), a bill for an act relating to the establishment of exclusive grounds for a dissolution of marriage.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 7: Veenstra, Seymour, Behn, Boettger, Hosch, McKinley, and Schuerer. Nays, 5: Ragan, Hatch, Holveck, Kreiman, and Tinsman. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 411, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** SENATE FILE 412 (formerly SF 257), a bill for an act relating to the management of elder group homes.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 413 (formerly SF 321), a bill for an act requiring additional services to be included under the medical assistance program home and community-based services waiver for persons with mental retardation.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 414 (SSB 1120), a bill for an act relating to requirements related to marriage and dissolutions of marriage.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 8: Veenstra, Seymour, Behn, Boettger, Hosch, McKinley, Schuerer, and Tinsman. Nays, 4: Ragan, Hatch, Holveck, and Kreiman. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 414, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 415 (SSB 1170), a bill for an act relating to public health and safety programs and regulations under the authority of the department of public health.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 415, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 416 (formerly SF 132), a bill for an act relating to an emergency shelter and support services demonstration project relating to dependent adults.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on Senate File 416, and they were attached to the committee report.

## JUDICIARY

**Final Bill Action:** SENATE FILE 399 (SSB 1024), a bill for an act establishing a criminalistics laboratory surcharge and creating a criminalistics laboratory fund, making an appropriation of surcharge moneys, and making related changes.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, none. Present, 1: Holveck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** \*SENATE FILE 402 (SSB 1029), a bill for an act relating to the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Redfern, Larson, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Tinsman. Nays, 2: Kreiman and Quirmbach. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 402, and they were attached to the committee report.

## ALSO:

**Final Bill Action:** SENATE FILE 417 (formerly SF 220), a bill for an act relating to the purchase of a police service dog by the department of corrections.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 418 (SSB 1137), a bill for an act relating to the judicial branch by changing procedures for appointing or nominating a judge, or magistrate, by authorizing the voluntary transfer of a district judge, by prohibiting members of a judicial nominating commission from voting on certain nominees, and by apportioning judgeships among the judicial election districts.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 418, and they were attached to the committee report.

## NATURAL RESOURCES AND ENVIRONMENT

**Final Bill Action:** \*SENATE FILE 397 (formerly SF 40), a bill for an act relating to the issuance of free hunting licenses for antlerless deer, providing for the disposition of harvested deer meat to public institutions, and providing a penalty.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Houser, Johnson, Seng, Black, Bolkom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Natural Resources and Environment Committee on Senate File 397, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 398 (SSB 1164), a bill for an act relating to the powers of soil and water conservation districts and county conservation boards.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: Houser, Johnson, Seng, Black, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Miller, Wieck, and Zieman. Nays, 2: Bolkom and Lundby. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Natural Resources and Environment Committee on Senate File 398 and they were attached to the committee report.

## STATE GOVERNMENT

**Final Bill Action:** \*SENATE FILE 401 (SSB 1117), a bill for an act relating to tobacco retailers and providing penalties and providing applicability provisions and an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Present, 1: Lamberti. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the State Government Committee on Senate File 401, and they were attached to the committee report.

## EXPLANATION OF VOTE

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on March 17, 2003, when the vote was taken on amendment S-3027 to Senate File 173. Had I been present, I would have voted "Nay."

DOUG SHULL

## AMENDMENTS FILED

S-3035	S.F.	390	Doug Shull
S-3036	H.F.	65	David Miller
S-3037	H.F.	65	David Miller
			Bob Brunkhorst

# JOURNAL OF THE SENATE

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SIXTY-FIFTH CALENDAR DAY  
THIRTY-EIGHTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, March 18, 2003

The Senate met in regular session at 8:30 a.m., President Kramer presiding.

Prayer was offered by the Reverend Tom McDermott, pastor of the Sacred Heart Church in Maquoketa, Iowa. He was the guest of Senator Stewart.

The Journal of Monday, March 17, 2003, was approved.

## BILL REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate File 404** be referred from the Regular Calendar to the committee on **Ways and Means**.

The Senate stood at ease at 8:34 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:05 a.m., President Kramer presiding.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McCoy, for the day, on request of Senator Gronstal.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 340, 343, and 196.

**Senate File 340**

On motion of Senator Brunkhorst, **Senate File 340**, a bill for an act relating to business entities, based on revisions related to the Iowa business corporation Act, including addition of a savings clause and addition of provisions related to director and officer liability, duty, and indemnification for certain insurance companies and indemnification for cooperative associations, was taken up for consideration.

Senator Brunkhorst moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 340), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 343

On motion of Senator Zieman, **Senate File 343**, a bill for an act relating to operation permits for public disposal systems and providing an effective date, was taken up for consideration.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 343), the vote was:

Yeas, 30:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Kreiman	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Redfern	Rehberg	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Nays, 19:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 196

On motion of Senator Dearden, **Senate File 196**, a bill for an act relating to rotation of judges' names on the ballots in certain counties, with report of committee recommending passage, was taken up for consideration.

Senator Dearden moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 196), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 17, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 349**, a bill for an act relating to the representation of indigent persons and indigent defense claims.

Read first time and referred to committee on **Judiciary**.

**House File 380**, a bill for an act providing for the administration of funds for animal agriculture, including moneys transferred from and deposited into these funds, and providing an effective date.

Read first time and referred to committee on **Agriculture**.

**House File 386**, a bill for an act relating to the department of elder affairs including provisions relating to the elder Iowans Act.

Read first time and referred to committee on **Human Resources**.

**House File 389**, a bill for an act providing for miscellaneous technical and substantive changes relating to controlled and precursor substances.

Read first time and referred to committee on **Human Resources**.

**House File 390**, a bill for an act relating to economic development programs for targeted small businesses.

Read first time and referred to committee on **Economic Growth**.

**House File 392**, a bill for an act relating to economic growth strategic planning.

Read first time and referred to committee on **Economic Growth**.

**House File 453**, a bill for an act relating to animal biotechnology by creating an animal biotechnology commercialization fund, extending the time period during which a life science enterprise may purchase agricultural land, making appropriations, and providing an effective date.

Read first time and referred to committee on **Appropriations**.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 196, 340, and 343** be **immediately messaged** to the House.

## BILLS REFERRED TO COMMITTEES

Senator Iverson asked and received unanimous consent that **Senate File 391** be referred from the Regular Calendar to the committee on **Appropriations** and **House Concurrent Resolution 6** be referred from the Regular Calendar to the committee on **Rules and Administration**.

## CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 296, 353, and 155.

### Senate File 296

On motion of Senator Putney, **Senate File 296**, a bill for an act authorizing the issuance of special registration plates to owners of motor trucks, was taken up for consideration.

Senator Putney asked and received unanimous consent that **House File 290** be **substituted** for **Senate File 296**.

### House File 290

On motion of Senator Putney, **House File 290**, a bill for an act authorizing the issuance of special registration plates to owners of motor trucks, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 290), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering

Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Putney asked and received unanimous consent that **Senate File 296** be **withdrawn** from further consideration of the Senate.

### Senate File 353

On motion of Senator Tinsman, **Senate File 353**, a bill for an act requiring establishment of county child protection assistance teams, was taken up for consideration.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 353), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng

Seymour  
Tinsman  
Zieman

Shull  
Veenstra

Sievers  
Warnstadt

Stewart  
Wieck

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 155

On motion of Senator Kreiman, **Senate File 155**, a bill for an act relating to statutory corrections which may adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities, and including effective and retroactive applicability date provisions, was taken up for consideration.

Senator Kreiman asked and received unanimous consent to withdraw amendment S-3016, filed by Senators Kreiman and Kettering on February 20, 2003, to page 2 of the bill.

Senator Kreiman offered amendment S-3041, filed by Senators Kreiman and Kettering from the floor to pages 2, 10, 17, 18, and 22 of the bill, and moved its adoption.

Amendment S-3041 was adopted by a voice vote.

With the adoption of amendment S-3041, the Chair ruled amendment S-3026, filed by Senator Kreiman on March 5, 2003, to pages 10, 17, 18, and 22 of the bill, out of order.

Senator Kreiman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 155), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **Senate Files 155, 353, and House File 290** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate Files 152, 315, and 303.

#### **Senate File 152**

On motion of Senator Quirmbach, **Senate File 152**, a bill for an act relating to compensation for members of county commissions of veteran affairs, with report of committee recommending passage, was taken up for consideration.

Senator Quirmbach moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 152), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 315

On motion of Senator Shull, **Senate File 315**, a bill for an act relating to enforcement of motor vehicle law provisions and making penalties applicable, was taken up for consideration.

Senator Shull asked and received unanimous consent that **House File 343** be substituted for **Senate File 315**.

### House File 343

On motion of Senator Shull, **House File 343**, a bill for an act relating to enforcement of motor vehicle law provisions and making penalties applicable, was taken up for consideration.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 343), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Shull asked and received unanimous consent that **Senate File 315** be **withdrawn** from further consideration of the Senate.

### Senate File 303

On motion of Senator Kreiman, **Senate File 303**, a bill for an act relating to the contents of certain child abuse assessment reports, with report of committee recommending passage, was taken up for consideration.

Senator Kreiman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 303), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 152, 303, and House File 343** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 342.

### Senate File 342

On motion of Senator Wieck, **Senate File 342**, a bill for an act relating to the sale of wine produced by native wineries in this state, was taken up for consideration.

Senator Wieck moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 342), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## RECESS

On motion of Senator Iverson, the Senate recessed at 11:32 a.m. until 1:00 p.m.

## AFTERNOON SESSION

The Senate reconvened at 1:02 p.m., President Pro Tempore Angelo presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 18, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 395**, a bill for an act relating to the extension of credit without discrimination under the consumer credit code.

Read first time and referred to committee on **Commerce**.

**House File 396**, a bill for an act relating to disaster preparedness and providing an effective date.

Read first time and referred to committee on **Human Resources**.

#### IMMEDIATELY MESSAGED

Senator Johnson asked and received unanimous consent that **Senate File 342** be **immediately messaged** to the House.

#### QUORUM CALL

Senator Johnson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 42 present, 8 absent, and a quorum present.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Brunkhorst, until he returns, on request of Senator Putney.

#### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 351 and 298.

#### **Senate File 351**

On motion of Senator Tinsman, **Senate File 351**, a bill for an act relating to child care requirements involving prohibitions against

involvement with child care, record checks and evaluations performed by the department of human services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable, was taken up for consideration.

Senator Tinsman offered amendment S-3048, filed by her from the floor to page 8 of the bill, and moved its adoption.

Amendment S-3048 was adopted by a voice vote.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 351), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Brunkhorst	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### SPECIAL GUEST

Senator Iverson welcomed to the Senate chamber the Honorable John W. Jensen, former member of the Senate from Bremer County.

The Senate rose and expressed its welcome.

## Senate File 298

On motion of Senator Putney, **Senate File 298**, a bill for an act expanding the criminal offense of possessing contraband in correctional institutions to include possessing contraband in a secure facility for the detention or custody of juveniles, a detention facility, or a jail, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 298), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 298** and **351** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 390.

**Senate File 390**

On motion of Senator Shull, **Senate File 390**, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions, was taken up for consideration.

(Action on Senate File 390 was deferred.)

The Senate stood at ease at 1:30 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 2:20 p.m., President Kramer presiding.

**HOUSE MESSAGES RECEIVED AND CONSIDERED**

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 18, 2003, **adopted** the following resolution in which the concurrence of the Senate is asked:

**House Joint Resolution 5**, a joint resolution to nullify administrative rules of the department of natural resources concerning methods of taking wild turkey and deer and providing an effective date.

Read first time and referred to committee on **Natural Resources and Environment.**

ALSO: That the House has on March 18, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 404**, a bill for an act authorizing a sentencing court to issue no-contact orders against persons arrested for any public offense.

Read first time and referred to committee on **Judiciary.**

**House File 411**, a bill for an act providing resident license fees for hunting, fishing, trapping, and related activities to certain persons in the armed forces of the United States.

Read first time and referred to committee on **Natural Resources and Environment.**

**House File 456**, a bill for an act relating to contract choice-of-law provisions referring to the uniform computer information transactions Act, and related matters and providing an effective date.

Read first time and referred to committee on **State Government.**

**House File 472**, a bill for an act appropriating federal funds made available from federal block grants and other federal grants, allocating portions of federal block grants, and providing procedures if federal funds are more or less than anticipated or if federal block grants are more or less than anticipated.

Read first time and referred to committee on **Appropriations.**

**House File 543**, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions.

Read first time and referred to committee on **Commerce.**

## BUSINESS PENDING

**Senate File 390**

The Senate resumed consideration of **Senate File 390**, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions, previously deferred.

Senator Lundby offered amendment S-3043, filed by Senators Lundby and Sievers from the floor to page 2 of the bill.

Senator Holveck asked and received unanimous consent that action on amendment S-3043 and **Senate File 390** be **deferred**.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate File 357.

**Senate File 357**

On motion of Senator Miller, **Senate File 357**, a bill for an act relating to election or appointment of trustees of a city hospital or health care facility, was taken up for consideration.

Senator Quirnbach asked and received unanimous consent that action on **Senate File 357** be **deferred**.

## RECESS

On motion of Senator Iverson, the Senate recessed at 2:33 p.m. until 5:00 p.m.

## APPENDIX — 1

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

March 18, 2003

#### DEPARTMENT OF EDUCATION

Phase III Summary Report, pursuant to Iowa Code, chapter 294A.

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Students from the third and fourth grades at St. Thomas Aquinas Elementary School in Webster City, accompanied by their teacher Judy Wagner. Senator Iverson.

Fifty government and history students from Davenport West High School in Davenport, accompanied by Mr. Pagan and Mr. Barnhill. Senators Seng, Sievers, and Tinsman.

### PETITION

The following petition was presented and placed on file:

From 50 residents of Scott County favoring legislation to ban adoption in Iowa by gay and lesbian couples. Senator Tinsman.

### INTRODUCTION OF BILL

**Senate File 422**, by committee on Judiciary, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, by creating a criminal offense of robbery in the third degree, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate

sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date.

Read first time under Rule 28 and **placed on calendar.**

### STUDY BILL RECEIVED

#### **SSB 1175      Appropriations**

Relating to creating a loan and credit guarantee program and fund.

### SUBCOMMITTEE ASSIGNMENTS

#### **Senate File 350**

APPROPRIATIONS: Sievers, Chair; Behn and Warnstadt

#### **Senate File 360**

WAYS AND MEANS: Larson, Chair; Lamberti and McCoy

#### **Senate File 367**

APPROPRIATIONS: Lamberti, Chair; Gaskill and Hatch

#### **Senate File 382**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

#### **Senate File 404**

WAYS AND MEANS: Larson, Chair; Angelo and McCoy

#### **Senate File 419**

BUSINESS AND LABOR RELATIONS: Schuerer, Chair; Dearden and Lundby

#### **Senate File 420**

STATE GOVERNMENT: Zieman, Chair; Connolly and Sievers

#### **House File 339**

TRANSPORTATION: Rehberg, Chair; Drake and Warnstadt

**House File 453**

APPROPRIATIONS: Lamberti, Chair; Gaskill and Hatch

**SSB 1175**

APPROPRIATIONS: Lamberti, Chair; Dotzler and Shull

**COMMITTEE REPORT****JUDICIARY**

**Final Bill Action:** \*SENATE FILE 422 (SSB 1138), a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, by creating a criminal offense of robbery in the third degree, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 12: Redfern, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, Miller, Quirmbach, and Tinsman. Nays, 3: Larson, McKibben, and Putney. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on Senate File 422, and they were attached to the committee report.

**EXPLANATION OF VOTES**

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on March 17, 2003, when the votes were taken on Senate Files 3, 73, 97, 119, 203, and 235. Had I been present, I would have voted "Yea" on all.

CHUCK LARSON

ALSO:

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on March 18, 2003, when the vote was taken on Senate File 351. Had I been present, I would have voted "Yea."

BOB BRUNKHORST

## EVENING SESSION

The Senate reconvened at 5:06 p.m., President Kramer presiding.

## QUORUM CALL

Senator Iverson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 45 present, 5 absent, and a quorum present.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Kreiman, for the remainder of the day, on request of Senator Gronstal; and Senator Boettger, until she returns, on request of Senator Iverson.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 401.

### **Senate File 401**

On motion of Senator Sievers, **Senate File 401**, a bill for an act relating to tobacco retailers and providing penalties and providing applicability provisions and an effective date, was taken up for consideration.

Senator Sievers offered amendment S-3057, filed by him from the floor to pages 1-3 of the bill, and moved its adoption.

Amendment S-3057 was adopted by a voice vote.

Senator Sievers moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass" (S.F. 401), the vote was:

Yeas, 41:

Angelo	Beall	Behn	Black
Brunkhorst	Connolly	Courtney	Dearden
Drake	Fraise	Gaskill	Gronstal
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 6:

Bolkcom	Dotzler	Dvorsky	Hatch
Quirnbach	Stewart		

Absent, 3:

Boettger	Kreiman	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## BUSINESS PENDING

### Senate File 390

The Senate resumed consideration of **Senate File 390**, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions, previously deferred (amendment S-3043 pending).

Senator Dearden offered amendment S-3059, filed by Senator Dearden, et al., from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3059 be adopted?" (S.F. 390), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Miller	Quirmbach
Ragan	Seng	Stewart	Warnstadt

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 2:

Kreiman	McCoy
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Amendment S-3059 lost.

The Senate resumed consideration of amendment S-3043, previously deferred.

Senator Lundby moved the adoption of amendment S-3043, which motion prevailed by a voice vote.

Senator Dearden offered amendment S-3052, filed by Senators Dearden and Hatch from the floor to pages 3, 10, 15-17, and 20 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3052 be adopted?" (S.F. 390), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Miller	Quirmbach
Ragan	Seng	Stewart	Warnstadt

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 2:

Kreiman	McCoy
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Amendment S–3052 lost.

Senator Dearden offered amendment S–3049, filed by him from the floor to pages 3–5 of the bill, and moved its adoption.

Amendment S–3049 lost by a voice vote.

Senator Lundby offered amendment S–3056, filed by Senators Lundby and Sievers from the floor to pages 4 and 5 of the bill, and moved its adoption.

Amendment S–3056 was adopted by a voice vote.

Senator Shull withdrew amendment S–3035, filed by him on March 17, 2003, to pages 5, 10, 18, and 19 of the bill.

Senator Sievers offered amendment S–3045, filed by Senators Sievers and Lundby from the floor to pages 5, 10, 18, and 19 of the bill.

Senator Sievers called for the following division of amendment S–3045:

Division S-3045A: Lines 2-5; and  
 Division S-3045B: Lines 6-38.

Senator Sievers asked and received unanimous consent to withdraw division S-3045A.

Senator Sievers moved the adoption of division S-3045B, which motion prevailed by a voice vote.

Senator Lundby offered amendment S-3044, filed by Senators Lundby and Sievers from the floor to pages 6 and 16 of the bill.

Senator Lundby asked and received unanimous consent to withdraw amendment S-3044.

Senator Dearden offered amendment S-3050, filed by him from the floor to page 7 of the bill, and moved its adoption.

Amendment S-3050 lost by a voice vote.

Senator Dearden offered amendment S-3051, filed by him from the floor to pages 13 and 18 of the bill, and moved its adoption.

Amendment S-3051 lost by a voice vote.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 390), the vote was:

Yeas, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	McKibben	McKinley	Miller
Putney	Redfern	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Nays, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Houser	Kibbie	Lundby
Quirnbach	Ragan	Rehberg	Seng
Stewart	Warnstadt		

Absent, 2:

Kreiman	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 390** and **401** be **immediately messaged** to the House.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 18, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 391**, a bill for an act establishing a pilot program for the development of cogeneration facilities, providing for the development of ratemaking principles and rates for pilot program facilities, and providing for a future repeal.

Read first time and referred to committee on **Commerce**.

**House File 446**, a bill for an act relating to dealership agreements, and providing for the Act's applicability.

Read first time and **passed on file**.

**House File 506**, a bill for an act renaming the department of economic development and the Iowa economic development board.

Read first time and referred to committee on **Economic Growth**.

**House File 529**, a bill for an act directing the mental health and developmental disabilities commission to make recommendations for redesigning the mental health and developmental disabilities services system for adults and children and providing an effective date.

Read first time and referred to committee on **Human Resources**.

**House File 548**, a bill for an act relating to tribal law enforcement officer training at the Iowa law enforcement academy.

Read first time and **attached to similar Senate File 362**.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 7:17 p.m. until 8:30 a.m. Wednesday, March 19, 2003.

## APPENDIX —2

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Emmetsburg High School Wrestling Team — For achieving your fourth consecutive State 2A Wrestling Championship. Senator Kibbie (3/18/03).

Cathy Lacina — For being named Iowa Rural Water Association Office Manager of the Year. Senator Angelo (3/18/03).

Michael Lawler, Eldora — For achieving the rank of Eagle Scout. Senator McKibben (3/18/03).

Kay Lucas, Bedford — For being named 2003 Iowa Mother of the Year. Senator Angelo (1/18/03).

Dan McIntosh, Creston — For being named Iowa Rural Water Association Operator of the Year. Senator Angelo (3/18/03).

Steven Nesteby, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (3/18/03).

Abby Reinert, Union — For being named a McDonald's All-American. Senator McKibben (3/18/03).

Chase Rogers, Marshalltown — For being the State Champion Class 3A 275 Pound Wrestler. Senator McKibben (3/18/03).

Eric Small, Dubuque — For achieving the rank of Eagle Scout. Senator Connolly (3/18/03).

Jeff Stickrod, Eldora — For achieving the rank of Eagle Scout. Senator McKibben (3/18/03).

Coach Duane Twait — For 29 years of championship football in the Emmetsburg Community School District. Senator Kibbie (3/18/03).

Adam Viet, AGWSR Community School — For becoming the 25th Iowa prep to reach 2,000 points. Senator McKibben (3/18/03).

### REPORTS OF COMMITTEE MEETINGS

#### GOVERNMENT OVERSIGHT

**Convened:** March 18, 2003, 3:10 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Discussion regarding the status of committee bills and other issues being referred to the committee.

**Adjourned:** 3:30 p.m.

#### APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS

**Convened:** March 18, 2003, 3:15 p.m.

**Members Present:** McKibben, Chair; Lamberti, Vice Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** None.

**Committee Business:** Discussion regarding the committee bill.

**Adjourned:** 3:40 p.m.

### INTRODUCTION OF BILL

**Senate File 423**, by Holveck, a bill for an act relating to third-party payor coverage for prescription drugs, including off-label use of prescription drugs.

Read first time under Rule 28 and referred to committee on **Commerce**.

### REPORT OF THE SECRETARY OF THE SENATE

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in engrossing Senate File 401 and amendment S-3057, the following correction was made:

1. Page 1, line 9, the comma after "5A" was removed.

MICHAEL E. MARSHALL  
Secretary of the Senate

### AMENDMENTS FILED

S-3038	S.F.	270	Nancy Boettger
S-3039	S.F.	275	Neal Schuerer
S-3040	S.F.	316	Jeff Angelo

S-3041	S.F.	155	Keith Kreiman Steve Kettering
S-3042	S.F.	297	Dennis H. Black
S-3043	S.F.	390	Mary A. Lundby Bryan J. Sievers
S-3044	S.F.	390	Mary A. Lundby Bryan J. Sievers
S-3045	S.F.	390	Bryan J. Sievers Mary A. Lundby
S-3046	S.F.	37	David Miller Bob Brunkhorst
S-3047	S.F.	297	Kitty Rehberg
S-3048	S.F.	351	Maggie Tinsman
S-3049	S.F.	390	Dick L. Dearden
S-3050	S.F.	390	Dick L. Dearden
S-3051	S.F.	390	Dick L. Dearden
S-3052	S.F.	390	Dick L. Dearden Jack Hatch
S-3053	S.F.	275	Neal Schuerer Jerry Behn
S-3054	S.F.	352	Keith A. Kreiman
S-3055	S.F.	334	Keith A. Kreiman
S-3056	S.F.	390	Mary A. Lundby Bryan J. Sievers
S-3057	S.F.	401	Bryan J. Sievers
S-3058	S.F.	396	Hubert M. Houser
S-3059	S.F.	390	Dick L. Dearden Jack Hatch Jack Holveck Wally E. Horn
S-3060	S.F.	400	Charles W. Larson, Jr.
S-3061	S.F.	373	Dennis H. Black
S-3062	S.F.	357	Herman C. Quirmbach
S-3063	H.F.	319	Steven H. Warnstadt

PROOF OF PUBLICATION  
(House File 615)

Published copy of House File 615 and verified proof of publication of said bill in the Polk County Press Citizen, a weekly newspaper of general circulation, printed and published in Polk County, Iowa, on February 14, 2003, was filed with the Secretary of the Senate on March 18, 2003, in accordance with Iowa Code section 585.1.

# JOURNAL OF THE SENATE

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SIXTY-SIXTH CALENDAR DAY  
THIRTY-NINTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, March 19, 2003

The Senate met in regular session at 8:30 a.m., President Pro Tempore Angelo presiding.

Prayer was offered by the Reverend Lloyd Johnston, pastor of the First Baptist Church in Centerville, Iowa. He was the guest of Senator Kreiman.

The Journal of Tuesday, March 18, 2003, was approved.

The Senate stood at ease at 8:40 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 9:55 a.m., President Kramer presiding.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McCoy, for the day, on request of Senator Kibbie.

## CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 417 and 316.

## Senate File 417

On motion of Senator Fraise, **Senate File 417**, a bill for an act relating to the purchase of a police service dog by the department of corrections, was taken up for consideration.

Senator Fraise moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 417), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## Senate File 316

On motion of Senator Angelo, **Senate File 316**, a bill for an act relating to the conduct and licensure of school employees by creating a criminal offense of sexual exploitation by a school employee, providing a penalty, authorizing the board of educational examiners to perform record checks at the applicant's expense, and requiring school districts and schools to report practitioner misconduct under certain circumstances, was taken up for consideration.

Senator Angelo offered amendment S-3040, filed by him on March 18, 2003, to pages 1 and 4 of the bill, and moved its adoption.

Amendment S-3040 was adopted by a voice vote.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 316), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Brunkhorst, until he returns, on request of Senator Iverson.

CONFIRMATION OF GOVERNOR'S APPOINTMENTS  
(Individual Confirmation Calendar)

Senator Iverson called up the appointment of Michael Ralston, as Director of the Department of Revenue and Finance, placed on the Individual Confirmation Calendar on February 19, 2003, and found on page 278 of the Senate Journal.

Senator McKibben moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Brunkhorst            McCoy

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of Michael Blouin, as Director of the Department of Economic Development, placed on the Individual Confirmation Calendar on March 6, 2003, and found on page 427 of the Senate Journal.

Senator Boettger moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **Senate Files 316** and **417** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate Files 379 and 376.

### Senate File 379

On motion of Senator Miller, **Senate File 379**, a bill for an act relating to certain agricultural liens, was taken up for consideration.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 379), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 376

On motion of Senator Warnstadt, **Senate File 376**, a bill for an act relating to the surcharge for certain dishonored negotiable instruments, was taken up for consideration.

Senator Warnstadt moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 376), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti

Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate File 378.

#### Senate File 378

On motion of Senator Putney, **Senate File 378**, a bill for an act relating to the deposit and use of moneys received by cities and counties for assumption of jurisdiction of primary roads and providing effective and retroactive applicability dates, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 378), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley

Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **Senate Files 376, 378, and 379** be **immediately messaged** to the House.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 19, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 344**, a bill for an act allowing a refund of motor fuel taxes paid by a benefited fire district.

Read first time and referred to committee on **Ways and Means**.

**House File 489**, a bill for an act relating to programs and services under the purview of the department of human services, and providing for retroactive applicability and effective dates.

Read first time and referred to committee on **Human Resources**.

**House File 503**, a bill for an act relating to the authorization of podiatrists to administer anesthesia.

Read first time and **attached to companion Senate File 355.**

ADJOURNMENT

On motion of Senator Boettger, the Senate adjourned at 10:37 a.m. until 8:30 a.m. Thursday, March 20, 2003.

## APPENDIX

### APPOINTMENTS

The following appointees were submitted to the Secretary of the Senate for Senate confirmation (all appointees are submitted as **members** unless otherwise specified):

#### BY THE GOVERNOR

#### TERM

ACCOUNTANCY EXAMINING BOARD (Sec. 542.3)	
Susan Boe, Des Moines	05/01/2003 – 04/30/2006
Richard Johnson, Sheldahl	05/01/2003 – 04/30/2006
Telford Lodden, West Des Moines	05/01/2003 – 04/30/2006
ALCOHOLIC BEVERAGES COMMISSION (Sec. 123.5-6)	
Scott Doll, Council Bluffs	05/01/2003 – 04/30/2008
ARCHITECTURAL EXAMINING BOARD (Sec. 544A.1)	
Martha Green, Des Moines	05/01/2003 – 04/30/2006
Jeffrey Morgan, Des Moines	05/01/2003 – 04/30/2006
BOARD OF ATHLETIC TRAINING EXAMINERS (Sec. 147.14(18))	
Terri Craft, Marshalltown	05/01/2003 – 04/30/2006
BOARD OF BARBER EXAMINERS (Sec 147.14(1))	
Mary Gran, Newton	05/01/2003 – 04/30/2006
Barbara Martin, Luzerne	05/01/2003 – 04/30/2006
BOARD OF BEHAVIORAL SCIENCE EXAMINERS (Sec. 147.14(13))	
Thorald Davidson, Des Moines	05/01/2003 – 04/30/2006
Barbara O'Rourke, North Liberty	05/01/2003 – 04/30/2006
Timothy Ruppert, Marion	05/01/2003 – 04/30/2006
COMMISSION FOR THE BLIND (Sec. 216B.2)	
Robert Martin, Davenport	05/01/2003 – 04/30/2006
IOWA CAPITAL INVESTMENT BOARD (Sec. 15E.63)	
Carol Garrett, Bettendorf	05/01/2003 – 04/30/2008
CHILD ADVOCACY BOARD (Sec. 237.16)	
Lionel Foster, Mason City	05/01/2003 – 04/30/2007
BOARD OF CHIROPRACTIC EXAMINERS (Sec. 147.14(8))	
Alison Foughty, Des Moines	05/01/2003 – 04/30/2006
Kathleen Kennedy, Ankeny	05/01/2003 – 04/30/2005
Michael Powell, Cedar Rapids	05/01/2003 – 04/30/2006
Diane Puthoff, Davenport	05/01/2003 – 04/30/2006

## CITY DEVELOPMENT BOARD (Sec. 368.9)

Barbara Brown, Cedar Falls	05/01/2003 – 04/30/2009
Ann Hutchinson, Bettendorf	05/01/2003 – 04/30/2009

## IOWA STATE CIVIL RIGHTS COMMISSION (Sec. 216.3)

Alicia Claypool, West Des Moines	05/01/2003 – 04/30/2007
David Leshtz, Iowa City	05/01/2003 – 04/30/2007
Dinh VanLo, Des Moines	05/01/2003 – 04/30/2007

ADMINISTRATOR OF THE DIVISION OF COMMUNITY ACTION AGENCIES  
(Sec. 216A.2)

William Brand, Marshalltown	05/01/2002 – Pleasure of the Governor
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## COMMISSION ON COMMUNITY ACTION AGENCIES (Sec. 216A.92A)

Thomas Letsche, Remsen	05/01/2003 – 04/30/2006
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## DIRECTOR OF THE DEPARTMENT OF CORRECTIONS (Sec. 904.107)

Gary Maynard, Columbia, South Carolina	03/28/2003 – Pleasure of the Governor
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## BOARD OF CORRECTIONS (Sec. 904.104)

Robyn Mills, Johnston	05/01/2003 – 04/30/2007
Arthur Neu, Carroll	05/01/2003 – 04/30/2007
Walter Reed, Jr., Waterloo	05/01/2003 – 04/30/2007
Renee Sneitzer, Cedar Rapids	05/01/2003 – 04/30/2007

## BOARD OF COSMETOLOGY ARTS AND SCIENCES EXAMINERS (Sec. 147.14)

Jerry Talbott, Mount Union	05/01/2003 – 04/30/2006
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## COUNTY FINANCE COMMITTEE (Sec. 333A.2)

Denise Dolan, Dubuque	05/01/2003 – 04/30/2007
Richard Heidloff, George	05/01/2003 – 04/30/2007
Ben Lacey, Ankeny	05/01/2003 – 04/30/2007
Kevin Wynn, Corning	05/01/2003 – 04/30/2007

## CREDIT UNION REVIEW BOARD (Sec. 533.53)

Lorraine Groves, Sioux City	05/01/2003 – 04/30/2006
Michael Harvey, Buckingham	05/01/2003 – 04/30/2006
Roger Reiser, Grimes	05/01/2003 – 04/30/2006

## COMMISSION ON THE DEAF (Sec. 216A.112)

John Matthews, Gilmore City	05/01/2003 – 04/30/2006
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## BOARD OF DENTAL EXAMINERS (Sec. 147.14(4))

Elizabeth Brennan, West Des Moines	05/01/2003 – 04/30/2006
Eileen Cacioppo, Davenport	05/01/2003 – 04/30/2006
Gary Roth, Fairfield	05/01/2003 – 04/30/2006

## BOARD OF DIETETIC EXAMINERS (Sec. 147.14(11))

Rachel Dunn, Fort Dodge	05/01/2003 – 04/30/2006
Joseph Rodriguez, Waterloo	05/01/2003 – 04/30/2006

## IOWA DRUG POLICY ADVISORY COUNCIL (Sec. 80E.2)

Arthur Schut, Solon	05/01/2003 – 04/30/2007
Diane Thomas, Manchester	05/01/2003 – 04/30/2007

## IOWA ECONOMIC DEVELOPMENT BOARD (Sec. 15.103)

Linda Bloodsworth, Davenport	03/15/2003 – 04/30/2004
Robert Bocken, Fort Dodge	05/01/2003 – 04/30/2007
Cynthia Keithley, Council Bluffs	05/01/2003 – 04/30/2007

## BOARD OF EDUCATIONAL EXAMINERS (Sec. 272.3)

Bill Haigh, West Des Moines	05/01/2003 – 04/30/2007
Veronica Stalker, West Des Moines	05/01/2003 – 04/30/2007
Jacqueline Wellborn, Iowa City	05/01/2003 – 04/30/2007

## DIRECTOR OF THE DEPARTMENT OF ELDER AFFAIRS (Sec. 231.22)

Mark Haverland, Polk City	11/27/2002 – Pleasure of the Governor
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## COMMISSION OF ELDER AFFAIRS (Sec. 231.11)

John Lowe, Waterloo	05/01/2003 – 04/30/2007
Jane Paulsen, Coralville	05/01/2003 – 04/30/2007

## IOWA EMERGENCY RESPONSE COMMISSION (Sec. 30.2)

Julie Bell, Winterset	05/01/2003 – 04/30/2006
Daniel Rogers, Cedar Rapids	05/01/2003 – 04/30/2006

## IOWA EMPOWERMENT BOARD (Sec. 28.3)

Michael Bergan, Decorah	05/01/2003 – 04/30/2006
Rebecca Burgart, Council Bluffs	05/01/2003 – 04/30/2006
Elaine Szymoniak, Des Moines	05/01/2003 – 04/30/2006
Thomas Wilson, Davenport	05/01/2003 – 04/30/2006
C. Arthur Wittmack, Des Moines	05/01/2003 – 04/30/2006

## ENGINEERING AND LAND SURVEYING EXAMINING BOARD (Sec. 542B.3)

Forrest Holly, Iowa City	05/01/2003 – 04/30/2006
Susan Long, Fairfield	05/01/2003 – 04/30/2006

## ENVIRONMENTAL PROTECTION COMMISSION (Sec. 455A.6)

Donna Buell, Spirit Lake	05/01/2003 – 04/30/2007
Lisa Davis Cook, West Des Moines	05/01/2003 – 04/30/2007
Jerry Peckumn, Jefferson	05/01/2003 – 04/30/2007
Francis Thicke, Fairfield	05/01/2003 – 04/30/2007
Heidi Vittetoe, Washington	05/01/2003 – 04/30/2005

## IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD (Sec. 68B.32)

James Albert, Urbandale	05/01/2003 – 04/30/2009
Janet Carl, Grinnell	05/01/2003 – 04/30/2009

## IOWA FINANCE AUTHORITY (Sec. 16.2)

Kay Anderson, Le Mars	05/01/2003 – 04/30/2009
Carmela Brown, Urbandale	05/01/2003 – 04/30/2009

## BOARD FOR THE LICENSING AND REGULATION OF HEARING AID

## DISPENSERS (Sec. 154A.2-3)

Leslie Whippen, Des Moines 05/01/2003 – 04/30/2006

## IOWA HIGHER EDUCATION LOAN AUTHORITY (Sec. 261A.5)

John Hartung, Indianola 05/01/2003 – 04/30/2009

## DIRECTOR OF THE DEPARTMENT OF HUMAN SERVICES (Sec. 217.5)

Kevin Concannon, Scarborough, Maine 03/28/2003 – Pleasure of the Governor

## COUNCIL ON HUMAN SERVICES (Sec. 217.2)

Ruth Mosher, West Des Moines 05/01/2003 – 04/30/2009

## INFORMATION TECHNOLOGY COUNCIL (Sec. 14B.105)

Diane Kolmer, West Des Moines 05/01/2003 – 04/30/2007

Mary Wegner, Des Moines 05/01/2003 – 04/30/2007

## COMMISSIONER OF INSURANCE (Sec. 505.2)

Therese Vaughan, West Des Moines 05/01/2003 – Pleasure of the Governor

## IOWACCESS ADVISORY COUNCIL (Sec. 14B.201)

Quentin Boyken, West Des Moines 05/01/2003 – 04/30/2007

Gail Flagel, Montezuma 05/01/2003 – 04/30/2007

David Redlawsk, Iowa City 05/01/2003 – 04/30/2007

## CHIEF EXECUTIVE OFFICER OF THE IOWA PUBLIC EMPLOYEES

## RETIREMENT SYSTEM (Sec. 97B.3)

Donna M. Mueller, Boston, Massachusetts 02/01/2003 – Pleasure of the Governor

## INVESTMENT BOARD OF IPERS (Sec. 97B.8A)

David Creighton Sr., Clive 05/01/2003 – 04/30/2009

## STATE JUDICIAL NOMINATING COMMISSION (Sec. 46.1)

Mary Elgar, Mount Pleasant 03/06/2003 – 04/30/2007

Charles Follett, Clive 05/01/2003 – 04/30/2009

Arthur Silva, Sioux City 05/01/2003 – 04/30/2009

## COMMISSION ON JUDICIAL QUALIFICATIONS (Sec. 602.2102)

Monroe Colston, West Des Moines 03/14/2003 – 04/30/2003

Monroe Colston, West Des Moines 05/01/2003 – 04/30/2009

Mary Russell-Curran, Cedar Rapids 05/01/2003 – 04/30/2009

## LANDSCAPE ARCHITECTURAL EXAMINING BOARD (Sec. 544B.3)

David Biehl, Iowa City 05/01/2003 – 04/30/2006

## IOWA LAW ENFORCEMENT ACADEMY COUNCIL (Sec. 80B.6)

James Romar, West Des Moines 05/01/2003 – 04/30/2007

## IOWA LEWIS AND CLARK BICENTENNIAL COMMISSION (Sec. 15.221)

Mark Monson, Sergeant Bluff 05/01/2003 – 04/30/2006

Wynema Morris, Walthill, Nebraska 05/01/2003 – 04/30/2006

Michele Walker, Red Oak 05/01/2003 – 04/30/2006

## COMMISSIONER OF THE IOWA LOTTERY (Sec. 99E.3)

Ed Stanek, Des Moines

05/01/2003 – Pleasure of the Governor

## LOTTERY BOARD (Sec. 99E.5)

Elaine Baxter, Burlington

05/01/2003 – 04/30/2007

Michael McCoy, West Des Moines

05/01/2003 – 04/30/2007

## DIRECTOR OF THE DEPARTMENT OF MANAGEMENT (Sec. 8.4)

Cynthia Eisenhauer, Ankeny

05/01/2003 – Pleasure of the Governor

## BOARD OF MEDICAL EXAMINERS (Sec. 147.14(2))

Carole Frier, Des Moines

05/01/2003 – 04/30/2006

Bruce Hughes, Des Moines

05/01/2003 – 04/30/2006

Sally Schroeder, Ankeny

03/12/2003 – 04/30/2005

Janece Valentine, Fort Dodge

05/01/2003 – 04/30/2006

## MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES COMMISSION

(Sec. 225C.56(1))

Christine Louscher, Algona

02/24/2003 – 04/30/2005

## MENTAL HEALTH RISK POOL BOARD (Sec. 426B.5(3))

Jacqueline Kibbie-Williams, Sheldon

02/25/2003 – 04/30/2003

Jacqueline Kibbie-Williams, Sheldon

05/01/2003 – 04/30/2006

Ralph Kremer, Aurora

05/01/2003 – 04/30/2006

Andy Nielsen, Ankeny

05/01/2003 – 04/30/2006

David Van Ningen, Rock Valley

02/25/2003 – 04/30/2003

David Van Ningen, Rock Valley

05/01/2003 – 04/30/2006

## BOARD OF MORTUARY SCIENCE EXAMINERS (Sec. 147.14(1))

Ruth Ohde, Manning

05/01/2003 – 04/30/2006

## NATURAL RESOURCE COMMISSION (Sec. 455A.5)

Randy Duncan, Des Moines

05/01/2003 – 04/30/2009

Richard Francisco, Lucas

05/01/2003 – 04/30/2009

## BOARD OF NURSING EXAMINERS (Sec. 147.14(3))

M. Ann Aulwes-Allison, Ottumwa

05/01/2003 – 04/30/2006

## STATE BOARD OF EXAMINERS FOR NURSING HOME ADMINISTRATORS

(Sec. 155.2)

Terry Cooper, Winterset

05/01/2003 – 04/30/2006

Susan Frey, Villisca

05/01/2003 – 04/30/2006

Daniel Larmore, Traer

05/01/2003 – 04/30/2006

Mary Nielsen, Johnston

05/01/2003 – 04/30/2006

Audrae Zoekler, Davenport

05/01/2003 – 04/30/2006

## BOARD OF OPTOMETRY EXAMINERS (Sec. 147.14(6))

Barbara Scheetz, West Des Moines

05/01/2003 – 04/30/2006

Robert Weiland, Greenfield

05/01/2003 – 04/30/2006

## DIRECTOR OF THE DEPARTMENT OF PERSONNEL (Sec. 19A.1A)

Mollie Anderson, Indianola

05/01/2003 – Pleasure of the Governor

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD (Sec. 455G.4)

Cathy Rottinghaus, Cedar Falls 05/01/2003 – 04/30/2007

BOARD OF PHARMACY EXAMINERS (Sec. 147.14(5))

Katherine Linder, Manson 05/01/2003 – 04/30/2006

Leman Olson, Mason City 05/01/2003 – 04/30/2006

BOARD OF PHYSICAL AND OCCUPATIONAL THERAPY EXAMINERS (Sec. 147.14(10))

Helen McNurlen, Grinnell 05/01/2003 – 04/30/2006

BOARD OF PHYSICIAN ASSISTANT EXAMINERS (Sec. 147.14(12))

Diane Cardwell, Ames 05/01/2003 – 04/30/2006

Mara Swanson, West Des Moines 05/01/2003 – 04/30/2006

Rita Taylor, Cedar Rapids 05/01/2003 – 04/30/2006

BOARD OF PODIATRY EXAMINERS (Sec. 147.14(1A))

Ethel Campbell, Shannon City 05/01/2003 – 04/30/2006

Rickey Salocker, Fort Dodge 05/01/2003 – 04/30/2006

PREVENTION OF DISABILITIES POLICY COUNCIL (Sec. 225B.3)

Kimberly Brangoccio, West Des Moines 05/01/2003 – 04/30/2006

James Grover, Sioux City 05/01/2003 – 04/30/2006

Mickey McDaniel, Ankeny 05/01/2003 – 04/30/2006

BOARD OF PSYCHOLOGY EXAMINERS (Sec. 147.14(7))

Gerald Jorgensen, Dubuque 05/01/2003 – 04/30/2006

Ana Lopez-Dawson, Pella 05/01/2003 – 04/30/2006

DIRECTOR OF PUBLIC HEALTH (Sec. 135.2)

Mary Mincer Hansen, Panora 03/28/2003 – Pleasure of the Governor

STATE RACING AND GAMING COMMISSION (Sec. 99D.5)

Diane Hamilton, Storm Lake 05/01/2003 – 04/30/2006

Joyce Jarding, Farley 05/01/2003 – 04/30/2006

REAL ESTATE APPRAISER EXAMINING BOARD (Sec. 543D.4)

David Erickson, West Des Moines 05/01/2003 – 04/30/2006

Barbara Leestamper, Waterloo 05/01/2003 – 04/30/2006

Karen Oberman, Waukee 05/01/2003 – 04/30/2006

REAL ESTATE COMMISSION (Sec. 543B.8)

Laurie Dawley, Walford 05/01/2003 – 04/30/2006

James Hughes, Independence 05/01/2003 – 04/30/2006

STATE BOARD OF REGENTS (Sec. 262.1-2)

Neala Arnold, Bettendorf 05/01/2003 – 04/30/2009

Robert Downer, Iowa City 05/01/2003 – 04/30/2009

John Forsyth, West Des Moines 05/01/2003 – 04/30/2009

RENEWABLE FUELS AND COPRODUCTS ADVISORY COMMITTEE (Sec. 159A.4)		
Karen Andersen-Schank, Des Moines		05/01/2003 – 04/30/2006
Greg Hayes, Ottumwa		05/01/2003 – 04/30/2006
STATE BOARD FOR RESPIRATORY CARE (Sec. 147.14(15))		
Sally Steffen, Ottumwa		05/01/2003 – 04/30/2006
Robert Zeman, Solon		05/01/2003 – 04/30/2006
SCHOOL BUDGET REVIEW COMMITTEE (Sec. 257.30)		
Wayne Drexler, Dyersville		05/01/2003 – 04/30/2006
BOARD OF SOCIAL WORK EXAMINERS (Sec. 147.14(1))		
Thomas Capshew, Reinbeck		05/01/2003 – 04/30/2006
Joan Hester, Honey Creek		05/01/2003 – 04/30/2006
STATE SOIL CONSERVATION COMMITTEE (Sec. 161A.4)		
Jean Eells, Webster City		05/01/2003 – 04/30/2009
Todd Scott, Iowa City		05/01/2003 – 04/30/2009
James Tobin, New Market		05/01/2003 – 04/30/2009
BOARD OF SPEECH PATHOLOGY AND AUDIOLOGY EXAMINERS (Sec. 147.14(9))		
Becky Vilda, Iowa City		05/01/2003 – 04/30/2006
Douglas Walter, Bettendorf		05/01/2003 – 04/30/2006
Kent Webb, Red Oak		05/01/2003 – 04/30/2006
STATE BOARD OF TAX REVIEW (Sec. 421.1)		
Steven Richardson, Indianola		05/01/2003 – 04/30/2009
TITLE GUARANTY DIVISION BOARD (Sec. 16.2)		
Walter Murphy, New Hampton		05/01/2003 – 04/30/2009
COMMISSION ON TOBACCO USE PREVENTION AND CONTROL (Sec. 142A.3)		
Annette Bair, Clive		05/01/2003 – 04/30/2006
Scott Havens, Norwalk		05/01/2003 – 04/30/2006
Marvin Jenkins, Urbandale		05/01/2003 – 04/30/2006
STATE TRANSPORTATION COMMISSION (Sec. 307.3)		
Jeffrey Danielson, Waterloo		05/01/2003 – 04/30/2007
CHAIR OF THE UTILITIES BOARD (Sec. 474.1)		
Diane Munns, Des Moines		05/01/2003 – 04/30/2005
UTILITIES BOARD (Sec. 474.1)		
Diane Munns, Des Moines		05/01/2003 – 04/30/2009
COMMISSION OF VETERANS AFFAIRS (Sec. 35A.2)		
Mildred Dawson, Cedar Rapids		05/01/2003 – 04/30/2007
Laurel Phipps, Marshalltown		02/17/2003 – 04/30/2006
IOWA BOARD OF VETERINARY MEDICINE (Sec. 169.5)		
Anne Duffy, Cedar Rapids		05/01/2003 – 04/30/2006
Leslie Hemmingson, Le Mars		05/01/2003 – 04/30/2006

## CHAIR OF VISION IOWA BOARD (Sec. 15F.102)

Michael Gartner, Des Moines	05/01/2003 – 04/30/2006
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## VISION IOWA BOARD (Sec. 15F.102)

Marvin Berenstein, Sioux City	05/01/2003 – 04/30/2006
Lorna Burnside, Storm Lake	05/01/2003 – 04/30/2006
Libby Slappey, Cedar Rapids	05/01/2003 – 04/30/2006

## ADMINISTRATOR OF THE DIVISION ON THE STATUS OF WOMEN (Sec. 216A.2)

Charlotte Nelson, Des Moines	05/01/2003 – Pleasure of the Governor
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## WORKERS' COMPENSATION COMMISSIONER (Sec. 86.1)

Michael Trier, Ankeny	05/01/2003 – 04/30/2009
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## IOWA WORKFORCE DEVELOPMENT BOARD (Sec. 84A.1A)

Benjamin Duehr, Dubuque	05/01/2003 – 04/30/2007
Sarah Falb, West Union	05/01/2003 – 04/30/2007

BY THE ATTORNEY GENERAL

## CONSUMER ADVOCATE (Sec. 2.32(1))

John R. Perkins, Des Moines	05/01/2003 – 04/30/2007
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BY THE IOWA DEPARTMENT OF  
AGRICULTURE AND LAND STEWARDSHIP

## GRAPE AND WINE DEVELOPMENT COMMISSION (Sec. 175A.2)

Benjamin Jung, West Des Moines	07/01/2003 – 06/30/2006
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BY THE IOWA TELECOMMUNICATIONS  
AND TECHNOLOGY COMMISSIONEXECUTIVE DIRECTOR OF THE IOWA TELECOMMUNICATIONS AND  
TECHNOLOGY COMMISSION (Sec. 8D.4)

John P. Gillispie, Johnston	12/10/2002 – Pleasure of the Commission
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The appointments were referred to the committee on **Rules and Administration**.

## GOVERNOR'S DEFERRAL LETTERS

The following letters from the Governor were received in the office of the Secretary of the Senate on March 15, 2003:

Pursuant to Iowa Code section 2.32(4), the appointment for the Commission on Community Action Agencies vacancy, formerly held by Ethel Campbell, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Commission on Community Action Agencies vacancy, formerly held by Loren Wakefield, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Iowa Empowerment Board vacancy, formerly held by Kevin Cameron, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Iowa Empowerment Board vacancy, formerly held by Clemmye Jackson, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Health Facilities Council vacancy, formerly held by Joseph Ryan, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Human Services Council vacancy, formerly held by Margaret Guhin, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the IowaAccess Advisory Council vacancy, formerly held by Marsha Carter, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Landscape Architectural Examining Board vacancy, formerly held by Catherine Brown, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Board of Examiners for Massage Therapy vacancy, formerly held by Debra Brooks, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Board of Mortuary Science Examiners vacancy, formerly held by Diane Palmer, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Board of Nursing Examiners vacancy, formerly held by Patrick Greenwood, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Renewable Fuels and Coproducts Advisory Committee vacancy, formerly held by David Holmes, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Small Business Advisory Council vacancy, formerly held by James Davis, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Small Business Advisory Council vacancy, formerly held by Denise Essman, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Small Business Advisory Council vacancy, formerly held by Frances Fleck, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Commission of Veterans Affairs vacancy, formerly held by Jesse Rodriguez, is being deferred because no appropriate candidate has been found for this position at this time.

Sincerely,  
THOMAS J. VILSACK  
Governor

## CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Ryan Abbas, Ackley — For achieving the rank of Eagle Scout. Senator McKibben (3/19/03).

Tom and Margaret Ericson, Sioux City — For your 60th wedding anniversary. Senator Warnstadt (3/19/03).

## PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Women from the First United Methodist Church in Cedar Falls, accompanied by Diane Snead. Senator Redfern.

## BILL ASSIGNED TO COMMITTEE

President Kramer announced that **House File 446** was assigned to the **Commerce** committee.

## REPORTS OF COMMITTEE MEETINGS

### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** March 18, 2003, 3:10 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Discussion regarding the committee appropriations bill.

**Adjourned:** 4:15 p.m.

**APPROPRIATIONS**

**Convened:** March 19, 2003, 2:10 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed SF 375 and approved SSBs 1154 and 1176.

**Adjourned:** 2:30 p.m.

**WAYS AND MEANS**

**Convened:** March 19, 2003, 1:10 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** McCoy (excused).

**Committee Business:** Passed SFs 237, 268 (as amended), and 404 and HF 304.

**Adjourned:** 1:50 p.m.

**INTRODUCTION OF RESOLUTIONS**

**Senate Concurrent Resolution 10**, by Tinsman, a concurrent resolution designating the Iowa tartan and the Iowa dress tartan as the official state tartan.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Concurrent Resolution 11**, by Boettger, a concurrent resolution urging the United States Congress to act to remove trade, financial, and travel restrictions relating to Cuba.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILL

**Senate File 424**, by committee on Appropriations, a bill for an act relating to urban renewal indebtedness reporting and providing an effective date.

Read first time under Rule 28 and **placed on Appropriations calendar.**

## STUDY BILLS RECEIVED

**SSB 1176      Appropriations**

Relating to urban renewal indebtedness reporting and providing an effective date.

**SSB 1177      Appropriations**

Relating to a competitively bid contract to provide services and equipment to school districts to reduce school bus engine emissions and enhance school bus engine efficiency, and making an appropriation.

## SUBCOMMITTEE ASSIGNMENTS

**Senate Concurrent Resolution 10**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 22**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 23**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 289**

JUDICIARY: Tinsman, Chair; Holveck and Kettering

**Senate File 305**

JUDICIARY: Redfern, Chair; Kreiman and Larson

**Senate File 330**

JUDICIARY: Lamberti, Chair; Miller and Quirmbach

**Senate File 331**

JUDICIARY: Larson, Chair; Boettger and Fraise

**Senate File 347**

JUDICIARY: Putney, Chair; Kettering and McCoy

**Senate File 391**

APPROPRIATIONS: Houser, Chair; Fraise and Gaskill

**Senate File 423**

COMMERCE: Angelo, Chair; Warnstadt and Wieck

**House Joint Resolution 5**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Miller and Seng

**House File 85**

NATURAL RESOURCES AND ENVIRONMENT: Dearden, Chair; Drake and Lundby

**House File 349**

JUDICIARY: Boettger, Chair; Horn and Miller

**House File 380**

AGRICULTURE: Johnson, Chair; Houser and Ragan

**House File 386**

HUMAN RESOURCES: Behn, Chair; Boettger and Holveck

**House File 389**

HUMAN RESOURCES: Seymour, Chair; Kreiman and Schuerer

**House File 390**

ECONOMIC GROWTH: Putney, Chair; Rehberg and Stewart

**House File 391**

COMMERCE: Sievers, Chair; Angelo and Warnstadt

**House File 392**

ECONOMIC GROWTH: Larson, Chair; Beall and Veenstra

**House File 395**

COMMERCE: Redfern, Chair; Behn and Stewart

**House File 396**

HUMAN RESOURCES: Veenstra, Chair; Horn and Tinsman

**House File 411**

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Kettering and Seng

**House File 446**

COMMERCE: Behn, Chair; Beall and Sievers

**House File 456**

STATE GOVERNMENT: Black, Chair; Schuerer and Shull

**House File 472**

APPROPRIATIONS: Seymour, Chair; Hatch and Lamberti

**House File 506**

ECONOMIC GROWTH: Rehberg, Chair; Dotzler and Seymour

**House File 529**

HUMAN RESOURCES: Tinsman, Chair; Horn and Hosch

**House File 543**

COMMERCE: Angelo, Chair; Schuerer and Warnstadt

**SSB 1176**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

**SSB 1177**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** SENATE FILE 375 (SSB 1128), a bill for an act relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 25: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### ALSO:

**Final Bill Action:** SENATE FILE 424 (SSB 1176), a bill for an act relating to urban renewal indebtedness reporting and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 25: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### WAYS AND MEANS

**Final Bill Action:** SENATE FILE 237 (SSB 1081), a bill for an act relating to fees charged to certain private water supply contractors, establishing a private water supply system account within the water quality protection fund, and appropriating moneys in the account.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: McCoy and McKinley.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### ALSO:

**Final Bill Action:** SENATE FILE 404 (SSB 1037), a bill for an act relating to provision of telecommunications services by municipal utilities, including discovery of competitive information, permitted loans, and making related changes.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: McKibben, Shull, Angelo, Hosch, Lamberti, Larson, McKinley, Miller, and Sievers. Nays, 4: Bolkom, Connolly, Dotzler, and Stewart. Present, 2: Quirnbach and Rehberg. Absent, 2: McCoy and Seng.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 304, a bill for an act relating to the payment by a county of the agricultural land tax credit and reimbursement to the county of its payment and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: McCoy and McKinley.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## EXPLANATION OF VOTE

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on March 19, 2003, when the vote was taken on the confirmation of Michael Ralston as the Director of Revenue and Finance. Had I been present, I would have voted "Yea."

BOB BRUNKHORST

## AMENDMENTS FILED

S-3064	S.F.	327	Mike Connolly
S-3065	S.F.	297	Kitty Rehberg
S-3066	S.F.	275	Neal Schuerer Jerry Behn
S-3067	S.F.	327	Jeff Lamberti
S-3068	S.F.	327	Jeff Lamberti

# JOURNAL OF THE SENATE

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SIXTY-SEVENTH CALENDAR DAY  
FORTIETH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, March 20, 2003

The Senate met in regular session at 8:30 a.m., Senator Boettger presiding.

Prayer was offered by David Boettger, husband of Senator Boettger and father of Allan, Tim, Andy, and Sarah. He was the guest of Senator Boettger.

The Journal of Wednesday, March 19, 2003, was approved.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:33 a.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 8:36 a.m., Senator Boettger presiding.

The Senate stood at ease at 8:37 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 9:40 a.m., Senator Boettger presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 19, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 412**, a bill for an act relating to the amount of mussels and shells which may be taken pursuant to a sport fishing license.

Read first time and referred to committee on **Natural Resources and Environment**.

**House File 492**, a bill for an act relating to soil conservation by providing for the acquisition of land by soil and water conservation districts, and eliminating certain reporting requirements.

Read first time and referred to committee on **Agriculture**.

**House File 525**, a bill for an act creating an environmental oversight committee.

Read first time and referred to committee on **Natural Resources and Environment**.

**House File 547**, a bill for an act providing for evidence of financial responsibility filed by commercial pesticide applicators.

Read first time and referred to committee on **Agriculture**.

**House File 549**, a bill for an act relating to the duties and operations of the department of education and school boards.

Read first time and referred to committee on **Education**.

**House File 574**, a bill for an act applying Iowa's open meetings law to newly elected members of a governmental body not yet sworn in.

Read first time and referred to committee on **State Government**.

**House File 577**, a bill for an act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date.

Read first time and **attached to companion Senate File 381**.

## COMMITTEE REPORT

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 23, a resolution honoring the Iowa State University of Science and Technology Extension for 100 years of service to Iowa.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Gronstal, Boettger, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Kramer and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 23.

### Senate Resolution 23

On motion of Senator Iverson, **Senate Resolution 23**, a resolution honoring the Iowa State University of Science and Technology Extension for 100 years of service to Iowa, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 23, which motion prevailed by a voice vote.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Drake and Kramer, for the day, on request of Senator Iverson; Senator McCoy, for the day, on request of Senator Gronstal; and Senator Brunkhorst, until he returns, on request of Senator Iverson.

UNFINISHED BUSINESS  
(Deferred March 18, 2003)

**Senate File 357**

The Senate resumed consideration of **Senate File 357**, a bill for an act relating to election or appointment of trustees of a city hospital or health care facility, deferred March 18, 2003.

Senator Quirnbach withdrew amendment S-3070, filed by him from the floor to pages 1 and 2 of the bill.

Senator Quirnbach offered amendment S-3062, filed by him on March 18, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3062 lost by a voice vote.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 357), the vote was:

Yeas, 45:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Connolly	Courtney
Dearden	Dotzler	Dvorsky	Fraise
Gaskill	Gronstal	Hatch	Holveck
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kreiman
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 1:

Quirnbach

Absent, 4:

Brunkhorst	Drake	Kramer	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Gronstal, until he returns, on request of Senator Bolkcom.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 275 and 348.

#### **Senate File 275**

On motion of Senator Schuerer, **Senate File 275**, a bill for an act relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability, was taken up for consideration.

Senator Schuerer offered amendment S-3039, filed by him on March 18, 2003, to pages 1 and 2 of the bill, and moved its adoption.

Amendment S-3039 was adopted by a voice vote.

Senator Schuerer asked and received unanimous consent to withdraw amendment S-3053, filed Senators Schuerer and Behn on March 18, 2003, to page 2 of the bill.

Senator Schuerer offered amendment S-3066, filed by Senators Schuerer and Behn on March 19, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3066 was adopted by a voice vote.

Senator Schuerer moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 275), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gaskill	Hatch	Holveck
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kreiman
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, 4:

Drake	Gronstal	Kramer	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 348

On motion of Senator Kettering, **Senate File 348**, a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates, was taken up for consideration.

Senator Kettering moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 348), the vote was:

Yeas, 36:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gaskill	Hatch	Horn
Hosch	Houser	Iverson	Johnson
Kettering	Kibbie	Lamberti	Lundby
McKibben	Miller	Quirnbach	Ragan
Redfern	Seng	Shull	Stewart
Tinsman	Veenstra	Warnstadt	Wieck

Nays, 10:

Holveck	Kreiman	Larson	McKinley
Putney	Rehberg	Schuerer	Seymour
Sievers	Zieman		

Absent, 4:

Drake	Gronstal	Kramer	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 275, 348, and 357** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 424.

#### **Senate File 424**

On motion of Senator Lamberti, **Senate File 424**, a bill for an act relating to urban renewal indebtedness reporting and providing an effective date, was taken up for consideration.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 424), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kreiman
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 1:

Horn

Absent, 3:

Drake	Kramer	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 361 and 363.

#### **Senate File 361**

On motion of Senator Tinsman, **Senate File 361**, a bill for an act relating to emergency procedures for the temporary detention and treatment of persons who are incapacitated or impaired due to substance abuse or mental health problems, was taken up for consideration.

Senator Tinsman offered amendment S-3071, filed by her from the floor to pages 1 and 3 of the bill, and moved its adoption.

Amendment S-3071 was adopted by a voice vote.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 361), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kreiman	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Drake	Kramer	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 363

On motion of Senator Houser, **Senate File 363**, a bill for an act allowing elimination of local assessor examining boards, was taken up for consideration.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 363), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Dvorsky

Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kreiman	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Drake	Kramer	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Angelo asked and received unanimous consent that **Senate Files 361, 363, and 424** be **immediately messaged** to the House.

#### ADJOURNMENT

On motion of Senator Angelo, the Senate adjourned at 10:34 a.m. until 1:00 p.m. Monday, March 24, 2003.

## **APPENDIX**

### **REPORT OF THE COMMITTEE ON RULES AND ADMINISTRATION**

The committee on Rules and Administration referred the following Governor's appointments and other appointments to state boards, commissions, and departments to Senate standing committees, as indicated for investigation on March 20, 2003:

#### **AGRICULTURE**

Benjamin Jung – Grape and Wine Development Commission

Jean Eells – State Soil Conservation Committee

Todd Scott – State Soil Conservation Committee

James Tobin – State Soil Conservation Committee

#### **BUSINESS AND LABOR RELATIONS**

Michael Trier – Workers' Compensation Commissioner

Benjamin Duehr – Iowa Workforce Development Board

Sarah Falb – Iowa Workforce Development Board

#### **COMMERCE**

John R. Perkins – Consumer Advocate

Lorraine Groves – Credit Union Review Board

Michael Harvey – Credit Union Review Board

Roger Reiser – Credit Union Review Board

Therese Vaughan – Commissioner of Insurance

John P. Gillispie – Executive Director of the Iowa Telecommunications and Technology Commission

Walter Murphy – Title Guaranty Division Board

Diane Munns – Chair of the Utilities Board

Diane Munns – Utilities Board

#### **ECONOMIC GROWTH**

Carol Garrett – Iowa Capital Investment Board

Linda Bloodsworth – Iowa Economic Development Board

Robert Bocken – Iowa Economic Development Board

Cynthia Keithley – Iowa Economic Development Board

**EDUCATION**

Bill Haigh – Board of Educational Examiners  
Veronica Stalker – Board of Educational Examiners  
Jacqueline Wellborn – Board of Educational Examiners

John Hartung – Iowa Higher Education Loan Authority

Neala Arnold – State Board of Regents  
Robert Downer – State Board of Regents  
John Forsyth – State Board of Regents

Wayne Drexler – School Budget Review Committee

**HUMAN RESOURCES**

Terri Craft – Board of Athletic Training Examiners

Thorald Davidson – Board of Behavioral Science Examiners  
Barbara O'Rourke – Board of Behavioral Science Examiners  
Timothy Ruppert – Board of Behavioral Science Examiners

Robert Martin – Commission for the Blind

Lionel Foster – Child Advocacy Board

William Brand – Administrator of the Division of Community Action Agencies

Thomas Letsche – Commission on Community Action Agencies

John Matthews – Commission on the Deaf

Mark Haverland – Director of the Department of Elder Affairs

John Lowe – Commission of Elder Affairs  
Jane Paulsen – Commission of Elder Affairs

Michael Bergan – Iowa Empowerment Board  
Rebecca Burgart – Iowa Empowerment Board  
Elaine Szymoniak – Iowa Empowerment Board  
Thomas Wilson – Iowa Empowerment Board  
C. Arthur Wittmack – Iowa Empowerment Board

Kevin Concannon – Director of the Department of Human Services

Ruth Mosher – Council on Human Services

Christine Louscher – Mental Health and Developmental Disabilities Commission

Diane Cardwell – Board of Physician Assistant Examiners  
Mara Swanson – Board of Physician Assistant Examiners  
Rita Taylor – Board of Physician Assistant Examiners

Kimberly Brangoccio – Prevention of Disabilities Policy Council  
 James Grover – Prevention of Disabilities Policy Council  
 Mickey McDaniel – Prevention of Disabilities Policy Council

Mary Mincer Hansen – Director of Public Health

Annette Bair – Commission on Tobacco Use Prevention and Control  
 Scott Havens – Commission on Tobacco Use Prevention and Control  
 Marvin Jenkins – Commission on Tobacco Use Prevention and Control

Charlotte Nelson – Administrator of the Division on the Status of Women

### **JUDICIARY**

Alicia Claypool – Iowa State Civil Rights Commission  
 David Leshtz – Iowa State Civil Rights Commission  
 Dinh VanLo – Iowa State Civil Rights Commission

Gary Maynard – Director of the Department of Corrections

Robyn Mills – Board of Corrections  
 Arthur Neu – Board of Corrections  
 Walter Reed, Jr. – Board of Corrections  
 Renee Sneitzer – Board of Corrections

Arthur Schut – Iowa Drug Policy Advisory Council  
 Diane Thomas – Iowa Drug Policy Advisory Council

Mary Elgar – State Judicial Nominating Commission  
 Charles Follett – State Judicial Nominating Commission  
 Arthur Silva – State Judicial Nominating Commission

Monroe Colston – Commission on Judicial Qualifications (Appointment)  
 Monroe Colston – Commission on Judicial Qualifications (Reappointment)  
 Mary Russell-Curran – Commission on Judicial Qualifications

### **LOCAL GOVERNMENT**

Barbara Brown – City Development Board  
 Ann Hutchinson – City Development Board

Denise Dolan – County Finance Committee  
 Richard Heidloff – County Finance Committee  
 Ben Lacey – County Finance Committee  
 Kevin Wynn – County Finance Committee

Mark Monson – Iowa Lewis and Clark Bicentennial Commission  
 Wynema Morris – Iowa Lewis and Clark Bicentennial Commission  
 Michele Walker – Iowa Lewis and Clark Bicentennial Commission

Jacqueline Kibbie-Williams – Mental Health Risk Pool Board (Appointment)  
 Jacqueline Kibbie-Williams – Mental Health Risk Pool Board (Reappointment)  
 Ralph Kremer – Mental Health Risk Pool Board  
 Andy Nielsen – Mental Health Risk Pool Board  
 David Van Ningen – Mental Health Risk Pool Board (Appointment)  
 David Van Ningen – Mental Health Risk Pool Board (Reappointment)

### **NATURAL RESOURCES AND ENVIRONMENT**

Donna Buell – Environmental Protection Commission  
 Lisa Davis Cook – Environmental Protection Commission  
 Jerry Peckumn – Environmental Protection Commission  
 Francis Thicke – Environmental Protection Commission  
 Heidi Vittetoe – Environmental Protection Commission

Randy Duncan – Natural Resource Commission  
 Richard Francisco – Natural Resource Commission

Cathy Rottinghaus – Iowa Comprehensive Petroleum Underground Storage Tank  
 Fund Board

Karen Andersen-Schank – Renewable Fuels and Coproducts Advisory Committee  
 Greg Hayes – Renewable Fuels and Coproducts Advisory Committee

### **STATE GOVERNMENT**

Susan Boe – Accountancy Examining Board  
 Richard Johnson – Accountancy Examining Board  
 Telford Lodden – Accountancy Examining Board

Scott Doll – Alcoholic Beverages Commission

Martha Green – Architectural Examining Board  
 Jeffrey Morgan – Architectural Examining Board

Mary Gran – Board of Barber Examiners  
 Barbara Martin – Board of Barber Examiners

Alison Foughty – Board of Chiropractic Examiners  
 Kathleen Kennedy – Board of Chiropractic Examiners  
 Michael Powell – Board of Chiropractic Examiners  
 Diane Puthoff – Board of Chiropractic Examiners

Jerry Talbott – Board of Cosmetology Arts and Sciences Examiners

Elizabeth Brennan – Board of Dental Examiners  
 Eileen Cacioppo – Board of Dental Examiners  
 Gary Roth – Board of Dental Examiners

Rachel Dunn – Board of Dietetic Examiners  
 Joseph Rodriguez – Board of Dietetic Examiners

Julie Bell – Iowa Emergency Response Commission  
Daniel Rogers – Iowa Emergency Response Commission

Forrest Holly – Engineering and Land Surveying Examining Board  
Susan Long – Engineering and Land Surveying Examining Board

James Albert – Iowa Ethics and Campaign Disclosure Board  
Janet Carl – Iowa Ethics and Campaign Disclosure Board

Leslie Whippen – Board for the Licensing and Regulation of Hearing Aid  
Dispensers

Diane Kolmer – Information Technology Council  
Mary Wegner – Information Technology Council

Quentin Boyken – IowaAccess Advisory Council  
Gail Flagel – IowaAccess Advisory Council  
David Redlawsk – IowaAccess Advisory Council

Donna M. Mueller – Chief Executive Officer of the Iowa Public Employees  
Retirement System

David Creighton, Sr. – Investment Board of IPERS

David Biehl – Landscape Architectural Examining Board

Ed Stanek – Commissioner of the Iowa Lottery

Elaine Baxter – Lottery Board  
Michael McCoy – Lottery Board

Cynthia Eisenhauer – Director of the Department of Management

Carole Frier – Board of Medical Examiners  
Bruce Hughes – Board of Medical Examiners  
Sally Schroeder – Board of Medical Examiners  
Janece Valentine – Board of Medical Examiners

Ruth Ohde – Board of Mortuary Science Examiners

M. Ann Aulwes-Allison – Board of Nursing Examiners

Terry Cooper – State Board of Examiners for Nursing Home Administrators  
Susan Frey – State Board of Examiners for Nursing Home Administrators  
Daniel Larmore – State Board of Examiners for Nursing Home Administrators  
Mary Nielsen – State Board of Examiners for Nursing Home Administrators  
Audrae Zoeckler – State Board of Examiners for Nursing Home Administrators

Barbara Scheetz – Board of Optometry Examiners  
Robert Weiland – Board of Optometry Examiners

Mollie Anderson – Director of the Department of Personnel

Katherine Linder – Board of Pharmacy Examiners  
Leman Olson – Board of Pharmacy Examiners

Helen McNurlen – Board of Physical and Occupational Therapy Examiners

Ethel Campbell – Board of Podiatry Examiners  
Rickey Salocker – Board of Podiatry Examiners

Gerald Jorgensen – Board of Psychology Examiners  
Ana Lopez-Dawson – Board of Psychology Examiners

Diane Hamilton – State Racing and Gaming Commission  
Joyce Jarding – State Racing and Gaming Commission

David Erickson – Real Estate Appraiser Examining Board  
Barbara Leestamper – Real Estate Appraiser Examining Board  
Karen Oberman – Real Estate Appraiser Examining Board

Laurie Dawley – Real Estate Commission  
James Hughes – Real Estate Commission

Sally Steffen – State Board for Respiratory Care  
Robert Zeman – State Board for Respiratory Care

Thomas Capshew – Board of Social Work Examiners  
Joan Hester – Board of Social Work Examiners

Becky Vilda – Board of Speech Pathology and Audiology Examiners  
Douglas Walter – Board of Speech Pathology and Audiology Examiners  
Kent Webb – Board of Speech Pathology and Audiology Examiners

Mildred Dawson – Commission of Veterans Affairs  
Laurel Phipps – Commission of Veterans Affairs

Anne Duffy – Iowa Board of Veterinary Medicine  
Leslie Hemmingson – Iowa Board of Veterinary Medicine

Michael Gartner – Chair of Vision Iowa Board

Marvin Berenstein – Vision Iowa Board  
Lorna Burnside – Vision Iowa Board  
Libby Slappey – Vision Iowa Board

#### **TRANSPORTATION**

James Romar – Iowa Law Enforcement Academy Council

Jeffrey Danielson – State Transportation Commission

## WAYS AND MEANS

Kay Anderson – Iowa Finance Authority  
Carmela Brown – Iowa Finance Authority

Steven Richardson – State Board of Tax Review

## PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

High school government students from Pekin Community Schools.  
Senator Miller.

## REPORTS OF COMMITTEE MEETINGS

### GOVERNMENT OVERSIGHT

**Convened:** March 19, 2003, 3:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Subcommittee assignments and discussion regarding the GEM bill. Approved SSB 1133 (as amended).

**Adjourned:** 4:10 p.m.

### APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Convened:** March 19, 2003, 3:10 p.m.

**Members Present:** Schuerer, Chair; Boettger, Vice Chair; Horn, Ranking Member; Kibbie and Shull.

**Members Absent:** None.

**Committee Business:** Passed the committee appropriations bill.

**Recessed:** 3:15 p.m.

**Reconvened:** 4:00 p.m.

**Adjourned:** 5:45 p.m.

**APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM**

**Convened:** March 19, 2003, 3:10 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Passed committee appropriations bill for the judicial branch (as amended) and discussed committee appropriations bill for the justice system.

**Adjourned:** 3:40 p.m.

**RULES AND ADMINISTRATION**

**Convened:** March 20, 2003, 8:30 a.m.

**Members Present:** Iverson, Chair; Gronstal, Ranking Member; Boettger, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** Kramer, Vice Chair; and Drake (both excused).

**Committee Business:** Approved the en bloc confirmation calendar and SRs 22 and 23.

**Adjourned:** 8:35 a.m.

**APPROPRIATIONS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**

**Convened:** March 20, 2003, 3:00 p.m.

**Members Present:** McKinley, Chair; Behn, Vice Chair; Dotzler, Ranking Member; Putney and Quirnbach.

**Members Absent:** None.

**Committee Business:** Approved appropriations committee bill LSB 1121ja.

**Recessed:** 3:05 p.m.

**Reconvened:** 3:10 p.m.

**Adjourned:** 3:30 p.m.

**INTRODUCTION OF RESOLUTION**

**Senate Resolution 24**, by Iverson, Angelo, Kramer, McKibben, and Larson, a resolution reaffirming Iowa's commitment to freedom and democracy and calling for an end to terrorism.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

### INTRODUCTION OF BILLS

**Senate File 425**, by committee on Appropriations, a bill for an act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources.

Read first time under Rule 28 and **placed on Appropriations calendar**.

**Senate File 426**, by committee on Ways and Means, a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

Read first time under Rule 28 and **placed on Ways and Means calendar**.

**Senate File 427**, by committee on Government Oversight, a bill for an act relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

Read first time under Rule 28 and **placed on calendar**.

### STUDY BILL RECEIVED

#### **SSB 1178      Government Oversight**

Relating to government efficiency by providing for the establishment of common state services regional boundaries, and providing an effective date.

### SUBCOMMITTEE ASSIGNMENTS

**Senate File 338**

JUDICIARY: Redfern, Chair; Kreiman and Larson

**House File 289**

LOCAL GOVERNMENT: Angelo, Chair; Houser and McCoy

**House File 344**

WAYS AND MEANS: Connolly, Chair; McKibben and Sievers

**House File 404**

JUDICIARY: Boettger, Chair; Quirnbach and Tinsman

**SSB 1178**

GOVERNMENT OVERSIGHT: Brunkhorst, Chair; Dvorsky and Wieck

**COMMITTEE REPORTS****APPROPRIATIONS**

**Final Bill Action:** \*SENATE FILE 425 (SSB 1154), a bill for an act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 25: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 425, and they were attached to the committee report.

**GOVERNMENT OVERSIGHT**

**Final Bill Action:** SENATE FILE 427 (SSB 1133), a bill for an act relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 5: Lundby, Brunkhorst, Courtney, Dvorsky and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE RESOLUTION 22, a resolution relating to support of Best Buddies Iowa and urging continued federal funding of the program.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Gronstal, Boettger, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Kramer and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**WAYS AND MEANS**

**Final Bill Action:** SENATE FILE 426 (formerly SF 268), a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: McCoy and McKinley.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**EXPLANATION OF VOTE**

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on March 20, 2003, when the vote was taken on Senate File 357. Had I been present, I would have voted "Yea."

BOB BRUNKHORST

**AMENDMENTS FILED**

S-3069	S.F.	397	Bob Brunkhorst Dick L. Dearden
S-3070	S.F.	357	Herman C. Quirnbach
S-3071	S.F.	361	Maggie Tinsman
S-3072	S.F.	402	Larry McKibben
S-3073	S.F.	37	David Miller Bob Brunkhorst
S-3074	H.F.	65	David Miller Bob Brunkhorst

# JOURNAL OF THE SENATE

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SEVENTY-FIRST CALENDAR DAY  
FORTY-FIRST SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, March 24, 2003

The Senate met in regular session at 1:12 p.m., President Kramer presiding.

Prayer was offered by the Reverend Daniel Phillip, pastor of the Christian Fellowship Baptist Church in Waterloo, Iowa. He was the guest of Senator Dotzler.

Miss Joni Carroll, daughter of Representative Danny Carroll, sang "The Star Spangled Banner."

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Pages Kristin Irwin and Eva Sersland.

The Journal of Thursday, March 20, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 20, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 424**, a bill for an act relating to urban renewal indebtedness reporting and providing an effective date.

ALSO: That the House has on March 20, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 450**, a bill for an act creating an exception to the statutory rule against perpetuities and making related changes.

Read first time and referred to committee on **Judiciary**.

**House File 455**, a bill for an act requiring licensed health-related professionals to report certain burn injuries to a law enforcement agency.

Read first time and referred to committee on **Judiciary**.

**House File 457**, a bill for an act expanding requirements for the transition of an individual from the child welfare services system to adulthood.

Read first time and referred to committee on **Human Resources**.

**House File 479**, a bill for an act designating advanced registered nurse practitioners as providers of health care services pursuant to managed care or prepaid services contracts under the medical assistance program.

Read first time and **attached to companion Senate File 410**.

**House File 504**, a bill for an act relating to fraudulent use of a credit card, scanning device, or reencoder, and providing a penalty.

Read first time and **attached to similar Senate File 317**.

**House File 534**, a bill for an act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date.

Read first time and referred to committee on **Government Oversight**.

**House File 545**, a bill for an act relating to the requirements for newspapers designated for official publication purposes.

Read first time and referred to committee on **Commerce**.

**House File 551**, a bill for an act providing for a fee for transporting an inmate for medical or dental care.

Read first time and referred to committee on **Judiciary**.

**House File 557**, a bill for an act relating to liability of certain health care facilities and health care providers participating in the volunteer health care provider program.

Read first time and referred to committee on **Human Resources**.

**House File 558**, a bill for an act authorizing the department of human services to disclose information regarding the listing of an individual in the child or dependent abuse registry or the sex offender registry when it is necessary for the protection of a child or a dependent adult.

Read first time and referred to committee on **Human Resources**.

**House File 565**, a bill for an act relating to the healthy and well kids in Iowa program.

Read first time and referred to committee on **Human Resources**.

**House File 585**, a bill for an act relating to maintaining a magistrate court in a city other than the county seat.

Read first time and referred to committee on **Judiciary**.

**House File 592**, a bill for an act relating to economic development-related issues of the universities under the control of the state board of regents by amending the composition of the Iowa economic development board and the Iowa workforce development board, changing the university-based research and economic development Act to address commercialization of research, and creating an Iowa commercialization advisory council.

Read first time and referred to committee on **Economic Growth**.

**House File 601**, a bill for an act relating to campaign finance, including political party committees, campaign disclosure reports, independent expenditures, and income tax checkoff provisions.

Read first time and referred to committee on **State Government**.

**House File 603**, a bill for an act providing an exception to licensing requirements for certain bingo occasions conducted by nonprofit organizations.

Read first time and referred to committee on **State Government**.

**House File 604**, a bill for an act requiring state government annual reports made to the general assembly to include certain financial information.

Read first time and referred to committee on **State Government**.

#### SPECIAL GUEST

Senator Bolkcom welcomed to the Senate chamber 2004 Democratic presidential candidate Howard Dean, former governor of Vermont.

The Senate rose and expressed its welcome.

#### RECESS

On motion of Senator Veenstra, the Senate recessed at 1:26 p.m. until 4:00 p.m.

#### AFTERNOON SESSION

The Senate reconvened at 4:04 p.m., President Kramer presiding.

#### QUORUM CALL

Senator Veenstra requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 41 present, 9 absent, and a quorum present.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 24, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 357**, a bill for an act relating to election or appointment of trustees of a city hospital or health care facility.

**Senate File 376**, a bill for an act relating to the surcharge for certain dishonored negotiable instruments.

ALSO: That the House has on March 24, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 505**, a bill for an act to prohibit unauthorized computer access to operational or support data of a rural water district and a municipal utility and providing a penalty.

Read first time and referred to committee on **Judiciary**.

**House File 584**, a bill for an act providing for exceptions to municipal tort liability for certain activities.

Read first time and referred to committee on **Judiciary**.

**House File 623**, a bill for an act relating to registration with the United States selective service system by application for a driver's license or nonoperator's identification card or for renewal of a driver's license or nonoperator's identification card.

Read first time and referred to committee on **Transportation**.

**House File 636**, a bill for an act relating to legislative branch consolidation of functions by combining the legislative service bureau, legislative fiscal bureau, and legislative computer support bureau into a single central legislative staff agency, providing for legislative publications procedures, modifying the sales tax exemption for items sold or services provided by the new agency, including related matters, and providing an effective date.

Read first time and **attached to similar Senate File 365.**

The Senate stood at ease at 4:20 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 5:40 p.m., President Kramer presiding.

#### BILL REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate File 427** be referred from the Regular Calendar to the committee on **Appropriations.**

#### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Dearden and McCoy, until they return, on request of Senator Gronstal; and Senator Miller, for the day, on request of Senator Zieman.

#### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 366 and 394.

#### **Senate File 366**

On motion of Senator Kettering, **Senate File 366**, a bill for an act relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision, was taken up for consideration.

Senator Kettering moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 366), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Dearden	McCoy	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 394

On motion of Senator Angelo, **Senate File 394**, a bill for an act relating to the regulation of the grain industry, and making penalties applicable, was taken up for consideration.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 394), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull

Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Dearden	McCoy	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 366** and **394** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 341 and 359.

#### **Senate File 341**

On motion of Senator Zieman, **Senate File 341**, a bill for an act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date, was taken up for consideration.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 341), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky

Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Dearden	McCoy	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 359

On motion of Senator Redfern, **Senate File 359**, a bill for an act relating to landlords, tenants, and actions for forcible entry or detention, was taken up for consideration.

Senator Beall offered amendment S-3078, filed by Senators Beall and Warnstadt from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3078 was adopted by a voice vote.

Senator Redfern offered amendment S-3079, filed by him from the floor to pages 1-3 of the bill, and moved its adoption.

Amendment S-3079 was adopted by a voice vote.

Senator Hatch asked and received unanimous consent that action on **Senate File 359** be **deferred**.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 341** be **immediately messaged** to the House.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 297, 384, and 395.

**Senate File 297**

On motion of Senator Rehberg, **Senate File 297**, a bill for an act relating to the regulation of snowmobiles and all-terrain vehicles, establishing fees, providing penalties, and providing applicability dates, was taken up for consideration.

Senator Black offered amendment S-3042, filed by him on March 18, 2003, to pages 22 and 49 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 22, nays 26.

Amendment S-3042 lost.

Senator Rehberg offered amendment S-3065, filed by her on March 19, 2003, to pages 28 and 41 of the bill, and moved its adoption.

Amendment S-3065 was adopted by a voice vote.

Senator Rehberg offered amendment S-3047, filed by her on March 18, 2003, to pages 37 and 47 of the bill, and moved its adoption.

Amendment S-3047 was adopted by a voice vote.

Senator Rehberg moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 297), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 384

On motion of Senator Larson, **Senate File 384**, a bill for an act relating to the taxation of activities involving out-of-state qualified state tuition programs and including effective and retroactive applicability date provisions, was taken up for consideration.

Senator Gronstal asked and received unanimous consent that action on **Senate File 384** be **deferred**.

### Senate File 395

On motion of Senator Angelo, **Senate File 395**, a bill for an act relating to assistance services provided to the department of agriculture and land stewardship, including for the filing of documents and the payment of fees and civil penalties, and the authorization to assess additional charges, was taken up for consideration.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 395), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 297** and **395** be **immediately messaged** to the House.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 24, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 224**, a bill for an act relating to appeals filed in child in need of assistance and termination of parental rights proceedings.

ALSO: That the House has on March 24, 2003, **amended and adopted** the following resolution in which the concurrence of the House was asked:

**Senate Concurrent Resolution 2**, a concurrent resolution relating to the compensation of chaplains, officers and employees of the eightieth general assembly. (S-3080)

ALSO: That the House has on March 24, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 509**, a bill for an act relating to deer and elk chronic wasting disease by establishing a task force and requiring departmental cooperation in the implementation of a chronic wasting disease administrative strategy, and providing an effective date.

Read first time and referred to committee on **Agriculture**.

**House File 516**, a bill for an act relating to composition and responsibilities of the Iowa comprehensive petroleum underground storage tank fund board.

Read first time and referred to committee on **Natural Resources and Environment**.

**House File 561**, a bill for an act creating the crime of invasion of privacy, and providing a penalty.

Read first time and referred to committee on **Judiciary**.

**House File 575**, a bill for an act providing for offset of certain billings to counties for mental health, mental retardation, and developmental disabilities services and including an applicability provision.

Read first time and referred to committee on **Human Resources**.

**House File 615**, a bill for an act to legalize the proceedings of the City Council of the City of Urbandale relating to the approval of a partial exemption from property taxation of actual value added to

industrial real estate, and providing for effective and applicability dates.

Read first time and referred to committee on **Ways and Means**.

**House File 624**, a bill for an act regulating farm deer, providing for penalties, and providing an effective date.

Read first time and **attached to companion Senate File 421**.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 6:45 p.m. until 8:30 a.m. Tuesday, March 25, 2003.

## APPENDIX

### APPOINTMENTS TO BOARDS AND COMMISSIONS

In accordance with Senate Rule 59, the following senators were appointed to subcommittees of standing committees on March 20, 2003, to investigate the appointment and reappointment of the following appointees:

#### AGRICULTURE

As a member of the Grape and Wine Development Commission:

BENJAMIN JUNG – Gaskill, Chair; Fraise and Ziemann

As members of the State Soil Conservation Committee:

JEAN EELLS – Johnson, Chair; Putney and Seng  
TODD SCOTT – Hosch, Chair; Johnson and Ragan  
JAMES TOBIN – Angelo, Chair; Black and Houser

#### BUSINESS AND LABOR RELATIONS

As Workers' Compensation Commissioner:

MICHAEL TRIER – Johnson, Chair; Dearden and McKibben

As members of the Iowa Workforce Development Board:

BENJAMIN DUEHR – Kettering, Chair; Courtney and Lundby  
SARAH FALB – Seymour, Chair; Dotzler and Wieck

#### COMMERCE

As Consumer Advocate:

JOHN R. PERKINS – McCoy, Chair; Redfern and Wieck

As members of the Credit Union Review Board:

LORRAINE GROVES – Warnstadt, Chair; Redfern and Wieck  
MICHAEL HARVEY – Redfern, Chair; Beall and Sievers  
ROGER REISER – Bolkcom, Chair; Schuerer and Sievers

As Commissioner of Insurance:

THERESE VAUGHAN – Wieck, Chair; Angelo and Warnstadt

As Executive Director of the Iowa Telecommunications and Technology Commission:

JOHN P. GILLISPIE – Warnstadt, Chair; Angelo and Wieck

As a member of the Title Guaranty Division Board:

WALTER MURPHY – Stewart, Chair; Behn and Brunkhorst

As Chair of the Utilities Board:

DIANE MUNNS – Brunkhorst, Chair; Angelo and Warnstadt

As a member of the Utilities Board:

DIANE MUNNS – Brunkhorst, Chair; Angelo and Warnstadt

### **ECONOMIC GROWTH**

As a member of the Iowa Capital Investment Board:

CAROL GARRETT – Larson, Chair; Beall and Putney

As members of the Iowa Economic Development Board:

LINDA BLOODSWORTH – Rehberg, Chair; Stewart and Veenstra

ROBERT BOCKEN – Seymour, Chair; Boettger and Ragan

CYNTHIA KEITHLEY – McKinley, Chair; Rehberg and Stewart

### **EDUCATION**

As members of the Board of Educational Examiners:

BILL HAIGH – Rehberg, Chair; Quirnbach and Redfern

VERONICA STALKER – Quirnbach, Chair; Redfern and Rehberg

JACQUELINE WELLBORN – Dvorsky, Chair; Angelo and McKinley

As a member of the Iowa Higher Education Loan Authority:

JOHN HARTUNG – McKinley, Chair; Angelo and Dvorsky

As members of the State Board of Regents:

NEALA ARNOLD – Redfern, Chair; Quirnbach and Rehberg

ROBERT DOWNER – Behn, Chair; Boettger and Connolly

JOHN FORSYTH – Angelo, Chair; Dvorsky and McKinley

As a member of the School Budget Review Committee:

WAYNE DREXLER – Connolly, Chair; Behn and Boettger

**HUMAN RESOURCES**

As a member of the Board of Athletic Training Examiners:

TERRI CRAFT – Seymour, Chair; Hosch and Ragan

As members of the Board of Behavioral Science Examiners:

THORALD DAVIDSON – Boettger, Chair; Kreiman and Veenstra

BARBARA O'ROURKE – Boettger, Kreiman and Veenstra

TIMOTHY RUPPERT – Boettger, Kreiman and Veenstra

As a member of the Commission for the Blind:

ROBERT MARTIN – Horn, Chair; Behn and Schuerer

As a member of the Child Advocacy Board:

LIONEL FOSTER – Tinsman, Chair; Holveck and McKinley

As Administrator of the Division of Community Action Agencies:

WILLIAM BRAND – Behn, Chair; Boettger and Hatch

As a member of the Commission on Community Action Agencies:

THOMAS LETSCHE – Behn, Chair; Boettger and Hatch

As a member of the Commission on the Deaf:

JOHN MATTHEWS – Horn, Chair; Behn and Schuerer

As Director of the Department of Elder Affairs:

MARK HAVERLAND – Tinsman, Chair; Ragan and Veenstra

As members of the Commission of Elder Affairs:

JOHN LOWE – Holveck, Chair; Ragan and Tinsman

JANE PAULSEN – Holveck, Chair; Ragan and Tinsman

As members of the Iowa Empowerment Board:

MICHAEL BERGAN – Boettger, Chair; Hatch and Veenstra

REBECCA BURGART – Boettger, Chair; Hatch and Veenstra

ELAINE SZYMONIAK – Boettger, Chair; Hatch and Veenstra

THOMAS WILSON – Boettger, Chair; Hatch and Veenstra

C. ARTHUR WITTMACK – Boettger, Chair; Hatch and Veenstra

As Director of the Department of Human Services:

KEVIN CONCANNON – Tinsman, Chair; Kreiman and Veenstra

As a member of the Council on Human Services:

RUTH MOSHER – Behn, Chair; Holveck and McKinley

As a member of the Mental Health and Developmental Disabilities Commission:

CHRISTINE LOUSCHER – Ragan, Chair; Hosch and Veenstra

As members of the Board of Physician Assistant Examiners:

DIANE CARDWELL – Seymour, Chair; Holveck and Schuerer

MARA SWANSON – Seymour, Chair; Holveck and Schuerer

RITA TAYLOR – Seymour, Chair; Holveck and Schuerer

As members of the Prevention of Disabilities Policy Council:

KIMBERLY BRANGOCCIO – Ragan, Chair; Horn and Tinsman

JAMES GROVER – Ragan, Chair; Horn and Tinsman

MICKEY McDANIEL – Ragan, Chair; Horn and Tinsman

As Director of Public Health:

MARY MINCER HANSEN – Boettger, Chair; Tinsman and Veenstra

As members of the Commission on Tobacco Use Prevention and Control:

ANNETTE BAIR – Kreiman, Chair; Behn and Ragan

SCOTT HAVENS – Kreiman, Chair; Behn and Ragan

MARVIN JENKINS – Kreiman, Chair; Behn and Ragan

As Administrator of the Division on the Status of Women:

CHARLOTTE NELSON – Tinsman, Chair; Holveck and Hosch

## JUDICIARY

As members of the Iowa State Civil Rights Commission:

ALICIA CLAYPOOL – Holveck, Chair; Lamberti and Larson

DAVID LESHTZ – Horn, Chair; Miller and Tinsman

DINH VANLO – McCoy, Chair; Boettger and Kettering

As Director of the Department of Corrections:

GARY MAYNARD – Redfern, Chair; Kreiman and Larson

As members of the Board of Corrections:

ROBYN MILLS – Larson, Chair; Holveck and Putney  
 ARTHUR NEU – Kettering, Chair; Fraise and McKibben  
 WALTER REED, JR. – Redfern, Chair; Putney and Quirmbach  
 RENEE SNEITZER – Larson, Chair; Horn and Tinsman

As members of the Iowa Drug Policy Advisory Council:

ARTHUR SCHUT – Horn, Chair; Larson and Miller  
 DIANE THOMAS – Tinsman, Chair; Horn and Putney

As members of the State Judicial Nominating Commission:

MARY ELGAR – Fraise, Chair; Boettger and Miller  
 CHARLES FOLLETT – Lamberti, Chair; Holveck and Kettering  
 ARTHUR SILVA – Kettering, Chair; McKibben and Quirmbach

As members of the Commission on Judicial Qualifications:

MONROE COLSTON – McCoy, Chair; McKibben and Tinsman (Appointment)  
 MONROE COLSTON – McCoy, Chair; McKibben and Tinsman (Reappointment)  
 MARY RUSSELL-CURRAN – Larson, Chair; Horn and Tinsman

### LOCAL GOVERNMENT

As members of the City Development Board:

BARBARA BROWN – Rehberg, Chair; Hosch and McCoy  
 ANN HUTCHINSON – Miller, Chair; Kreiman and Wieck

As members of the County Finance Committee:

DENISE DOLAN – Hosch, Chair; Houser and Stewart  
 RICHARD HEIDLOFF – Wieck, Chair; Angelo and Hatch  
 BEN LACEY – Miller, Chair; Hatch and Seymour  
 KEVIN WYNN – Angelo, Chair; Kreiman and Seymour

As members of the Iowa Lewis and Clark Bicentennial Commission:

MARK MONSON – Wieck, Chair; Houser and McCoy  
 WYNEMA MORRIS – Houser, Chair; Quirmbach and Wieck  
 MICHELE WALKER – Angelo, Chair; Hatch and Seymour

As members of the Mental Health Risk Pool Board:

JACQUELINE KIBBIE-WILLIAMS – Wieck, Chair; Houser and Quirmbach  
 (Appointment)  
 JACQUELINE KIBBIE-WILLIAMS – Wieck, Chair; Houser and Quirmbach  
 (Reappointment)  
 RALPH KREMER – Rehberg, Chair; Hosch and Stewart  
 ANDY NIELSEN – Miller, Chair; McCoy and Seymour

DAVID VAN NINGEN – Wieck, Chair; Houser and Quirmbach (Appointment)  
DAVID VAN NINGEN – Wieck, Chair; Houser and Quirmbach (Reappointment)

### **NATURAL RESOURCES AND ENVIRONMENT**

As members of the Environmental Protection Commission:

DONNA BUELL – Johnson, Chair; Kibbie and Wieck  
LISA DAVIS COOK – Kettering, Chair; Holveck and Lundby  
JERRY PECKUMN – Kettering, Chair; Kibbie and Wieck  
FRANCIS THICKE – Miller, Chair; Bolkom and Drake  
HEIDI VITTETOE – Miller, Chair; Bolkom and Drake

As members of the Natural Resource Commission:

RANDY DUNCAN – Johnson, Chair; Dearden and Drake  
RICHARD FRANCISCO – Miller, Chair; Bolkom and Drake

As a member of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board:

CATHY ROTTINGHAUS – Brunkhorst, Chair; Black and Zieman

As members of the Renewable Fuels and Coproducts Advisory Committee:

KAREN ANDERSEN-SCHANK – Brunkhorst, Chair; Dearden and Lundby  
GREG HAYES – Wieck, Chair; Miller and Seng

### **STATE GOVERNMENT**

As members of the Accountancy Examining Board:

SUSAN BOE – Zieman, Chair; Kibbie and Sievers  
RICHARD JOHNSON – Sievers, Chair; Black and Drake  
TELFORD LODDEN – Drake, Chair; Connolly and Johnson

As a member of the Alcoholic Beverages Commission:

SCOTT DOLL – Johnson, Chair; Courtney and Lamberti

As members of the Architectural Examining Board:

MARTHA GREEN – Schuerer, Chair; Dearden and Shull  
JEFFREY MORGAN – Shull, Chair; Ragan and Tinsman

As members of the Board of Barber Examiners:

MARY GRAN – Tinsman, Chair; Kibbie and Veenstra  
BARBARA MARTIN – Veenstra, Chair; Kibbie and Zieman

As members of the Board of Chiropractic Examiners:

ALISON FOUGHTY – Kibbie, Chair; Drake and Johnson  
KATHLEEN KENNEDY – Connolly, Chair; Sievers and Zieman  
MICHAEL POWELL – Black, Chair; Drake and Johnson  
DIANE PUTHOFF – Courtney, Chair; Lamberti and Schuerer

As a member of the Board of Cosmetology Arts and Sciences Examiners:

JERRY TALBOTT – Dearden, Chair; Shull and Tinsman

As members of the Board of Dental Examiners:

ELIZABETH BRENNAN – Ragan, Chair; Veenstra and Zieman  
EILEEN CACIOPPO – Sievers, Chair; Drake and Kibbie  
GARY ROTH – Drake, Chair; Black and Johnson

As members of the Board of Dietetic Examiners:

RACHEL DUNN – Johnson, Chair; Connolly and Lamberti  
JOSEPH RODRIGUEZ – Schuerer, Chair; Dearden and Shull

As members of the Iowa Emergency Response Commission:

JULIE BELL – Shull, Chair; Ragan and Tinsman  
DANIEL ROGERS – Tinsman, Chair; Kibbie and Veenstra

As members of the Engineering and Land Surveying Examining Board:

FORREST HOLLY – Veenstra, Chair; Black and Zieman  
SUSAN LONG – Sievers, Chair; Connolly and Zieman

As members of the Iowa Ethics and Campaign Disclosure Board:

JAMES ALBERT – Zieman, Chair; Courtney and Drake  
JANET CARL – Sievers, Chair; Dearden and Veenstra

As a member of the Board for the Licensing and Regulation of Hearing Aid Dispensers:

LESLIE WHIPPEN – Drake, Chair; Johnson and Ragan

As members of the Information Technology Council:

DIANE KOLMER – Johnson, Chair; Kibbie and Tinsman  
MARY WEGNER – Schuerer, Chair; Black and Zieman

As members of the IowAccess Advisory Council:

QUENTIN BOYKEN – Shull, Chair; Connolly and Drake  
GAIL FLAGEL – Tinsman, Chair; Courtney and Johnson  
DAVID REDLAWSK – Veenstra, Chair; Dearden and Sievers

As Chief Executive Officer of the Iowa Public Employees Retirement System:

DONNA M. MUELLER – Kibbie, Chair; Drake and Zieman

As a member of the Investment Board of IPERS:

DAVID CREIGHTON, SR. – Zieman, Chair; Ragan and Veenstra

As a member of the Landscape Architectural Examining Board:

DAVID BIEHL – Black, Chair; Drake and Veenstra

As Commissioner of the Iowa Lottery:

ED STANEK – Lamberti, Chair; Courtney and Shull

As members of the Iowa Lottery Board:

ELAINE BAXTER – Dearden, Chair; Drake and Tinsman

MICHAEL McCOY – Drake, Chair; Connolly and Johnson

As Director of the Department of Management:

CYNTHIA EISENHAUER – Zieman, Chair; Courtney and Veenstra

As members of the Board of Medical Examiners:

CAROLE FRIER – Connolly, Chair; Johnson and Schuerer

BRUCE HUGHES – Tinsman, Chair; Dearden and Shull

SALLY SCHROEDER – Veenstra, Chair; Kibbie and Lamberti

JANECE VALENTINE – Courtney, Chair; Johnson and Schuerer

As a member of the Board of Mortuary Science Examiners:

RUTH OHDE – Courtney, Chair; Drake and Shull

As a member of the Board of Nursing Examiners:

M. ANN AULWES-ALLISON – Kibbie, Chair; Drake and Tinsman

As members of the State Board of Examiners for Nursing Home Administrators:

TERRY COOPER – Black, Chair; Tinsman and Veenstra

SUSAN FREY – Connolly, Chair; Schuerer and Sievers

DANIEL LARMORE – Courtney, Chair; Lamberti and Zieman

MARY NIELSEN – Dearden, Chair; Johnson and Tinsman

AUDRAE ZOECKLER – Ragan, Chair; Shull and Zieman

As members of the Board of Optometry Examiners:

BARBARA SCHEETZ – Johnson, Chair; Ragan and Sievers

ROBERT WEILAND – Ragan, Chair; Drake and Johnson

As Director of the Department of Personnel:

MOLLIE ANDERSON – Schuerer, Chair; Courtney and Drake

As members of the Board of Pharmacy Examiners:

KATHERINE LINDER – Kibbie, Chair; Veenstra and Ziemann  
LEMAN OLSON – Shull, Chair; Black and Tinsman

As a member of the Board of Physical and Occupational Therapy Examiners:

HELEN McNURLEN – Black, Chair; Lamberti and Schuerer

As members of the Board of Podiatry Examiners:

ETHEL CAMPBELL – Shull, Chair; Connolly and Tinsman  
RICKEY SALOCKER – Tinsman, Chair; Johnson and Ragan

As members of the Board of Psychology Examiners:

GERALD JORGENSEN – Black, Chair; Drake and Johnson  
ANA LOPEZ-DAWSON – Connolly, Chair; Lamberti and Veenstra

As members of the State Racing and Gaming Commission:

DIANE HAMILTON – Sievers, Chair; Kibbie and Lamberti  
JOYCE JARDING – Drake, Chair; Courtney and Tinsman

As members of the Real Estate Appraiser Examining Board:

DAVID ERICKSON – Connolly, Chair; Johnson and Shull  
BARBARA LEESTAMPER – Courtney, Chair; Veenstra and Ziemann  
KAREN OBERMAN – Dearden, Chair; Schuerer and Veenstra

As members of the Real Estate Commission:

LAURIE DAWLEY – Ragan, Chair; Tinsman and Veenstra  
JAMES HUGHES – Johnson, Chair; Black and Shull

As members of the State Board for Respiratory Care:

SALLY STEFFEN – Sievers, Chair; Dearden and Tinsman  
ROBERT ZEMAN – Drake, Chair; Ragan and Veenstra

As members of the Board of Social Work Examiners:

THOMAS CAPSHEW – Schuerer, Chair; Black and Lamberti  
JOAN HESTER – Shull, Chair; Connolly and Sievers

As members of the Board of Speech Pathology and Audiology Examiners:

BECKY VILDA – Tinsman, Chair; Courtney and Schuerer  
DOUGLAS WALTER – Veenstra, Chair; Dearden and Drake  
KENT WEBB – Drake, Chair; Ragan and Shull

As members of the Commission of Veterans Affairs:

MILDRED DAWSON – Drake, Chair; Kibbie and Veenstra  
LAUREL PHIPPS – Courtney, Chair; Johnson and Shull

As members of the Iowa Board of Veterinary Medicine:

ANNE DUFFY – Connolly, Chair; Drake and Schuerer  
LESLIE HEMMINGSON – Dearden, Chair; Johnson and Zieman

As Chair of the Vision Iowa Board:

MICHAEL GARTNER – Zieman, Chair; Drake and Ragan

As members of the Vision Iowa Board:

MARVIN BERENSTEIN – Tinsman, Chair; Courtney and Veenstra  
LORNA BURNSIDE – Veenstra, Chair; Black and Shull  
LIBBY SLAPPEY – Johnson, Chair; Dearden and Drake

### **TRANSPORTATION**

As a member of the Iowa Law Enforcement Academy Council:

JAMES ROMAR – Fraise, Chair; Drake and Kettering

As a member of the State Transportation Commission:

JEFFREY DANIELSON – Drake, Chair; Dearden and Zieman

### **WAYS AND MEANS**

As members of the Iowa Finance Authority:

KAY ANDERSON – Rehberg, Chair; Dotzler and McKinley  
CARMELA BROWN – Stewart, Chair; Angelo and Shull

As a member of the State Board of Tax Review:

STEVEN RICHARDSON – Dotzler, Chair; Larson and Miller

## COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

March 24, 2003

### BOARD OF REGENTS

Five Year Capital Building Program — notification that the report in electronic form is available online.

### INFORMATION TECHNOLOGY DEPARTMENT

Revolving Fund Sources and Uses Report — notification that the report in electronic form is available online.

### DEPARTMENT OF PUBLIC HEALTH

Adolescent Pregnancy Prevention Report — notification that the report in electronic form is available online.

### SUPREME COURT OF IOWA

Clerk of Court Study Committee Report, Proposed Court Rules for Records Management, and Proposed Statutory Amendments for Records Rule — notification that the report in electronic form is available online.

## REPORTS OF COMMITTEE MEETINGS

### APPROPRIATIONS SUBCOMMITTEE ON JUSTICE SYSTEM

**Convened:** March 20, 2003, 3:10 p.m.

**Members Present:** Miller, Chair; Angelo, Vice Chair; Fraise, Ranking Member; Hosch and Kreiman.

**Members Absent:** None.

**Committee Business:** Passed the committee appropriations bill for the justice system (as amended).

**Adjourned:** 4:25 p.m.

### EDUCATION

**Convened:** March 24, 2003, 3:40 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Redfern, and Rehberg.

**Members Absent:** Quirnbach (excused).

**Committee Business:** Passed HF's 180 and 341.

**Adjourned:** 4:05 p.m.

## HUMAN RESOURCES

**Convened:** March 24, 2003, 2:10 p.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, and Tinsman.

**Members Absent:** Schuerer (excused).

**Committee Business:** Subcommittee assignments and presentation regarding autism.

**Adjourned:** 3:10 p.m.

## JUDICIARY

**Convened:** March 24, 2003, 3:05 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, McCoy, McKibben, Putney, and Tinsman.

**Members Absent:** Lamberti, Miller, and Quirnbach (all excused).

**Committee Business:** Subcommittee assignments. Approved Governor's appointees and passed HF's 216 (as amended) and 249.

**Adjourned:** 3:35 p.m.

## TRANSPORTATION

**Convened:** March 24, 2003, 2:05 p.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman.

**Members Absent:** None.

**Committee Business:** Passed HF 339.

**Adjourned:** 2:10 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 25**, by Lundby, a resolution honoring the town of Troy Mills on its sesquicentennial year.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 428**, by Dvorsky, a bill for an act creating a military family relief fund and providing an income tax checkoff for deposit in the fund, making an appropriation, and providing a retroactive applicability date.

Read first time under Rule 28 and referred to committee on **Appropriations**.

**Senate File 429**, by Dvorsky, Warnstadt, Beall, Holveck, Hatch, Quirnbach, Ragan, Black, Kibbie, Gronstal, Connolly, Stewart, Horn, Dearden, Courtney, Kreiman, Fraise, Seng, Bolkcom, Dotzler, and McCoy, a bill for an act exempting active duty pay of members of the national guard and armed forces reserve from the individual income tax and including effective and retroactive applicability date provisions.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

## STUDY BILLS RECEIVED

**SSB 1179      Appropriations**

Relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters.

**SSB 1180 Appropriations**

Relating to and making appropriations to the justice system and providing an effective date.

**SSB 1181 Appropriations**

Relating to and making appropriations to the judicial branch.

**SSB 1182 Appropriations**

Providing for an annual increase in specified state aid to nonpublic schools under prescribed circumstances.

**SSB 1183 Ways and Means**

Exempting from state individual income tax the active duty pay of a member of the Iowa national guard or armed forces reserve units for service performed during Operation Iraqi Freedom and including effective and applicability date provisions.

**SSB 1184 Government Oversight**

Relating to concrete mixtures used for paving highways and including an applicability provision.

**SUBCOMMITTEE ASSIGNMENTS****House File 234**

NATURAL RESOURCES AND ENVIRONMENT: Houser, Chair; Kibbie and Wieck

**House File 412**

NATURAL RESOURCES AND ENVIRONMENT: Lundby, Chair; Drake and Seng

**House File 489**

HUMAN RESOURCES: McKinley, Chair; Ragan and Tinsman

**House File 549**

EDUCATION: Boettger, Chair; Connolly and McKinley

**House File 574**

STATE GOVERNMENT: Tinsman, Chair; Dearden and Sievers

**SSB 1179**

APPROPRIATIONS: McKinley, Chair; Dotzler and Lamberti

**SSB 1180**

APPROPRIATIONS: Miller, Chair; Fraise and Lamberti

**SSB 1181**

APPROPRIATIONS: Miller, Chair; Fraise and Lamberti

**SSB 1182**

APPROPRIATIONS: McKinley, Chair; Dvorsky and Lamberti

**SSB 1183**

WAYS AND MEANS: Larson, Chair; McKibben and Stewart

**SSB 1184**

GOVERNMENT OVERSIGHT: Lundby, Chair; Brunkhorst and Dvorsky

**COMMITTEE REPORTS****EDUCATION**

**Final Bill Action:** HOUSE FILE 180, a bill for an act relating to character education and service learning in Iowa's elementary and secondary schools.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Boettger, McKinley, Connolly, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Redfern, and Rehberg. Nays, none. Absent, 2: Angelo and Quirmbach.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 341, a bill for an act relating to personnel and instructors employed by community colleges.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Boettger, McKinley, Connolly, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Redfern, and Rehberg. Nays, none. Absent, 2: Angelo and Quirmbach.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## JUDICIARY

**Final Bill Action:** \*HOUSE FILE 216, a bill for an act relating to intelligence data and intelligence assessment dissemination to an agency, organization, or person.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3081.

**Final Vote:** Ayes, 11: Redfern, Larson, Kreiman, Boettger, Fraise, Horn, Kettering, McCoy, McKibben, Putney, and Tinsman. Nays, none. Present, 1: Holveck. Absent, 3: Lamberti, Miller, and Quirmbach.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on House File 216, and they were attached to the committee report.

## ALSO:

**Final Bill Action:** HOUSE FILE 249, a bill for an act relating to the manufacture, delivery, possession with the intent to manufacture or deliver, or conspiring to manufacture, deliver, or possess with the intent to manufacture or deliver flunitrazepam, and providing a penalty.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, McCoy, McKibben, Putney, and Tinsman. Nays, none. Absent, 3: Lamberti, Miller, and Quirmbach.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## TRANSPORTATION

**Final Bill Action:** HOUSE FILE 339, a bill for an act relating to snowmobile franchises by requiring the repurchase of certain inventory upon termination of a franchise and providing effective and retroactive applicability dates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Drake, Putney, McCoy, Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AMENDMENTS FILED

S-3075	S.F.	354	Steven H. Warnstadt
S-3076	S.F.	416	Maggie Tinsman
S-3077	S.F.	422	Donald B. Redfern
S-3078	S.F.	359	Daryl Beall Steven H. Warnstadt
S-3079	S.F.	359	Donald B. Redfern
S-3080	S.C.R.	2	House
S-3081	H.F.	216	Judiciary
S-3082	S.F.	327	David Johnson

# JOURNAL OF THE SENATE

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SEVENTY-SECOND CALENDAR DAY  
FORTY-SECOND SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, March 25, 2003

The Senate met in regular session at 8:34 a.m., Senator Larson presiding.

Prayer was offered in song by Godz Guys of the Gloria Dei Lutheran Church in Urbandale, Iowa. They were the guests of Senator Holveck.

The Journal of Monday, March 24, 2003, was approved.

The Senate stood at ease at 8:38 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 9:47 a.m., President Kramer presiding.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Gronstal, until he arrives, on request of Senator Kibbie; and Senator Miller, for the day, on request of Senator Rehberg.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 416.

## Senate File 416

On motion of Senator Iverson, **Senate File 416**, a bill for an act relating to an emergency shelter and support services demonstration project relating to dependent adults, was taken up for consideration.

Senator Tinsman offered amendment S-3076, filed by her on March 24, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3076 was adopted by a voice vote.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 416), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Gronstal	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 425.

## Senate File 425

On motion of Senator Gaskill, **Senate File 425**, a bill for an act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources, was taken up for consideration.

Senator Schuerer offered amendment S-3083, filed by him from the floor to page 6 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 7, nays 31.

Amendment S-3083 lost.

Senator Gaskill moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 425), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 2:

Kreiman	McCoy
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Absent, 2:

Gronstal	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

**CONSIDERATION OF BILL**  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 386.

**Senate File 386**

On motion of Senator Boettger, **Senate File 386**, a bill for an act requiring the insurance division of the department of commerce to establish a school health insurance reform team study and to make recommendations to the general assembly, was taken up for consideration.

Senator Kreiman offered amendment S-3088, filed by Senators Kreiman and Boettger from the floor to page 2 of the bill, and moved its adoption.

Amendment S-3088 was adopted by a voice vote.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 386), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart

Tinsman  
Zieman

Veenstra

Warnstadt

Wieck

Nays, none.

Absent, 1;

Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 386, 416, and 425** be **immediately messaged** to the House.

#### RECESS

On motion of Senator Iverson, the Senate recessed at 10:35 a.m. until 4:00 p.m.

## APPENDIX — 1

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Troy P. Bockenstedt, Dyersville — For achieving the rank of Eagle Scout, Boy Scout Troop 60. Senator Hosch (3/25/03).

Lee and Martha Faris, Mount Ayr — For being chosen “Iowa Master Farmer” by Wallaces Farmer magazine. Senator Angelo (3/25/03)

Adam J. Kruse, Indianola — For achieving the rank of Eagle Scout, Boy Scout Troop 126. Senator Shull (3/25/03).

Steven Martin, Mason City — For achieving the rank of Eagle Scout, Boy Scout Troop 12. Senator Ragan (3/25/03).

Joseph Henry Montag, Manchester — For achieving the rank of Eagle Scout, Boy Scout Troop 33. Senator Hosch (3/25/03).

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS

**Convened:** March 25, 2003, 3:05 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Horn, Houser, McKibben, McKinley, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman.

**Members Absent:** Black, Hatch, and Miller (all excused).

**Committee Business:** Approved SSB 1179 (as amended).

**Adjourned:** 3:15 p.m.

#### COMMERCE

**Convened:** March 25, 2003, 1:40 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** Larson (excused).

**Committee Business:** Passed HF 319 (as amended) and approved the Governor’s appointee.

**Adjourned:** 1:50 p.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** March 25, 2003, 2:35 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Holveck, Kettering, Kibbie, Lundby, Wieck, and Zieman.

**Members Absent:** Drake and Miller (both excused).

**Committee Business:** Approved the Governor's appointees.

**Adjourned:** 2:55 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 12**, by Black, a concurrent resolution supporting the United Nations' recognition of the Republic of China on Taiwan.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILL

**Senate File 430**, by Johnson, a bill for an act relating to tax credits provided for purposes of acquiring agricultural assets, and providing for an effective and applicability date.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate File 427**

APPROPRIATIONS: Dvorsky, Chair; Kramer and Lamberti

### **Senate File 428**

APPROPRIATIONS: Kramer, Chair; Dvorsky and Lamberti

### **Senate File 429**

WAYS AND MEANS: Larson, Chair; McKibben and Stewart

**House File 457**

HUMAN RESOURCES: Hatch, Chair; McKinley and Veenstra

**House File 557**

HUMAN RESOURCES: Tinsman, Chair; Boettger and Horn

**House File 558**

HUMAN RESOURCES: Kreiman, Chair; Hosch and Veenstra

**House File 565**

HUMAN RESOURCES: Tinsman, Chair; Kreiman and Veenstra

**House File 575**

HUMAN RESOURCES: Schuerer, Chair; Hatch and Seymour

**House File 601**

STATE GOVERNMENT: Johnson, Chair; Dearden and Zieman

**House File 603**

STATE GOVERNMENT: Black, Chair; Shull and Tinsman

**House File 604**

STATE GOVERNMENT: Johnson, Chair; Connolly and Veenstra

**House File 615**

WAYS AND MEANS: McCoy, Chair; Lamberti and Shull

**BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR**

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 25th day of March, 2003:

Senate Files 97 and 424.

MICHAEL E. MARSHALL  
Secretary of the Senate

## AFTERNOON SESSION

The Senate reconvened at 4:03 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 25, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 400**, a bill for an act relating to providing probationer and parolee information to local law enforcement agencies and the state department of transportation.

Read first time and referred to committee on **Judiciary**.

**House File 614**, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions.

Read first time and **attached to similar Senate File 370**.

The Senate stood at ease at 4:04 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 5:00 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 25, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 397**, a bill for an act relating to community development block grants to the department of economic development and including effective and retroactive applicability dates.

Read first time and referred to committee on **Economic Growth**.

**House File 480**, a bill for an act relating to the shelter assistance fund.

Read first time and referred to committee on **Economic Growth**.

**House File 652**, a bill for an act relating to and making transportation and other infrastructure-related appropriations to the state department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund, and providing for the nonreversion of certain moneys.

Read first time and referred to committee on **Appropriations**.

**House File 655**, a bill for an act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters.

Read first time and referred to committee on **Appropriations**.

UNFINISHED BUSINESS  
(Deferred March 24, 2003)

### **Senate File 359**

The Senate resumed consideration of **Senate File 359**, a bill for an act relating to landlords, tenants, and actions for forcible entry or detention, deferred March 24, 2003.

Senator Hatch offered amendment S-3089, filed by him from the floor to page 1 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 19, nays 26.

Amendment S-3089 lost.

Senator Kreiman offered amendment S-3086, filed by him from the floor to page 3 of the bill, and moved its adoption.

Amendment S-3086 was adopted by a voice vote.

Senator Redfern moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 359), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Angelo asked and received unanimous consent to take up for consideration Senate Files 396 and 402.

**Senate File 396**

On motion of Senator Houser, **Senate File 396**, a bill for an act providing for the animal unit capacity of pullets for purposes of regulation under the animal agriculture compliance Act, was taken up for consideration.

Senator Houser offered amendment S-3058, filed by him on March 18, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3058 was adopted by a voice vote.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 396), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 402

On motion of Senator McKibben, **Senate File 402**, a bill for an act relating to the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses, was taken up for consideration.

Senator McKibben withdrew amendment S-3072, filed by him on March 20, 2003, to page 1 of the bill.

Senator McKibben offered amendment S-3090, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3090 was adopted by a voice vote.

Senator McKibben moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 402), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 1:

Quirnbach

Absent, 1:

Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Angelo asked and received unanimous consent that **Senate Files 359, 396, and 402** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Angelo asked and received unanimous consent to take up for consideration Senate File 317.

#### **Senate File 317**

On motion of Senator Putney, **Senate File 317**, a bill for an act relating to fraudulent use of a credit card, scanning device, or reencoder, and providing a penalty, was taken up for consideration.

Senator Putney asked and received unanimous consent that **House File 504** be **substituted** for **Senate File 317**.

#### **House File 504**

On motion of Senator Putney, **House File 504**, a bill for an act relating to fraudulent use of a credit card, scanning device, or reencoder, and providing a penalty, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 504), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch

Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### WITHDRAWN

Senator Putney asked and received unanimous consent that **Senate File 317** be **withdrawn** from further consideration of the Senate.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 504** be **immediately messaged** to the House.

#### HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 25, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 633**, a bill for an act relating to cemeteries and cemetery regulation; establishing requirements for interment rights agreements, reporting, and permits; establishing and appropriating fees; and providing administration and enforcement procedures and penalties.

Read first time and referred to committee on **Commerce**.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 5:37 p.m. until 8:30 a.m. Wednesday, March 26, 2003.

## APPENDIX — 2

### GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

#### COMMERCE

Walter Murphy – Title Guaranty Division Board

#### JUDICIARY

Dinh VanLo – Iowa State Civil Rights Commission

Monroe Colston – Commission on Judicial Qualifications (Appointment)

Monroe Colston – Commission on Judicial Qualifications (Reappointment)

#### LOCAL GOVERNMENT

Barbara Brown – City Development Board

Denise Dolan – County Finance Committee

Kevin Wynn – County Finance Committee

Wynema Morris – Iowa Lewis and Clark Bicentennial Commission

Michele Walker – Iowa Lewis and Clark Bicentennial Commission

Ralph Kremer – Mental Health Risk Pool Board

#### NATURAL RESOURCES AND ENVIRONMENT

Donna Buell – Environmental Protection Commission

Lisa Davis Cook – Environmental Protection Commission

Jerry Peckumn – Environmental Protection Commission

Randy Duncan – Natural Resource Commission

**STATE GOVERNMENT**

Richard Johnson – Accountancy Examining Board  
Telford Lodden – Accountancy Examining Board

Martha Green – Architectural Examining Board  
Jeffrey Morgan – Architectural Examining Board

Alison Foughty – Board of Chiropractic Examiners  
Kathleen Kennedy – Board of Chiropractic Examiners

Jerry Talbott – Board of Cosmetology Arts and Sciences Examiners

Elizabeth Brennan – Board of Dental Examiners  
Gary Roth – Board of Dental Examiners

Joseph Rodriguez – Board of Dietetic Examiners

Julie Bell – Iowa Emergency Response Commission

Leslie Whippen – Board for the Licensing and Regulation of Hearing Aid  
Dispensers

Quentin Boyken – IowAccess Advisory Council

Elaine Baxter – Iowa Lottery Board  
Michael McCoy – Iowa Lottery Board

Carole Frier – Board of Medical Examiners

Susan Frey – State Board of Examiners for Nursing Home Administrators  
Mary Nielsen – State Board of Examiners for Nursing Home Administrators  
Audrae Zoeckler – State Board of Examiners for Nursing Home Administrators

Robert Weiland – Board of Optometry Examiners

Katherine Linder – Board of Pharmacy Examiners  
Leman Olson – Board of Pharmacy Examiners

Ethel Campbell – Board of Podiatry Examiners

Ana Lopez-Dawson – Board of Psychology Examiners

Joyce Jarding – State Racing and Gaming Commission

David Erickson – Real Estate Appraiser Examining Board  
Karen Oberman – Real Estate Appraiser Examining Board

Laurie Dawley – Real Estate Commission

Robert Zeman – State Board for Respiratory Care

Thomas Capshew – Board of Social Work Examiners  
Joan Hester – Board of Social Work Examiners

Kent Webb – Board of Speech Pathology and Audiology Examiners

Mildred Dawson – Commission of Veterans Affairs

Anne Duffy – Iowa Board of Veterinary Medicine  
Leslie Hemmingson – Iowa Board of Veterinary Medicine

## GOVERNOR'S APPOINTEES PLACED ON INDIVIDUAL CONFIRMATION CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the Individual Confirmation Calendar with recommendations for confirmation:

### STATE GOVERNMENT

Donna M. Mueller – Chief Executive Officer of the IPERS

Ed Stanek – Commissioner of the Iowa Lottery

## REPORTS OF COMMITTEE MEETINGS

### LOCAL GOVERNMENT

**Convened:** March 25, 2003, 2:00 p.m.

**Members Present:** Gaskill, Chair; Quirnbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** Miller, Vice Chair (excused).

**Committee Business:** Passed HF 289 and approved Governor's appointees.

**Adjourned:** 2:20 p.m.

### STATE GOVERNMENT

**Convened:** March 25, 2003, 2:05 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** None.

**Committee Business:** Approved Governor's appointees.

**Adjourned:** 2:25 p.m.

## INTRODUCTION OF BILLS

**Senate File 431**, by Bolkcom, a bill for an act relating to reporting requirements for delayed deposit services.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 432**, by Iverson and Gronstal, a bill for an act relating to ownership of alternate energy production facilities by public utilities, making related changes, and providing an effective date.

Read first time under Rule 28 and referred to committee on **Commerce**.

**Senate File 433**, by committee on Appropriations, a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters.

Read first time under Rule 28 and **placed on Appropriations calendar**.

## SUBCOMMITTEE ASSIGNMENTS

### House File 516

NATURAL RESOURCES AND ENVIRONMENT: Brunkhorst, Chair; Kettering and Seng

### House File 545

COMMERCE: Beall, Chair; Angelo and Wieck

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** \*SENATE FILE 433 (SSB 1179), a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 22: Lamberti, Kramer, Dvorsky, Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Horn, Houser, McKibben, McKinley, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 3: Black, Hatch, and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 433, and they were attached to the committee report.

## COMMERCE

**Final Bill Action:** HOUSE FILE 319, a bill for an act permitting written demand via regular mail prior to an action under the uniform commercial code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3092.

**Final Vote:** Ayes, 14: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, 1: Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## LOCAL GOVERNMENT

**Final Bill Action:** HOUSE FILE 289, bill for an act relating to electronic financial transactions with county treasurers.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Gaskill, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck. Nays, none. Absent, 1: Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AMENDMENTS FILED

S-3083	S.F.	425	Neal Schuerer
S-3084	S.F.	422	Mary A. Lundby
S-3085	S.F.	313	Neal Schuerer
S-3086	S.F.	359	Keith A. Kreiman
S-3087	S.F.	368	Jeff Angelo
S-3088	S.F.	386	Keith A. Kreiman Nancy J. Boettger
S-3089	S.F.	359	Jack Hatch
S-3090	S.F.	402	Larry McKibben

S-3091	S.F.	373	Bob Brunkhorst
S-3092	H.F.	319	Commerce

# JOURNAL OF THE SENATE

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SEVENTY-THIRD CALENDAR DAY  
FORTY-THIRD SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, March 26, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend Mark C. Urlaub, pastor of the Bethlehem Evangelical Lutheran Church in Vinton, Iowa. He was the guest of Senator Putney.

The Journal of Tuesday, March 25, 2003, was approved.

The Senate stood at ease at 8:45 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 9:50 a.m., President Kramer presiding.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Zieman, for the day, on request of Senator Veenstra.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 397.

### **Senate File 397**

On motion of Senator Brunkhorst, **Senate File 397**, a bill for an act relating to the issuance of free hunting licenses for antlerless

deer, providing for the disposition of harvested deer meat to public institutions, and providing a penalty, was taken up for consideration.

Senator Brunkhorst offered amendment S-3069, filed by Senators Brunkhorst and Dearden on March 20, 2003, to page 2 and to the title page of the bill, and moved its adoption.

Amendment S-3069 was adopted by a voice vote.

Senator Brunkhorst moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 397), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck			

Nays, none.

Absent, 1:

Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Joint Resolution 3.

### House Joint Resolution 3

On motion of Senator Courtney, **House Joint Resolution 3**, a joint resolution proposing an amendment to the Constitution of the State of Iowa relating to the qualification of electors, with report of committee recommending passage, was taken up for consideration.

Senator Courtney moved that the resolution be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the resolution was read the last time.

A joint resolution proposing an amendment to the Constitution of the State of Iowa relating to the qualification of electors.

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

Section 5 of Article II of the Constitution of the State of Iowa is repealed and the following adopted in lieu thereof:

**DISQUALIFIED PERSONS.** Sec. 5. A person adjudged mentally incompetent to vote or a person convicted of any infamous crime shall not be entitled to the privilege of an elector.

Sec. 2. The foregoing amendment to the Constitution of the State of Iowa is referred to the General Assembly to be chosen at the next general election for members of the General Assembly, and the Secretary of State is directed to cause the same to be published for three consecutive months previous to the date of that election as provided by law.

On the question "Shall the resolution be adopted?" (H.J.R. 3), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer

Seng  
Stewart  
Wieck

Seymour  
Tinsman

Shull  
Veenstra

Sievers  
Warnstadt

Nays, none.

Absent, 1:

Zieman

The resolution, having received a constitutional majority, was declared to have been adopted by the Senate and the title was agreed to.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Files 375 and 371.

#### Senate File 375

On motion of Senator Lamberti, **Senate File 375**, a bill for an act relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates, with report of committee recommending passage, was taken up for consideration.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 375), the vote was:

Yeas, 49:

Angelo  
Boettger  
Courtney  
Dvorsky  
Hatch  
Houser  
Kibbie  
Larson  
McKinley  
Ragan

Beall  
Bolkcom  
Dearden  
Fraise  
Holveck  
Iverson  
Kramer  
Lundby  
Miller  
Redfern

Behn  
Brunkhorst  
Dotzler  
Gaskill  
Horn  
Johnson  
Kreiman  
McCoy  
Putney  
Rehberg

Black  
Connolly  
Drake  
Gronstal  
Hosch  
Kettering  
Lamberti  
McKibben  
Quirnbach  
Schuerer

Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck			

Nays, none.

Absent, 1:

Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 371

On motion of Senator Houser, **Senate File 371**, a bill for an act relating to formatting standards for recording documents or instruments by a county recorder, specifying a recording fee for certain documents or instruments, and providing an effective date, was taken up for consideration.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 371), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck

Nays, 1:

Dearden

Absent, 1:

Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 371, 375, 397, and House Joint Resolution 3** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 313.

### Senate File 313

On motion of Senator Schuerer, **Senate File 313**, a bill for an act concerning public employee collective bargaining, was taken up for consideration.

Senator Schuerer offered amendment S-3085, filed by him on March 25, 2003, striking everything after the enacting clause of the bill.

Senator Schuerer offered amendment S-3093, filed by him from the floor to page 1 of amendment S-3085, and moved its adoption.

Amendment S-3093 was adopted by a voice vote.

Senator Schuerer offered amendment S-3094, filed by him from the floor to page 1 of amendment S-3085, and moved its adoption.

Amendment S-3094 was adopted by a voice vote.

Senator Dotzler asked and received unanimous consent that action on amendment S-3085 and **Senate File 313** be **deferred**.

## RECESS

On motion of Senator Iverson, the Senate recessed at 10:53 a.m. until 3:00 p.m.

## APPENDIX — 1

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

March 26, 2003

#### TREASURER OF STATE

Tobacco Settlement Authority report of audited financial statements for FY 2002, pursuant to Iowa Code section 12E.15.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Richard and Phyllis Daleske, McCallsburg — For celebrating your 50th wedding anniversary. Senator Iverson (3/26/03).

Joshua Gorezynski, Le Mars — For achieving the rank of Eagle Scout. Senator Wieck (3/26/03).

Jason Letsche, Remsen — For achieving the rank of Eagle Scout. Senator Wieck (3/26/03).

Janet and Max Sylvester, Webster City — For celebrating your 50th wedding anniversary. Senator Iverson (3/26/03).

Ken Winkler, West Marshall Community School District — For receiving the Bernie Saggau Award of Merit. Senator McKibben (3/26/03).

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Eighth grade students from Dallas Center-Grimes Community Schools. Senators Behn and Lamberti.

## INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 13**, by Houser, a concurrent resolution urging the United States Congress to hold hearings to investigate the impact of mandatory country of origin labeling regulations and to delay the date of compliance with the law.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate Concurrent Resolution 11**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate Concurrent Resolution 12**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate Resolution 24**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate Resolution 25**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate File 430**

WAYS AND MEANS: Shull, Chair; McCoy and McKinley

### **Senate File 431**

COMMERCE: Schuerer, Chair; Bolkcom and Kettering

### **Senate File 432**

COMMERCE: Brunkhorst, Chair; Angelo and Warnstadt

### **House File 400**

JUDICIARY: Larson, Chair; Boettger and Fraise

### **House File 450**

JUDICIARY: Larson, Chair; Holveck and Miller

**House File 455**

JUDICIARY: Miller, Chair; Larson and McCoy

**House File 492**

AGRICULTURE: Houser, Chair; Angelo and Ragan

**House File 505**

JUDICIARY: Putney, Chair; Kreiman and McKibben

**House File 509**

AGRICULTURE: Houser, Chair; Fraise and Putney

**House File 534**

GOVERNMENT OVERSIGHT: Brunkhorst, Chair; and Dvorsky

**House File 547**

AGRICULTURE: Johnson, Chair; Kibbie and Veenstra

**House File 551**

JUDICIARY: Tinsman, Chair; Fraise and Putney

**House File 561**

JUDICIARY: Lamberti, Chair; Holveck and Kettering

**House File 584**

JUDICIARY: Miller, Chair; Kreiman and McKibben

**House File 585**

JUDICIARY: Boettger, Chair; Kettering and Quirmbach

**House File 633**

COMMERCE: Beall, Chair; Schuerer and Sievers

**House File 652**

APPROPRIATIONS: McKibben, Chair; Lamberti and Warnstadt

**House File 655**

APPROPRIATIONS: Zieman, Chair; Lamberti and Warnstadt

## AFTERNOON SESSION

The Senate reconvened at 3:07 p.m., Senator Veenstra presiding.

## QUORUM CALL

Senator Johnson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 36 present, 14 absent, and a quorum present.

President Kramer took the chair at 3:15 p.m.

The Senate stood at ease at 3:20 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 4:11 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 26, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 134**, a bill for an act relating to the various duties of the county treasurer.

**Senate File 401**, a bill for an act relating to tobacco retailers and providing penalties and providing applicability provisions and an effective date.

ALSO: That the House has on March 26, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 556**, a bill for an act relating to the exclusion of certain nonprofit transitional housing and public housing from certain landlord and tenant disputes.

Read first time and referred to committee on **Judiciary**.

**House File 560**, a bill for an act relating to medical assistance home and community-based services waivers.

Read first time and referred to committee on **Human Resources**.

**House File 593**, a bill for an act relating to elections and voter registration by providing for nonpartisan election of township offices, allowing nomination petitions to be signed on both sides of paper, removing the requirement that judges' names be rotated on certain ballots, removing certain authority to sign voter registration forms on behalf of the registrant, relating to use of substitute precinct election officials, relating to use of voting machine or paper ballots at certain elections, modifying opening hours and closing hours of the polls at certain elections, providing for destruction of certain ballots, relating to the abstract of votes for county offices, providing for use of certain voting machines at satellite absentee voting stations, relating to observers present when ballots are counted, allowing absentee voting at the commissioner's office for certain elections, and relating to persons nominated for city office by write-in votes.

Read first time and referred to committee on **State Government**.

**House File 616**, a bill for an act prohibiting a cancellation penalty upon cancellation of a purchase agreement for cemetery merchandise, funeral merchandise, and funeral services.

Read first time and referred to committee on **Commerce**.

**House File 644**, a bill for an act providing for manure application requirements, providing for fees, making penalties applicable, and providing an effective date.

Read first time and referred to committee on **Agriculture**.

**House File 648**, a bill for an act relating to the consolidation of the management of state archives and records and making conforming changes.

Read first time and referred to committee on **State Government**.

**House File 650**, a bill for an act relating to the assessment of a correctional fee by a county or municipality, and to the prosecution of certain criminal offenses committed in a municipality located in two or more counties.

Read first time and referred to committee on **Judiciary**.

**House File 656**, a bill for an act relating to fees charged for special fire fighter motor vehicle registration plates.

Read first time and referred to committee on **Appropriations**.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Stewart, for the remainder of the day, on request of Senator Gronstal.

#### BUSINESS PENDING

### Senate File 313

The Senate resumed consideration of **Senate File 313**, a bill for an act concerning public employee collective bargaining, and amendment S-3085, previously deferred.

Senator Schuerer offered amendment S-3095, filed by Senators Schuerer and Dotzler from the floor to pages 1 and 2 of amendment S-3085, and moved its adoption.

Amendment S-3095 was adopted by a voice vote.

Senator Connolly offered amendment S-3098, filed by him from the floor to pages 1 and 2 of amendment S-3085, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3098 to amendment S-3085 be adopted?" (S.F. 313), the vote was:

Rule 23, requiring all senators present to vote except those who express a conflict of interest, was invoked.

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Quirnbach	Ragan	Seng
Shull	Warnstadt		

Nays, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Sievers	Tinsman
Veenstra	Wieck		

Absent, 2:

Stewart	Zieman
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Amendment S–3098 lost.

Senator Schuerer moved the adoption of amendment S–3085, as amended.

Amendment S–3085 was adopted by a voice vote.

Senator Schuerer moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 313), the vote was:

Yeas, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Sievers	Tinsman
Veenstra	Wieck		

Nays, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Quirnbach	Ragan	Seng
Shull	Warnstadt		

Absent, 2:

Stewart	Zieman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 313** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 433.

### Senate File 433

On motion of Senator McKinley, **Senate File 433**, a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters, was taken up for consideration.

Senator McKinley moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 433), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly

Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Tinsman
Veenstra	Warnstadt	Wieck	

Nays, 1:

Kreiman

Absent, 2:

Stewart

Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 410.

#### **Senate File 410**

On motion of Senator Veenstra, **Senate File 410**, a bill for an act designating advanced registered nurse practitioners as providers of health care services pursuant to managed care or prepaid services contracts under the medical assistance program, was taken up for consideration.

Senator Veenstra asked and received unanimous consent that **House File 479** be **substituted** for **Senate File 410**.

#### **House File 479**

On motion of Senator Veenstra, **House File 479**, a bill for an act designating advanced registered nurse practitioners as providers of health care services pursuant to managed care or prepaid services

contracts under the medical assistance program, was taken up for consideration.

Senator Gronstal asked and received unanimous consent that action on **House File 479** be **deferred**.

#### SPECIAL GUEST

Senator Larson welcomed to the Senate chamber retired four-star Navy Admiral Charles R. Larson.

The Senate rose and expressed its welcome.

#### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 216.

#### **House File 216**

On motion of Senator Larson, **House File 216**, a bill for an act relating to intelligence data and intelligence assessment dissemination to an agency, organization, or person, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Larson offered amendment S-3081, filed by the committee on Judiciary on March 24, 2003, to pages 1-3 and to the title page of the bill, and moved its adoption.

Amendment S-3081 was adopted by a voice vote.

Senator Kreiman offered amendment S-3099, filed by him from the floor to pages 1 and 2 of the bill, and moved its adoption.

Amendment S-3099 was adopted by a voice vote.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 216), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Tinsman	Veenstra	Warnstadt	Wieck

Nays, none.

Absent, 2:

Stewart                      Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 433** and **House File 216** be **immediately messaged** to the House.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 5:20 p.m. until 8:30 a.m. Thursday, March 27, 2003.

**APPENDIX —2****REPORTS OF COMMITTEE MEETINGS****APPROPRIATIONS**

**Convened:** March 26, 2003, 2:10 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, and Warnstadt.

**Members Absent:** Black and Zieman (both excused).

**Committee Business:** Approved SSB 1181 (as amended).

**Adjourned:** 2:30 p.m.

**GOVERNMENT OVERSIGHT**

**Convened:** March 26, 2003, 1:05 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Passed HF 534 (as amended).

**Adjourned:** 1:30 p.m.

**WAYS AND MEANS**

**Convened:** March 26, 2003, 1:05 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Passed HFs 344 and 615 and approved SSB 1183. Approved the Governor's appointees.

**Adjourned:** 1:20 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 26**, by Ragan, a resolution honoring the City of Mason City on its sesquicentennial year.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 434**, by committee on Ways and Means, a bill for an act exempting from state individual income tax the active duty pay of a member of the Iowa national guard or armed forces reserve units for service performed during Operation Iraqi Freedom and including effective and applicability date provisions.

Read first time under Rule 28 and **placed on Ways and Means calendar**.

**Senate File 435**, by committee on Appropriations, relating to and making appropriations to the judicial branch.

Read first time under Rule 28 and **placed on Appropriations calendar**.

## SUBCOMMITTEE ASSIGNMENTS

**Senate File 432**  
(Reassignment)

COMMERCE: Brunkhorst, Chair; Angelo, Gronstal, Sievers, and Warnstadt

**House File 623**

TRANSPORTATION: Shull, Chair; Drake and Fraise

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** \*SENATE FILE 435 (SSB 1181), a bill for an act relating to and making appropriations to the judicial branch.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 23: Lamberti, Kramer, Dvorsky, Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, and Warnstadt. Nays, none. Absent, 2: Black and Zieman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 435, and they were attached to the committee report.

## GOVERNMENT OVERSIGHT

**Final Bill Action:** HOUSE FILE 534, a bill for an act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3097.

**Final Vote:** Ayes, 4: Lundby, Brunkhorst, Courtney, and Wieck. Nays, 1: Dvorsky. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## WAYS AND MEANS

**Final Bill Action:** SENATE FILE 434 (SSB 1183), a bill for an act exempting from state individual income tax the active duty pay of a member of the Iowa national guard or armed forces reserve units for service performed during Operation Iraqi Freedom and including effective and applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 17: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 344, a bill for an act allowing a refund of motor fuel taxes paid by a benefited fire district.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 17: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 615, a bill for an act to legalize the proceedings of the City Council of the City of Urbandale relating to the approval of a partial exemption from property taxation of actual value added to industrial real estate, and providing for effective and applicability dates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 17: McKibben, Shull, Bolkom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**GOVERNOR’S APPOINTEES PLACED ON  
EN BLOC CALENDAR**

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

**WAYS AND MEANS**

Kay Anderson – Iowa Finance Authority  
Carmela Brown – Iowa Finance Authority

Steven Richardson – State Board of Tax Review

**BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR**

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 26th day of March, 2003:

Senate Files 357 and 376.

MICHAEL E. MARSHALL  
Secretary of the Senate

**AMENDMENTS FILED**

S-3093	S.F.	313	Neal Schuerer
S-3094	S.F.	313	Neal Schuerer

S-3095	S.F.	313	Neal Schuerer William Dotzler
S-3096	H.F.	180	Bob Brunkhorst Keith A. Kreiman
S-3097	H.F.	534	Government Oversight
S-3098	S.F.	313	Mike Connolly
S-3099	H.F.	216	Keith A. Kreiman

# JOURNAL OF THE SENATE

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SEVENTY-FOURTH CALENDAR DAY  
FORTY-FOURTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, March 27, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend H. I. Thomas, pastor of the Union Baptist Church in Des Moines, Iowa. He was the guest of Senator Hatch.

The Journal of Wednesday, March 26, 2003, was approved.

The Senate stood at ease at 8:40 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:29 a.m., President Pro Tempore Angelo presiding.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Ziemann, for the day, on request of Senator Rehberg; Senator Sievers, for the day, on request of Senator McKibben; and Senator Stewart, for the day, on request of Senator Gronstal.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 355.

## Senate File 355

On motion of Senator Behn, **Senate File 355**, a bill for an act relating to the authorization of podiatrists to administer anesthesia, was taken up for consideration.

Senator Behn asked and received unanimous consent that **House File 503** be **substituted** for **Senate File 355**.

## House File 503

On motion of Senator Behn, **House File 503**, a bill for an act relating to the authorization of podiatrists to administer anesthesia, was taken up for consideration.

Senator Behn moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 503), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Tinsman
Veenstra	Warnstadt	Wieck	

Nays, none.

Absent, 3:

Sievers	Stewart	Zieman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Behn asked and received unanimous consent that **Senate File 355** be **withdrawn** from further consideration of the Senate.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 435.

**Senate File 435**

On motion of Senator Miller, **Senate File 435**, a bill for an act relating to and making appropriations to the judicial branch, was taken up for consideration.

Senator Fraise offered amendment S-3102, filed by Senators Fraise and Kreiman from the floor to page 3 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 14, nays 25.

Amendment S-3102 lost.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 435), the vote was:

Yeas, 44:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Lamberti	Larson	Lundby	McCoy
McKibben	McKinley	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg

Schuerer  
Tinsman

Seng  
Veenstra

Seymour  
Warnstadt

Shull  
Wieck

Nays, 3:

Dotzler

Horn

Kreiman

Absent, 3:

Sievers

Stewart

Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 435** and **House File 503** be **immediately messaged** to the House.

#### BILLS REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **Senate File 37** and **attached House File 65** be referred from the Unfinished Business Calendar to the committee on **Judiciary**.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 10:56 a.m. until 1:00 p.m. Monday, March 31, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Marcia Burt, Parker Elementary School, Belmond-Klemme Community School District — For being chosen Outstanding Teacher of the Year. Senator Iverson (3/27/03).

Diana Buter, Grinnell Middle School — For receiving the Milken Family Foundation National Educator Award. Senator Schuerer (3/27/03).

Russell Drinovsky, Traer — For 30 years of dedication to the Traer community. Senator Putney (3/27/03).

Bryce Flaherty, Bettendorf — For achieving the rank of Eagle Scout, Boy Scout Troop 89. Senator Tinsman (3/27/03).

Roger and Carol Halfpop, Belmond — For celebrating your 50th wedding anniversary. Senator Iverson (3/27/03).

Harold P. Wimmer, Springfield, Illinois — For 25 years of dedicated service to the American Lung Association. Senator Tinsman (3/27/03).

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Seventh grade students from Prairie Valley Community School District. They were accompanied by their teachers, including Mary Sersland, mother of Senate Page Eva Sersland. Senator Beall is a graduate of Prairie Valley. Senator Beall.

### REPORT OF COMMITTEE MEETING

#### APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

**Convened:** March 26, 2003, 5:40 p.m.

**Members Present:** Tinsman, Chair; Johnson, Vice Chair; Hatch, Ranking Member; Bolkcom and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed the committee appropriations bill.

**Adjourned:** 6:30 p.m.

## INTRODUCTION OF RESOLUTIONS

**Senate Concurrent Resolution 14**, by Black, Behn, Iverson, Boettger, and McCoy, a concurrent resolution urging congressional adoption of a free trade agreement between Taiwan and the United States.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 27**, by Dvorsky, Bolkcom, Angelo, Beall, Behn, Black, Boettger, Brunkhorst, Connolly, Courtney, Dearden, Dotzler, Drake, Fraise, Gaskill, Gronstal, Hatch, Holveck, Horn, Hosch, Houser, Iverson, Johnson, Kettering, Kibbie, Kramer, Kreiman, Lamberti, Larson, Lundby, McCoy, McKibben, McKinley, Miller, Putney, Quirmbach, Ragan, Redfern, Rehberg, Schuerer, Seng, Seymour, Shull, Sievers, Stewart, Tinsman, Veenstra, Warnstadt, Wieck, and Zieman, a resolution honoring the University of Iowa football team and Coach Kirk Ferentz.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate Concurrent Resolution 13**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate Resolution 26**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **House File 397**

ECONOMIC GROWTH: Larson, Chair; Beall and Veenstra

### **House File 480**

ECONOMIC GROWTH: Boettger, Chair; Ragan and Seymour

**House File 560**

HUMAN RESOURCES: Tinsman, Chair; Ragan and Veenstra

**House File 592**

ECONOMIC GROWTH: McKinley, Chair; Hatch and Rehberg

**House File 644**

AGRICULTURE: Angelo, Chair; Houser and Ragan

**House File 656**

APPROPRIATIONS: Zieman, Chair; Connolly and Shull

**AMENDMENTS FILED**

S-3100	S.F.	368	Jeff Angelo
S-3101	S.F.	344	Richard F. Drake
S-3102	S.F.	435	Eugene S. Fraise Keith A. Kreiman

# JOURNAL OF THE SENATE

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SEVENTY-EIGHTH CALENDAR DAY  
FORTY-FIFTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, March 31, 2003

The Senate met in regular session at 1:05 p.m., President Kramer presiding.

Prayer was offered by the Honorable David Johnson, member of the Senate from Osceola County, Ocheyedan, Iowa.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Page JoAnna Woodley.

The Journal of Thursday, March 27, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 27, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 216**, a bill for an act relating to intelligence data and intelligence assessment dissemination to an agency, organization, or person.

ALSO: That the House has on March 27, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 94**, a bill for an act providing for the confidentiality of certain veterans' records maintained by county recorders. (S-3103)

ALSO: That the House has on March 27, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 567**, a bill for an act relating to powers of county environmental health specialists and providing a penalty.

Read first time and referred to committee on **Natural Resources and Environment**.

**House File 576**, a bill for an act relating to the enterprise zone program and including effective date provisions.

Read first time and referred to committee on **Economic Growth**.

The Senate stood at ease at 1:16 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 2:09 p.m., President Kramer presiding.

## RECESS

On motion of Senator Shull, the Senate recessed at 2:10 p.m. until 5:00 p.m.

## APPENDIX — 1

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

March 31, 2003

#### DEPARTMENT OF EDUCATION

Iowa Early Intervention Block Grant Program 2002–03, pursuant to Iowa Code section 256D.3.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

James E. Heider, Sioux City — For achieving the rank of Eagle Scout. Senator Warnstadt (3/31/03).

Kerry Joe Johnson, Nevada — For achieving the rank of Eagle Scout. Senator Iverson (3/31/03).

Scott Muxfeldt, Story City — For achieving the rank of Eagle Scout. Senator Iverson (3/31/03).

Bishop Alan Scarfe, Des Moines — For ordination to Bishop of the Episcopal Church of Iowa. Senator Tinsman (3/31/03).

Benjamin Wearin, Red Oak — For achieving the rank of Eagle Scout, Boy Scout Troop 86. Senator Angelo (3/31/03).

### REPORTS OF COMMITTEE MEETINGS

#### BUSINESS AND LABOR RELATIONS

**Convened:** March 31, 2003, 3:25 p.m.

**Members Present:** Schuerer, Chair; Dearden, Ranking Member; Courtney, Dotzler, Horn, Johnson, Kettering, McKibben, Seymour, and Wieck.

**Members Absent:** Lundby, Vice Chair (excused).

**Committee Business:** Approved the Governor's appointees.

**Adjourned:** 3:35 p.m.

## **HUMAN RESOURCES**

**Convened:** March 31, 2003, 2:25 p.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** None.

**Committee Business:** Passed HF's 396 and 558 and presentation by Department of Public Health.

**Adjourned:** 3:25 p.m.

## **STUDY BILL RECEIVED**

### **SSB 1185 Appropriations**

Making a supplemental appropriation to the environment first fund from the cash reserve fund and including an effective date.

## **SUBCOMMITTEE ASSIGNMENTS**

### **Senate Concurrent Resolution 14**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate Resolution 27**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate File 37**

JUDICIARY: Redfern, Chair; Kreiman and Larson

### **House File 65**

JUDICIARY: Redfern, Chair; Kreiman and Larson

### **House File 556**

JUDICIARY: Holveck, Chair; Putney and Tinsman

### **House File 593**

STATE GOVERNMENT: Tinsman, Chair; Kibbie and Schuerer

**House File 616**

COMMERCE: Stewart, Chair; Behn and Kettering

**House File 648**

STATE GOVERNMENT: Johnson, Chair; Dearden and Sievers

**House File 650**

JUDICIARY: Boettger, Chair; Kettering and Quirmbach

**SSB 1185**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

**BILLS SIGNED BY THE GOVERNOR**

A communication was received announcing that on March 28, 2003, the Governor approved and transmitted to the Secretary of State the following bills:

S.F. 97 – Relating to highway, aviation, motor vehicle transportation and public transit, including regulation of junkyards along highways and placement of political signs, elimination of the aviation hangar revolving loan fund, applications for certificates of title by motor vehicle dealers, fees charged for driver's licenses and nonoperator's identification cards and making an appropriation, security interests in motor vehicles, charges financed in a motor vehicle retail installment transaction, confidentiality of motor vehicle accident reports, requirements for motor carrier safety rules, exemptions for certain motor vehicle operators from motor carrier safety rules and hazardous materials transportation regulations, load limits for vehicles transporting construction machinery, urban public transit funding, and tariffs charged by motor carriers of household goods, and including effective and retroactive applicability date provisions.

S.F. 357 – Relating to election or appointment of trustees of a city hospital or health care facility.

S.F. 376 – Relating to the surcharge for certain dishonored negotiable instruments.

S.F. 424 – Relating to urban renewal indebtedness reporting and providing an effective date.

## EVENING SESSION

The Senate reconvened at 5:00 p.m., President Kramer presiding.

## QUORUM CALL

Senator Larson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 29 present, 21 absent, and a quorum present.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 31, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 381**, a bill for an act relating to anatomical gifts including bone marrow and organ donation by state employees and grants from the anatomical gift public awareness and transplantation fund.

Read first time and **attached to companion Senate File 222**.

**House File 454**, a bill for an act relating to mandatory universal newborn and infant hearing screening.

Read first time and **attached to similar Senate File 407**.

**House File 612**, a bill for an act relating to the exemption from land ownership restrictions for nonresident aliens under the new jobs and income program.

Read first time and **attached to companion Senate File 389**.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Redfern, until he arrives, on request of Senator Angelo; and Senators Hatch and McCoy, until they return, on request of Senator Gronstal.

**CONSIDERATION OF BILL**  
(Regular Calendar)

Senator Angelo asked and received unanimous consent to take up for consideration House File 171.

**House File 171**

On motion of Senator Quirmbach, **House File 171**, a bill for an act relating to nonsubstantive Code corrections and including effective and retroactive applicability date provisions, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Quirmbach offered amendment S-3021, filed by the committee on Judiciary on February 26, 2003, to pages 14, 19-21, 27, and 30 of the bill, and moved its adoption.

Amendment S-3021 was adopted by a voice vote.

Senator Quirmbach moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 171), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Quirmbach	Ragan	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Hatch                      McCoy                      Redfern

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Angelo asked and received unanimous consent to take up for consideration House File 175 and Senate File 409.

#### House File 175

On motion of Senator Beall, **House File 175**, a bill for an act relating to the use of physical plant and equipment levy revenue, and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Beall moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 175), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Hatch                      McCoy                      Redfern

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 409

On motion of Senator Veenstra, **Senate File 409**, a bill for an act providing for premarital and marital mediation agreements, was taken up for consideration.

Senator Veenstra moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 409), the vote was:

Rule 23, requiring all senators present to vote except those who express a conflict of interest, was invoked.

Yeas, 24:

Angelo	Behn	Boettger	Brunkhorst
Drake	Hosch	Houser	Iverson
Johnson	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Rehberg	Schuerer	Seng
Seymour	Sievers	Veenstra	Zieman

Nays, 25:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gaskill	Gronstal	Holveck
Horn	Kettering	Kibbie	McCoy
Putney	Quirmbach	Ragan	Redfern
Shull	Stewart	Tinsman	Warnstadt
Wieck			

Absent, 1:

Hatch

The bill, not having received a constitutional majority, was declared to have failed to pass the Senate.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 171 and 175** be **immediately messaged** to the House.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 365 and House Files 180, 249, and 240.

**Senate File 365**

On motion of Senator Boettger, **Senate File 365**, a bill for an act relating to legislative branch consolidation of functions by combining the legislative service bureau, legislative fiscal bureau, and legislative computer support bureau into a single central legislative staff agency, providing for legislative publications procedures, modifying the sales tax exemption for items sold or services provided by the new agency, including related matters, and providing an effective date, was taken up for consideration.

Senator Boettger offered amendment S-3104, filed by her from the floor to pages 3-5, 9, and 23 of the bill, and moved its adoption.

Amendment S-3104 was adopted by a voice vote.

Senator Boettger asked and received unanimous consent that **House File 636** be **substituted** for **Senate File 365**.

**House File 636**

On motion of Senator Boettger, **House File 636**, a bill for an act relating to legislative branch consolidation of functions by combining the legislative service bureau, legislative fiscal bureau, and legislative computer support bureau into a single central legislative staff agency, providing for legislative publications procedures, modifying the sales tax exemption for items sold or services provided by the new agency, including related matters, and providing an effective date, was taken up for consideration.

Senator Boettger offered amendment S-3105, filed by her from the floor to pages 7, 24, and 32 of the bill, and moved its adoption.

Amendment S-3105 was adopted by a voice vote.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 636), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Boettger asked and received unanimous consent that **Senate File 365** be **withdrawn** from further consideration of the Senate.

### House File 180

On motion of Senator Brunkhorst, **House File 180**, a bill for an act relating to character education and service learning in Iowa's

elementary and secondary schools, with report of committee recommending passage, was taken up for consideration.

Senator Brunkhorst offered amendment S-3096, filed by Senators Brunkhorst and Kreiman on March 26, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3096 was adopted by a voice vote.

Senator Brunkhorst moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 180), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 249

On motion of Senator Boettger, **House File 249**, a bill for an act relating to the manufacture, delivery, possession with the intent to manufacture or deliver, or conspiring to manufacture, deliver, or possess with the intent to manufacture or deliver flunitrazepam, and

providing a penalty, with report of committee recommending passage, was taken up for consideration.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 249), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 240

On motion of Senator Angelo, **House File 240**, a bill for an act relating to the composition of the Iowa egg council, with report of committee recommending passage, was taken up for consideration.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 240), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 3:

Dearden	McCoy	Tinsman
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Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 180, 240, 249, and 636** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 368.

### Senate File 368

On motion of Senator Angelo, **Senate File 368**, a bill for an act relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board, was taken up for consideration.

Senator Angelo offered amendment S-3087, filed by him on March 25, 2003, to pages 4, 5, and 7 of the bill, and moved its adoption.

Amendment S-3087 was adopted by a voice vote.

Senator Angelo offered amendment S-3100, filed by him on March 27, 2003, to pages 4 and 5 of the bill, and moved its adoption.

Amendment S-3100 was adopted by a voice vote.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 368), the vote was:

Yeas, 39:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Hosch	Houser	Iverson	Johnson
Kettering	Kibbie	Kreiman	Larson
Lundby	McCoy	McKibben	Putney
Ragan	Redfern	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Warnstadt	Wieck	Zieman	

Nays, 11:

Dearden	Holveck	Horn	Kramer
Lamberti	McKinley	Miller	Quirnbach
Rehberg	Tinsman	Veenstra	

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 615.

## House File 615

On motion of Senator McCoy, **House File 615**, a bill for an act to legalize the proceedings of the City Council of the City of Urbandale relating to the approval of a partial exemption from property taxation of actual value added to industrial real estate, and providing for effective and applicability dates, with report of committee recommending passage, was taken up for consideration.

Senator McCoy moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 615), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 368** and **House File 615** be **immediately messaged** to the House.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on March 31, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 586**, a bill for an act relating to notice of rate increases for group health insurance coverage.

Read first time and referred to committee on **Commerce**.

**House File 599**, a bill for an act relating to property insurance, including establishment of a mandatory plan to assure fair access to insurance requirements, and providing for an effective date and retroactive applicability.

Read first time and referred to committee on **Commerce**.

**House File 602**, a bill for an act providing for the establishment of a continuous quality improvement program relating to licensed pharmacy operations.

Read first time and referred to committee on **Human Resources**.

**House File 634**, a bill for an act relating to the conversion of cooperative associations originally organized as business corporations.

Read first time and referred to committee on **Agriculture**.

**House File 641**, a bill for an act providing for changes relating to programs under the purview of the Iowa department of public health.

Read first time and referred to committee on **Human Resources**.

**House File 647**, a bill for an act relating to insurance, including various filing and information privacy requirements throughout the insurance code, calculation of assessments by the Iowa individual health benefit reinsurance association, payment of certain insurance

fees, certain self-funded insurance plans by school corporations or political subdivisions, designation of the commissioner of insurance as process agent for various entities conducting insurance business in this state, notification provisions relating to the effective date of cancellation of insurance, beneficial stock ownership filings, funding agreements, creating an insurable interest in active or retired employee lives for the benefit of an employer, providing for an interstate insurance product regulation compact, and providing for retroactive applicability and an effective date.

Read first time and referred to committee on **Commerce**.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 7:00 p.m. until 8:30 a.m. Tuesday, April 1, 2003.

**APPENDIX — 2****REPORTS OF COMMITTEE MEETINGS****APPROPRIATIONS**

**Convened:** March 31, 2003, 4:25 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Horn, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Warnstadt, and Ziemann.

**Members Absent:** Black, Hatch, Houser, Tinsman, and Veenstra (all excused).

**Committee Business:** Approved SSB 1185.

**Adjourned:** 4:30 p.m.

**COMMERCE**

**Convened:** March 31, 2003, 4:40 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, Schuerer, Sievers, and Stewart.

**Members Absent:** McCoy and Redfern (both excused).

**Committee Business:** Passed SF 432 and approved the Governor's appointee.

**Adjourned:** 4:45 p.m.

**EDUCATION**

**Convened:** March 31, 2003, 3:35 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirnbach, and Rehberg.

**Members Absent:** Redfern (excused).

**Committee Business:** Presentation regarding Virtual Academies in Iowa.

**Adjourned:** 4:15 p.m.

**TRANSPORTATION**

**Convened:** March 31, 2003, 2:30 p.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman.

**Members Absent:** None.

**Committee Business:** Passed HF 623 and approved the Governor's appointees.

**Adjourned:** 2:40 p.m.

## INTRODUCTION OF BILL

**Senate File 436**, by committee on Appropriations, a bill for an act making a supplemental appropriation to the environment first fund from the cash reserve fund and including an effective date.

Read first time under Rule 28 and **placed on Appropriations calendar.**

## SUBCOMMITTEE ASSIGNMENT

### House File 567

NATURAL RESOURCES AND ENVIRONMENT: Black, Chair; Lundby and Wieck

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** SENATE FILE 436 (SSB 1185), a bill for an act making a supplemental appropriation to the environment first fund from the cash reserve fund and including an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 20: Lamberti, Kramer, Dvorsky, Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Horn, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Warnstadt, and Zieman. Nays, none. Absent, 5: Black, Hatch, Houser, Tinsman, and Veenstra.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### COMMERCE

**Final Bill Action:** SENATE FILE 432, a bill for an act relating to ownership of alternate energy production facilities by public utilities, making related changes, and providing an effective date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3110.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: McCoy and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## HUMAN RESOURCES

**Final Bill Action:** HOUSE FILE 396, a bill for an act relating to disaster preparedness and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Veenstra, Seymour, Ragan, Behn, Boettger, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 1: Hatch.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 558, a bill for an act authorizing the department of human services to disclose information regarding the listing of an individual in the child or dependent abuse registry or the sex offender registry when it is necessary for the protection of a child or a dependent adult.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## TRANSPORTATION

**Final Bill Action:** HOUSE FILE 623, a bill for an act relating to registration with the United States selective service system by application for a driver's license or nonoperator's identification card or for renewal of a driver's license or nonoperator's identification card.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Drake, Putney, McCoy, Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## EXPLANATION OF VOTE

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on March 27, 2003, when the vote was taken on Senate File 435. Had I been present, I would have voted "Yea."

BRYAN J. SIEVERS

## MOTION TO RECONSIDER FILED

MADAM PRESIDENT: I move to reconsider the vote by which Senate File 409 failed to pass the Senate on March 31, 2003.

DOUG SHULL

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### COMMERCE

Therese Vaughan – Commissioner of Insurance

### TRANSPORTATION

James Romar – Iowa Law Enforcement Academy Council

## GOVERNOR'S APPOINTEE PLACED ON INDIVIDUAL CONFIRMATION CALENDAR

The following appointee, assigned to standing committee for investigation, was placed on the Individual Confirmation Calendar with recommendation for confirmation:

### TRANSPORTATION

Jeffrey Danielson – State Transportation Commission

## AMENDMENTS FILED

S-3103	S.F.	94	House
S-3104	S.F.	365	Nancy J. Boettger

S-3105	H.F.	636	Nancy J. Boettger
S-3106	S.F.	422	Keith A. Kreiman
S-3107	S.F.	354	Steve Warnstadt
S-3108	S.F.	344	Ron Wieck
S-3109	S.F.	384	Charles W. Larson, Jr.
S-3110	S.F.	432	Commerce
S-3111	H.F.	479	Bob Brunkhorst Jeff Lamberti Jack Holveck Jack Hatch
S-3112	H.F.	479	Jack Holveck Bob Brunkhorst Jeff Lamberti Jack Hatch

# JOURNAL OF THE SENATE

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SEVENTY-NINTH CALENDAR DAY  
FORTY-SIXTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, April 1, 2003

The Senate met in regular session at 8:35 a.m., President Kramer presiding.

Prayer was offered by the Reverend Michael Coleman, pastor of the Antioch Baptist Church in Waterloo, Iowa. He was the guest of Senators Dotzler and Larson.

The Journal of Monday, March 31, 2003, was approved.

## RECESS

On motion of Senator Iverson, the Senate recessed at 8:44 a.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 8:50 a.m., President Kramer presiding.

The Senate stood at ease at 8:54 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:17 a.m., President Kramer presiding.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Black, for the day, on request of Senator Gronstal.

**CONSIDERATION OF BILL  
(Appropriations Calendar)**

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 436.

**Senate File 436**

On motion of Senator Lamberti, **Senate File 436**, a bill for an act making a supplemental appropriation to the environment first fund from the cash reserve fund and including an effective date, was taken up for consideration.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 436), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Black

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 380.

**Senate File 380**

On motion of Senator Houser, **Senate File 380**, a bill for an act relating to funding for nongame wildlife programs by increasing the fees for special natural resources motor vehicle registration plates, was taken up for consideration.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 380), the vote was:

Yeas, 40:

Angelo	Beall	Behn	Boettger
Brunkhorst	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Hosch	Houser	Iverson	Johnson
Kettering	Kibbie	Kramer	Lamberti
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Wieck	Zieman

Nays, 9:

Bolkcom	Connolly	Courtney	Dearden
Holveck	Horn	Kreiman	Larson
Warnstadt			

Absent, 1:

Black

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 380 and 436 be immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 254.

**House File 254**

On motion of Senator Brunkhorst, **House File 254**, a bill for an act providing that revenues deposited in the state conservation fund are temporarily exempt from reversion and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Brunkhorst moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 254), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wick
Zieman			

Nays, none.

Absent, 1:

Black

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

**CONSIDERATION OF BILL**  
(Regular Calendar)

Senator Houser asked and received unanimous consent to take up for consideration Senate File 383.

**Senate File 383**

On motion of Senator Kreiman, **Senate File 383**, a bill for an act relating to the delivery of curriculum via the internet by instructional personnel employed by an accredited postsecondary educational institution under a contract with a school district, was taken up for consideration.

Senator Kreiman offered amendment S-3113, filed by Senator Kreiman, et al., from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

Amendment S-3113 was adopted by a voice vote.

Senator Kreiman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 383), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wick
Zieman			

Nays, none.

Absent, 1:

Black

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 383** and **House File 254** be **immediately messaged** to the House.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 11:10 a.m. until 8:30 a.m. Wednesday, April 2, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Megan Adams, Mason City — For achieving the highest award for Senior Girl Scouts, “The Gold Award.” Senator Ragan (4/1/03).

Ted Chada, Ames — For celebrating your 90th birthday. Senator Quirmbach (4/1/03).

Lloyd “Ike” and Jane Coughenour, Colo — For celebrating your 50th wedding anniversary on April 3, 2003. Senator Iverson (4/1/03).

Richard S. Gibson, Mason City — For achieving the rank of Eagle Scout. Senator Ragan (4/1/03).

Ina Picht, Nevada — For celebrating your 100th birthday on March 29, 2003. Senator Iverson (4/1/03).

### REPORTS OF COMMITTEE MEETINGS

#### AGRICULTURE

**Convened:** April 1, 2003, 2:00 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Courtney, Gaskill, Houser, Johnson, Putney, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** Black and Kibbie (both excused).

**Committee Business:** Passed HFs 380 and 547 and approved the Governor’s appointees.

**Adjourned:** 2:25 p.m.

#### ECONOMIC GROWTH

**Convened:** April 1, 2003, 1:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** Larson (excused).

**Committee Business:** Passed HF 329 and approved the Governor’s appointees.

**Adjourned:** 1:20 p.m.

## LOCAL GOVERNMENT

**Convened:** April 1, 2003, 11:10 a.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirnbach, Ranking Member; Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** Angelo (excused).

**Committee Business:** Approved the Governor's appointees.

**Adjourned:** 11:25 a.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** April 1, 2003, 1:05 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Zieman.

**Members Absent:** Black (excused).

**Committee Business:** Passed HJR 5 and HF's 85, 411, 412, and 516 (as amended). Approved the Governor's appointees.

**Adjourned:** 1:35 p.m.

## RULES AND ADMINISTRATION

**Convened:** April 1, 2003, 8:30 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Passed SCRs 11, 12, 13, and 14 and SRs 24, 25, 26, and 27.

**Adjourned:** 8:35 a.m.

## STATE GOVERNMENT

**Convened:** April 1, 2003, 11:15 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** Black (excused).

**Committee Business:** Approved the Governor's appointees.

**Adjourned:** 11:40 a.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 28**, by McKibben, Larson, Boettger, Sievers, Redfern, Veenstra, Wieck, Johnson, Putney, Brunkhorst, Angelo, McKinley, Hosch, Kettering, Seymour, Behn, Lamberti, Shull, Gaskill, Kramer, Drake, Houser, Rehberg, Schuerer, Tinsman, Iverson, Zieman, Lundby, and Miller, a resolution supporting the nomination of federal court of appeals judicial nominee Miguel A. Estrada.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILL

**Senate File 437**, by Sievers and Hatch, a bill for an act providing a wind energy production tax credit under the individual and corporate income taxes, the franchise tax, and insurance premiums tax and including an applicability date provision.

Read first time under Rule 28 and referred to committee on **Ways and Means**.

## SUBCOMMITTEE ASSIGNMENTS

**House File 455**  
(Reassignment)

JUDICIARY: Tinsman, Chair; Larson and McCoy

**House File 634**

AGRICULTURE: Zieman, Chair; Black and Houser

## COMMITTEE REPORTS

### AGRICULTURE

**Final Bill Action:** HOUSE FILE 380, a bill for an act providing for the administration of funds for animal agriculture, including moneys transferred from and deposited into these funds, and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Behn, Hosch, Fraise, Angelo, Courtney, Gaskill, Houser, Johnson, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, 2: Black and Kibbie.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 547, a bill for an act providing for evidence of financial responsibility filed by commercial pesticide applicators.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3122.

**Final Vote:** Ayes, 13: Behn, Hosch, Fraise, Angelo, Courtney, Gaskill, Houser, Johnson, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, 2: Black and Kibbie.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## **ECONOMIC GROWTH**

**Final Bill Action:** HOUSE FILE 329, a bill for an act relating to site preparation for targeted economic development.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Rehberg, Shull, Hatch, Beall, Boettger, Dotzler, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 1: Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## **RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 11, a concurrent resolution urging the United States Congress to act to remove trade, financial, and travel restrictions relating to Cuba.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 12, a concurrent resolution supporting the United Nations' recognition of the Republic of China on Taiwan.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 13, a concurrent resolution urging the United States Congress to hold hearings to investigate the impact of mandatory country of origin labeling regulations and to delay the date of compliance with the law.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 14, a concurrent resolution urging congressional adoption of a free trade agreement between Taiwan and the United States.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Courtney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 24, a resolution reaffirming Iowa's commitment to freedom and democracy and calling for an end to terrorism.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 25, a resolution honoring the town of Troy Mills on its sesquicentennial year.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 26, a resolution honoring the City of Mason City on its sesquicentennial year.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 27, a resolution honoring the University of Iowa football team and Coach Kirk Ferentz.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### AGRICULTURE

Benjamin Jung – Grape and Wine Development Commission

Jean Eells – State Soil Conservation Committee

Todd Scott – State Soil Conservation Committee

James Tobin – State Soil Conservation Committee

### BUSINESS AND LABOR RELATIONS

Benjamin Duehr – Iowa Workforce Development Board

Sarah Falb – Iowa Workforce Development Board

### **ECONOMIC GROWTH**

Robert Bocken – Iowa Economic Development Board  
 Cynthia Keithley – Iowa Economic Development Board

### **HUMAN RESOURCES**

Terri Craft – Board of Athletic Training Examiners

Thorald Davidson – Board of Behavioral Science Examiners  
 Barbara O'Rourke – Board of Behavioral Science Examiners  
 Timothy Ruppert – Board of Behavioral Science Examiners

Michael Bergan – Iowa Empowerment Board  
 Rebecca Burgart – Iowa Empowerment Board  
 Elaine Szymoniak – Iowa Empowerment Board  
 Thomas Wilson – Iowa Empowerment Board  
 C. Arthur Wittmack – Iowa Empowerment Board

Christine Louscher – Mental Health and Developmental Disabilities Commission

Diane Cardwell – Board of Physician Assistant Examiners  
 Mara Swanson – Board of Physician Assistant Examiners  
 Rita Taylor – Board of Physician Assistant Examiners

Kimberly Brangoccio – Prevention of Disabilities Policy Council  
 James Grover – Prevention of Disabilities Policy Council  
 Mickey McDaniel – Prevention of Disabilities Policy Council

Annette Bair – Commission on Tobacco Use Prevention and Control  
 Scott Havens – Commission on Tobacco Use Prevention and Control  
 Marvin Jenkins – Commission on Tobacco Use Prevention and Control

### **LOCAL GOVERNMENT**

Ann Hutchinson – City Development Board

Richard Heidloff – County Finance Committee  
 Ben Lacey – County Finance Committee

Mark Monson – Iowa Lewis and Clark Bicentennial Commission

Jacqueline Kibbie-Williams – Mental Health Risk Pool Board (Appointment)  
 Jacqueline Kibbie-Williams – Mental Health Risk Pool Board (Reappointment)  
 Andy Nielsen – Mental Health Risk Pool Board  
 David Van Ningen – Mental Health Risk Pool Board (Appointment)  
 David Van Ningen – Mental Health Risk Pool Board (Reappointment)

### **NATURAL RESOURCES AND ENVIRONMENT**

Francis Thicke – Environmental Protection Commission  
 Heidi Vittetoe – Environmental Protection Commission

Richard Francisco – Natural Resource Commission

Cathy Rottinghaus – Iowa Comprehensive Petroleum Underground Storage Tank Fund Board

Karen Andersen-Schank – Renewable Fuels and Coproducts Advisory Committee

Greg Hayes – Renewable Fuels and Coproducts Advisory Committee

### **STATE GOVERNMENT**

Susan Boe – Accountancy Examining Board

Scott Doll – Alcoholic Beverages Commission

Barbara Martin – Board of Barber Examiners

Michael Powell – Board of Chiropractic Examiners

Diane Puthoff – Board of Chiropractic Examiners

Rachel Dunn – Board of Dietetic Examiners

Daniel Rogers – Iowa Emergency Response Commission

Forrest Holly – Engineering and Land Surveying Examining Board

James Albert – Iowa Ethics and Campaign Disclosure Board

Diane Kolmer – Information Technology Council

Mary Wegner – Information Technology Council

David Redlawsk – IowaAccess Advisory Council

David Creighton, Sr. – Investment Board of the IPERS

David Biehl – Landscape Architectural Examining Board

Sally Schroeder – Board of Medical Examiners

Janece Valentine – Board of Medical Examiners

Ruth Ohde – Board of Mortuary Science Examiners

M. Ann Aulwes-Allison – Board of Nursing Examiners

Terry Cooper – State Board of Examiners for Nursing Home Administrators

Daniel Larmore – State Board of Examiners for Nursing Home Administrators

Barbara Scheetz – Board of Optometry Examiners

Helen McNurlen – Board of Physical and Occupational Therapy Examiners

Gerald Jorgensen – Board of Psychology Examiners

Barbara Leestamper – Real Estate Appraiser Examining Board

James Hughes – Real Estate Commission

Douglas Walter – Board of Speech Pathology and Audiology Examiners

Laurel Phipps – Commission of Veterans Affairs

Lorna Burnside – Vision Iowa Board

Libby Slappey – Vision Iowa Board

### GOVERNOR'S APPOINTEES PLACED ON INDIVIDUAL CONFIRMATION CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the Individual Confirmation Calendar with recommendations for confirmation:

#### BUSINESS AND LABOR RELATIONS

Michael Trier – Workers' Compensation Commissioner

#### STATE GOVERNMENT

Cynthia Eisenhauer – Director of the Department of Management

Mollie Anderson – Director of the Department of Personnel

Michael Gartner – Chair of the Vision Iowa Board

#### AMENDMENTS FILED

S-3113	S.F.	383	Keith A. Kreiman Robert E. Dvorsky Bob Brunkhorst Nancy Boettger
S-3114	S.F.	344	Ron Wieck
S-3115	S.F.	344	Ron Wieck
S-3116	S.F.	344	Ron Wieck Richard F. Drake
S-3117	S.F.	344	Ron Wieck
S-3118	S.F.	344	Ron Wieck
S-3119	S.F.	384	Keith A. Kreiman
S-3120	S.F.	344	Ron Wieck
S-3121	S.F.	344	Ron Wieck
S-3122	H.F.	547	Agriculture

# JOURNAL OF THE SENATE

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EIGHTIETH CALENDAR DAY  
FORTY-SEVENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, April 2, 2003

The Senate met in regular session at 8:31 a.m., President Pro Tempore Angelo presiding.

Prayer was offered by the Reverend Duane Marburger, pastor of the Good Samaritan Rehabilitation and Health Center in Ottumwa, Iowa. He was the guest of Senator Kreiman.

The Journal of Tuesday, April 1, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 1, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 436**, a bill for an act making a supplemental appropriation to the environment first fund from the cash reserve fund and including an effective date.

ALSO: That the House has on April 1, 2003, **adopted** the following resolutions in which the concurrence of the Senate is asked:

**House Concurrent Resolution 8**, a concurrent resolution relating to a biennial memorial session.

Read first time and referred to committee on **Rules and Administration**.

**House Concurrent Resolution 9**, a concurrent resolution relating to Pioneer Lawmakers.

Read first time and referred to committee on **Rules and Administration**.

ALSO: That the House has on April 1, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 493**, a bill for an act relating to the powers and duties of the department of agriculture and land stewardship by providing for the elimination of administrative requirements.

Read first time and referred to committee on **Agriculture**.

**House File 594**, a bill for an act relating to the registration of electrical and mechanical amusement devices and the registration of manufacturers and distributors thereof, making penalties applicable, and providing an effective date.

Read first time and referred to committee on **State Government**.

**House File 600**, a bill for an act regulating organic agricultural products, providing for fees and penalties, and providing an effective date.

Read first time and **attached to similar Senate File 403**.

**House File 631**, a bill for an act relating to the apportionment of judgeships and the voluntary transfer of a district judge among the judicial election districts.

Read first time and **attached to similar Senate File 418**.

#### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Holveck, until he arrives, on request of Senator Dearden; and Senator McCoy, until he arrives, on request of Senator Gronstal.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 63.

**Senate File 63**

On motion of Senator Drake, **Senate File 63**, a bill for an act relating to the use of sick leave by certain members of the Iowa department of public safety peace officers' retirement, accident, and disability system who are temporarily incapacitated for duty, with report of committee recommending passage, was taken up for consideration.

Senator Drake offered amendment S-3029, filed by him on March 10, 2003, to page 1 and to the title page of the bill, and moved its adoption.

Amendment S-3029 was adopted by a voice vote.

Senator Drake asked and received unanimous consent that **House File 342** be **substituted** for **Senate File 63**.

**House File 342**

On motion of Senator Drake, **House File 342**, a bill for an act relating to the use of sick leave by certain members of the Iowa department of public safety peace officers' retirement, accident, and disability system who are temporarily incapacitated for duty and providing an effective date, was taken up for consideration.

Senator Drake moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 342), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake

Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Holveck                      McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### WITHDRAWN

Senator Drake asked and received unanimous consent that **Senate File 63** be **withdrawn** from further consideration of the Senate.

#### SPECIAL GUESTS

Senator McKinley welcomed to the Senate chamber Queen Ashley Braun and representatives from Pella's Sixty-eighth Annual Tulip Time Festival.

Queen Braun and her court appeared before the rostrum. Queen Braun introduced the following members of her court: Elizabeth Terborg, Tiffany Pol, Amy Laug, and Katie Kniff.

Queen Braun presented President Kramer a package of the famous Pella Dutch pastries and invited the Senate chamber to attend the Tulip Time Festival in Pella on May 1, 2, and 3, 2003.

The Queen, her attendants, and their parents distributed pastries to the senators and staff.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 344.

**Senate File 344**

On motion of Senator Wieck, **Senate File 344**, a bill for an act concerning regulatory and statutory requirements impacting business relating to liability reform, unemployment compensation benefits eligibility and employer contributions, workers' compensation, occupational safety and health administration training and compliance requirements, financial services and restrictions on property rights, environmental regulatory requirements, and public project contractor requirements, was taken up for consideration.

Senator Wieck asked and received unanimous consent that action on **Senate File 344** be **deferred**.

RECESS

On motion of Senator Boettger, the Senate recessed at 8:59 a.m. until the completion of a meeting of the committee on Rules and Administration.

RECONVENED

The Senate reconvened at 9:03 a.m., President Pro Tempore Angelo presiding.

RECESS

On motion of Senator Iverson, the Senate recessed at 9:05 a.m. until 1:00 p.m.

**APPENDIX — 1****REPORTS OF COMMITTEE MEETINGS****APPROPRIATIONS**

**Convened:** April 1, 2003, 4:05 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman.

**Members Absent:** Black (excused).

**Committee Business:** Approved SSB 1180 (as amended). Passed SF 427 (as amended) and HFs 472, 652, 655, and 656.

**Adjourned:** 4:55 p.m.

**EDUCATION**

**Convened:** April 2, 2003, 11:05 a.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Angelo, Beall, Behn, Brunkhorst, Dvorsky, Holveck, Hosch, Kreiman, Larson, Quirnbach, Redfern, and Rehberg.

**Members Absent:** None.

**Committee Business:** Passed HF 549 and approved the Governor's appointee.

**Adjourned:** 11:25 a.m.

**JUDICIARY**

**Convened:** April 1, 2003, 3:05 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** None.

**Committee Business:** Passed HFs 65, 170, 404, 505, and 584 (as amended). Approved Governor's appointees and assigned subcommittees.

**Adjourned:** 4:05 p.m.

**NATURAL RESOURCES AND ENVIRONMENT**

**Convened:** April 2, 2003, 10:15 a.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Wieck, and Zieman.

**Members Absent:** Miller (excused).

**Committee Business:** Passed HF 567.

**Adjourned:** 10:40 a.m.

**RULES AND ADMINISTRATION**

**Convened:** April 2, 2003, 9:00 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, and Sievers.

**Members Absent:** Putney and Ragan (both excused).

**Committee Business:** Approved SR 28.

**Adjourned:** 9:05 a.m.

**INTRODUCTION OF RESOLUTION**

**Senate Resolution 29**, by Dotzler and Redfern, a resolution honoring the East Waterloo High School Boys' Basketball Team.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**INTRODUCTION OF BILLS**

**Senate File 438**, by committee on Appropriations, a bill for an act relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

Read first time under Rule 28 and **placed on Appropriations calendar**.

**Senate File 439**, by committee on Appropriations, a bill for an act relating to and making appropriations to the justice system and providing an effective date.

Read first time under Rule 28 and **placed on Appropriations calendar.**

## SUBCOMMITTEE ASSIGNMENTS

### Senate Resolution 28

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### Senate File 437

WAYS AND MEANS: Shull, Chair; Miller and Stewart

### House File 525

NATURAL RESOURCES AND ENVIRONMENT: Johnson, Chair; Seng and Wieck

### House File 586

COMMERCE: Bolkcom, Chair; Kettering and Redfern

### House File 599

COMMERCE: Kettering, Chair; Beall and Brunkhorst

### House File 647

COMMERCE: Wieck, Chair; Kettering and Warnstadt

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** \*SENATE FILE 438 (formerly SF 427), a bill for an act relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 24: Lamberti, Kramer, Dvorsky, Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 438, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** \*SENATE FILE 439 (SSB 1180), a bill for an act relating to and making appropriations to the justice system and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Lamberti, Kramer, Behn, Gaskill, Houser, McKibben, McKinley, Miller, Schuerer, Seymour, Shull, Sievers, Tinsman, Veenstra, and Zieman. Nays, 9: Dvorsky, Bolkom, Connolly, Dotzler, Fraise, Hatch, Horn, Seng, and Warnstadt. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 439, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** HOUSE FILE 472, a bill for an act appropriating federal funds made available from federal block grants and other federal grants, allocating portions of federal block grants, and providing procedures if federal funds are more or less than anticipated or if federal block grants are more or less than anticipated.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 24: Lamberti, Kramer, Dvorsky, Behn, Bolkom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 652, a bill for an act relating to and making transportation and other infrastructure-related appropriations to the state department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund, and providing for the nonreversion of certain moneys.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 24: Lamberti, Kramer, Dvorsky, Behn, Bolkom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng,

Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 655, a bill for an act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Lamberti, Kramer, Behn, Gaskill, Houser, McKibben, McKinley, Miller, Schuerer, Seymour, Shull, Sievers, Tinsman, Veenstra, and Zieman. Nays, 9: Dvorsky, Bolkcom, Connolly, Dotzler, Fraise, Hatch, Horn, Seng, and Warnstadt. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 656, a bill for an act relating to fees charged for special fire fighter motor vehicle registration plates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 24: Lamberti, Kramer, Dvorsky, Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## **RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE RESOLUTION 28, a resolution supporting the nomination of federal court of appeals judicial nominee Miguel A. Estrada.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 6: Iverson, Kramer, Boettger, Drake, Gaskill, and Sievers. Nays, 3: Gronstal, Courtney, and Dvorsky. Absent, 2: Putney and Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AFTERNOON SESSION

The Senate reconvened at 1:04 p.m., Senator Brunkhorst presiding.

## QUORUM CALL

Senator Veenstra requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 35 present, 15 absent, and a quorum present.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 342** be **immediately messaged** to the House.

## BUSINESS PENDING

**Senate File 344**

The Senate resumed consideration of **Senate File 344**, a bill for an act concerning regulatory and statutory requirements impacting business relating to liability reform, unemployment compensation benefits eligibility and employer contributions, workers' compensation, occupational safety and health administration training and compliance requirements, financial services and restrictions on property rights, environmental regulatory requirements, and public project contractor requirements, previously deferred.

Senator Drake withdrew amendment S-3101, filed by him on March 27, 2003, to page 1 of the bill.

Senator Wieck offered amendment S-3108, filed by him on March 31, 2003, to pages 1-20 of the bill, and moved its adoption.

Amendment S-3108 was adopted by a voice vote.

Senator Wieck offered amendment S-3118, filed by him on April 1, 2003, to pages 21, 23, and 25 of the bill, and moved its adoption.

Amendment S-3118 was adopted by a voice vote.

Senator Wieck offered amendment S-3115, filed by him on April 1, 2003, to pages 26 and 30 of the bill, and moved its adoption.

Amendment S-3115 was adopted by a voice vote.

Senator Wieck offered amendment S-3120, filed by him on April 1, 2003, to page 41 and to the title page of the bill, and moved its adoption.

Amendment S-3120 was adopted by a voice vote.

Senator Wieck offered amendment S-3129, filed by him from the floor to pages 41 and 42 of the bill, and moved its adoption.

Amendment S-3129 was adopted by a voice vote.

Senator Wieck offered amendment S-3114, filed by him on April 1, 2003, to pages 43, 44, and to the title page of the bill, and moved its adoption.

Amendment S-3114 was adopted by a voice vote.

Senator Wieck offered amendment S-3121, filed by him on April 1, 2003, to pages 44, 46, and 47 of the bill.

Senator Sievers offered amendment S-3131, filed by Senators Sievers and Brunkhorst from the floor to page 1 of amendment S-3121, and moved its adoption.

Amendment S-3131 was adopted by a voice vote.

Senator Wieck moved the adoption of amendment S-3121, as amended.

Amendment S-3121 was adopted by a voice vote.

Senator Wieck offered amendment S-3130, filed by him from the floor to page 44 of the bill, and moved its adoption.

Amendment S-3130 was adopted by a voice vote.

Senator Wieck offered amendment S-3116, filed by Senators Wieck and Drake on April 1, 2003, to pages 47 and 48 of the bill, and moved its adoption.

Amendment S-3116 was adopted by a voice vote.

Senator Wieck offered amendment S-3117, filed by him on April 1, 2003, to page 49 and to the title page of the bill, and moved its adoption.

Amendment S-3117 was adopted by a voice vote.

Senator Wieck moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 344), the vote was:

Yeas, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Putney	Rehberg	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Nays, 24:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Miller	Quirnbach	Ragan
Redfern	Seng	Stewart	Warnstadt

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Angelo asked and received unanimous consent to take up for consideration Senate File 372.

**Senate File 372**

On motion of Senator Warnstadt, **Senate File 372**, a bill for an act relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date, was taken up for consideration.

Senator Warnstadt offered amendment S-3123, filed by him from the floor to pages 2, 5, 6, 9, 12, 16, 17, and 18 of the bill, and moved its adoption.

Amendment S-3123 was adopted by a voice vote.

Senator Warnstadt offered amendment S-3132, filed by him from the floor to page 4 of the bill, and moved its adoption.

Amendment S-3132 was adopted by a voice vote.

Senator Angelo asked and received unanimous consent that action on **Senate File 372** be **deferred**.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 344** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 289.

## House File 289

On motion of Senator Angelo, **House File 289**, a bill for an act relating to electronic financial transactions with county treasurers, with report of committee recommending passage, was taken up for consideration.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 289), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 341.

## House File 341

On motion of Senator Redfern, **House File 341**, a bill for an act relating to personnel and instructors employed by community

colleges, with report of committee recommending passage, was taken up for consideration.

Senator Redfern moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 341), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 289 and 341** be **immediately messaged** to the House.

### RECESS

On motion of Senator Iverson, the Senate recessed at 1:54 p.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 2:02 p.m., President Kramer presiding.

UNFINISHED BUSINESS  
(Deferred March 26, 2003)

**House File 479**

The Senate resumed consideration of **House File 479**, a bill for an act designating advanced registered nurse practitioners as providers of health care services pursuant to managed care or prepaid services contracts under the medical assistance program, deferred March 26, 2003.

Senator Brunkhorst offered amendment S-3128, filed by Senators Brunkhorst, Lamberti, and Holveck from the floor to page 1 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3128 be adopted?" (H.F. 479), the vote was:

Yeas, 14:

Black	Brunkhorst	Dearden	Gronstal
Hatch	Holveck	Johnson	Kettering
Kramer	Lamberti	Larson	Quirmbach
Rehberg	Seng		

Nays, 36:

Angelo	Beall	Behn	Boettger
Bolkcom	Connolly	Courtney	Dotzler
Drake	Dvorsky	Fraise	Gaskill
Horn	Hosch	Houser	Iverson
Kibbie	Kreiman	Lundby	McCoy
McKibben	McKinley	Miller	Putney
Ragan	Redfern	Schuerer	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Absent, none.

Amendment S-3128 lost.

Senator Brunkhorst asked and received unanimous consent to withdraw amendment S-3111, filed by Senator Brunkhorst, et al., on March 31, 2003, to page 1 of the bill.

Senator Holveck offered amendment S-3112, filed by Senator Holveck, et al., on March 31, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3112 lost by a voice vote.

Senator Veenstra moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 479), the vote was:

Yeas, 38:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Hatch	Horn
Hosch	Houser	Kibbie	Kreiman
Lundby	McCoy	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Schuerer	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 12:

Brunkhorst	Gronstal	Holveck	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	McKibben	Rehberg	Seng

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Veenstra asked and received unanimous consent that **Senate File 410** be **withdrawn** from further consideration of the Senate.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 479** be **immediately messaged** to the House.

The Senate stood at ease at 2:44 p.m. until the fall of the gavel for the purpose of a Republican caucus.

The Senate resumed session at 3:45 p.m., President Kramer presiding.

## BUSINESS PENDING

**Senate File 372**

The Senate resumed consideration of **Senate File 372**, a bill for an act relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date, previously deferred.

Senator Warnstadt moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 372), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Redfern asked and received unanimous consent to take up for consideration Senate Files 412 and 392.

**Senate File 412**

On motion of Senator Tinsman, **Senate File 412**, a bill for an act relating to the management of elder group homes, was taken up for consideration.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 412), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Schuerer, until he returns, on request of Senator Behn.

**Senate File 392**

On motion of Senator Ziemann, **Senate File 392**, a bill for an act relating to the animal agriculture compliance Act, and providing for penalties, was taken up for consideration.

Senator Ziemann offered amendment S-3133, filed by him from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

Amendment S-3133 was adopted by a voice vote.

Senator Ziemann moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 392), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Ziemann			

Nays, none.

Absent, 1:

Schuerer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 372, 392, and 412** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 319 and 339.

#### **House File 319**

On motion of Senator Behn, **House File 319**, a bill for an act permitting written demand via regular mail prior to an action under the uniform commercial code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Angelo offered amendment S-3092, filed by the committee on Commerce on March 25, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3092 was adopted by a voice vote.

With the adoption of amendment S-3092, the Chair ruled amendment S-3063, filed by Senator Warnstadt on March 18, 2003, to page 1 of the bill, out of order.

Senator Holveck asked and received unanimous consent that action on **House File 319** be **deferred**.

#### **House File 339**

On motion of Senator Rehberg, **House File 339**, a bill for an act relating to snowmobile franchises by requiring the repurchase of

certain inventory upon termination of a franchise and providing effective and retroactive applicability dates, with report of committee recommending passage, was taken up for consideration.

Senator Rehberg moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 339), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 339** be **immediately messaged** to the House.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Redfern, for the remainder of the day, on request of Senator McKibben.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 354.

**Senate File 354**

On motion of Senator Veenstra, **Senate File 354**, a bill for an act implementing the federal Indian Child Welfare Act, was taken up for consideration.

Senator Warnstadt offered amendment S-3075, filed by him on March 24, 2003, to pages 1-6, 8, 10, 11, 15, 17, 19, and 25 of the bill.

Senator Warnstadt offered amendment S-3107, filed by him on March 31, 2003, to page 1 of amendment S-3075, and moved its adoption.

Amendment S-3107 was adopted by a voice vote.

Senator Warnstadt moved the adoption of amendment S-3075, as amended.

Amendment S-3075 was adopted by a voice vote.

President Pro Tempore Angelo took the chair at 4:47 p.m.

Senator Veenstra moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 354), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller

Putney	Quirnbach	Ragan	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 2:

Holveck	Kreiman
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Absent, 1:

Redfern

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 2, 2003, **adopted** the following resolution in which the concurrence of the House was asked:

**Senate Joint Resolution 1**, a joint resolution authorizing the temporary use and consumption of wine in the State Capitol in conjunction with the awards ceremony of the World Food Prize Foundation.

ALSO: That the House has on April 2, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 659**, a bill for an act relating to ownership of alternate energy production facilities by public utilities, making related changes, and providing an effective date.

Read first time and **attached to similar Senate File 432**.

### IMMEDIATELY MESSAGED

Senator McKinley asked and received unanimous consent that **Senate File 354** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator McKinley asked and received unanimous consent to take up for consideration Senate File 432.

**Senate File 432**

On motion of Senator Brunkhorst, **Senate File 432**, a bill for an act relating to ownership of alternate energy production facilities by public utilities, making related changes, and providing an effective date, with report of committee recommending amendment and passage, was taken up for consideration.

The Senate stood at ease at 5:04 p.m. until the fall of the gavel for the purpose of a Democratic caucus.

The Senate resumed session at 5:47 p.m., President Pro Tempore Angelo presiding.

Senator Brunkhorst offered amendment S-3110, filed by the committee on Commerce on March 31, 2003, to pages 3 and 4 of the bill, and moved its adoption.

Amendment S-3110 was adopted by a voice vote.

President Kramer took the chair at 5:55 p.m.

Senator Lundby offered amendment S-3135, filed by Senator Lundby, et al., from the floor to page 2 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3135 be adopted?" (S.F. 432), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Dvorsky	Fraise	Hatch	Holveck
Horn	Hosch	Houser	Johnson
Kettering	Kibbie	Kreiman	Lundby

Miller Schuerer	Putney Seymour	Quirnbach	Rehberg
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Nays, 27:

Angelo	Behn	Boettger	Brunkhorst
Courtney	Dearden	Dotzler	Drake
Gaskill	Gronstal	Iverson	Kramer
Lamberti	Larson	McCoy	McKibben
McKinley	Ragan	Seng	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Absent, 1:

Redfern

Amendment S-3135 lost.

Senator Bolkcom offered amendment S-3137, filed by Senator Bolkcom, et al., from the floor to pages 2 and 3 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3137 be adopted?" (S.F. 432), the vote was:

Yeas, 15:

Beall	Black	Bolkcom	Connolly
Dvorsky	Fraise	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
Miller	Quirnbach	Ragan	

Nays, 34:

Angelo	Behn	Boettger	Brunkhorst
Courtney	Dearden	Dotzler	Drake
Gaskill	Gronstal	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McCoy	McKibben
McKinley	Putney	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Absent, 1:

Redfern

Amendment S-3137 lost.

Senator Brunkhorst asked and received unanimous consent that **House File 659** be substituted for **Senate File 432**.

### House File 659

On motion of Senator Brunkhorst, **House File 659**, a bill for an act relating to ownership of alternate energy production facilities by public utilities, making related changes, and providing an effective date, was taken up for consideration.

Senator Brunkhorst moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 659), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Redfern

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Brunkhorst asked and received unanimous consent that **Senate File 432** be **withdrawn** from further consideration of the Senate.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 659** be **immediately messaged** to the House.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 6:42 p.m. until 8:30 a.m. Thursday, April 3, 2003.

## APPENDIX — 2

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Twelfth grade students from Tripoli High School in Tripoli, accompanied by Ray Carlson and Pat Finder. Senator Brunkhorst.

### REPORT OF COMMITTEE MEETING

#### RULES AND ADMINISTRATION

**Convened:** April 2, 2003, 1:50 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Putney, and Ragan.

**Members Absent:** Gaskill and Sievers (both excused).

**Committee Business:** Passed SR 29, HCRs 8 and 9. Referred a Governor's appointee to the State Government committee.

**Adjourned:** 1:55 p.m.

### INTRODUCTION OF RESOLUTIONS

**Senate Resolution 30**, by Iverson, a resolution relating to the shortage of nursing home administrators and requesting the State Board of Examiners for Nursing Home Administrators to make recommendations for addressing the shortage.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 31**, by Redfern and Dotzler, a resolution congratulating the University of Northern Iowa Panthers Women's Volleyball Team.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**STUDY BILLS RECEIVED****SSB 1186      Ways and Means**

Updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date.

**SSB 1187      Ways and Means**

Proposing an amendment to the Constitution of the State of Iowa requiring a state referendum before certain taxation of fee increases take effect.

**SUBCOMMITTEE ASSIGNMENTS****Senate Resolution 29**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 30**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 31**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House Concurrent Resolution 8**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House Concurrent Resolution 9**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House File 576**

ECONOMIC GROWTH: Shull, Chair; Beall and Veenstra

**House File 594**

STATE GOVERNMENT: Shull, Chair; Drake and Kibbie

**SSB 1186**

WAYS AND MEANS: McKibben, Chair; Hosch and McCoy

## SSB 1187

WAYS AND MEANS: Larson, Chair; McKibben and Seng

## COMMITTEE REPORTS

## EDUCATION

**Final Bill Action:** HOUSE FILE 549, a bill for an act relating to the duties and operations of the department of education and school boards.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Boettger, McKinley, Connolly, Angelo, Beall, Behn, Brunkhorst, Dvorsky, Hosch, Quirnbach, Redfern, and Rehberg. Nays, 1: Kreiman. Absent, 2: Holveck and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## JUDICIARY

**Final Bill Action:** HOUSE FILE 65, a bill for an act relating to motor vehicle operating while intoxicated offenses.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, 1: Horn. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 170, a bill for an act relating to the criminal offense of identity theft by making changes in the elements of the offense.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 404, a bill for an act authorizing a sentencing court to issue no-contact orders against persons arrested for any public offense.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 505, a bill for an act to prohibit unauthorized computer access to operational or support data of a rural water district and a municipal utility and providing a penalty.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 584, a bill for an act providing for exceptions to municipal tort liability for certain activities.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3127.

**Final Vote:** Ayes, 13: Redfern, Larson, Kreiman, Boettger, Fraise, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, and Tinsman. Nays, 2: Holveck and Quirmbach. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## NATURAL RESOURCES AND ENVIRONMENT

**Final Bill Action:** HOUSE JOINT RESOLUTION 5, a joint resolution to nullify administrative rules of the department of natural resources concerning methods of taking wild turkey and deer and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Houser, Johnson, Seng, Brunkhorst, Drake, Kettering, Lundby, Miller, Wieck, and Zieman. Nays, 4: Bolcom, Dearden, Holveck, and Kibbie. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 85, a bill for an act relating to tip-up fishing in the waters of the Missouri and Big Sioux rivers and subjecting violators to an existing penalty.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Houser, Johnson, Seng, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 411, a bill for an act providing resident license fees for hunting, fishing, trapping, and related activities to certain persons in the armed forces of the United States.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Houser, Johnson, Seng, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 412, a bill for an act relating to the amount of mussels and shells which may be taken pursuant to a sport fishing license.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Houser, Johnson, Seng, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*HOUSE FILE 516, a bill for an act relating to composition and responsibilities of the Iowa comprehensive petroleum underground storage tank fund board.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3126.

**Final Vote:** Ayes, 14: Houser, Johnson, Seng, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Miller, Wieck, and Ziemann. Nays, none. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Natural Resources and Environment Committee on House File 516, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** HOUSE FILE 567, a bill for an act relating to powers of county environmental health specialists and providing a penalty.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Houser, Johnson, Seng, Black, Bolkcom, Brunkhorst, Dearden, Drake, Holveck, Kettering, Kibbie, Lundby, Wieck, and Ziemann. Nays, none. Absent, 1: Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE RESOLUTION 29, a resolution honoring the East Waterloo High School Boys' Basketball Team.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Putney, and Ragan. Nays, none. Absent, 2: Gaskill and Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE CONCURRENT RESOLUTION 8, a concurrent resolution relating to a biennial memorial session.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Putney, and Ragan. Nays, none. Absent, 2: Gaskill and Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE CONCURRENT RESOLUTION 9, a concurrent resolution relating to Pioneer Lawmakers.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Putney, and Ragan. Nays, none. Absent, 2: Gaskill and Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## REPORT OF THE SECRETARY OF THE SENATE

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in engrossing Senate File 354, the following corrections were made:

1. Page 7, line 33, the word and number “subsection 3” were changed to the word and number “subsection 4”.
2. Page 10, line 29, the word and number “subsection 9” were changed to the word and number “subsection 10”.
3. Page 11, line 2, the word and number “subsection 9” were changed to the word and number “subsection 10”.
4. Page 11, line 14, the word and number “subsection 9” were changed to the word and number “subsection 10”.
5. Page 11, line 31, the word and number “subsection 9” were changed to the word and number “subsection 10”.
6. Page 20, line 5, the words and numbers “subsection 1, 2, or 3” were changed to the words and numbers “subsection 1, 2, or 5”.

MICHAEL E. MARSHALL  
Secretary of the Senate

## EXPLANATION OF VOTE

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on April 2, 2003, when the vote was taken on Senate File 392. Had I been present, I would have voted “Yea.”

NEAL SCHUERER

## WITHDRAWAL OF GOVERNOR'S APPOINTEE

The following letter from the Governor was received in the office of the Secretary of the Senate on April 2, 2003:

I submitted the name of Alison Foughty to serve on the Board of Chiropractic Examiners on March 15, 2003. I am withdrawing her name from further consideration by the Senate.

Sincerely,  
THOMAS J. VILSACK  
Governor

## APPOINTMENT

The following appointee was submitted to the Secretary of the Senate for Senate confirmation (all appointees are submitted as **members** unless otherwise specified):

### BY GOVERNOR

### TERM

BOARD OF CHIROPRACTIC EXAMINERS (Sec. 147.14(8))

Valorie Pahl, Delhi

05/01/2003 – 04/30/2006

The appointment was referred to the committee on **Rules and Administration**.

## REPORT OF THE COMMITTEE ON RULES AND ADMINISTRATION

The committee on Rules and Administration referred the following Governor's appointment to state boards, commissions, and departments to a Senate standing committee, as indicated for investigation on April 2, 2003:

### STATE GOVERNMENT

Valorie Pahl – Board of Chiropractic Examiners

## APPOINTMENTS TO BOARDS AND COMMISSIONS

In accordance with Senate Rule 59, the following senators were appointed to a subcommittee of a standing committee on April 2, 2003, to investigate the appointment of the following appointee:

### STATE GOVERNMENT

As a member of the Board of Chiropractic Examiners:

Valorie Pahl – Kibbie, Chair; Drake and Lamberti

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### EDUCATION

Bill Haigh – Board of Educational Examiners  
 Jacqueline Wellborn – Board of Educational Examiners  
 Veronica Stalker – Board of Educational Examiners

John Hartung – Iowa Higher Education Loan Authority

Robert Downer – State Board of Regents  
 John Forsyth – State Board of Regents

Wayne Drexler – School Budget Review Committee

### JUDICIARY

Alicia Claypool – Iowa State Civil Rights Commission

Walter Reed, Jr. – Board of Corrections

Mary Elgar – State Judicial Nominating Commission  
 Charles Follett – State Judicial Nominating Commission

### AMENDMENTS FILED

S-3123	S.F.	372	Steve Warnstadt
S-3124	S.F.	407	Nancy J. Boettger
S-3125	H.F.	454	Nancy J. Boettger
S-3126	H.F.	516	Natural Resources and Environment
S-3127	H.F.	584	Judiciary
S-3128	H.F.	479	Bob Brunkhorst Jeff Lamberti Jack Holveck
S-3129	S.F.	344	Ron Wieck
S-3130	S.F.	344	Ron Wieck
S-3131	S.F.	344	Bryan J. Sievers Bob Brunkhorst
S-3132	S.F.	372	Steve Warnstadt
S-3133	S.F.	392	Mark Ziemann
S-3134	S.F.	434	Steve Warnstadt

S-3135	S.F.	432	Mary A. Lundby Hubert Houser David Johnson Neal Schuerer James Seymour David Miller Kitty Rehberg Julie Hosch Steve Kettering
S-3136	S.C.R.	13	John P. Kibbie
S-3137	S.F.	432	Joe Bolkom Jack Hatch John P. Kibbie Daryl Beall Keith A. Kreiman Jack Holveck Robert E. Dvorsky Mike Connolly Mary A. Lundby

# JOURNAL OF THE SENATE

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EIGHTY-FIRST CALENDAR DAY  
FORTY-EIGHTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, April 3, 2003

The Senate met in regular session at 8:33 a.m., President Kramer presiding.

Prayer was offered by the Reverend Sheryl Campbell, pastor of the Ripley United Church of Christ in Traer, Iowa. She was the guest of Senator Putney.

The Journal of Wednesday, April 2, 2003, was approved.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 2, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 619**, a bill for an act relating to health care including reimbursement of health care facilities based on resident program eligibility and providing effective dates and a contingent effective date.

Read first time and **attached to similar Senate File 408**.

Senator Boettger took the chair at 8:40 a.m.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Angelo asked and received unanimous consent to take up for consideration Senate Resolution 29.

**Senate Resolution 29**

On motion of Senator Dotzler, **Senate Resolution 29**, a resolution honoring the East Waterloo High School Boys' Basketball Team, with report of committee recommending passage, was taken up for consideration.

Senator Dotzler welcomed to the Senate chamber the East Waterloo Boys' Basketball Team and coaches.

The Senate rose and expressed its welcome.

Senator Dotzler read Senate Resolution 29 and moved its adoption, which motion prevailed by a voice vote.

RECESS

On motion of Senator Veenstra, the Senate recessed at 8:56 a.m. until the fall of the gavel.

RECONVENED

The Senate reconvened at 10:46 a.m., President Kramer presiding.

ADJOURNMENT

On motion of Senator Gaskill, the Senate adjourned at 10:47 a.m. until 1:00 p.m. Monday, April 7, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

John Jacobsen, Waterloo — For celebrating your 99th birthday. Senator Dotzler (4/3/03).

Marc Roberg, Afton — For being named National Wild Turkey Federation's Iowa Wildlife Officer of the Year. Senator Angelo (4/3/03).

Craig and Brenda Willis, Diagonal — For winning Grand Champion Maine-Anjou Bull at the 2003 Iowa Beef Expo. Senator Angelo (4/3/03).

### REPORTS OF COMMITTEE MEETINGS

#### AGRICULTURE

**Convened:** April 3, 2003, 12:30 a.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** Black and Courtney (both excused).

**Committee Business:** Passed HF's 509 and 634.

**Adjourned:** 12:40 p.m.

#### COMMERCE

**Convened:** April 3, 2003, 10:30 a.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolcom, Larson, McCoy, Schuerer, Sievers, and Stewart.

**Members Absent:** Brunkhorst, Gronstal, Kettering, and Redfern (all excused).

**Committee Business:** Passed HF's 391, 446, 545, and 616 and approved the Governor's appointees.

**Adjourned:** 10:50 a.m.

#### STATE GOVERNMENT

**Convened:** April 3, 2003, 11:15 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed HF's 204, 456, 601, and 603 and approved the Governor's appointees.

**Adjourned:** 11:50 a.m.

## STUDY BILLS RECEIVED

### **SSB 1188      Ways and Means**

Relating to criteria for community-based seed capital funds and providing a retroactive applicability date.

### **SSB 1189      Ways and Means**

Relating to state taxes by imposing a single rate tax, eliminating the deduction for federal income taxes paid, and eliminating the alternative minimum tax under the individual income tax; by increasing the sales and use tax rate; and by increasing the state cigarette and tobacco products tax rates; and including effective and applicability date provisions.

### **SSB 1190      Ways and Means**

Relating to local taxes and budgets by requiring a super majority vote on state appropriations funding certain property tax credits and exemptions and providing local government assistance and on legislation increasing maximum property tax rates, including certain law enforcement expenses as general county services, requiring counties to establish property tax replacement funds, establishing an ending fund balances limitation for counties, defining terms related to the county budgeting process, providing for an ad valorem tax on mobile homes and manufactured homes, allowing counties to employ a multicounty assessor, relating to property assessment guidelines and providing for state payment reductions, setting assessment limitations on residential and agricultural property and on commercial and industrial property, classifying commercial and industrial property as one taxation class, allowing for appeal of

assessments of industrial property to the director of revenue and finance, establishing a property tax limitation for cities and counties; and including effective and applicability dates.

**SSB 1191      Ways and Means**

Relating to securities and tax credits issued by the Iowa capital investment corporation and board.

**SSB 1192      Ways and Means**

Relating to the individual income tax by imposing a single rate tax, eliminating the deduction for federal income taxes paid, and eliminating the alternative minimum tax, and providing for sales tax-related studies, and including effective and applicability date provisions.

**SUBCOMMITTEE ASSIGNMENTS**

**House File 493**

AGRICULTURE: Hosch, Chair; Gaskill and Kibbie

**SSB 1188**

WAYS AND MEANS: McKinley, Chair; Dotzler and Shull

**SSB 1189**

WAYS AND MEANS: McKibben, Chair; Connolly, Seng, Shull, and Sievers

**SSB 1190**

WAYS AND MEANS: Sievers, Chair; McKibben and Stewart

**SSB 1191**

WAYS AND MEANS: McKibben, Chair; Connolly and Shull

**SSB 1192**

WAYS AND MEANS: McKibben, Chair; Connolly, Seng, Shull, and Sievers

## COMMITTEE REPORTS

## AGRICULTURE

**Final Bill Action:** HOUSE FILE 509, a bill for an act relating to deer and elk chronic wasting disease by establishing a task force and requiring departmental cooperation in the implementation of a chronic wasting disease administrative strategy, and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Behn, Hosch, Fraise, Angelo, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, 2: Black and Courtney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 634, a bill for an act relating to the conversion of cooperative associations originally organized as business corporations.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Behn, Hosch, Fraise, Angelo, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, 2: Black and Courtney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## COMMERCE

**Final Bill Action:** HOUSE FILE 391, a bill for an act establishing a pilot program for the development of cogeneration facilities, providing for the development of ratemaking principles and rates for pilot program facilities, and providing for a future repeal.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3139.

**Final Vote:** Ayes, 11: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Larson, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 4: Brunkhorst, Gronstal, Kettering, and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 446, a bill for an act relating to dealership agreements, and providing for the Act's applicability.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Larson, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 4: Brunkhorst, Gronstal, Kettering, and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 545, a bill for an act relating to the requirements for newspapers designated for official publication purposes.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Larson, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 4: Brunkhorst, Gronstal, Kettering, and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 616, a bill for an act prohibiting a cancellation penalty upon cancellation of a purchase agreement for cemetery merchandise, funeral merchandise, and funeral services.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Larson, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 4: Brunkhorst, Gronstal, Kettering, and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## STATE GOVERNMENT

**Final Bill Action:** HOUSE FILE 204, a bill for an act relating to massage therapy by providing for a study regarding the modalities associated with massage therapy and providing a temporary exemption from licensure requirements.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 456, a bill for an act relating to contract choice-of-law provisions referring to the uniform computer information transactions Act, and related matters and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 601, a bill for an act relating to campaign finance, including political party committees, campaign disclosure reports, independent expenditures, and income tax checkoff provisions.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 603, a bill for an act providing an exception to licensing requirements for certain bingo occasions conducted by nonprofit organizations.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Zieman, Sievers, Kibbie, Black, Connolly, Courtney, Dearden, Drake, Johnson, Lamberti, Ragan, Schuerer, Shull, and Tinsman. Nays, 1: Veenstra. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### COMMERCE

Lorraine Groves – Credit Union Review Board  
Roger Reiser – Credit Union Review Board

John P. Gillispie – Executive Director of the Iowa Telecommunications and Technology Commission

### STATE GOVERNMENT

Valorie Prael – Board of Chiropractic Examiners

Eileen Cacioppo – Board of Dental Examiners

Susan Long – Engineering and Land Surveying Examining Board

Janet Carl – Iowa Ethics and Campaign Disclosure Board

Rickey Salocker – Board of Podiatry Examiners

Diane Hamilton – State Racing and Gaming Commission

Sally Steffen – State Board for Respiratory Care

Becky Vilda – Board of Speech Pathology and Audiology Examiners

Marvin Berenstein – Vision Iowa Board

### REFERRAL TO INDIVIDUAL CONFIRMATION CALENDAR

MADAM PRESIDENT: Pursuant to Senate Rule 59, I hereby request that the following name be removed from the “En Bloc Confirmation Calendar” and placed on the “Individual Confirmation Calendar”:

Janet Carl – Iowa Ethics and Campaign Disclosure Board

MARK ZIEMAN

### AMENDMENTS FILED

S-3138	S.F.	300	Mark Ziemann
S-3139	H.F.	391	Commerce

# JOURNAL OF THE SENATE

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EIGHTY-FIFTH CALENDAR DAY  
FORTY-NINTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, April 7, 2003

The Senate met in regular session at 1:09 p.m., President Kramer presiding.

Prayer was offered by the Honorable David Johnson, member of the Senate from Osceola County, Ocheyedan, Iowa.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Pages Craig Buske and Susan Hildebrand.

The Journal of Thursday, April 3, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 3, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 180**, a bill for an act relating to character education and service learning in Iowa's elementary and secondary schools.

ALSO: That the House has on April 3, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 502**, a bill for an act relating to damage disclosure statements required for transfer of ownership of motor vehicles and providing a penalty.

Read first time and referred to committee on **Transportation**.

**House File 583**, a bill for an act relating to governmental ethics disclosure reports, including reports related to receptions for members of the general assembly during session detailing food, beverage, and entertainment received by public officials and public employees, and reports filed by clients of lobbyists before the general assembly and the executive branch pertaining to moneys paid for lobbying purposes.

Read first time and referred to committee on **Ethics**.

**House File 595**, a bill for an act relating to certain voluntary annexations and to involuntary annexations and providing an effective date.

Read first time and referred to committee on **Local Government**.

**House File 617**, a bill for an act requiring that dealers of certain swine file evidence of financial responsibility with the department of agriculture and land stewardship.

Read first time and referred to committee on **Agriculture**.

**House File 662**, a bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and including an effective date and retroactive applicability date provision.

Read first time and referred to committee on **Appropriations**.

The Senate stood at ease at 1:18 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 2:48 p.m., President Pro Tempore Angelo presiding.

## RECESS

On motion of Senator Sievers, the Senate recessed at 2:49 p.m. until 4:00 p.m.

## APPENDIX — 1

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Richard and Lila Amonson, Clarion — For celebrating your 50th wedding anniversary on April 10, 2003. Senator Iverson (4/7/03).

Scott and Diane Engquist, Engquist Lumber Company, Harcourt — For recognition as the 2002 Century Business of Iowa. Senator Beall (4/7/03).

Betty Nearing, Eagle Grove — For celebrating your 100th birthday on April 10, 2003. Senator Iverson (4/7/03).

Nate Richter, Lime Springs — For achieving the rank of Eagle Scout, Boy Scout Troop 121. Senator Zieman (4/7/03).

Joshua Neal Stokes, Sioux City — For achieving the rank of Eagle Scout, Boy Scout Troop 221. Senator Warnstadt (4/7/03).

### REPORTS OF COMMITTEE MEETINGS

#### HUMAN RESOURCES

**Convened:** April 3, 2003, 1:35 p.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** Holveck and Horn (both excused).

**Committee Business:** Passed HFs 386, 387 (as amended), 389, and 489.

**Adjourned:** 2:55 p.m.

#### WAYS AND MEANS

**Convened:** April 3, 2003, 3:25 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Dotzler, Hosch, McCoy, McKinley, Quirmbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** Connolly, Lamberti, Larson, Miller (all excused).

**Committee Business:** Subcommittee assignments and discussion regarding the status of tax bills.

**Adjourned:** 3:30 p.m.

## STATE GOVERNMENT

**Convened:** April 7, 2003, 2:00 p.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Kibbie, Ranking Member; Black, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** Connolly and Lamberti (both excused).

**Committee Business:** Passed HF's 593 (as amended), 604, and 648.

**Adjourned:** 3:35 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 15**, by Sievers, Stewart, Putney, Bolkcom, Warnstadt, Beall, Behn, Boettger, Angelo, Dvorsky, Hosch, Black, Horn, Courtney, Quirmbach, Seng, Larson, McKibben, Schuerer, Seymour, and Iverson, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## SUBCOMMITTEE ASSIGNMENTS

### House File 502

TRANSPORTATION: Johnson, Chair; Dearden and Drake

### House File 617

AGRICULTURE: Zieman, Chair; Kibbie and Putney

## COMMITTEE REPORTS

### HUMAN RESOURCES

**Final Bill Action:** HOUSE FILE 386, a bill for an act relating to the department of elder affairs including provisions relating to the elder Iowans Act.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Hosch, Kreiman, and Tinsman. Nays, none. Absent, 4: Holveck, Horn, McKinley, and Schuerer.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** HOUSE FILE 389, a bill for an act providing for miscellaneous technical and substantive changes relating to controlled and precursor substances.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 8: Veenstra, Seymour, Ragan, Behn, Boettger, Hosch, Kreiman, and Tinsman. Nays, none. Absent, 5: Hatch, Holveck, Horn, McKinley, and Schuerer.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** HOUSE FILE 489, a bill for an act relating to programs and services under the purview of the department of human services, and providing for retroactive applicability and effective dates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 2: Holveck and Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AFTERNOON SESSION

The Senate reconvened at 4:06 p.m., President Kramer presiding.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 7, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 394**, a bill for an act relating to the purposes of the community attraction and tourism program.

Read first time and referred to committee on **Economic Growth**.

## QUORUM CALL

Senator Schuerer requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 40 present, 10 absent, and a quorum present.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Connolly, until he arrives, on request of Senator Gronstal.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration House File 601 and Senate File 399.

**House File 601**

On motion of Senator Johnson, **House File 601**, a bill for an act relating to campaign finance, including political party committees, campaign disclosure reports, independent expenditures, and income

tax checkoff provisions, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 601), the vote was:"

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Connolly

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 399

On motion of Senator Lamberti, **Senate File 399**, a bill for an act establishing a criminalistics laboratory surcharge and creating a criminalistics laboratory fund, making an appropriation of surcharge moneys, and making related changes, was taken up for consideration.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 399), the vote was:

Yeas, 40:

Angelo	Beall	Behn	Black
Boettger	Courtney	Dearden	Dotzler
Drake	Dvorsky	Fraise	Gaskill
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	Putney
Quirnbach	Ragan	Redfern	Seng
Seymour	Shull	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 9:

Bolkcom	Brunkhorst	Gronstal	Holveck
McKinley	Miller	Rehberg	Schuerer
Sievers			

Absent, 1:

Connolly

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **Senate File 399** and **House File 601** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration House File 456 and Senate File 237.

### House File 456

On motion of Senator Black, **House File 456**, a bill for an act relating to contract choice-of-law provisions referring to the uniform computer information transactions Act, and related matters and

providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Black moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 456), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Connolly

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### Senate File 237

On motion of Senator Johnson, **Senate File 237**, a bill for an act relating to fees charged to certain private water supply contractors, establishing a private water supply system account within the water quality protection fund, and appropriating moneys in the account, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 237), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Connolly

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 237** and **House File 456** be **immediately messaged** to the House.

### CONFIRMATION OF GOVERNOR'S APPOINTMENTS

In accordance with Senate Rule 59, Senator Iverson called up the following eligible appointees on the En Bloc Confirmation Calendar:

Susan Boe, Accountancy Examining Board  
 Richard Johnson, Accountancy Examining Board  
 Telford Lodden, Accountancy Examining Board

Scott Doll, Alcoholic Beverages Commission

Martha Green, Architectural Examining Board  
 Jeffrey Morgan, Architectural Examining Board

Terri Craft, Board of Athletic Training Examiners

Barbara Martin, Board of Barber Examiners

Thorald Davidson, Board of Behavioral Science Examiners  
Barbara O'Rourke, Board of Behavioral Science Examiners  
Timothy Ruppert, Board of Behavioral Science Examiners

Kathleen Kennedy, Board of Chiropractic Examiners  
Michael Powell, Board of Chiropractic Examiners  
Diane Puthoff, Board of Chiropractic Examiners

Barbara Brown, City Development Board  
Ann Hutchinson, City Development Board

Alicia Claypool, Iowa States Civil Rights Commission  
Dinh VanLo, Iowa State Civil Rights Commission

Walter Reed, Jr., Board of Corrections

Jerry Talbott, Board of Cosmetology Arts and Sciences Examiners

Denise Dolan, County Finance Committee  
Richard Heidloff, County Finance Committee  
Ben Lacey, County Finance Committee  
Kevin Wynn, County Finance Committee

Elizabeth Brennan, Board of Dental Examiners  
Gary Roth, Board of Dental Examiners

Rachel Dunn, Board of Dietetic Examiners  
Joseph Rodriguez, Board of Dietetic Examiners

Terry Sweeney, Iowa Drug Policy Advisory Council

Robert Bocken, Iowa Economic Development Board  
Cynthia Keithley, Iowa Economic Development Board

Bill Haigh, Board of Educational Examiners  
Veronica Stalker, Board of Educational Examiners  
Jacqueline Wellborn, Board of Educational Examiners

Julie Bell, Iowa Emergency Response Commission  
Daniel Rogers, Iowa Emergency Response Commission

Michael Bergan, Iowa Empowerment Board  
Rebecca Burgart, Iowa Empowerment Board  
Elaine Szymoniak, Iowa Empowerment Board  
Thomas Wilson, Iowa Empowerment Board  
C. Arthur Wittmack, Iowa Empowerment Board

Forrest Holly, Engineering and Land Surveying Examining Board

Donna Buell, Environmental Protection Commission  
Lisa Davis Cook, Environmental Protection Commission  
Jerry Peckumn, Environmental Protection Commission  
Francis Thicke, Environmental Protection Commission  
Heidi Vittetoe, Environmental Protection Commission

James Albert, Iowa Ethics and Campaign Disclosure Board

Carmela Brown, Iowa Finance Authority

Benjamin Jung, Grape and Wine Development Commission

Leslie Whippen, Board for the Licensing and Regulation of Hearing Aid  
Dispensers

John Hartung, Iowa Higher Education Loan Authority

Ruth White, Director of the Department of Human Rights

Diane Kolmer, Information Technology Council  
Mary Wegner, Information Technology Council

Therese Vaughan, Commissioner of Insurance

Quentin Boyken, IowaAccess Advisory Council  
David Redlawsk, IowaAccess Advisory Council

David Creighton, Sr., Investment Board of the IPERS

Mary Elgar, State Judicial Nominating Commission  
Charles Follett, State Judicial Nominating Commission

Monroe Colston, Commission on Judicial Qualifications (Appointment)  
Monroe Colston, Commission on Judicial Qualifications (Reappointment)

James Romar, Iowa Law Enforcement Academy Council

Mark Monson, Iowa Lewis and Clark Bicentennial Commission  
Wynema Morris, Iowa Lewis and Clark Bicentennial Commission  
Michele Walker, Iowa Lewis and Clark Bicentennial Commission

Elaine Baxter, Iowa Lottery Board  
Michael McCoy, Iowa Lottery Board

Carole Frier, Board of Medical Examiners  
Sally Schroeder, Board of Medical Examiners  
Janece Valentine, Board of Medical Examiners

Christine Louscher, Mental Health and Developmental Disabilities  
Commission

Jacqueline Kibbie-Williams, Mental Health Risk Pool Board  
(Appointment)

Jacqueline Kibbie-Williams, Mental Health Risk Pool Board  
(Reappointment)

Ralph Kremer, Mental Health Risk Pool Board  
Andy Nielsen, Mental Health Risk Pool Board  
David Van Ningen, Mental Health Risk Pool Board (Appointment)  
David Van Ningen, Mental Health Risk Pool Board (Reappointment)

Ruth Ohde, Board of Mortuary Science Examiners

Randy Duncan, Natural Resource Commission  
Richard Francisco, Natural Resource Commission

M. Ann Aulwes-Allison, Board of Nursing Examiners

Terry Cooper, State Board of Examiners for Nursing Home  
Administrators

Susan Frey, State Board of Examiners for Nursing Home Administrators  
Daniel Larmore, State Board of Examiners for Nursing Home

Administrators

Mary Nielsen, State Board of Examiners for Nursing Home  
Administrators

Audrae Zoekler, State Board of Examiners for Nursing Home  
Administrators

Barbara Scheetz, Board of Optometry Examiners  
Robert Weiland, Board of Optometry Examiners

Katherine Linder, Board of Pharmacy Examiners

Helen McNurlen, Board of Physical and Occupational Therapy Examiners

Diane Cardwell, Board of Physician Assistant Examiners  
Mara Swanson, Board of Physician Assistant Examiners  
Rita Taylor, Board of Physician Assistant Examiners

Ethel Campbell, Board of Podiatry Examiners

Kimberly Brangoccio, Prevention of Disabilities Policy Council  
James Grover, Prevention of Disabilities Policy Council  
Mickey McDaniel, Prevention of Disabilities Policy Council

Gerald Jorgensen, Board of Psychology Examiners

Joyce Jarding, State Racing and Gaming Commission

David Erickson, Real Estate Appraiser Examining Board  
Barbara Leestamper, Real Estate Appraiser Examining Board  
Karen Oberman, Real Estate Appraiser Examining Board

Laurie Dawley, Real Estate Commission  
James Hughes, Real Estate Commission

Robert Downer, State Board of Regents  
John Forsyth, State Board of Regents

Karen Andersen-Schank, Renewable Fuels and Coproducts Advisory  
Committee  
Greg Hayes, Renewable Fuels and Coproducts Advisory Committee

Robert Zeman, State Board for Respiratory Care

Wayne Drexler, School Budget Review Committee

Thomas Capshew, Board of Social Work Examiners  
Joan Hester, Board of Social Work Examiners

Jean Eells, State Soil Conservation Committee  
Todd Scott, State Soil Conservation Committee  
James Tobin, State Soil Conservation Committee

Douglas Walter, Board of Speech Pathology and Audiology Examiners

Steven Richardson, State Board of Tax Review

Walter Murphy, Title Guaranty Division Board

Annette Bair, Commission on Tobacco Use Prevention and Control  
 Scott Havens, Commission on Tobacco Use Prevention and Control  
 Marvin Jenkins, Commission on Tobacco Use Prevention and Control

Laurel Phipps, Commission of Veterans Affair

Anne Duffy, Iowa Board of Veterinary Medicine  
 Leslie Hemmingson, Iowa Board of Veterinary Medicine

Lorna Burnside, Vision Iowa Board  
 Libby Slappey, Vision Iowa Board

Benjamin Duehr, Iowa Workforce Development Board  
 Sarah Falb, Iowa Workforce Development Board

Senator Iverson moved that the foregoing appointees be confirmed by the Senate.

On the question "Shall the appointees be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Connolly

The appointees, having received a two-thirds vote, were declared to have been confirmed by the Senate.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 438.

**Senate File 438**

On motion of Senator Dvorsky, **Senate File 438**, a bill for an act relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation, was taken up for consideration.

Senator Dvorsky moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 438), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Connolly

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

UNFINISHED BUSINESS  
(Deferred April 2, 2003)

**House File 319**

The Senate resumed consideration of **House File 319**, a bill for an act permitting written demand via regular mail prior to an action under the uniform commercial code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service, deferred April 2, 2003.

Senator Behn moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 319), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 2:

Holveck	Kreiman
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Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 438 and House File 319** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 472.

**House File 472**

On motion of Senator Seymour, **House File 472**, a bill for an act appropriating federal funds made available from federal block grants and other federal grants, allocating portions of federal block grants, and providing procedures if federal funds are more or less than anticipated or if federal block grants are more or less than anticipated, with report of committee recommending passage, was taken up for consideration.

Senator Seymour moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 472), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 8.

**Senate Concurrent Resolution 8**

On motion of Senator Hosch, **Senate Concurrent Resolution 8**, a concurrent resolution supporting the completion of U.S. Highway 20 across northern Iowa and requesting federal assistance, with report of committee recommending passage, was taken up for consideration.

Senator Hosch moved the adoption of Senate Concurrent Resolution 8, which motion prevailed by a voice vote.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate File 389.

**Senate File 389**

On motion of Senator McKinley, **Senate File 389**, a bill for an act relating to the exemption from land ownership restrictions for nonresident aliens under the new jobs and income program, was taken up for consideration.

Senator McKinley asked and received unanimous consent that **House File 612** be substituted for **Senate File 389**.

**House File 612**

On motion of Senator McKinley, **House File 612**, a bill for an act relating to the exemption from land ownership restrictions for nonresident aliens under the new jobs and income program, was taken up for consideration.

Senator McKinley moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 612), the vote was:

Yeas, 42:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Drake	Dvorsky	Fraise	Gaskill
Gronstal	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 8:

Courtney	Dearden	Dotzler	Hatch
Holveck	Kreiman	McCoy	Miller

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator McKinley asked and received unanimous consent that **Senate File 389** be **withdrawn** from further consideration of the Senate.

## UNFINISHED BUSINESS (Deferred March 24, 2003)

### Senate File 384

The Senate resumed consideration of **Senate File 384**, a bill for an act relating to the taxation of activities involving out-of-state qualified state tuition programs and including effective and retroactive applicability date provisions, deferred March 24, 2003.

The Senate stood at ease at 5:27 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 6:07 p.m., President Kramer presiding.

Senator Larson asked and received unanimous consent that action on **Senate File 384** be **deferred**.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 7, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 636**, a bill for an act relating to legislative branch consolidation of functions by combining the legislative service bureau, legislative fiscal bureau, and legislative computer support bureau into a single central legislative staff agency, providing for legislative publications procedures, modifying the sales tax exemption for items sold or services provided by the new agency, including related matters, and providing an effective date.

ALSO: That the House has on April 7, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 230**, a bill for an act relating to the procedure for reducing the number of members of a city council from five to three in certain cities. (S-3151)

ALSO: That the House has on April 7, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 401**, a bill for an act relating to the procedures for certificates of completion of property rehabilitation projects for which tax credits may be available.

Read first time and referred to committee on **Economic Growth**.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 8** and **House Files 472** and **612** be **immediately messaged** to the House.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 6:10 p.m. until 8:30 a.m. Tuesday, April 8, 2003.

## APPENDIX — 2

## STUDY BILLS RECEIVED

**SSB 1193**      **Ways and Means**

Relating to the transfer of certain property-related tax credits.

**SSB 1194**      **Ways and Means**

Relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

## SUBCOMMITTEE ASSIGNMENTS

**Senate Concurrent Resolution 15**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House File 583**

ETHICS: Drake, Chair; Connolly and Redfern

**House File 595**

LOCAL GOVERNMENT: Angelo, Chair; Miller and Stewart

**SSB 1193**

WAYS AND MEANS: Bolcom, Chair; McCoy and McKibben

**SSB 1194**

WAYS AND MEANS: Hosch, Chair; McKibben and Stewart

**COMMITTEE REPORTS****HUMAN RESOURCES**

**Final Bill Action:** \*HOUSE FILE 387, a bill for an act relating to mental health and developmental disabilities by revising life safety requirements for intermediate care facilities for persons with mental retardation, expanding an exemption to health care licensing requirements for certain residential programs that receive funding under a medical assistance home and community-based services waiver and approval from the department of human services, and revising membership requirements for the mental health and developmental disabilities commission, and providing an effective date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3149.

**Final Vote:** Ayes, 11: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, 2: Holveck and Horn.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Human Resources Committee on House File 387, and they were attached to the committee report.

**STATE GOVERNMENT**

**Final Bill Action:** HOUSE FILE 604, a bill for an act requiring state government annual reports made to the general assembly to include certain financial information.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Zieman, Sievers, Kibbie, Black, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, 2: Connolly and Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 648, a bill for an act relating to the consolidation of the management of state archives and records and making conforming changes.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Zieman, Sievers, Kibbie, Black, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, 2: Connolly and Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AMENDMENTS FILED

S-3140	S.F.	439	Eugene S. Fraise Joe Bolkcom Mike Connolly Michael E. Gronstal John P. Kibbie Dennis H. Black Amanda Ragan Jack Holveck Jack Hatch Robert E. Dvorsky Roger Stewart Thomas G. Courtney Joe M. Seng William Dotzler Daryl Beall Steve Warnstadt Herman C. Quirmbach Wally E. Horn Dick L. Dearden Matt McCoy Keith A. Kreiman
S-3141	H.F.	652	John P. Kibbie
S-3142	S.F.	300	Mark Zieman
S-3143	S.F.	370	Mark Zieman
S-3144	S.F.	408	Ken Veenstra
S-3145	S.F.	334	Keith A. Kreiman
S-3146	S.F.	403	John Putney
S-3147	H.F.	548	John Putney
S-3148	S.F.	362	John Putney
S-3149	H.F.	387	Human Resources
S-3150	S.F.	439	Eugene S. Fraise Joe Bolkcom John P. Kibbie Dennis H. Black Amanda Ragan Thomas G. Courtney Jack Hatch William Dotzler Joe M. Seng

Daryl Beall  
Herman C. Quirnbach  
Roger Stewart  
Robert E. Dvorsky  
Dick L. Dearden  
Wally E. Horn  
Keith A. Kreiman  
Matt McCoy  
Michael E. Gronstal  
Steve Warnstadt  
Jack Holveck  
Mike Connolly

S-3151	S.F.	230
S-3152	S.F.	94
S-3153	S.F.	384

# JOURNAL OF THE SENATE

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EIGHTY-SIXTH CALENDAR DAY  
FIFTIETH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, April 8, 2003

The Senate met in regular session at 8:30 a.m., Senator Brunkhorst presiding.

Prayer was offered by the Reverend Orville Erickson, pastor of the Greenhill Baptist Church in Cedar Falls, Iowa. He was the guest of Senator Redfern.

The Journal of Monday, April 7, 2003, was approved.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Holveck, until he arrives, on request of Senator Dearden; Senator Dvorsky, until he arrives, on request of Senator Connolly; Senator Lundby, until she arrives, on request of Senator Iverson; and Senator McCoy, until he arrives, on request of Senator Gronstal.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Lamberti asked and received unanimous consent to take up for consideration Senate File 362.

### **Senate File 362**

On motion of Senator Putney, **Senate File 362**, a bill for an act relating to tribal law enforcement officer training at the Iowa law enforcement academy, was taken up for consideration.

Senator Putney offered amendment S–3148, filed by him on April 7, 2003, to page 1 and to the title page of the bill, and moved its adoption.

Amendment S–3148 was adopted by a voice vote.

Senator Putney asked and received unanimous consent that **House File 548** be **substituted** for **Senate File 362**.

### House File 548

On motion of Senator Putney, **House File 548**, a bill for an act relating to tribal law enforcement officer training at the Iowa law enforcement academy, was taken up for consideration.

Senator Putney offered amendment S–3147, filed by him on April 7, 2003, to page 1 and to the title page of the bill, and moved its adoption.

Amendment S–3147 was adopted by a voice vote.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 548), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Fraise	Gaskill	Gronstal	Hatch
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, 4:

Dvorsky

Holveck

Lundby

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

President Kramer took the chair at 8:41 a.m.

### WITHDRAWN

Senator Putney asked and received unanimous consent that **Senate File 362** be **withdrawn** from further consideration of the Senate.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Lamberti asked and received unanimous consent to take up for consideration House File 85.

### House File 85

On motion of Senator Dearden, **House File 85**, a bill for an act relating to tip-up fishing in the waters of the Missouri and Big Sioux rivers and subjecting violators to an existing penalty, with report of committee recommending passage, was taken up for consideration.

Senator Dearden moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 85), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
McKibben	McKinley	Miller	Putney

Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Holveck	Lundby	McCoy
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 85** and **548** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 439.

### Senate File 439

On motion of Senator Miller, **Senate File 439**, a bill for an act relating to and making appropriations to the justice system and providing an effective date, was taken up for consideration.

Senator Fraise offered amendment S-3140, filed by Senator Fraise, et al., on April 7, 2003, to page 2 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3140 be adopted?" (S.F. 439), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gronstal	Hatch

Holveck	Horn	Kibbie	Kreiman
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 1:

McCoy

Amendment S-3140 lost.

Senator Fraise offered amendment S-3150, filed by Senator Fraise, et al., on April 7, 2003, to page 12 of the bill, and moved its adoption.

Amendment S-3150 was adopted by a voice vote.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 439), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 222.

**Senate File 222**

On motion of Senator Boettger, **Senate File 222**, a bill for an act relating to anatomical gifts including bone marrow and organ donation by state employees and grants from the anatomical gift public awareness and transplantation fund, was taken up for consideration.

Senator Boettger asked and received unanimous consent that **House File 381** be **substituted** for **Senate File 222**.

**House File 381**

On motion of Senator Boettger, **House File 381**, a bill for an act relating to anatomical gifts including bone marrow and organ donation by state employees and grants from the anatomical gift public awareness and transplantation fund, was taken up for consideration.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 381), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Boettger asked and received unanimous consent that **Senate File 222** be **withdrawn** from further consideration of the Senate.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 439** and **House File 381** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 260.

## Senate File 260

On motion of Senator Houser, **Senate File 260**, a bill for an act relating to certain leaves of absence for local civil service employees and providing for the Act's applicability, with report of committee recommending passage, was taken up for consideration.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 260), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 260** be **immediately messaged** to the House.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Concurrent Resolution 8.

**House Concurrent Resolution 8**

On motion of Senator Iverson, **House Concurrent Resolution 8**, a concurrent resolution relating to a biennial memorial session, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of House Concurrent Resolution 8, which motion prevailed by a voice vote.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Concurrent Resolution 9.

**House Concurrent Resolution 9**

On motion of Senator Iverson, **House Concurrent Resolution 9**, a concurrent resolution relating to Pioneer Lawmakers, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of House Concurrent Resolution 9, which motion prevailed by a voice vote.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Joint Resolution 4.

## Senate Joint Resolution 4

On motion of Senator Iverson, **Senate Joint Resolution 4**, a joint resolution proposing redesign of the Medicaid system, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved that the resolution be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the resolution was read the last time.

WHEREAS, Iowa's current medical assistance program cannot be sustained in a manner that provides care for participants at the current rate of growth as demonstrated by cost increases of more than two percent per enrollee per month for the previous two years; and

WHEREAS, Iowans deserve a health care safety net that provides health care that is timely, effective, and responsive to their specific needs; and

WHEREAS, Iowans would be better served if the current medical assistance program were redesigned to create insurance-like products that meets their needs; and

WHEREAS, Iowans would be better served, at a lower cost to taxpayers, if persons who are at risk of becoming medical assistance recipients due to their income, health, and current insurance status could be identified and insured; and

WHEREAS, Iowa's children and families would benefit from the use of a medical home model that links children and families to an ongoing source of medical care that ensures access to and appropriate utilization of medical services including preventive services; and

WHEREAS, Iowa's senior population should have more options available to address their health care needs, including home and community-based services and assisted living; NOW THEREFORE, BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA.

Section 1. A unified group including the governor, the general assembly, and the department of human services shall seek all waivers necessary from the centers for medicare and Medicaid of the United States department of health and human services so that Iowa will become a laboratory for the nation in redesigning the medical assistance program. The redesign shall provide for such measures as state-funded health care spending accounts for families on medical

assistance that provide incentives for effective health care cost management; providing an insurance-like benefit package for those individuals with extensive medical needs that emphasizes flexible and preventive care through case management; moving to an acuity-based reimbursement system for dually eligible seniors; and developing an evidence-based pharmaceutical program.

Sec. 2. The department of human services shall adopt necessary rules to immediately implement the medical assistance program redesign upon receipt of approval from the centers for medicare and Medicaid of the United States department of health and human services.

On the question "Shall the resolution be adopted?" (S.J.R. 4), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The resolution, having received a constitutional majority, was declared to have been adopted by the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Joint Resolution 4** and **House Concurrent Resolutions 8 and 9** be **immediately messaged** to the House.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Hatch, until he returns, on request of Senator Gronstal.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 396.

**House File 396**

On motion of Senator Veenstra, **House File 396**, a bill for an act relating to disaster preparedness and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Veenstra moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 396), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Hatch

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 396** be **immediately messaged** to the House.

### CONFIRMATION OF GOVERNOR'S APPOINTMENT (Individual Confirmation Calendar)

Senator Iverson called up the appointment of Donna M. Mueller, as Chief Executive Officer of the IPERS, placed on the Individual Confirmation Calendar on March 25, 2003, and found on page 650 of the Senate Journal.

Senator Kibbie moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

## SPECIAL GUEST

Senator Hatch welcomed to the Senate chamber Democratic presidential candidate John Kerry, U.S. Senator from Massachusetts.

The Senate rose and expressed its welcome.

The Senate stood at ease at 9:40 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 11:06 a.m., Senator Sievers presiding.

## RECESS

On motion of Senator Veenstra, the Senate recessed at 11:07 a.m. until the completion of a meeting of the committee on Judiciary.

## APPENDIX — 1

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Girl Scouts from Elkader, accompanied by Vivian Thompson. Senator Rehberg.

### REPORTS OF COMMITTEE MEETINGS

#### COMMERCE

**Convened:** April 8, 2003, 2:35 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkom, Brunkhorst, Gronstal, Kettering, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** Larson (excused).

**Committee Business:** Passed HF's 395 and 586 and approved the Governor's appointees.

**Adjourned:** 2:45 p.m.

#### ECONOMIC GROWTH

**Convened:** April 8, 2003, 1:00 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** None.

**Committee Business:** Passed HF's 390, 392, 397, and 480 and approved the Governor's appointees.

**Adjourned:** 1:15 p.m.

#### HUMAN RESOURCES

**Convened:** April 8, 2003, 11:20 a.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** None.

**Committee Business:** Passed HF's 206, 457, 529 (as amended), 557, and 560 and approved the Governor's appointees.

**Adjourned:** 12:55 p.m.

## TRANSPORTATION

**Convened:** April 8, 2003, 11:15 a.m.

**Members Present:** Drake, Chair; Putney, Vice Chair; McCoy, Ranking Member; Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed HF 502.

**Adjourned:** 11:40 a.m.

## STUDY BILLS RECEIVED

### **SSB 1195      Government Oversight**

Relating to the regulation of dogs, and providing for penalties.

### **SSB 1196      Appropriations**

Providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

## SUBCOMMITTEE ASSIGNMENTS

### **House File 662**

APPROPRIATIONS: Schuerer, Chair; Horn and Lamberti

### **SSB 1195**

GOVERNMENT OVERSIGHT: Dvorsky, Chair; Lundby and Wieck

### **SSB 1196**

APPROPRIATIONS: Shull, Chair; Lamberti and Warnstadt

## COMMITTEE REPORT

### STATE GOVERNMENT

**Final Bill Action:** HOUSE FILE 593, a bill for an act relating to elections and voter registration by providing for nonpartisan election of township offices, allowing nomination petitions to be signed on both sides of paper, removing the requirement that judges' names be rotated on certain ballots, removing certain authority to sign voter registration forms on behalf of the registrant, relating to use of substitute precinct election officials, relating to use of voting machine or paper ballots at certain elections, modifying opening hours and closing hours of the polls at certain elections, providing for destruction of certain ballots, relating to the abstract of votes for county offices, providing for use of certain voting machines at satellite absentee voting stations, relating to observers present when ballots are counted, allowing absentee voting at the commissioner's office for certain elections, and relating to persons nominated for city office by write-in votes.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3162.

**Final Vote:** Ayes, 13: Zieman, Sievers, Kibbie, Black, Courtney, Dearden, Drake, Johnson, Ragan, Schuerer, Shull, Tinsman, and Veenstra. Nays, none. Absent, 2: Connolly and Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### EXPLANATION OF VOTES

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on April 7, 2003, when the votes were taken on Senate Files 237 and 438, House Files 456 and 601, and the En Bloc Confirmation Calendar. Had I been present, I would have voted "Yea" on all. In addition, I was necessarily absent when the vote was taken on Senate File 399. Had I been present, I would have voted "Nay."

MIKE CONNOLLY

### BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following resolution and bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 8th day of April, 2003:

Senate Joint Resolution 1.  
Senate File 134.  
Senate File 224.  
Senate File 401.  
Senate File 436.

MICHAEL E. MARSHALL  
Secretary of the Senate

## EVENING SESSION

The Senate reconvened at 5:23 p.m., President Kramer presiding.

## QUORUM CALL

Senator Schuerer requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 39 present, 11 absent, and a quorum present.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 8, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 237**, a bill for an act relating to fees charged to certain private water supply contractors, establishing a private water supply system account within the water quality protection fund, and appropriating moneys in the account.

ALSO: That the House has on April 8, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 628**, a bill for an act relating to physician assistant licensure, and providing an effective date.

Read first time and referred to committee on **Human Resources**.

The Senate stood at ease at 5:34 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 6:36 p.m., President Kramer presiding.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McCoy, until he returns, on request of Senator Gronstal.

## CONFIRMATION OF GOVERNOR'S APPOINTMENTS

In accordance with Senate Rule 59, Senator Iverson called up the following eligible appointees on the En Bloc Confirmation Calendar:

Valorie Prael, Board of Chiropractic Examiners

Lorraine Groves, Credit Union Review Board  
Roger Reiser, Credit Union Review Board

Eileen Cacioppo, Board of Dental Examiners

Susan Long, Engineering and Land Surveying Examining Board

Leman Olson, Board of Pharmacy Examiners

Rickey Salocker, Board of Podiatry Examiners

Diane Hamilton, State Racing and Gaming Commission

Sally Steffen, State Board for Respiratory Care

Becky Vilda, Board of Speech Pathology and Audiology Examiners

John P. Gillispie, Director of the Iowa Telecommunications and Technology Commission

Marvin Berenstein, Vision Iowa Board

Senator Iverson moved that the foregoing appointees be confirmed by the Senate.

On the question "Shall the appointees be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal

Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The appointees, having received a two-thirds vote, were declared to have been confirmed by the Senate.

### CONFIRMATION OF GOVERNOR'S APPOINTMENTS (Individual Confirmation Calendar)

Senator Iverson called up the appointment of Ed Stanek, as Commissioner of the Iowa Lottery, placed on the Individual Confirmation Calendar on March 25, 2003, and found on page 650 of the Senate Journal.

Senator Lamberti moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of Michael Trier, as Workers' Compensation Commissioner, placed on the Individual Confirmation Calendar on April 1, 2003, and found on page 720 of the Senate Journal.

Senator Johnson moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of Mollie Anderson, as Director of the Department of Personnel, placed on the Individual

Confirmation Calendar on April 1, 2003, and found on page 720 of the Senate Journal.

Senator Schuerer moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

## UNFINISHED BUSINESS (Deferred April 7, 2003)

### Senate File 384

The Senate resumed consideration of **Senate File 384**, a bill for an act relating to the taxation of activities involving out-of-state qualified state tuition programs and including effective and retroactive applicability date provisions, deferred April 7, 2003.

Senator Kreiman offered amendment S-3119, filed by him on April 1, 2003, striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S–3119 be adopted?” (S.F. 384), the vote was:

Yeas, 13:

Beall	Black	Courtney	Dearden
Dotzler	Dvorsky	Fraise	Gronstal
Horn	Kreiman	Ragan	Seng
Stewart			

Nays, 36:

Angelo	Behn	Boettger	Bolkcom
Brunkhorst	Connolly	Drake	Gaskill
Hatch	Holveck	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Quirnbach	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Absent, 1:

McCoy

Amendment S–3119 lost.

Senator Larson offered amendment S–3109, filed by him on March 31, 2003, to page 1 and to the title page of the bill, and moved its adoption.

Amendment S–3109 was adopted by a voice vote.

Senator Connolly offered amendment S–3153, filed by him on April 7, 2003, to page 1 of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S–3153 be adopted?” (S.F. 384), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, 1:

McCoy

Amendment S–3153 lost.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 384), the vote was:

Yeas, 32:

Angelo	Behn	Boettger	Brunkhorst
Courtney	Drake	Gaskill	Hatch
Hosch	Houser	Iverson	Johnson
Kettering	Kramer	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 17:

Beall	Black	Bolkcom	Connolly
Dearden	Dotzler	Dvorsky	Fraise
Gronstal	Holveck	Horn	Kibbie
Kreiman	Quirnbach	Ragan	Seng
Stewart			

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 300.

**Senate File 300**

On motion of Senator Zieman, **Senate File 300**, a bill for an act relating to the registration and regulation of off-highway vehicles, providing fees, and making penalties applicable, with report of committee recommending passage, was taken up for consideration.

Senator Zieman withdrew amendment S-3142, filed by him on April 7, 2003, to pages 4, 12-15, and 23 of the bill.

Senator Zieman withdrew amendment S-3160, filed by him from the floor, to pages 4, 12-15, 23, and 26 of the bill.

Senator Zieman offered amendment S-3172, filed by him from the floor to pages 4, 8, 12-15, and 23 of the bill, and moved its adoption.

Amendment S-3172 was adopted by a voice vote.

With the adoption of amendment S-3172, the Chair ruled amendment S-3138, filed by Senator Zieman on April 3, 2003, to page 26 of the bill, out of order.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 300), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 300 and 384** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 393.

### Senate File 393

On motion of Senator Gaskill, **Senate File 393**, a bill for an act relating to the agricultural development authority by providing for its organization and administration, was taken up for consideration.

Senator Gaskill offered amendment S-3158, filed by him from the floor striking everything after the enacting clause of the bill, and moved its adoption.

Amendment S-3158 was adopted by a voice vote.

Senator Gaskill moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 393), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstad
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 422.

#### **Senate File 422**

On motion of Senator Redfern, **Senate File 422**, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, by creating a criminal offense of robbery in the third degree, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned

time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date, was taken up for consideration.

Senator Redfern offered amendment S-3173, filed by him from the floor to pages 1, 2, 5, 7, 9, and to the title page of the bill, and moved its adoption.

Amendment S-3173 was adopted by a voice vote.

With the adoption of amendment S-3173, the Chair ruled the following amendments out of order:

S-3077, filed by Senator Redfern on March 24, 2003, to pages 1, 2, 5, 7, and 9 of the bill;

S-3084, filed by Senator Lundby on March 25, 2003, to page 1 of amendment S-3077; and

S-3161, filed by Senator Larson, et al., from the floor to page 1 of amendment S-3077.

Senator Kreiman withdrew amendment S-3106, filed by him on March 31, 2003, to pages 6 and 9 of the bill.

Senator Kreiman offered amendment S-3157, filed by him from the floor to pages 6 and 9 of the bill, and moved its adoption.

Amendment S-3157 was adopted by a voice vote.

Senator Larson offered amendment S-3171, filed by Senator Larson, et al., from the floor to page 8 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3171 be adopted?" (S.F. 422), the vote was:

Yeas, 36:

Beall	Behn	Black	Boettger
Brunkhorst	Courtney	Gaskill	Gronstal
Holveck	Horn	Hosch	Houser
Johnson	Kettering	Kibbie	Kreiman

Lamberti	Larson	Lundby	McCoy
McKibben	McKinley	Miller	Putney
Ragan	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Veenstra	Warnstadt	Wieck	Zieman

Nays, 14:

Angelo	Bolkcom	Connolly	Dearden
Dotzler	Drake	Dvorsky	Fraise
Hatch	Iverson	Kramer	Quirmbach
Redfern	Tinsman		

Absent, none.

Amendment S-3171 was adopted.

Senator Redfern moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 422), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Holveck
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Lundby	McCoy
McKibben	McKinley	Miller	Putney
Quirmbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 3:

Connolly	Hatch	Larson
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Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 393** and **422** be **immediately messaged** to the House.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 405 and House File 623.

**Senate File 405**

On motion of Senator Sievers, **Senate File 405**, a bill for an act relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service, was taken up for consideration.

Senator Sievers offered amendment S-3167, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3167 was adopted by a voice vote.

Senator Sievers moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 405), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 623

On motion of Senator Shull, **House File 623**, a bill for an act relating to registration with the United States selective service system by application for a driver's license or nonoperator's identification card or for renewal of a driver's license or nonoperator's identification card, with report of committee recommending passage, was taken up for consideration.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 623), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 2:

Holveck	Quirnbach
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Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 405** and **House File 623** be **immediately messaged** to the House.

CONSIDERATION OF BILLS  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 655 and 652.

**House File 655**

On motion of Senator Zieman, **House File 655**, a bill for an act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters, with report of committee recommending passage, was taken up for consideration.

Senator Holveck offered amendment S-3163, filed by Senators Holveck and Warnstadt from the floor to pages 1, 11-14, and 22 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3163 be adopted?" (H.F. 655), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Nays, 30:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Kreiman	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Redfern	Rehberg	Schuerer	Seymour

Shull  
Wieck

Sievers  
Zieman

Tinsman

Veenstra

Absent, none.

Amendment S-3163 lost.

Senator Holveck asked and received unanimous consent to withdraw amendment S-3165, filed by Senators Holveck and Warnstadt from the floor to pages 1 and 11 of the bill.

Senator Sievers asked and received unanimous consent to withdraw amendment S-3156, filed by Senator Sievers, et al., from the floor to page 3 of the bill.

Senator Sievers asked and received unanimous consent to withdraw amendment S-3176, filed by Senator Sievers, et al., from the floor to page 3 of the bill.

Senator Holveck asked and received unanimous consent to withdraw amendment S-3164, filed by Senator Holveck and Warnstadt from the floor to page 12 of the bill.

Senator Zieman asked and received unanimous consent that action on **House File 655** be **deferred**.

## **House File 652**

On motion of Senator Miller, **House File 652**, a bill for an act relating to and making transportation and other infrastructure-related appropriations to the state department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund, and providing for the nonreversion of certain moneys, with report of committee recommending passage, was taken up for consideration.

Senator Kibbie offered amendment S-3141, filed by him on April 7, 2003, to page 1 and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S-3141 be adopted?” (H.F. 652), the vote was:

Yeas, 24:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Hosch	Kibbie	Kreiman
McCoy	Miller	Quirnbach	Ragan
Rehberg	Seng	Stewart	Warnstadt

Nays, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Putney	Redfern	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Absent, none.

Amendment S-3141 lost.

President Pro Tempore Angelo took the chair at 9:15 p.m.

Senator Warnstadt offered amendment S-3159, filed by him from the floor to page 5 of the bill.

Senator Drake raised the point of order that amendment S-3159 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3159 out of order.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 652), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly

Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kramer	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 2:

Kibbie                      Kreiman

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

President Kramer took the chair at 9:40 p.m.

## BUSINESS PENDING

### House File 655

The Senate resumed consideration of **House File 655**, a bill for an act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters, previously deferred.

Senator Sievers offered amendment S-3178, filed by Senator Sievers, et al., from the floor to page 3 of the bill, and moved its adoption.

Amendment S-3178 was adopted by a voice vote.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 655), the vote was:

Yeas, 33:

Angelo	Behn	Black	Boettger
Brunkhorst	Courtney	Drake	Gaskill
Hosch	Houser	Iverson	Johnson
Kettering	Kramer	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 17:

Beall	Bolkcom	Connolly	Dearden
Dotzler	Dvorsky	Fraise	Gronstal
Hatch	Holveck	Horn	Kibbie
Kreiman	Quirnbach	Ragan	Stewart
Warnstadt			

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 652** and **655** be **immediately messaged** to the House.

### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 9:47 p.m. until 8:30 a.m. Wednesday, April 9, 2003.

## APPENDIX — 2

### REPORTS OF COMMITTEE MEETINGS

#### ETHICS

**Convened:** April 8, 2003, 3:35 p.m.

**Members Present:** Drake, Chair; Redfern, Vice Chair; Kibbie, Ranking Member; Connolly, Dearden, and McKibben.

**Members Absent:** None.

**Committee Business:** Passed HF 583.

**Adjourned:** 3:40 p.m.

#### JUDICIARY

**Convened:** April 8, 2003, 4:00 p.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Kreiman, Ranking Member; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman.

**Members Absent:** None.

**Committee Business:** Passed HFs 349, 400 (as amended), 450, 455, 551, and 585 (as amended) and approved the Governor's appointees.

**Adjourned:** 5:10 p.m.

### SUBCOMMITTEE ASSIGNMENTS

#### House File 394

ECONOMIC GROWTH: Shull, Chair; Putney and Stewart

#### House File 401

ECONOMIC GROWTH: Veenstra, Chair; Dotzler and Seymour

### COMMITTEE REPORTS

#### COMMERCE

**Final Bill Action:** HOUSE FILE 395, a bill for an act relating to the extension of credit without discrimination under the consumer credit code.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Redfern, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: Larson and McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 586, a bill for an act relating to notice of rate increases for group health insurance coverage.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Kettering, Redfern, Schuerer, and Stewart. Nays, none. Absent, 4: Gronstal, Larson, McCoy, and Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ECONOMIC GROWTH

**Final Bill Action:** HOUSE FILE 390, a bill for an act relating to economic development programs for targeted small businesses.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Rehberg, Shull, Hatch, Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 392, a bill for an act relating to economic growth strategic planning.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Rehberg, Shull, Hatch, Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 397, a bill for an act relating to community development block grants to the department of economic development and including effective and retroactive applicability dates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Rehberg, Shull, Hatch, Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 480, a bill for an act relating to the shelter assistance fund.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Rehberg, Shull, Hatch, Beall, Boettger, Dotzler, Larson, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## **ETHICS**

**Final Bill Action:** HOUSE FILE 583, a bill for an act relating to governmental ethics disclosure reports, including reports related to receptions for members of the general assembly during session detailing food, beverage, and entertainment received by public officials and public employees, and reports filed by clients of lobbyists before the general assembly and the executive branch pertaining to moneys paid for lobbying purposes.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 6: Drake, Redfern, Kibbie, Connolly, Dearden, and McKibben. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## **HUMAN RESOURCES**

**Final Bill Action:** HOUSE FILE 206, a bill for an act increasing the child age applicable to mandatory reporting of suspected child sexual abuse perpetrated by a person other than the person responsible for the care of the child.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Veenstra, Seymour, Ragan, Behn, Boettger, Holveck, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, 2: Hatch and Horn. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 457, a bill for an act expanding requirements for the transition of an individual from the child welfare services system to adulthood.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 529, a bill for an act directing the mental health and developmental disabilities commission to make recommendations for redesigning the mental health and developmental disabilities services system for adults and children and providing an effective date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3166.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 557, a bill for an act relating to liability of certain health care facilities and health care providers participating in the volunteer health care provider program.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 560, a bill for an act relating to medical assistance home and community-based services waivers.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**JUDICIARY**

**Final Bill Action:** HOUSE FILE 349, a bill for an act relating to the representation of indigent persons and indigent defense claims.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*HOUSE FILE 400, a bill for an act relating to providing probationer and parolee information to local law enforcement agencies and the state department of transportation.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3175.

**Final Vote:** Ayes, 15: Redfern, Larson, Kreiman, Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on House File 400, and they were attached to the committee report.

**ALSO:**

**Final Bill Action:** HOUSE FILE 450, a bill for an act creating an exception to the statutory rule against perpetuities and making related changes.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Redfern, Larson, Kreiman, Holveck, Horn, Kettering, McCoy, Putney, and Tinsman. Nays, 1: Fraise. Present, 5: Boettger, Lamberti, McKibben, Miller, and Quirnbach. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 455, a bill for an act requiring licensed health-related professionals to report certain burn injuries to a law enforcement agency.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 8: Redfern, Larson, Kreiman, Boettger, Horn, McCoy, Putney, and Tinsman. Nays, 3: Kettering, Lamberti, and Quirmbach. Present, 4: Fraise, Holveck, McKibben, and Miller. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 551, a bill for an act providing for a fee for transporting an inmate for medical or dental care.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Redfern, Larson, Kreiman, Boettger, Fraise, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, 1: Holveck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** \*HOUSE FILE 585, a bill for an act relating to maintaining a magistrate court in a city other than the county seat.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3174.

**Final Vote:** Ayes, 13: Redfern, Larson, Boettger, Fraise, Holveck, Horn, Kettering, McCoy, McKibben, Miller, Putney, Quirmbach, and Tinsman. Nays, 2: Kreiman and Lamberti. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Judiciary Committee on House File 585, and they were attached to the committee report.

## TRANSPORTATION

**Final Bill Action:** HOUSE FILE 502, a bill for an act relating to damage disclosure statements required for transfer of ownership of motor vehicles and providing a penalty.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 12: Drake, Putney, Beall, Dearden, Fraise, Houser, Johnson, Kettering, Rehberg, Shull, Warnstadt, and Zieman. Nays, 1: McCoy. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### COMMERCE

John R. Perkins – Consumer Advocate  
 Michael Harvey – Credit Union Review Board  
 Diane Munns – Chair of the Utilities Board  
 Diane Munns – Utilities Board

### ECONOMIC GROWTH

Carol Garrett – Iowa Capital Investment Board  
 Linda Bloodsworth – Iowa Economic Development Board

### HUMAN RESOURCES

Robert Martin – Commission for the Blind  
 Lionel Foster – Child Advocacy Board  
 Thomas Letsche – Commission on Community Action Agencies  
 John Matthews – Commission on the Deaf  
 John Lowe – Commission of Elder Affairs  
 Jane Paulsen – Commission of Elder Affairs

## GOVERNOR'S APPOINTEES PLACED ON INDIVIDUAL CONFIRMATION CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the Individual Confirmation Calendar with recommendations for confirmation:

### HUMAN RESOURCES

William Brand – Administrator of the Division of Community Action Agencies  
 Mark Haverland – Director of the Department of Elder Affairs

Kevin Concannon – Director of the Department of Human Services

Ruth Mosher – Council on Human Services

Mary Mincer Hansen – Director of Public Health

Charlotte Nelson – Administrator of the Division on the Status of Women

### AMENDMENTS FILED

S-3154	H.F.	404	Keith A. Kreiman
S-3155	S.F.	388	Paul McKinley Kitty Rehberg Jack Hatch
S-3156	H.F.	655	Bryan J. Sievers Mark Zieman Michael E. Gronstal William Dotzler Donald B. Redfern
S-3157	S.F.	422	Keith A. Kreiman
S-3158	S.F.	393	E. Thurman Gaskill
S-3159	H.F.	652	Steve Warnstadt
S-3160	S.F.	300	Mark Zieman
S-3161	S.F.	422	Charles W. Larson, Jr. Mary A. Lundby Larry McKibben Kitty Rehberg Mark Zieman John Putney Matt McCoy Ron Wieck Jerry Behn Bryan J. Sievers Nancy Boettger James Seymour Julie Hosch Neal Schuerer David Johnson Doug Shull Ken Veenstra Steve Kettering Steve Warnstadt

S-3162	H.F.	593	State Government
S-3163	H.F.	655	Jack Holveck Steve Warnstadt
S-3164	H.F.	655	Jack Holveck Steve Warnstadt
S-3165	H.F.	655	Jack Holveck Steve Warnstadt
S-3166	H.F.	529	Human Resources
S-3167	S.F.	405	Bryan J. Sievers
S-3168	H.F.	567	Ron Wieck
S-3169	H.F.	534	Bob Brunkhorst Robert E. Dvorsky
S-3170	H.F.	593	John P. Kibbie Dennis H. Black Mike Connolly Thomas G. Courtney Dick L. Dearden Amanda Ragan
S-3171	S.F.	422	Charles W. Larson, Jr. Mary A. Lundby Larry McKibben Kitty Rehberg Mark Zieman John Putney Matt McCoy Ron Wieck Jerry Behn Bryan J. Sievers Nancy Boettger James Seymour Julie Hosch Neal Schuerer David Johnson Doug Shull Ken Veenstra Steve Kettering Steve Warnstadt E. Thurman Gaskill
S-3172	S.F.	300	Mark Zieman
S-3173	S.F.	422	Donald B. Redfern
S-3174	H.F.	585	Judiciary

S-3175	H.F.	400	Judiciary
S-3176	H.F.	655	Bryan J. Sievers Mark Ziemann Michael E. Gronstal William Dotzler Donald B. Redfern
S-3177	H.F.	65	David Miller
S-3178	H.F.	655	Bryan J. Sievers Mark Ziemann Michael E. Gronstal William Dotzler Donald B. Redfern

# JOURNAL OF THE SENATE

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EIGHTY-SEVENTH CALENDAR DAY  
FIFTY-FIRST SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, April 9, 2003

The Senate met in regular session at 8:31 a.m., Senator Shull presiding.

Prayer was offered by Father Nick Adam, pastor of the St. Alphonsus Catholic Church in Mount Pleasant, Iowa. He was the guest of Senator Fraise.

The Journal of Tuesday, April 8, 2003, was approved.

## QUORUM CALL

Senator Iverson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 37 present, 13 absent, and a quorum present.

The Senate stood at ease at 9:02 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:11 a.m., President Kramer presiding.

## RECESS

On motion of Senator Iverson, the Senate recessed at 10:12 a.m. until 1:45 p.m.

## AFTERNOON SESSION

The Senate reconvened at 1:55 p.m., President Kramer presiding.

## COMMITTEE FROM THE HOUSE

A committee from the House appeared and announced that the House was ready to receive the Senate in joint convention.

The Senate proceeded to the House chamber, in accordance with House Concurrent Resolution 9, in columns of two led by the Secretary of the Senate and the Sergeant-at-Arms.

JOINT CONVENTION  
PIONEER LAWMAKERS

Fifty-Seventh Biennial Session  
House Chamber

In accordance with House Concurrent Resolution 9, duly adopted, the joint convention was called to order at 2:15 p.m. President Kramer presiding.

President Kramer declared a quorum present and the joint convention duly organized.

Senator Iverson moved that a committee of eight be appointed to escort the Pioneer Lawmakers into the House chamber.

The motion prevailed by a voice vote and the President appointed as such committee Senators Boettger, Putney, Courtney, and Connolly on the part of the Senate and Representatives Greiner, Alons, Lykam, and Mertz on the part of the House.

The committee escorted the Pioneer Lawmakers to seats in the House chamber.

President Kramer presented the Honorable Jeff Angelo, President Pro Tempore of the Senate, who welcomed the Pioneer Lawmakers on behalf of the Senate.

President Kramer presented the Honorable Christopher Rants, Speaker of the House of Representatives, who welcomed the Pioneer Lawmakers on behalf of the House.

President Kramer presented the Honorable Richard F. Drake, member of the Senate and President of the Pioneer Lawmakers Association, who responded to the welcome.

Senator Drake announced the following 1983 class of Pioneer Lawmakers: Dennis H. Black, Eugene H. Blanshan, Philip E. Brammer (deceased), Florence D. Buhr, Brian Carter, Kathleen Halloran (Chapman), Milo Colton, James J. Cooper, Paul G. Copenhaver, Thomas Fey, Daniel P. Fogarty (deceased), Robert J. Grandia, John D. Groninga, Michael E. Gronstal, Josephine K. Gruhn, Johnie Hammond, Ward Handorf, Mark Haverland, Donald F. Hermann (deceased), Jack Holveck, Randy Hughes, Deo A. Koenigs, Thomas Mann, Jr., John E. McIntee, Leo P. Miller, Louis J. Muhlbauer (deceased), C. Arthur Ollie, David Osterberg, Edward G. Parker, Donald J. Paulin, Doris Ann Peick, Wilmer Rensink, Jack Rife, Bill D. Royer, Gary C. Sherzan, Donald L. Shoultz, Robert J. Skow, David M. Tabor, Janis I. Torrence, Mike Van Camp, Harlan W. Van Gerpen, Richard J. Varn, and Jo Ann Zimmerman.

Honorary members of the 2003 class were the following: Liz Isaacson, Dennis C. Prouty, Robert L. Schulz, David Scott, John C. Soener, and William Wimmer.

Senator Drake presented Michael Blouin, Director of the Iowa Department of Economic Development, who addressed the joint convention:

This has got to be from Cal Hultman. Those who can't see this, it's a fish drawn on a piece of paper. Cal and I, years ago, used to go at it in committees and on the floor, and one time he cornered me and he said, "You know, you're making that argument so often, it's starting to smell like dead fish." And from that point on—you have to know me, I did make the arguments quite often—from that point on, Cal and I used to slip each other a fish when we got tired of listening to what the other was saying.

Cal, I haven't said a word yet, and you're already giving me a fish.

This is a very heady place to stand. I am deeply honored to be here. One of your previous speakers from a few years ago mentioned to me the other day when he heard I was going to speak that it was a great opportunity—all the old folks start stumbling back in here, limping down the aisle, and reminiscing about how great things were.

And I said to myself, you know, I'm one of those old folks. And I'm not limping yet. Although by the time this session is over, I might well be.

It is an honor, honestly, to be here—to be asked to be a speaker to this assembly. When Senator Drake invited me several weeks ago, I assumed it was just to give a few comments at the luncheon. I had no idea until later that it was an invitation to speak to this joint session. And I was first humbled, and secondly scared, because there is, frankly, nothing more petrifying than to attempt to speak to former colleagues and peers. Especially when I realize that those so many years ago, we all may have been colleagues, but I was far from a peer.

As some of you might recall, I was the ripe old age of 22 when I was first elected and 23 when I took that first oath of office. I was so wet behind the ears, I didn't even know I was wet behind the ears. To this day, it still amazes me that the people of Dubuque were so willing to take a chance on someone this young. Not only young, but Dubuque had the reputation as being somewhat provincial, and I wasn't even a native. Yet they sent me here anyway—probably to get me out of town.

I spent the six shortest years of my life in this beautiful building. Short—because the time just flew by—and this building—where the past meets up with the present and always seems to create reasons for hope for the future.

My memories of those years are too many, and for some, probably too boring to relate to you in total. I'd like to try to share some of those thoughts with you anyway, and share them in no particular order.

When I first arrived here I was so naive, I actually thought I could live well on the pay that we were given. Forty dollars a day including expenses for 100 days, not a day more, and one round trip home a year at ten cents a mile. It was the best reason that I could think of for being from Dubuque. A 400-mile round trip equaled forty dollars, and it was like receiving another day of session pay free. I soon realized how poor I was, and when the session ended, the realities became clearer.

As a Catholic schoolteacher, my job was gone as of January, and I had to find other work. We adjourned, if I remember rightly that year, May 23, 1969—the earliest exit of our years here. Two days later our twin daughters were born, and life changed again. But as tough as we thought things were then and to our own circumstances, they were nothing compared to the problems that others who came those same years faced in their own situations. People who came here with successful businesses, only to see their client base erode as the weeks of absence from home began to take a toll on their business. Some actually lost their companies in just a few years of serving the same people that they were trying to represent—and serving them, frankly, for peanuts.

1968, some of you might recall, was the year of the constitutional amendments—annual sessions were approved, annual salaries and expenses, restructuring and resizing of the legislature to 100 members of the House and 50 members of the Senate and home rule approved for our cities and towns that year. We acted quickly in those days, implemented the major changes mandated by our fellow Iowans, and became known nationally as one of the most progressive legislatures in the country. As some of you might recall, I quickly earned the well-deserved reputation as someone who would enter nearly any debate for almost any reason, single-handedly adding days to the length of each session.

In 1970, on one occasion—on the occasion actually of our daughters' birthday—we brought them to the floor for a look-see. One of them grabbed the microphone and began gabbing away, prompting the Speaker of the House Bill Harbor, at that point, to comment that they clearly were their father's daughters.

Suzanne and I developed many lasting friendships from our six years here, and we gained some valuable life lessons as well. I gained a lot of insight into the geniuses of personal beliefs and personal feelings from guys like Senator George Milligan on the abortion issues. George and I came at it from very different sides, but both of us, in talking about it, learned that our beliefs were deeply rooted in our own personal faith.

I learned about the deep-seated integrity of legislators who put their jobs here ahead of their personal businesses, their own personal wealth—most vividly taught to me by two guys in the Senate, Gene Kennedy and Chuck Laferty.

I learned to argue with Cal Hultman in committee during the day, and at night spend a lot of time playing bridge without any sign of the clash that took place just hours before.

I watched Bill Gannon and Grumpy Fisher sit across the aisle from each other and fight like two mad cats, yet wink when it was over like they were family.

I watched Dewey Good, who sat over here and was a throwback from the turn of the century—as street smart and savvy a legislator as there was—change minds in the heat of a debate with fewer words than anyone in the chamber.

I learned also what it meant to really be in the minority. As I recall, our 100 plus House members had only 24 of us who were Democrats, and we were so few that one particular day the House passed three bills while we were in caucus before they realized we were gone. Bill Harbor ruled that it was in order, and Bill Kendrick, the Clerk of the House, found a rule somewhere that backed him up.

Back in those days, neither chamber was air-conditioned and tools like funnels hadn't been invented yet. So sessions would last well into June. And things would get rather heated, both figuratively and literally. Well, the Senate had a coat rule. Members were required to wear a coat whenever the Senate was in session. I was never one to really follow rules and wasn't really good at doing what I was told. So one particular day, with the help of some misguided and almost unemployed pages, I made my own coat out of a copy of *The Des Moines Register*. Art Neu was Lieutenant Governor and was sitting in the chair when I walked in. I'd never seen him get so angry so quick. The coat disappeared, never to be seen again. The only comment I heard afterwards was from someone to the effect that it was the preferred use for that paper. I don't believe that anymore, if anybody's listening.

Those years came and went all too fast in the midst of rather extensive change of the state. They were learning years for me. They contributed greatly to my ability to find gainful employment in the years ahead, and to a great degree, those years helped me become the person that I am today, good or bad. And for that I am personally, extremely grateful. Politics is an honorable profession, an honorable calling, and let no one tell you anything different. It's filled with honorable people, men and women who clearly are not in it for the money, but who truly wish to make Iowa an ever better

place to live. We are fortunate, you and I, each one for being able to call this beautiful land our home—some by birth, some by chance, all by choice.

I've had an over forty-year-long love affair with this place. In my brief time on this earth, I've had the opportunity to visit all 50 states and over three dozen countries. Honestly, I can find some reason why I'd be able to live, even enjoy living, in every one of those places. But nothing compares to Iowa. And I often find myself asking why, what is it that makes Iowa, in at least my mind, so special? It's not the winters, which can be brutal, but at the same time, can be incredibly beautiful. It's not the summers which can be hot as an oven, yet as inviting as any place on earth I've ever been. And we don't have the mountains and oceans of a lot of states. So what is it? Why do I love this place so much? I've come to believe that it's the people. The geniuses of those who call Iowa their home. It's the concern we share for one another, for our past, our present, our future. It's the care we share for the land and for all our natural resources. And it's the way we dig in and fight for what we believe in. How we can stand touching noses, as Meredith Wilson said, for a week at a time and never see eye to eye. He had to have this place in mind when he wrote those words. While at the same time each of us will put out our hearts, our souls, our own possessions to lend a hand to anyone in need. It's no wonder why groups like United Way set records year after year all across Iowa. We're a people of faith, diverse faiths who seek guidance each in our own way and who try to live our lives in response to the guidance we receive. We're a people of hope who, while playing to the past, reach out to the future with the knowledge that somehow, some way, what lies ahead of us will be better than what has already come. We're people of love who care deeply about our country, our state, our family, our friends, our neighbors, and our God. All this is what I believe brought all of you to public service. You care about what happens in your collective careers. And in your collective caring, you care about what happens to Iowa, because Iowa is a treasure worth preserving.

All this is what brought this current legislature together this January—to deal with some of the toughest issues this state may ever face, and to do it in the most bipartisan fashion I've ever seen in my 35 years of following this process. All this is what allowed me to say, "Yes," to the Governor when he called this past winter and asked me to head up the Department of Economic Development. It wasn't sanity. It was a belief in this state. And a desire to want to make a difference.

The problems we face as a people are huge. But the spirit of Iowa, Republicans and Democrats, rural and urban, east, west, north, south, will lead us to solutions which will make life better for all of us and our children. Why do I believe this? Because we always have and we always will. It's what we do best as Iowans.

Representative Gipp moved that the joint convention be dissolved at 2:40 p.m.

The motion prevailed by a voice vote.

The Senate returned to the Senate chamber.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 2:40 p.m. until 8:30 a.m. Thursday, April 10, 2003.

## APPENDIX

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS

**Convened:** April 9, 2003, 1:05 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman.

**Members Absent:** McKibben (excused).

**Committee Business:** Approved SSB 1182 and passed HF 662.

**Adjourned:** 1:45 p.m.

#### BUSINESS AND LABOR RELATIONS

**Convened:** April 9, 2003, 4:30 p.m.

**Members Present:** Schuerer, Chair; Dearden, Ranking Member; Courtney, Horn, Johnson, Kettering, Seymour, and Wieck.

**Members Absent:** Lundby, Vice Chair; Dotzler, and McKibben (all excused).

**Committee Business:** Passed HF 225.

**Adjourned:** 4:35 p.m.

#### ECONOMIC GROWTH

**Convened:** April 9, 2003, 3:05 p.m.

**Members Present:** Rehberg, Chair; Shull, Vice Chair; Hatch, Ranking Member; Beall, Boettger, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra.

**Members Absent:** Dotzler and Larson (both excused).

**Committee Business:** Passed HFs 394, 401, 576, and 592 (as amended).

**Adjourned:** 3:30 p.m.

## EDUCATION

**Convened:** April 9, 2003, 3:40 p.m.

**Members Present:** Boettger, Chair; McKinley, Vice Chair; Connolly, Ranking Member; Beall, Dvorsky, Hosch, Quirmbach, Redfern, and Rehberg.

**Members Absent:** Angelo, Behn, Brunkhorst, Holveck, Kreiman, and Larson (all excused).

**Committee Business:** Approved the Governor's appointee.

**Adjourned:** 3:45 p.m.

## JUDICIARY

**Convened:** April 9, 2003, 10:35 a.m.

**Members Present:** Redfern, Chair; Larson, Vice Chair; Boettger, Fraise, Holveck, Horn, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirmbach, and Tinsman.

**Members Absent:** Kreiman, Ranking Member (excused).

**Committee Business:** Passed HF 650.

**Adjourned:** 10:45 a.m.

## LOCAL GOVERNMENT

**Convened:** April 9, 2003, 11:05 a.m.

**Members Present:** Gaskill, Chair; Miller, Vice Chair; Quirmbach, Ranking Member; Angelo, Hatch, Hosch, Houser, Kreiman, McCoy, Rehberg, Seymour, Stewart, and Wieck.

**Members Absent:** None.

**Committee Business:** Passed HF 595.

**Adjourned:** 11:40 a.m.

## NATURAL RESOURCES AND ENVIRONMENT

**Convened:** April 9, 2003, 3:05 p.m.

**Members Present:** Houser, Chair; Johnson, Vice Chair; Seng, Ranking Member; Black, Bolkcom, Brunkhorst, Dearden, Holveck, Kettering, Kibbie, Wieck, and Zieman.

**Members Absent:** Drake, Lundby, and Miller (all excused).

**Committee Business:** Presentation regarding energy issues.

**Adjourned:** 3:50 p.m.

#### STATE GOVERNMENT

**Convened:** April 9, 2003, 11:05 a.m.

**Members Present:** Zieman, Chair; Sievers, Vice Chair; Courtney, Dearden, Johnson, Lamberti, Ragan, Schuerer, Shull, Tinsman, and Veenstra.

**Members Absent:** Kibbie, Ranking Member; Black, Connolly, and Drake (all excused).

**Committee Business:** Passed HF 594 (as amended) and approved the Governor's appointees.

**Recessed:** 11:45 a.m.

**Reconvened:** 11:55 a.m.

**Adjourned:** 12:05 p.m.

#### INTRODUCTION OF RESOLUTION

**Senate Resolution 32**, by Fraise, Courtney, Black, and Beall, a resolution designating the week of May 4, 2003, National Correctional Officers and Employees Week.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

#### INTRODUCTION OF BILL

**Senate File 440**, by committee on Appropriations, a bill for an act providing for an annual increase in specified state aid to nonpublic schools under prescribed circumstances.

Read first time under Rule 28 and **placed on Appropriations calendar**.

**STUDY BILLS RECEIVED****SSB 1197      Agriculture**

Requesting that the United States Congress immediately enact the Transparency for Independent Livestock Producers Act, in order to provide independent producers a guaranteed share in the marketplace by making improvements to the mandatory price reporting system, as provided in Senate Bill 325 introduced by the Honorable Senator Charles E. Grassley of Iowa.

**SSB 1198      Ways and Means**

Relating to charitable contributions and historical rehabilitation by establishing a community development program to provide tax credits for businesses contributing to community development projects to aid certain neighborhoods and communities; by establishing an endow Iowa seeds grants program to aid local philanthropic entities and providing tax credits; by allowing the transfer of certain historical rehabilitation and housing tax credits; and by establishing an individual income tax credit for contributions to certain qualified endowments; and including effective and retroactive applicability date provisions.

**SUBCOMMITTEE ASSIGNMENTS****House File 628**

HUMAN RESOURCES: Veenstra, Chair; Ragan and Seymour

**SSB 1197**

AGRICULTURE: Behn, Chair; Hosch and Kibbie

**SSB 1198**

WAYS AND MEANS: Angelo, Chair; McKibben and Stewart

**COMMITTEE REPORTS****APPROPRIATIONS**

**Final Bill Action:** SENATE FILE 440 (SSB 1182), a bill for an act providing for an annual increase in specified state aid to nonpublic schools under prescribed circumstances.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 17: Lamberti, Kramer, Behn, Dotzler, Gaskill, Horn, Houser, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Veenstra, Warnstadt, and Zieman. Nays, 7: Dvorsky, Black, Bolkcom, Connolly, Fraise, Hatch, and Tinsman. Absent, 1: McKibben.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 662, a bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and including an effective date and retroactive applicability date provision.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 24: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 1: McKibben.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ECONOMIC GROWTH

**Final Bill Action:** HOUSE FILE 394, a bill for an act relating to the purposes of the community attraction and tourism program.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Rehberg, Shull, Hatch, Beall, Boettger, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 2: Dotzler and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 401, a bill for an act relating to the procedures for certificates of completion of property rehabilitation projects for which tax credits may be available.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Rehberg, Shull, Hatch, Beall, Boettger, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 2: Dotzler and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 576, a bill for an act relating to the enterprise zone program and including effective date provisions.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Rehberg, Shull, Hatch, Beall, Boettger, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 2: Dotzler and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 592, a bill for an act relating to economic development-related issues of the universities under the control of the state board of regents by amending the composition of the Iowa economic development board and the Iowa workforce development board, changing the university-based research and economic development Act to address commercialization of research, and creating an Iowa commercialization advisory council.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3182.

**Final Vote:** Ayes, 11: Rehberg, Shull, Hatch, Beall, Boettger, McKinley, Putney, Ragan, Seymour, Stewart, and Veenstra. Nays, none. Absent, 2: Dotzler and Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**JUDICIARY**

**Final Bill Action:** HOUSE FILE 650, a bill for an act relating to the assessment of a correctional fee by a county or municipality, and to the prosecution of certain criminal offenses committed in a municipality located in two or more counties.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Redfern, Larson, Boettger, Fraise, Holveck, Kettering, Lamberti, McCoy, McKibben, Miller, Putney, Quirnbach, and Tinsman. Nays, none. Present, 1: Horn. Absent, 1: Kreiman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**LOCAL GOVERNMENT**

**Final Bill Action:** HOUSE FILE 595, a bill for an act relating to certain voluntary annexations and to involuntary annexations and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Gaskill, Miller, Quirnbach, Angelo, Hatch, Hosch, Houser, Kreiman, Rehberg, Seymour, and Stewart. Nays, 2: McCoy and Wieck. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### STATE GOVERNMENT

**Final Bill Action:** HOUSE FILE 594, a bill for an act relating to the registration of electrical and mechanical amusement devices and the registration of manufacturers and distributors thereof, making penalties applicable, and providing an effective date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3180.

**Final Vote:** Ayes, 8: Zieman, Courtney, Dearden, Johnson, Ragan, Schuerer, Shull, and Tinsman. Nays, 2: Sievers and Veenstra. Present, 1: Lamberti. Absent, 4: Kibbie, Black, Connolly, and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## GOVERNOR'S APPOINTEES PLACED ON EN BLOC CALENDAR

The following appointees, assigned to standing committees for investigation, were placed on the En Bloc Calendar with recommendations for confirmation:

### JUDICIARY

David Leshtz – Iowa State Civil Rights Commission

Robyn Mills – Board of Corrections

Arthur Neu – Board of Corrections

Renee Sneitzer – Board of Corrections

Arthur Schut – Iowa Drug Policy Advisory Council

Diane Thomas – Iowa Drug Policy Advisory Council

Arthur Silva – State Judicial Nominating Commission

Mary Russell-Curran – Commission on Judicial Qualifications

### STATE GOVERNMENT

Mary Gran – Board of Barber Examiners

Gail Flagel – IowAccess Advisory Council

Bruce Hughes – Board of Medical Examiners

**GOVERNOR'S APPOINTEES PLACED ON  
INDIVIDUAL CONFIRMATION CALENDAR**

The following appointees, assigned to standing committees for investigation, were placed on the Individual Confirmation Calendar with recommendations for confirmation:

**EDUCATION**

Neala Arnold – State Board of Regents

**JUDICIARY**

Gary Maynard – Director of the Department of Corrections

**AMENDMENTS FILED**

S-3179	H.F.	391	Steve Kettering David Johnson Nancy Boettger
S-3180	H.F.	594	State Government
S-3181	H.F.	567	Dennis H. Black
S-3182	H.F.	592	Economic Growth

**JOINT MEMORIAL SERVICE**

EIGHTIETH GENERAL ASSEMBLY

Senate Chamber

Wednesday, April 9, 2003

7:00 p.m.

**PROGRAM**

Senator John P. Kibbie, Presiding

Prelude ..... Flautist, Kristin Irwin

“Iowa, My Iowa” ..... Memorial Choir

Invocation..... Senator John P. Kibbie

**MEMORIALS**

Readers: Senator Houser, Senator Kibbie, Senator Zieman

Hon. Bass (S)	Hon. Denman (H & S)	Hon. Keith (S)
Hon. Campbell (S)	Hon. Holden (H & S)	Hon. Zieman (S)
Hon. Coleman (S)		

“Amazing Grace” ..... Memorial Choir

**MEMORIALS**

Readers: Representative Rayhons, Senator Tinsman,  
Representative Hutter, Representative Winckler

Hon. Baker (H)	Hon. Freeman (H)	Hon. Hoegh (H)
Hon. Broers (H)	Hon. Gilson (H)	Hon. Kinzer (H)
Hon. Crabb (H)	Hon. Hanna (H)	Hon. Miller (H)
Hon. Freed (H)	Hon. Hermann (H)	

“Precious Lord, Take My Hand” ..... Memorial Choir

**MEMORIALS**

Readers: Representative Todd Taylor, Representative Maddox,  
Representative Dolecheck, Representative Heaton

Hon. Naden (H)	Hon. Petersen, Leroy (H)	Hon. Sickels (H)
Hon. Norrgard (H)	Hon. Peterson, Louis (H)	Hon. Vetter (H)
Hon. Oxley (H)	Hon. Platt (H)	Hon. Walter (H)
Hon. Parker (H)	Hon. Rapson (H)	

(S) – Senate  
(H) – House

## IN MEMORIAM

### SERVED IN THE SENATE

**Honorable Earl G. Bass** (Mills County): 2nd half of 63rd and 64th (1970–1972)

**Honorable John L. Campbell** (Mahaska County): 60th and 60th X (1963–1964)

**Honorable C. Joseph Coleman** (Webster County): 57th, 58th, 59th, 60th, 60th X, 61st, 62nd, 63rd, 64th, 65th, 66th, 67th, 67th X, 68th, 69th, 69th X, 69th XX, 70th, 71st, 72nd, 72nd X, 72nd XX, and 73rd (1957–1990)

**Honorable Wayne D. Keith** (Kossuth County): 63rd and 64th (1969–1972)

**Honorable Lyle E. Ziemann** (Allamakee County): 75th, 76th, 77th, and 78th (1993–2000)

### SERVED IN THE HOUSE OF REPRESENTATIVES AND THE SENATE

**Honorable William F. Denman** (Polk County): **House** – 56th, 59th, 60th, and 60th X (1955–1956 and 1961–1964); **Senate** – 61st and 62nd (1965–1968)

**Honorable Edgar H. Holden** (Scott County): **House** – 62nd, 63rd, 64th, and 65th (1967–1974); **Senate** – 2nd half of 67th, 68th, 69th, 70th, 71st, and 72nd (1977–1988)

### SERVED IN THE HOUSE OF REPRESENTATIVES

**Honorable Donald E. Baker** (Boone County): 61st, 62nd, and 63rd (1965–1970)

**Honorable Roger A. Broers** (Cerro Gordo County): 79th, 79th X, and 79th XX (2001–2002)

**Honorable Helen Margaret Crabb** (Guthrie County): 53rd and 54th (1949–1952)

**Honorable Willard M. Freed** (Webster County): 56th, 57th, 58th, and 59th (1955–1962)

**Honorable Lester M. Freeman** (Dickinson County): 62nd and 63rd (1967–1970)

**Honorable Ernest W. Gilson** (Guthrie County): 67th and 67th X (1977–1978)

**Honorable Leo B. Hanna** (Adams County): 53rd and 54th (1949–1952)

**Honorable Donald F. Hermann** (Scott County): 70th, 71st, 72nd, 72nd X, 72nd XX, and 73rd (1983–1990)

**Honorable Leo A. Hoegh** (Lucas County): 47th, 48th, and 49th (1937–1942)

**Honorable Ronald J. Kinzer** (Scott County): 77th (1997–1998)

**Honorable Thomas H. Miller** (Cherokee County): 71st, 72nd, 72nd X, 72nd XX, 73rd, 74th, 74th X, 74th XX, and 75th (1985–1994)

**Honorable Robert W. Naden** (Hamilton County): 56th, 57th, 58th, 59th, 60th, and 60th X (1955–1964)

**Honorable Clyde L. Norrgard** (Des Moines County): 72nd, 72nd X, and 72nd XX (1987–1988)

**Honorable Myron B. “Mike” Oxley** (Linn County): 61st, 67th, 67th X, 68th, 69th, 69th X, 69th XX, 70th, and 71st (1965–1966 and 1977–1986)

**Honorable Paul L. Parker** (Polk County): 55th (1953–1954)

**Honorable Leroy H. Petersen** (Dallas County): 59th, 60th, 60th X, and 62nd (1961–1964 and 1967–1968)

**Honorable Louis A. Peterson** (Woodbury County): 59th, 60th, 60th X, 63rd, and 65th (1961–1964, 1969–1970, and 1973–1974)

**Honorable Donald R. Platt** (Muscatine County): 71st, 72nd, 72nd X, and 72nd XX (1985–1988)

**Honorable George P. Rapson** (Cherokee County): 58th and 59th (1959–1962)

**Honorable Lester Sickels** (Ringgold County): 58th and 59th (1959–1962)

**Honorable Keith L. Vetter** (Washington County): 60th, 60th X, and 62nd (1963–1964 and 1967–1968)

**Honorable Paul M. Walter** (Hardin County): 53rd, 54th, 55th, 56th, 57th, 58th, 59th, 60th, and 60th X (1949–1964)

#### Candle Lighters

Senator Gene Fraise  
 Senator John Putney  
 Representative Jack E. Drake  
 Representative Jodi S. Tymeson

#### Senate Memorial Committee

Senator Richard F. Drake  
 Senator Julie M. Hosch  
 Senator E. Thurman Gaskill  
 Senator Michael W. Connolly  
 Senator John P. Kibbie  
 Senator Daryl Beall

#### Hosts

Senator Julie M. Hosch  
 Representative Vicki S. Lensing  
 Representative Robert M. Hogg  
 Representative Pam Jochum  
 Representative John H. Connors

#### House Memorial Committee

Representative Sandra H. Greiner  
 Representative Dwayne A. Alons  
 Representative Jim Lykam  
 Representative Dolores M. Mertz

Flowers arranged by The Bloomin' Greenery, Indianola, Iowa  
 Piano furnished by Rieman Music

# JOURNAL OF THE SENATE

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EIGHTY-EIGHTH CALENDAR DAY  
FIFTY-SECOND SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, April 10, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend Allan Thoreson, visitation pastor of the Memorial Lutheran Church in Nevada, Iowa. He was the guest of Senator McKibben.

The Journal of Wednesday, April 9, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 9, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 272**, a bill for an act relating to conflicts of interest in public contracts.

ALSO: That the House has on April 9, 2003, **amended and passed** the following bills in which the concurrence of the House was asked:

**Senate File 433**, a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters. (S-3183)

**Senate File 435**, a bill for an act relating to and making appropriations to the judicial branch. (S-3184)

### SPECIAL GUEST

Senator Iverson welcomed to the Senate chamber the Honorable H. Kay Hedge, former member of the Senate from Mahaska County.

The Senate rose and expressed its welcome.

### RECESS

On motion of Senator Iverson, the Senate recessed at 8:41 a.m. until the completion of a meeting of the committee on Rules and Administration.

### RECONVENED

The Senate reconvened at 8:45 a.m., President Kramer presiding.

### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Redfern, until he arrives, on request of Senator Iverson; Senator McKibben, until he arrives, on request of Senator Gaskill; Senator Holveck, until he arrives, on request of Senator Dearden; and Senator McCoy, until he arrives, on request of Senator Gronstal.

### CONFIRMATION OF GOVERNOR'S APPOINTMENTS

In accordance with Senate Rule 59, Senator Iverson called up the following eligible appointees on the En Bloc Confirmation Calendar:

Robert Martin, Commission for the Blind

Carol Garrett, Iowa Capital Investment Board

Lionel Foster, Child Advocacy Board

Thomas Letsche, Commission on Community Action Agencies

Michael Harvey, Credit Union Review Board

John Matthews, Commission on the Deaf

Linda Bloodsworth, Iowa Economic Development Board

John Lowe, Commission of Elder Affairs

Kay Anderson, Iowa Finance Authority

David Biehl, Landscape Architectural Examining Board

Cathy Rottinghaus, Iowa Comprehensive Petroleum Underground Storage Tank Fund Board

Ana Lopez-Dawson, Board of Psychology Examiners

Kent Webb, Board of Speech Pathology and Audiology Examiners

Diane Munns, Chair of Utilities Board

Diane Munns, Utilities Board

Mildred Dawson, Commission of Veterans Affairs

Senator Iverson moved that the foregoing appointees be confirmed by the Senate.

On the question “Shall the appointees be confirmed?” the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKinley	Miller	Putney
Quirnbach	Ragan	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, 4:

Holveck	McCoy	McKibben	Redfern
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The appointees, having received a two-thirds vote, were declared to have been confirmed by the Senate.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 24.

**Senate Resolution 24**

On motion of Senator Iverson, **Senate Resolution 24**, a resolution reaffirming Iowa's commitment to freedom and democracy and calling for an end to terrorism, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 24, which motion prevailed by a voice vote.

RECESS

On motion of Senator Iverson, the Senate recessed at 9:53 a.m. until 3:00 p.m.

**APPENDIX — 1****REPORTS OF COMMITTEE MEETINGS****AGRICULTURE**

**Convened:** April 10, 2003, 1:05 p.m.

**Members Present:** Behn, Chair; Hosch, Vice Chair; Fraise, Ranking Member; Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman.

**Members Absent:** None.

**Committee Business:** Passed HF's 492, 493, 617, and 644 and approved SSB 1197.

**Recessed:** 1:10 p.m.

**Reconvened:** 1:45 p.m.

**Adjourned:** 2:10 p.m.

**HUMAN RESOURCES**

**Convened:** April 10, 2003, 9:30 a.m.

**Members Present:** Veenstra, Chair; Seymour, Vice Chair; Ragan, Ranking Member; Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman.

**Members Absent:** None.

**Committee Business:** Passed HF's 565 (as amended), 628, and 641.

**Adjourned:** 10:00 a.m.

**RULES AND ADMINISTRATION**

**Convened:** April 10, 2003, 8:40 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Ragan.

**Members Absent:** Sievers (excused).

**Committee Business:** Passed SCR 15 and SRs 30 and 31.

**Adjourned:** 8:45 a.m.

## COMMITTEE REPORTS

## BUSINESS AND LABOR RELATIONS

**Final Bill Action:** HOUSE FILE 225, a bill for an act modifying workers' compensation laws and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 8: Schuerer, Dearden, Courtney, Horn, Johnson, Kettering, Seymour, and Wieck. Nays, none. Absent, 3: Lundby, Dotzler, and McKibben.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## HUMAN RESOURCES

**Final Bill Action:** HOUSE FILE 565, a bill for an act relating to the healthy and well kids in Iowa program.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3194.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 628, a bill for an act relating to physician assistant licensure, and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** HOUSE FILE 641, a bill for an act providing for changes relating to programs under the purview of the Iowa department of public health.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Veenstra, Seymour, Ragan, Behn, Boettger, Hatch, Holveck, Horn, Hosch, Kreiman, McKinley, Schuerer, and Tinsman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 15, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Ragan. Nays, none. Absent, 1: Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 30, a resolution relating to the shortage of nursing home administrators and requesting the State Board of Examiners for Nursing Home Administrators to make recommendations for addressing the shortage.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Ragan. Nays, none. Absent, 1: Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 31, a resolution congratulating the University of Northern Iowa Panthers Women's Volleyball Team.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Ragan. Nays, none. Absent, 1: Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**BILL ENROLLED, SIGNED, AND SENT TO GOVERNOR**

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bill has been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 10th day of April, 2003:

Senate File 237.

MICHAEL E. MARSHALL  
Secretary of the Senate

## AFTERNOON SESSION

The Senate reconvened at 3:08 p.m., President Kramer presiding.

## BILL REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **House File 650** be referred from the Regular Calendar to the committee on **Ways and Means**.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Miller, for the remainder of the day, on request of Senator Veenstra; and Senator Connolly, for the remainder of the day, on request of Senator Horn.

CONFIRMATION OF GOVERNOR'S APPOINTMENTS  
(Individual Confirmation Calendar)

Senator Veenstra called up the appointment of William Brand, as Administrator of the Division of Community Action Agencies, placed on the Individual Confirmation Calendar on April 8, 2003, and found on page 836 of the Senate Journal.

Senator Behn moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirmbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Connolly                      Miller

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Veenstra called up the appointment of Mark Haverland, as Director of the Department of Elder Affairs, placed on the Individual Confirmation Calendar on April 8, 2003, and found on page 836 of the Senate Journal.

Senator Tinsman moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 47:

Angelo	Beall	Behn	Boettger
Bolkcom	Brunkhorst	Courtney	Dearden
Dotzler	Drake	Dvorsky	Fraise
Gaskill	Gronstal	Hatch	Holveck
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 1:

Black

Absent, 2:

Connolly                      Miller

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration House File 662.

**House File 662**

On motion of Senator Schuerer, **House File 662**, a bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and including an effective date and retroactive applicability date provision, with report of committee recommending passage, was taken up for consideration.

Senator Quirmbach offered amendment S-3188, filed by Senator Quirmbach, et al., from the floor to pages 1 and 2 of the bill.

Senator Quirmbach asked and received unanimous consent that action on amendment S-3188 be deferred.

Senator Bolkcom offered amendment S-3189, filed by Senator Bolkcom, et al., from the floor to page 2 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3189 be adopted?" (H.F. 662), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Courtney
Dearden	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	Lundby	McCoy
Quirmbach	Ragan	Seng	Stewart
Tinsman	Warnstadt		

Nays, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser

Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Veenstra
Wieck	Zieman		

Absent, 2:

Connolly	Miller
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Amendment S–3189 lost.

Senator Gronstal asked and received unanimous consent to withdraw amendment S–3187, filed by Senator Connolly, et al., from the floor to page 10 of the bill.

Senator Dvorsky offered amendment S–3186, filed by Senator Dvorsky, et al., from the floor to page 10 of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S–3186 be adopted?” (H.F. 662), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Courtney
Dearden	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 2:

Connolly	Miller
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Amendment S–3186 lost.

Senator Holveck offered amendment S-3191, filed by Senator Holveck, et al., from the floor to pages 10 and 11 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3191 be adopted?" (H.F. 662), the vote was:

Yeas, 23:

Beall	Black	Boettger	Bolkcom
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Quirmbach	Ragan	Seng
Stewart	Tinsman	Warnstadt	

Nays, 25:

Angelo	Behn	Brunkhorst	Drake
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	McKibben	McKinley	Putney
Redfern	Rehberg	Schuerer	Seymour
Shull	Sievers	Veenstra	Wieck
Zieman			

Absent, 2:

Connolly	Miller
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Amendment S-3191 lost.

Senator Kibbie offered amendment S-3190, filed by Senator Kibbie, et al., from the floor to page 11 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3190 be adopted?" (H.F. 662), the vote was:

Yeas, 21:

Beall	Black	Boettger	Bolkcom
Courtney	Dearden	Dotzler	Dvorsky

Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 27:

Angelo	Behn	Brunkhorst	Drake
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, 2:

Connolly	Miller
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Amendment S-3190 lost.

The Senate resumed consideration of amendment S-3188, previously deferred.

Senator Quirnbach moved the adoption of amendment S-3188.

A record roll call was requested.

On the question "Shall amendment S-3188 be adopted?" (H.F. 662), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Courtney
Dearden	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 2:

Connolly                      Miller

Amendment S-3188 lost.

Senator Schuerer moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 662), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Dvorsky	Gaskill	Hosch
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 19:

Beall	Black	Bolkcom	Courtney
Dearden	Dotzler	Fraise	Gronstal
Hatch	Holveck	Horn	Houser
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	

Absent, 2:

Connolly                      Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 516 and 404.

## House File 516

On motion of Senator Brunkhorst, **House File 516**, a bill for an act relating to composition and responsibilities of the Iowa comprehensive petroleum underground storage tank fund board, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Houser offered amendment S-3126, filed by the committee on Natural Resources and Environment on April 2, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3126 was adopted by a voice vote.

Senator Brunkhorst moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 516), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Connolly                      Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 404

On motion of Senator Boettger, **House File 404**, a bill for an act authorizing a sentencing court to issue no-contact orders against persons arrested for any public offense, with report of committee recommending passage, was taken up for consideration.

Senator Kreiman offered amendment S-3154, filed by him on April 8, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3154 was adopted by a voice vote.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 404), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Connolly                      Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONFIRMATION OF GOVERNOR'S APPOINTMENT  
(Individual Confirmation Calendar)

Senator Veenstra called up the appointment of Ruth Mosher, as a member of the Council on Human Services, placed on the Individual Confirmation Calendar on April 8, 2003, and found on page 837 of the Senate Journal.

Senator Behn moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Connolly                      Miller

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 404 and 516** be **immediately messaged** to the House.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 411 and 412.

**House File 411**

On motion of Senator Johnson, **House File 411**, a bill for an act providing resident license fees for hunting, fishing, trapping, and related activities to certain persons in the armed forces of the United States, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 411), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Connolly	Kreiman	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 412

On motion of Senator Lundby, **House File 412**, a bill for an act relating to the amount of mussels and shells which may be taken pursuant to a sport fishing license, with report of committee recommending passage, was taken up for consideration.

Senator Lundby moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 412), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Connolly                      Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 505.

## House File 505

On motion of Senator Putney, **House File 505**, a bill for an act to prohibit unauthorized computer access to operational or support data of a rural water district and a municipal utility and providing a penalty, with report of committee recommending passage, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 505), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Connolly	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 411, 412, and 505** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 567.

**House File 567**

On motion of Senator Black, **House File 567**, a bill for an act relating to powers of county environmental health specialists and providing a penalty, with report of committee recommending passage, was taken up for consideration.

Senator Wieck offered amendment S-3168, filed by him on April 8, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3168 was adopted by a voice vote.

Senator Black offered amendment S-3181, filed by him on April 9, 2003, to page 1 and to the title page of the bill, and moved its adoption.

Amendment S-3181 was adopted by a voice vote.

Senator Black moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 567), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirmbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Connolly                      Miller

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 567** be **immediately messaged** to the House.

### HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 10, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 541**, a bill for an act relating to the fee and use of fee for a certificate of birth.

Read first time and referred to committee on **Ways and Means**.

### BILLS PLACED ON UNFINISHED BUSINESS CALENDAR

Senator Iverson asked and received unanimous consent that the following bills be placed on the Unfinished Business Calendar:

S.F. 352  
S.F. 369  
S.F. 370  
S.F. 387  
S.F. 408  
S.F. 421  
S.F. 434  
S.F. 440

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 5:05 p.m. until 1:00 p.m. Monday, April 14, 2003.

## APPENDIX —2

### REPORTS OF COMMITTEE MEETINGS

#### COMMERCE

**Convened:** April 10, 2003, 10:35 a.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Schuerer, Sievers, and Stewart.

**Members Absent:** Redfern (excused).

**Committee Business:** Passed HFs 543 (as amended), 599, and 647.

**Adjourned:** 10:50 a.m.

#### GOVERNMENT OVERSIGHT

**Convened:** April 10, 2003, 2:00 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Approved SSB 1195 (as amended).

**Adjourned:** 2:15 p.m.

#### WAYS AND MEANS

**Convened:** April 10, 2003, 2:15 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Quirnbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** Connolly and Miller (both excused).

**Committee Business:** Passed SF 314 (as amended) and approved SSBs 1186, 1188, 1193, and 1194.

**Adjourned:** 2:50 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 33**, by Ragan, a resolution honoring the city of St. Ansgar and the First Lutheran Church on their sesquicentennial year.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 441**, by committee on Ways and Means, a bill for an act relating to the transfer of certain property-related tax credits.

Read first time under Rule 28 and **placed on Ways and Means calendar**.

**Senate File 442**, by committee on Ways and Means, a bill for an act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date.

Read first time under Rule 28 and **placed on Ways and Means calendar**.

**Senate File 443**, by committee on Ways and Means, a bill for an act relating to criteria for community-based seed capital funds and providing a retroactive applicability date.

Read first time under Rule 28 and **placed on Ways and Means calendar**.

**Senate File 444**, by committee on Ways and Means, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

Read first time under Rule 28 and **placed on Ways and Means calendar**.

## STUDY BILL RECEIVED

**SSB 1199      Ways and Means**

Relating to economic development by creating a position of technology transfer advisor, creating a loan and credit guarantee program and fund, creating an economic development marketing board, providing for a business start-up information internet web site, creating a grow Iowa fund, making appropriations and related tax changes, making changes to urban renewal law and related taxes, and including effective date and retroactive applicability date provisions.

## SUBCOMMITTEE ASSIGNMENT

**SSB 1199**

WAYS AND MEANS: McKinley, Chair; Rehberg and Seng

## COMMITTEE REPORTS

**AGRICULTURE**

**Final Bill Action:** HOUSE FILE 492, a bill for an act relating to soil conservation by providing for the acquisition of land by soil and water conservation districts, and eliminating certain reporting requirements.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 493, a bill for an act relating to the powers and duties of the department of agriculture and land stewardship by providing for the elimination of administrative requirements.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 617, a bill for an act requiring that dealers of certain swine file evidence of financial responsibility with the department of agriculture and land stewardship.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Behn, Hosch, Fraise, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, 2: Angelo and Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 644, a bill for an act providing for manure application requirements, providing for fees, making penalties applicable, and providing an effective date.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3195.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## COMMERCE

**Final Bill Action:** HOUSE FILE 543, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3196.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkom, Brunkhorst, Gronstal, Kettering, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: Larson and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 599, a bill for an act relating to property insurance, including establishment of a mandatory plan to assure fair access to insurance requirements, and providing for an effective date and retroactive applicability.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, Schuerer, Sievers, and Stewart. Nays, none. Absent, 2: McCoy and Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 647, a bill for an act relating to insurance, including various filing and information privacy requirements throughout the insurance code, calculation of assessments by the Iowa individual health benefit reinsurance association, payment of certain insurance fees, certain self-funded insurance plans by school corporations or political subdivisions, designation of the commissioner of insurance as process agent for various entities conducting insurance business in this state, notification provisions relating to the effective date of cancellation of insurance, beneficial stock ownership filings, funding agreements, creating an insurable interest in active or retired employee lives for the benefit of an employer, providing for an interstate insurance product regulation compact, and providing for retroactive applicability and an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 14: Angelo, Wieck, Warnstadt, Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Schuerer, Sievers, and Stewart. Nays, none. Absent, 1: Redfern.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**WAYS AND MEANS**

**Final Bill Action:** SENATE FILE 441 (SSB 1193), a bill for an act relating to the transfer of certain property-related tax credits.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkcom, Angelo, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: Connolly and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 442 (SSB 1186), a bill for an act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkcom, Angelo, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: Connolly and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 443 (SSB 1188), a bill for an act relating to criteria for community-based seed capital funds and providing a retroactive applicability date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkcom, Angelo, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: Connolly and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 444 (SSB 1194), a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkcom, Angelo, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: Connolly and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## MOTION TO RECONSIDER FILED

MADAM PRESIDENT: I move to reconsider the vote by which House File 662 passed the Senate on April 10, 2003.

JEFF LAMBERTI

## AMENDMENTS FILED

S-3183	S.F.	433	House
S-3184	S.F.	435	House
S-3185	H.F.	534	Bob Brunkhorst Robert E. Dvorsky
S-3186	H.F.	662	Robert E. Dvorsky Daryl Beall Dennis H. Black

Joe Bolkom  
 Mike Connolly  
 Thomas G. Courtney  
 Dick L. Dearden  
 William Dotzler  
 Gene Fraise  
 Michael E. Gronstal  
 Jack Hatch  
 Jack Holveck  
 Wally E. Horn  
 John P. Kibbie  
 Keith A. Kreiman  
 Matt McCoy  
 Herman C. Quirnbach  
 Amanda Ragan  
 Joe M. Seng  
 Roger Stewart  
 Steve Warnstadt

S-3187      H.F.      662

Mike Connolly  
 Daryl Beall  
 Dennis H. Black  
 Joe Bolkom  
 Thomas G. Courtney  
 Dick L. Dearden  
 William Dotzler  
 Robert E. Dvorsky  
 Gene Fraise  
 Michael E. Gronstal  
 Jack Hatch  
 Jack Holveck  
 Wally E. Horn  
 John P. Kibbie  
 Keith A. Kreiman  
 Matt McCoy  
 Herman C. Quirnbach  
 Amanda Ragan  
 Joe M. Seng  
 Roger Stewart  
 Steve Warnstadt

S-3188      H.F.      662

Herman C. Quirnbach  
 Daryl Beall

Dennis H. Black  
 Joe Bolkom  
 Mike Connolly  
 Thomas G. Courtney  
 Dick L. Dearden  
 William Dotzler  
 Robert E. Dvorsky  
 Gene Fraise  
 Michael E. Gronstal  
 Jack Hatch  
 Jack Holveck  
 Wally E. Horn  
 John P. Kibbie  
 Keith A. Kreiman  
 Matt McCoy  
 Amanda Ragan  
 Joe M. Seng  
 Roger Stewart  
 Steve Warnstadt

S-3189      H.F.      662

Joe Bolkom  
 Daryl Beall  
 Dennis H. Black  
 Mike Connolly  
 Thomas G. Courtney  
 Dick L. Dearden  
 William Dotzler  
 Robert E. Dvorsky  
 Gene Fraise  
 Michael E. Gronstal  
 Jack Hatch  
 Jack Holveck  
 Wally E. Horn  
 John P. Kibbie  
 Keith A. Kreiman  
 Matt McCoy  
 Herman C. Quirnbach  
 Amanda Ragan  
 Joe M. Seng  
 Roger Stewart  
 Steve Warnstadt

S-3190	H.F.	662	John P. Kibbie Daryl Beall Dennis H. Black Joe Bolkom Mike Connolly Thomas G. Courtney Dick L. Dearden William Dotzler Robert E. Dvorsky Gene Fraise Michael E. Gronstal Jack Hatch Jack Holveck Wally E. Horn Keith A. Kreiman Matt McCoy Herman C. Quirnbach Amanda Ragan Joe M. Seng Roger Stewart Steve Warnstadt
S-3191	H.F.	662	Jack Holveck Daryl Beall Dennis H. Black Joe Bolkom Mike Connolly Thomas G. Courtney Dick L. Dearden William Dotzler Robert E. Dvorsky Gene Fraise Michael E. Gronstal Jack Hatch Wally E. Horn John P. Kibbie Keith A. Kreiman Matt McCoy Herman C. Quirnbach Amanda Ragan Joe M. Seng

			Roger Stewart
			Steve Warnstadt
S-3192	H.F.	595	Jeff Angelo
S-3193	S.F.	434	Steve Warnstadt
S-3194	H.F.	565	Human Resources
S-3195	H.F.	644	Agriculture
S-3196	H.F.	543	Commerce

# JOURNAL OF THE SENATE

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NINETY-SECOND CALENDAR DAY  
FIFTY-THIRD SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, April 14, 2003

The Senate met in regular session at 1:03 p.m., President Kramer presiding.

Prayer was offered by the Reverend Douglas B. Haviland, pastor of Saint John's by the Campus Church in Ames, Iowa. He was the guest of Senator Quirmbach.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Page Kristy Palmer.

The Journal of Thursday, April 10, 2003, was approved.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 10, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 667**, a bill for an act relating to and making appropriations for health and human services to the department of elder affairs, the Iowa department of public health, the department of inspections and appeals, the department of human services, and the commission of veterans affairs, and providing effective dates.

Read first time and referred to committee on **Appropriations**.

The Senate stood at ease at 1:32 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 3:00 p.m., President Pro Tempore Angelo presiding.

### SPECIAL GUEST

Senator Iverson welcomed to the Senate chamber the Honorable Steve King, U.S. Representative and former member of the Senate from Sac County. Congressman King addressed the Senate with brief remarks.

The Senate rose and expressed its welcome.

### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Kramer and Schuerer, until they return, on request of Senator Iverson.

### CONFIRMATION OF GOVERNOR'S APPOINTMENTS

In accordance with Senate Rule 59, Senator Iverson called up the following eligible appointees on the En Bloc Confirmation Calendar:

Mary Gran, Board of Barber Examiners

David Leshtz, Iowa State Civil Rights Commission

John R. Perkins, Consumer Advocate

Robyn Mills, Board of Corrections

Arthur Neu, Board of Corrections

Renee Sneitzer, Board of Corrections

Arthur Schut, Iowa Drug Policy Advisory Council

Diane Thomas, Iowa Drug Policy Advisory Council

Jane Paulsen, Commission of Elder Affairs

Gail Flagel, IowAccess Advisory Council

Arthur Silva, State Judicial Nominating Commission

Mary Russell-Curran, Commission on Judicial Qualifications

Bruce Hughes, Board of Medical Examiners

Senator Iverson moved that the foregoing appointees be confirmed by the Senate.

On the question "Shall the appointees be confirmed?" the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Kramer                      Schuerer

The appointees, having received a two-thirds vote, were declared to have been confirmed by the Senate.

### CONFIRMATION OF GOVERNOR'S APPOINTMENTS (Individual Confirmation Calendar)

Senator Iverson called up the appointment of Gary Maynard, as Director of the Department of Corrections, placed on the Individual Confirmation Calendar on April 9, 2003, and found on page 853 of the Senate Journal.

Senator Redfern moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Kramer

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of Kevin Concannon, as Director of the Department of Human Services, placed on the Individual Confirmation Calendar on April 8, 2003, and found on page 837 of the Senate Journal.

Senator Tinsman moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach

Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of Cynthia Eisenhauer, as Director of the Department of Management, placed on the Individual Confirmation Calendar on April 1, 2003, and found on page 720 of the Senate Journal.

Senator Zieman moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 1:

Hatch

Absent, none.

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

President Kramer took the chair at 3:25 p.m.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Lamberti, until he returns, on request of Senator Boettger.

### CONFIRMATION OF GOVERNOR'S APPOINTMENTS (Individual Confirmation Calendar)

Senator Iverson called up the appointment of Mary Mincer Hansen, as Director of Public Health, placed on the Individual Confirmation Calendar on April 8, 2003, and found on page 837 of the Senate Journal.

Senator Boettger moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Lamberti

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of John Cacciatore, as Director of the Office for State-Federal Relations, placed on the Individual Confirmation Calendar on March 4, 2003, and found on page 383 of the Senate Journal.

Senator Veenstra moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 43:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Kettering	Kibbie	Kreiman
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Zieman	

Nays, 6:

Brunkhorst	Johnson	Kramer	Rehberg
Schuerer	Wieck		

Absent, 1:

Lamberti

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of Jeffrey Danielson, as a member of the State Transportation Commission, placed on the Individual Confirmation Calendar on March 31, 2003, and found on page 704 of the Senate Journal.

Senator Drake moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 1:

Lundby

Absent, 1:

Lamberti

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

Senator Iverson called up the appointment of Michael Gartner, as Chair of the Vision Iowa Board, placed on the Individual Confirmation Calendar on April 1, 2003, and found on page 720 of the Senate Journal.

Senator Zieman moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 43:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Johnson
Kettering	Kibbie	Kramer	Kreiman
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirnbach	Ragan
Redfern	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	

Nays, 6:

Angelo  
Rehberg

Houser  
Zieman

Iverson

Miller

Absent, 1:

Lamberti

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 545 and 170.

#### **House File 545**

On motion of Senator Beall, **House File 545**, a bill for an act relating to the requirements for newspapers designated for official publication purposes, with report of committee recommending passage, was taken up for consideration.

Senator Lundby asked and received unanimous consent that action on **House File 545** be **deferred**.

#### **House File 170**

On motion of Senator Miller, **House File 170**, a bill for an act relating to the criminal offense of identity theft by making changes in the elements of the offense, with report of committee recommending passage, was taken up for consideration.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 170), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Lamberti

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## UNFINISHED BUSINESS

### Senate File 440

On motion of Senator McKinley, **Senate File 440**, a bill for an act providing for an annual increase in specified state aid to nonpublic schools under prescribed circumstances, placed on the Unfinished Business Calendar on April 10, 2003, was taken up for consideration.

Senator Warnstadt asked and received unanimous consent that action on **Senate File 440** be **deferred**.

## CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 344.

## House File 344

On motion of Senator Connolly, **House File 344**, a bill for an act allowing a refund of motor fuel taxes paid by a benefited fire district, with report of committee recommending passage, was taken up for consideration.

Senator Connolly moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 344), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Veenstra	Warnstadt	Wieck	Zieman

Nays, 1:

Tinsman

Absent, 1:

Lamberti

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 349.

## House File 349

On motion of Senator Boettger, **House File 349**, a bill for an act relating to the representation of indigent persons and indigent defense claims, with report of committee recommending passage, was taken up for consideration.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 349), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Lamberti

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

BUSINESS PENDING

## Senate File 440

The Senate resumed consideration of **Senate File 440**, a bill for an act providing for an annual increase in specified state aid to nonpublic schools under prescribed circumstances, previously deferred.

Senator Connolly withdrew amendment S-3200, filed by him from the floor striking everything after the enacting clause and to the title page of the bill.

Senator Warnstadt offered amendment S-3199, filed by him from the floor to page 1 and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3199 be adopted?" (S.F. 440), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Brunkhorst
Connolly	Courtney	Dearden	Dotzler
Dvorsky	Fraise	Gronstal	Hatch
Holveck	Horn	Kibbie	Kreiman
McCoy	Quirmbach	Ragan	Stewart
Warnstadt			

Nays, 28:

Angelo	Behn	Boettger	Drake
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Larson
Lundby	McKibben	McKinley	Miller
Putney	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 1:

Lamberti

Amendment S-3199 lost.

Senator Connolly offered amendment S-3201, filed by him from the floor to page 1 and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3201 be adopted?" (S.F. 440), the vote was:

Yeas, 18:

Beall	Black	Connolly	Courtney
Dearden	Dotzler	Fraise	Gronstal
Hatch	Holveck	Horn	Hosch
Kibbie	Kreiman	McCoy	Ragan
Stewart	Warnstadt		

Nays, 31:

Angelo	Behn	Boettger	Bolkcom
Brunkhorst	Drake	Dvorsky	Gaskill
Houser	Iverson	Johnson	Kettering
Kramer	Larson	Lundby	McKibben
McKinley	Miller	Putney	Quirmbach
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, 1:

Lamberti

Amendment S-3201 lost.

President Pro Tempore Angelo took the chair at 4:25 p.m.

Senator McKinley moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 440), the vote was:

Yeas, 36:

Angelo	Behn	Boettger	Brunkhorst
Courtney	Dotzler	Drake	Fraise
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Veenstra	Warnstadt	Wieck	Zieman

Nays, 14:

Beall	Black	Bolkcom	Connolly
Dearden	Dvorsky	Gaskill	Gronstal

Holveck  
Stewart

McCoy  
Tinsman

Quirnbach

Ragan

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 440** and **House Files 170, 344, and 349** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 509, 397, 502, and 389.

#### House File 509

On motion of Senator Houser, **House File 509**, a bill for an act relating to deer and elk chronic wasting disease by establishing a task force and requiring departmental cooperation in the implementation of a chronic wasting disease administrative strategy, and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 509), the vote was:

Yeas, 50:

Angelo  
Boettger  
Courtney  
Dvorsky  
Hatch  
Houser  
Kibbie

Beall  
Bolkcom  
Dearden  
Fraise  
Holveck  
Iverson  
Kramer

Behn  
Brunkhorst  
Dotzler  
Gaskill  
Horn  
Johnson  
Kreiman

Black  
Connolly  
Drake  
Gronstal  
Hosch  
Kettering  
Lamberti

Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 397

On motion of Senator Larson, **House File 397**, a bill for an act relating to community development block grants to the department of economic development and including effective and retroactive applicability dates, with report of committee recommending passage, was taken up for consideration.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 397), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 502

On motion of Senator Johnson, **House File 502**, a bill for an act relating to damage disclosure statements required for transfer of ownership of motor vehicles and providing a penalty, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 502), the vote was:

Yeas, 40:

Angelo	Beall	Behn	Black
Boettger	Brunckhorst	Courtney	Dearden
Dotzler	Drake	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Kreiman	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt

Nays, 10:

Bolkcom	Connolly	Dvorsky	Fraise
Holveck	Kibbie	McCoy	Seymour
Wieck	Zieman		

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Lamberti, until he returns, on request of Senator Iverson.

## House File 389

On motion of Senator Seymour, **House File 389**, a bill for an act providing for miscellaneous technical and substantive changes relating to controlled and precursor substances, with report of committee recommending passage, was taken up for consideration.

Senator Seymour moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 389), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Lamberti

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 389, 397, 502, and 509** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 390.

**House File 390**

On motion of Senator Putney, **House File 390**, a bill for an act relating to economic development programs for targeted small businesses, with report of committee recommending passage, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 390), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Lamberti

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 547.

**House File 547**

On motion of Senator Johnson, **House File 547**, a bill for an act providing for evidence of financial responsibility filed by commercial pesticide applicators, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Behn offered amendment S-3122, filed by the committee on Agriculture on April 1, 2003, to page 2 and to the title page of the bill, and moved its adoption.

Amendment S-3122 was adopted by a voice vote.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 547), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### IMMEDIATELY MESSAGED

Senator Kramer asked and received unanimous consent that **House Files 390 and 547** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Kramer asked and received unanimous consent to take up for consideration House File 395.

### House File 395

On motion of Senator Redfern, **House File 395**, a bill for an act relating to the extension of credit without discrimination under the consumer credit code, with report of committee recommending passage, was taken up for consideration.

Senator Redfern asked and received unanimous consent that action on **House File 395** be **deferred**.

### UNFINISHED BUSINESS

### Senate File 408

On motion of Senator Veenstra, **Senate File 408**, a bill for an act relating to health care including reimbursement of health care facilities based on resident program eligibility, placed on the Unfinished Business Calendar on April 10, 2003, was taken up for consideration.

President Kramer took the chair at 5:26 p.m.

Senator Veenstra offered amendment S-3144, filed by him on April 7, 2003, striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

Amendment S-3144 was adopted by a voice vote.

Senator Veenstra asked and received unanimous consent that **House File 619** be **substituted** for **Senate File 408**.

### **House File 619**

On motion of Senator Veenstra, **House File 619**, a bill for an act relating to health care including reimbursement of health care facilities based on resident program eligibility and providing effective dates and a contingent effective date, was taken up for consideration.

Senator Gronstal asked and received unanimous consent that action on **House File 619** be **deferred**.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 391.

### **House File 391**

On motion of Senator Sievers, **House File 391**, a bill for an act establishing a pilot program for the development of cogeneration facilities, providing for the development of ratemaking principles and rates for pilot program facilities, and providing for a future repeal, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Angelo offered amendment S-3139, filed by the committee on Commerce on April 3, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3139 was adopted by a voice vote.

Senator Kettering offered amendment S-3179, filed by Senators Kettering, Johnson, and Boettger on April 9, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3179 was adopted by a voice vote.

Senator Sievers moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 391), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 534.

#### **House File 534**

On motion of Senator Brunkhorst, **House File 534**, a bill for an act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Brunkhorst offered amendment S-3097, filed by the committee on Government Oversight on March 26, 2003, to pages 2, 3, 8-11, 13, 30, 63, 107, 114, 118, 130, 179, and 181 of the bill.

Senator Brunkhorst offered amendment S-3185, filed by Senators Brunkhorst and Dvorsky on April 10, 2003, to pages 1, 3, and 4 of amendment S-3097, and moved its adoption.

Amendment S-3185 was adopted by a voice vote.

With the adoption of amendment S-3185 to amendment S-3097, the Chair ruled amendment S-3169, filed by Senators Brunkhorst and Dvorsky on April 8, 2003, to pages 1, 3, and 4 of amendment S-3097, out of order.

Senator Brunkhorst offered amendment S-3205, filed by Senators Brunkhorst and Dvorsky from the floor to pages 3 and 4 of amendment S-3097, and moved its adoption.

Amendment S-3205 was adopted by a voice vote.

Senator Dvorsky asked and received unanimous consent that action on amendment S-3097, as amended, and **House File 534** be **deferred**.

#### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 20.

#### **Senate Resolution 20**

On motion of Senator Houser, **Senate Resolution 20**, a resolution honoring the City of Clarinda on its sesquicentennial year, with report of committee recommending passage, was taken up for consideration.

Senator Houser moved the adoption of Senate Resolution 20, which motion prevailed by a voice vote.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 22.

**Senate Resolution 22**

On motion of Senator Rehberg, **Senate Resolution 22**, a resolution relating to support of Best Buddies Iowa and urging continued federal funding of the program, with report of committee recommending passage, was taken up for consideration.

Senator Rehberg moved the adoption of Senate Resolution 22, which motion prevailed by a voice vote.

BUSINESS PENDING

**House File 395**

The Senate resumed consideration of **House File 395**, a bill for an act relating to the extension of credit without discrimination under the consumer credit code, previously deferred.

Senator Bolcom offered amendment S-3206, filed by Senator Bolcom, et al., from the floor to page 1 and to the title page of the bill.

Senator Redfern raised the point of order that amendment S-3206 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3206, out of order.

Senator Redfern moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 395), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 391 and 395** be **immediately messaged** to the House.

The Senate stood at ease at 6:00 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 6:22 p.m., President Pro Tempore Angelo presiding.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Houser, until he returns, on request of Senator Iverson.

## BUSINESS PENDING

**House File 534**

The Senate resumed consideration of **House File 534**, a bill for an act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date, and amendment S-3097, previously deferred.

Senator Brunkhorst moved the adoption of amendment S-3097, as amended.

Amendment S-3097 was adopted by a voice vote.

Senator Brunkhorst moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 534), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Houser

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF RESOLUTIONS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolutions 10, 25, and 26.

**Senate Resolution 10**

On motion of Senator Shull, **Senate Resolution 10**, a resolution to recognize February 12, 2003, as City Day in the State of Iowa, with report of committee recommending passage, was taken up for consideration.

Senator Shull moved the adoption of Senate Resolution 10, which motion prevailed by a voice vote.

**Senate Resolution 25**

On motion of Senator Lundby, **Senate Resolution 25**, a resolution honoring the town of Troy Mills on its sesquicentennial year, with report of committee recommending passage, was taken up for consideration.

Senator Lundby moved the adoption of Senate Resolution 25, which motion prevailed by a voice vote.

**Senate Resolution 26**

On motion of Senator Ragan, **Senate Resolution 26**, a resolution honoring the City of Mason City on its sesquicentennial year, with report of committee recommending passage, was taken up for consideration.

Senator Ragan moved the adoption of Senate Resolution 26, which motion prevailed by a voice vote.

## BUSINESS PENDING

**House File 619**

The Senate resumed consideration of **House File 619**, a bill for an act relating to health care including reimbursement of health care facilities based on resident program eligibility and providing effective dates and a contingent effective date, previously deferred.

Senator Ragan offered amendment S-3207, filed by her from the floor to page 7 of the bill, and moved its adoption.

Amendment S-3207 lost by a voice vote.

Senator Ragan offered amendment S-3209, filed by Senator Ragan, et al., from the floor to pages 8 and 9 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3209 be adopted?" (H.F. 619), the vote was:

Yeas, 23:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Putney	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Nays, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Miller	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, none.

Amendment S-3209 lost.

Senator Holveck offered amendment S-3212, filed by Senator Holveck, et al., from the floor to page 3 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3212 be adopted?" (H.F. 619), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3212 lost.

Senator Veenstra moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 619), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Dearden	Drake	Gaskill	Hosch
Houser	Iverson	Johnson	Kettering
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Redfern
Rehberg	Schuerer	Seymour	Shull

Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Putney
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### WITHDRAWN

Senator Veenstra asked and received unanimous consent that **Senate File 408** be **withdrawn** from further consideration of the Senate.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 534** and **619** be **immediately messaged** to the House.

#### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 14, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 155**, a bill for an act relating to statutory corrections which may adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities, and including effective and retroactive applicability date provisions.

ALSO: That the House has on April 14, 2003, **amended and passed** the following bills in which the concurrence of the House was asked:

**Senate File 172**, a bill for an act relating to the establishment of a public charter school pilot program and providing effective and applicability dates. (S-3211)

**Senate File 397**, a bill for an act relating to the issuance of free hunting licenses for antlerless deer, providing for the disposition of harvested deer meat to public institutions, and providing a penalty. (S-3210)

ALSO: That the House has on April 14, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 654**, a bill for an act relating to the exemption of sand handling and core and mold making equipment used in the mold making process from sales and use taxes, providing refunds, and including effective and retroactive applicability date provisions.

Read first time and referred to committee on **Ways and Means**.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 7:27 p.m. until 8:30 a.m. Tuesday, April 15, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Frances Gordon, Sioux City — For celebrating your 93rd birthday on April 2, 2003. Senator Warnstadt (4/14/03).

Kyle Haganman, Osage — For achieving the rank of Eagle Scout. Senator Ragan (4/14/03).

Laurie Hunstad, Bettendorf — For achieving the highest award for Senior Girl Scouts, "The Gold Award." Senator Stewart (4/14/03).

Kathryn Kisner, Davenport — For achieving the highest award for Senior Girl Scouts, "The Gold Award." Senator Stewart (4/14/03).

Elsie McHugh, Sheffield — For celebrating your 93rd birthday on April 14, 2003. Senator Ragan (4/14/03).

Florence Nelson, Sioux City — For celebrating your 91st birthday on April 19, 2003. Senator Warnstadt (4/14/03).

Matthew Nicholson, Osage — For achieving the rank of Eagle Scout. Senator Ragan (4/14/03).

David Schulte, Sioux City — For celebrating your 98th birthday on April 30, 2003. Senator Warnstadt (4/14/03).

### INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 16**, by committee on Agriculture, a concurrent resolution requesting that the United States Congress immediately enact the Transparency for Independent Livestock Producers Act, in order to provide independent producers a guaranteed share in the marketplace by making improvements to the mandatory price reporting system, as provided in Senate Bill 325 introduced by the Honorable Senator Charles E. Grassley of Iowa.

Read first time under Rule 28 and **placed on calendar.**

## INTRODUCTION OF BILLS

**Senate File 445**, by committee on Ways and Means, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date.

Read first time under Rule 28 and **placed on Ways and Means calendar.**

**Senate File 446**, by committee on Government Oversight, a bill for an act relating to the regulation of dogs, and providing for penalties.

Read first time under Rule 28 and **placed on calendar.**

## STUDY BILLS RECEIVED

### **SSB 1200      Ways and Means**

Relating to the rewriting of the state sales and use tax provisions, providing penalties, and incorporating provisions of the streamlined sales and use tax agreement and including an effective date.

### **SSB 1201      Government Oversight**

Establishing a planning group for restructuring or consolidating the departments of human services and public health and providing an effective date.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate Resolution 33**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **SSB 1200**

WAYS AND MEANS: McKibben, Chair; McKinley and Bolkcom

**SSB 1201**

GOVERNMENT OVERSIGHT: Lundby, Chair; Brunkhorst and Courtney

**COMMITTEE REPORTS****AGRICULTURE**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 16 (SSB 1197), a concurrent resolution requesting that the United States Congress immediately enact the Transparency for Independent Livestock Producers Act, in order to provide independent producers a guaranteed share in the marketplace by making improvements to the mandatory price reporting system, as provided in Senate Bill 325 introduced by the Honorable Senator Charles E. Grassley of Iowa.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 15: Behn, Hosch, Fraise, Angelo, Black, Courtney, Gaskill, Houser, Johnson, Kibbie, Putney, Ragan, Seng, Veenstra, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**GOVERNMENT OVERSIGHT**

**Final Bill Action:** SENATE FILE 446 (SSB 1195), a bill for an act relating to the regulation of dogs, and providing for penalties.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 5: Lundby, Brunkhorst, Courtney, Dvorsky, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**WAYS AND MEANS**

**Final Bill Action:** SENATE FILE 445 (formerly SF 314), a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: McKibben, Shull, Bolkom, Angelo, Hosch, Lamberti, Larson, McCoy, McKinley, Rehberg, Seng, Sievers, and Stewart. Nays, 2: Dotzler and Quirmbach. Absent, 2: Connolly and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## BILLS SIGNED BY THE GOVERNOR

A communication was received announcing that on April 11, 2003, the Governor approved and transmitted to the Secretary of State the following resolution and bills:

S.J.R. 1 – Authorizing the temporary use and consumption of wine in the State Capitol in conjunction with the awards ceremony of the World Food Prize Foundation.

S.F. 134 – Relating to the various duties of the county treasurer and providing an effective date.

S.F. 224 – Relating to appeals filed in child in need of assistance and termination of parental rights proceedings.

S.F. 401 – Relating to tobacco retailers and providing penalties and providing applicability provisions and an effective date.

S.F. 436 – Making a supplemental appropriation to the Environment First Fund from the cash reserve fund and including an effective date.

### ALSO:

A communication was received announcing that on April 14 2003, the Governor approved and transmitted to the Secretary of State the following bill:

S.F. 237 – Relating to fees charged to certain private water supply contractors, establishing a private water supply system account within the Water Quality Protection fund, and appropriating moneys in the account.

## EXPLANATION OF VOTES

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on April 10, 2003, when the votes were taken on the Individual Confirmations on the appointments of William Brand, Mark Haverland, and Ruth Mosher. Had I been present, I would have voted “Yea” on all. In addition, I was necessarily absent when the votes were taken on amendments S-3186, S-3188, S-3189, S-3191, and House Files 404, 411, 412, 505, 516, and 567. Had I been present, I would have voted “Yea” on all. Also, I was necessarily absent when the vote was taken on House File 662. Had I been present, I would have voted “Nay.”

MIKE CONNOLLY

## AMENDMENTS FILED

S-3197	S.F.	369	Neal Schuerer Hubert Houser John P. Kibbie
S-3198	S.F.	332	Neal Schuerer Jeff Lamberti Bryan J. Sievers Mary A. Lundby
S-3199	S.F.	440	Steve Warnstadt
S-3200	S.F.	440	Mike Connolly
S-3201	S.F.	440	Mike Connolly
S-3202	S.F.	404	Bob Brunkhorst
S-3203	H.F.	386	Jack Holveck Jerry Behn
S-3204	H.F.	65	Bob Brunkhorst William Dotzler Jeff Lamberti Bryan J. Sievers Ron Wieck Wally E. Horn Thomas G. Courtney Herman C. Quirmbach Mark Zieman
S-3205	H.F.	534	Bob Brunkhorst Robert E. Dvorsky
S-3206	H.F.	395	Joe Bolkcom Steve Warnstadt Thomas G. Courtney Herman C. Quirmbach
S-3207	H.F.	619	Amanda Ragan
S-3208	H.F.	386	Maggie Tinsman Jerry Behn
S-3209	H.F.	619	Amanda Ragan Dennis H. Black John P. Kibbie Jack Hatch Thomas G. Courtney Jack Holveck Joe Bolkcom

			Joe M. Seng
			Herman C. Quirnbach
			Steve Warnstadt
			Keith Kreiman
			Daryl Beall
			Matt McCoy
			William Dotzler
			Roger Stewart
			Robert E. Dvorsky
			Mike Connolly
			Dick L. Dearden
			Wally E. Horn
			Eugene S. Fraise
			Michael E. Gronstal
S-3210	S.F.	397	House
S-3211	S.F.	172	House
S-3212	H.F.	619	Jack Holveck
			Dick L. Dearden
			Joe M. Seng
			Robert E. Dvorsky
			Wally E. Horn
			John P. Kibbie
			Eugene S. Fraise
			Keith Kreiman
			Amanda Ragan
			Dennis H. Black
			Matt McCoy
			Herman C. Quirnbach
			Steve Warnstadt
			Thomas G. Courtney
			Roger Stewart
			William Dotzler
			Joe Bolkcom
			Jack Hatch
S-3213	S.F.	352	Charles W. Larson, Jr.
			Steve Warnstadt

# JOURNAL OF THE SENATE

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NINETY-THIRD CALENDAR DAY  
FIFTY-FOURTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, April 15, 2003

The Senate met in regular session at 8:35 a.m., President Kramer presiding.

Prayer was offered by Bishop Alan Scarfe, pastor of the Episcopal Church of Iowa in Des Moines, Iowa. He was the guest of Senator Tinsman.

The Journal of Monday, April 14, 2003, was approved.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Hatch and McCoy, until they arrive, on request of Senator Gronstal.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 480.

### House File 480

On motion of Senator Boettger, **House File 480**, a bill for an act relating to the shelter assistance fund, with report of committee recommending passage, was taken up for consideration.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 480), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Hatch                      McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 446 and 380.

### House File 446

On motion of Senator Behn, **House File 446**, a bill for an act relating to dealership agreements, and providing for the Act's applicability, with report of committee recommending passage, was taken up for consideration.

Senator Behn moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 446), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 380

On motion of Senator Johnson, **House File 380**, a bill for an act providing for the administration of funds for animal agriculture, including moneys transferred from and deposited into these funds, and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 380), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti

Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 380, 446, and 480** be **immediately messaged** to the House.

### CONFIRMATION OF GOVERNOR'S APPOINTMENT (Individual Confirmation Calendar)

Senator Iverson called up the appointment of Charlotte Nelson, as Administrator of the Division on the Status of Women, placed on the Individual Confirmation Calendar on April 8, 2003, and found on page 837 of the Senate Journal.

Senator Tinsman moved that the foregoing appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan

Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

The Senate stood at ease at 9:01 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:43 a.m., President Kramer presiding.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 392, 557, 584, and 634.

#### **House File 392**

On motion of Senator Larson, **House File 392**, a bill for an act relating to economic growth strategic planning, with report of committee recommending passage, was taken up for consideration.

Senator Kreiman offered amendment S-3214, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3214 lost by a voice vote.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 392), the vote was:

Yeas, 43:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Dearden	Dotzler
Drake	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Wieck	Zieman	

Nays, 7:

Bolkcom	Connolly	Courtney	Dvorsky
Holveck	Quirnbach	Warnstadt	

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 557

On motion of Senator Tinsman, **House File 557**, a bill for an act relating to liability of certain health care facilities and health care providers participating in the volunteer health care provider program, with report of committee recommending passage, was taken up for consideration.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 557), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben

McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 584

On motion of Senator Miller, **House File 584**, a bill for an act providing for exceptions to municipal tort liability for certain activities, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Miller offered amendment S-3127, filed by the committee on Judiciary on April 2, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3127 was adopted by a voice vote.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 584), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart

Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 1:

Quirmbach

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 634

On motion of Senator Zieman, **House File 634**, a bill for an act relating to the conversion of cooperative associations originally organized as business corporations, with report of committee recommending passage, was taken up for consideration.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 634), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Gaskill asked and received unanimous consent that **House Files 392, 557, 584, and 634** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Regular Calendar)

Senator Gaskill asked and received unanimous consent to take up for consideration House File 648.

**House File 648**

On motion of Senator Johnson, **House File 648**, a bill for an act relating to the consolidation of the management of state archives and records and making conforming changes, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 648), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

**CONSIDERATION OF BILL**  
(Regular Calendar)

Senator Gaskill asked and received unanimous consent to take up for consideration House File 529.

**House File 529**

On motion of Senator Tinsman, **House File 529**, a bill for an act directing the mental health and developmental disabilities commission to make recommendations for redesigning the mental health and developmental disabilities services system for adults and children and providing an effective date, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Tinsman offered amendment S-3166, filed by the committee on Human Resources on April 8, 2003, to pages 1, 2, 4, and to the title page of the bill, and moved its adoption.

Amendment S-3166 was adopted by a voice vote.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 529), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers

Stewart  
Wieck

Tinsman  
Zieman

Veenstra

Warnstadt

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

President Pro Tempore Angelo took the chair at 11:30 a.m.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Kramer, until she returns, on request of Senator Gaskill.

### UNFINISHED BUSINESS

#### **Senate File 352**

On motion of Senator Larson, **Senate File 352**, a bill for an act relating to the training of an individual who intends to become certified as a law enforcement officer, placed on the Unfinished Business Calendar on April 10, 2003, was taken up for consideration.

Senator Larson offered amendment S-3213, filed by Senators Larson and Warnstadt on April 14, 2003, striking everything after the enacting clause of the bill, and moved its adoption.

Amendment S-3213 was adopted by a voice vote.

With the adoption of amendment S-3213, the Chair ruled amendment S-3054, filed by Senator Kreiman on March 18, 2003, to page 1 of the bill, out of order.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 352), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Kramer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Gaskill asked and received unanimous consent that **Senate File 352** and **House Files 529** and **648** be **immediately messaged** to the House.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Gaskill asked and received unanimous consent to take up for consideration House Files 551, 604, and 616.

### House File 551

On motion of Senator Tinsman, **House File 551**, a bill for an act providing for a fee for transporting an inmate for medical or dental care, with report of committee recommending passage, was taken up for consideration.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 551), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 1:

Holveck

Absent, 1:

Kramer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 604

On motion of Senator Johnson, **House File 604**, a bill for an act requiring state government annual reports made to the general assembly to include certain financial information, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 604), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Kramer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## House File 616

On motion of Senator Stewart, **House File 616**, a bill for an act prohibiting a cancellation penalty upon cancellation of a purchase agreement for cemetery merchandise, funeral merchandise, and funeral services, with report of committee recommending passage, was taken up for consideration.

Senator Stewart moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 616), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kreiman	Lamberti	Larson

Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Kramer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Sievers asked and received unanimous consent that **House Files 551, 604, and 616** be **immediately messaged** to the House.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Sievers asked and received unanimous consent to take up for consideration House File 583.

### House File 583

On motion of Senator Drake, **House File 583**, a bill for an act relating to governmental ethics disclosure reports, including reports related to receptions for members of the general assembly during session detailing food, beverage, and entertainment received by public officials and public employees, and reports filed by clients of lobbyists before the general assembly and the executive branch pertaining to moneys paid for lobbying purposes, with report of committee recommending passage, was taken up for consideration.

Senator Holveck asked and received unanimous consent that action on **House File 583** be **deferred**.

## RECESS

On motion of Senator Boettger, the Senate recessed at 11:58 a.m. until 1:30 p.m.

## AFTERNOON SESSION

The Senate reconvened at 1:30 p.m., President Pro Tempore Angelo presiding.

## QUORUM CALL

Senator Sievers requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 40 present, 10 absent, and a quorum present.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 15, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 3**, a bill for an act relating to the inclusion of certain information in a termination of pregnancy report.

**Senate File 119**, a bill for an act relating to real estate appraiser certification.

**Senate File 201**, a bill for an act relating to a review of statistical information compiled by the board of educational examiners from Praxis II examinations administered to initial, provisional teaching license applicants.

**Senate File 236**, a bill for an act relating to the time periods that unclaimed demutualization proceeds and wages are presumed to be abandoned and providing an effective date.

**Senate File 303**, a bill for an act relating to the contents of certain child abuse assessment reports.

ALSO: That the House has on April 15, 2003, **adopted** the following resolution in which the concurrence of the Senate is asked:

**House Concurrent Resolution 19**, a concurrent resolution urging congressional adoption of a free trade agreement between Taiwan and the United States.

Read first time and **attached to companion Senate Concurrent Resolution 14**.

#### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Holveck and McCoy, until they return, on request of Senator Gronstal.

#### CONFIRMATION OF GOVERNOR'S APPOINTMENT (Individual Confirmation Calendar)

Senator Iverson called up the interim appointment of Neala Arnold, as a member of the State Board of Regents, placed on the Individual Confirmation Calendar on March 12, 2003, and found on page 468 of the Senate Journal.

Senator Redfern moved that the foregoing interim appointment be confirmed by the Senate.

On the question "Shall the appointee be confirmed?" the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Lundby
McKibben	McKinley	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull

Sievers  
Warnstadt

Stewart  
Wieck

Tinsman  
Zieman

Veenstra

Nays, 1:

Larson

Absent, 2:

Holveck

McCoy

The appointee, having received a two-thirds vote, was declared to have been confirmed by the Senate.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 65.

#### **House File 65**

On motion of Senator Redfern, **House File 65**, a bill for an act relating to motor vehicle operating while intoxicated offenses, with report of committee recommending passage, was taken up for consideration.

Senator Miller withdrew amendment S-3036, filed by him on March 17, 2003, to page 1 and to the title page of the bill.

Senator Miller offered amendment S-3177, filed by him on April 8, 2003, to page 1 and to the title page of the bill.

Senator Redfern raised the point of order that amendment S-3177 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3177 out of order.

Senator Miller asked and received unanimous consent to withdraw amendment S-3037, filed by Senators Miller and Brunkhorst on March 17, 2003, to pages 1, 2, and 6 of the bill.

Senator Miller offered amendment S-3074, filed by Senators Miller and Brunkhorst on March 20, 2003, to pages 1 and 2 of the bill.

Senator Redfern raised the point of order that amendment S-3074 was not germane to the bill.

The Chair ruled the point not well-taken and amendment S-3074 in order.

Senator Miller moved the adoption of amendment S-3074.

A record roll call was requested.

On the question "Shall amendment S-3074 be adopted?" (H.F. 65), the vote was:

Yeas, 22:

Black	Brunkhorst	Courtney	Dearden
Dotzler	Dvorsky	Fraise	Hatch
Horn	Houser	Kibbie	Lamberti
Lundby	McCoy	McKinley	Miller
Rehberg	Seng	Seymour	Tinsman
Veenstra	Wieck		

Nays, 28:

Angelo	Beall	Behn	Boettger
Bolkcom	Connolly	Drake	Gaskill
Gronstal	Holveck	Hosch	Iverson
Johnson	Kettering	Kramer	Kreiman
Larson	McKibben	Putney	Quirnbach
Ragan	Redfern	Schuerer	Shull
Sievers	Stewart	Warnstadt	Zieman

Absent, none.

Amendment S-3074 lost.

President Kramer took the chair at 2:15 p.m.

Senator Redfern offered amendment S-3218, filed by him from the floor to pages 1-6 of the bill.

Senator Redfern asked and received unanimous consent that action on amendment S-3218 be deferred.

Senator Redfern offered amendment S-3215, filed by him from the floor to pages 1-5 of the bill.

Senator Redfern asked and received unanimous consent that action on amendment S-3215 be deferred.

Senator Redfern withdrew amendment S-3216, filed by him from the floor to pages 1-5 of the bill.

Senator McCoy offered amendment S-3028, filed by him on March 5, 2003, to pages 2 and 6 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3028 be adopted?" (H.F. 65), the vote was:

Yeas, 4:

Dearden	Horn	McCoy	Miller
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Nays, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	Lundby
McKibben	McKinley	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Absent, none.

Amendment S-3028 lost.

Senator Brunkhorst offered amendment S-3204, filed by Senator Brunkhorst, et al., on April 14, 2003, to page 2 of the bill.

Senator Redfern raised the point of order that amendment S-3204 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3204 out of order.

The Senate resumed consideration of amendment S-3218, previously deferred.

Senator Redfern withdrew amendment S-3218.

The Senate resumed consideration of amendment S-3215, previously deferred.

Senator Redfern withdrew amendment S-3215.

Senator Redfern moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 65), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Drake	Dvorsky	Fraise
Gaskill	Gronstal	Hatch	Holveck
Hosch	Houser	Iverson	Johnson
Kettering	Kibbie	Kramer	Kreiman
Lamberti	Larson	Lundby	McCoy
McKibben	McKinley	Miller	Putney
Quirmbach	Ragan	Redfern	Rehberg
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 4:

Black	Dotzler	Horn	Schuerer
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Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## CONSIDERATION OF BILLS

Senator Iverson asked and received unanimous consent to take up for consideration House Files 656 and 489.

**House File 656**

(Appropriations Calendar)

On motion of Senator Zieman, **House File 656**, a bill for an act relating to fees charged for special fire fighter motor vehicle registration plates, with report of committee recommending passage, was taken up for consideration.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 656), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

**House File 489**  
(Regular Calendar)

On motion of Senator McKinley, **House File 489**, a bill for an act relating to programs and services under the purview of the department of human services, and providing for retroactive applicability and effective dates, with report of committee recommending passage, was taken up for consideration.

Senator McKinley moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 489), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

BUSINESS PENDING

**House File 583**

The Senate resumed consideration of **House File 583**, a bill for an act relating to governmental ethics disclosure reports, including reports related to receptions for members of the general assembly during session detailing food, beverage, and entertainment received

by public officials and public employees, and reports filed by clients of lobbyists before the general assembly and the executive branch pertaining to moneys paid for lobbying purposes, previously deferred.

Senator Drake moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 583), the vote was:

Yeas, 42:

Angelo	Behn	Black	Boettger
Bolkcom	Brunkhorst	Courtney	Dearden
Dotzler	Drake	Dvorsky	Fraise
Gaskill	Hatch	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Lamberti	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 8:

Beall	Connolly	Gronstal	Holveck
Kreiman	Larson	Quirnbach	Ragan

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 65, 489, 583, and 656** be **immediately messaged** to the House.

The Senate stood at ease at 3:35 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 4:25 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 15, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 394**, a bill for an act relating to the regulation of the grain industry, and making penalties applicable.

**Senate File 395**, a bill for an act relating to assistance services provided to the department of agriculture and land stewardship, including for the filing of documents and the payment of fees and civil penalties, and the authorization to assess additional charges.

ALSO: That the House has on April 15, 2003, **amended and passed** the following bills in which the concurrence of the House was asked:

**Senate File 351**, a bill for an act relating to child care requirements involving prohibitions against involvement with child care, record checks and evaluations performed by the department of human services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable. (S-3219)

**Senate File 379**, a bill for an act relating to certain agricultural liens. (S-3220)

**Senate File 393**, a bill for an act relating to the agricultural development authority by providing for its organization and administration. (S-3225)

**Senate File 396**, a bill for an act providing for the animal unit capacity of pullets for purposes of regulation under the animal agriculture compliance Act. (S-3224)

**Senate File 416**, a bill for an act relating to an emergency shelter and support services demonstration project relating to dependent adults. (S-3223)

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration House Files 204 and 386.

**House File 204**

On motion of Senator Johnson, **House File 204**, a bill for an act relating to massage therapy by providing for a study regarding the modalities associated with massage therapy and providing a temporary exemption from licensure requirements, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 204), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McCoy, until he returns, on request of Senator Gronstal.

**House File 386**

On motion of Senator Behn, **House File 386**, a bill for an act relating to the department of elder affairs including provisions relating to the elder Iowans Act, with report of committee recommending passage, was taken up for consideration.

Senator Tinsman asked and received unanimous consent to withdraw amendment S-3208, filed by Senators Tinsman and Behn on April 14, 2003, to page 5 of the bill.

Senator Tinsman offered amendment S-3222, filed by Senators Tinsman and Behn from the floor to page 5 of the bill, and moved its adoption.

Amendment S-3222 was adopted by a voice vote.

Senator Holveck offered amendment S-3203, filed by Senators Holveck and Behn on April 14, 2003, to page 10 of the bill, and moved its adoption.

Amendment S-3203 was adopted by a voice vote.

Senator Behn moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 386), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti

Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **House Files 204** and **386** be **immediately messaged** to the House.

#### BILL PLACED ON UNFINISHED BUSINESS CALENDAR

Senator Veenstra asked and received unanimous consent that **Senate File 445** be placed on the Unfinished Business Calendar.

#### ADJOURNMENT

On motion of Senator Veenstra, the Senate adjourned at 4:44 p.m. until 8:30 a.m. Wednesday, April 16, 2003.

## APPENDIX

### WITHDRAWAL OF GOVERNOR'S APPOINTEES

The following letters from the Governor were received in the office of the Secretary of the Senate on April 15, 2003:

I submitted the name of Neala Arnold to serve on the State Board of Regents on March 11, 2003. I am withdrawing her name from further consideration by the Senate.

I submitted the name of Janet Carl to serve on the Iowa Ethics and Campaign Disclosure Board on March 15, 2003. I am withdrawing her name from further consideration by the Senate.

Thank you.

Sincerely,  
THOMAS J. VILSACK  
Governor

### GOVERNOR'S DEFERRAL LETTERS

The following letters from the Governor were received in the office of the Secretary of the Senate on April 15, 2003:

Pursuant to Iowa Code section 2.32(4), the reappointment for the State Board of Regents vacancy, formerly held by Neala Arnold, is being deferred because no appropriate candidate has been found for this position at this time.

Pursuant to Iowa Code section 2.32(4), the appointment for the Iowa Ethics and Campaign Disclosure Board vacancy, formerly held by Julie Boeke, is being deferred because no appropriate candidate has been found for this position at this time.

Sincerely,  
THOMAS J. VILSACK  
Governor

### BILL ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bill has been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 15th day of April, 2003:

Senate File 272.

MICHAEL E. MARSHALL  
Secretary of the Senate

## SUBCOMMITTEE ASSIGNMENTS

**House File 541**

WAYS AND MEANS: Connolly, Chair; McKibben and Shull

**House File 650**

WAYS AND MEANS: McCoy, Chair; Lamberti and Larson

**House File 654**

WAYS AND MEANS: Miller, Chair; Dotzler and McKinley

**House File 667**

APPROPRIATIONS: Tinsman, Chair; Hatch and Lamberti

## AMENDMENTS FILED

S-3214	H.F.	392	Keith A. Kreiman
S-3215	H.F.	65	Donald B. Redfern
S-3216	H.F.	65	Donald B. Redfern
S-3217	S.F.	445	Jeff Angelo
S-3218	H.F.	65	Donald B. Redfern
S-3219	S.F.	351	House
S-3220	S.F.	379	House
S-3221	H.F.	565	Jack Hatch
S-3222	H.F.	386	Maggie Tinsman Jerry Behn
S-3223	S.F.	416	House
S-3224	S.F.	396	House
S-3225	S.F.	393	House
S-3226	S.F.	441	Joe Bolkcom Larry McKibben Steve Warnstadt
S-3227	S.F.	445	Jeff Angelo
S-3228	H.F.	560	Maggie Tinsman
S-3229	H.F.	614	John P. Kibbie Mike Connolly Dick L. Dearden Dennis H. Black Amanda Ragan Thomas G. Courtney

# JOURNAL OF THE SENATE

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NINETY-FOURTH CALENDAR DAY  
FIFTY-FIFTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, April 16, 2003

The Senate met in regular session at 8:34 a.m., President Kramer presiding.

Prayer was offered by the Reverend Kevin Gingerich, pastor of the United Methodist Church in Bloomfield, Iowa. He was the guest of Senator Kreiman.

The Journal of Tuesday, April 15, 2003, was approved.

The Senate stood at ease at 8:45 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:30 a.m., President Kramer presiding.

## UNFINISHED BUSINESS

### **Senate File 421**

On motion of Senator Putney, **Senate File 421**, a bill for an act regulating farm deer, providing for penalties, and providing an effective date, placed on the Unfinished Business Calendar on April 10, 2003, was taken up for consideration.

Senator Putney asked and received unanimous consent that **House File 624** be **substituted** for **Senate File 421**.

## House File 624

On motion of Senator Putney, **House File 624**, a bill for an act regulating farm deer, providing for penalties, and providing an effective date, was taken up for consideration.

Senator Putney offered amendment S-3232, filed by Senators Putney and Fraise from the floor to pages 2-5 and 7 of the bill, and moved its adoption.

Amendment S-3232 was adopted by a voice vote.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 624), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Putney asked and received unanimous consent that **Senate File 421** be **withdrawn** from further consideration of the Senate.

UNFINISHED BUSINESS  
(Deferred April 14, 2003)

**House File 545**

The Senate resumed consideration of **House File 545**, a bill for an act relating to the requirements for newspapers designated for official publication purposes, deferred April 14, 2003.

Senator Beall moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 545), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 545 and 624** be **immediately messaged** to the House.

CONSIDERATION OF BILLS  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 647 and 641.

**House File 647**

On motion of Senator Wieck, **House File 647**, a bill for an act relating to insurance, including various filing and information privacy requirements throughout the insurance code, calculation of assessments by the Iowa individual health benefit reinsurance association, payment of certain insurance fees, certain self-funded insurance plans by school corporations or political subdivisions, designation of the commissioner of insurance as process agent for various entities conducting insurance business in this state, notification provisions relating to the effective date of cancellation of insurance, beneficial stock ownership filings, funding agreements, creating an insurable interest in active or retired employee lives for the benefit of an employer, providing for an interstate insurance product regulation compact, and providing for retroactive applicability and an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Wieck moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 647), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering

Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 641

On motion of Senator Seymour, **House File 641**, a bill for an act providing for changes relating to programs under the purview of the Iowa department of public health, with report of committee recommending passage, was taken up for consideration.

Senator Schuerer asked and received unanimous consent to withdraw amendment S-3230, filed by Senators Schuerer and Hatch from the floor to page 1 of the bill.

Senator Seymour moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 641), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration House Files 603 and 628.

#### **House File 603**

On motion of Senator Black, **House File 603**, a bill for an act providing an exception to licensing requirements for certain bingo occasions conducted by nonprofit organizations, with report of committee recommending passage, was taken up for consideration.

Senator Black moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 603), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 628

On motion of Senator Veenstra, **House File 628**, a bill for an act relating to physician assistant licensure, and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Veenstra moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 628), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **House Files 603, 628, 641, and 647** be **immediately messaged** to the House.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Connolly, until he returns, on request of Senator Gronstal.

## CONSIDERATION OF BILLS (Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration House Files 617 and 493.

### House File 617

On motion of Senator Zieman, **House File 617**, a bill for an act requiring that dealers of certain swine file evidence of financial responsibility with the department of agriculture and land stewardship, with report of committee recommending passage, was taken up for consideration.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 617), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wick
Zieman			

Nays, none.

Absent, 1:

Connolly

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### House File 493

On motion of Senator Hosch, **House File 493**, a bill for an act relating to the powers and duties of the department of agriculture and land stewardship by providing for the elimination of administrative requirements, with report of committee recommending passage, was taken up for consideration.

Senator Hosch moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 493), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **House Files 493** and **617** be **immediately messaged** to the House.

## RECESS

On motion of Senator Boettger, the Senate recessed at 11:36 a.m. until the completion of a meeting of the committee on Appropriations.

## RECONVENED

The Senate reconvened at 4:47 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 15, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 340**, a bill for an act relating to business entities, based on revisions related to the Iowa business corporation Act, including addition of a savings clause and addition of provisions related to director and officer liability, duty, and indemnification for certain insurance companies and indemnification for cooperative associations.

ALSO: That the House has on April 16, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 221**, a bill for an act relating to the criminal offense of sexual exploitation of a minor.

**Senate File 361**, a bill for an act relating to emergency procedures for the temporary detention and treatment of persons who are incapacitated or impaired due to substance abuse or mental health problems.

ALSO: That the House has on April 16, 2003, **amended and passed** the following bills in which the concurrence of the House was asked:

**Senate File 392**, a bill for an act relating to the animal agriculture compliance Act, providing for penalties, and providing an effective date. (S-3243)

**Senate File 439**, a bill for an act relating to and making appropriations to the justice system and providing an effective date. (S-3242)

### QUORUM CALL

Senator Boettger requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 40 present, 10 absent, and a quorum present.

### UNFINISHED BUSINESS

#### **Senate File 445**

On motion of Senator Angelo, **Senate File 445**, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date, placed on the Unfinished Business Calendar on April 15, 2003, was taken up for consideration.

Senator Redfern offered amendment S-3233, filed by Senators Redfern, Johnson, and Dvorsky from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 14, nays 28.

Amendment S-3233 lost.

Senator Kreiman offered amendment S-3239, filed by Senators Kreiman and Kibbie from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 11, nays 30.

Amendment S-3239 lost.

Senator Redfern offered amendment S-3238, filed by Senators Redfern, Johnson, and Dvorsky from the floor to pages 1, 4, and 12 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 17, nays 26.

Amendment S-3238 lost.

Senator Wieck offered amendment S-3234, filed by him from the floor to page 1 of the bill.

Senator Connolly asked and received unanimous consent that action on amendment S-3234 be deferred.

Senator Angelo offered amendment S-3217, filed by him on April 15, 2003, to page 1 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3217 be adopted?" (S.F. 445), the vote was:

Rule 23, requiring all senators present to vote except those who express a conflict of interest, was invoked.

Yeas, 24:

Angelo	Beall	Boettger	Brunkhorst
Courtney	Dearden	Fraise	Holveck
Hosch	Houser	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
McKinley	Putney	Quirnbach	Seng
Seymour	Tinsman	Veenstra	Zieman

Nays, 26:

Behn	Black	Bolkcom	Connolly
Dotzler	Drake	Dvorsky	Gaskill
Gronstal	Hatch	Horn	Iverson
Larson	Lundby	McCoy	McKibben
Miller	Ragan	Redfern	Rehberg
Schuerer	Shull	Sievers	Stewart
Warnstadt	Wieck		

Absent, none.

Amendment S-3217 lost.

Senator Warnstadt offered amendment S-3237, filed by him from the floor to pages 5-11 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 14, nays 28.

Amendment S-3237 lost.

Senator Warnstadt withdrew amendment S-3240, filed by him from the floor to pages 5-11 of the bill.

Senator Boettger took the chair at 6:10 p.m.

Senator Warnstadt offered amendment S-3231, filed by him from the floor to pages 6 and 9 of the bill, and moved its adoption.

Amendment S-3231 lost by a voice vote.

Senator Angelo offered amendment S-3227, filed by him on April 15, 2003, to page 11 of the bill, and moved its adoption.

Amendment S-3227 was adopted by a voice vote.

Senator Wieck offered amendment S-3247, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3247 was adopted by a voice vote.

With the adoption of amendment S-3247, the Chair ruled amendment S-3234, previously deferred, out of order.

President Kramer took the chair at 6:21 p.m.

Senator Kreiman offered amendment S-3246, filed by him from the floor to page 4 of the bill.

Senator Kreiman withdrew amendment S-3246.

Senator Kreiman offered amendment S-3244, filed by him from the floor to page 10 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 16, nays 28.

Amendment S-3244 lost.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 445), the vote was:

Yeas, 33:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Connolly	Courtney
Drake	Fraise	Gaskill	Hosch
Houser	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lundby	McKibben
McKinley	Miller	Putney	Ragan
Rehberg	Seng	Seymour	Shull
Sievers	Stewart	Veenstra	Wieck
Zieman			

Nays, 17:

Bolkcom	Dearden	Dotzler	Dvorsky
Gronstal	Hatch	Holveck	Horn
Iverson	Lamberti	Larson	McCoy
Quirnbach	Redfern	Schuerer	Tinsman
Warnstadt			

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 445** be **immediately messaged** to the House.

ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 7:08 p.m. until 8:30 a.m. Thursday, April 17, 2003.

## APPENDIX

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS

**Convened:** April 16, 2003, 2:45 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman.

**Members Absent:** None.

**Committee Business:** Approved SSB 1196 and passed HF 667.

**Adjourned:** 4:45 p.m.

#### WAYS AND MEANS

**Convened:** April 16, 2003, 1:05 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Approved SSBs 1156 and 1198. Passed SFs 360 and 437 and HFs 541, 650 (as amended), and 654.

**Adjourned:** 2:40 p.m.

### INTRODUCTION OF RESOLUTION

**Senate Resolution 34**, by Angelo and McKinley, a resolution urging the United States Postal Service to issue a commemorative postage stamp honoring America's coal miners.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILLS

**Senate File 447**, by committee on Ways and Means, a bill for an act relating to the state sales and use tax exemption for the use of sorbents in processing.

Read first time under Rule 28 and **placed on Ways and Means calendar.**

**Senate File 448**, by committee on Ways and Means, a bill for an act relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees.

Read first time under Rule 28 and **placed on Ways and Means calendar.**

**Senate File 449**, by committee on Ways and Means, a bill for an act providing a wind energy production tax credit under the individual and corporate income taxes, the franchise tax, and insurance premiums tax and including an applicability date provision.

Read first time under Rule 28 and **placed on Ways and Means calendar.**

**Senate File 450**, by committee on Ways and Means, a bill for an act relating to charitable contributions and historical rehabilitation by establishing a community development program to provide tax credits for businesses contributing to community development projects to aid certain neighborhoods and communities; by establishing an endow Iowa seed grants program to aid local philanthropic entities and providing tax credits; by allowing the transfer of certain historical rehabilitation and housing tax credits; and by establishing an individual income tax credit for contributions to certain qualified endowments; and including effective and retroactive applicability date provisions.

Read first time under Rule 28 and **placed on Ways and Means calendar.**

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** HOUSE FILE 667, a bill for an act relating to and making appropriations for health and human services to the department of elder affairs, the Iowa department of public health, the department of inspections and appeals, the department of human services, and the commission of veterans affairs, and providing effective dates.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: Lamberti, Kramer, Behn, Gaskill, Houser, McKibben, McKinley, Miller, Schuerer, Seymour, Shull, Sievers, Tinsman, Veenstra, and Zieman. Nays, 8: Dvorsky, Bolkom, Connolly, Fraise, Hatch, Horn, Seng, and Warnstadt. Absent, 2: Black and Dotzler.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### WAYS AND MEANS

**Final Bill Action:** SENATE FILE 447 (SSB 1156), a bill for an act relating to the state sales and use tax exemption for the use of sorbents in processing.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: McKibben, Shull, Angelo, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Rehberg, and Sievers. Nays, 6: Bolkom, Connolly, Dotzler, Quirmbach, Seng, and Stewart. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### ALSO:

**Final Bill Action:** SENATE FILE 448 (formerly SF 360), a bill for an act relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 17: McKibben, Shull, Bolkom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 449 (formerly SF 437), a bill for an act providing a wind energy production tax credit under the individual and corporate income taxes, the franchise tax, and insurance premiums tax and including an applicability date provision.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 13: McKibben, Shull, Angelo, Dotzler, Hosch, Larson, McCoy, McKinley, Miller, Rehberg, Seng, Sievers, and Stewart. Nays, 2: Bolkcom and Quirmbach. Absent, 2: Connolly and Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 450 (SSB 1198), a bill for an act relating to charitable contributions and historical rehabilitation by establishing a community development program to provide tax credits for businesses contributing to community development projects to aid certain neighborhoods and communities; by establishing an endow Iowa seed grants program to aid local philanthropic entities and providing tax credits; by allowing the transfer of certain historical rehabilitation and housing tax credits; and by establishing an individual income tax credit for contributions to certain qualified endowments; and including effective and retroactive applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 17: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 541, a bill for an act relating to the fee and use of fee for a certificate of birth.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: Larson and McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 650, a bill for an act relating to the assessment of a correctional fee by a county or municipality, and to the prosecution of certain criminal offenses committed in a municipality located in two or more counties.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3245.

**Final Vote:** Ayes, 17: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 654, a bill for an act relating to the exemption of sand handling and core and mold making equipment used in the mold making process from sales and use taxes, providing refunds, and including effective and retroactive applicability date provisions.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 13: McKibben, Shull, Angelo, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Rehberg, Seng, Sievers, and Stewart. Nays, 4: Bolkcom, Connolly, Dotzler, and Quirmbach. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AMENDMENTS FILED

S-3230	H.F.	641	Neal Schuerer Jack Hatch
S-3231	S.F.	445	Steve Warnstadt
S-3232	H.F.	624	John Putney Eugene S. Fraise
S-3233	S.F.	445	Donald B. Redfern David Johnson Robert E. Dvorsky
S-3234	S.F.	445	Ron Wieck
S-3235	H.F.	394	Steve Warnstadt
S-3236	H.F.	595	Keith A. Kreiman
S-3237	S.F.	445	Steve Warnstadt
S-3238	S.F.	445	Donald B. Redfern David Johnson Robert E. Dvorsky

S-3239	S.F.	445	Keith A. Kreiman John P. Kibbie
S-3240	S.F.	445	Steve Warnstadt
S-3241	S.F.	433	Herman C. Quirmbach
S-3242	S.F.	439	House
S-3243	S.F.	392	House
S-3244	S.F.	445	Keith A. Kreiman
S-3245	H.F.	650	Ways and Means
S-3246	S.F.	445	Keith A. Kreiman
S-3247	S.F.	445	Ron Wieck

# JOURNAL OF THE SENATE

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NINETY-FIFTH CALENDAR DAY  
FIFTY-SIXTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, April 17, 2003

The Senate met in regular session at 8:38 a.m., President Pro Tempore Angelo presiding.

Prayer was offered by the Reverend Kevin Korver, pastor of the Third Reformed Church in Pella, Iowa. He was the guest of Senator McKinley.

The Journal of Wednesday, April 16, 2003, was approved.

## QUORUM CALL

Senator Iverson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 38 present, 12 absent, and a quorum present.

The Senate stood at ease at 9:05 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:12 a.m., President Kramer presiding.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 394.

## House File 394

On motion of Senator Shull, **House File 394**, a bill for an act relating to the purposes of the community attraction and tourism program, with report of committee recommending passage, was taken up for consideration.

Senator Gronstal asked and received unanimous consent that action on **House File 394** be **deferred**.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Schuerer, until he arrives, on request of Senator Boettger.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 560.

## House File 560

On motion of Senator Tinsman, **House File 560**, a bill for an act relating to medical assistance home and community-based services waivers, with report of committee recommending passage, was taken up for consideration.

Senator Tinsman offered amendment S-3228, filed by her on April 15, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3228 was adopted by a voice vote.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 560), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Schuerer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILLS (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Files 644 and 594.

#### **House File 644**

On motion of Senator Angelo, **House File 644**, a bill for an act providing for manure application requirements, providing for fees, making penalties applicable, and providing an effective date, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Angelo offered amendment S-3195, filed by the committee on Agriculture on April 10, 2003, to pages 3 and 6 of the bill, and moved its adoption.

Amendment S-3195 was adopted by a voice vote.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 644), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Schuerer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Beall, until he returns, on request of Senator Gronstal.

President Pro Tempore Angelo took the chair at 10:35 a.m.

### House File 594

On motion of Senator Shull, **House File 594**, a bill for an act relating to the registration of electrical and mechanical amusement devices and the registration of manufacturers and distributors thereof, making penalties applicable, and providing an effective date,

with report of committee recommending amendment and passage, was taken up for consideration.

Senator Zieman offered amendment S-3180, filed by the committee on State Government on April 9, 2003, to page 2 and to the title page of the bill, and moved its adoption.

Amendment S-3180 was adopted by a voice vote.

Senator Shull offered amendment S-3248, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3248 was adopted by a voice vote.

Senator Dotzler offered amendment S-3249, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3249 was adopted by a voice vote.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 594), the vote was:

Yeas, 37:

Angelo	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Dvorsky	Fraise
Gaskill	Gronstal	Hatch	Holveck
Horn	Hosch	Iverson	Kibbie
Kramer	Lundby	McCoy	McKibben
McKinley	Putney	Quirnbach	Ragan
Redfern	Seng	Seymour	Shull
Stewart	Tinsman	Warnstadt	Wieck
Zieman			

Nays, 11:

Drake	Houser	Johnson	Kettering
Kreiman	Lamberti	Larson	Miller
Rehberg	Sievers	Veenstra	

Absent, 2:

Beall	Schuerer
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### BUSINESS PENDING

#### House File 394

The Senate resumed consideration of **House File 394**, a bill for an act relating to the purposes of the community attraction and tourism program, previously deferred.

Senator Warnstadt offered amendment S-3235, filed by him on April 16, 2003, to page 1 of the bill.

Senator Warnstadt withdrew amendment S-3235.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 394), the vote was:

Yeas, 44:

Angelo	Beall	Behn	Boettger
Bolkcom	Connolly	Courtney	Dearden
Dotzler	Drake	Dvorsky	Fraise
Gaskill	Gronstal	Hatch	Holveck
Horn	Hosch	Iverson	Johnson
Kettering	Kibbie	Kramer	Kreiman
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirnbach	Ragan
Redfern	Rehberg	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 5:

Black	Brunkhorst	Houser	Lamberti
Miller			

Absent, 1:

Schuerer

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

President Kramer took the chair at 11:15 a.m.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 394, 560, 594, and 644** be **immediately messaged** to the House.

### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Lamberti and McKinley, until they return, on request of Senator Behn.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Joint Resolution 5.

### House Joint Resolution 5

On motion of Senator Johnson, **House Joint Resolution 5**, a joint resolution to nullify administrative rules of the department of natural resources concerning methods of taking wild turkey and deer and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Johnson moved that the resolution be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the resolution was read the last time.

**House Joint Resolution 5**, a joint resolution to nullify administrative rules of the department of natural resources concerning methods of taking wild turkey and deer and providing an effective date.

BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. 571 Iowa administrative code, rule 98.2, subrule 1, paragraph b, subparagraph (2), last sentence, is nullified.

Sec. 2. 571 Iowa administrative code, rule 106.7, subrule 1, paragraph b, last sentence, is nullified.

Sec. 3. EFFECTIVE DATE. This joint resolution, being deemed of immediate importance, takes effect upon enactment.

On the question "Shall the resolution be adopted?" (H.J.R. 5), the vote was:

Yeas, 39:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dotzler	Drake	Fraise	Gaskill
Gronstal	Hatch	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Larson
McCoy	McKibben	Miller	Putney
Quirnbach	Ragan	Rehberg	Seng
Shull	Sievers	Stewart	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 8:

Angelo	Dearden	Dvorsky	Holveck
Lundby	Redfern	Seymour	Tinsman

Absent, 3:

Lamberti	McKinley	Schuerer
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The resolution, having received a constitutional majority, was declared to have been adopted by the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 565.

### House File 565

On motion of Senator Tinsman, **House File 565**, a bill for an act relating to the healthy and well kids in Iowa program, with report of

committee recommending amendment and passage, was taken up for consideration.

Senator Tinsman offered amendment S-3194, filed by the committee on Human Resources on April 10, 2003, to pages 1-3 of the bill, and moved its adoption.

Amendment S-3194 was adopted by a voice vote.

Senator Hatch offered amendment S-3221, filed by him on April 15, 2003, to page 2 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3221 be adopted?" (H.F. 565), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3221 lost.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 565), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 17, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 180**, a bill for an act relating to the procedures for handling abandoned property and property presumed to be abandoned.

**Senate File 352**, a bill for an act relating to the training of an individual who intends to become certified as a law enforcement officer.

**Senate File 372**, a bill for an act relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date.

ALSO: That the House has on April 17, 2003, **amended and passed** the following bills in which the concurrence of the House was asked:

**Senate File 359**, a bill for an act relating to landlords, tenants, and actions for forcible entry or detention. (S-3251)

**Senate File 386**, a bill for an act requiring the insurance division of the department of commerce to establish a school health insurance reform team study and to make recommendations to the general assembly. (S-3250)

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Joint Resolution 5** and **House File 565** be **immediately messaged** to the House.

#### RECESS

On motion of Senator Iverson, the Senate recessed at 11:48 a.m. until 1:30 p.m.

#### AFTERNOON SESSION

The Senate reconvened at 1:39 p.m., Senator Veenstra presiding.

#### QUORUM CALL

Senator Johnson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 35 present, 15 absent, and a quorum present.

President Pro Tempore Angelo took the chair at 1:47 p.m.

#### CONSIDERATION OF BILL (Regular Calendar)

Senator Houser asked and received unanimous consent to take up for consideration House File 206.

## House File 206

On motion of Senator Veenstra, **House File 206**, a bill for an act increasing the child age applicable to mandatory reporting of suspected child sexual abuse perpetrated by a person other than the person responsible for the care of the child, with report of committee recommending passage, was taken up for consideration.

Senator Kreiman asked and received unanimous consent that action on **House File 206** be **deferred**.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McCoy, until he returns, on request of Senator Kibbie.

### HOUSE AMENDMENT CONSIDERED

## Senate File 230

Senator Miller called up for consideration **Senate File 230**, a bill for an act relating to the procedure for reducing the number of members of a city council from five to three in certain cities, amended by the House, and moved that the Senate concur in House amendment S-3151, filed April 7, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Miller moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 230), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal

Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

#### HOUSE AMENDMENT CONSIDERED

#### Senate File 392

Senator Zieman called up for consideration **Senate File 392**, a bill for an act relating to the animal agriculture compliance Act, providing for penalties, and providing an effective date, amended by the House, and moved that the Senate concur in House amendment S-3243, filed April 16, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Zieman moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 392), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch

Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **Senate Files 230** and **392** be **immediately messaged** to the House.

#### HOUSE AMENDMENT CONSIDERED

#### Senate File 435

Senator Miller called up for consideration **Senate File 435**, a bill for an act relating to and making appropriations to the judicial branch, amended by the House, and moved that the Senate refuse to concur in House amendment S-3184, filed April 10, 2003.

The motion prevailed by a voice vote and the Senate **refused to concur** in the House amendment.

#### CONSIDERATION OF BILL (Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration House File 387.

#### House File 387

On motion of Senator Tinsman, **House File 387**, a bill for an act relating to mental health and developmental disabilities by revising life safety requirements for intermediate care facilities for persons

with mental retardation, expanding an exemption to health care licensing requirements for certain residential programs that receive funding under a medical assistance home and community-based services waiver and approval from the department of human services, and revising membership requirements for the mental health and developmental disabilities commission, and providing an effective date, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Tinsman offered amendment S-3149, filed by the committee on Human Resources on April 7, 2003, to pages 1, 3, and to the title page of the bill.

Senator Tinsman offered amendment S-3252, filed by her from the floor to page 1 of amendment S-3149, and moved its adoption.

Amendment S-3252 was adopted by a voice vote.

Senator Tinsman moved the adoption of amendment S-3149, as amended.

Amendment S-3149 was adopted by a voice vote.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 387), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## HOUSE AMENDMENT CONSIDERED

### Senate File 439

Senator Miller called up for consideration **Senate File 439**, a bill for an act relating to and making appropriations to the justice system and providing an effective date, amended by the House, and moved that the Senate concur in House amendment S-3242, filed April 16, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Miller moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 439), the vote was:

Yeas, 31:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Drake	Gaskill
Hosch	Houser	Iverson	Johnson
Kettering	Kramer	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Nays, 19:

Bolkcom	Connolly	Courtney	Dearden
Dotzler	Dvorsky	Fraise	Gronstal
Hatch	Holveck	Horn	Kibbie
Kreiman	McCoy	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **Senate File 435** and **House File 387** and be **immediately messaged** to the House.

### HOUSE AMENDMENT CONSIDERED

#### Senate File 351

Senator Tinsman called up for consideration **Senate File 351**, a bill for an act relating to child care requirements involving prohibitions against involvement with child care, record checks and evaluations performed by the department of human services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable, amended by the House, and moved that the Senate concur in House amendment S-3219, filed April 15, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Tinsman moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 351), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer

Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

President Kramer took the chair at 2:25 p.m.

### HOUSE AMENDMENT CONSIDERED

#### Senate File 393

Senator Gaskill called up for consideration **Senate File 393**, a bill for an act relating to the agricultural development authority by providing for its organization and administration, amended by the House, and moved that the Senate concur in House amendment S-3225, filed April 15, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Gaskill moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 393), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers

Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### HOUSE AMENDMENT CONSIDERED

#### Senate File 379

Senator Miller called up for consideration **Senate File 379**, a bill for an act relating to certain agricultural liens, amended by the House, and moved that the Senate concur in House amendment S-3220, filed April 15, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Miller moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 379), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 351, 379, and 393** be **immediately messaged** to the House.

### HOUSE AMENDMENT CONSIDERED

#### Senate File 396

Senator Houser called up for consideration **Senate File 396**, a bill for an act providing for the animal unit capacity of pullets for purposes of regulation under the animal agriculture compliance Act, amended by the House, and moved that the Senate concur in House amendment S-3224, filed April 15, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Houser moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 396), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## HOUSE AMENDMENT CONSIDERED

### Senate File 172

Senator Angelo called up for consideration **Senate File 172**, a bill for an act relating to the establishment of a public charter school pilot program and providing effective and applicability dates, amended by the House, and moved that the Senate concur in House amendment S-3211, filed April 14, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Angelo moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 172), the vote was:

Yeas, 40:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Connolly	Drake
Gaskill	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 10:

Bolkcom	Courtney	Dearden	Dotzler
Dvorsky	Fraise	Gronstal	Hatch
Kibbie	Stewart		

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### HOUSE AMENDMENT CONSIDERED

#### Senate File 416

Senator Tinsman called up for consideration **Senate File 416**, a bill for an act relating to an emergency shelter and support services demonstration project relating to dependent adults, amended by the House, and moved that the Senate concur in House amendment S-3223, filed April 15, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Tinsman moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 416), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 172, 396, and 416** be **immediately messaged** to the House.

## HOUSE AMENDMENT CONSIDERED

**Senate File 433**

Senator McKinley called up for consideration **Senate File 433**, a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters, amended by the House in House amendment S-3183, filed April 10, 2003.

Senator Quirnbach offered amendment S-3241, filed by him on April 16, 2003, to page 1 of House amendment S-3183, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3241 to House amendment S-3183 be adopted?" (S.F. 433), the vote was:

Yeas, 16:

Black	Bolkcom	Connolly	Courtney
Dearden	Dotzler	Dvorsky	Hatch
Holveck	Horn	Kreiman	McCoy
Quirnbach	Seng	Stewart	Warnstadt

Nays, 34:

Angelo	Beall	Behn	Boettger
Brunkhorst	Drake	Fraise	Gaskill
Gronstal	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Ragan
Redfern	Rehberg	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Absent, none.

Amendment S-3241 lost.

Senator McKinley moved that the Senate concur in the House amendment.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator McKinley moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 433), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Lamberti	Larson
McCoy	McKibben	McKinley	Miller
Putney	Quirmbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 2:

Kreiman	Lundby
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Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## HOUSE AMENDMENT CONSIDERED

### Senate File 397

Senator Brunkhorst called up for consideration **Senate File 397**, a bill for an act relating to the issuance of free hunting licenses for antlerless deer, providing for the disposition of harvested deer meat

to public institutions, and providing a penalty, amended by the House, and moved that the Senate concur in House amendment S-3210, filed April 14, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Brunkhorst moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 397), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 397** be **immediately messaged** to the House.

## BILLS PLACED ON UNFINISHED BUSINESS CALENDAR

Senator Iverson asked and received unanimous consent that the following bills be placed on the Unfinished Business Calendar:

S.F.	117	H.F.	225	H.F.	585
S.F.	147	H.F.	329	H.F.	592
S.F.	209	H.F.	400	H.F.	593
S.F.	327	H.F.	401	H.F.	595
S.F.	332	H.F.	450	H.F.	599
S.F.	381	H.F.	455	H.F.	650
S.F.	388	H.F.	457		
S.F.	403	H.F.	492		
S.F.	404	H.F.	543		
S.F.	407	H.F.	549		
S.F.	418	H.F.	558		
S.F.	446	H.F.	576		

## BILLS REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that the following bills on the Senate Calendar, no longer eligible under Senate Rule 60, be referred to committee:

S.F.	39	Ways and Means
S.F.	191	Agriculture
S.F.	197	Local Government
S.F.	200	Local Government
S.F.	204	State Government
S.F.	223	Commerce
S.F.	238	Natural Resources and Environment
S.F.	242	Ways and Means
S.F.	270	Education
S.F.	318	State Government
S.F.	319	State Government
S.F.	334	Local Government
S.F.	356	Local Government
S.F.	358	State Government
S.F.	364	State Government

S.F.	373	Natural Resources and Environment
S.F.	374	Judiciary
S.F.	377	State Government
S.F.	385	Education
S.F.	398	Natural Resources and Environment
S.F.	400	Commerce
S.F.	406	Education
S.F.	411	Human Resources
S.F.	413	Human Resources
S.F.	414	Human Resources
S.F.	415	Human Resources
H.F.	586	Commerce

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 3:10 p.m. until 1:00 p.m. Monday, April 21, 2003.

## APPENDIX

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Students from River Valley Middle School in Correctionville, accompanied by Mr. Mike Nugent. Senators Seymour and Wieck.

### INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 17**, by Sievers, Behn, Kettering, Putney, Angelo, Hosch, Larson, Boettger, Seymour, Schuerer, Iverson, McKibben, Stewart, Beall, Bolkcom, Quirmbach, Seng, Dvorsky, Horn, Warnstadt, Black, and Courtney, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

### INTRODUCTION OF BILL

**Senate File 451**, by committee on Appropriations, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

Read first time under Rule 28 and **placed on Appropriations calendar**.

### STUDY BILL RECEIVED

**SSB 1202**      **Ways and Means**

Relating to the issuance of tax credit certificates and related tax credits to designated investors in the Iowa fund of funds.

## SUBCOMMITTEE ASSIGNMENT

## SSB 1202

WAYS AND MEANS: McKibben, Chair; Connolly and Rehberg

## COMMITTEE REPORT

## APPROPRIATIONS

**Final Bill Action:** \*SENATE FILE 451 (SSB 1196), bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 20: Lamberti, Kramer, Dvorsky, Behn, Connolly, Dotzler, Gaskill, Hatch, Horn, McKibben, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann. Nays, 4: Bolckcom, Fraise, Houser, and McKinley. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 451, and they were attached to the committee report.

## REPORT OF THE SECRETARY OF THE SENATE

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in engrossing Senate File 155, the following correction was made:

1. Page 2, line 5, the words and numbers "Code 2003, subsection 2" were changed to the words and numbers "subsection 2, Code 2003".

MICHAEL E. MARSHALL  
Secretary of the Senate

## MOTIONS TO RECONSIDER FILED

MADAM PRESIDENT: I move to reconsider the votes by which Senate Files 433 and 439 passed the Senate on April 17, 2003.

JEFF LAMBERTI

**BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR**

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 17th day of April, 2003:

Senate Files 3, 119, 155, 201, 236, 303, and 395.

MICHAEL E. MARSHALL  
Secretary of the Senate

**AMENDMENTS FILED**

S-3248	H.F.	594	Doug Shull
S-3249	H.F.	594	William Dotzler
S-3250	S.F.	386	House
S-3251	S.F.	359	House
S-3252	H.F.	387	Maggie Tinsman

# JOURNAL OF THE SENATE

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NINETY-NINTH CALENDAR DAY  
FIFTY SEVENTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, April 21, 2003

The Senate met in regular session at 1:11 p.m., President Kramer presiding.

Prayer was offered by the Reverend Darrel Weber, pastor of the Zion Evangelical and Reformed Church in Garner, Iowa. He was the guest of Senator Gaskill.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Senate Page Jaron Rosien.

The Journal of Thursday, April 17, 2003, was approved.

## QUORUM CALL

Senator Veenstra requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 31 present, 19 absent, and a quorum present.

Senator Sievers took the chair at 1:15 p.m.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Putney asked and received unanimous consent to take up for consideration Senate Resolution 31.

## Senate Resolution 31

On motion of Senator Redfern, **Senate Resolution 31**, a resolution congratulating the University of Northern Iowa Panthers Women's Volleyball Team, with report of committee recommending passage, was taken up for consideration.

Senator Redfern moved the adoption of Senate Resolution 31, which motion prevailed by a voice vote.

## SPECIAL GUESTS

Senator Redfern welcomed to the Senate chamber Coach Bobbi Petersen and the 2002 University of Northern Iowa Panthers Women's Volleyball Team and staff. Coach Petersen addressed the chamber with brief remarks.

The Senate rose and expressed its welcome.

The Senate stood at ease at 1:58 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 4:04 p.m., President Kramer presiding.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator McCoy, for the day, on request of Senator Bolkom; and Senators McKinley, Rehberg, and Ziemann, until they arrive, on request of Senator Hosch.

## UNFINISHED BUSINESS

### Senate File 407

On motion of Senator Boettger, **Senate File 407**, a bill for an act relating to mandatory newborn and infant hearing screening, placed on the Unfinished Business Calendar on April 17, 2003, was taken up for consideration.

Senator Boettger offered amendment S-3124, filed by her on April 2, 2003, striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

Amendment S-3124 was adopted by a voice vote.

Senator Boettger asked and received unanimous consent that **House File 454** be **substituted** for **Senate File 407**.

### **House File 454**

On motion of Senator Boettger, **House File 454**, a bill for an act relating to mandatory universal newborn and infant hearing screening, was taken up for consideration.

Senator Boettger offered amendment S-3125, filed by her on April 2, 2003, striking everything after the enacting clause of the bill, and moved its adoption.

Amendment S-3125 was adopted by a voice vote.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 454), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	Miller
Putney	Quirnbach	Ragan	Redfern
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck		

Nays, none.

Absent, 4:

McCoy

McKinley

Rehberg

Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Boettger asked and received unanimous consent that **Senate File 407** be **withdrawn** from further consideration of the Senate.

### UNFINISHED BUSINESS

#### House File 543

On motion of Senator Angelo, **House File 543**, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Angelo offered amendment S-3196, filed by the committee on Commerce on April 10, 2003, striking everything after the enacting clause and to the title page of the bill.

Senator Lundby asked and received unanimous consent that action on amendment S-3196 and **House File 543** be **deferred**.

### HOUSE AMENDMENT CONSIDERED

#### Senate File 386

Senator Boettger called up for consideration **Senate File 386**, a bill for an act requiring the insurance division of the department of commerce to establish a school health insurance reform team study and to make recommendations to the general assembly, amended by the House, and moved that the Senate concur in House amendment S-3250, filed April 17, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Boettger moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 386), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	Miller
Putney	Quirnbach	Ragan	Redfern
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck		

Nays, none.

Absent, 4:

McCoy	McKinley	Rehberg	Zieman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **Senate File 386** and **House File 454** be **immediately messaged** to the House.

### UNFINISHED BUSINESS

#### House File 400

On motion of Senator Larson, **House File 400**, a bill for an act relating to providing probationer and parolee information to local law

enforcement agencies and the state department of transportation, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Larson offered amendment S-3175, filed by the committee on Judiciary on April 8, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3175 was adopted by a voice vote.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 400), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	Miller
Putney	Quirnbach	Ragan	Redfern
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck		

Nays, none.

Absent, 4:

McCoy	McKinley	Rehberg	Zieman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## UNFINISHED BUSINESS

**House File 457**

On motion of Senator Hatch, **House File 457**, a bill for an act expanding requirements for the transition of an individual from the child welfare services system to adulthood, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Hatch offered amendment S-3253, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3253 was adopted by a voice vote.

Senator Hatch offered amendment S-3254, filed by Senators Hatch and Kreiman from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3254 was adopted by a voice vote.

Senator Hatch moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 457), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	Miller
Putney	Quirmbach	Ragan	Redfern
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck		

Nays, none.

Absent, 4:

McCoy

McKinley

Rehberg

Zieman

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **House Files 400** and **457** be **immediately messaged** to the House.

### UNFINISHED BUSINESS (Deferred April 17, 2003)

#### House File 206

The Senate resumed consideration of **House File 206**, a bill for an act increasing the child age applicable to mandatory reporting of suspected child sexual abuse perpetrated by a person other than the person responsible for the care of the child, deferred April 17, 2003.

Senator Hatch offered amendment S-3255, filed by him from the floor to page 1 and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3255 be adopted?" (H.F. 206), the vote was:

Yeas, 15:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Horn
Quirnbach	Ragan	Stewart	

Nays, 32:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Holveck	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	Miller
Putney	Redfern	Schuerer	Seng

Seymour	Shull	Sievers	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Absent, 3:

McCoy	McKinley	Rehberg
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Amendment S-3255 lost.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Redfern, until he returns, on request of Senator Angelo.

### BUSINESS PENDING

### House File 206

The Senate resumed consideration of House File 206.

Senator Hatch offered amendment S-3256, filed by him from the floor to pages 1 and 2 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3256 be adopted?" (H.F. 206), the vote was:

Yeas, 18:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Ragan
Stewart	Warnstadt		

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
Miller	Putney	Quirnbach	Schuerer
Seng	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 4:

McCoy

McKinley

Redfern

Rehberg

Amendment S-3256 lost.

Senator Fraise offered amendment S-3260, filed by Senators Fraise and Hatch from the floor to page 2 and to the title page of the bill.

Senator Fraise called for the following division of amendment S-3260:

Division S-3260A: Page 2, lines 5-14; and

Division S-3260B: Page 1, lines 3-5 and page 2, lines 1-4 and 15-18.

Senator Fraise asked and received unanimous consent to withdraw division S-3260A.

Senator Veenstra raised the point of order that division S-3260B was not germane to the bill.

The Chair ruled the point well-taken and division S-3260B out of order.

Senator Kreiman offered amendment S-3262, filed by him from the floor to pages 1 and 2 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3262 be adopted?" (H.F. 206), the vote was:

Yeas, 19:

Beall

Black

Bolkcom

Connolly

Courtney

Dearden

Dotzler

Dvorsky

Fraise

Gronstal

Hatch

Holveck

Horn

Kibbie

Kreiman

Quirnbach

Ragan

Stewart

Warnstadt

Nays, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
Miller	Putney	Schuerer	Seng
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, 4:

McCoy	McKinley	Redfern	Rehberg
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Amendment S-3262 lost.

Senator Veenstra moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 206), the vote was:

Yeas, 33:

Angelo	Behn	Black	Boettger
Brunkhorst	Connolly	Drake	Gaskill
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McKibben	Miller	Putney
Schuerer	Seng	Shull	Sievers
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 12:

Beall	Bolkcom	Courtney	Dearden
Dotzler	Dvorsky	Fraise	Gronstal
Hatch	Quirnbach	Ragan	Stewart

Absent, 5:

McCoy	McKinley	Redfern	Rehberg
Seymour			

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 206** be **immediately messaged** to the House.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 21, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 102**, a bill for an act relating to the chief executive officer of the Iowa public employees' retirement system and providing an effective and retroactive applicability date.

ALSO: That the House has on April 21, 2003, **amended** the Senate amendment, **concurred** in the Senate amendment as amended, **and passed** the following bill in which the concurrence of the House was asked:

**House File 534**, a bill for an act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date. (S-3263)

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 6:40 p.m. until 8:30 a.m. Tuesday, April 22, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

James Bowman, Perry — For 25 years of dedication and service at the Medical Center at the Woodward Resource Center. Senator Kramer (4/21/03).

Mayor's Youth Employment Program, Iowa City — For 35 years of youth employment services to Johnson County. Senator Dvorsky (4/21/03).

Scranton Betterment Committee, Scranton — For exceptional voluntary community service. Senator Beall (4/21/03).

### INTRODUCTION OF RESOLUTION

**Senate Resolution 35**, by Courtney, a resolution calling for the observance of Workers Memorial Day.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

### STUDY BILL RECEIVED

#### **SSB 1203      Appropriations**

Relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, authorizing fees, and providing an effective date.

### SUBCOMMITTEE ASSIGNMENTS

#### **Senate Resolution 34**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

#### **SSB 1203**

APPROPRIATIONS: McKibben, Chair; Lamberti and Warnstadt

## BILL SIGNED BY THE GOVERNOR

A communication was received announcing that on April 17, 2003, the Governor approved and transmitted to the Secretary of State the following bill:

S.F. 272 – Relating to conflicts of interest in public contracts.

## AMENDMENTS FILED

S-3253	H.F.	457	Jack Hatch
S-3254	H.F.	457	Jack Hatch Keith A. Kreiman
S-3255	H.F.	206	Jack Hatch
S-3256	H.F.	206	Jack Hatch
S-3257	S.F.	451	Thomas G. Courtney
S-3258	S.F.	451	Thomas G. Courtney
S-3259	H.F.	654	David P. Miller Eugene S. Fraise William Dotzler Thomas G. Courtney
S-3260	H.F.	206	Eugene S. Fraise Jack Hatch
S-3261	H.F.	593	Mark Ziemann
S-3262	H.F.	206	Keith A. Kreiman
S-3263	H.F.	534	House

# JOURNAL OF THE SENATE

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ONE HUNDREDTH CALENDAR DAY  
FIFTY-EIGHTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, April 22, 2003

The Senate met in regular session at 8:35 a.m., President Kramer presiding.

Prayer was offered by the Reverend Robert E. Connors, pastor of the Union Park Independent Christian Church in Des Moines, Iowa. He was the guest of Senator Dearden. Reverend Connors, brother of Representative John Connors, sang "I Go to the Rock."

The Journal of Monday, April 21, 2003, was approved.

## QUORUM CALL

Senator Gaskill requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 33 present, 17 absent, and a quorum present.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 21, 2003, **concurred** in the Senate amendment **and passed** the following bills in which the concurrence of the House was asked:

**House File 319**, a bill for an act permitting written demand via regular mail prior to an action under the uniform commercial code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service.

**House File 387**, a bill for an act relating to mental health and developmental disabilities by revising life safety requirements for intermediate care facilities for persons with mental retardation, expanding an exemption to health care licensing requirements for certain residential programs that receive funding under a medical assistance home and community-based services waiver and approval from the department of human services, and revising membership requirements for the mental health and developmental disabilities commission, and providing an effective date.

**House File 391**, a bill for an act establishing a pilot program for the development of cogeneration facilities, providing for the development of ratemaking principles and rates for pilot program facilities, and providing for a future repeal.

**House File 516**, a bill for an act relating to composition and responsibilities of the Iowa comprehensive petroleum underground storage tank fund board.

**House File 529**, a bill for an act directing the mental health and developmental disabilities commission to make recommendations for redesigning the mental health and developmental disabilities services system for adults and children and providing an effective date.

**House File 547**, a bill for an act providing for evidence of financial responsibility filed by commercial pesticide applicators.

**House File 548**, a bill for an act relating to tribal law enforcement officer training at the Iowa law enforcement academy.

**House File 655**, a bill for an act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters.

ALSO: That the House has on April 21, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 671**, a bill for an act relating to the recycling property exemption from property tax and including an applicability date.

Read first time and referred to committee on **Ways and Means**.

**House File 682**, a bill for an act relating to wine by providing for native wine permits, providing wine gallonage tax revenue to support grape and wine development, providing for fees, and providing an effective date and retroactive applicability.

Read first time and referred to committee on **Appropriations**.

The Senate stood at ease at 9:00 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 9:50 a.m., President Kramer presiding.

#### HOUSE AMENDMENT CONSIDERED

##### **Senate File 359**

Senator Redfern called up for consideration **Senate File 359**, a bill for an act relating to landlords, tenants, and actions for forcible entry or detention, amended by the House in House amendment S-3251, filed April 17, 2003.

Senator Holveck asked and received unanimous consent that action on House amendment S-3251 and **Senate File 359** be **deferred**.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McCoy, until he arrives, on request of Senator Gronstal.

#### HOUSE AMENDMENT CONSIDERED

##### **Senate File 94**

Senator Kibbie called up for consideration **Senate File 94**, a bill for an act providing for the confidentiality of certain veterans' records maintained by county recorders, amended by the House in House amendment S-3103, filed March 31, 2003.

Senator Warnstadt offered amendment S-3152, filed by him on April 7, 2003, to page 1 of House amendment S-3103, and moved its adoption.

Amendment S-3152 was adopted by a voice vote.

Senator Warnstadt offered amendment S-3270, filed by him from the floor to page 1 of House amendment S-3103, and moved its adoption.

Amendment S-3270 was adopted by a voice vote.

Senator Kibbie moved that the Senate concur in the House amendment, as amended.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment, as amended.

Senator Kibbie moved that the bill, as amended by the House, further amended and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 94), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

**CONSIDERATION OF BILL**  
(Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 442.

**Senate File 442**

On motion of Senator McKibben, **Senate File 442**, a bill for an act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date, was taken up for consideration.

Senator McKibben moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 442), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 94 and 442** be **immediately messaged** to the House.

### UNFINISHED BUSINESS

#### **Senate File 370**

On motion of Senator Zieman, **Senate File 370**, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions, placed on the Unfinished Business Calendar on April 10, 2003, was taken up for consideration.

Senator Zieman offered amendment S-3143, filed by him on April 7, 2003, to pages 8, 16, 18, and 28-31 of the bill, and moved its adoption.

Amendment S-3143 was adopted by a voice vote.

Senator Zieman asked and received unanimous consent that **House File 614** be **substituted** for **Senate File 370**.

#### **House File 614**

On motion of Senator Zieman, **House File 614**, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary

of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions, was taken up for consideration.

Senator Kibbie offered amendment S-3229, filed by Senator Kibbie, et al., on April 15, 2003, striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S-3229 be adopted?” (H.F. 614), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, 1:

McCoy

Amendment S-3229 lost.

Senator Tinsman offered amendment S-3269, filed by her from the floor to pages 29 and 31 of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S–3269 be adopted?” (H.F. 614), the vote was:

Yeas, 16:

Angelo	Behn	Drake	Gaskill
Hosch	Houser	Iverson	Kramer
McKibben	McKinley	Miller	Redfern
Tinsman	Veenstra	Wieck	Zieman

Nays, 33:

Beall	Black	Boettger	Bolkcom
Brunkhorst	Connolly	Courtney	Dearden
Dotzler	Dvorsky	Fraise	Gronstal
Hatch	Holveck	Horn	Johnson
Kettering	Kibbie	Kreiman	Lamberti
Larson	Lundby	Putney	Quirmbach
Ragan	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Warnstadt			

Absent, 1:

McCoy

Amendment S–3269 lost.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 614), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky

Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### WITHDRAWN

Senator Zieman asked and received unanimous consent that **Senate File 370** be **withdrawn** from further consideration of the Senate.

#### WITHDRAWN

Senator Iverson asked and received unanimous consent that **Senate File 147** be **withdrawn** from further consideration of the Senate.

#### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 441.

#### **Senate File 441**

On motion of Senator Bolkcom, **Senate File 441**, a bill for an act relating to the transfer of certain property-related tax credits, was taken up for consideration.

Senator Bolkcom offered amendment S-3226, filed by Senators Bolkcom, McKibben, and Warnstadt on April 15, 2003, to pages 1, 2, and to the title page of the bill, and moved its adoption.

Amendment S-3226 was adopted by a voice vote.

Senator Bolkcom moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 441), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 541.

#### **House File 541**

On motion of Senator Connolly, **House File 541**, a bill for an act relating to the fee and use of fee for a certificate of birth, with report of committee recommending passage, was taken up for consideration.

Senator Connolly moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 541), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 441** and **House File 541** be **immediately messaged** to the House.

### RECESS

On motion of Senator Iverson, the Senate recessed at 11:16 a.m. until 2:00 p.m.

## APPENDIX — 1

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

April 22, 2003

#### DEPARTMENT OF MANAGEMENT

Denied general claims by the State Appeal Board submitted during April 2003.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Coach Cheryl Clark and Stunt Team Members, Iowa Falls High School — For being named the National Stunt Team Champions. Senator McKibben (4/22/03).

Gerald and Dorothy Hall, Madrid — For celebrating your 65th wedding anniversary. Senator Quirnbach (4/22/03).

Principal Kenneth Hayes and VIM Participants, East Marshall High School — For receiving a 2003 Peace Project Award. Senator McKibben (4/22/03).

Gail Rich, West Des Moines — For your support and encouragement of United States troops overseas during Operation Iraqi Freedom. Senator Kramer (4/22/03).

Matt Ring, Clarion — For achieving the rank of Eagle Scout, Boy Scout Troop 47. Senator Iverson (4/22/03).

Lloyd and Lois Rohmiller, Sioux City — For celebrating your 50th wedding anniversary on April 18, 2003. Senator Warnstadt (4/22/03).

### REPORT OF COMMITTEE MEETING

#### APPROPRIATIONS

**Convened:** April 22, 2003, 1:05 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Approved SSB 1203 (as amended).

**Adjourned:** 1:20 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 36**, by Kramer, a resolution honoring the Iowa members of the United States Naval Armed Guard who served during World War II.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## SUBCOMMITTEE ASSIGNMENT

### House File 671

WAYS AND MEANS: Stewart, Chair; McKibben and Shull

## REPORT OF THE SECRETARY OF THE SENATE

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in enrolling Senate File 340, the following correction was made:

1. Page 6, line 34, the words “amended to read as” were changed to the words “is amended to read as”.

MICHAEL E. MARSHALL  
Secretary of the Senate

## BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 22nd day of April, 2003:

Senate Files 180, 221, 340, 352, 361, and 394.

MICHAEL E. MARSHALL  
Secretary of the Senate

## AFTERNOON SESSION

The Senate reconvened at 2:05 p.m., Senator Behn presiding.

The Senate stood at ease at 2:06 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 3:17 p.m., President Kramer presiding.

## QUORUM CALL

Senator Gaskill requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 29 present, 21 absent, and a quorum present.

## UNFINISHED BUSINESS

**Senate File 403**

On motion of Senator Putney, **Senate File 403**, a bill for an act regulating organic agricultural products, providing for fees and penalties, and providing an effective date, placed on the Unfinished Business Calendar on April 17, 2003, was taken up for consideration.

Senator Putney offered amendment S-3146, filed by him on April 7, 2003, to pages 6 and 7 of the bill, and moved its adoption.

Amendment S-3146 was adopted by a voice vote.

Senator Putney asked and received unanimous consent that **House File 600** be **substituted** for **Senate File 403**.

**House File 600**

On motion of Senator Putney, **House File 600**, a bill for an act regulating organic agricultural products, providing for fees and penalties, and providing an effective date, was taken up for consideration.

Senator Putney moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 600), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Putney asked and received unanimous consent that **Senate File 403** be **withdrawn** from further consideration of the Senate.

## UNFINISHED BUSINESS

### House File 599

On motion of Senator Kettering, **House File 599**, a bill for an act relating to property insurance, including establishment of a mandatory plan to assure fair access to insurance requirements, and providing for an effective date and retroactive applicability, placed on

the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Kettering moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 599), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 599** and **600** be **immediately messaged** to the House.

### UNFINISHED BUSINESS

#### House File 492

On motion of Senator Houser, **House File 492**, a bill for an act relating to soil conservation by providing for the acquisition of land by soil and water conservation districts, and eliminating certain

reporting requirements, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Houser moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 492), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 667.

#### **House File 667**

On motion of Senator Tinsman, **House File 667**, a bill for an act relating to and making appropriations for health and human services to the department of elder affairs, the Iowa department of public

health, the department of inspections and appeals, the department of human services, and the commission of veterans affairs, and providing effective dates, with report of committee recommending passage, was taken up for consideration.

Senator Iverson asked and received unanimous consent that action on **House File 667** be **deferred**.

#### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 27.

#### **Senate Resolution 27**

On motion of Senator Dvorsky, **Senate Resolution 27**, a resolution honoring the University of Iowa Football Team and Coach Kirk Ferentz, with report of committee recommending passage, was taken up for consideration.

Senator Dvorsky moved the adoption of Senate Resolution 27, which motion prevailed by a voice vote.

#### SPECIAL GUESTS

Senator Dvorsky welcomed to the Senate chamber Coach Kirk Ferentz and five senior members of the University of Iowa Hawkeyes Football Team. Coach Ferentz addressed the chamber with brief remarks.

The Senate rose and expressed its welcome.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Sievers, until he returns, on request of Senator Gaskill.

## BUSINESS PENDING

**House File 667**

The Senate resumed consideration **House File 667**, a bill for an act relating to and making appropriations for health and human services to the department of elder affairs, the Iowa department of public health, the department of inspections and appeals, the department of human services, and the commission of veterans affairs, and providing effective dates, previously deferred.

Senator Putney offered amendment S-3276, filed by Senator Putney, et al., from the floor to page 9 of the bill.

Senator Putney asked and received unanimous consent that action on amendment S-3276 be deferred.

Senator Shull withdrew amendment S-3266, filed by him from the floor to pages 9 and 10 of the bill.

Senator Tinsman offered amendment S-3272, filed by her from the floor to pages 15 and 16 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 2, nays 28.

Amendment S-3272 lost.

The Senate resumed consideration of amendment S-3276, previously deferred.

Senator Putney asked and received unanimous consent to withdraw amendment S-3276.

Senator Shull withdrew amendment S-3267, filed by him from the floor to page 42 of the bill.

Senator Tinsman offered amendment S-3274, filed by her from the floor to pages 53, 60, 67, 69, and 75 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 22, nays 25.

Amendment S-3274 lost.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Redfern, until he returns, on request of Senator Drake.

### BUSINESS PENDING

### House File 667

The Senate resumed consideration of House File 667.

Senator Tinsman offered amendment S-3273, filed by her from the floor to page 63 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3273 be adopted?" (H.F. 667), the vote was:

Yeas, 5:

Iverson	Putney	Seng	Seymour
Tinsman			

Nays, 44:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Quirnbach	Ragan	Rehberg
Schuerer	Shull	Sievers	Stewart
Veenstra	Warnstadt	Wieck	Zieman

Absent, 1:

Redfern

Amendment S-3273 lost.

Senator Shull asked and received unanimous consent to withdraw amendment S-3268, filed by Senator Shull, et al., from the floor to page 68 of the bill.

Senator Hatch offered amendment S-3279, filed by Senator Hatch, et al., from the floor to pages 1, 3-5, 7, 15, 24, 37, and 71 of the bill.

Senator Hatch called for the following division of amendment S-3279:

Division S-3279A: Page 1, lines 13-22 and 35-36; and

Division S-3279B: Page 1, lines 3-12, 23-34, and 37-50; and page 2, lines 1-6.

Senator Hatch asked and received unanimous consent to withdraw division S-3279A.

Senator Hatch moved the adoption of division S-3279B.

A record roll call was requested.

On the question "Shall division S-3279B be adopted?" (H.F. 667), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Quirmbach	Ragan	Seng
Stewart	Warnstadt		

Nays, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Miller	Putney	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, 1:

Redfern

Division S-3279B lost.

Senator Hatch offered amendment S-3278, filed by him from the floor to page 9 of the bill.

Senator Seymour raised the point of order that amendment S-3278 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3278 out of order.

Senator Holveck offered amendment S-3282, filed by Senator Holveck, et al., from the floor to page 74 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3282 be adopted?" (H.F. 667), the vote was:

Rule 23, requiring all senators present to vote except those who express a conflict of interest, was invoked.

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Quirnbach	Ragan	Seng
Stewart	Warnstadt		

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, none.

Amendment S-3282 lost.

Senator Holveck offered amendment S-3284, filed by Senator Holveck, et al., from the floor to page 15 of the bill.

Senator Holveck asked and received unanimous consent to withdraw amendment S-3284.

President Pro Tempore Angelo took the chair at 6:07 p.m.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 667), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 14.

## Senate Concurrent Resolution 14

On motion of Senator Behn, **Senate Concurrent Resolution 14**, a concurrent resolution urging congressional adoption of a free trade agreement between Taiwan and the United States, with report of committee recommending passage, was taken up for consideration.

Senator Behn asked and received unanimous consent that **House Concurrent Resolution 19** be **substituted** for **Senate Concurrent Resolution 14**.

## House Concurrent Resolution 19

On motion of Senator Behn, **House Concurrent Resolution 19**, a concurrent resolution urging congressional adoption of a free trade agreement between Taiwan and the United States, was taken up for consideration.

Senator Behn moved the adoption of House Concurrent Resolution 19, which motion prevailed by a voice vote.

WITHDRAWN

Senator Behn asked and received unanimous consent that **Senate Concurrent Resolution 14** be **withdrawn** from further consideration of the Senate.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Concurrent Resolution 19** and **House File 492** be **immediately messaged** to the House.

HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 22, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 173**, a bill for an act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations.

**Senate File 375**, a bill for an act relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

**Senate File 438**, a bill for an act relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

ALSO: That the House has on April 22, 2003, **amended and passed** the following bills in which the concurrence of the House was asked:

**Senate File 354**, a bill for an act implementing the federal Indian Child Welfare Act. (S-3281)

**Senate File 366**, a bill for an act relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision. (S-3283)

**Senate File 402**, a bill for an act relating to the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses. (S-3280)

ALSO: That the House has on April 22, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 665**, a bill for an act relating to property taxation of certain lands leased to others by the department of corrections or department of human services and providing for the Act's applicability.

Read first time and referred to committee on **Ways and Means**.

**House File 680**, a bill for an act relating to licenses for bait dealers by creating resident and nonresident wholesale bait dealer licenses, providing reciprocity, and providing an effective date.

Read first time and referred to committee on **Ways and Means**.

**House File 684**, a bill for an act relating to the revenue estimating conference's responsibilities and authority.

Read first time and referred to committee on **Appropriations**.

#### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 6:43 p.m. until 8:30 a.m. Wednesday, April 23, 2003.

**APPENDIX — 2****REPORT OF COMMITTEE MEETING****APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION,  
INFRASTRUCTURE, AND CAPITALS**

**Convened:** April 21, 2003, 12:35 p.m.

**Members Present:** McKibben, Chair; Lamberti, Vice Chair; Warnstadt, Ranking Member; Beall and Kettering.

**Members Absent:** None.

**Committee Business:** Passed the subcommittee appropriations bill (as amended).

**Adjourned:** 1:25 p.m.

**INTRODUCTION OF BILL**

**Senate File 452**, by committee on Appropriations, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

Read first time under Rule 28 and **placed on Appropriations calendar.**

**SUBCOMMITTEE ASSIGNMENT****Senate Resolution 36**

**RULES AND ADMINISTRATION:** Iverson, Chair; Gronstal and Kramer

**COMMITTEE REPORT****APPROPRIATIONS**

**Final Bill Action:** \*SENATE FILE 452 (SSB 1203), a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 25: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

\*Pursuant to Senate Rule 40, the Legislative Service Bureau reported nonsubstantive changes to the members of the Appropriations Committee on Senate File 452, and they were attached to the committee report.

## EXPLANATION OF VOTES

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on April 21, 2003, when the votes were taken on Senate File 386 and House Files 206, 400, 454, and 457. Had I been present, I would have voted "Yea" on all.

PAUL MCKINLEY

## MOTIONS TO RECONSIDER FILED

MADAM PRESIDENT: I move to reconsider the vote by which House File 667 passed the Senate on April 22, 2003.

JEFF LAMBERTI

ALSO:

MADAM PRESIDENT: I move to reconsider the vote by which House File 614 passed the Senate on April 22, 2003.

MARK ZIEMAN

## BILLS SIGNED BY THE GOVERNOR

A communication was received announcing that on April 21, 2003, the Governor approved and transmitted to the Secretary of State the following bills:

S.F. 3 – Relating to the inclusion of certain information in a termination of pregnancy report.

S.F. 119 – Relating to real estate appraiser certification.

S.F. 155 – Relating to statutory corrections which may adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities, and including effective and retroactive applicability date provisions.

S.F. 201 – Relating to a review of statistical information compiled by the board of educational examiners from Praxis II examinations administered to initial, provisional teaching license applicants.

S.F. 236 – Relating to the time periods that unclaimed demutualization proceeds and wages are presumed to be abandoned and providing an effective date.

S.F. 303 – Relating to the contents of certain child abuse assessment reports.

S.F. 395 – Relating to assistance services provided to the department of agriculture and land stewardship, including for the filing of documents and the payment of fees and civil penalties, and the authorization to assess additional charges.

#### AMENDMENTS FILED

S-3264	H.F.	549	Mike Connolly
S-3265	S.F.	451	Eugene S. Fraise Hubert Houser Thomas G. Courtney Keith A. Kreiman Paul McKinley John P. Kibbie
S-3266	H.F.	667	Doug Shull
S-3267	H.F.	667	Doug Shull
S-3268	H.F.	667	Doug Shull Maggie Tinsman Joe Bolkcom Ken Veenstra Jack Hatch
S-3269	H.F.	614	Maggie Tinsman
S-3270	S.F.	94	Steve Warnstadt
S-3271	S.F.	359	Jack Holveck Keith A. Kreiman
S-3272	H.F.	667	Maggie Tinsman
S-3273	H.F.	667	Maggie Tinsman
S-3274	H.F.	667	Maggie Tinsman
S-3275	H.F.	595	Keith A. Kreiman
S-3276	H.F.	667	John Putney Michael E. Gronstal

S-3277	H.F.	450	Mary A. Lundby John P. Kibbie Larry McKibben Nancy Boettger Herman C. Quirnbach Jeff Lamberti Donald B. Redfern
S-3278	H.F.	667	Jack Hatch
S-3279	H.F.	667	Jack Hatch Amanda Ragan Joe Bolkcom Jack Holveck Keith A. Kreiman
S-3280	S.F.	402	House
S-3281	S.F.	354	House
S-3282	H.F.	667	Jack Holveck Keith A. Kreiman Mike Connolly John P. Kibbie Eugene S. Fraise Michael E. Gronstal Amanda Ragan Dennis H. Black Joe Bolkcom Roger Stewart Herman C. Quirnbach Thomas G. Courtney Daryl Beall Wally E. Horn Robert E. Dvorsky Dick L. Dearden Joe M. Seng William Dotzler Jack Hatch Steve Warnstadt Matt McCoy
S-3283	S.F.	366	House
S-3284	H.F.	667	Jack Holveck Eugene S. Fraise Mike Connolly Michael E. Gronstal

Keith A. Kreiman  
Amanda Ragan  
Dennis H. Black  
Roger Stewart  
Herman C. Quirnbach  
Daryl Beall  
John P. Kibbie  
Steve Warnstadt  
Robert E. Dvorsky  
Joe M. Seng  
Thomas G. Courtney  
Jack Hatch  
Joe Bolkom  
William Dotzler  
Wally E. Horn  
Dick L. Dearden  
Matt McCoy

# JOURNAL OF THE SENATE

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ONE HUNDRED FIRST CALENDAR DAY  
FIFTY-NINTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, April 23, 2003

The Senate met in regular session at 8:36 a.m., President Kramer presiding.

Prayer was offered by Father John O'Connor, pastor of St. Boniface Catholic and St. Peter and Paul Catholic Churches in New Vienna and Dyersville, Iowa. He was the guest of Senator Hosch.

The Journal of Tuesday, April 22, 2003, was approved.

## SPECIAL PRESENTATION

The West Des Moines Valley High School string bass ensemble under the direction of Phil Peters performed their state contest winning piece "Harlequin's Dance." Members of the ensemble included Jason Bahr, Jon Ferguson, Allie Rowedder, Andy Swanson, and Josh Waymire.

The Senate rose and expressed its appreciation.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 22, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 343**, a bill for an act relating to operation permits for public disposal systems and providing an effective date.

**Senate File 353**, a bill for an act requiring establishment of county child protection assistance teams.

**Senate File 405**, a bill for an act relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service.

ALSO: That the House has on April 22, 2003, **concurred** in the Senate amendment **and passed** the following bills in which the concurrence of the House was asked:

**House File 171**, a bill for an act relating to nonsubstantive Code corrections and including effective and retroactive applicability date provisions.

**House File 386**, a bill for an act relating to the department of elder affairs including provisions relating to the elder Iowans Act.

**House File 404**, a bill for an act authorizing a sentencing court to issue no-contact orders against persons arrested for any public offense.

**House File 565**, a bill for an act relating to the healthy and well kids in Iowa program.

**House File 594**, a bill for an act relating to the registration of electrical and mechanical amusement devices and the registration of manufacturers and distributors thereof, making penalties applicable, and providing an effective date.

**House File 644**, a bill for an act providing for manure application requirements, providing for fees, making penalties applicable, and providing an effective date.

ALSO: That the House has on April 22, 2003, **amended** the Senate amendment, **concurred** in the Senate amendment as amended, **and passed** the following bill in which the concurrence of the House was asked:

**House File 584**, a bill for an act providing for exceptions to municipal tort liability for certain activities. (S-3285)

ALSO: That the House has on April 22, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 358**, a bill for an act relating to life science enterprises by providing for financing.

Read first time and referred to committee on **Government Oversight**.

#### RECESS

On motion of Senator Iverson, the Senate recessed at 8:44 a.m. until the completion of a meeting of the committee on Rules and Administration.

#### RECONVENED

The Senate reconvened at 8:50 a.m., President Kramer presiding.

The Senate stood at ease at 8:51 a.m. until the fall of the gavel for the purposes of party caucuses.

The Senate resumed session at 10:53 a.m., President Kramer presiding.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Behn, until he arrives, on request of Senator Redfern.

#### HOUSE AMENDMENT CONSIDERED (Deferred April 22, 2003)

#### **Senate File 359**

The Senate resumed consideration of **Senate File 359**, a bill for an act relating to landlords, tenants, and actions for forcible entry or detention, and House amendment S-3251, deferred April 22, 2003.

Senator Holveck offered amendment S-3271, filed by Senators Holveck and Kreiman on April 22, 2003, to page 2 of House amendment S-3251, and moved its adoption.

Amendment S-3271 lost by a voice vote.

Senator Redfern moved that the Senate concur in the House amendment.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Redfern moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 359), the vote was:

Yeas, 49:

Angelo	Beall	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Behn

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## UNFINISHED BUSINESS

### Senate File 381

On motion of Senator Hosch, **Senate File 381**, a bill for an act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing

an effective date, placed on the Unfinished Business Calendar on April 17, 2003, was taken up for consideration.

Senator Hosch asked and received unanimous consent that **House File 577** be **substituted** for **Senate File 381**.

### **House File 577**

On motion of Senator Hosch, **House File 577**, a bill for an act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date, was taken up for consideration.

Senator Hosch moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 577), the vote was:

Yeas, 49:

Angelo	Beall	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Behn

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Hosch asked and received unanimous consent that **Senate File 381** be **withdrawn** from further consideration of the Senate.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Gaskill asked and received unanimous consent to take up for consideration House File 304.

**House File 304**

On motion of Senator Sievers, **House File 304**, a bill for an act relating to the payment by a county of the agricultural land tax credit and reimbursement to the county of its payment and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Sievers moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 304), the vote was:

Yeas, 49:

Angelo	Beall	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Behn

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## UNFINISHED BUSINESS

### House File 558

On motion of Senator Kreiman, **House File 558**, a bill for an act authorizing the department of human services to disclose information regarding the listing of an individual in the child or dependent abuse registry or the sex offender registry when it is necessary for the protection of a child or a dependent adult, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Kreiman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 558), the vote was:

Yeas, 49:

Angelo	Beall	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Behn

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Gaskill asked and received unanimous consent that **Senate File 359** and **House Files 304, 558, and 577** be **immediately messaged** to the House.

## HOUSE AMENDMENT CONSIDERED

**Senate File 366**

Senator Kettering called up for consideration **Senate File 366**, a bill for an act relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision, amended by the House, and moved that the Senate concur in House amendment S-3283, filed April 22, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Kettering moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 366), the vote was:

Yeas, 49:

Angelo	Beall	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Behn

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Gaskill asked and received unanimous consent that **Senate File 366** be **immediately messaged** to the House.

### RECESS

On motion of Senator Gaskill, the Senate recessed at 11:34 a.m. until 2:00 p.m.

### AFTERNOON SESSION

The Senate reconvened at 2:00 p.m., President Kramer presiding.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 23, 2003, **adopted** the following resolution in which the concurrence of the House was asked:

**Senate Concurrent Resolution 8**, a concurrent resolution supporting the completion of U.S. Highway 20 across northern Iowa and requesting federal assistance.

ALSO: That the House has on April 23, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 681**, a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

Read first time and **attached to similar Senate File 426**.

The Senate stood at ease at 2:02 p.m. until the fall of the gavel for the purposes of party caucuses.

The Senate resumed session at 3:30 p.m., President Pro Tempore Angelo presiding.

### HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 23, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 679**, a bill for an act relating to economic development by modifying the new jobs and income program and the enterprise zone program and providing a tax credit, and providing effective and retroactive applicability dates.

Read first time and referred to committee on **Ways and Means**.

### QUORUM CALL

Senator Veenstra requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 31 present, 19 absent, and a quorum present.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate File 451.

### Senate File 451

On motion of Senator Shull, **Senate File 451**, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations, was taken up for consideration.

Senator Fraise offered amendment S-3265, filed by Senator Fraise, et al., on April 22, 2003, to pages 1-5 and to the title page of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 13, nays 26.

Amendment S-3265 lost.

Senator Fraise asked and received unanimous consent that action on **Senate File 451** be **deferred**.

#### HOUSE AMENDMENT CONSIDERED

#### Senate File 402

Senator McKibben called up for consideration **Senate File 402**, a bill for an act relating to the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses, amended by the House, and moved that the Senate concur in House amendment S-3280, filed April 22, 2003.

A record roll call was requested.

On the question "Shall the motion to concur be adopted?" (S.F. 402), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The motion prevailed and the Senate **concurred** in the House amendment.

Senator McKibben moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 402), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **Senate File 402** be **immediately messaged** to the House.

### HOUSE AMENDMENT CONSIDERED

### Senate File 354

Senator Veenstra called up for consideration **Senate File 354**, a bill for an act implementing the federal Indian Child Welfare Act,

amended by the House, and moved that the Senate concur in House amendment S-3281, filed April 22, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Veenstra moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 354), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **Senate File 354** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate File 444.

**Senate File 444**

On motion of Senator Hosch, **Senate File 444**, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision, was taken up for consideration.

Senator Dotzler asked and received unanimous consent that action on **Senate File 444** be **deferred**.

UNFINISHED BUSINESS

**House File 650**

On motion of Senator Boettger, **House File 650**, a bill for an act relating to the assessment of a correctional fee by a county or municipality, and to the prosecution of certain criminal offenses committed in a municipality located in two or more counties, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee on Judiciary recommending passage and report of committee on Ways and Means recommending amendment and passage, was taken up for consideration.

Senator McKibben asked and received unanimous consent to withdraw amendment S-3245, filed by the committee on Ways and Means on April 16, 2003, to page 4 of the bill.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 650), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate File 443.

#### Senate File 443

On motion of Senator McKinley, **Senate File 443**, a bill for an act relating to criteria for community-based seed capital funds and providing a retroactive applicability date, was taken up for consideration.

Senator McKinley moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 443), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly

Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **Senate File 443** and **House File 650** be **immediately messaged** to the House.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate Resolution 30.

### Senate Resolution 30

On motion of Senator Iverson, **Senate Resolution 30**, a resolution relating to the shortage of nursing home administrators and requesting the State Board of Examiners for Nursing Home Administrators to make recommendations for addressing the shortage, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 30, which motion prevailed by a voice vote.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Redfern, until he returns, on request of Senator Behn.

## BUSINESS PENDING

**Senate File 451**

The Senate resumed consideration of **Senate File 451**, a bill or an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service “C” roads, and establishing a street construction fund distribution advisory committee, and making appropriations, previously deferred.

Senator Fraise offered amendment S–3293, filed by him from the floor to page 1 of the bill, and moved its adoption.

A record roll call was requested.

On the question “Shall amendment S–3293 be adopted?” (S.F. 451), the vote was:

Yeas, 14:

Bolkcom	Connolly	Courtney	Dvorsky
Fraise	Hatch	Horn	Houser
Kibbie	Kreiman	McKinley	Quirmbach
Stewart	Tinsman		

Nays, 35:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Dearden	Dotzler
Drake	Gaskill	Gronstal	Holveck
Hosch	Iverson	Johnson	Kettering
Kramer	Lamberti	Larson	Lundy
McCoy	McKibben	Miller	Putney
Ragan	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Veenstra
Warnstadt	Wieck	Zieman	

Absent, 1:

Redfern

Amendment S-3293 lost.

Senator Courtney offered amendment S-3257, filed by him on April 21, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3257 lost by a voice vote.

Senator Courtney offered amendment S-3258, filed by him on April 21, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3258 lost by a voice vote.

Senator Houser offered amendment S-3286, filed by Senators Houser and McKinley from the floor to page 2 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3286 be adopted?" (S.F. 451), the vote was:

Yeas, 16:

Bolkcom	Courtney	Dvorsky	Fraise
Hatch	Horn	Houser	Kettering
Kibbie	Kreiman	McKinley	Miller
Ragan	Rehberg	Seymour	Tinsman

Nays, 34:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Connolly	Dearden
Dotzler	Drake	Gaskill	Gronstal
Holveck	Hosch	Iverson	Johnson
Kramer	Lamberti	Larson	Lundby
McCoy	McKibben	Putney	Quirnbach
Redfern	Schuerer	Seng	Shull
Sievers	Stewart	Veenstra	Warnstadt
Wieck	Zieman		

Absent, none.

Amendment S-3286 lost.

Senator Kreiman asked and received unanimous consent that action on **Senate File 451** be **deferred**.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McCoy, until he returns, on request of Senator Dvorsky.

## UNFINISHED BUSINESS

**House File 225**

On motion of Senator Schuerer, **House File 225**, a bill for an act modifying workers' compensation laws and providing an effective date, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Schuerer moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 225), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 452.

**Senate File 452**

On motion of Senator McKibben, **Senate File 452**, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, was taken up for consideration.

Senator McKibben offered amendment S-3288, filed by him from the floor to pages 1, 4, and 12 of the bill, and moved its adoption.

Amendment S-3288 was adopted by a voice vote.

Senator Lundby offered amendment S-3295, filed by Senator Lundby, et al., from the floor to page 3 of the bill, and moved its adoption.

Amendment S-3295 was adopted by a voice vote.

Senator Connolly offered amendment S-3296, filed by him from the floor to page 5 of the bill, and moved its adoption.

Amendment S-3296 was adopted by a voice vote.

Senator Zieman asked and received unanimous consent to withdraw amendment S-3289, filed by Senator Zieman, et al., from the floor to page 5 of the bill.

With the withdrawal of amendment S-3289, the Chair ruled amendment S-3297, filed by Senator Dotzler from the floor to page 1 of amendment S-3289 out of order.

Senator Zieman offered amendment S-3292, filed by Senators Zieman and Lamberti from the floor to page 5 of the bill.

Senator Dotzler offered amendment S-3298, filed by him from the floor to page 1 of amendment S-3292, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3298 to amendment S-3292 be adopted?" (S.F. 452), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Miller	Quirmbach	Ragan	Seng
Stewart	Warnstadt		

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, none.

Amendment S-3298 lost.

Senator Zieman moved the adoption of amendment S-3292.

A record roll call was requested.

On the question "Shall amendment S-3292 be adopted?" (S.F. 452), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirmbach	Ragan	Seng	Stewart
Warnstadt			

Absent, none.

Amendment S-3292 was adopted.

Senator McKibben moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 452), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Present, 1:

Putney

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

President Kramer took the chair at 7:04 p.m.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 225** be **immediately messaged** to the House.

## BUSINESS PENDING

**Senate File 451**

The Senate resumed consideration of **Senate File 451**, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations, previously deferred.

Senator Kreiman offered amendment S-3299, filed by him from the floor to page 5 of the bill, and moved its adoption.

Amendment S-3299 lost by a voice vote.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 451), the vote was:

Yeas, 43:

Angelo	Beall	Behn	Black
Boettger	Brunkhorst	Connolly	Dearden
Dotzler	Drake	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McCoy	McKibben	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 7:

Bolkcom	Courtney	Dvorsky	Fraise
Houser	Kreiman	McKinley	

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 451** be **immediately messaged** to the House.

### HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 23, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 675**, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for fees, and providing penalties.

Read first time and referred to committee on **Government Oversight**.

### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 7:20 p.m. until 8:30 a.m. Thursday, April 24, 2003.

## APPENDIX

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

April 23, 2003

#### AUDITOR OF STATE

Single Audit Report of the State of Iowa for the FY ended June 30, 2002.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Myrtle Alsin, Madrid — For celebrating your 103rd birthday on April 18, 2003. Senator Quirmbach (4/23/03).

Nancy Chapmen, Creston — For being named the Wal-Mart 2003 Teacher of the Year. Senator Angelo (4/23/03).

Donald and Betty Hanson, Roland — For celebrating your 60th wedding anniversary on April 25, 2003. Senator Iverson (4/23/03).

### REPORT OF COMMITTEE MEETING

#### RULES AND ADMINISTRATION

**Convened:** April 23, 2003, 8:30 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** Boettger and Drake (both excused).

**Committee Business:** Passed SCR 17 and SRs 33, 34, 35, and 36.

**Adjourned:** 8:35 a.m.

## STUDY BILLS RECEIVED

**SSB 1204 Appropriations**

Relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund.

**SSB 1205 Appropriations**

Relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, and providing applicability and effective dates.

## SUBCOMMITTEE ASSIGNMENTS

**Senate Resolution 35**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House File 665**

WAYS AND MEANS: Connolly, Chair; McKinley and Shull

**House File 680**

WAYS AND MEANS: Dotzler, Chair; McKibben and Rehberg

**House File 682**

APPROPRIATIONS: Gaskill, Chair; Connolly and Houser

**House File 684**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

**SSB 1204**

APPROPRIATIONS: Kramer, Chair; Bolkcom and Lamberti

**SSB 1205**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

## COMMITTEE REPORTS

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 17, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Boettger and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** SENATE RESOLUTION 33, a resolution honoring the city of St. Ansgar and the First Lutheran Church on their sesquicentennial year.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Boettger and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** SENATE RESOLUTION 34, a resolution urging the United States Postal Service to issue a commemorative postage stamp honoring America's coal miners.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Boettger and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** SENATE RESOLUTION 35, a resolution calling for the observance of Workers Memorial Day.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Boettger and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 36, a resolution honoring the Iowa members of the United States Naval Armed Guard who served during World War II.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Courtney, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 2: Boettger and Drake.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### MOTION TO RECONSIDER FILED

MADAM PRESIDENT: I move to reconsider the vote by which Senate File 452 passed the Senate on April 23, 2003.

JEFF LAMBERTI

### AMENDMENTS FILED

S-3285	H.F.	584	House
S-3286	S.F.	451	Hubert Houser Paul McKinley
S-3287	S.F.	426	Joe M. Seng
S-3288	S.F.	452	Larry McKibben
S-3289	S.F.	452	Mark Ziemann Mary Kramer Stewart Iverson, Jr. Nancy J. Boettger Jeff Angelo Ron Wieck Kenneth Veenstra Steve Kettering James Seymour Larry McKibben Charles W. Larson, Jr. David Johnson John Putney Neal Schuerer Paul McKinley Julie Hosch Bryan J. Sievers E. Thurman Gaskill

			Richard F. Drake
			Doug Shull
			Donald B. Redfern
			Kitty Rehberg
			Jeff Lamberti
S-3290	H.F.	543	Mary A. Lundby
S-3291	H.F.	543	Mary A. Lundby
S-3292	S.F.	452	Mark Ziemann
			Jeff Lamberti
S-3293	S.F.	451	Eugene S. Fraiese
S-3294	S.F.	449	Daryl Beall
			John P. Kibbie
			Joe Bolkom
			Jack Hatch
			Bryan J. Sievers
S-3295	S.F.	452	Mary A. Lundby
			Robert E. Dvorsky
			Wally E. Horn
			Charles W. Larson, Jr.
S-3296	S.F.	452	Mike Connolly
S-3297	S.F.	452	William Dotzler
S-3298	S.F.	452	William Dotzler
S-3299	S.F.	451	Keith A. Kreiman
S-3300	S.F.	448	Charles W. Larson, Jr.
			Robert E. Dvorsky
			Keith A. Kreiman

# JOURNAL OF THE SENATE

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ONE HUNDRED SECOND CALENDAR DAY  
SIXTIETH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, April 24, 2003

The Senate met in regular session at 8:25 a.m., Senator Sievers presiding.

Prayer was offered by the following seventh and eighth grade students from Ocheyedan Christian School: Tricia Beltman, Matthew Berends, Levi Bootsma, Kelly Slagter, Mitchell Tiedeman, Tessa Vande Hoef, and Brittany Weg. They were the guests of Senator Johnson.

The Journal of Wednesday, April 23, 2003, was approved.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 23, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 422**, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date. (S-3301)

The Senate stood at ease at 8:55 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:17 a.m., Senator Behn presiding.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 23, 2003, **concurred** in the Senate amendment **and passed** the following bills in which the concurrence of the House was asked:

**House File 457**, a bill for an act expanding requirements for the transition of an individual from the child welfare services system to adulthood.

**House File 560**, a bill for an act relating to medical assistance home and community-based services waivers.

ALSO: That the House has on April 23, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 668**, a bill for an act creating a university-based research utilization program, providing tax credits, and making appropriations.

Read first time and referred to committee on **Ways and Means**.

**House File 672**, a bill for an act relating to the regulation of adult day services, providing for penalties, and providing an effective date.

Read first time and referred to committee on **Government Oversight**.

**House File 687**, a bill for an act providing a sales and use tax exemption for soy-based railroad rail lubricants.

Read first time and referred to committee on **Ways and Means**.

## RECESS

On motion of Senator Sievers, the Senate recessed at 10:19 a.m. until 2:30 p.m.

## APPENDIX — 1

## REPORTS OF COMMITTEE MEETINGS

## APPROPRIATIONS

**Convened:** April 24, 2003, 10:20 a.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann.

**Members Absent:** None.

**Committee Business:** Passed HF 682 and approved SSBs 1204 and 1205.

**Recessed:** 11:55 a.m.

**Reconvened:** 3:35 p.m.

**Adjourned:** 3:40 p.m.

## COMMERCE

**Convened:** April 24, 2003, 1:10 p.m.

**Members Present:** Angelo, Chair; Wieck, Vice Chair; Warnstadt, Ranking Member; Beall, Behn, Bolkcom, Brunkhorst, Gronstal, Kettering, Larson, McCoy, Redfern, Schuerer, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Approved SSB 1206.

**Adjourned:** 4:00 p.m.

## WAYS AND MEANS

**Convened:** April 24, 2003, 1:45 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** Lamberti (excused).

**Committee Business:** Passed SF 115 and HF's 665, 671, and 680. Approved SSB 1199.

**Adjourned:** 3:20 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 37**, by Warnstadt, a resolution honoring Mr. Larry Kisor for his success in directing the Sioux City North High School Jazz Band.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILL

**Senate File 454**, by committee on Appropriations, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund.

Read first time under Rule 28 and **placed on Appropriations calendar**.

## STUDY BILL RECEIVED

### **SSB 1206 Commerce**

Nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

## SUBCOMMITTEE ASSIGNMENTS

### **House File 358**

GOVERNMENT OVERSIGHT: Wieck, Chair; Dvorsky and Lundby

### **House File 668**

WAYS AND MEANS: Rehberg, Chair; Bolkcom and McKibben

**House File 675**

GOVERNMENT OVERSIGHT: Lundby, Chair; Brunkhorst and Dvorsky

**House File 679**

WAYS AND MEANS: Angelo, Chair; Dotzler and McKinley

**House File 687**

WAYS AND MEANS: Sievers, Chair; McKibben and Stewart

**SSB 1206**

COMMERCE: Wieck, Chair; Larson and Warnstadt

**COMMITTEE REPORTS****APPROPRIATIONS**

**Final Bill Action:** SENATE FILE 453 (SSB 1205), a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, and providing applicability and effective dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 14: Lamberti, Kramer, Behn, Gaskill, Houser, McKibben, McKinley, Schuerer, Seymour, Shull, Sievers, Tinsman, Veenstra, and Zieman. Nays, 10: Dvorsky, Black, Bolkcom, Connolly, Dotzler, Fraise, Hatch, Horn, Seng, and Warnstadt. Present, 1: Miller. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE FILE 454 (SSB 1204), a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 25: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 682, a bill for an act relating to wine by providing for native wine permits, providing wine gallonage tax revenue to support grape and wine development, providing for fees, and providing an effective date and retroactive applicability.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 24: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Present, 1: Miller. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**COMMERCE**

**Final Bill Action:** SENATE JOINT RESOLUTION 5 (SSB 1206), a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 11: Angelo, Wieck, Warnstadt, Behn, Brunkhorst, Kettering, Larson, Redfern, Schuerer, Sievers, and Stewart. Nays, 3: Beall, Bolkcom, and Gronstal. Present, 1: McCoy. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**WAYS AND MEANS**

**Final Bill Action:** HOUSE FILE 665, a bill for an act relating to property taxation of certain lands leased to others by the department of corrections or department of human services and providing for the Act's applicability.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: McKibben, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: Shull and Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 671, a bill for an act relating to the recycling property exemption from property tax and including an applicability date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 16: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 1: Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 680, a bill for an act relating to licenses for bait dealers by creating resident and nonresident wholesale bait dealer licenses, providing reciprocity, and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 15: McKibben, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 2: Shull and Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 24th day of April, 2003:

Senate Files 172, 230, 351, 379, 386, 392, and 397.

MICHAEL E. MARSHALL  
Secretary of the Senate

## RECONVENED

The Senate reconvened at 4:34 p.m., Senator Sievers presiding.

## INTRODUCTION OF BILL

**Senate File 453**, by committee on Appropriations, a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, and providing applicability and effective dates.

Read first time and **placed on Appropriations calendar.**

## QUORUM CALL

Senator Veenstra requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 41 present, 9 absent, and a quorum present.

The Senate stood at ease at 4:47 p.m. until the fall of the gavel for the purpose of a Democratic caucus.

The Senate resumed session at 5:45 p.m., Senator Boettger presiding.

## INTRODUCTION OF RESOLUTION

**Senate Joint Resolution 5**, by committee on Commerce, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

Read first time and **placed on calendar.**

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Dearden, for the remainder of the day, on request of Senator Gronstal; and Senator Houser, until he arrives, on request of Senator Veenstra.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 426.

**Senate File 426**

On motion of Senator Seng, **Senate File 426**, a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability, was taken up for consideration.

Senator Seng offered amendment S-3287, filed by him on April 23, 2003, striking everything after the enacting clause of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 31, nays 2.

Amendment S-3287 was adopted.

Senator Seng asked and received unanimous consent that **House File 681** be substituted for **Senate File 426**.

**House File 681**

On motion of Senator Seng, **House File 681**, a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability, was taken up for consideration.

Senator Seng moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 681), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Dearden                      Houser

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Seng asked and received unanimous consent that **Senate File 426** be **withdrawn** from further consideration of the Senate.

### UNFINISHED BUSINESS (Deferred April 23, 2003)

#### Senate File 444

The Senate resumed consideration of **Senate File 444**, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision, deferred April 23, 2003.

Senator Dotzler offered amendment S-3304, filed by Senators Dotzler, Black, and Hosch from the floor to pages 1-3 of the bill, and moved its adoption.

Amendment S-3304 was adopted by a voice vote.

Senator Hosch moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 444), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Dearden	Houser
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## HOUSE AMENDMENT TO SENATE AMENDMENT CONSIDERED

### House File 584

Senator Miller called up for consideration, **House File 584**, a bill for an act providing for exceptions to municipal tort liability for certain activities, amended by the Senate, further amended by the House, and moved that the Senate concur in House amendment S-3285 to Senate amendment H-1337, filed April 23, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment to the Senate amendment.

Senator Miller moved that the bill, as amended by the Senate, further amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 584), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 1:

Quirnbach

Absent, 2:

Dearden

Houser

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

President Kramer took the chair at 6:13 p.m.

### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate File 448.

### Senate File 448

On motion of Senator Larson, **Senate File 448**, a bill for an act relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities,

release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees, was taken up for consideration.

Senator Larson offered amendment S-3300, filed by Senators Larson, Dvorsky, and Kreiman on April 23, 2003, to pages 1, 5, 8, 9, and to the title page of the bill, and moved its adoption.

Amendment S-3300 was adopted by a voice vote.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 448), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Dearden	Houser
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate File 449.

**Senate File 449**

On motion of Senator Shull, **Senate File 449**, a bill for an act providing a wind energy production tax credit under the individual and corporate income taxes, the franchise tax, and insurance premiums tax and including an applicability date provision, was taken up for consideration.

Senator Lundby asked and received unanimous consent that action on **Senate File 449** be **deferred**.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Files 444** and **448** and **House Files 584** and **681** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 654.

**House File 654**

On motion of Senator Miller, **House File 654**, a bill for an act relating to the exemption of sand handling and core and mold making equipment used in the mold making process from sales and use taxes, providing refunds, and including effective and retroactive applicability date provisions, with report of committee recommending passage, was taken up for consideration.

Senator Miller asked and received unanimous consent to withdraw amendment S-3259, filed by Senator Miller, et al., on April 21, 2003, to page 1 and to the title page of the bill.

Senator Miller offered amendment S-3309, filed by Senator Miller, et al., from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3309 was adopted by a voice vote.

Senator Miller moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 654), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Dearden

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## UNFINISHED BUSINESS

### House File 455

On motion of Senator Tinsman, **House File 455**, a bill for an act requiring licensed health-related professionals to report certain burn injuries to a law enforcement agency, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Quirnbach offered amendment S-3305, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3305 lost by a voice vote.

Senator Quirnbach offered amendment S-3314, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3314 lost by a voice vote.

Senator Tinsman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 455), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, 1:

Quirnbach

Absent, 1:

Dearden

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Joint Resolution 5.

**Senate Joint Resolution 5**

On motion of Senator Wieck, **Senate Joint Resolution 5**, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date, was taken up for consideration.

POINT OF ORDER

Senator Black requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 40 present, 10 absent, and a quorum present.

BUSINESS PENDING

**Senate Joint Resolution 5**

The Senate resumed consideration of Senate Joint Resolution 5.

Senator Bolckom asked and received unanimous consent that action on **Senate Joint Resolution 5** be **deferred**.

HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 24, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 275**, a bill for an act relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability.

**Senate File 417**, a bill for an act relating to the purchase of a police service dog by the department of corrections.

ALSO: That the House has on April 24, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 454**, a bill for an act relating to mandatory universal newborn and infant hearing screening.

ALSO: That the House has on April 24, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 368**, a bill for an act relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board. (S-3315)

ALSO: That the House has on April 24, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 677**, a bill for an act relating to new capital investment for businesses and new jobs by creating a new capital investment program, creating tax incentives, and amending the new jobs and income program.

Read first time and referred to committee on **Ways and Means**.

**House File 685**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund.

Read first time and **attached to similar Senate File 454**.

## HOUSE AMENDMENT CONSIDERED

**Senate File 368**

Senator Angelo called up for consideration **Senate File 368**, a bill for an act relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board, amended by the House, and moved that the Senate concur in House amendment S-3315, filed April 24, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Angelo moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 368), the vote was:

Yeas, 38:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hosch
Iverson	Johnson	Kettering	Kibbie
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	Putney	Ragan
Redfern	Schuerer	Seng	Shull
Sievers	Stewart	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 11:

Hatch	Holveck	Horn	Houser
Kramer	McKinley	Miller	Quirmbach
Rehberg	Seymour	Tinsman	

Absent, 1:

Dearden

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## BUSINESS PENDING

**Senate File 449**

The Senate resumed consideration of **Senate File 449**, a bill for an act providing a wind energy production tax credit under the individual and corporate income taxes, the franchise tax, and insurance premiums tax and including an applicability date provision, previously deferred.

Senator Shull offered amendment S-3303, filed by him from the floor to page 1 of the bill, and moved its adoption.

Amendment S-3303 was adopted by a voice vote.

Senator Beall offered amendment S-3294, filed by Senator Beall, et al., on April 23, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3294 was adopted by a voice vote.

Senator Sievers offered amendment S-3302, filed by him from the floor to page 5 of the bill, and moved its adoption.

Amendment S-3302 was adopted by a voice vote.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 449), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
McCoy	McKibben	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull

Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Dearden	Lundby	McKinley
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

The Senate stood at ease at 7:53 p.m. until the fall of the gavel for the purpose of a Republican caucus.

The Senate resumed session at 9:20 p.m., President Kramer presiding.

#### QUORUM CALL

Senator Putney requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 35 present, 15 absent, and a quorum present.

Senator Behn took the chair at 9:25 p.m.

#### HOUSE AMENDMENT CONSIDERED

#### Senate Concurrent Resolution 2

Senator Kramer called up for consideration **Senate Concurrent Resolution 2**, a concurrent resolution relating to the compensation of chaplains, officers and employees of the eightieth general assembly, amended by the House, and moved that the Senate concur in House amendment S-3080, filed March 24, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Kramer moved the adoption of Senate Concurrent Resolution 2, as amended by the House and concurred in by the Senate, which motion prevailed by a voice vote.

President Kramer took the chair at 9:34 p.m.

**CONSIDERATION OF BILL**  
**(Appropriations Calendar)**

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 453.

**Senate File 453**

On motion of Senator Lamberti, **Senate File 453**, a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, and providing applicability and effective dates, was taken up for consideration.

Senator Miller offered amendment S-3308, filed by Senators Miller and Brunkhorst from the floor to page 4 of the bill.

The Senate stood at ease at 10:02 p.m. until the fall of the gavel for the purpose of a Democratic caucus.

The Senate resumed session at 10:18 p.m., President Kramer presiding.

**LEAVE OF ABSENCE**

Leave of absence was granted as follows:

Senator Lundby, until she returns, on request of Senator Brunkhorst.

**BUSINESS PENDING**

**Senate File 453**

The Senate resumed consideration of Senate File 453.

Senator Miller moved the adoption of amendment S-3308.

A record roll call was requested.

On the question “Shall amendment S–3308 be adopted?” (S.F. 453), the vote was:

Rule 23, requiring all senators present to vote except those who express a conflict of interest, was invoked.

Yeas, 18:

Black	Brunkhorst	Hosch	Houser
Kreiman	Larson	McKinley	Miller
Putney	Quirmbach	Rehberg	Seng
Seymour	Sievers	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 30:

Angelo	Beall	Behn	Boettger
Bolkcom	Connolly	Courtney	Dotzler
Drake	Dvorsky	Fraise	Gaskill
Gronstal	Hatch	Holveck	Horn
Iverson	Johnson	Kettering	Kibbie
Kramer	Lamberti	McCoy	McKibben
Ragan	Redfern	Schuerer	Shull
Stewart	Tinsman		

Absent, 2:

Dearden	Lundby
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Amendment S–3308 lost.

Senator Putney withdrew amendment S–3306, filed by him from the floor to pages 5 and 6 of the bill.

Senator Putney asked and received unanimous consent to withdraw amendment S–3307, filed by Senators Putney and Kreiman from the floor to pages 5 and 6 of the bill.

Senator Hatch offered amendment S–3312, filed by Senator Hatch, et al., from the floor to pages 19 and 21 of the bill, and moved its adoption.

Amendment S–3312 was adopted by a voice vote.

Senator Hatch offered amendment S–3311, filed by Senator Hatch, et al., from the floor to pages 30 and 31 of the bill.

Senator McKibben took the chair at 11:30 p.m.

President Kramer took the chair at 11:35 p.m.

The Senate stood at ease at 12:04 a.m. until the fall of the gavel for the purpose of a Democratic caucus.

The Senate resumed session at 12:36 a.m., President Kramer presiding.

### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Brunkhorst and Miller, until they return, on request of Senator Veenstra.

### BUSINESS PENDING

#### **Senate File 453**

The Senate resumed consideration of Senate File 453.

Senator Hatch moved the adoption of amendment S-3311.

A record roll call was requested.

On the question "Shall amendment S-3311 be adopted?" (S.F. 453), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Nays, 26:

Angelo	Behn	Boettger	Drake
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	McKibben	McKinley	Putney
Redfern	Rehberg	Schuerer	Seymour

Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Absent, 4:

Brunkhorst	Dearden	Lundby	Miller
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Amendment S-3311 lost.

Senator Shull asked and received unanimous consent to withdraw amendment S-3316, filed by Senators Shull and Connolly from the floor to page 37 of the bill.

Senator Gronstal offered amendment S-3318, filed by him from the floor to pages 1-4 and to the title page of the bill.

President Pro Tempore Angelo took the chair at 1:10 a.m.

Senator Gronstal moved the adoption of amendment S-3318.

A record roll call was requested.

On the question "Shall amendment S-3318 be adopted?" (S.F. 453), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Nays, 25:

Angelo	Behn	Boettger	Drake
Hosch	Houser	Iverson	Johnson
Kettering	Kramer	Lamberti	Larson
McKibben	McKinley	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, 5:

Brunkhorst	Dearden	Gaskill	Lundby
Miller			

Amendment S-3318 lost.

Senator Lamberti offered amendment S-3317, filed by him from the floor to pages 5-12, 14-18, 23, 24, 27-30, 32-34, 36, 37, and to the title page of the bill, and moved its adoption.

Amendment S-3317 was adopted by a voice vote.

Senator Lamberti offered amendment S-3319, filed by him from the floor to page 37 of the bill, and moved its adoption.

Amendment S-3319 was adopted by a voice vote.

President Kramer took the chair at 1:35 a.m.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 453), the vote was:

Yeas, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Zieman		

Nays, 23:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Miller
Quirmbach	Ragan	Rehberg	Seng
Stewart	Warnstadt	Wieck	

Absent, 1:

Dearden

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 24, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 692**, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions.

Read first time and referred to committee on **Ways and Means**.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 2, Senate Files 368, 449, and 453** and **House Files 455** and **654** be **immediately messaged** to the House.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 2:50 a.m. until 10:00 a.m. Monday, April 28, 2003.

## APPENDIX — 2

### INTRODUCTION OF BILLS

**Senate File 455**, by committee on Ways and Means, a bill for an act providing an Iowa individual income tax checkoff for deposit in the free health clinic fund, making an appropriation, and including effective and applicability date provisions.

Read first time under Rule 28 and **placed on Ways and Means calendar.**

**Senate File 456**, by committee on Ways and Means, a bill for an act relating to economic development by creating a position of technology transfer advisor, creating a loan and credit guarantee program and fund, creating an economic development marketing board, providing for a business start-up information internet web site, creating a grow Iowa fund, making appropriations and related tax changes, making changes to urban renewal law and related taxes, and including effective date and retroactive applicability date provisions.

Read first time under Rule 28 and **placed on Ways and Means calendar.**

### COMMITTEE REPORTS

#### WAYS AND MEANS

**Final Bill Action:** SENATE FILE 455 (formerly SF 115), a bill for an act providing an Iowa individual income tax checkoff for deposit in the free health clinic fund, making an appropriation, and including effective and applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 16: McKibben, Shull, Bolcom, Angelo, Connolly, Dotzler, Hosch, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 1: Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### ALSO:

**Final Bill Action:** SENATE FILE 456 (SSB 1199), a bill for an act relating to economic development by creating a position of technology transfer advisor, creating a

loan and credit guarantee program and fund, creating an economic development marketing board, providing for a business start-up information internet web site, creating a grow Iowa fund, making appropriations and related tax changes, making changes to urban renewal law and related taxes, and including effective date and retroactive applicability date provisions.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 9: McKibben, Shull, Angelo, Hosch, Larson, McKinley, Miller, Rehberg, and Sievers. Nays, 7: Bolkcom, Connolly, Dotzler, McCoy, Quirmbach, Seng, and Stewart. Absent, 1: Lamberti.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

#### AMENDMENTS FILED

S-3301	S.F.	422	House
S-3302	S.F.	449	Bryan J. Sievers
S-3303	S.F.	449	Doug Shull
S-3304	S.F.	444	William Dotzler Dennis H. Black Julie Hosch
S-3305	H.F.	455	Herman C. Quirmbach
S-3306	S.F.	453	John Putney
S-3307	S.F.	453	John Putney Keith A. Kreiman
S-3308	S.F.	453	David Miller Bob Brunkhorst
S-3309	H.F.	654	David Miller Eugene S. Fraise Thomas G. Courtney Mike Connolly William Dotzler
S-3310	H.F.	595	Ron Wieck
S-3311	S.F.	453	Jack Hatch Robert E. Dvorsky Amanda Ragan Keith A. Kreiman Jack Holveck Michael E. Gronstal Matt McCoy John P. Kibbie Mike Connolly Thomas G. Courtney

			Roger Stewart
			Daryl Beall
			Herman C. Quirnbach
			Steve Warnstadt
			Joe Bolkcom
			William Dotzler
			Joe M. Seng
			Wally E. Horn
S-3312	S.F.	453	Jack Hatch
			Robert E. Dvorsky
			Amanda Ragan
			Keith A. Kreiman
			Jack Holveck
			John P. Kibbie
			Matt McCoy
			Thomas G. Courtney
			Wally E. Horn
			Michael E. Gronstal
			Mike Connolly
			Roger Stewart
			Daryl Beall
			Herman C. Quirnbach
			Steve Warnstadt
			Joe Bolkcom
			William Dotzler
			Joe M. Seng
S-3313	S.F.	434	Steve Warnstadt
S-3314	H.F.	455	Herman C. Quirnbach
S-3315	S.F.	368	House
S-3316	S.F.	453	Doug Shull
			Mike Connolly
S-3317	S.F.	453	Jeff Lamberti
S-3318	S.F.	453	Michael E. Gronstal
S-3319	S.F.	453	Jeff Lamberti

# JOURNAL OF THE SENATE

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ONE HUNDRED SIXTH CALENDAR DAY  
SIXTY-FIRST SESSION DAY

Senate Chamber  
Des Moines, Iowa, Monday, April 28, 2003

The Senate met in regular session at 10:04 a.m., President Kramer presiding.

Prayer was offered by the Reverend Dave Heilman, pastor of the Calvary Christian Reformed Church in Orange City, Iowa. He was the guest of Senator Veenstra.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the 2003 Senate Pages.

A moment of silence was observed by the Senate in honor of Workers Memorial Day and the Iowa workers whose lives were lost in 2002.

The Journal of Thursday, April 24, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 25, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 453**, a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, and providing applicability and effective dates.

ALSO: That the House has on April 25, 2003, **concurred** in the Senate amendment to the House amendment, **and passed** the following bill in which the concurrence of the House was asked:

**Senate File 94**, a bill for an act providing for the confidentiality of certain veterans' records maintained by county recorders.

ALSO: That the House has on April 25, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 383**, a bill for an act relating to the delivery of curriculum via the internet by instructional personnel employed by an accredited postsecondary educational institution under a contract with a school district. (S-3320)

ALSO: That the House has on April 25, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 689**, a bill for an act relating to ethanol blended gasoline, by providing for tax credits and for their retroactive applicability, providing for refunds, and providing for an effective date.

Read first time and referred to committee on **Ways and Means**.

**House File 694**, a bill for an act relating to the judicial branch including by establishing a judicial district and judicial election district redistricting process, making changes to the nomination, appointment, and retention of judges, expanding magistrate courts, eliminating the position of alternate district associate judge, permitting district judgeships to be apportioned or transferred to another judicial district, requiring the county sheriff to serve a summons in certain delinquency proceedings, eliminating the participation of the foster care review board in voluntary foster care placements, waiving the filing fee and court costs in certain contempt actions, changing the duties of and the procedures related to the clerk of the district court, providing that interest on a judgment be calculated upon the one year treasury constant maturity plus two percent, expanding the access of the deferred judgment docket, prohibiting regional litigation centers, modifying the schedule of the probate court, providing for a fee, and providing for a study.

Read first time and **attached to similar Senate File 418.**

BILL REFERRED TO COMMITTEE

Senator Iverson asked and received unanimous consent that **House File 631** be referred to the committee on **Judiciary.**

SPECIAL GUESTS

The Chair welcomed to the Senate chamber the following former Senate Pages returning for a 20-year reunion and their guests:

Terri Bloyd-Bonar  
Curtis Dunlap  
Jeff Patterson  
Jeff Suntken  
Ric Turnquist  
Jeffrey Upah

The Senate rose and expressed its welcome.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration Senate Resolution 35.

**Senate Resolution 35**

On motion of Senator Courtney, **Senate Resolution 35**, a resolution calling for the observance of Workers Memorial Day, with report of committee recommending passage, was taken up for consideration.

Senator Courtney moved the adoption of Senate Resolution 35, which motion prevailed by a voice vote.

The Senate stood at ease at 10:20 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 12:02 p.m., Senator Zieman presiding.

### RECESS

On motion of Senator Veenstra, the Senate recessed at 12:03 p.m. until 1:30 p.m.

## APPENDIX —1

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

April 28, 2003

#### IOWA CIVIL RIGHTS COMMISSION

Iowa Communications Network (ICN) Usage for FY 2002, pursuant to Iowa Code section 8D.10.

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Dick and Margot Tighe, Webster City — For celebrating your 50th wedding anniversary. Senator Iverson (4/28/03).

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Students from Hoover Elementary School in Dubuque, accompanied by Randy Lyon and Katie Ditterman. The students are Iowa History contest winners. Senator Connolly.

## REPORTS OF COMMITTEE MEETINGS

### GOVERNMENT OVERSIGHT

**Convened:** April 28, 2003, 1:20 p.m.

**Members Present:** Lundby, Chair; Brunkhorst, Vice Chair; Courtney, Ranking Member; Dvorsky and Wieck.

**Members Absent:** None.

**Committee Business:** Passed HFs 672 and 675.

**Adjourned:** 1:30 p.m.

### RULES AND ADMINISTRATION

**Convened:** April 28, 2003, 1:30 p.m.

**Members Present:** Iverson, Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Sievers.

**Members Absent:** Kramer, Vice Chair; and Ragan (both excused).

**Committee Business:** Passed SRs 37 and 38.

**Adjourned:** 1:35 p.m.

## INTRODUCTION OF RESOLUTION

**Senate Resolution 38**, by Lamberti, a resolution designating a Whistler Laureate for the Senate during the Eightieth General Assembly and recognizing special rules of decorum.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## SUBCOMMITTEE ASSIGNMENTS

### Senate Resolution 37

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### Senate Resolution 38

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House File 672**

GOVERNMENT OVERSIGHT: Lundby, Chair; Brunkhorst and Dvorsky

**House File 677**

WAYS AND MEANS: Angelo, Chair; Bolkcom and McKibben

**House File 689**

WAYS AND MEANS: Rehberg, Chair; Angelo and Dotzler

**House File 692**

WAYS AND MEANS: McKibben, Chair; Connolly, Shull, Sievers, and Stewart

**COMMITTEE REPORTS**

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE RESOLUTION 37, a resolution honoring Mr. Larry Kisor for his success in directing the Sioux City North High School Jazz Band.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Sievers. Nays, none. Absent, 2: Kramer and Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 38, a resolution designating a Whistler Laureate for the Senate during the Eightieth General Assembly and recognizing special rules of decorum.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, and Sievers. Nays, none. Absent, 2: Kramer and Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**REPORT OF THE SECRETARY OF THE SENATE**

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in enrolling Senate File 375, the following corrections were made:

1. Page 6, line 11, the number “1.” was changed to the letter “a.”.
2. Page 6, line 14, the number “2.” was changed to the letter “b.”.

MICHAEL E. MARSHALL  
Secretary of the Senate

## BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 28th day of April, 2003:

Senate Files 102, 366, 372, 375, 416, and 438.

MICHAEL E. MARSHALL  
Secretary of the Senate

## BILLS SIGNED BY THE GOVERNOR

A communication was received announcing that on April 25, 2003, the Governor approved and transmitted to the Secretary of State the following bills:

S.F. 180 – Relating to the procedures for handling abandoned property and property presumed to be abandoned.

S.F. 221 – Relating to the criminal offense of sexual exploitation of a minor.

S.F. 340 – Relating to business entities, based on revisions related to the Iowa business corporation Act, including addition of a savings clause and addition of provisions related to director and officer liability, duty, and indemnification for certain insurance companies and indemnification for cooperative associations.

S.F. 352 – Relating to the training of an individual who intends to become certified as a law enforcement officer.

S.F. 361 – Relating to emergency procedures for the temporary detention and treatment of persons who are incapacitated or impaired due to substance abuse or mental health problems.

S.F. 394 – Relating to the regulation of the grain industry, and making penalties applicable.

## AFTERNOON SESSION

The Senate reconvened at 1:37 p.m., Senator Putney presiding.

## RECESS

On motion of Senator Veenstra, the Senate recessed at 1:38 p.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 1:42 p.m., Senator Putney presiding.

## QUORUM CALL

Senator Courtney requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 32 present, 18 absent, and a quorum present.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Angelo, for the day, on request of Senator Boettger.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 38.

**Senate Resolution 38**

On motion of Senator Iverson, **Senate Resolution 38**, a resolution designating a Whistler Laureate for the Senate during the Eightieth General Assembly and recognizing special rules of decorum, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 38, which motion prevailed by a voice vote.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 34.

**Senate Resolution 34**

On motion of Senator Iverson, **Senate Resolution 34**, a resolution urging the United States Postal Service to issue a commemorative postage stamp honoring America's coal miners, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 34, which motion prevailed by a voice vote.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Boettger asked and received unanimous consent to take up for consideration House File 682.

**House File 682**

On motion of Senator Gaskill, **House File 682**, a bill for an act relating to wine by providing for native wine permits, providing wine gallonage tax revenue to support grape and wine development, providing for fees, and providing an effective date and retroactive applicability, with report of committee recommending passage, was taken up for consideration.

Senator Gaskill moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 682), the vote was:

Yeas, 48:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Putney	Quirmbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Present, 1:

Miller

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## UNFINISHED BUSINESS

### House File 450

On motion of Senator Larson, **House File 450**, a bill for an act creating an exception to the statutory rule against perpetuities and making related changes, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator McKibben asked and received unanimous consent to withdraw amendment S-3277, filed by Senator McKibben, et al., on April 22, 2003, to pages 1 and 2 of the bill.

Senator Quirmbach asked and received unanimous consent that action on **House File 450** be **deferred**.

## HOUSE AMENDMENT CONSIDERED

**Senate File 422**

Senator Redfern called up for consideration **Senate File 422**, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date, amended by the House in House amendment S-3301, filed April 24, 2003.

Senator Redfern offered amendment S-3325, filed by him from the floor to pages 1 and 2 of House amendment S-3301.

Senator Redfern asked and received unanimous consent that action on amendment S-3325 to House amendment S-3301, House amendment S-3301, and **Senate File 422** be **deferred**.

## UNFINISHED BUSINESS

**House File 329**

On motion of Senator Seymour, **House File 329**, a bill for an act relating to site preparation for targeted economic development, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Seymour moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 329), the vote was:

Yeas, 49:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Boettger asked and received unanimous consent that **House Files 329** and **682** be **immediately messaged** to the House.

### UNFINISHED BUSINESS

#### House File 576

On motion of Senator Shull, **House File 576**, a bill for an act relating to the enterprise zone program and including effective date provisions, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Shull moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 576), the vote was:

Yeas, 49:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### MOTION TO RECONSIDER WITHDRAWN

#### Senate File 452

Senator Lamberti withdrew the motion to reconsider Senate File 452, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, filed by him on April 23, 2003, and found on page 1080 of the Senate Journal.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 452** and **House File 576** be **immediately messaged** to the House.

The Senate stood at ease at 2:38 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 4:13 p.m., Senator Sievers presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 23, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 445**, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date. (S-3324)

ALSO: That the House has on April 25, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 624**, a bill for an act regulating farm deer, providing for penalties, and providing an effective date.

ALSO: That the House has on April 25, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 686**, a bill for an act relating to urban renewal and tax increment financing and including effective and retroactive applicability date provisions.

Read first time and referred to committee on **Ways and Means**.

## COMMITTEE REPORTS

### GOVERNMENT OVERSIGHT

**Final Bill Action:** HOUSE FILE 672, a bill for an act relating to the regulation of adult day services, providing for penalties, and providing an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 5: Lundby, Brunkhorst, Courtney, Dvorsky, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 675, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for fees, and providing penalties.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 5: Lundby, Brunkhorst, Courtney, Dvorsky, and Wieck. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 672.

### House File 672

On motion of Senator Lundby, **House File 672**, a bill for an act relating to the regulation of adult day services, providing for penalties, and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Lundby moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 672), the vote was:

Yeas, 49:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley

Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			
Nays, none.			

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 675.

#### **House File 675**

On motion of Senator Lundby, **House File 675**, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for fees, and providing penalties, with report of committee recommending passage, was taken up for consideration.

Senator Lundby offered amendment S-3329, filed by her from the floor to page 16 of the bill, and moved its adoption.

Amendment S-3329 was adopted by a voice vote.

Senator Lundby moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 675), the vote was:

Yeas, 49:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch

Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 454.

#### **Senate File 454**

On motion of Senator Kramer, **Senate File 454**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, was taken up for consideration.

Senator Bolkcom asked and received unanimous consent to withdraw amendment S-3322, filed by Senator Bolkcom, et al., from the floor to page 3 of the bill.

Senator Kramer offered amendment S-3321, filed by her from the floor to pages 5 and 6 of the bill, and moved its adoption.

Amendment S-3321 was adopted by a voice vote.

With the adoption of amendment S-3321, the Chair ruled amendment S-3323, filed by Senator Bolkcom, et al., from the floor to page 6 of the bill, out of order.

Senator Kramer asked and received unanimous consent that **House File 685** be **substituted** for **Senate File 454**.

### House File 685

On motion of Senator Kramer, **House File 685**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, was taken up for consideration.

Senator Bolcom offered amendment S-3326, filed by Senator Bolcom, et al., from the floor to page 3 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3326 be adopted?" (H.F. 685), the vote was:

Yeas, 22:

Beall	Black	Bolcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Tinsman	Warnstadt		

Nays, 27:

Behn	Boettger	Brunkhorst	Drake
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Veenstra	Wieck	Zieman	

Absent, 1:

Angelo

Amendment S-3326 lost.

Senator Lamberti offered amendment S-3328, filed by Senators Lamberti and Kramer from the floor to pages 4-7 of the bill, and moved its adoption.

Amendment S-3328 was adopted by a voice vote.

Senator Bolkcom offered amendment S-3327, filed by Senator Bolkcom, et al., from the floor to page 6 of the bill, and moved its adoption.

Amendment S-3327 lost by a voice vote.

Senator Kramer moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 685), the vote was:

Yeas, 49:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Kramer asked and received unanimous consent that **Senate File 454** be **withdrawn** from further consideration of the Senate.

President Kramer took the chair at 5:47 p.m.

## BUSINESS PENDING

**Senate File 422**

The Senate resumed consideration of **Senate File 422**, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date, House amendment S-3301, and amendment S-3325 to House amendment S-3301, previously deferred.

Senator Brunkhorst offered amendment S-3330, filed by Senators Brunkhorst and Black from the floor to page 1 of amendment S-3325 to House amendment S-3301, and moved its adoption.

Amendment S-3330 lost by a voice vote.

Senator Redfern moved the adoption of amendment S-3325 to House amendment S-3301.

Amendment S-3325 was adopted by a voice vote.

Senator Redfern moved that the Senate concur in the House amendment, as amended.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment, as amended.

Senator Redfern moved that the bill, as amended by the House, further amended and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 422), the vote was:

Yeas, 49:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirmbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 422** and **House Files 672, 675, and 685** be **immediately messaged** to the House.

### RECESS

On motion of Senator Iverson, the Senate recessed at 6:25 p.m. until 8:00 p.m.

### EVENING SESSION

The Senate reconvened at 8:18 p.m., Senator Larson presiding.

## QUORUM CALL

Senator Iverson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 40 present, 10 absent, and a quorum present.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 28, 2003, **amended and passed** the following bills in which the concurrence of the House was asked.

**Senate File 341**, a bill for an act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date. (S-3333)

**Senate File 344**, a bill for an act concerning regulatory and statutory requirements impacting business relating to liability reform, unemployment compensation benefits eligibility and employer contributions, workers' compensation, occupational safety and health administration training and compliance requirements, financial services and restrictions on property rights, environmental regulatory requirements, and public project contractor requirements. (S-3334)

ALSO: That the House has on April 28, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 688**, a bill for an act relating to biodiesel fuel, including by providing for financing, and providing for the Act's effectiveness.

Read first time and referred to committee on **Ways and Means**.

Senator Putney took the chair at 8:28 p.m.

## BUSINESS PENDING

**House File 450**

The Senate resumed consideration of **House File 450**, a bill for an act creating an exception to the statutory rule against perpetuities and making related changes, previously deferred.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 450), the vote was:

Yeas, 46:

Beall	Behn	Black	Boettger
Bolkcom	Connolly	Courtney	Dearden
Dotzler	Drake	Dvorsky	Fraise
Gaskill	Gronstal	Hatch	Holveck
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Putney
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 3:

Brunkhorst	Miller	Quirnbach
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Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

UNFINISHED BUSINESS  
(Deferred April 24, 2003)

**Senate Joint Resolution 5**

The Senate resumed consideration of **Senate Joint Resolution 5**, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date, deferred April 24, 2003.

President Kramer took the chair at 8:47 p.m.

Senator Wieck moved that the resolution be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the resolution was read the last time.

**Senate Joint Resolution 5**, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. The amendments to 567 Iowa administrative code, rule 28.1, adopted on April 21, 2003, are nullified.

Sec. 2. 567 Iowa administrative code, rule 28.2, adopted on April 21, 2003, is nullified.

Sec. 3. EFFECTIVE DATE. This Joint Resolution, being deemed of immediate importance, takes effect upon enactment.

On the question "Shall the resolution be adopted?" (S.J.R. 5), the vote was:

Yeas, 30:

Behn	Boettger	Brunkhorst	Drake
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull

Sievers	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 19:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirmbach
Ragan	Seng	Stewart	

Absent, 1:

Angelo

The resolution, having received a constitutional majority, was declared to have been adopted by the Senate and the title was agreed to.

## HOUSE AMENDMENT CONSIDERED

### Senate File 341

Senator Zieman called up for consideration **Senate File 341**, a bill for an act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date, amended by the House, and moved that the Senate concur in House amendment S-3333, filed April 28, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment.

Senator Zieman moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 341), the vote was:

Yeas, 49:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Joint Resolution 5, Senate File 341, and House File 450** be **immediately messaged** to the House.

#### UNFINISHED BUSINESS

#### Senate File 418

On motion of Senator Redfern, **Senate File 418**, a bill for an act relating to the judicial branch by changing procedures for appointing or nominating a judge, or magistrate, by authorizing the voluntary transfer of a district judge, by prohibiting members of a judicial nominating commission from voting on certain nominees, and by apportioning judgeships among the judicial election districts, placed on the Unfinished Business Calendar on April 17, 2003, was taken up for consideration.

Senator Redfern offered amendment S-3331, filed by him from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

Amendment S-3331 was adopted by a voice vote.

Senator Redfern asked and received unanimous consent that **House File 694** be **substituted** for **Senate File 418**.

### **House File 694**

On motion of Senator Redfern, **House File 694**, a bill for an act relating to the judicial branch including by establishing a judicial district and judicial election district redistricting process, making changes to the nomination, appointment, and retention of judges, expanding magistrate courts, eliminating the position of alternate district associate judge, permitting district judgeships to be apportioned or transferred to another judicial district, requiring the county sheriff to serve a summons in certain delinquency proceedings, eliminating the participation of the foster care review board in voluntary foster care placements, waiving the filing fee and court costs in certain contempt actions, changing the duties of and the procedures related to the clerk of the district court, providing that interest on a judgment be calculated upon the one year treasury constant maturity plus two percent, expanding the access of the deferred judgment docket, prohibiting regional litigation centers, modifying the schedule of the probate court, providing for a fee, and providing for a study, was taken up for consideration.

Senator Kreiman offered amendment S-3336, filed by him from the floor to pages 12 and 13 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3336 be adopted?" (H.F. 694), the vote was:

Yeas, 8:

Beall	Courtney	Dotzler	Fraise
Horn	Kibbie	Kreiman	Ragan

Nays, 41:

Behn	Black	Boettger	Bolkcom
Brunkhorst	Connolly	Dearden	Drake
Dvorsky	Gaskill	Gronstal	Hatch
Holveck	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Absent, 1:

Angelo

Amendment S-3336 lost.

Senator Kreiman offered amendment S-3335, filed by him from the floor to page 13 of the bill, and moved its adoption.

Amendment S-3335 lost by a voice vote.

Senator Kreiman offered amendment S-3338, filed by him from the floor to page 15 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3338 be adopted?" (H.F. 694), the vote was:

Yeas, 5:

Beall	Fraise	Kibbie	Kreiman
Ragan			

Nays, 44:

Behn	Black	Boettger	Bolkcom
Brunkhorst	Connolly	Courtney	Dearden
Dotzler	Drake	Dvorsky	Gaskill
Gronstal	Hatch	Holveck	Horn
Hosch	Houser	Iverson	Johnson
Kettering	Kramer	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Redfern

Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Absent, 1:

Angelo

Amendment S-3338 lost.

Senator Kreiman offered amendment S-3337, filed by him from the floor to page 32 of the bill, and moved its adoption.

Amendment S-3337 lost by a voice vote.

Senator Redfern moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 694), the vote was:

Yeas, 47:

Beall	Behn	Black	Boettger
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McCoy
McKibben	McKinley	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, 2:

Kibbie	Kreiman
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Absent, 1:

Angelo

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## WITHDRAWN

Senator Redfern asked and received unanimous consent that **Senate File 418** be **withdrawn** from further consideration of the Senate.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 694** be **immediately messaged** to the House.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 10:00 p.m. until 8:30 a.m. Tuesday, April 29, 2003.

**APPENDIX — 2****INTRODUCTION OF RESOLUTION**

**Senate Concurrent Resolution 18**, by Dotzler, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**INTRODUCTION OF BILL**

**Senate File 457**, by Iverson and Gronstal, a bill for an act establishing a new century learning technology initiative, commission, and fund, and providing an effective date and for contingent implementation.

Read first time under Rule 28 and referred to committee on **Education**.

**STUDY BILL RECEIVED****SSB 1207 Appropriations**

Relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

**SUBCOMMITTEE ASSIGNMENTS****House File 686**

WAYS AND MEANS: Sievers, Chair; Rehberg and Stewart

**SSB 1207**

APPROPRIATIONS: Lamberti, Chair; Dvorsky and Kramer

## BILLS SIGNED BY THE GOVERNOR

A communication was received announcing that on April 28, 2003, the Governor approved and transmitted to the Secretary of State the following bills:

S.F. 172 – Relating to the establishment of a public charter school pilot program and providing effective and applicability dates.

S.F. 230 – Relating to the procedure for reducing the number of members of a city council from five to three in certain cities.

S.F. 351 – Relating to child care requirements involving prohibitions against involvement with child care, record checks and evaluations performed by the department of human services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable.

S.F. 379 – Relating to certain agricultural liens.

S.F. 386 – Requiring the insurance division of the department of commerce to establish a school health insurance reform team study and to make recommendations to the general assembly.

S.F. 392 – Relating to the animal agriculture compliance Act, providing for penalties, and providing an effective date.

S.F. 397 – Relating to the issuance of free hunting licenses for antlerless deer, providing for the disposition of harvested deer meat to public institutions, and providing a penalty.

## AMENDMENTS FILED

S-3320	S.F.	383	House
S-3321	S.F.	454	Mary E. Kramer
S-3322	S.F.	454	Joe Bolkcom
			Dennis H. Black
			Robert E. Dvorsky
			Jack Holveck
			Amanda Ragan
			Jack Hatch
			Herman C. Quirnbach
			Keith Kreiman
			Daryl Beall
			Roger Stewart
			Joe M. Seng
			John P. Kibbie

S-3323	S.F.	454	Joe Bolkcom Dennis H. Black Robert E. Dvorsky Jack Holveck Jack Hatch Herman C. Quirmbach
S-3324	S.F.	445	House
S-3325	S.F.	422	Donald B. Redfern
S-3326	H.F.	685	Joe Bolkcom Jack Hatch Robert E. Dvorsky Mike Connolly Wally E. Horn Dick L. Dearden Jack Holveck Joe M. Seng Matt McCoy Herman C. Quirmbach William Dotzler Roger Stewart Daryl Beall Keith Kreiman Amanda Ragan Dennis H. Black Eugene S. Fraise John P. Kibbie
S-3327	H.F.	685	Joe Bolkcom Jack Hatch Robert E. Dvorsky Jack Holveck Matt McCoy Herman C. Quirmbach Dennis H. Black Eugene S. Fraise
S-3328	H.F.	685	Jeff Lamberti Mary E. Kramer
S-3329	H.F.	675	Mary A. Lundby
S-3330	S.F.	422	Bob Brunkhorst Dennis H. Black
S-3331	S.F.	418	Donald B. Redfern
S-3332	H.F.	549	Nancy J. Boettger

S-3333	S.F.	341	House
S-3334	S.F.	344	House
S-3335	H.F.	694	Keith A. Kreiman
S-3336	H.F.	694	Keith A. Kreiman
S-3337	H.F.	694	Keith A. Kreiman
S-3338	H.F.	694	Keith A. Kreiman

# JOURNAL OF THE SENATE

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ONE HUNDRED SEVENTH CALENDAR DAY  
SIXTY-SECOND SESSION DAY

Senate Chamber  
Des Moines, Iowa, Tuesday, April 29, 2003

The Senate met in regular session at 8:45 a.m., Senator Behn presiding.

Prayer was offered by the Reverend Robert Kunz, pastor of the Marion Christian Church in Marion, Iowa. He was the guest of Senator Lundby.

The Journal of Monday, April 28, 2003, was approved.

## QUORUM CALL

Senator McKibben requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 34 present, 16 absent, and a quorum present.

The Senate stood at ease at 9:26 a.m. until the fall of the gavel.

The Senate resumed session at 10:03 a.m., Senator Behn presiding.

## RECESS

On motion of Senator Seymour, the Senate recessed at 10:05 a.m. until the completion of a meeting of the committee on Ways and Means.

## AFTERNOON SESSION

The Senate reconvened at 2:29 p.m., President Pro Tempore Angelo presiding.

## QUORUM CALL

President Kramer requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 36 present, 14 absent, and a quorum present.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Kramer asked and received unanimous consent to take up for consideration Senate Resolution 36.

### **Senate Resolution 36**

On motion of Senator Kramer, **Senate Resolution 36**, a resolution honoring the Iowa members of the United States Naval Armed Guard who served during World War II, with report of committee recommending passage, was taken up for consideration.

Senator Kramer moved the adoption of Senate Resolution 36, which motion prevailed by a voice vote.

## SPECIAL GUESTS

Senator Kramer welcomed to the Senate chamber Iowa members of the United States Naval Armed Guard.

The Senate rose and expressed its welcome.

The Senate stood at ease at 2:39 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 5:05 p.m., President Kramer presiding.

## RECESS

On motion of Senator Boettger, the Senate recessed at 5:06 p.m. until the completion of a meeting of the committee on Ways and Means.

## EVENING SESSION

The Senate reconvened at 6:36 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 29, 2003, **passed** the following bill in which the concurrence of the House was asked:

**Senate File 451**, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

ALSO: That the House has on April 29, 2003, **concurred** in the Senate amendment to the House amendment, **and passed** the following bill in which the concurrence of the House was asked:

**Senate File 422**, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date.

ALSO: That the House has on April 29, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 654**, a bill for an act relating to the exemption of sand handling and core and mold making equipment used in the mold making process from sales and use taxes, providing refunds, and including effective and retroactive applicability date provisions.

ALSO: That the House has on April 29, 2003, **amended** the Senate amendment, **concurred** in the Senate amendment as amended, **and passed** the following bill in which the concurrence of the House was asked:

**House File 685**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund. (S-3340)

ALSO: That the House has on April 29, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 676**, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and providing a contingent appropriation.

Read first time and **passed on file**.

#### ADJOURNMENT

On motion of Senator Putney, the Senate adjourned at 6:37 p.m. until 8:30 a.m. Wednesday, April 30, 2003.

## APPENDIX

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Jon Clarridge, Story City — For achieving the rank of Eagle Scout, Boy Scout Troop 101. Senator Iverson (4/29/03).

Elizabeth Dunham, Green Mountain-Garwin High School — For being named in the Top 50 Academic All-State. Senator McKibben (4/29/03).

East Greene High School Jazz Band — For winning the 2003 Class A State Championship Jazz Band Competition. Senator Beall (4/29/03).

2nd Lieutenant Andrea Ehret, Burlington — For graduating from the Air Force Academy at Colorado Springs, Colorado. Senator Courtney (4/29/03).

Michael K. Fermier, Grapevine, Texas — For achieving the rank of Eagle Scout, Boy Scout Troop 28. Senator Drake (4/29/03).

Nancy Foust, Monroe County — For being named Administrator of the Year by the Iowa Reading Association. Senator McKinley (4/29/03).

Ruth Haberkamp, Garner — For celebrating your 100th birthday on August 24, 2003. Senator Gaskill (4/29/03).

Ensign Keris Sirek, Burlington — For graduating from the Naval Academy at Annapolis, Maryland. Senator Courtney (4/29/03).

Adam Weis, Maquoketa — For being named to the Academic All-State Team as one of the Top 50 Students in the state of Iowa. Senator Stewart (4/29/03).

### REPORT OF COMMITTEE MEETINGS

#### APPROPRIATIONS

**Convened:** April 29, 2003, 1:50 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman.

**Members Absent:** Black (excused).

**Committee Business:** Approved SSB 1207.

**Recessed:** 2:20 p.m.

**Reconvened:** 6:50 p.m.

**Adjourned:** 6:55 p.m.

### WAYS AND MEANS

**Convened:** April 29, 2003, 5:10 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Passed HF's 677, 679 (as amended), 686, and 689.

**Adjourned:** 6:30 p.m.

### INTRODUCTION OF BILL

**Senate File 458**, by committee on Appropriations, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

Read first time under Rule 28 and **placed on Appropriations calendar.**

### STUDY BILLS RECEIVED

#### **SSB 1208      Appropriations**

Relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

#### **SSB 1209      Ways and Means**

Relating to the issuance of tax credit certificates and related tax credits to designated investors in the Iowa fund of funds.

## SUBCOMMITTEE ASSIGNMENTS

### House File 688

WAYS AND MEANS: Sievers, Chair; Dotzler and Rehberg

### SSB 1208

APPROPRIATIONS: Zieman, Chair; Fraise and McKibben

### SSB 1209

WAYS AND MEANS: McKibben, Chair; Connolly and Rehberg

## COMMITTEE REPORTS

### APPROPRIATIONS

**Final Bill Action:** SENATE FILE 458 (SSB 1207), a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 18: Lamberti, Kramer, Behn, Gaskill, Hatch, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, 6: Dvorsky, Bolkcom, Connolly, Dotzler, Fraise, and Horn. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### WAYS AND MEANS

**Final Bill Action:** HOUSE FILE 677, a bill for an act relating to new capital investment for businesses and new jobs by creating a new capital investment program, creating tax incentives, and amending the new jobs and income program.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 17: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### ALSO:

**Final Bill Action:** HOUSE FILE 686, a bill for an act relating to urban renewal and tax increment financing and including effective and retroactive applicability date provisions.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: McKibben, Shull, Bolcom, Angelo, Connolly, Hosch, McKinley, Miller, Quirnbach, Rehberg, and Sievers. Nays, 3: Dotzler, McCoy, and Seng. Present, 2: Lamberti and Stewart. Absent, 1: Larson.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** HOUSE FILE 689, a bill for an act relating to ethanol blended gasoline, by providing for tax credits and for their retroactive applicability, providing for refunds, and providing for an effective date.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 16: McKibben, Shull, Bolcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 1: McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## REPORT OF THE SECRETARY OF THE SENATE

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in enrolling Senate File 368, the following correction was made:

1. Page 4, lines 14 and 15, the words and numbers “subparagraphs (1) through (6)” were changed to the words and letters “subparagraphs (1) through (7)”.

MICHAEL E. MARSHALL  
Secretary of the Senate

## BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 29th day of April, 2003:

Senate Files 275, 353, 368, and 402.

MICHAEL E. MARSHALL  
Secretary of the Senate

## AMENDMENTS FILED

S-3339	S.F.	445	Steve Warnstadt
S-3340	H.F.	685	House
S-3341	H.F.	549	Nancy J. Boettger
S-3342	H.F.	549	Nancy J. Boettger

# JOURNAL OF THE SENATE

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ONE HUNDRED EIGHTH CALENDAR DAY  
SIXTY-THIRD SESSION DAY

Senate Chamber  
Des Moines, Iowa, Wednesday, April 30, 2003

The Senate met in regular session at 8:40 a.m., Senator Putney presiding.

Prayer was offered by the Honorable David Johnson, member of the Senate from Osceola County, Ocheyedan, Iowa.

The Journal of Tuesday, April 29, 2003, was approved.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 29, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 442**, a bill for an act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date.

**Senate File 444**, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

ALSO: That the House has on April 29, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 675**, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for fees, and providing penalties.

ALSO: That the House has on April 29, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 674**, a bill for an act relating to income tax deductions and exemptions for military service personnel and organizations, and including effective and applicability date provisions.

Read first time and **attached to similar Senate File 434**.

**House File 696**, a bill for an act relating to the payment of taxes and payment of financial consideration on a contractual basis to the state from adjusted gross receipts from gambling games at racetrack enclosures and providing an effective date.

Read first time and referred to committee on **Ways and Means**.

#### QUORUM CALL

Senator Shull requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 35 present, 15 absent, and a quorum present.

President Kramer took the chair at 8:58 a.m.

The Senate stood at ease at 9:00 a.m. for the purpose of party caucuses.

The Senate resumed session at 11:34 a.m., President Pro Tempore Angelo presiding.

#### RECESS

On motion of Senator Sievers, the Senate recessed at 11:35 a.m. until 1:00 p.m.

## APPENDIX —1

### BILL ASSIGNED TO COMMITTEE

President Kramer announced that **House File 676** was assigned to the **Appropriations** committee.

### REPORT OF COMMITTEE MEETING

#### APPROPRIATIONS

**Convened:** April 30, 2003, 12:05 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Veenstra, Warnstadt, and Ziemann.

**Members Absent:** Connolly, Sievers, and Tinsman (all excused).

**Committee Business:** Approved SSB 1208.

**Adjourned:** 12:10 p.m.

#### INTRODUCTION OF RESOLUTIONS

**Senate Concurrent Resolution 19**, by Dotzler, Rehberg, Hosch, Seymour, McKinley, Warnstadt, Dvorsky, McKibben, Gaskill, Courtney, Stewart, and Beall, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Concurrent Resolution 20**, by Hosch, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## INTRODUCTION OF BILL

**Senate File 459**, by committee on Appropriations, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

Read first time under Rule 28 and **placed on Appropriations calendar**.

## SUBCOMMITTEE ASSIGNMENT

**House File 696**

WAYS AND MEANS: Lamberti, Chair; McKibben and Seng

## COMMITTEE REPORTS

## APPROPRIATIONS

**Final Bill Action:** SENATE FILE 459 (SSB 1208), a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 22: Lamberti, Kramer, Dvorsky, Behn, Black, Bolkcom, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 3: Connolly, Sievers, and Tinsman.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## WAYS AND MEANS

**Final Bill Action:** HOUSE FILE 679, a bill for an act relating to economic development by modifying the new jobs and income program and the enterprise zone program and providing a tax credit, and providing effective and retroactive applicability dates.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3344.

**Final Vote:** Ayes, 16: McKibben, Shull, Bolkcom, Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McKinley, Miller, Quirnbach, Rehberg, Seng, Sievers, and Stewart. Nays, none. Absent, 1: McCoy.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AFTERNOON SESSION

The Senate reconvened at 1:20 p.m., President Kramer presiding.

### SPECIAL PRESENTATION TO SENATE PAGES

The Senate Pages were invited to the well of the Senate for a special presentation and thanked by Senators Iverson and Gronstal for their service to the Senate.

A Certificate of Excellence for serving with honor and distinction as a Senate Page during the 2003 Regular Session of the Eightieth General Assembly and individual and group pictures were presented to each of the following Pages:

Erica Barbour, Lucas Beenken, Michelle Burns, Craig Buske, Kenneth Doss, Daniel Harders (LFB), Kristina Hauge, Susan Hildebrand, Kristin Irwin, Abigail Kiernan, Jenna Kovacevich, Hannah Mahan, Emily Nieman (LSB), Kristy Palmer, Jaron Rosien, Jake Schaben (LSB), Matthew Schwieger, Eva Sersland, Brea Tschopp, Chelsea White, and JoAnna Woodley.

The Senate rose and expressed its appreciation.

The Senate stood at ease at 1:35 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 2:53 p.m., President Kramer presiding.

### HOUSE AMENDMENT CONSIDERED

#### **Senate File 445**

Senator Angelo called up for consideration **Senate File 445**, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an

effective date, amended by the House in House amendment S-3324, filed April 28, 2003.

Senator Warnstadt offered amendment S-3339, filed by him on April 29, 2003, to page 1 of House amendment S-3324, and moved its adoption.

Amendment S-3339 lost by a voice vote.

Senator Connolly asked and received unanimous consent that action on House amendment S-3324 and **Senate File 445** be **deferred**.

### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 665.

#### **House File 665**

On motion of Senator Connolly, **House File 665**, a bill for an act relating to property taxation of certain lands leased to others by the department of corrections or department of human services and providing for the Act's applicability, with report of committee recommending passage, was taken up for consideration.

Senator Connolly moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 665), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach

Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration House File 677.

#### **House File 677**

On motion of Senator Angelo, **House File 677**, a bill for an act relating to new capital investment for businesses and new jobs by creating a new capital investment program, creating tax incentives, and amending the new jobs and income program, with report of committee recommending passage, was taken up for consideration.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 677), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers

Stewart  
Wieck

Tinsman  
Zieman

Veenstra

Warnstadt

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### SPECIAL GUEST

The Chair welcomed to the Senate chamber the Honorable Mark Shearer, former member of the Senate from Washington County.

The Senate rose and expressed its welcome.

President Pro Tempore Angelo took the chair at 3:20 p.m.

### HOUSE AMENDMENT TO SENATE AMENDMENT CONSIDERED

#### House File 685

Senator Kramer called up for consideration **House File 685**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, amended by the Senate, further amended by the House, and moved that the Senate refuse to concur in House amendment S-3340 to Senate amendment H-1495, filed April 29, 2003.

The motion prevailed by a voice vote and the Senate **refused to concur** in the House amendment to the Senate amendment.

### HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 30, 2003, **amended and passed** the following bill in which the concurrence of the House was asked:

**Senate File 452**, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees. (S-3347)

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate Resolution 28.

**Senate Resolution 28**

On motion of Senator McKibben, **Senate Resolution 28**, a resolution supporting the nomination of federal court of appeals judicial nominee Miguel A. Estrada, with report of committee recommending passage, was taken up for consideration.

President Kramer took the chair at 3:30 p.m.

Senator Gronstal asked and received unanimous consent that action on **Senate Resolution 28** be **deferred**.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate File 459.

**Senate File 459**

On motion of Senator Zieman, **Senate File 459**, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date, was taken up for consideration.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 459), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Houser
Iverson	Johnson	Kettering	Kramer
Kreiman	Lamberti	Larson	Lundby
McCoy	McKibben	McKinley	Miller
Putney	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Present, 2:

Hosch	Kibbie
-------	--------

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 459** and **House Files 665, 677, and 685** be **immediately messaged** to the House.

### UNFINISHED BUSINESS (Deferred April 21, 2003)

#### House File 543

The Senate resumed consideration of **House File 543**, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions, and amendment S-3196, deferred April 21, 2003.

Senator Lundby withdrew amendment S-3290, filed by her on April 23, 2003, to page 1 and to the title provisions of amendment S-3196.

Senator Angelo moved the adoption of amendment S-3196.

Amendment S-3196 was adopted by a voice vote.

With the adoption of amendment S-3196, the Chair ruled amendment S-3291, filed by Senator Lundby on April 23, 2003, striking everything after the enacting clause and to the title page of the bill, out of order.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 543), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **House File 543** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration House File 679.

**House File 679**

On motion of Senator Angelo, **House File 679**, a bill for an act relating to economic development by modifying the new jobs and income program and the enterprise zone program and providing a tax credit, and providing effective and retroactive applicability dates, with report of committee recommending amendment and passage, was taken up for consideration.

Senator McKibben offered amendment S-3344, filed by the committee on Ways and Means to page 4 of the bill, and moved its adoption.

Amendment S-3344 was adopted by a voice vote.

Senator Angelo offered amendment S-3348, filed by Senators Angelo, Beall, and Iverson from the floor to page 5 of the bill, and moved its adoption.

Amendment S-3348 was adopted by a voice vote.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 679), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake

Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirmbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 679** be **immediately messaged** to the House.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 12.

### **Senate Concurrent Resolution 12**

On motion of Senator Iverson, **Senate Concurrent Resolution 12**, a concurrent resolution supporting the United Nations' recognition of the Republic of China on Taiwan, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Concurrent Resolution 12, which motion prevailed by a voice vote.

Senator Putney took the chair at 4:04 p.m.

## BUSINESS PENDING

**Senate File 445**

The Senate resumed consideration of **Senate File 445**, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date, and House amendment S-3324, previously deferred.

Senator Connolly offered amendment S-3351, filed by him from the floor to page 1 of House amendment S-3324.

(Action on amendment S-3351 to House amendment S-3324, House amendment S-3324, and Senate File 445 was deferred).

The Senate stood at ease at 4:25 p.m. until the fall of the gavel for the purpose of a Democratic caucus.

The Senate resumed session at 5:30 p.m., Senator Hosch presiding.

## RECESS

On motion of Senator Tinsman, the Senate recessed at 5:32 p.m. until 7:15 p.m.

## EVENING SESSION

The Senate reconvened at 7:48 p.m., President Kramer presiding.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 30, 2003, **adopted** the following resolution in which the concurrence of the House was asked:

**Senate Joint Resolution 5**, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

ALSO: That the House has on April 30, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 697**, a bill for an act relating to the administration of the tax and related laws by the department of revenue and finance, including administration of state individual income, sales, property, motor fuel, special fuel, cigarette, tobacco, inheritance taxes, and local hotel and motel taxes, and the premiums tax on mutual insurance associations, and including effective and retroactive applicability date provisions.

Read first time and referred to committee on **Ways and Means**.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator McKinley, until he returns, on request of Senator Behn.

#### BUSINESS PENDING

#### **Senate File 445**

The Senate resumed consideration of **Senate File 445**, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date, House amendment S-3324, and amendment S-3351 to House amendment S-3324, previously deferred.

Senator Connolly moved the adoption of amendment S-3351.

A record roll call was requested.

On the question "Shall amendment S-3351 to House amendment S-3324 be adopted?" (S.F. 445), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirmbach	Ragan	Seng	Stewart

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Absent, 1:

McKinley

Amendment S-3351 lost.

Senator Angelo moved that the Senate concur in the House amendment.

A record roll call was requested.

On the question "Shall the motion to concur be adopted?" (S.F. 445), the vote was:

Yeas, 36:

Angelo	Beall	Black	Boettger
Brunkhorst	Courtney	Dearden	Dotzler
Fraise	Gaskill	Holveck	Hosch
Houser	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Lundby
McKibben	McKinley	Miller	Putney
Quirmbach	Ragan	Redfern	Schuerer
Seng	Seymour	Shull	Stewart
Tinsman	Veenstra	Wieck	Zieman

Nays, 14:

Behn	Bolkcom	Connolly	Drake
Dvorsky	Gronstal	Hatch	Horn
Iverson	Larson	McCoy	Rehberg
Sievers	Warnstadt		

Absent, none.

The motion prevailed and the Senate **concurred** in the House amendment.

Senator Angelo moved that the bill, as amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (S.F. 445), the vote was:

Yeas, 34:

Angelo	Beall	Black	Boettger
Brunkhorst	Connolly	Courtney	Drake
Fraise	Gaskill	Horn	Hosch
Houser	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lundby	McKibben
McKinley	Miller	Putney	Ragan
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Veenstra
Wieck	Zieman		

Nays, 16:

Behn	Bolkcom	Dearden	Dotzler
Dvorsky	Gronstal	Hatch	Holveck
Iverson	Lamberti	Larson	McCoy
Quirnbach	Redfern	Tinsman	Warnstadt

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **Senate Concurrent Resolution 12** and **Senate File 445** be **immediately messaged** to the House.

## UNFINISHED BUSINESS

**House File 549**

On motion of Senator Boettger, **House File 549**, a bill for an act relating to the duties and operations of the department of education and school boards, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Boettger offered amendment S-3332, filed by her on April 28, 2003, to pages 1, 3, 10-12, 16, 18-21, and to the title page of the bill.

Senator Connolly offered amendment S-3354, filed by him from the floor to pages 2-4, 6-11, 13, 16-18, and 19 of amendment S-3332, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3354 to amendment S-3332 be adopted?" (H.F. 549), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern

Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3354 lost.

Senator Boettger offered amendment S-3342, filed by her on April 29, 2003, to pages 2 and 3 of amendment S-3332, and moved its adoption.

Amendment S-3342 was adopted by a voice vote.

Senator Connolly offered amendment S-3355, filed by him from the floor to page 6 of amendment S-3332, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3355 to amendment S-3332 be adopted?" (H.F. 549), the vote was:

Yeas, 23:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Houser	Kibbie	Kreiman
McCoy	Miller	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Nays, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, none.

Amendment S-3355 lost.

Senator Boettger offered amendment S-3341, filed by her on April 29, 2003, to page 6 of amendment S-3332, and moved its adoption.

Amendment S-3341 was adopted by a voice vote.

Senator Boettger moved the adoption of amendment S-3332, as amended.

Amendment S-3332 was adopted by a voice vote.

Senator Connolly withdrew amendment S-3264, filed by him on April 22, 2003, to page 1 of the bill.

Senator Boettger moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 549), the vote was:

Yeas, 32:

Angelo	Behn	Boettger	Brunkhorst
Courtney	Drake	Fraise	Gaskill
Hosch	Houser	Iverson	Johnson
Kettering	Kibbie	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Nays, 18:

Beall	Black	Bolkcom	Connolly
Dearden	Dotzler	Dvorsky	Gronstal
Hatch	Holveck	Horn	Kreiman
McCoy	Quirmbach	Ragan	Seng
Stewart	Warnstadt		

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 549** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 680.

**House File 680**

On motion of Senator Dotzler, **House File 680**, a bill for an act relating to licenses for bait dealers by creating resident and nonresident wholesale bait dealer licenses, providing reciprocity, and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Dotzler moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 680), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
Lundby	McCoy	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, 1:

Johnson

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 680** be **immediately messaged** to the House.

### HOUSE AMENDMENT TO SENATE AMENDMENT CONSIDERED

#### House File 534

Senator Brunkhorst called up for consideration **House File 534**, a bill for an act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date, amended by the Senate, further amended by the House, and moved that the Senate concur in House amendment S-3263 to Senate amendment H-1336, filed April 21, 2003.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment to the Senate amendment.

Senator Brunkhorst moved that the bill, as amended by the Senate, further amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 534), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer

Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 671.

#### **House File 671**

On motion of Senator Stewart, **House File 671**, a bill for an act relating to the recycling property exemption from property tax and including an applicability date, with report of committee recommending passage, was taken up for consideration.

Senator Stewart moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 671), the vote was:

Yeas, 50:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Miller	Putney	Quirnbach
Ragan	Redfern	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, none.

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 534** and **671** be **immediately messaged** to the House.

### UNFINISHED BUSINESS

#### **House File 595**

On motion of Senator Angelo, **House File 595**, a bill for an act relating to certain voluntary annexations and to involuntary annexations and providing an effective date, placed on the Unfinished Business Calendar on April 17, 2003, with report of committee recommending passage, was taken up for consideration.

Senator Kreiman withdrew amendment S-3236, filed by him on April 16, 2003, to page 1 of the bill.

Senator Kreiman offered amendment S-3275, filed by him on April 22, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3275 lost by a voice vote.

Senator Angelo offered amendment S-3192, filed by him on April 10, 2003, to page 2 of the bill, and moved its adoption.

Amendment S-3192 was adopted by a voice vote.

Senator Wieck withdrew amendment S-3310, filed by him on April 24, 2003, to page 4 of the bill.

Senator Angelo moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 595), the vote was:

Yeas, 42:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
McKibben	McKinley	Miller	Putney
Quirnbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Wieck	Zieman		

Nays, 8:

Dearden	Gronstal	Hatch	Holveck
Larson	Lundby	McCoy	Warnstadt

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 595** be **immediately messaged** to the House.

### ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 9:40 p.m. until 8:30 a.m. Thursday, May 1, 2003.

## APPENDIX — 2

### COMMUNICATION RECEIVED

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

April 30, 2003

#### OFFICE OF THE CITIZENS' AIDE/OMBUDSMAN

Annual Report for 2002 — notification that the report in electronic form is available online.

### CERTIFICATE OF RECOGNITION

The Secretary of the Senate issued the following certificate of recognition:

Levi Lehman, Brandon — For achieving the rank of Eagle Scout. Senator Rehberg (4/30/03).

### COMMITTEE APPOINTMENTS

Senator Iverson announced that the following senators have been appointed to the Administrative Rules Review Committee: Senator Jeff Angelo, Senator Mike Connolly, Senator Jack Kibbie, Senator Paul McKinley, and Senator Donald B. Redfern.

### INTRODUCTION OF RESOLUTION

**Senate Resolution 39**, by Iverson, a resolution recognizing the Iowa Wing of the United States Air Force Auxiliary Civil Air Patrol for its dedication and outstanding performance of duty.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

### SUBCOMMITTEE ASSIGNMENTS

#### **Senate Concurrent Resolution 19**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Concurrent Resolution 20**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate Resolution 39**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**Senate File 457**

EDUCATION: Boettger, Chair; Angelo, Connolly, Dvorsky, and Rehberg

**House File 676**

APPROPRIATIONS: McKibben, Chair; Seymour and Warnstadt

**AMENDMENTS FILED**

S-3343	S.F.	458	Hubert Houser
S-3344	H.F.	679	Ways and Means
S-3345	S.F.	458	Mike Connolly John P. Kibbie Robert E. Dvorsky Roger Stewart Daryl Beall Keith Kreiman Steve Warnstadt Jack Hatch Amanda Ragan Thomas G. Courtney William Dotzler Jack Holveck Herman C. Quirmbach Dennis H. Black
S-3346	S.F.	458	Hubert Houser Maggie Tinsman
S-3347	S.F.	452	House
S-3348	H.F.	679	Jeff Angelo Daryl Beall Stewart Iverson, Jr.
S-3349	S.F.	344	Ron Wieck Jerry Behn Hubert Houser Kitty Rehberg

			James Seymour
			Charles W. Larson, Jr.
S-3350	S.F.	458	Bryan J. Sievers
S-3351	S.F.	445	Mike Connolly
S-3352	S.F.	452	Jeff Lamberti
			Larry McKibben
S-3353	S.F.	458	Hubert Houser
			Maggie Tinsman
			Robert E. Dvorsky
S-3354	H.F.	549	Mike Connolly
S-3355	H.F.	549	Mike Connolly
S-3356	S.F.	458	Joe Bolcom
S-3357	S.F.	458	Donald B. Redfern
			Jeff Lamberti

# JOURNAL OF THE SENATE

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ONE HUNDRED NINTH CALENDAR DAY  
SIXTY-FOURTH SESSION DAY

Senate Chamber  
Des Moines, Iowa, Thursday, May 1, 2003

The Senate met in regular session at 8:42 a.m., President Kramer presiding.

Prayer was offered by the Reverend Donald Bramschreiber, pastor of the First Baptist Church in Ottumwa, Iowa. He was the guest of Senator Kreiman.

The Journal of Wednesday, April 30, 2003, was approved.

## HOUSE MESSAGE RECEIVED AND CONSIDERED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 30, 2003, **passed** the following bill in which the concurrence of the Senate is asked:

**House File 683**, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, modifying the value-added agricultural products and processes financial assistance program, providing endow Iowa seed grants and endow Iowa tax credits, providing funding and tax credits for economic development regions, creating workforce training and economic development funds for community colleges, establishing a school financing program for school infrastructure purposes, creating a cultural and entertainment district certification program, increasing the availability of rehabilitation project tax credits, eliminating a small business advisory council, providing for a streamlined sales and use tax law,

making appropriations, and including effective date and retroactive applicability provisions.

Read first time and referred to committee on **Appropriations**.

President Pro Tempore Angelo took the chair at 9:12 a.m.

Senator Boettger took the chair at 9:28 a.m.

#### RECESS

On motion of Senator Angelo, the Senate recessed at 10:07 a.m. until the completion of a meeting of the committee on Appropriations.

#### AFTERNOON SESSION

The Senate reconvened at 12:00 p.m., Senator McKibben presiding.

#### QUORUM CALL

Senator Putney requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 43 present, 7 absent, and a quorum present.

President Kramer took the chair at 12:20 p.m.

#### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Miller, until he returns, on request of Senator Hosch; Senator Redfern, until he returns, on request of Senator Lamberti; and Senator McCoy, until he returns, on request of Senator Gronstal.

#### HOUSE AMENDMENT CONSIDERED

#### **Senate File 452**

Senator McKibben called up for consideration **Senate File 452**, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund,

environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, amended by the House in House amendment S-3347, filed April 30, 2003.

Senator Lamberti withdrew amendment S-3363, filed by him from the floor to page 1 of House amendment S-3347.

Senator Lamberti asked and received unanimous consent to withdraw amendment S-3352, filed by Senators Lamberti and McKibben on April 30, 2003, to pages 1 and 2 of House amendment S-3347.

Senator Lamberti offered amendment S-3362, filed by him from the floor to pages 1 and 2 of House amendment S-3347, and moved its adoption.

Amendment S-3362 was adopted by a voice vote.

Senator Kibbie offered amendment S-3374, filed by Senators Kibbie and Warnstadt from the floor to page 1 of House amendment S-3347, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3374 to House amendment S-3347 be adopted?" (S.F. 452), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirmbach
Ragan	Seng	Stewart	Warnstadt

Nays, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, 3:

McCoy                      Miller                      Redfern

Amendment S-3374 lost.

Senator McKibben moved that the Senate concur in the House amendment, as amended.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment, as amended.

Senator McKibben moved that the bill, as amended by the House, further amended and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 452), the vote was:

Yeas, 48:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirmbach	Ragan
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 2:

Miller                      Redfern

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate File 458.

**Senate File 458**

On motion of Senator Lamberti, **Senate File 458**, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates, was taken up for consideration.

President Pro Tempore Angelo took the chair at 12:55 p.m.

Senator Houser withdrew amendment S-3343, filed by him on April 30, 2003, to page 1 of the bill.

Senator Houser asked and received unanimous consent to withdraw amendment S-3346, filed by Senators Houser and Tinsman on April 30, 2003, to page 1 of the bill.

Senator Houser offered amendment S-3353, filed by Senators Houser, Tinsman, and Dvorsky on April 30, 2003, to page 1 of the bill, and moved its adoption.

Amendment S-3353 was adopted by a voice vote.

Senator Connolly offered amendment S-3345, filed by Senator Connolly, et al., on April 30, 2003, to page 3 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3345 be adopted?" (S.F. 458), the vote was:

Yeas, 23:

Beall	Black	Bolkcom	Brunkhorst
Connolly	Courtney	Dearden	Dotzler
Dvorsky	Fraise	Gronstal	Hatch

Holveck	Horn	Kibbie	Kreiman
McCoy	Quirnbach	Ragan	Seng
Stewart	Tinsman	Warnstadt	

Nays, 26:

Angelo	Behn	Boettger	Drake
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Veenstra
Wieck	Zieman		

Absent, 1:

Miller

Amendment S-3345 lost.

Senator Connolly asked and received unanimous consent to withdraw amendment S-3369, filed by Senator Connolly, et al., from the floor to pages 3, 31, and 32 of the bill.

Senator Lamberti offered amendment S-3364, filed by him from the floor to pages 5-10, 21, 22, 27, 28, 31, 35-37, 39, 42-44, and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3364 be adopted?" (S.F. 458), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McCoy	McKibben
McKinley	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

Miller

Amendment S-3364 was adopted.

Senator Kibbie offered amendment S-3372, filed by Senator Kibbie, et al., from the floor to pages 5 and 9 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3372 be adopted?" (S.F. 458), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3372 lost.

Senator Schuerer offered amendment S-3361, filed by him from the floor to pages 6, 7, and 9 of the bill, and moved its adoption.

Amendment S-3361 was adopted by a voice vote.

Senator Lamberti offered amendment S-3367, filed by him from the floor to pages 6, 15-18, 20, 21, and to the title page of the bill, and moved its adoption.

Amendment S-3367 was adopted by a voice vote.

Senator Lamberti offered amendment S-3359, filed by him from the floor to page 6 of the bill, and moved its adoption.

Amendment S-3359 was adopted by a voice vote.

Senator Redfern offered amendment S-3357, filed by Senators Redfern and Lamberti on April 30, 2003, to pages 8 and 31 of the bill, and moved its adoption.

Amendment S-3357 was adopted by a voice vote.

Senator Lamberti offered amendment S-3358, filed by him from the floor to pages 9 and 10 of the bill.

Senator Lamberti asked and received unanimous that action on amendment S-3358 be deferred.

Senator Gronstal offered amendment S-3368, filed by Senators Gronstal and Lamberti from the floor to page 11 of the bill, and moved its adoption.

Amendment S-3368 was adopted by a voice vote.

#### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Iverson and Kramer, until they return, on request of Senator Lamberti.

#### BUSINESS PENDING

#### **Senate File 458**

The Senate resumed consideration of Senate File 458.

Senator Holveck offered amendment S-3373, filed by Senator Holveck, et al., from the floor to page 11 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3373 be adopted?" (S.F. 458), the vote was:

Yeas, 23:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Redfern	Seng
Stewart	Tinsman	Warnstadt	

Nays, 25:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Johnson	Kettering	Lamberti	Larson
Lundby	McKibben	McKinley	Miller
Putney	Rehberg	Schuerer	Seymour
Shull	Sievers	Veenstra	Wieck
Zieman			

Absent, 2:

Iverson	Kramer
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Amendment S-3373 lost.

The Senate resumed consideration of amendment S-3358, previously deferred.

Senator Lamberti moved the adoption of amendment S-3358, which motion prevailed by a voice vote.

Senator Dvorsky offered amendment S-3371, filed by Senators Dvorsky, Connolly, and Kreiman from the floor to pages 28 and 42 of the bill, and moved its adoption.

A nonrecord roll call was requested.

The ayes were 21, nays 26.

Amendment S-3371 lost.

Senator Sievers offered amendment S-3350, filed by him on April 30, 2003, to page 35 of the bill, and moved its adoption.

Amendment S-3350 was adopted by a voice vote.

Senator Lundby offered amendment S-3376, filed by her from the floor to page 38 of the bill, and moved its adoption.

Amendment S-3376 lost by a voice vote.

Senator Bolcom offered amendment S-3356, filed by him on April 30, 2003, to page 38 of the bill, and moved its adoption.

Amendment S-3356 was adopted by a voice vote.

Senator Zieman withdrew amendment S-3365, filed by him from the floor to pages 39 and 40 of the bill.

Senator Warnstadt offered amendment S-3370, filed by Senator Warnstadt, et al., from the floor to page 42 of the bill, and moved its adoption.

Amendment S-3370 lost by a voice vote.

Senator Sievers offered amendment S-3366, filed by him from the floor to page 43 of the bill, and moved its adoption.

Amendment S-3366 was adopted by a voice vote.

Senator Kramer offered amendment S-3375, filed by Senators Kramer and Tinsman from the floor to page 46 of the bill, and moved its adoption.

Amendment S-3375 was adopted by a voice vote.

President Kramer took the chair at 2:00 p.m.

Senator Lamberti offered amendment S-3360, filed by him from the floor to page 48 of the bill, and moved its adoption.

Amendment S-3360 was adopted by a voice vote.

Senator Dvorsky asked and received unanimous consent to withdraw amendment S-3381, filed by him from the floor to page 6 of the bill.

Senator Lamberti offered amendment S-3380, filed by him from the floor to page 8 of the bill, and moved its adoption.

Amendment S-3380 was adopted by a voice vote.

Senator Dvorsky asked and received unanimous consent that action on amendment S-3379 be deferred.

Senator Courtney offered amendment S-3383, filed by him from the floor to page 28 of the bill.

Senator Lamberti raised the point of order that amendment S-3383 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3383 out of order.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Iverson, until he returns, on request of Senator Lamberti.

#### BUSINESS PENDING

#### **Senate File 458**

The Senate resumed consideration of Senate File 458.

Senator Dotzler offered amendment S-3384, filed by him from the floor to pages 28 and 43 of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3384 be adopted?" (S.F. 458), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 1:

Iverson

Amendment S-3384 lost.

Senator Lamberti offered amendment S-3382, filed by him from the floor to pages 35 and 44 of the bill.

Senator Dearden raised the point of order that amendment S-3382 was not germane to the bill.

The Chair ruled the point well-taken and amendment S-3382 out of order.

Senator Connolly offered amendment S-3379, filed by him from the floor to pages 28 and 43 of the bill, previously deferred.

Senator Connolly moved the adoption of amendment S-3379.

Amendment S-3379 lost by a voice vote.

Senator Lamberti called up the following motion to reconsider filed by him from the floor and moved its adoption:

MADAM PRESIDENT: I move to reconsider the vote by which amendment S-3364 to Senate File 458 was adopted by the Senate on May 1, 2003.

The motion prevailed by a voice vote and amendment S-3364, by Senator Lamberti to pages 5-10, 21, 22, 27, 28, 31, 35-37, 39, 42-44, and to the title page of the bill, was taken up for reconsideration.

Senator Lamberti offered amendment S-3385, filed by him from the floor to page 10 of amendment S-3364, and moved its adoption.

Amendment S-3385 was adopted by a voice vote.

Senator Lamberti moved the adoption of amendment S-3364, as amended.

Amendment S-3364 was adopted by a voice vote.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Fraise, until he returns, on request of Senator Gronstal.

#### BUSINESS PENDING

### Senate File 458

The Senate resumed consideration of Senate File 458.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 458), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer

Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Absent, 1:

Fraise

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

The Senate stood at ease at 2:50 p.m. until the fall of the gavel.

The Senate resumed session at 4:20 p.m., President Kramer presiding.

The Senate stood at ease at 4:21 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed at 4:47 p.m., President Pro Tempore Angelo presiding.

### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator McCoy, until he arrives, on request of Senator Bolkcom; Senator Miller, until he arrives, on request of Senator Hosch; and Senator Lundby, until she arrives, on request of Senator Iverson.

### CONSIDERATION OF BILL (Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 689.

## House File 689

On motion of Senator Rehberg, **House File 689**, a bill for an act relating to ethanol blended gasoline, by providing for tax credits and for their retroactive applicability, providing for refunds, and providing for an effective date, with report of committee recommending passage, was taken up for consideration.

Senator Rehberg moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 689), the vote was:

Yeas, 47:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	McKibben	McKinley	Putney
Quirmbach	Ragan	Redfern	Rehberg
Schuerer	Seng	Seymour	Shull
Sievers	Stewart	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Nays, none.

Absent, 3:

Lundby	McCoy	Miller
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## UNFINISHED BUSINESS

### Senate File 434

On motion of Senator Larson, **Senate File 434**, a bill for an act exempting from state individual income tax the active duty pay of a member of the Iowa national guard or armed forces reserve units for service performed during Operation Iraqi Freedom and including

effective and applicability date provisions, placed on the Unfinished Business Calendar on April 10, 2003, was taken up for consideration.

Senator Warnstadt offered amendment S-3386, filed by him from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

Amendment S-3386 was adopted by a voice vote.

With the adoption of amendment S-3386, the Chair ruled the following amendments out of order:

S-3134, filed by Senator Warnstadt on April 2, 2003, to page 1 and to the title page of the bill;

S-3193, filed by Senator Warnstadt on April 10, 2003, to pages 1 and 2 of amendment S-3134; and

S-3313, filed by Senator Warnstadt on April 24, 2003, to page 1 of the bill.

Senator Larson asked and received unanimous consent that **House File 674** be substituted for **Senate File 434**.

### **House File 674**

On motion of Senator Larson, **House File 674**, a bill for an act relating to income tax deductions and exemptions for military service personnel and organizations, and including effective and applicability date provisions, was taken up for consideration.

Senator Larson moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 674), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering

Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### WITHDRAWN

Senator Iverson asked and received unanimous consent that **Senate File 434** be **withdrawn** from further consideration of the Senate.

President Kramer took the chair at 5:17 p.m.

### COMMITTEE REPORT

#### APPROPRIATIONS

**Final Bill Action:** HOUSE FILE 676, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and providing a contingent appropriation.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 22: Lamberti, Dvorsky, Behn, Black, Bolkom, Connolly, Dotzler, Fraise, Hatch, Horn, Houser, McKibben, McKinley, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Zieman. Nays, none. Absent, 3: Kramer, Gaskill, and Miller.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### CONSIDERATION OF BILL (Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 676.

## House File 676

On motion of Senator McKibben, **House File 676**, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and providing a contingent appropriation, with report of committee recommending passage, was taken up for consideration.

Senator McKibben moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 676), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Files 674, 676, and 689** be **immediately messaged** to the House.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 33.

**Senate Resolution 33**

On motion of Senator Ragan, **Senate Resolution 33**, a resolution honoring the city of St. Ansgar and the First Lutheran Church on their sesquicentennial year, with report of committee recommending passage, was taken up for consideration.

Senator Ragan moved the adoption of Senate Resolution 33, which motion prevailed by a voice vote.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 17.

**Senate Concurrent Resolution 17**

On motion of Senator Sievers, **Senate Concurrent Resolution 17**, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance, with report of committee recommending passage, was taken up for consideration.

Senator Sievers moved the adoption of Senate Concurrent Resolution 17, which motion prevailed by a voice vote.

IMMEDIATELY MESSAGED

Senator Veenstra asked and received unanimous consent that **Senate Concurrent Resolution 17** be **immediately messaged** to the House.

UNFINISHED BUSINESS  
(Deferred April 30, 2003)

**Senate Resolution 28**

The Senate resumed consideration of **Senate Resolution 28**, a resolution supporting the nomination of federal court of appeals judicial nominee Miguel A. Estrada, deferred April 30, 2003.

Senator McKibben moved the adoption of Senate Resolution 28, which motion prevailed by a voice vote.

COMMITTEE REPORTS

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 19, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, and Ragan. Nays, none. Absent, 2: Courtney and Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 20, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, and Ragan. Nays, none. Absent, 2: Courtney and Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Veenstra asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 20.

## Senate Concurrent Resolution 20

On motion of Senator Hosch, **Senate Concurrent Resolution 20**, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship, with report of committee recommending passage, was taken up for consideration.

Senator Hosch moved the adoption of Senate Concurrent Resolution 20, which motion prevailed by a voice vote.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 19.

## Senate Concurrent Resolution 19

On motion of Senator Dotzler, **Senate Concurrent Resolution 19**, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs, with report of committee recommending passage, was taken up for consideration.

Senator Dotzler moved the adoption of Senate Concurrent Resolution 19, which motion prevailed by a voice vote.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolutions 19 and 20** be **immediately messaged** to the House.

### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senator Dearden, until he returns, on request of Senator Holveck; and Senator Redfern, until he returns, on request of Senator Lamberti.

President Pro Tempore Angelo took the chair at 5:35 p.m.

## MOTION TO RECONSIDER ADOPTED

**Senate File 458**

Senator Lamberti called up the following motion to reconsider filed by him from the floor and moved its adoption:

MADAM PRESIDENT: I move to reconsider the vote by which Senate File 458 passed the Senate on May 1, 2003.

On the question "Shall the motion to reconsider be adopted?" (S.F. 458), the vote was:

Yeas, 46:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dotzler	Drake	Dvorsky
Fraise	Gaskill	Gronstal	Hatch
Holveck	Horn	Hosch	Houser
Iverson	Johnson	Kettering	Kibbie
Kramer	Kreiman	Lamberti	Larson
McKibben	McKinley	Miller	Putney
Quirmbach	Ragan	Rehberg	Schuerer
Seng	Seymour	Shull	Sievers
Stewart	Tinsman	Veenstra	Warnstadt
Wieck	Zieman		

Nays, 1:

Lundby

Absent, 3:

Dearden	McCoy	Redfern
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The motion prevailed.

Senator Lamberti moved to reconsider the vote by which Senate File 458 went to its last reading, which motion prevailed by a voice vote.

On motion of Senator Lamberti, **Senate File 458**, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for

related matters, making penalties applicable, and providing effective dates, was taken up for reconsideration.

Senator Lamberti offered amendment S-3388, filed by him from the floor to page 48 of the bill, and moved its adoption.

Amendment S-3388 was adopted by a voice vote.

Senator Lamberti moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 458), the vote was:

Yeas, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	McKibben	McKinley	Miller
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Nays, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Houser	Kibbie	Kreiman
Lundby	Quirnbach	Ragan	Seng
Stewart	Warnstadt		

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 458** be **immediately messaged** to the House.

## LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Larson, until he arrives, on request of Senator McKibben.

## MOTION TO RECONSIDER ADOPTED

**Senate File 452**

Senator Lamberti called up the following motion to reconsider filed by him from the floor and moved its adoption:

MADAM PRESIDENT: I move to reconsider the vote by which S.F. 452 passed the Senate on May 1, 2003.

On the question "Shall the motion to reconsider be adopted?" (S.F. 452), the vote was:

Yeas, 44:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Lamberti	McKibben
McKinley	Miller	Putney	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Veenstra	Warnstadt	Wieck	Zieman

Nays, 4:

Kreiman	Lundby	Quirmbach	Tinsman
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Absent, 2:

Larson	McCoy
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The motion prevailed.

Senator Lamberti moved to reconsider the vote by which Senate File 452 went to its last reading, which motion prevailed by a voice vote.

On motion of Senator Lamberti, **Senate File 452**, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, was taken up for reconsideration.

President Kramer took the chair at 5:50 p.m.

Senator Lamberti called up the following motion to reconsider filed by him from the floor and moved its adoption:

MADAM PRESIDENT: I move to reconsider the vote by which House amendment S-3347 to Senate File 452 was adopted by the Senate on May 1, 2003.

The motion prevailed by a voice vote and House amendment S-3347, was taken up for reconsideration.

Senator Lamberti called up the following motion to reconsider filed by him from the floor and moved its adoption:

MADAM PRESIDENT: I move to reconsider the vote by which amendment S-3362 to House amendment S-3347 to Senate File 452 was adopted by the Senate on May 1, 2003.

The motion prevailed by a voice vote and amendment S-3362, by Senator Lamberti to pages 1 and 2 of House amendment S-3347, was taken up for reconsideration.

Senator Lamberti offered amendment S-3387, filed by him from the floor, to page 1 of amendment S-3362 to House amendment S-3347, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3387 to amendment S-3362 to House amendment S-3347 be adopted?" (S.F. 452), the vote was:

Rule 23, requiring all senators present to vote except those who express a conflict of interest, was invoked.

Yeas, 38:

Angelo	Beall	Behn	Boettger
Bolkcom	Brunkhorst	Cannolly	Courtney
Drake	Dvorsky	Fraise	Gaskill
Hatch	Holveck	Horn	Hosch
Houser	Johnson	Kettering	Kibbie
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Redfern	Rehberg	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Nays, 11:

Black	Dearden	Dotzler	Gronstal
Iverson	Kreiman	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Absent, 1:

McCoy

Amendment S-3387 was adopted.

Senator Lamberti moved the adoption of amendment S-3362, as amended, to House amendment S-3347.

Amendment S-3362 was adopted by a voice vote.

Senator Lamberti moved that the Senate concur in House amendment S-3347, as amended.

The motion prevailed by a voice vote and the Senate **concurred** in the House amendment, as amended.

Senator Lamberti moved that the bill, as amended by the House, further amended and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (S.F. 452), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Cannolly

Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Nays, none.

Absent, 1:

McCoy

The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

#### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate File 452** be **immediately messaged** to the House.

#### MOTION TO RECONSIDER ADOPTED

Senator Zieman called up the motion to reconsider **House File 614**, filed by him on April 22, 2003, found on page 1049 of the Senate Journal and moved its adoption.

On the question "Shall the motion to reconsider be adopted?" (H.F. 614), the vote was:

Yeas, 49:

Angelo	Beall	Behn	Black
Boettger	Bolkcom	Brunkhorst	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gaskill	Gronstal
Hatch	Holveck	Horn	Hosch
Houser	Iverson	Johnson	Kettering
Kibbie	Kramer	Kreiman	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Quirnbach	Ragan
Redfern	Rehberg	Schuerer	Seng
Seymour	Shull	Sievers	Stewart

Tinsman  
Zieman

Veenstra

Warnstadt

Wieck

Nays, none.

Absent, 1:

McCoy

The motion prevailed.

Senator Zieman moved to reconsider the vote by which House File 614 went to its last reading, which motion prevailed by a voice vote.

Senator Zieman asked and received unanimous consent that action on **House File 614** be **deferred**.

## COMMITTEE REPORT

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 39, a resolution recognizing the Iowa Wing of the United States Air Force Auxiliary Civil Air Patrol for its dedication and outstanding performance of duty.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 9: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, and Ragan. Nays, none. Absent, 2: Courtney and Sievers.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 39.

### Senate Resolution 39

On motion of Senator Iverson, **Senate Resolution 39**, a resolution recognizing the Iowa Wing of the United States Air Force Auxiliary Civil Air Patrol for its dedication and outstanding performance of duty, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 39, which motion prevailed by a voice vote.

### INTRODUCTION OF RESOLUTION

**Senate Resolution 40**, by Iverson, Gaskill, Veenstra, Johnson, Fraise, Kibbie, and Gronstal, a resolution requesting the Department of Economic Development and the department's director to continue efforts to foster and grow the animal life science product industry in Iowa.

Read first time and referred to committee on **Rules and Administration**.

### RECESS

On motion of Senator Iverson, the Senate recessed at 6:10 p.m. until the completion of a meeting of the committee on Rules and Administration.

### RECONVENED

The Senate reconvened at 6:15 p.m., President Kramer presiding.

### COMMITTEE REPORT

#### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 40, a resolution requesting the Department of Economic Development and the department's director to continue efforts to foster and grow the animal life science product industry in Iowa.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 40.

## Senate Resolution 40

On motion of Senator Iverson, **Senate Resolution 40**, a resolution requesting the Department of Economic Development and the department's director to continue efforts to foster and grow the animal life science product industry in Iowa, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of Senate Resolution 40, which motion prevailed by a voice vote.

The Senate stood at ease at 6:17 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 6:33 p.m., President Kramer presiding.

## COMMITTEE REPORT

### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 21, a concurrent resolution to provide for adjournment sine die.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 21**, by committee on Rules and Administration, a concurrent resolution to provide for adjournment sine die.

Read first time and **placed on calendar**.

## CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 21.

## Senate Concurrent Resolution 21

On motion of Senator Iverson, **Senate Concurrent Resolution 21**, a concurrent resolution to provide for adjournment sine die, was taken up for consideration.

Senator Iverson moved the adoption of Senate Concurrent Resolution 21.

A record roll call was requested.

On the question “Shall the resolution be adopted?” (S.C.R. 21), the vote was:

Yeas, 26:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKinley
Miller	Putney	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Wieck	Zieman		

Nays, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Quirmbach
Ragan	Seng	Stewart	Warnstadt

Absent, 4:

McCoy	McKibben	Redfern	Rehberg
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The motion prevailed and the resolution was adopted.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 21** be **immediately messaged** to the House.

## HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on May 1, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 441**, a bill for an act relating to the transfer of certain property-related tax credits.

**Senate File 459**, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

ALSO: That the House has on May 1, 2003, **adopted** the following resolution in which the concurrence of the Senate is asked:

**House Concurrent Resolution 21**, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Read first time and referred to committee on **Rules and Administration**.

## APPENDIX

### COMMUNICATIONS RECEIVED

The following communications were received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

May 1, 2003

#### DEPARTMENT OF HUMAN SERVICES

Report regarding requirements pursuant to 2001 Acts, House File 740.

#### DEPARTMENT OF PUBLIC HEALTH

Report pursuant to 2002 Acts, House File 2627 — notification that the report in electronic form is available online.

### CERTIFICATES OF RECOGNITION

The Secretary of the Senate issued the following certificates of recognition:

Jason Kirk Fiala, Swisher — For achieving the rank of Eagle Scout, Boy Scout Troop 37. Senator Dvorsky (5/1/03).

Richard and Joyce Lynch Farm, Cascade — For receiving the Iowa Good Neighbor Award. Senator Hosch (5/1/03).

Kathleen Miller, Iowa City — For achieving the highest award for Senior Girl Scouts, "The Gold Award." Senator Bolkcom (5/1/03).

### PRESENTATION OF VISITORS

The Chair welcomed the following visitors who were present in the Senate gallery:

Fifth grade students from Fairfield, accompanied by Laurie Woody. Senator Miller.

### REPORTS OF COMMITTEE MEETINGS

#### APPROPRIATIONS

**Convened:** May 1, 2003, 10:15 a.m.

**Members Present:** Lamberti, Chair; Dvorsky, Ranking Member; Behn, Black, Bolkcom, Connolly, Dotzler, Fraise, Hatch, Horn, Houser, McKibben, McKinley, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann.

**Members Absent:** Kramer, Vice Chair; Gaskill and Miller (all excused).

**Committee Business:** Passed HF 676.

**Adjourned:** 10:20 a.m.

## **RULES AND ADMINISTRATION**

**Convened:** May 1, 2003, 10:10 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Drake, Dvorsky, Gaskill, Putney, and Ragan.

**Members Absent:** Courtney and Sievers (both excused).

**Committee Business:** Passed SCRs 19 and 20 and SR 39.

**Adjourned:** 10:15 a.m.

### **ALSO:**

**Convened:** May 1, 2003, 6:10 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Passed SCR 21 and SR 40.

**Adjourned:** 6:15 p.m.

## **SUBCOMMITTEE ASSIGNMENT**

### **House File 697**

**WAYS AND MEANS:** McKibben, Chair; Bolkcom and Shull

## **REPORT OF THE SECRETARY OF THE SENATE**

**MADAM PRESIDENT:** Pursuant to Senate Rule 21, I report that in engrossing Senate File 458, the following corrections were made:

1. Page 85, lines 20 and 21, the words and numbers "sections 203 and 204" were changed to the words and numbers "sections 173 and 174".

2. Page 86, line 10, the word and number “section 206” were changed to the word and number “section 176”.

MICHAEL E. MARSHALL  
Secretary of the Senate

## BILLS SIGNED BY THE GOVERNOR

A communication was received announcing that on May 1, 2003, the Governor approved and transmitted to the Secretary of State the following bills:

S.F. 102 – Relating to the chief executive officer of the Iowa public employees’ retirement system and providing an effective and retroactive applicability date.

S.F. 366 – Relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision.

S.F. 372 – Relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date.

S.F. 375 – Relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

S.F. 416 – Relating to dependent adult abuse including elder abuse emergency shelter and support services projects.

S.F. 438 – Relating to the establishment of the office of grants enterprise management in the department of management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

## AMENDMENTS FILED

S-3358	S.F.	458	Jeff Lamberti
S-3359	S.F.	458	Jeff Lamberti
S-3360	S.F.	458	Jeff Lamberti
S-3361	S.F.	458	Neal Schuerer
S-3362	S.F.	452	Jeff Lamberti
S-3363	S.F.	452	Jeff Lamberti
S-3364	S.F.	458	Jeff Lamberti
S-3365	S.F.	458	Mark Ziemann
S-3366	S.F.	458	Bryan J. Sievers
S-3367	S.F.	458	Jeff Lamberti
S-3368	S.F.	458	Michael E. Gronstal
			Jeff Lamberti

S-3369	S.F.	458	Mike Connolly Michael E. Gronstal John P. Kibbie Dennis H. Black Jack Hatch Amanda Ragan Thomas G. Courtney Herman C. Quirnbach Joe M. Seng William Dotzler Joe Bolkcom Steve Warnstadt Keith Kreiman Jack Holveck Daryl Beall Roger Stewart Robert E. Dvorsky
S-3370	S.F.	458	Steve Warnstadt Joe Bolkcom William Dotzler Joe M. Seng Herman C. Quirnbach Thomas G. Courtney Amanda Ragan Jack Hatch Dennis H. Black John P. Kibbie Michael E. Gronstal Mike Connolly
S-3371	S.F.	458	Robert E. Dvorsky Mike Connolly Keith Kreiman
S-3372	S.F.	458	John P. Kibbie Dennis H. Black Amanda Ragan Jack Hatch Thomas G. Courtney Herman C. Quirnbach Joe M. Seng Mike Connolly Michael E. Gronstal

			Dick L. Dearden
			Roger Stewart
			William Dotzler
			Joe Bolkcom
			Eugene S. Fraise
			Steve Warnstadt
			Keith Kreiman
			Jack Holveck
			Daryl Beall
			Wally E. Horn
			Robert E. Dvorsky
S-3373	S.F.	458	Jack Holveck
			William Dotzler
			Daryl Beall
			Joe M. Seng
			Keith Kreiman
			Joe Bolkcom
			Herman C. Quirnbach
			Thomas G. Courtney
			Amanda Ragan
			Jack Hatch
			Dennis H. Black
			John P. Kibbie
			Michael E. Gronstal
			Mike Connolly
			Wally E. Horn
			Eugene S. Fraise
S-3374	S.F.	452	John P. Kibbie
			Steve Warnstadt
S-3375	S.F.	458	Mary E. Kramer
			Maggie Tinsman
S-3376	S.F.	458	Mary A. Lundby
S-3377	H.F.	686	Mike Connolly
S-3378	H.F.	614	Mark Zieman
S-3379	S.F.	458	Mike Connolly
S-3380	S.F.	458	Jeff Lamberti
S-3381	S.F.	458	Robert E. Dvorsky
S-3382	S.F.	458	Jeff Lamberti
S-3383	S.F.	458	Thomas G. Courtney
S-3384	S.F.	458	William Dotzler
S-3385	S.F.	458	Jeff Lamberti

S-3386	S.F.	434	Steve Warnstadt
S-3387	S.F.	452	Jeff Lamberti
S-3388	S.F.	458	Jeff Lamberti

The Senate stood at ease at 6:50 p.m. until the fall of the gavel.

The Senate resumed session, President Kramer presiding.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on April 30, 2003, **receded** from the House amendment to the Senate amendment, **and passed** the following bill in which the concurrence of the House was asked:

**House File 685**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund.

ALSO: That the House has on May 1, 2003, **adopted** the following resolutions in which the concurrence of the House was asked:

**Senate Concurrent Resolution 20**, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship.

**Senate Concurrent Resolution 21**, a concurrent resolution to provide for adjournment sine die.

ALSO: That the House has on May 1, 2003, **passed** the following bills in which the concurrence of the House was asked:

**Senate File 348**, a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates.

**Senate File 390**, a bill for an act relating to certain alternative forms of county and city government by providing for county

redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions.

**Senate File 425**, a bill for an act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources.

**Senate File 458**, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

ALSO: That the House has on May 1, 2003, **receded** in the House amendment to the Senate amendment, **and passed** the following bill in which the concurrence of the House was asked:

**Senate File 435**, a bill for an act relating to and making appropriations to the judicial branch.

ALSO: That the House has on May 1, 2003, **concurred** in the Senate amendment to the House amendment, **and passed** the following bill in which the concurrence of the House was asked:

**Senate File 452**, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

ALSO: That the House has on May 1, 2003, **concurred** in the Senate amendment **and passed** the following bills in which the concurrence of the House was asked:

**House File 543**, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions.

**House File 549**, a bill for an act relating to the duties and operations of the department of education and school boards.

**House File 595**, a bill for an act relating to certain voluntary annexations and to involuntary annexations and providing an effective date.

ALSO: That the House has on May 1, 2003, **passed** the following bills in which the concurrence of the Senate is asked:

**House File 490**, a bill for an act relating to the right of condemnation of owners of certain land and including effective and applicability date provisions.

Read first time and referred to committee on **Local Government**.

**House File 701**, a bill for an act relating to the individual income tax by reducing the tax rates and number of tax brackets and including a contingent effective and applicability date provision.

Read first time and referred to committee on **Ways and Means**.

## REPORTS OF THE SECRETARY OF THE SENATE

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in enrolling Senate File 390, the following correction was made:

1. Page 6, line 10, the word and number “subsection 1,” were removed.

ALSO:

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in enrolling Senate File 452, the following corrections were made:

1. Page 12, line 14, the number “(1)” was changed to the letter “a.”
2. Page 12, line 17, the number “(2)” was changed to the letter “b.”
3. Page 12, line 18, the number “(3)” was changed to the letter “c.”
4. Page 12, line 20, the number “(4)” was changed to the letter “d.”

ALSO:

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in enrolling Senate File 458, the following corrections were made:

1. Page 11, line 8, the period after the word "positions" was changed to a colon.
2. Page 34, line 14, after the number "2003", the word "Iowa" was added.
3. Page 38, line 6, the number "1." was changed to the number "2."
4. Page 38, line 10, the number "2." was changed to the number "3."
5. Page 38, line 16, the number "3." was changed to the number "4."
6. Page 53, line 2, a hyphen was added between the words "vocational technical".
7. Page 89, line 14, the word "is" was changed to the word "are".

ALSO:

MADAM PRESIDENT: Pursuant to Senate Rule 21, I report that in enrolling Senate File 459, the following correction was made:

1. Page 1, line 1, after "paragraph b," the following was added: "Code 2003,".

MICHAEL E. MARSHALL  
Secretary of the Senate

RESOLUTION ENROLLED, SIGNED, AND SENT  
TO THE SECRETARY OF STATE

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following resolution has been enrolled, signed by the President of the Senate and the Speaker of the House, and submitted to the Secretary of State for deposit on this 1st day of May, 2003:

Senate Joint Resolution 5.

MICHAEL E. MARSHALL  
Secretary of the Senate

## BILLS ENROLLED, SIGNED, AND SENT TO GOVERNOR

The Secretary of the Senate submitted the following report:

MADAM PRESIDENT: The Secretary of the Senate respectfully reports that the following bills have been enrolled, signed by the President of the Senate and the Speaker of the House, and presented to the Governor for his approval on this 1st day of May, 2003:

Senate Files 94, 173, 341, 343, 348, 354, 359, 390, 393, 396, 405, 417, 422, 425, 433, 435, 439, 441, 442, 444, 445, 451, 452, 453, 458, and 459.

MICHAEL E. MARSHALL  
Secretary of the Senate

## BILLS REFERRED TO COMMITTEE FROM CALENDAR

MADAM PRESIDENT: Pursuant to Senate Rule 4, the following resolutions and bills remaining on the Senate calendar upon adjournment of the 2003 Regular Session will be removed from the calendar and referred back to the committee to which they were originally assigned:

S.C.R.	7	Government Oversight
S.C.R.	11	Rules and Administration
S.C.R.	13	Rules and Administration
S.C.R.	15	Rules and Administration
S.C.R.	16	Agriculture
S.R.	37	Rules and Administration
S.F.	117	Commerce
S.F.	130	Local Government
S.F.	150	State Government
S.F.	209	Local Government
S.F.	327	State Government
S.F.	332	State Government
S.F.	369	Natural Resources and Environment
S.F.	387	Economic Growth
S.F.	388	Economic Growth
S.F.	404	Ways and Means
S.F.	446	Government Oversight
S.F.	447	Ways and Means
S.F.	450	Ways and Means
S.F.	455	Ways and Means
S.F.	456	Ways and Means

MICHAEL E. MARSHALL  
Secretary of the Senate

FINAL DISPOSITION OF  
MOTIONS TO RECONSIDER

Pursuant to Senate Rule 24, the following motions to reconsider, which remained on the Senate calendar upon the adjournment of the 2003 Regular Session of the Eightieth General Assembly, were determined to have **failed**:

**Senate File 409**, a bill for an act providing for premarital and marital mediation agreements. (Failed to pass Senate on March 31, 2003.) Motion filed by Senator Shull on March 31, 2003.

**Senate File 433**, a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters. (Passed Senate on April 17, 2003.) Motion filed by Senator Lamberti on April 17, 2003.

**Senate File 439**, a bill for an act relating to and making appropriations to the justice system and providing an effective date. (Passed Senate on April 17, 2003.) Motion filed by Senator Lamberti on April 17, 2003.

**House File 662**, a bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and including an effective date and retroactive applicability date provision. (Passed Senate on April 10, 2003.) Motion filed by Senator Lamberti on April 10, 2003.

**House File 667**, a bill for an act relating to and making appropriations for health and human services to the department of elder affairs, the Iowa department of public health, the department of inspections and appeals, the department of human services, and the commission of veterans affairs, and providing effective dates. (Passed Senate on April 22, 2003.) Motion filed by Senator Lamberti on April 22, 2003.

SECRETARY TO NOTIFY THE  
GOVERNOR AND THE HOUSE

Senator Angelo moved that Secretary of the Senate be directed to send a written message to the Governor and the House of Representatives informing them that the Senate was ready to adjourn in accordance with Senate Concurrent Resolution 21.

The motion prevailed by a voice vote.

FINAL ADJOURNMENT

By virtue of Senate Concurrent Resolution 21, duly adopted, the day of May 1, 2003, having arrived, President Kramer declared the 2003 Regular Session of the Eightieth General Assembly adjourned sine die.

## MESSAGE FROM THE GOVERNOR

May 1, 2003

The Honorable Mary Kramer  
President of the Senate  
State Capitol  
LOCAL

The Honorable Christopher Rants  
Speaker of the House  
State Capitol  
LOCAL

Dear President Kramer and Speaker Rants:

Throughout our state's history, Iowans have valued education, hard work, self-reliance, community involvement, generosity to our neighbors, and responsible stewardship of the land, air, and water. Challenging times give us an opportunity to assess our values, and to make changes that will support those values.

This, the first session of the Eightieth General Assembly, gave us the opportunity to address these shared Iowa values. Even in these difficult economic times that have most states reeling from budget cuts and shortfalls, we have a unique opportunity to make the bold changes necessary to grow Iowa, preserve our values, and strengthen the quality of life that has long sustained our state.

Developing and drafting consensus language that creates the Iowa Values Fund has been a historic achievement accomplished by both the majority and minority members of the House of Representatives during the regular session. I look forward to working with the State Senate to act on the Iowa Values Fund.

Two pieces of significant legislation that were accomplished during the regular session were to lower the level of alcohol needed in a person's blood to be presumed drunk from .10 to .08 BAC, and the proposal to reorganize and streamline state government.

This was the third consecutive legislative session that I have called for a bill to lower the blood alcohol rate to .08. The tougher standard corresponds with a projected 10-16 lives saved in Iowa per year. This has always been an issue of safety.

I had called on the legislature to create the Department of Administrative Services (DAS) last session and am pleased that this session DAS was sent to me. DAS will streamline services, improve services to customers, enhance resource flexibility, and save money.

I intend to continue to work with legislators to lay the foundation for a more prosperous future for our state. When the people of Iowa work together on a common goal, we can accomplish anything.

Sincerely,  
TOM VILSACK  
Governor



*State of Iowa*

**JOURNAL  
OF THE SENATE**

**EIGHTIETH  
GENERAL ASSEMBLY**

**2003  
EXTRAORDINARY SESSION**

**May 29–June 4, 2003**

**MARY KRAMER, President of the Senate  
MICHAEL E. MARSHALL, Secretary of the Senate**



# JOURNAL OF THE SENATE

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FIRST CALENDAR DAY  
FIRST SESSION DAY  
EXTRAORDINARY SESSION

Senate Chamber  
Des Moines, Iowa, Thursday, May 29, 2003

Pursuant to the proclamation of the Governor, the Honorable Thomas J. Vilsack, convening the Eightieth General Assembly in Extraordinary Session, the Senate was called to order at 10:20 a.m. by the Honorable Mary Kramer, President of the Senate.

Prayer was offered by the Honorable Doug Shull, member of the Senate from Warren County, Indianola, Iowa.

## COMMUNICATION FROM THE GOVERNOR

The following communication from the Governor was presented:

May 9, 2003

The Honorable Mary Kramer  
President of the Senate  
State Capitol  
LOCAL

The Honorable Christopher Rants  
Speaker of the House  
State Capitol  
LOCAL

I hereby submit the Proclamation setting the Extraordinary Session of the Iowa Legislature to convene at 10:00 a.m., Thursday, May 29, 2003.

Sincerely,  
THOMAS J. VILSACK  
Governor

**STATE OF IOWA**  
***Executive Department***

In The Name And By The Authority Of The State Of Iowa

**P R O C L A M A T I O N**

**Whereas**, the 2003 Regular Session of the Eightieth General Assembly adjourned pursuant to Senate Concurrent Resolution 21, and

**Whereas**, beginning with my 2003 Condition of the State speech and continuing throughout the legislative session that adjourned last week, Iowans repeatedly called on lawmakers to pass the Iowa Values Fund and approve a FY 2003 state budget that funds vital state services, and

**Whereas**, the Iowa Values Fund will transform the Iowa economy by creating 50,000 high-paying jobs, promoting industry clusters and regional economic development, improving our quality of life and school facilities, and enhancing university research and workforce development, and

**Whereas**, the Iowa House of Representatives already passed the Iowa Values Fund in a historic and strongly bi-partisan vote last week, and community and business leaders support the Iowa Values Fund as an essential step to creating a more vibrant economy, and

**Whereas**, the General Assembly failed to pass a FY 2004 budget that adequately funded vital state services and protected the health, safety, and welfare of Iowa citizens, and

**Whereas**, Iowa cannot wait to create the Iowa Values fund and cannot afford to underfund vital state services, since doing otherwise will jeopardize the future of Iowa families.

**Now, Therefore**, I, Thomas J. Vilsack, Governor of the State of Iowa, in accordance with Article IV, Section XI, of the Constitution of the State of Iowa, do hereby proclaim that the Eightieth General Assembly shall convene in extraordinary session in Des Moines, Iowa, at 10:00 a.m. on the 29th day of May, 2003, and to that end I do call up and direct the members of the House of Representatives to convene in the House chamber at the State capitol and members of the Senate to convene in the Senate chamber at the State capitol at 10:00 a.m. on the 29th day of May, 2003, for the purpose for which the General Assembly is convened, namely the matter of approving the Iowa Values Fund, a FY 2004 state budget that will protect Iowans' health, safety, and welfare, and matters properly related thereto.

(SEAL)

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the Great Seal of the State of Iowa to be affixed. Done at Des Moines, Iowa, this 9th day of May in the year of our Lord two thousand three.

THOMAS J. VILSACK, Governor

Attest:

CHESTER J. CULVER  
Secretary of State

## ORGANIZATION OF THE SENATE

Senator Iverson moved that the selection of seats, determination of mileage of senators, assignment of press seats, and all other organizational or administrative matters not specifically provided for in Joint Rule 3 be the same for this Extraordinary Session as for the 2003 Regular Session of the Eightieth General Assembly.

The motion prevailed by a voice vote.

### SECRETARY TO NOTIFY THE GOVERNOR AND THE HOUSE

Senator Iverson moved that the Secretary of the Senate be directed to send a written message to the Governor and the House of Representatives informing them that the Senate was organized and ready to transact business and receive any messages that they may transmit.

The motion prevailed by a voice vote.

### HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has, pursuant to the May 9, 2003, proclamation of the Governor, **duly organized** for the Extraordinary Session of the Eightieth General Assembly and is ready to receive communications from the Senate.

The Senate stood at ease at 10:50 a.m. until the fall of the gavel for the purposes of party caucuses.

The Senate resumed session at 11:50 a.m., President Kramer presiding.

### RECESS

On motion of Senator McKibben, the Senate recessed at 11:51 a.m. until the fall of the gavel.

**APPENDIX — 1****COMMUNICATION RECEIVED**

The following communication was received in the office of the Secretary of the Senate and placed on file in the Legislative Service Bureau:

April 25, 2003

**OFFICE OF DRUG CONTROL POLICY**

Iowa's Drug Control Strategy 2003, pursuant to Iowa Code chapter 80E.

**REPORTS OF COMMITTEE MEETINGS****APPROPRIATIONS**

**Convened:** May 29, 2003, 2:50 p.m.

**Members Present:** Lamberti, Chair; Kramer, Vice Chair; Dvorsky, Ranking Member; Behn, Bolkcom, Connolly, Dotzler, Fraise, Gaskill, Hatch, Horn, Houser, McKibben, McKinley, Miller, Schuerer, Seng, Seymour, Shull, Sievers, Tinsman, Veenstra, Warnstadt, and Ziemann.

**Members Absent:** Black (excused).

**Committee Business:** Passed HF 683 (as amended).

**Adjourned:** 4:30 p.m.

**RULES AND ADMINISTRATION**

**Convened:** May 29, 2003, 4:50 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** Courtney (excused).

**Committee Business:** Passed SRs 41, 42, and 43.

**Adjourned:** 4:55 p.m.

**WAYS AND MEANS**

**Convened:** May 29, 2003, 12:00 p.m.

**Members Present:** McKibben, Chair; Shull, Vice Chair; Bolkcom, Ranking Member; Angelo, Connolly, Dotzler, Hosch, Lamberti, Larson, McCoy, McKinley, Miller, Quirmbach, Rehberg, Seng, Sievers, and Stewart.

**Members Absent:** None.

**Committee Business:** Passed HF 692 (as amended).

**Adjourned:** 2:45 p.m.

## INTRODUCTION OF RESOLUTIONS

**Senate Resolution 41**, by Redfern and Dotzler, a resolution honoring former Senator Barton L. Schwieger.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 42**, by Dvorsky, Bolkcom, and Gronstal, a resolution honoring Minority Leader Richard E. Meyers of the House of Representatives.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 43**, by Iverson, a resolution recognizing Tom Cope for his service to the Iowa Senate and to the Iowa General Assembly.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

## SUBCOMMITTEE ASSIGNMENTS

### **Senate Resolution 41**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate Resolution 42**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

### **Senate Resolution 43**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**House File 683**

APPROPRIATIONS: Schuerer, Chair; Dotzler and Lamberti

**COMMITTEE REPORTS****APPROPRIATIONS**

**Final Bill Action:** HOUSE FILE 683, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, modifying the value-added agricultural products and processes financial assistance program, providing endow Iowa seed grants and endow Iowa tax credits, providing funding and tax credits for economic development regions, creating workforce training and economic development funds for community colleges, establishing a school financing program for school infrastructure purposes, creating a cultural and entertainment district certification program, increasing the availability of rehabilitation project tax credits, eliminating a small business advisory council, providing for a streamlined sales and use tax law, making appropriations, and including effective date and retroactive applicability provisions.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3392.

**Final Vote:** Ayes, 15: Lamberti, Kramer, Behn, Gaskill, Houser, McKibben, McKinley, Miller, Schuerer, Seymour, Shull, Sievers, Tinsman, Veenstra, and Zieman. Nays, 9: Dvorsky, Bolkom, Connolly, Dotzler, Fraise, Hatch, Horn, Seng, and Warnstadt. Absent, 1: Black.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**RULES AND ADMINISTRATION**

**Final Bill Action:** SENATE RESOLUTION 41, a resolution honoring former Senator Barton L. Schwieger.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Courtney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 42, a resolution honoring Minority Leader Richard E. Meyers of the House of Representatives.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Courtney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**ALSO:**

**Final Bill Action:** SENATE RESOLUTION 43, a resolution recognizing Tom Cope for his service to the Iowa Senate and to the Iowa General Assembly.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Courtney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

**WAYS AND MEANS**

**Final Bill Action:** HOUSE FILE 692, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions.

**Recommendation:** AMEND AND DO PASS, AS PROVIDED IN AMENDMENT S-3391.

**Final Vote:** Ayes, 10: McKibben, Shull, Angelo, Hosch, Lamberti, Larson, McKinley, Miller, Rehberg, and Sievers. Nays, 7: Bolkom, Connolly, Dotzler, McCoy, Quirmbach, Seng, and Stewart. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## AFTERNOON SESSION

The Senate reconvened at 4:42 p.m., President Kramer presiding.

## QUORUM CALL

Senator Iverson requested a nonrecord roll call to determine that a quorum was present.

The vote revealed 38 present, 12 absent, and a quorum present.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 41.

**Senate Resolution 41**

On motion of Senator Redfern, **Senate Resolution 41**, a resolution honoring former Senator Barton L. Schwieger, with report of committee recommending passage, was taken up for consideration.

Senator Redfern moved the adoption of Senate Resolution 41, which motion prevailed by a voice vote.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)**Senate Resolution 42**

On motion of Senator Dvorsky, the following resolution, with report of committee recommending passage, was taken up for consideration:

- 1           SENATE RESOLUTION 42
- 2    By: Dvorsky, Bolkcom, and Gronstal
- 3    A resolution honoring Minority Leader Richard E.
- 4    Myers of the House of Representatives.
- 5    WHEREAS, Minority Leader Richard E. Myers of the
- 6    House of Representatives will retire from legislative
- 7    office at the end of this year after completing nearly
- 8    10 years in office as a member of the House of

9 Representatives; and  
10 WHEREAS, Representative Myers' distinguished career  
11 as a state legislator has included service as an  
12 Assistant Minority Leader in the 1996 Session of the  
13 Seventy-Sixth General Assembly and in the Seventy-  
14 Seventh General Assembly and as the Minority Whip in  
15 the Seventy-Eighth General Assembly and in the 2000  
16 Session of the Seventy-Ninth General Assembly; and  
17 WHEREAS, Representative Myers' legislative career  
18 has culminated in his service as Minority Leader in  
19 the 2001 Session of the Seventy-Ninth General Assembly  
20 and in the 2002 Session of the Eightieth General  
21 Assembly; and  
22 WHEREAS, Representative Myers' legislative career  
23 has also included service as Ranking Member of the  
24 Local Government Committee and as a member of the  
25 Administration and Rules Committee; and  
26 WHEREAS, Representative Myers has served on many  
27 other standing committees and appropriations  
28 subcommittees throughout his years of legislative  
29 service and has been an influential and devoted  
30 legislator in this state; and

Page 2

1 WHEREAS, Representative Myers has been instrumental  
2 in the passage of legislation relating to all aspects  
3 of state and local government, capitalizing on his  
4 past service at the local government level as Mayor of  
5 the City of Coralville and as a member of the Board of  
6 Supervisors for Johnson County; and  
7 WHEREAS, Representative Myers has served honorably  
8 and has unselfishly given of his time and efforts to  
9 further the interests of the State of Iowa and to  
10 provide beneficial programs for the citizens of Iowa;  
11 NOW THEREFORE,  
12 BE IT RESOLVED BY THE SENATE, That the Senate pay  
13 tribute to House Minority Leader Myers for his devoted  
14 service to the Iowa General Assembly and the citizens  
15 of this state and wish him the very best in the years  
16 ahead; and  
17 BE IT FURTHER RESOLVED, That an official copy of  
18 this Resolution be prepared and presented to House  
19 Minority Leader Myers.

The Senate rose and expressed its tribute to Representative Myers.

Senator Dvorsky moved the adoption of Senate Resolution 42, which motion prevailed by a voice vote.

Representatives Myers was presented with an enrolled copy of Senate Resolution 42, and he addressed the Senate with brief remarks.

UNFINISHED BUSINESS  
(Deferred May 1, 2003)

**House File 614**

The Senate resumed consideration of **House File 614**, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions, deferred May 1, 2003.

Senator Zieman withdrew amendment S-3378, filed by him on May 1, 2003, to pages 2, 7-9, 16, 17, 19-32, and to the title page of the bill.

Senator Zieman withdrew amendment S-3389, filed by him from the floor to pages 2, 7-9, 16, 17, 19-32, and to the title page of the bill.

Senator Zieman asked and received unanimous consent that action on **House File 614** be **deferred**.

The Senate stood at ease at 5:15 p.m. until the fall of the gavel.

The Senate resumed session at 6:15 p.m., President Pro Tempore Angelo presiding.

## LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators Boettger, Dvorsky, Kreiman, McCoy, Miller, and Putney, until they return, on request of Senator Iverson.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 43.

**Senate Resolution 43**

On motion of Senator Iverson, **Senate Resolution 43**, a resolution recognizing Tom Cope for his service to the Iowa Senate and to the Iowa General Assembly, with report of committee recommending passage, was taken up for consideration.

Mr. Cope addressed the Senate with brief remarks.

Senator Iverson moved the adoption of Senate Resolution 43.

A record roll call was requested.

On the question "Shall the resolution be adopted?" (S.R. 43), the vote was:

Yeas, 44:

Angelo	Beall	Behn	Black
Bolkcom	Brunkhorst	Connolly	Courtney
Dearden	Dotzler	Drake	Fraise
Gaskill	Gronstal	Hatch	Holveck
Horn	Hosch	Houser	Iverson
Johnson	Kettering	Kibbie	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Quirnbach	Ragan	Redfern
Rehberg	Schuerer	Seng	Seymour
Shull	Sievers	Stewart	Tinsman
Veenstra	Warnstadt	Wieck	Zieman

Nays, none.

Absent, 6:

Boettger	Dvorsky	Kreiman	McCoy
Miller	Putney		

The motion prevailed and the resolution was adopted.

## BUSINESS PENDING

### House File 614

The Senate resumed consideration of **House File 614**, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions, previously deferred.

Senator Kibbie offered amendment S-3396, filed by him from the floor striking everything after the enacting clause and to the title page of the bill, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3396 be adopted?" (H.F. 614), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser

Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, 1:

Miller

Amendment S–3396 lost.

Senator Zieman offered amendment S–3390, filed by him from the floor to pages 2, 7–9, 16, 17, 19–32, and to the title page of the bill, and moved its adoption.

Amendment S–3390 was adopted by a voice vote.

Senator Zieman moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question “Shall the bill pass?” (H.F. 614), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

President Kramer took the chair at 7:04 p.m.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 614** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Ways and Means Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 692.

**House File 692**

On motion of Senator McKibben, **House File 692**, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions, with report of committee recommending amendment and passage, was taken up for consideration.

Senator McKibben offered amendment S-3391, filed by the committee on Ways and Means striking everything after the enacting clause and to the title page of the bill.

Senator Dotzler offered amendment S-3397, filed by Senator Dotzler, et al., from the floor to pages 39-64 of amendment S-3391, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3397 to amendment S-3391 be adopted?" (H.F. 692), the vote was:

Yeas, 19:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	

Nays, 31:

Angelo	Behn	Boettger	Brunkhorst
Dearden	Drake	Gaskill	Hosch
Houser	Iverson	Johnson	Kettering
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Miller	Putney
Redfern	Rehberg	Schuerer	Seymour
Shull	Sievers	Tinsman	Veenstra
Warnstadt	Wieck	Zieman	

Absent, none.

Amendment S-3397 lost.

Senator Sievers took the chair at 7:55 p.m.

Senator Bolkcom offered amendment S-3394, filed by Senators Bolkcom, Holveck, and Kreiman from the floor to pages 64 and 189 of amendment S-3391, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3394 to amendment S-3391 be adopted?" (H.F. 692), the vote was:

Yeas, 23:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Miller	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Nays, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Putney	Redfern	Rehberg	Schuerer
Seymour	Shull	Sievers	Tinsman
Veenstra	Wieck	Zieman	

Absent, none.

Amendment S-3394 lost.

President Kramer took the chair at 8:30 p.m.

Senator Dotzler offered amendment S-3395, filed by Senators Dotzler, Holveck, and Kreiman from the floor to pages 66 and 67 of amendment S-3391, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3395 to amendment S-3391 be adopted?" (H.F. 692), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	Lundby
McCoy	Quirmbach	Ragan	Seng
Stewart	Warnstadt		

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, none.

Amendment S-3395 lost.

Senator Connolly offered amendment S-3393, filed by him from the floor to pages 71, 103, and 104 of amendment S-3391, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3393 to amendment S-3391 be adopted?" (H.F. 692), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky

Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3393 lost.

Senator Quirnbach offered amendment S-3399, filed by him from the floor to pages 2-4 of amendment S-3391, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3399 to amendment S-3391 be adopted?" (H.F. 692), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Miller	Quirnbach	Ragan	Seng
Stewart	Warnstadt		

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, none.

Amendment S-3399 lost.

Senator Dearden offered amendment S-3400, filed by him from the floor to page 67 of amendment S-3391, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3400 to amendment S-3391 be adopted?" (H.F. 692), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3400 lost.

Senator Sievers took the chair at 8:40 p.m.

Senator Kreiman offered amendment S-3402, filed by him from the floor to pages 44-46 of amendment S-3391, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3402 to amendment S-3391 be adopted?" (H.F. 692), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky

Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3402 lost.

The Senate stood at ease at 9:50 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:35 p.m., President Kramer presiding.

Senator McKibben offered amendment S-3401, filed by him from the floor to page 1 and to the title provisions of amendment S-3391, and moved its adoption.

Amendment S-3401 was adopted by a voice vote.

Senator McKibben moved the adoption of amendment S-3391, as amended.

Amendment S-3391 was adopted by a voice vote.

Senator McKibben moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 692), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on May 29, 2003, **concurred** in the Senate amendment **and passed** the following bill in which the concurrence of the House was asked:

**House File 614**, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 692** be **immediately messaged** to the House.

CONSIDERATION OF BILL  
(Appropriations Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House File 683.

**House File 683**

On motion of Senator Schuerer, **House File 683**, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, modifying the value-added agricultural products and processes financial assistance program, providing endow Iowa seed grants and endow Iowa tax credits, providing funding and tax credits for economic development regions, creating workforce training and economic development funds for community colleges, establishing a school financing program for school infrastructure purposes, creating a cultural and entertainment district certification program, increasing the availability of rehabilitation project tax credits, eliminating a small business advisory council, providing for a streamlined sales and use tax law, making appropriations, and including effective date and retroactive applicability provisions, with report of committee recommending amendment and passage, was taken up for consideration.

Senator Schuerer offered amendment S-3392, filed by the committee on Appropriations striking everything after the enacting clause and to the title page of the bill.

Senator Schuerer withdrew amendment S-3406, filed by him from the floor to pages 1-34 and to the title provisions of amendment S-3392.

Senator Kibbie offered amendment S-3398, filed by him from the floor to page 2 of amendment S-3392, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3398 to amendment S-3392 be adopted?" (H.F. 683), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Drake
Dvorsky	Fraise	Gronstal	Hatch
Holveck	Horn	Kibbie	Kreiman
McCoy	Quirnbach	Ragan	Seng
Stewart	Warnstadt		

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Gaskill	Hosch	Houser	Iverson
Johnson	Kettering	Kramer	Lamberti
Larson	Lundby	McKibben	McKinley
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, none.

Amendment S-3398 lost.

Senator Hatch offered amendment S-3404, filed by Senator Hatch, et al., from the floor to pages 5 and 23 of amendment S-3392, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3404 to amendment S-3392 be adopted?" (H.F. 683), the vote was:

Yeas, 22:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Putney	Quirnbach	Ragan	Seng
Stewart	Warnstadt		

Nays, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Tinsman	Veenstra	Wieck	Zieman

Absent, none.

Amendment S-3404 lost.

Senator Gronstal offered amendment S-3405, filed by Senator Gronstal, et al., from the floor to pages 23 and 33 of amendment S-3392.

Senator Boettger took the chair at 11:35 p.m.

Senator Gronstal moved the adoption of amendment S-3405.

A record roll call was requested.

On the question "Shall amendment S-3405 to amendment S-3392 be adopted?" (H.F. 683), the vote was:

Yeas, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy
Quirnbach	Ragan	Seng	Stewart
Warnstadt			

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Absent, none.

Amendment S-3405 lost.

Senator Putney asked and received unanimous consent to withdraw amendment S-3403, filed by Senators Putney and Shull from the floor to page 24 of amendment S-3392.

### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Senator Miller, until he returns, on request of Senator Brunkhorst.

### BUSINESS PENDING

### House File 683

The Senate resumed consideration of House File 683.

Senator Kibbie offered amendment S-3407, filed by Senator Kibbie, et al., from the floor to page 33 of amendment S-3392, and moved its adoption.

A record roll call was requested.

On the question "Shall amendment S-3407 to amendment S-3392 be adopted?" (H.F. 683), the vote was:

Yeas, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Seymour	Stewart

Nays, 29:

Angelo	Behn	Boettger	Brunkhorst
Dearden	Drake	Gaskill	Hosch
Houser	Iverson	Johnson	Kettering
Kramer	Lamberti	Larson	Lundby
McKibben	McKinley	Putney	Redfern
Rehberg	Schuerer	Shull	Sievers
Tinsman	Veenstra	Warnstadt	Wieck
Zieman			

Absent, 1:

Miller

Amendment S-3407 lost.

The Senate stood at ease at 12:08 a.m. until the fall of the gavel.

The Senate resumed session at 12:59 a.m., President Kramer presiding.

Senator Schuerer offered amendment S-3408, filed by him from the floor to pages 1-34 and to the title provisions of amendment S-3392, and moved its adoption.

Amendment S-3408 was adopted by a voice vote.

Senator Schuerer moved the adoption of amendment S-3392, as amended.

Amendment S-3392 was adopted by a voice vote.

Senator Schuerer moved that the bill be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 683), the vote was:

Yeas, 29:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
McKinley	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Tinsman	Veenstra	Wieck
Zieman			

Nays, 21:

Beall	Black	Bolkcom	Connolly
Courtney	Dearden	Dotzler	Dvorsky
Fraise	Gronstal	Hatch	Holveck
Horn	Kibbie	Kreiman	McCoy

Quirnbach  
Warnstadt

Ragan

Seng

Stewart

Absent, none.

The bill, having received a constitutional majority, was declared to have passed the Senate and the title, as amended, was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 683** be **immediately messaged** to the House.

### RECESS

On motion of Senator Iverson, the Senate recessed at 1:13 a.m. until the completion of a meeting of the committee on Rules and Administration.

### RECONVENED

The Senate reconvened at 1:17 a.m., President Kramer presiding.

### INTRODUCTION OF RESOLUTION

**Senate Concurrent Resolution 22**, by committee on Rules and Administration, a concurrent resolution to provide for a temporary adjournment for the purpose of resolving outstanding issues.

Read first time and **placed on calendar**.

### COMMITTEE REPORT

#### RULES AND ADMINISTRATION

**Final Bill Action:** SENATE CONCURRENT RESOLUTION 22, a concurrent resolution to provide for a temporary adjournment for the purpose of resolving outstanding issues.

**Recommendation:** APPROVED COMMITTEE BILL.

**Final Vote:** Ayes, 10: Iverson, Kramer, Gronstal, Boettger, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, 1: Courtney.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Concurrent Resolution 22.

**Senate Concurrent Resolution 22**

On motion of Senator Iverson, **Senate Concurrent Resolution 22**, a concurrent resolution to provide for a temporary adjournment for the purpose of resolving outstanding issues, was taken up for consideration.

Senator Iverson moved the adoption of Senate Concurrent Resolution 22, which motion prevailed by a voice vote.

IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **Senate Concurrent Resolution 22** be **immediately messaged** to the House.

ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 1:26 a.m. until 1:00 p.m. Monday, June 2, 2003.

## APPENDIX — 2

### REPORT OF COMMITTEE MEETING

#### RULES AND ADMINISTRATION

**Convened:** May 30, 2003, 1:15 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** Courtney (excused).

**Committee Business:** Passed SCR 22.

**Adjourned:** 1:20 a.m.

#### SUBCOMMITTEE ASSIGNMENT

##### Senate Concurrent Resolution 22

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

#### EXPLANATION OF VOTE

MADAM PRESIDENT: I was necessarily absent from the Senate chamber on May 29, 2003, when the vote was taken on Senate Resolution 43. Had I been present, I would have voted "Yea."

JOHN PUTNEY

#### AMENDMENTS FILED

S-3389	H.F.	614	Mark Zieman
S-3390	H.F.	614	Mark Zieman
S-3391	H.F.	692	Ways and Means
S-3392	H.F.	683	Appropriations
S-3393	H.F.	692	Mike Connolly
S-3394	H.F.	692	Joe Bolkcom Jack Holveck Keith Kreiman
S-3395	H.F.	692	William A. Dotzler Jack Holveck Keith Kreiman

S-3396	H.F.	614	John P. Kibbie
S-3397	H.F.	692	William A. Dotzler Herman C. Quirmbach Roger Stewart Daryl Beall Jack Hatch Joe M. Seng Matt McCoy Amanda Ragan John P. Kibbie Eugene S. Fraise Jack Holveck Wally E. Horn Dennis H. Black Michael E. Gronstal Mike Connolly Robert E. Dvorsky Thomas G. Courtney
S-3398	H.F.	683	John P. Kibbie
S-3399	H.F.	692	Herman C. Quirmbach
S-3400	H.F.	692	Dick L. Dearden
S-3401	H.F.	692	Larry McKibben
S-3402	H.F.	692	Keith A. Kreiman
S-3403	H.F.	683	John Putney Doug Shull
S-3404	H.F.	683	Jack Hatch Michael E. Gronstal Amanda Ragan Joe Bolkcom John P. Kibbie Eugene S. Fraise Matt McCoy Keith Kreiman Dennis H. Black Mike Connolly Robert E. Dvorsky Jack Holveck Steve Warnstadt William A. Dotzler Daryl Beall Roger Stewart

			Herman C. Quirnbach
			Dick L. Dearden
			Wally E. Horn
			Thomas G. Courtney
			Joe M. Seng
S-3405	H.F.	683	Michael E. Gronstal
			Joe Bolkcom
			Amanda Ragan
			John P. Kibbie
			Eugene S. Fraise
			Matt McCoy
			Keith Kreiman
			Dennis H. Black
			Mike Connolly
			Robert E. Dvorsky
			Jack Holveck
			Steve Warnstadt
			William A. Dotzler
			Daryl Beall
			Roger Stewart
			Jack Hatch
			Herman C. Quirnbach
			Dick L. Dearden
			Wally E. Horn
			Thomas G. Courtney
			Joe M. Seng
S-3406	H.F.	683	Neal Schuerer
S-3407	H.F.	683	John P. Kibbie
			Eugene S. Fraise
			Amanda Ragan
			Daryl Beall
			Roger Stewart
			Thomas G. Courtney
			Joe M. Seng
			Keith Kreiman
S-3408	H.F.	683	Neal Schuerer

# JOURNAL OF THE SENATE

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FIFTH CALENDAR DAY  
SECOND SESSION DAY  
EXTRAORDINARY SESSION

Senate Chamber  
Des Moines, Iowa, Monday, June 2, 2003

The Senate met in extraordinary session at 12:57 p.m., President Kramer presiding.

The Journal of Thursday, May 29, 2003, was approved.

## ADJOURNMENT

On motion of Senator Iverson, the Senate adjourned at 12:58 p.m. until 9:00 a.m. Wednesday, June 4, 2003.

# JOURNAL OF THE SENATE

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SEVENTH CALENDAR DAY  
THIRD SESSION DAY  
EXTRAORDINARY SESSION

Senate Chamber  
Des Moines, Iowa, Wednesday, June 4, 2003

The Senate met in extraordinary session at 9:04 a.m., President Kramer presiding.

Prayer was offered by the Honorable Ken Veenstra, member of the Senate from Sioux County, Orange City, Iowa.

The Journal of Monday, June 2, 2003, was approved.

RECESS

On motion of Senator Iverson, the Senate recessed at 9:06 a.m. until the completion of a meeting of the committee on Rules and Administration.

## APPENDIX — 1

### REPORT OF COMMITTEE MEETING

#### RULES AND ADMINISTRATION

**Convened:** June 4, 2003, 9:05 a.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Courtney, Drake, Putney, and Sievers.

**Members Absent:** Boettger, Dvorsky, Gaskill, and Ragan (all excused).

**Committee Business:** Passed SRs 44 and 45.

**Adjourned:** 9:10 a.m.

#### INTRODUCTION OF RESOLUTIONS

**Senate Resolution 44**, by Hosch, a resolution honoring the City of Hopkinton on its sesquicentennial year.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

**Senate Resolution 45**, by Kramer, a resolution honoring Charlie Wittmack on reaching the summit of Mount Everest.

Read first time under Rule 28 and referred to committee on **Rules and Administration**.

#### SUBCOMMITTEE ASSIGNMENTS

##### **Senate Resolution 44**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

##### **Senate Resolution 45**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

## COMMITTEE REPORTS

## RULES AND ADMINISTRATION

**Final Bill Action:** SENATE RESOLUTION 44, a resolution honoring the City of Hopkinton on its sesquicentennial year.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 7: Iverson, Kramer, Gronstal, Courtney, Drake, Putney, and Sievers. Nays, none. Absent, 4: Boettger, Dvorsky, Gaskill, and Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## ALSO:

**Final Bill Action:** SENATE RESOLUTION 45, a resolution honoring Charlie Wittmack on reaching the summit of Mount Everest.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 7: Iverson, Kramer, Gronstal, Courtney, Drake, Putney, and Sievers. Nays, none. Absent, 4: Boettger, Dvorsky, Gaskill, and Ragan.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

## RECONVENED

The Senate reconvened at 9:10 p.m., President Pro Tempore Angelo presiding.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 45.

**Senate Resolution 45**

On motion of Senator Kramer, **Senate Resolution 45**, a resolution honoring Charlie Wittmack on reaching the summit of Mount Everest, with report of committee recommending passage, was taken up for consideration.

Senator Kramer moved the adoption of Senate Resolution 45, which motion prevailed by a voice vote.

### SPECIAL GUEST

Senator Kramer welcomed to the Senate chamber Mr. Charlie Wittmack of Des Moines, the first Iowan to successfully climb Mount Everest.

Mr. Wittmack addressed the Senate chamber with brief remarks.

The Senate rose and expressed its appreciation.

President Kramer took the chair at 9:25 a.m.

### CONSIDERATION OF RESOLUTION (Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration Senate Resolution 44.

#### **Senate Resolution 44**

On motion of Senator Hosch, **Senate Resolution 44**, a resolution honoring the City of Hopkinton on its sesquicentennial year, with report of committee recommending passage, was taken up for consideration.

Senator Hosch moved the adoption of Senate Resolution 44, which motion prevailed by a voice vote.

The Senate stood at ease at 9:27 a.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 10:43 a.m., President Kramer presiding.

### HOUSE MESSAGES RECEIVED AND CONSIDERED

The following messages were received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House has on June 4, 2003, **amended** the Senate amendment, **concurred** in the Senate amendment as amended, **and passed** the following bills in which the concurrence of the House was asked:

**House File 683**, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, modifying the value-added agricultural products and processes financial assistance program, providing endow Iowa seed grants and endow Iowa tax credits, providing funding and tax credits for economic development regions, creating workforce training and economic development funds for community colleges, establishing a school financing program for school infrastructure purposes, creating a cultural and entertainment district certification program, increasing the availability of rehabilitation project tax credits, eliminating a small business advisory council, providing for a streamlined sales and use tax law, making appropriations, and including effective date and retroactive applicability provisions. (S-3409)

**House File 692**, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions. (S-3410)

ALSO: That the House has on June 4, 2003, **adopted** the following resolution in which the concurrence of the Senate is asked:

**House Concurrent Resolution 24**, a concurrent resolution to provide for adjournment sine die.

Read first time and referred to committee on **Rules and Administration**.

#### LEAVES OF ABSENCE

Leaves of absence were granted as follows:

Senators McKinley and Tinsman, for the day, on request of Senator Iverson; and Senator Dearden, for the day, on request of Senator Gronstal.

HOUSE AMENDMENT TO  
SENATE AMENDMENT CONSIDERED

**House File 683**

Senator Schuerer called up for consideration **House File 683**, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, modifying the value-added agricultural products and processes financial assistance program, providing endow Iowa seed grants and endow Iowa tax credits, providing funding and tax credits for economic development regions, creating workforce training and economic development funds for community colleges, establishing a school financing program for school infrastructure purposes, creating a cultural and entertainment district certification program, increasing the availability of rehabilitation project tax credits, eliminating a small business advisory council, providing for a streamlined sales and use tax law, making appropriations, and including effective date and retroactive applicability provisions, amended by the Senate and further amended by the House in House amendment S-3409 to Senate amendment H-1616, filed June 4, 2003.

President Pro Tempore Angelo took the chair at 11:15 a.m.

President Kramer took the chair at 11:25 a.m.

Senator Boettger took the chair at 12:15 p.m.

Senator Sievers took the chair at 12:35 p.m.

Senator Boettger took the chair at 12:53 p.m.

President Kramer took the chair at 1:05 p.m.

Senator Schuerer moved that the Senate concur in House amendment S-3409 to Senate amendment H-1616.

A record roll call was requested.

On the question "Shall House amendment S-3409 to Senate amendment H-1616 be adopted?" (H.F. 683), the vote was:

Yeas, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Kreiman	Lamberti	Larson	Lundby
McKibben	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Veenstra	Wieck	Zieman

Nays, 19:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	McCoy	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Absent, 3:

Dearden	McKinley	Tinsman
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The motion prevailed and the Senate **concurred** in the House amendment to the Senate amendment.

Senator Schuerer moved that the bill, as amended by the Senate, further amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 683), the vote was:

Yeas, 28:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Kreiman	Lamberti	Larson	Lundby
McKibben	Miller	Putney	Redfern
Rehberg	Schuerer	Seymour	Shull
Sievers	Veenstra	Wieck	Zieman

Nays, 19:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise

Gronstal	Hatch	Holveck	Horn
Kibbie	McCoy	Quirnbach	Ragan
Seng	Stewart	Warnstadt	

Absent, 3:

Dearden	McKinley	Tinsman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 683** be **immediately messaged** to the House.

### HOUSE AMENDMENT TO SENATE AMENDMENT CONSIDERED

#### House File 692

Senator McKibben called up for consideration **House File 692**, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions, amended by the Senate, further amended by the House, and moved that the Senate concur in House amendment S-3410 to Senate amendment H-1615, filed June 4, 2003.

A record roll call was requested.

On the question "Shall House amendment S-3410 to Senate amendment H-1615 be adopted?" (H.F. 692), the vote was:

Yeas, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Veenstra	Wieck	Zieman	

Nays, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Absent, 3:

Dearden	McKinley	Tinsman
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The motion prevailed and the Senate **concurred** in the House amendment to the Senate amendment.

Senator McKibben moved that the bill, as amended by the Senate, further amended by the House and concurred in by the Senate, be read the last time now and placed upon its passage, which motion prevailed by a voice vote, and the bill was read the last time.

On the question "Shall the bill pass?" (H.F. 692), the vote was:

Yeas, 27:

Angelo	Behn	Boettger	Brunkhorst
Drake	Gaskill	Hosch	Houser
Iverson	Johnson	Kettering	Kramer
Lamberti	Larson	Lundby	McKibben
Miller	Putney	Redfern	Rehberg
Schuerer	Seymour	Shull	Sievers
Veenstra	Wieck	Zieman	

Nays, 20:

Beall	Black	Bolkcom	Connolly
Courtney	Dotzler	Dvorsky	Fraise
Gronstal	Hatch	Holveck	Horn
Kibbie	Kreiman	McCoy	Quirnbach
Ragan	Seng	Stewart	Warnstadt

Absent, 3:

Dearden	McKinley	Tinsman
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The bill, having received a constitutional majority, was declared to have passed the Senate and the title was agreed to.

## IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House File 692** be **immediately messaged** to the House.

## RECESS

On motion of Senator Iverson, the Senate recessed at 1:54 p.m. until the completion of a meeting of the committee on Rules and Administration.

## RECONVENED

The Senate reconvened at 2:01 p.m., President Kramer presiding.

The Senate stood at ease at 2:02 p.m. until the fall of the gavel for the purpose of party caucuses.

The Senate resumed session at 2:22 p.m., President Kramer presiding.

## COMMITTEE REPORT

## RULES AND ADMINISTRATION

**Final Bill Action:** HOUSE CONCURRENT RESOLUTION 24, a concurrent resolution to provide for adjournment sine die.

**Recommendation:** DO PASS.

**Final Vote:** Ayes, 11: Iverson, Kramer, Gronstal, Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers. Nays, none. Absent, none.

**Fiscal Note:** NOT REQUIRED UNDER JOINT RULE 17.

CONSIDERATION OF RESOLUTION  
(Regular Calendar)

Senator Iverson asked and received unanimous consent to take up for consideration House Concurrent Resolution 24.

## House Concurrent Resolution 24

On motion of Senator Iverson, **House Concurrent Resolution 24**, a concurrent resolution to provide for adjournment sine die, with report of committee recommending passage, was taken up for consideration.

Senator Iverson moved the adoption of House Concurrent Resolution 24, which motion prevailed by a voice vote.

### IMMEDIATELY MESSAGED

Senator Iverson asked and received unanimous consent that **House Concurrent Resolution 24** be **immediately messaged** to the House.

### SECRETARY TO NOTIFY THE GOVERNOR AND THE HOUSE

Senator Iverson moved that the Secretary of the Senate be directed to send a written message to the Governor and the House of Representatives informing them that the Senate was prepared to adjourn in accordance with House Concurrent Resolution 24.

The motion prevailed by a voice vote.

### HOUSE MESSAGE RECEIVED

The following message was received from the Chief Clerk of the House:

MADAM PRESIDENT: I am directed to inform your honorable body that the House is prepared to **adjourn** the 2003 Extraordinary Session of the Eightieth General Assembly pursuant to House Concurrent Resolution 24, duly adopted.

### FINAL ADJOURNMENT

By virtue of House Concurrent Resolution 24, duly adopted, the day of June 4, 2003, having arrived, President Kramer declared the 2003 Extraordinary Session of the Eightieth General Assembly adjourned sine die.

**APPENDIX — 2**

**REPORT OF COMMITTEE MEETING**

**RULES AND ADMINISTRATION**

**Convened:** June 4, 2003, 1:55 p.m.

**Members Present:** Iverson, Chair; Kramer, Vice Chair; Gronstal, Ranking Member; Boettger, Courtney, Drake, Dvorsky, Gaskill, Putney, Ragan, and Sievers.

**Members Absent:** None.

**Committee Business:** Passed HCR 24.

**Adjourned:** 2:00 p.m.

**SUBCOMMITTEE ASSIGNMENT**

**House Concurrent Resolution 24**

RULES AND ADMINISTRATION: Iverson, Chair; Gronstal and Kramer

**AMENDMENTS FILED**

S-3409	H.F.	683	House
S-3410	H.F.	692	House



SENATE BILLS APPROVED, ITEM VETOED,  
AND VETOED SUBSEQUENT TO ADJOURNMENT

The following is a record of action by the Governor transmitted to the Secretary of State after the close of the 2003 Regular Session:

SENATE BILLS APPROVED

S.F. 94 – Providing for the confidentiality of certain veterans' records maintained by county recorders. Approved May 9, 2003.

S.F. 275 – Relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability. Approved May 2, 2003.

S.F. 341 – Regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date. Approved May 9, 2003.

S.F. 348 – Relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates. Approved May 30, 2003.

S.F. 353 – Requiring establishment of county child protection assistance teams. Approved May 2, 2003.

S.F. 354 – Implementing the federal Indian Child Welfare Act. Approved May 30, 2003.

S.F. 359 – Relating to landlords, tenants, and actions for forcible entry or detention and providing a penalty. Approved May 30, 2003.

S.F. 368 – Relating to advanced telecommunications services, including rate provisions. Approved May 15, 2003.

S.F. 393 – Relating to the agricultural development authority by providing for its organization and administration. Approved May 21, 2003.

S.F. 396 – Providing for the animal unit capacity of fowl for purposes of regulation under the animal agriculture compliance Act, and providing an effective date. Approved May 21, 2003.

S.F. 402 – Relating to sexual assault offenses by affecting the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses and by modifying the penalties for certain assaults. Approved May 16, 2003.

S.F. 405 – Relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service. Approved May 9, 2003.

S.F. 417 – Relating to the purchase of a police service dog by the department of corrections. Approved May 30, 2003.

S.F. 422 – Relating to criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances by permitting the reopening of a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by changing the parole and work release eligibility of a person serving such a sentence, repealing certain determinate sentences, and providing a penalty. Approved May 30, 2003.

S.F. 425 – Relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources. Approved May 23, 2003.

S.F. 435 – Relating to and making appropriations to the judicial branch. Approved May 23, 2003.

S.F. 439 – Relating to and making appropriations to the justice system and providing an effective date. Approved May 23, 2003.

S.F. 441 – Relating to the transfer of certain property-related tax credits and including effective and retroactive applicability date provisions. Approved May 16, 2003.

S.F. 442 – Updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date. Approved May 21, 2003.

S.F. 444 – Relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision. Approved May 12, 2003.

S.F. 445 – Relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date. Approved May 30, 2003.

S.F. 451 – Providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service “C” roads, and establishing a street construction fund distribution advisory committee, and making appropriations. Approved May 23, 2003.

S.F. 459 – Relating to Iowa agricultural industrial finance corporations, by providing for the assignment of an Iowa agricultural finance loan, and providing an effective date. Approved May 12, 2003.

## GOVERNOR'S ITEM VETO MESSAGES

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 433, an act relating to and making appropriations to the Department of Economic Development, certain Board of Regents Institutions, Department of Workforce Development and the Public Employment Relations Board for the fiscal year beginning July 1, 2003.

Senate File 433 continues current levels of funding for the World Food Prize and the workforce development fund account. It maintains funding for immigration service centers and provides a small increase to fund operations of the Public Employment Relations Board.

This administration has made clear from the first day of the 2003 Session that our top priority is transforming Iowa's economy. This goal, which we share with a majority of legislators from both parties, can only be accomplished with a significant investment in Iowa's future—an investment that is provided through the Iowa Values Fund. While Senate File 433 funds some important services Iowans rely on every day, it is completely inadequate and does not provide the commitment this state needs to retain our current employers, attract new businesses, incent business expansion, and create the high-paying jobs needed to keep our children and grandchildren living here.

It is vital the Legislature take action immediately to approve an Iowa Values Fund to send a strong message that Iowa is open for business. In the meantime, we must continue to provide the services that are funded through this bill. Senate File 433 is, therefore, signed on this date with the following exceptions, which I hereby disapprove:

I am unable to approve the item designated as Section 1, subsection 3. As I indicated last year, the Accountable Government Act establishes a comprehensive, enterprise-wide process for setting program goals and establishing results measures. These measures have been developed with data currently being compiled. This section would create redundancies in the development and reporting of goals and results measurements for the Department of Economic Development.

I am unable to approve the designated portion of Section 10, subsection 2. This would require that small business development centers be located equally throughout the different regions of the state. This bill contains no instruction as to the legislative meaning or intent of "located equally throughout the different regions of the state." As such, the bill is terminally vague making compliance impossible.

I am unable to approve the items designated as Section 10, subsection 3, paragraph b.; Section 11, subsection 2, paragraph b.; and Section 12, subsection 2, paragraph b. These sections would require any business or individual receiving benefits from specified Regent programs to have a commercially viable service or product. This legislative mandate would have an unacceptable dulling effect on innovation. Iowa should be encouraging entrepreneurship. This section of Senate File 433 would have the opposite impact.

I am unable to approve the designated portion of Section 15, subsection 2. This would restrict the expenditure of additional penalty and interest revenues to accomplish the mission of the department to provide safe workplaces and steady employment. The director of the Department of Workforce Development currently has the authority to reassign unused penalty and interest funds. We must maintain that flexibility to reallocate dollars when needed to ensure the safety and employment security of working Iowans.

I am unable to approve the item designated as Section 20. Expenditure information for executive branch agencies of state government is currently available to the economic development appropriations subcommittees and the Legislative Fiscal Bureau on a daily basis through the Iowa Financial and Accounting System. The Legislative Fiscal Bureau also has the authority to request expenditure information from Regent universities. The reporting requirement in this section would duplicate existing data and place an unneeded and unprecedented requirement on limited staff resources.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 433 are hereby approved as this date.

Sincerely,  
THOMAS J. VILSACK  
Governor

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 452, an Act relating to and making appropriations to state departments and agencies from the Rebuild Iowa Infrastructure Fund, Environment First Fund, and Tobacco Settlement Trust Fund, relating to the Capitol complex parking structure, and authorizing fees.

Senate File 452 is, approved on this date, with the following exceptions, which I hereby disapprove.

I am unable to approve the items designated as Division IV, Sections 28, 29, and 30 in their entirety. These sections would require the establishment of a parking fee for

the Capitol complex parking structure located at Pennsylvania and Grand avenues. Iowans should be encouraged to participate in their democracy by parking free to visit their State Capitol and the state office buildings surrounding their State Capitol. Charging parking fees at the newly constructed parking structure located at Pennsylvania and Grand Avenues operates as a hidden tax for the visiting public and would discourage some from exercising their fundamental rights as citizens. Such a fee should not have been and will not be sanctioned or approved.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 452 are hereby approved as this date.

Sincerely,  
THOMAS J. VILSACK  
Governor

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 453, an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, increasing civil penalties, and providing applicability and effective dates.

I hereby approve Senate File 453 on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portions of Section 31, subsection 1. These items deal with the allocation of the reduction in appropriations to the three Regent universities. It is important that the Board of Regents have the complete flexibility in making these reductions across their appropriations.

I am unable to approve the item designated as Section 31, subsection 2. This subsection sets up a legislative interim committee study on a policy option of levying charges for capital assets against all state agencies. I have previously stated that I do not support this idea and, therefore, do not support the study.

I am unable to approve the item designated as Section 38 in its entirety. This section requires the Department of Education to establish a task force to conduct several studies regarding the structure, funding of area education agencies and the delivery of media services, educational services, and special education services. The section also requires a study of special education, including identification and remediation procedures, the early intervention block grant program, intensive instruction and tutoring, and reading instruction.

These studies would duplicate work already completed and are unnecessary. Thanks to the cooperative efforts of area education agencies, school districts, and the department of education studies have already been undertaken and recommendations for improvement have been implemented. In addition an accreditation process has been established improving accountability and the efficient and quality services. One third of the AEAs are in the process of merging next year and this will create additional efficiencies. I agree that resources needed for special education requires special attention and thus I am recommending that the department of education establish a task force to review special education finance.

At the beginning of this legislative session, it was clear that although our fiscal difficulties were not as severe as many other states, Iowa was facing a budget shortfall. Given that the budget must be balanced, we know that those tasked with the responsibility of balancing the budget would inevitably reduce aid to local government. We worked with legislative leaders to make sure that the reforms included in Senate File 453 would give real hope to Iowans that some services can be improved even as less money is spent.

Additionally, my office worked hard to ensure that the federal stimulus package included direct fiscal relief for states and cities to help lessen the burden imposed by Senate File 453. While the federal stimulus package passed last week included \$189 million in aid to Iowa, the Legislature has indicated they will not direct any of those vital dollars to cities and counties.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 453 are hereby approved as this date.

Sincerely,  
THOMAS J. VILSACK  
Governor

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 458, an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, modifying sales and use taxes, modifying the investment tax credits and premium taxes on mutual insurance associations, providing for related matters, making penalties applicable, and providing effective dates.

Senate File 458 is approved on this date with the following exceptions, which I hereby disapprove:

I am unable to approve the item designated as Section 13 in its entirety. This section prohibits local governments from prorating state funded property tax credits to

taxpayers based upon the amount of the appropriations available in relation to total credit claims. I am concerned that this provision would further reduce funding for local governments, beyond the significant reductions that have already been made.

I am unable to approve the item designated as Section 23 in its entirety. This language creates a new funding stream for a single county hospital. I am sympathetic to the struggle of a hospital providing services to the poor and needy. However, creating an inequity is no way to properly help a struggling hospital. Appropriate Medicare reimbursement is a more appropriate remedy for the ills of a struggling hospital.

I am unable to approve the item designated as Section 103 in its entirety. This section places sanctions based on the performance, or lack of performance, on outcomes for young children. This appears to set the stage for increased pressure of inappropriate assessment of young children as well as unrealistic expectations on Community Empowerment Areas to show a percent of improvement. In addition, the language regarding penalties by a reduction in funds for not meeting an established percent improvement does not support the purpose or intent of Community Empowerment.

I am unable to approve the items designated as Sections 106, 107, and 153 in their entirety. This language would change the merit status of the Iowa Law Enforcement Academy's director. This change is punitive and unnecessarily would destabilize the position and the work of the director.

I am unable to approve the item designated as Section 110 in its entirety. American justice requires that those wrongly injured by the negligence of others have the right to fully recover any damages for their injuries. No system of justice can reverse the physical effects of an injury, but justice can be served when an injured party is made financially whole. Section 110 creates a privileged class of wrongdoers—those who hurt and injure attendees at a county fair. Efforts to create such a special class of wrongdoers that is immune from suit in a budget bill adds insult to injury.

I am unable to approve the item designated as Section 133 in its entirety, which will allow the sanitary landfills with an active methane collection system to accept yard waste. This action will be a major step backwards for integrated solid waste management creating a need for communities to expand existing facilities or find new property for landfills. Yard waste is best managed at a composting facility and is one of the keys in improving Iowa's water quality. Collecting methane from landfills is still relatively inefficient. As urged by numerous recycling groups who support integrated solid waste management, pollution is best prevented by not disposing of yard waste at a landfill.

I am unable to approve the item designated as Section 145 in its entirety. This proposed language undermines the existing process that already exists in Code of Iowa (904.76) authority to sell land. This process can be utilized for any possible land purchases and must be maintained to ensure the security needs and future long-term needs of the department that may arise.

I am unable to approve the item designated as Section 146 in its entirety. This language directs the Department of Revenue and Finance to pay a claim that has been

denied. An appeal was heard and a decision rendered denying the claim. The integrity of the State Appeal Board must not and will not be compromised.

I am unable to approve the item designated as Section 147 in its entirety. This language directs the State Appeal Board to pay a claim that had been denied. The Department of Education previously denied the claim. No appeal was filed and the time expired to do so. The integrity of the State claims process must not and will not be compromised. This section appears to infringe on the authority of the executive branch and State Appeal Board.

I am unable to approve the item designated as Section 151. This section provides funding from team-based variable pay moneys for a reading instruction pilot program. This proposed program would duplicate current efforts under the federally funded reading program, Reading First, and take critical funding away from the team-based variable pay program.

I am unable to approve the item designated as Division VII, Section 156, subsections 4, 7 and 8 in their entirety. These sections deal with smallpox vaccinations. Subsection 4 would require a set aside of Homeland Security federal funds for an unauthorized purpose. Subsection 7 requires vaccinations to be administered by a specific process which at this time is not approved by the FDA. Subsection 8 gives inappropriate duties and responsibilities for the coordination of vaccines and pharmaceuticals to the Emergency Management Division. Such supplies should emanate from the Center for Disease Control to the Health Department.

I am unable to approve the item designated as Division IX of SF 458, which provides a process for the privatization of the Iowa Communications Network (ICN), in its entirety. The design and implementation of the ICN does not easily support privatization. Careful study of a plan to privatize the network should be done with consideration of the network architecture, critical facilities, as well as the impact to education and homeland security.

Education has been and continues to be one of the highest priorities of this administration. I do not believe that potential adverse impacts on our State's education system were given adequate, if any, consideration. All levels of education depend upon the ICN for provision of education throughout Iowa. The ICN also plays a vital role in our state's homeland security. All homeland security functions would need to be maintained. In some cases, this would require new federal waivers and new agreements involving federal departments. These may not be easily forthcoming.

An issue of the magnitude of the State's fiber optic network should be worked through the legislative process as a separate bill, receiving full consideration by committees and adequate information for full debate. This amendment was attached during the final hours of the legislative session and left inadequate time for the public, including authorized users, the Commission or ICN staff, to provide information to policy makers in order for them to make a fully informed decision.

I am unable to approve the item designated as Section 179 in its entirety. This section limits the creation of a local government organization review committee to only counties with a population in excess of 100,000. Creating one process for large urban counties and not allowing small rural counties unnecessarily discriminates between

local governments located in urban and rural areas. We are and should always be one Iowa. This important value is compromised in Section 179.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 458 are hereby approved as of this date.

Sincerely,  
THOMAS J. VILSACK  
Governor

### GOVERNOR'S VETO MESSAGES

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 173, an Act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations.

Iowa school districts continue to deal with increasing costs, additional burdens from the No Child Left Behind Law, and less money to accomplish necessary results. Therefore, I am unable to approve the language because this bill adds to that increased burden by requiring additional payroll deductions. Also, the definition of professional education association is too broad. This will lead to abuse and/or litigation regarding the discretion of districts to define the term "professional education association."

For the above reasons, I hereby respectfully disapprove Senate File 173.

Sincerely,  
THOMAS J. VILSACK  
Governor

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 343, an Act relating to operation permits for public disposal systems and providing an effective date.

I am unable to approve Senate File 343, which would exempt publicly owned wastewater treatment facilities from obtaining or complying with National Pollution Discharge Elimination System permits in response to a change by the Environmental Protection Commission in the use designation of a cold water stream receiving the discharge of the disposal system until the Commission adopts by rule methods for the review of use designations of cold water streams.

I have several concerns with this bill. First, it states that a publicly owned treatment works does not have to obtain a permit under certain conditions. Both existing state and federal law require that these permits be issued to these treatment works. The state cannot, by statute or rule, create a situation where unauthorized discharges are allowed. To legislate in this manner would unduly jeopardize the permitting authority currently delegated to the state by an agreement with the U.S. Environmental Protection Agency.

Second, this bill is aimed at only cold water streams and not streams with other classifications. Legislation related to the operation of public disposal systems should address all public disposal systems, not just those that discharge to cold water streams.

Third, Senate File 343 is an attempt to address the problem of stream classification faced by a specific city. The legislation is now unnecessary because of steps being taken by the Department of Natural Resources (DNR). DNR is currently working on a scientifically sound system of reclassifying the use designations of streams in Iowa. The Department is doing this work using a technical advisory committee of experts, affected industries and public entities. The DNR's approach more comprehensively and appropriately addresses the problem that the bill attempts to address. Furthermore, DNR has agreed to grant the city in question a permit under the existing system, with DNR reserving the right to review the permit if classifications are changed in the future.

I have made it a priority to protect and improve the water quality of our rivers, lakes and streams. In my Condition of the State address this year, I made it part of my Leadership Agenda to eliminate the state's impaired waterways by 2010. Later this year, we will hold a Water Quality Summit to bring stakeholders together to start taking important steps to better protect our water resources. Protecting our water resources ensures that Iowans have safe drinking water as well as recreational and tourism opportunities that we cherish. This bill is unnecessary and contradicts our goal of protecting Iowa's waterways and water resources.

For the above reasons, I hereby respectfully disapprove Senate File 343.

Sincerely,  
THOMAS J. VILSACK  
Governor

May 30, 2003

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 390, an act relating to procedures for local government consolidation (charter government) and allowing the formation of local government empowerment committees.

Although I am supportive of charter governments in theory and agree that some local government mergers could reduce bureaucracy, streamline services, and save significant taxpayer dollars, I am unable to approve Senate File 390.

Current law allows for the formation of new relationships between local governments. Government at any level should adhere to the American ideal of, *for and by the people*. Senate File 390 seeks to fundamentally change the way elections may be held at the local level without securing first the consent of the governed. For this most basic respect the bill is fatally flawed.

This act also limits the creation of a local government organization review committee to only counties with a population in excess of 100,000. Creating one process for large urban counties and not allowing small rural counties to form committees unnecessarily discriminates between local governments located in urban and rural areas. We are and should always be one Iowa. This important value is compromised in Senate File 390.

For all these reasons above, I hereby disapprove Senate File 390.

Sincerely,  
THOMAS J. VILSACK  
Governor



**AMENDMENTS FILED**  
**EIGHTIETH GENERAL ASSEMBLY**  
**2003 REGULAR SESSION**

**S-3001**

- 1 Amend Senate Resolution 1 as follows:
- 2 1. Page 3, by striking lines 16 through 21 and
- 3 inserting the following:
- 4 "5. Points of personal privilege.
- 5 6. Consideration of senate calendar."
- 6 2. Page 10 by striking lines 12 through 14 and
- 7 inserting the following: "limited to ten minutes."

MIKE CONNOLLY  
ROBERT E. DVORSKY  
HERMAN C. QUIRMBACH  
DARYL BEALL  
THOMAS COURTNEY  
ROGER STEWART  
JACK HATCH  
WILLIAM DOTZLER  
STEVEN WARNSTADT  
AMANDA RAGAN  
DENNIS H. BLACK  
JOE BOLKCOM  
KEITH KREIMAN  
JOHN P. KIBBIE  
JACK HOLVECK  
DICK L. DEARDEN  
EUGENE S. FRAISE  
WALLY E. HORN  
MICHAEL E. GRONSTAL  
DR. JOE SENG

**S-3002**

- 1 Amend Senate Resolution 1 as follows:
- 2 1. Page 3, by striking lines 20 and 21 and
- 3 inserting the following: "leader."
- 4 2. Page 10, by striking lines 13 and 14 and
- 5 inserting the following: "legislative day by the
- 6 majority leader."

STEWART IVERSON, JR.  
MARY E. KRAMER

**S-3003**

- 1 Amend Senate Resolution 1 as follows:  
 2 1. Page 3, line 18, by striking the word "may"  
 3 and inserting the following: "shall".

STEWART IVERSON, JR.

**S-3004**

- 1 Amend Senate Resolution 1 as follows:  
 2 1. Page 3, by striking lines 16 through 21 and  
 3 inserting the following:  
 4 "5. Points of personal privilege.  
 5 6. Consideration of senate calendar.  
 6 Points of personal privilege shall not be in order  
 7 after the scheduled start of a committee meeting."  
 8 2. Page 10 by striking lines 12 through 14 and  
 9 inserting the following: "limited to ten minutes.  
 10 Points of personal privilege shall not be in order  
 11 after the scheduled start of a committee meeting."

MIKE CONNOLLY  
 ROBERT E. DVORSKY  
 HERMAN C. QUIRMBACH  
 DARYL BEALL  
 THOMAS COURTNEY  
 ROGER STEWART  
 JACK HATCH  
 WILLIAM DOTZLER  
 STEVEN WARNSTADT  
 AMANDA RAGAN  
 JOE BOLKCOM  
 KEITH KREIMAN  
 JOHN P. KIBBIE  
 JACK HOLVECK  
 DICK L. DEARDEN  
 EUGENE S. FRAISE  
 WALLY E. HORN  
 MICHAEL E. GRONSTAL  
 DR. JOE SENG

**S-3005**

- 1 Amend the amendment, S-3003, to Senate Resolution 1  
 2 as follows:  
 3 1. Page 1, by striking lines 2 and 3 and  
 4 inserting the following:  
 5 \_\_\_\_ Page 3, by striking lines 18 through 21 and  
 6 inserting the following:  
 7 "For each day of the legislative session, the  
 8 majority leader shall designate a time for points of

9 personal privilege. If a quorum is not present in the  
 10 senate chamber during the making of the points, time  
 11 for points of personal privilege shall be scheduled  
 12 for 8:30 a.m. on the next legislative day.”  
 13 \_\_\_\_ Page 10 by striking lines 12 through 14 and  
 14 inserting the following: “limited to ten minutes.  
 15 For each day of the legislative session, the majority  
 16 leader shall designate a time for points of personal  
 17 privilege. If a quorum is not present in the senate  
 18 chamber during the making of the points, time for  
 19 points of personal privilege shall be scheduled for  
 20 8:30 a.m. on the next legislative day.”

KEITH KREIMAN

### S-3006

1 Amend Senate File 37 as follows:  
 2 1. Page 1, by inserting before line 1 the  
 3 following:  
 4 “Section 1. NEW SECTION. 123.49A BREATHALYZER  
 5 TESTS.  
 6 An establishment that holds a class “A”, class “B”,  
 7 or class “C” liquor control license shall provide a  
 8 breathalyzer test for public use at a charge not to  
 9 exceed five dollars per test. A licensee shall be  
 10 immune from liability in any civil or criminal action  
 11 arising out of the results of a test provided pursuant  
 12 to this section and such results shall not be  
 13 admissible in a court of law.”  
 14 2. Title page, line 2, by inserting after the  
 15 word “offenses” the following: “and providing for  
 16 breathalyzer tests in certain drinking  
 17 establishments”.  
 18 3. By renumbering as necessary.

DAVID MILLER

### S-3007

#### HOUSE AMENDMENT TO SENATE FILE 36

1 Amend Senate File 36, as passed by the Senate, as  
 2 follows:  
 3 1. Page 8, by striking lines 7 through 19.  
 4 2. Title page, by striking lines 4 and 5 and  
 5 inserting the following: “defender, and providing  
 6 effective date and”.  
 7 3. By renumbering as necessary.

**S-3008**

- 1 Amend Senate File 97 as follows:
- 2 1. Page 5, line 14, by striking the figure “2005”  
3 and inserting the following: “2008”.
- 4 2. Page 5, line 14, by striking the word “six”  
5 and inserting the following: “five”.
- 6 3. Page 5, line 18, by striking the figure “2005”  
7 and inserting the following: “2008”.
- 8 4. Page 5, line 19, by striking the word “ten”  
9 and inserting the following: “nine”.
- 10 5. Page 5, line 25, by striking the figure “2005”  
11 and inserting the following: “2008”.
- 12 6. Page 5, line 25, by striking the word “ten”  
13 and inserting the following: “nine”.
- 14 7. Page 5, by striking lines 28 through 30 and  
15 inserting the following:  
16 “NEW SUBSECTION. 10. TEMPORARY FEE INCREASE --  
17 APPROPRIATION.
- 18 a. The temporary fee increase for a driver’s  
19 license under subsections 2, 3, and 4 shall not be  
20 charged to a driver for more than five years of  
21 license validity.
- 22 b. The additional fees collected from the  
23 temporary fee increase under subsections 2, 3, and 4,  
24 and from the temporary fee increase for a duplicate,  
25 substitute, or replacement driver’s license under  
26 section 321.195, are appropriated to the state”.
- 27 8. Page 6, by inserting after line 19 the  
28 following:  
29 “Sec. \_\_\_\_ Section 321.195, Code 2003, is amended  
30 to read as follows:  
31 321.195 DUPLICATE DRIVER’S LICENSES AND  
32 NONOPERATOR’S IDENTIFICATION CARDS.  
33 If a driver’s license or nonoperator’s  
34 identification card issued under this chapter is lost  
35 or destroyed, the person to whom the license or card  
36 was issued may, upon payment of a fee of three dollars  
37 for a driver’s license or nonoperator’s identification  
38 card, obtain a duplicate, or substitute, upon  
39 furnishing proof satisfactory to the department that  
40 the driver’s license or nonoperator’s identification  
41 card has been lost or destroyed. A fee of one dollar  
42 shall be charged for the voluntary replacement of a  
43 driver’s license or nonoperator’s identification card.  
44 However, for the period beginning July 1, 2003, and  
45 ending June 30, 2008, the fee for a duplicate or  
46 substitute driver’s license is four dollars, and the  
47 fee for voluntary replacement of a driver’s license is  
48 two dollars.”
- 49 9. Page 11, by striking lines 24 through 28 and  
50 inserting the following:

Page 2

1 “Sec. \_\_\_\_ The sections of this division amending  
2 section 321.191, subsections 2, 3, and 4, and section  
3 321.195, Code 2003, are repealed effective July 1,  
4 2008, and the Code editor shall return the language in  
5 section 321.191, subsections 2, 3, and 4, and section  
6 321.195 to the language contained in the 2003 Code  
7 without affecting subsequent amendments to those  
8 sections unrelated to the fee increase enacted in this  
9 Act.”  
10 10. Page 11, line 30, by striking the figure  
11 “2005” and inserting the following: “2008”.  
12 11. By renumbering as necessary.

RICHARD F. DRAKE  
STEVEN H. WARNSTADT

### S-3009

1 Amend Senate File 127 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. Section 321.34, Code 2003, is amended  
5 by adding the following new subsection:  
6 NEW SUBSECTION. 23. BREAST CANCER AWARENESS  
7 PLATES.  
8 a. Upon application and payment of the proper  
9 fees, the director may issue breast cancer awareness  
10 plates to an owner of a motor vehicle referred to in  
11 subsection 12.  
12 b. Breast cancer awareness plates shall contain an  
13 image of a pink ribbon and shall be designed by the  
14 department in consultation with the Susan G. Komen  
15 foundation.  
16 c. The special fee for letter number designated  
17 breast cancer awareness plates is thirty-five dollars.  
18 The fee for personalized breast cancer awareness  
19 plates is twenty-five dollars, which shall be paid in  
20 addition to the special breast cancer awareness fee of  
21 thirty-five dollars. The fees collected by the  
22 director under this subsection shall be paid monthly  
23 to the treasurer of state and credited to the road use  
24 tax fund. Notwithstanding section 423.24, and prior  
25 to the crediting of revenues to the road use tax fund  
26 under section 423.24, subsection 1, paragraph “b”, the  
27 treasurer of state shall transfer monthly from those  
28 revenues to the Iowa department of public health the  
29 amount of the special fees collected in the previous  
30 month for the breast cancer awareness plates and such  
31 funds are appropriated to the Iowa department of  
32 public health. The Iowa department of public health

33 shall distribute one hundred percent of the funds  
 34 received monthly in the form of grants to support  
 35 breast cancer screenings for both men and women who  
 36 meet eligibility requirements like those established  
 37 by the Susan G. Komen foundation. In the awarding of  
 38 grants, the Iowa department of public health shall  
 39 give first consideration to affiliates of the Susan G.  
 40 Komen foundation and similar nonprofit organizations  
 41 providing for breast cancer screenings at no cost in  
 42 Iowa. Notwithstanding section 8.33, moneys  
 43 transferred under this subsection shall not revert to  
 44 the general fund of the state.

45 d. Upon receipt of the special registration  
 46 plates, the applicant shall surrender the current  
 47 registration receipt and plates to the county  
 48 treasurer. The county treasurer shall validate the  
 49 special registration plates in the same manner as  
 50 regular registration plates are validated under this

Page 2

1 section. The annual special breast cancer awareness  
 2 fee for letter number designated plates is ten  
 3 dollars, which shall be paid in addition to the  
 4 regular annual registration fee. The annual special  
 5 fee for personalized breast cancer awareness plates is  
 6 five dollars, which shall be paid in addition to the  
 7 annual special breast cancer awareness fee and the  
 8 regular annual registration fee. The annual special  
 9 breast cancer awareness fee shall be credited and  
 10 transferred as provided under paragraph “c.”

COMMITTEE ON TRANSPORTATION  
 RICHARD F. DRAKE, Chair

### S-3010

1 Amend Senate File 97 as follows:  
 2 1. Page 5, by striking lines 5 and 6 and  
 3 inserting the following:  
 4 “Sec. \_\_\_. Section 321.50, subsection 6, Code  
 5 2003, is amended to read as follows:  
 6 6. Any person obtaining possession of a  
 7 certificate of title for a vehicle not already subject  
 8 to a perfected security interest, except new or used  
 9 vehicles held by a dealer or manufacturer as inventory  
 10 for sale, who purports to have a security interest in  
 11 such vehicle shall, within ~~thirty three hundred sixty-~~  
 12 five days from the receipt of the certificate of  
 13 title, deliver such certificate of title to the county  
 14 treasurer of the county where it was issued to note  
 15 such security interest and, if such person fails to do

16 so, the person's purported security interest in the  
 17 vehicle shall be void and unenforceable and such  
 18 person shall forthwith deliver the certificate of  
 19 title to the county treasurer of the county where it  
 20 was issued. If no security interest has been filed  
 21 for notation on the certificate of title, the  
 22 certificate shall be mailed by the treasurer to the  
 23 owner of the vehicle. For purposes of determining the  
 24 commencement date of the ~~thirty-day~~ three-hundred-  
 25 sixty-five-day period provided by this subsection, it  
 26 shall be presumed that the purported security interest  
 27 holder received the certificate of title on the date  
 28 of the creation of the holder's purported security  
 29 interest in the vehicle or the date of the issuance of  
 30 the certificate of title, whichever is the latter.  
 31 Any person collecting a fee from the owner of the  
 32 vehicle for the purpose of perfecting a security  
 33 interest in such vehicle who does not cause such  
 34 security interest to be noted on the certificate of  
 35 title by the county treasurer shall remit such fee to  
 36 the department of revenue and finance of this state.  
 37 This subsection is repealed effective July 1,  
 38 2004."

39 2. Page 12, by inserting after line 1 the  
 40 following:

41 "3. The sections of this Act amending section  
 42 321.24, subsection 3, section 321.45, subsection 2,  
 43 paragraph "a", and section 321.50, subsections 1, 2,  
 44 and 3, take effect July 1, 2005."

45 3. By renumbering as necessary.

RICHARD F. DRAKE  
 STEVEN H. WARNSTADT  
 JOHN PUTNEY

## S-3011

1 Amend Senate File 97 as follows:

- 2 1. Page 10, by striking lines 10 through 14.
- 3 2. Title page, line 1, by inserting after the  
 4 word "aviation" the following: "and".
- 5 3. Title page, line 2, by striking the words "and  
 6 public transit".
- 7 4. Title page, lines 14 and 15, by striking the  
 8 words "urban public transit funding."
- 9 5. By renumbering as necessary.

MIKE CONNOLLY

**S-3012**

- 1 Amend Senate File 97 as follows:  
2 1. Page 5, by striking lines 5 and 6 and  
3 inserting the following:  
4 “Sec. \_\_\_\_ Section 321.50, subsection 6, Code  
5 2003, is amended to read as follows:  
6 6. Any person obtaining possession of a  
7 certificate of title for a vehicle not already subject  
8 to a perfected security interest, except new or used  
9 vehicles held by a dealer or manufacturer as inventory  
10 for sale, who purports to have a security interest in  
11 such vehicle shall, within ~~thirty three hundred sixty-~~  
12 ~~five~~ days from the receipt of the certificate of  
13 title, deliver such certificate of title to the county  
14 treasurer of the county where it was issued to note  
15 such security interest and, if such person fails to do  
16 so, the person’s purported security interest in the  
17 vehicle shall be void and unenforceable and such  
18 person shall forthwith deliver the certificate of  
19 title to the county treasurer of the county where it  
20 was issued. If no security interest has been filed  
21 for notation on the certificate of title, the  
22 certificate shall be mailed by the treasurer to the  
23 owner of the vehicle. For purposes of determining the  
24 commencement date of the ~~thirty-day three-hundred-~~  
25 ~~sixty-five-day~~ period provided by this subsection, it  
26 shall be presumed that the purported security interest  
27 holder received the certificate of title on the date  
28 of the creation of the holder’s purported security  
29 interest in the vehicle or the date of the issuance of  
30 the certificate of title, whichever is the latter.  
31 Any person collecting a fee from the owner of the  
32 vehicle for the purpose of perfecting a security  
33 interest in such vehicle who does not cause such  
34 security interest to be noted on the certificate of  
35 title by the county treasurer shall remit such fee to  
36 the department of revenue and finance of this state.  
37 This subsection is repealed effective July 1,  
38 2004.”  
39 2. Page 12, by inserting after line 1 the  
40 following:  
41 “3. The sections of this Act amending section  
42 321.24, subsection 3, section 321.45, subsection 2,  
43 paragraph “a”, and section 321.50, subsections 1, 2,  
44 and 3, take effect July 1, 2004.”  
45 3. By renumbering as necessary.

RICHARD F. DRAKE  
STEVEN H. WARNSTADT  
JOHN PUTNEY

**S-3013**

- 1 Amend Senate File 97 as follows:  
2 1. Page 5, by striking lines 7 through 35.  
3 2. Page 11, by striking lines 24 through 30.  
4 3. Title page, line 7, by striking the words “and  
5 making an appropriation”.  
6 4. By renumbering as necessary.

KEITH A. KREIMAN

**S-3014**

- 1 Amend Senate File 97 as follows:  
2 1. Page 1, by striking lines 3 through 32.  
3 2. Title page, lines 2 and 3, by striking the  
4 words “regulation of junkyards along highways and.”  
5 3. By renumbering as necessary.

JACK HOLVECK  
HERMAN C. QUIRMBACH**S-3015**

- 1 Amend Senate File 97 as follows:  
2 1. Page 10, line 13, by inserting after the word  
3 “practicable” the following: “at prices that cover  
4 costs”.  
5 2. Page 10, line 14, by inserting after the word  
6 “of” the following: “customer-initiated door-to-  
7 door”.

HERMAN C. QUIRMBACH

**S-3016**

- 1 Amend Senate File 155 as follows:  
2 1. Page 2, by striking lines 21 through 26.  
3 2. By renumbering as necessary.

KEITH A. KREIMAN  
STEVE KETTERING**S-3017**

- 1 Amend Senate Resolution 15 as follows:  
2 1. By striking page 1, line 9, through page 5,  
3 line 6, and inserting the following:  
4 “A Resolution to support the efforts of President  
5 George W. Bush and the United States Armed Forces  
6 to disarm Iraq.

7 WHEREAS, twelve years ago, Saddam Hussein faced the  
8 prospect of being the last casualty in a war he had  
9 started and lost; and

10 WHEREAS, to spare himself, Saddam Hussein agreed to  
11 eliminate all weapons of mass destruction from his  
12 country's arsenal, but, for the next 12 years, he  
13 instead pursued the acquisition and stockpiling of  
14 chemical, biological, and nuclear weapons, even while  
15 international weapons inspectors were in his country;  
16 and

17 WHEREAS, nothing to date has restrained Saddam  
18 Hussein from his pursuit of these weapons -- not  
19 economic sanctions, not isolation from the civilized  
20 world, and not even cruise missile strikes on his  
21 military facilities; and

22 WHEREAS, the United Nations concluded that Saddam  
23 Hussein had sufficient materials to produce more than  
24 38,000 liters of botulinum toxin, enough to cause the  
25 death of millions of people by respiratory failure,  
26 and that Saddam Hussein has never accounted for those  
27 materials and has not produced evidence that those  
28 materials have been destroyed; and

29 WHEREAS, American intelligence officials estimate  
30 that Saddam Hussein also had as much as 500 tons of  
31 sarin, mustard, and VX nerve agents that have been  
32 accounted for and have not been shown by Saddam  
33 Hussein to have been destroyed; and

34 WHEREAS, United States intelligence indicates that  
35 Saddam Hussein had upwards of 30,000 munitions capable  
36 of delivering chemical agents, 16 of which were  
37 discovered recently by inspectors, despite Iraq's  
38 declaration denying the existence of those munitions,  
39 and that Saddam Hussein has not accounted for the  
40 remaining 29,984 of those prohibited munitions, and  
41 has not produced evidence that they have been  
42 destroyed; and

43 WHEREAS, three Iraqi defectors have stated that, in  
44 the late 1990s, Iraq had several mobile biological  
45 weapons laboratories, designed to produce germ warfare  
46 agents and capable of being moved from place to place  
47 to evade inspectors, the existence of which Saddam  
48 Hussein has not disclosed and the destruction of which  
49 he has not produced any evidence; and

50 WHEREAS, the International Atomic Energy Agency

Page 2

1 confirmed in the 1990s that Saddam Hussein had an  
2 advanced nuclear weapons development program, had a  
3 design for a nuclear weapon, and was working on five  
4 different methods of enriching uranium for a bomb; the  
5 British government has learned that Saddam Hussein

6 recently sought significant quantities of uranium from  
7 Africa; and American intelligence sources report that  
8 Saddam Hussein has attempted to purchase high-strength  
9 aluminum tubes suitable for nuclear weapons  
10 production, and that Saddam Hussein has not given a  
11 credible explanation for these activities and  
12 consequently has much to conceal; and  
13 WHEREAS, intelligence sources have informed the  
14 United States that thousands of Iraqi security  
15 personnel are at work concealing documents and  
16 materials from the United Nations inspectors,  
17 sanitizing inspection sites, and monitoring the  
18 inspectors themselves, and that Iraqi officials  
19 accompany the inspectors in order to intimidate  
20 witnesses; and  
21 WHEREAS, this dictator who is assembling the  
22 world's most dangerous weapons has already used them  
23 on whole villages -- leaving thousands of his own  
24 citizens dead, blind, or disfigured; and  
25 WHEREAS, Iraqi refugees report that forced  
26 confessions are obtained by torturing children while  
27 their parents are made to watch and international  
28 human rights groups have catalogued other evil, cruel,  
29 and horrible methods used in the torture chambers of  
30 Iraq, including electric shock, burning with hot  
31 irons, dripping acid on the skin, mutilation with  
32 electric drills, cutting out tongues, and rape; and  
33 WHEREAS, almost three months ago, the United  
34 Nations Security Council unanimously adopted  
35 Resolution 1441, giving Saddam Hussein his final  
36 chance to disarm, but, instead, he has chosen to show  
37 utter contempt for the United Nations and for the  
38 opinion of the world; and  
39 WHEREAS, the United States has continuously  
40 consulted with other nations regarding the best policy  
41 for disarming Iraq and over 20 nations, including the  
42 United Kingdom, Spain, and Italy, fully support the  
43 United States policy on Iraq; and  
44 WHEREAS, the United States Armed Forces that would  
45 be engaged in any hostility in Iraq are the finest  
46 troops ever assembled and many of these troops,  
47 including thousands of lowans serving either on active  
48 duty or as part of a national guard or reserve unit  
49 that has been activated, are assembling in or near the  
50 Middle East; and

Page 3

1 WHEREAS, some crucial days and hours may lay ahead  
2 in which the success of the cause to disarm Iraq will  
3 depend on these troops, the excellent training they  
4 receive, the call to honor that guides them, their

5 belief in America and their knowledge that America  
6 supports and believes in them; and  
7 WHEREAS, sending Americans into battle is the most  
8 profound decision a President can make, for while the  
9 technologies of war have changed, the risks and  
10 suffering of war have not; and  
11 WHEREAS, for the brave Americans who bear the risk,  
12 no victory is free from sorrow, and even though this  
13 nation fights reluctantly, the nation knows the costs  
14 and dreads the days of mourning that always come; NOW  
15 THEREFORE,  
16 BE IT RESOLVED BY THE SENATE, That the Iowa Senate  
17 expresses support for President George W. Bush, the  
18 President's cabinet, and the men and women of the  
19 United States Armed Forces for their courage and  
20 commitment to disarming the nation of Iraq and  
21 removing Saddam Hussein from power; and  
22 BE IT FURTHER RESOLVED, That the Iowa Senate  
23 supports the efforts of American troops to protect and  
24 defend the nation against those who seek to harm it,  
25 but, out of concern for the safety of those who would  
26 risk their lives, respectfully urges and requests the  
27 President of the United States not to initiate a  
28 preemptive, unilateral military strike against Iraq;  
29 and  
30 BE IT FURTHER RESOLVED, That the Iowa Senate  
31 respectfully urges that if the United States does take  
32 military action against the sovereign nation of Iraq  
33 that it only be done with the official approval of the  
34 United Nations Security Council as required under  
35 international law; and  
36 BE IT FURTHER RESOLVED, That the Iowa Senate  
37 respectfully urges that the United States and United  
38 Nations Security Council have as one of their primary  
39 objectives the introduction of democratic values and a  
40 democratic form of government for the sovereign nation  
41 of Iraq and its citizens."

MICHAEL E. GRONSTAL

### S-3018

1 Amend Senate File 202 as follows:  
2 1. Page 2, by inserting after line 22 the  
3 following:  
4 "Sec. \_\_\_\_ MILITARY SERVICE TAX CREDIT.  
5 1. 2002 Iowa Acts, chapter 1171, section 175,  
6 subsection 12, is amended by striking the subsection.  
7 2. The additional funds from the appropriation in  
8 section 426A.1A, as a result of subsection 1 of this  
9 section of this Act, shall be used to reimburse those  
10 counties that granted the maximum military service tax

11 exemption authorized pursuant to section 426A.11. The  
12 total amount each county shall receive shall equal the  
13 maximum credit authorized in section 426A.2, less any  
14 amounts previously reimbursed. Payments made pursuant  
15 to this section shall not be made sooner than May 15,  
16 2003.

17 3. Each county that did not grant the maximum  
18 military service tax exemption authorized pursuant to  
19 section 426A.11 shall grant an additional exemption to  
20 each designated property equal to the difference  
21 between the maximum allowable exemption and the actual  
22 exemption granted. This exemption shall apply for  
23 taxes due and payable in the fiscal year beginning  
24 July 1, 2003, and is in addition to any other military  
25 service tax exemption granted. The county auditor  
26 shall compute and submit the amount of military  
27 service tax credits to the department of revenue and  
28 finance for the exemptions granted under this  
29 subsection pursuant to section 426A.3. Payments made  
30 pursuant to this subsection shall be made by October  
31 1, 2003.

32 4. There is appropriated from the general fund of  
33 the state to the department of revenue and finance for  
34 the fiscal year beginning July 1, 2002, and ending  
35 June 30, 2003, an amount sufficient to reimburse each  
36 county as provided in subsection 3. Notwithstanding  
37 section 8.33, any funds remaining from the  
38 appropriation made in this subsection shall not revert  
39 but shall be available for use for the same purpose  
40 for the succeeding fiscal year.”

41 2. Title page, line 3, by inserting after the  
42 word “claims” the following: “, military service tax  
43 credit reimbursement,”.

JOHN P. KIBBIE  
DARYL BEALL  
DENNIS H. BLACK  
JOE BOLKCOM  
MIKE CONNOLLY  
THOMAS G. COURTNEY  
DICK L. DEARDEN  
WILLIAM A. DOTZLER  
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GENE FRAISE  
MICHAEL E. GRONSTAL  
JACK HATCH  
JACK HOLVECK  
WALLY E. HORN  
KEITH KREIMAN  
MATT McCOY  
HERMAN QUIRMBACH  
AMANDA RAGAN

DR. JOE M. SENG  
ROGER STEWART  
STEVE H. WARNSTADT

**S-3019**

1 Amend Senate File 202 as follows:

2 1. Page 3, by inserting after line 8 the  
3 following:

4 “Sec. \_\_. Section 426A.11, Code 2003, is amended  
5 by adding the following new subsection:

6 NEW SUBSECTION. 2A. The property, not to exceed  
7 one thousand eight hundred fifty-two dollars in  
8 taxable value of a resident currently serving in the  
9 national guard or armed forces reserve or currently on  
10 active duty status in the armed forces.

11 Sec. \_\_. Section 426A.13, unnumbered paragraphs 1  
12 through 3, Code 2003, are amended to read as follows:

13 A person named in section 426A.11, who is a  
14 resident of and domiciled in the state of Iowa, shall  
15 receive a reduction equal to the exemption, to be made  
16 from any property owned by the person or owned by a  
17 family farm corporation of which the person is a  
18 shareholder and who occupies the property and so  
19 designated by proceeding as provided in the section.  
20 To be eligible to receive the exemption the person  
21 claiming it shall have recorded in the office of the  
22 county recorder of the county in which is located the  
23 property designated for the exemption, evidence of  
24 property ownership by that person or the family farm  
25 corporation of which the person is a shareholder and  
26 the military certificate of satisfactory service,  
27 order transferring to inactive status, reserve,  
28 retirement, order of separation from service,  
29 honorable discharge or a copy of any of these  
30 documents of the person claiming or through whom is  
31 claimed the exemption. In the case of a person  
32 claiming the exemption for currently serving in the  
33 national guard or armed services reserve or currently  
34 on active duty status in the armed forces, the person  
35 shall file a statement signed by the person’s  
36 immediate commanding officer.

37 The person shall file with the appropriate assessor  
38 on forms obtained from the assessor the claim for  
39 exemption for the year for which the person is first  
40 claiming the exemption. The claim shall be filed not  
41 later than July 1 of the year for which the person is  
42 claiming the exemption. The claim shall set out the  
43 fact that the person is a resident of and domiciled in  
44 the state of Iowa, and a person within the terms of  
45 section 426A.11, and shall give the volume and page on  
46 which the certificate of satisfactory service, order

47 of separation, retirement, furlough to reserve,  
48 inactive status, or honorable discharge or certified  
49 copy thereof is recorded in the office of the county  
50 recorder, and may include the designation of the

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1 property from which the exemption is to be made, and  
2 shall further state that the claimant is the equitable  
3 or legal owner of the property designated or if the  
4 property is owned by a family farm corporation, that  
5 the person is a shareholder of that corporation and  
6 that the person occupies the property. In the case of  
7 a person claiming the exemption for currently serving  
8 in the national guard or armed services reserve or  
9 currently on active duty status in the armed forces,  
10 the person shall file a statement signed by the  
11 person's immediate commanding officer.

12 Upon the filing and allowance of the claim, the  
13 claim shall be allowed to that person for successive  
14 years without further filing. However, in the case of  
15 a person currently serving in the national guard or  
16 armed services reserve or currently on active duty  
17 status in the armed forces, such person shall file  
18 each year to be eligible to obtain the exemption.  
19 Provided, that notwithstanding the filing or having on  
20 file a claim for exemption, the person or person's  
21 spouse is the legal or equitable owner of the property  
22 on July 1 of the year for which the claim is allowed.  
23 When the property is sold or transferred or the person  
24 wishes to designate different property for the  
25 exemption, a person who wishes to receive the  
26 exemption shall refile for the exemption. A person  
27 who sells or transfers property which is designated  
28 for the exemption or the personal representative of a  
29 deceased person who owned such property shall provide  
30 written notice to the assessor that the property is no  
31 longer legally or equitably owned by the former  
32 claimant.”

33 2. Title page, line 3, by inserting after the  
34 word “reimbursement,” the following: “expanding the  
35 military service tax credit to include those currently  
36 serving in the national guard or armed forces reserve  
37 or currently on active duty status in the armed  
38 forces,”.

DENNIS H. BLACK  
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 STEVE H. WARNSTADT

**S-3020**

- 1 Amend Senate Concurrent Resolution 5 as follows:  
 2 1. Page 1, line 7, by striking the word  
 3 “including”.

JULIE HOSCH

**S-3021**

- 1 Amend House File 171, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 14, by inserting after line 27 the  
 4 following:  
 5 “Sec. \_\_\_. Section 161B.1, subsection 2, Code  
 6 2003, is amended to read as follows:  
 7 2. The department of agriculture and land  
 8 stewardship shall report annually to the senate  
 9 standing committees committee on energy natural  
 10 resources and environment and the house of  
 11 representatives standing committee on environmental  
 12 protection of the house and senate on the projects  
 13 conducted with the agricultural energy management  
 14 fund.”  
 15 2. Page 19, by inserting after line 16 the  
 16 following:  
 17 “Sec. \_\_\_. Section 303A.6, subsection 3, Code  
 18 2003, is amended to read as follows:  
 19 3. Upon approving a grant, the board shall certify  
 20 to the treasurer of state the amount of financial  
 21 assistance payable from the trust grant account to the  
 22 qualified organization whose grant application is  
 23 approved.”  
 24 3. Page 19, by inserting after line 23 the  
 25 following:  
 26 “Sec. \_\_\_. Section 307.27, subsection 8, Code

27 2003, is amended to read as follows:

28 8. Administer the registration of interstate  
 29 ~~commerce commission~~ authority of motor carriers  
 30 pursuant to chapter 327B as provided in 49 U.S.C. }  
 31 14504 and United States department of transportation  
 32 regulations.”

33 4. Page 20, by inserting after line 25 the  
 34 following:

35 “Sec. \_\_\_\_ Section 327B.1, subsections 1 through  
 36 3, Code 2003, are amended to read as follows:

37 1. It is unlawful for a carrier to perform an  
 38 interstate transportation service for compensation  
 39 upon the highways of this state without first  
 40 registering the authority obtained from the ~~interstate~~  
 41 ~~commerce commission~~ United States department of  
 42 transportation or evidence that such authority is not  
 43 required with the state department of transportation.

44 2. The department shall participate in the single  
 45 state insurance registration program for regulated  
 46 motor carriers as provided in 49 U.S.C. } ~~11506~~ 14504  
 47 and ~~interstate commerce commission~~ United States  
 48 department of transportation regulations.

49 3. Registration for carriers transporting  
 50 commodities exempt from ~~interstate commerce commission~~

Page 2

1 United States department of transportation regulation  
 2 shall be granted without hearing upon application and  
 3 payment of a twenty-five-dollar filing fee and an  
 4 annual one-dollar fee per vehicle.

5 Sec. \_\_\_\_ Section 327B.7, Code 2003, is amended to  
 6 read as follows:

7 327B.7 RECIPROCITY FOR EXEMPT COMMODITY BASE STATE  
 8 REGISTRATION SYSTEM.

9 The department may enter into a reciprocity  
 10 agreement on behalf of this state with authorized  
 11 representatives of other states to become a member of  
 12 an exempt commodity base state registration system for  
 13 the registration, insurance verification, and fee  
 14 collection for carriers hauling commodities exempt  
 15 from ~~interstate commerce commission~~ United States  
 16 department of transportation authority.

17 Sec. \_\_\_\_ Section 327C.22, Code 2003, is amended  
 18 to read as follows:

19 327C.22 INTERSTATE FREIGHT RATES.

20 The department shall exercise constant diligence to  
 21 ascertain the rates, charges, rules, and practices of  
 22 common carriers operating in this state, in relation  
 23 to the transportation of freight in interstate  
 24 business. When it shall ascertain from any source or  
 25 have reasonable grounds to believe that the rates

26 charged on such interstate business or the rules or  
 27 practices in relation thereto discriminate unjustly  
 28 against any of the citizens, industries, interests, or  
 29 localities of the state, or place any of them at an  
 30 unreasonable disadvantage as compared with those of  
 31 other states, or are in violation of the laws of the  
 32 United States regulating commerce, or in conflict with  
 33 the rulings, orders, or regulations of the ~~interstate~~  
 34 ~~commerce commission~~ surface transportation board, the  
 35 department shall take the necessary steps to prevent  
 36 the continuance of such rates, rules, or practices.

37 Sec. \_\_\_\_ Section 327C.23, Code 2003, is amended  
 38 to read as follows:

39 327C.23 APPLICATION TO INTERSTATE COMMERCE  
 40 COMMISSION SURFACE TRANSPORTATION BOARD.

41 When any common carrier has put in force any rates,  
 42 rules, or practices in relation to interstate freight  
 43 business, in violation of the laws of the United  
 44 States regulating commerce, or of the orders, rules,  
 45 or regulations of the ~~interstate commerce commission~~  
 46 surface transportation board, or shall unjustly  
 47 discriminate against any of the citizens, industries,  
 48 interests, or localities of the state, the department  
 49 shall present the material facts involved in such  
 50 violations or discrimination to the ~~interstate~~

Page 3

1 ~~commerce commission~~ surface transportation board and  
 2 seek relief therefrom, and, if deemed necessary or  
 3 expedient, the department shall prosecute any charge  
 4 growing out of such violation or discrimination, at  
 5 the expense of the state, before the ~~interstate~~  
 6 ~~commerce commission~~ surface transportation board.

7 Sec. \_\_\_\_ Section 327D.67, unnumbered paragraph 2,  
 8 Code 2003, is amended to read as follows:

9 The form of every schedule shall be prescribed by  
 10 the department and shall conform, in the case of  
 11 common carriers, as nearly as may be to the form  
 12 prescribed by the ~~interstate commerce commission~~  
 13 United States department of transportation.

14 Sec. \_\_\_\_ Section 327D.72, Code 2003, is amended  
 15 to read as follows:

16 327D.72 INTERSTATE COMMERCE SCHEDULES.

17 When schedules and classifications required by the  
 18 ~~interstate commerce commission~~ United States  
 19 department of transportation contain in whole or in  
 20 part the information required by the provisions of  
 21 this chapter, the posting and filing of a copy of such  
 22 schedules and classifications with the ~~interstate~~  
 23 ~~commerce commission~~ United States department of  
 24 transportation shall be deemed a compliance with the

25 filing requirements of this chapter insofar as such  
 26 schedules and classifications contain the information  
 27 required by this chapter, and any additional or  
 28 different information may be posted and filed in a  
 29 supplementary schedule.

30 Sec. \_\_\_\_ Section 327D.200, Code 2003, is amended  
 31 to read as follows:

32 327D.200 INCONSISTENCY WITH FEDERAL LAW --  
 33 RAILROADS.

34 If any provision of this chapter is inconsistent or  
 35 conflicts with federal laws, rules or regulations  
 36 applicable to railway corporations subject to the  
 37 jurisdiction of the ~~federal interstate commerce~~  
 38 ~~commission~~ surface transportation board, the  
 39 department shall suspend the provision, but only to  
 40 the extent necessary to eliminate the inconsistency or  
 41 conflict.

42 Sec. \_\_\_\_ Section 327D.201, Code 2003, is amended  
 43 to read as follows:

44 327D.201 RAILROAD INTRASTATE RATES -- RULES.

45 The department may issue rules relating to the  
 46 regulation of railroad intrastate rates,  
 47 classifications, rules and practices in accordance  
 48 with the standards and procedures of the ~~federal~~  
 49 ~~interstate commerce commission~~ surface transportation  
 50 board applicable to rail carriers.

Page 4

1 Sec. \_\_\_\_ Section 327G.61, subsection 2, Code  
 2 2003, is amended to read as follows:

3 2. "Spur track" means a railroad track located  
 4 wholly within the state connected to a main or branch  
 5 line of a railroad and used to originate or terminate  
 6 traffic at one or more industries or a railroad track  
 7 not subject to the jurisdiction of the ~~interstate~~  
 8 ~~commerce commission~~ surface transportation board. A  
 9 spur track shall not include a railroad line used to  
 10 provide line-haul or intercity transportation.

11 Sec. \_\_\_\_ Section 327G.78, unnumbered paragraph 1,  
 12 Code 2003, is amended to read as follows:

13 Subject to sections 327G.77 and 6A.16, when a  
 14 railroad corporation, its trustee, or its successor in  
 15 interest has interests in real property adjacent to a  
 16 railroad right-of-way that are abandoned by order of  
 17 the ~~interstate commerce commission~~ surface  
 18 transportation board, reorganization court, bankruptcy  
 19 court, or the department, or when a railroad  
 20 corporation, its trustee, or its successor in interest  
 21 seeks to sell its interests in that property under any  
 22 other circumstance, the railroad corporation, its  
 23 trustee, or its successor in interest shall extend a

24 written offer to sell at a fair market value price to  
 25 the persons holding leases, licenses, or permits upon  
 26 those properties, allowing sixty days from the time of  
 27 receipt for a written response. If a disagreement  
 28 arises between the parties concerning the price or  
 29 other terms of the sale transaction, either or both  
 30 parties may make written application to the department  
 31 to resolve the disagreement. The application shall be  
 32 made within sixty days from the time an initial  
 33 written response is served upon the railroad  
 34 corporation, trustee, or successor in interest by the  
 35 person wishing to purchase the property. The  
 36 department shall notify the department of inspections  
 37 and appeals which shall hear the controversy and make  
 38 a final determination of the fair market value of the  
 39 property and the other terms of the transaction which  
 40 were in dispute, within ninety days after the  
 41 application is filed. The determination is subject to  
 42 review by the department and the department's decision  
 43 is the final agency action. All correspondence shall  
 44 be by certified mail."

45 5. Page 21, by inserting after line 24, the  
 46 following:

47 "Sec. \_\_\_\_ Section 384.63, subsection 3, Code  
 48 2003, is amended to read as follows:

49 3. When a private improvement is constructed on a  
 50 lot subject to a deficiency, during the period of

Page 5

1 amortization, the council shall, by resolution, assess  
 2 a pro rata portion of the deficiency on that lot, in  
 3 the same proportion to the total deficiency on that  
 4 lot as the number of future installments of special  
 5 assessments remaining to be paid is to the total  
 6 number of installments of assessments for the project,  
 7 subject to the twenty-five percent limitation of  
 8 section 384.62. A deficiency assessment becomes a  
 9 lien on the property and is payable in the same  
 10 manner, and subject to the same interests as the other  
 11 special assessments. The council shall direct the  
 12 clerk to certify a deficiency assessment to the county  
 13 treasurer, and to send a notice of the deficiency  
 14 assessment by mail to each owner, as provided in  
 15 section 384.60, ~~subsection 5~~, but publication of the  
 16 notice is not required."

17 6. Page 21, line 32, by striking the word  
 18 "annually" and inserting the following: "on July 1 of  
 19 each fiscal year".

20 7. Page 22, by inserting after line 8 the  
 21 following:

22 "Sec. \_\_\_\_ Section 435.26, subsection 1, paragraph

23 a, Code 2003, is amended to read as follows:

24 a. A mobile home or manufactured home which is  
 25 located outside a manufactured home community or  
 26 mobile home park shall be converted to real estate by  
 27 being placed on a permanent foundation and shall be  
 28 assessed for real estate taxes. A home, after  
 29 conversion to real estate, is eligible for the  
 30 homestead tax credit and the military service tax  
 31 exemption as provided in sections 425.2 and 426A.11.”

32 8. Page 27, line 12, by striking the word and  
 33 figures “504 or 504A” and inserting the following:  
 34 “504, Code 1989, or chapter 504A”.

35 9. Page 30, by inserting after line 12, the  
 36 following:

37 “Sec. \_\_\_\_ . Section 537.1303, subsection 10, Code  
 38 2003, is amended to read as follows:

39 10. “Pursuant to a credit card”. Section  
 40 537.1301, subsection ~~17~~ 16.”

41 10. By renumbering as necessary.

COMMITTEE ON JUDICIARY  
 DONALD B. REDFERN, Chair

## S-3022

1 Amend Senate File 134 as follows:

2 1. Page 2, by striking lines 6 through 8 and  
 3 inserting the following: “midnight on the last day of  
 4 the registration year. A person shall not be  
 5 penalized for driving a motor vehicle with an expired  
 6 registration for a period of one month following the  
 7 expiration date of the vehicle registration. The one-  
 8 month period shall be the same as the period defined  
 9 in section 321.134, subsection 1.”

10 2. Page 5, by inserting after line 10, the  
 11 following:

12 “Sec. 100. NEW SECTION. 435.26A SURRENDER OF  
 13 TITLE.

14 1. A person who owns a manufactured home that is  
 15 located in a manufactured home community and is  
 16 installed on a permanent foundation may surrender the  
 17 manufactured home’s certificate of title to the county  
 18 treasurer for the purpose of assuring eligibility for  
 19 funds available from mortgage lending programs  
 20 sponsored by the federal national mortgage  
 21 association, the federal home loan mortgage  
 22 corporation, the United States department of  
 23 agriculture, or any other federal governmental agency  
 24 or instrumentality that has similar requirements for  
 25 mortgage lending programs.

26 2. Upon receipt of a certificate of title from a  
 27 manufactured home owner, a county treasurer shall

28 notify the department of transportation that the  
 29 certificate of title has been surrendered, remove the  
 30 registration of title from the county treasurer's  
 31 records, and destroy the record of title.

32 3. After the surrender of a manufactured home's  
 33 certificate of title under this section, the  
 34 manufactured home shall continue to be taxed under  
 35 section 435.22 and is not eligible for the homestead  
 36 tax credit or the military service tax exemption. A  
 37 foreclosure action on a manufactured home whose title  
 38 has been surrendered under this section shall be  
 39 conducted as a real estate foreclosure. A tax lien  
 40 and its priority shall remain the same on a  
 41 manufactured home after its certificate of title has  
 42 been surrendered.

43 4. The certificate of title of a manufactured home  
 44 shall not be surrendered under this section if an  
 45 unreleased security interest is noted on the  
 46 certificate of title.

47 5. An owner of a manufactured home who has  
 48 surrendered a certificate of title under this section  
 49 and requires another certificate of title for the  
 50 manufactured home is required to apply for a bonded

Page 2

1 certificate of title under chapter 321.”

2 3. Page 5, by inserting after line 18, the  
 3 following:

4 “Sec. \_\_\_\_ EFFECTIVE DATE. Section 100 of this  
 5 Act, being deemed of immediate importance, takes  
 6 effect upon enactment.”

7 4. Title page, line 1, by inserting after the  
 8 word “treasurer” the following: “and providing an  
 9 effective date”.

10 5. By renumbering as necessary.

JEFF ANGELO

### S-3023

1 Amend the amendment, S-3022, to Senate File 134 as  
 2 follows:

3 1. Page 1, line 5, by striking the words  
 4 “penalized for” and inserting the following:  
 5 “considered to be”.

6 2. Page 1, line 31, by striking the word “record”  
 7 and inserting the following: “certificate”.

JEFF ANGELO

**S-3024**

- 1 Amend Senate File 117 as follows:
- 2 1. By striking page 1, line 12, through page 2,
  - 3 line 20.
  - 4 2. Page 3, by striking lines 12 through 22.
  - 5 3. Title page, by striking lines 1 through 3 and
  - 6 inserting the following: “An Act requiring
  - 7 establishment of a system of alternate”.
  - 8 4. By renumbering, redesignating, and correcting
  - 9 internal references as necessary.

COMMITTEE ON COMMERCE  
JEFF ANGELO, Chair

**S-3025**

- 1 Amend Senate File 185 as follows:
- 2 1. Page 1, line 24, by inserting before the word
  - 3 “Causing” the following: “1”
  - 4 2. Page 1, lines 30 through 32, by striking the
  - 5 words “Arson is also causing by manufacturing or
  - 6 attempting to manufacture a controlled substance in
  - 7 violation of section 124.401, a fire or explosion that
  - 8 destroys property.”
  - 9 3. Page 2, by inserting after line 4 the
  - 10 following:
  - 11 “2. Causing by manufacturing or attempting to
  - 12 manufacture a controlled substance in violation of
  - 13 section 124.401, a fire or explosion that destroys
  - 14 property is arson. Even if a person who owns property
  - 15 which the defendant intends to destroy or damage, or
  - 16 which the defendant knowingly endangers, consents to
  - 17 the defendant’s act, and if an insurer has not been
  - 18 exposed fraudulently to any risk, and even if the act
  - 19 was done in such a way as not to unreasonably endanger
  - 20 the life or property of any person, the act
  - 21 constitutes arson.”
  - 22 4. Page 3, line 10, by inserting after the word
  - 23 “misdemeanor:” the following: “A law enforcement
  - 24 agency shall develop personnel policies to ensure the
  - 25 implementation of this section.”

JOHN PUTNEY  
KEITH A. KREIMAN

**S-3026**

- 1 Amend Senate File 155 as follows:
- 2 1. Page 10, by inserting after line 16, the
  - 3 following:
  - 4 “Sec. \_\_\_\_ Section 49.125, Code 2003, is amended

5 to read as follows:

6 49.125 COMPENSATION OF TRAINEES.

7 All election personnel attending such training  
 8 course shall be paid for attending such course ~~for a~~  
 9 ~~period not to exceed two hours~~, and shall be  
 10 reimbursed for travel to and from the place where the  
 11 training is given at the rate determined by the board  
 12 of supervisors if the distance involved is more than  
 13 five miles. The wages shall be computed at the hourly  
 14 rate established pursuant to section 49.20 and payment  
 15 of wages and mileage for attendance shall be made at  
 16 the time that payment is made for duties performed on  
 17 election day.”

18 2. Page 17, line 25, by striking the word  
 19 “interview” and inserting the following:

20 “interview.”

21 3. Page 17, line 26, by inserting after the word  
 22 “attorney” the following: “on the person’s behalf.”

23 4. Page 18, by inserting after line 9, the  
 24 following:

25 “Sec. \_\_\_\_ Section 237A.2, subsection 1,  
 26 unnumbered paragraph 1, Code 2003, is amended to read  
 27 as follows:

28 A person shall not establish or operate a child  
 29 care center without obtaining a license under the  
 30 provisions of this chapter. A center may operate for  
 31 a specified period of time, to be established by rule  
 32 of the department, if application for a license has  
 33 been made. If the department denies an application  
 34 for an initial license, notwithstanding section ~~17A.8~~  
 35 17A.18, the applicant center shall not continue to  
 36 provide child care pending the outcome of an  
 37 evidentiary hearing. The department shall issue a  
 38 license if it determines that all of the following  
 39 conditions have been met:”

40 5. Page 22, by inserting after line 12, the  
 41 following:

42 “Sec. \_\_\_\_ Section 331.424C, Code 2003, is amended  
 43 to read as follows:

44 331.424C EMERGENCY SERVICES FUND.

45 A county that is providing fire protection service  
 46 or emergency medical service to a township pursuant to  
 47 section 331.385 shall establish an emergency services  
 48 fund and may certify taxes not to exceed sixty and  
 49 three-fourths cents per one thousand dollars of the  
 50 assessed value of taxable property located in the

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1 township. The county has the authority to use a  
 2 portion of the taxes levied and deposited in the fund  
 3 for the purpose of accumulating moneys to carry out

- 4 the purposes of section 359.43, subsection ~~3~~ 4.”  
5 6. By renumbering as necessary.

KEITH A. KREIMAN

**S-3027**

- 1 Amend Senate File 173 as follows:  
2 1. Page 1, line 15, by inserting after the word  
3 “association” the following: “that has a statewide  
4 membership of at least three thousand teachers who are  
5 licensed pursuant to chapter 272”.

MIKE CONNOLLY

**S-3028**

- 1 Amend House File 65, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 2, by inserting after line 4 the  
4 following:  
5 “Sec. \_\_\_\_ Section 321J.2, subsection 3, paragraph  
6 a, subparagraph (1), Code 2003, is amended to read as  
7 follows:  
8 (1) If the defendant’s alcohol concentration  
9 established by the results of an analysis of a  
10 specimen of the defendant’s blood, breath, or urine  
11 withdrawn in accordance with this chapter exceeds .15,  
12 regardless of whether or not the alcohol concentration  
13 indicated by the chemical test minus the established  
14 margin of error inherent in the device or method used  
15 to conduct the test equals an alcohol concentration of  
16 .15 or more. This subparagraph shall not prohibit the  
17 court from deferring judgment for a defendant  
18 convicted of a first offense under subsection 2,  
19 paragraph “a.”  
20 2. Page 6, by inserting after line 22 the  
21 following:  
22 “Sec. \_\_\_\_ Section 907.3, subsection 1, paragraph  
23 g, subparagraph (1), Code 2003, is amended to read as  
24 follows:  
25 (1) If the defendant’s alcohol concentration  
26 established by the results of an analysis of a  
27 specimen of the defendant’s blood, breath, or urine  
28 withdrawn in accordance with chapter 321J exceeds .15,  
29 regardless of whether or not the alcohol concentration  
30 indicated by the chemical test minus the established  
31 margin of error inherent in the device or method used  
32 to conduct the test equals an alcohol concentration of  
33 .15 or more. This subparagraph shall not prohibit the  
34 court from deferring judgment for a defendant  
35 convicted of a first offense under subsection 2,

36 paragraph “a”.

37 3. By renumbering as necessary.

MATT McCOY

**S-3029**

1 Amend Senate File 63 as follows:

2 1. Page 1, by inserting after line 16, the  
3 following:

4 “Sec. \_\_\_\_ EFFECTIVE DATE. This Act, being deemed  
5 of immediate importance, takes effect upon enactment.”

6 2. Title page, line 4, by inserting after the  
7 word “duty” the following: “and providing an  
8 effective date”.

9 3. By renumbering as necessary.

RICHARD F. DRAKE

**S-3030**

1 Amend Senate File 270 as follows:

2 1. Page 1, by inserting before line 1 the  
3 following:

4 “Section 1. Section 282.18, subsection 7, Code  
5 2003, is amended to read as follows:

6 7. A pupil participating in open enrollment shall  
7 be counted, for state school foundation aid purposes,  
8 in the pupil’s district of residence. A pupil’s  
9 residence, for purposes of this section, means a  
10 residence under section 282.1. The board of directors  
11 of the district of residence shall pay to the  
12 receiving district the state cost per pupil regular  
13 program foundation base per pupil minus a per pupil  
14 foundation property tax amount in the district of  
15 residence. for the previous school year, plus any  
16 moneys received for the pupil as a result of the non-  
17 English speaking weighting under section 280.4,  
18 subsection 3, for the previous school year multiplied  
19 by the state cost per pupil for the previous year.  
20 The district of residence shall also transmit the  
21 phase III moneys allocated to the district for the  
22 previous year for the full-time equivalent attendance  
23 of the pupil, who is the subject of the request, to  
24 the receiving district specified in the request for  
25 transfer. If the pupil participating in open  
26 enrollment is also an eligible pupil under chapter  
27 261C, the receiving district shall pay the tuition  
28 reimbursement amount to an eligible postsecondary  
29 institution as provided in section 261C.6. For  
30 purposes of this subsection, “per pupil foundation  
31 property tax amount” means the amount derived by

32 applying the uniform levy of five dollars and forty  
 33 cents divided by the district of residence's budget  
 34 enrollment."

35 2. Title page, lines 1 and 2, by striking the  
 36 words "routes outside a district's boundaries" and  
 37 inserting the following: "and funding for pupils  
 38 participating in open enrollment".

THOMAS G. COURTNEY

### S-3031

1 Amend Senate File 39 as follows:

2 1. Page 1, by striking lines 1 through 13, and  
 3 inserting the following:  
 4 "Section 1. Section 441.72, Code 2003, is amended  
 5 to read as follows:

6 441.72 ASSESSMENT OF PLATTED LOTS.

7 When a subdivision plat is recorded pursuant to  
 8 chapter 354, the individual lots within the  
 9 subdivision plat shall not be assessed in excess of  
 10 the total assessment of the land as acreage or  
 11 unimproved property for three years after the  
 12 recording of the plat or until the lot is actually  
 13 improved with permanent construction or sold,  
 14 whichever occurs first. However, in cities with a  
 15 population of less than five thousand, the individual  
 16 lots within the subdivision plat shall not be assessed  
 17 in excess of the total assessment of the land as  
 18 acreage or unimproved property for six years after the  
 19 recording of the plat or until the lot is actually  
 20 improved with permanent construction or sold,  
 21 whichever occurs first.

22 PARAGRAPH DIVIDED. When an individual lot has been  
 23 improved with permanent construction, the lot shall be  
 24 assessed for taxation purposes as provided in chapter  
 25 428 and this chapter. This section does not apply to  
 26 special assessment levies."

COMMITTEE ON LOCAL GOVERNMENT  
 E. THURMAN GASKILL, Chair

### S-3032

1 Amend Senate File 230 as follows:

2 1. Page 2, by striking lines 27 and 28 and  
 3 inserting the following: "meeting the same  
 4 requirements specified in section 362.4 for petitions  
 5 authorized by city code may be filed with the clerk  
 6 within thirty days following the effective date of  
 7 the".

HERMAN C. QUIRMBACH

**S-3033**HOUSE AMENDMENT TO  
SENATE FILE 97

- 1 Amend Senate File 97, as amended, passed, and  
2 reprinted by the Senate, as follows:
- 3 1. By striking page 5, line 35, through page 6,  
4 line 18.
- 5 2. Page 6, line 21, by striking the words  
6 “TEMPORARY FEE INCREASE”, and inserting the following:  
7 “ONE-TIME SURCHARGE”.
- 8 3. Page 6, by striking lines 23 through 25 and  
9 inserting the following:  
10 “a. Notwithstanding any other provisions of this  
11 section, during the period beginning July 1, 2003, and  
12 ending June 30, 2008, a person applying for a new  
13 driver’s license or for renewal of a driver’s license  
14 subject to a fee under subsection 2, 3, or 4 shall be  
15 charged a one-time surcharge of three dollars in  
16 addition to the license fee. A person shall not be  
17 required to pay the surcharge more than once during  
18 the five-year period.”
- 19 4. Page 6, by striking lines 26 through 29 and  
20 inserting the following:  
21 “b. Moneys collected from the one-time surcharge  
22 under paragraph “a” are appropriated to”.
- 23 5. By striking page 7, line 19, through page 8,  
24 line 1.
- 25 6. Page 11, by inserting after line 13 the  
26 following:  
27 “Sec. \_\_\_\_ Section 321M.9, subsection 1, Code  
28 2003, is amended to read as follows:  
29 1. FEES TO COUNTIES. Notwithstanding any other  
30 provision in the Code to the contrary, the county  
31 treasurer of any county authorized to issue driver’s  
32 licenses under this chapter shall retain for deposit  
33 in the county general fund ~~three five~~ dollars and  
34 ~~seventy five cents~~ of fees received for each issuance  
35 or renewal of driver’s licenses and nonoperator  
36 identification cards, but shall not retain any moneys  
37 for the issuance of any persons with disabilities  
38 identification devices. The county treasurer shall  
39 remit the balance of fees to the department.”
- 40 7. Page 13, by striking lines 6 through 12.
- 41 8. Page 13, by inserting after line 14 the  
42 following:  
43 “Sec. \_\_\_\_ The section in this Act amending  
44 section 321M.9 is repealed effective July 1, 2005.  
45 Sec. \_\_\_\_ The state department of transportation,  
46 in consultation with the Iowa county treasurers  
47 association, shall conduct a study of the county

48 driver's license issuance program, including the  
 49 financial effect the program has had on counties. The  
 50 department shall report its findings and

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- 1 recommendations to the general assembly no later than
- 2 December 31, 2003."
- 3 9. By renumbering as necessary.

### S-3034

- 1 Amend Senate File 173 as follows:
- 2 1. Page 1, line 16, by inserting after the word
- 3 "requests" the following: "for salary or wage
- 4 deductions for payment of dues or membership fees for
- 5 membership in the same not-for-profit, professional
- 6 education association".
- 7 2. Page 1, by inserting after line 19 the
- 8 following:
- 9 "3. For purposes of this section, unless the
- 10 context otherwise requires, "professional education
- 11 association" means an association in which the
- 12 majority of members are practitioners licensed in
- 13 accordance with chapter 272."

KITTY REHBERG

### S-3035

- 1 Amend Senate File 390 as follows:
- 2 1. Page 5, by striking line 9, and inserting the
- 3 following:
- 4 "NEW SUBSECTION. 4. Subsections 2 and 3 of this
- 5 section do not apply to the".
- 6 2. Page 10, by striking lines 12 through 16, and
- 7 inserting the following:
- 8 "i. Notwithstanding section 331.238, subsection 3,
- 9 provide whether the election of its officers shall be
- 10 on a partisan or nonpartisan basis."
- 11 3. Page 18, line 21, by striking the word
- 12 "chosen" and inserting the following: "appointed".
- 13 4. Page 18, line 24, by striking the word
- 14 "chosen" and inserting the following: "appointed".
- 15 5. Page 19, by inserting after line 3, the
- 16 following:
- 17 "e. Two members appointed by the township trustees
- 18 of all the townships in the county and an additional
- 19 member appointed by the township trustees for each ten
- 20 percent of the total population of the county residing
- 21 in the unincorporated area of the county. The members
- 22 shall be residents of the unincorporated area of the

23 county and shall be persons who are not holding  
 24 elected office other than that of township trustee.  
 25 The county auditor shall determine the date and  
 26 location for a meeting of the township trustees of all  
 27 the townships in the county at which meeting the  
 28 appointments shall be made and shall provide written  
 29 notice of the meeting to the trustees. The meeting  
 30 shall be held in accordance with chapter 21.”  
 31 6. By renumbering as necessary.

DOUG SHULL

**S-3036**

1 Amend House File 65, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, by inserting before line 1 the  
 4 following:  
 5 “Section 1. NEW SECTION. 123.49A BREATHALYZER  
 6 TESTS.  
 7 An establishment that holds a class “A”, class “B”,  
 8 or class “C” liquor control license shall provide a  
 9 breathalyzer test for public use at a charge not to  
 10 exceed five dollars per test. A licensee shall be  
 11 immune from liability in any civil or criminal action  
 12 arising out of the results of a test provided pursuant  
 13 to this section and such results shall not be  
 14 admissible in a court of law.”  
 15 2. Title page, line 2, by inserting after the  
 16 word “offenses” the following: “and providing for  
 17 breathalyzer tests in certain drinking  
 18 establishments”.  
 19 3. By renumbering as necessary.

DAVID MILLER

**S-3037**

1 Amend House File 65, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, by inserting after line 4 the  
 4 following:  
 5 “Sec. \_\_\_. Section 321J.2, subsection 2, paragraph  
 6 a, subparagraph (1), Code 2003, is amended to read as  
 7 follows:  
 8 (1) Imprisonment in the county jail ~~for not less~~  
 9 ~~than forty-eight hours~~ up to one year, to be served as  
 10 ordered by the court, less credit for any time the  
 11 person was confined in a jail or detention facility  
 12 following arrest. However, the court, in ordering  
 13 service of the sentence and in its discretion, may  
 14 accommodate the defendant’s work schedule.”

15 2. Page 2, by inserting after line 4 the  
16 following:

17 “Sec. \_\_\_\_ Section 321J.2, subsection 2, paragraphs  
18 b and c, Code 2003, are amended to read as follows:

19 b. An aggravated misdemeanor for a second offense,  
20 and ~~shall may~~ be imprisoned in the county jail or  
21 community-based correctional facility ~~not less than~~  
22 ~~seven days up to two years~~, and ~~shall be~~ assessed a  
23 fine of not less than one thousand five hundred  
24 dollars nor more than five thousand dollars.

25 c. A class “D” felony for a third offense and each  
26 subsequent offense, and ~~shall may~~ be committed to the  
27 custody of the director of the department of  
28 corrections for an indeterminate term not to exceed  
29 five years, ~~shall be confined for a mandatory minimum~~  
30 ~~term of thirty days~~, and shall be assessed a fine of  
31 not less than two thousand five hundred dollars nor  
32 more than seven thousand five hundred dollars.

33 (1) If the court does not suspend a person’s  
34 sentence of commitment to the custody of the director  
35 of the department of corrections under this paragraph  
36 “c”, the person shall be assigned to a facility  
37 pursuant to section 904.513.

38 (2) If the court suspends a person’s sentence of  
39 commitment to the custody of the director of the  
40 department of corrections under this paragraph “c”,  
41 ~~the court shall order the person to serve not less~~  
42 ~~than thirty days nor more than one year in the county~~  
43 ~~jail, and~~ the person may be committed to treatment in  
44 the community under section 907.6.

45 Sec. \_\_\_\_ Section 321J.2, Code 2003, is amended by  
46 adding the following new subsection:

47 NEW SUBSECTION. 2A. In ordering service of the  
48 defendant’s sentence under subsection 2, paragraph  
49 “a”, “b”, or “c”, the court may order the defendant to  
50 perform a specified amount of unpaid community

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1 service, assign the defendant to a substance abuse  
2 treatment facility, or order the defendant to attend  
3 and participate in a reality education substance abuse  
4 prevention program or drinking drivers course, or any  
5 combination of the foregoing, in lieu of the sentence  
6 of confinement.

7 Sec. \_\_\_\_ Section 321J.2, subsection 3, paragraph  
8 a, unnumbered paragraph 1, Code 2003, is amended to  
9 read as follows:

10 Notwithstanding the provisions of sections 901.5  
11 and 907.3, the court shall not ~~defer judgment or~~  
12 ~~sentencing, or suspend execution of any mandatory~~  
13 ~~minimum sentence of incarceration applicable to the~~

14 ~~defendant under subsection 2, and shall not~~ suspend  
 15 execution of any other part of a sentence not  
 16 involving incarceration imposed pursuant to subsection  
 17 2, if any of the following apply:

18 Sec. \_\_. Section 321J.2, subsection 3, paragraph  
 19 d, Code 2003, is amended to read as follows:

20 d. A ~~minimum~~ term of imprisonment in a county jail  
 21 or community-based correctional facility imposed on a  
 22 person convicted of a second or subsequent offense  
 23 under subsection 2 shall be served on consecutive  
 24 days. However, if the sentencing court finds that  
 25 service of the full ~~minimum~~ term on consecutive days  
 26 would work an undue hardship on the person, or finds  
 27 that sufficient jail space is not available and is not  
 28 reasonably expected to become available within four  
 29 months after sentencing to incarcerate the person  
 30 serving the ~~minimum~~ sentence on consecutive days, the  
 31 court may order the person to serve the ~~minimum~~ term  
 32 in segments of at least forty-eight hours and to  
 33 perform a specified number of hours of unpaid  
 34 community service as deemed appropriate by the  
 35 sentencing court.”

36 3. Page 6, by inserting after line 22, the  
 37 following:

38 “Sec. \_\_. Section 907.3, subsection 3, paragraph  
 39 c, Code 2003, is amended to read as follows:

40 c. A ~~mandatory minimum sentence of incarceration~~  
 41 ~~imposed pursuant to a violation of section 321J.2,~~  
 42 ~~subsection 1; furthermore, the court shall not suspend~~  
 43 ~~any~~ Any part of a sentence not involving incarceration  
 44 imposed pursuant to section 321J.2, subsection 2,  
 45 beyond the mandatory minimum if any of the following  
 46 apply:”

47 4. By renumbering as necessary.

DAVID MILLER  
 BOB BRUNKHORST

### S-3038

1 Amend Senate File 270 as follows:

2 1. Page 1, line 8, by inserting after the word  
 3 “vehicles” the following: “, or other public transit  
 4 vehicles operating pursuant to an agreement with the  
 5 receiving district.”.

NANCY BOETTGER

### S-3039

1 Amend Senate File 275 as follows:

2 1. Page 1, by inserting after line 27 the  
 3 following:

4 “Sec. \_\_\_\_ Section 437A.3, Code 2003, is amended  
 5 by adding the following new subsection:  
 6 NEW SUBSECTION. 4A. “Cogeneration facility” means  
 7 a facility with a capacity of two hundred megawatts or  
 8 less that uses the same energy source for the  
 9 sequential generation of electrical or mechanical  
 10 power in combination with steam, heat, or other forms  
 11 of useful energy and, except for ownership, meets the  
 12 criteria to be a qualifying cogeneration facility as  
 13 defined in the federal Public Utility Regulatory  
 14 Policies Act of 1978, 16 U.S.C. } 2601 et seq., and  
 15 related federal regulations.”  
 16 2. Page 2, line 32, by striking the word and  
 17 figure “section 437A.5.”  
 18 3. Page 2, by inserting after line 34 the  
 19 following:  
 20 “If the new electric power generating plant is part  
 21 of a cogeneration facility, the natural gas delivery  
 22 rate for that plant shall be the lesser of the natural  
 23 gas delivery rate established in this paragraph or the  
 24 rate per therm of natural gas as in effect at the time  
 25 of the initial natural gas deliveries to the plant for  
 26 the natural gas competitive service area where the new  
 27 electric power generating plant is located.”  
 28 4. By renumbering, relettering, redesignating,  
 29 and correcting internal references as necessary.

NEAL SCHUERER

## S-3040

1 Amend Senate File 316 as follows:  
 2 1. Page 1, by inserting before line 1 the  
 3 following:  
 4 “Section 1. Section 272.2, subsection 14,  
 5 paragraph b, subparagraph (1), subparagraph  
 6 subdivision (b), Code 2003, is amended by adding the  
 7 following new subparagraph subdivision part:  
 8 NEW SUBPARAGRAPH SUBDIVISION PART. (viii) Sexual  
 9 exploitation by a school employee.”  
 10 2. Page 1, line 21, by inserting before the word  
 11 “contract” the following: “person’s”.  
 12 3. Page 1, line 25, by inserting after the word  
 13 “misconduct.” the following: “Information reported to  
 14 the board in accordance with this subsection is  
 15 privileged and confidential, and, except as provided  
 16 in section 272.13, is not subject to discovery,  
 17 subpoena, or other means of legal compulsion for its  
 18 release to a person other than the respondent and the  
 19 board and its employees and agents involved in  
 20 licensee discipline, and is not admissible in evidence  
 21 in a judicial or administrative proceeding other than

22 the proceeding involving licensee discipline. The  
 23 board shall review the information reported to  
 24 determine whether a complaint should be initiated.”  
 25 4. Page 1, by striking lines 26 through 28 and  
 26 inserting the following: “unless the context  
 27 otherwise requires, “misconduct” means an action  
 28 disqualifying an applicant for a license or causing  
 29 the license of a person to be revoked or suspended in  
 30 accordance with the rules adopted by the board to  
 31 implement section 272.2, subsection 14.”  
 32 5. Page 4, line 23, by striking the word “which”  
 33 and inserting the following: “that”.  
 34 6. By renumbering as necessary.

JEFF ANGELO

### S-3041

1 Amend Senate File 155 as follows:  
 2 1. Page 2, by striking lines 21 through 26.  
 3 2. Page 10, by inserting after line 16, the  
 4 following:  
 5 “Sec. \_\_\_. Section 49.125, Code 2003, is amended  
 6 to read as follows:  
 7 49.125 COMPENSATION OF TRAINEES.  
 8 All election personnel attending such training  
 9 course shall be paid for attending such course ~~for a~~  
 10 ~~period not to exceed two hours~~, and shall be  
 11 reimbursed for travel to and from the place where the  
 12 training is given at the rate determined by the board  
 13 of supervisors if the distance involved is more than  
 14 five miles. The wages shall be computed at the hourly  
 15 rate established pursuant to section 49.20 and payment  
 16 of wages and mileage for attendance shall be made at  
 17 the time that payment is made for duties performed on  
 18 election day.”  
 19 3. Page 17, line 25, by striking the word  
 20 “interview” and inserting the following:  
 21 “interview.”  
 22 4. Page 17, line 26, by inserting after the word  
 23 “attorney” the following: “on the person’s behalf”.  
 24 5. Page 18, by inserting after line 9, the  
 25 following:  
 26 “Sec. \_\_\_. Section 237A.2, subsection 1,  
 27 unnumbered paragraph 1, Code 2003, is amended to read  
 28 as follows:  
 29 A person shall not establish or operate a child  
 30 care center without obtaining a license under the  
 31 provisions of this chapter. A center may operate for  
 32 a specified period of time, to be established by rule  
 33 of the department, if application for a license has  
 34 been made. If the department denies an application

35 for an initial license, notwithstanding section ~~17A.8~~  
 36 17A.18, the applicant center shall not continue to  
 37 provide child care pending the outcome of an  
 38 evidentiary hearing. The department shall issue a  
 39 license if it determines that all of the following  
 40 conditions have been met:”

41 6. Page 22, by inserting after line 12, the  
 42 following:

43 “Sec. \_\_\_\_ Section 331.424C, Code 2003, is amended  
 44 to read as follows:

45 331.424C EMERGENCY SERVICES FUND.

46 A county that is providing fire protection service  
 47 or emergency medical service to a township pursuant to  
 48 section 331.385 shall establish an emergency services  
 49 fund and may certify taxes not to exceed sixty and  
 50 three-fourths cents per one thousand dollars of the

Page 2

- 1 assessed value of taxable property located in the
- 2 township. The county has the authority to use a
- 3 portion of the taxes levied and deposited in the fund
- 4 for the purpose of accumulating moneys to carry out
- 5 the purposes of section 359.43, subsection ~~3~~ 4.”
- 6 7. By renumbering as necessary.

KEITH A. KREIMAN  
 STEVE KETTERING

### S-3042

- 1 Amend Senate File 297 as follows:
- 2 1. Page 22, line 18, by striking the word “one”
- 3 and inserting the following: “~~one~~”.
- 4 2. Page 22, line 19, by striking the words
- 5 “dollar and twenty-five cents” and inserting the
- 6 following: “~~dollar~~ two dollars”.
- 7 3. Page 49, line 15, by striking the word “one”
- 8 and inserting the following: “two”.
- 9 4. Page 49, line 16, by striking the words
- 10 “dollar and twenty-five cents” and inserting the
- 11 following: “dollars”.

DENNIS H. BLACK

### S-3043

- 1 Amend Senate File 390 as follows:
- 2 1. Page 2, by inserting after line 11 the
- 3 following:
- 4 “Sec. \_\_\_\_ Section 331.234, subsections 3 and 4,
- 5 Code 2003, are amended to read as follows:

6 3. The board shall make available to the  
7 commission in-kind services such as office space,  
8 printing, supplies, and equipment ~~and. The county~~  
9 shall pay from the segregated account established in  
10 subsection 4, the other necessary expenses of the  
11 commission including compensation for secretarial,  
12 clerical, professional, and consultant services. The  
13 total annual expenses, not including the value of in-  
14 kind expenses, to be paid from public funds shall not  
15 exceed one hundred thousand dollars or an amount equal  
16 to thirty cents times the population of the commission  
17 area, according to the most recent certified federal  
18 census. The commission may employ staff as necessary.  
19 4. The expenses of the commission ~~may be paid from~~  
20 ~~the general fund of the county~~ shall be paid by each  
21 city and county participating in the charter process  
22 or from any combination of public or private funds  
23 available for that purpose. Each city's share shall  
24 be its pro rata share of the expenses based upon the  
25 ratio that the population of the city bears to the  
26 total population in the county. The county's share  
27 shall be its pro rata share of expenses based upon the  
28 ratio that the population of the unincorporated area  
29 of the county bears to the total population of the  
30 county. The amount paid by each city and county  
31 participating in the charter process shall be  
32 deposited in a segregated account maintained by the  
33 county. The commission's annual expenses may exceed  
34 the amount in subsection 3 only if the excess is paid  
35 from private funds. If a proposed charter is  
36 submitted to the electorate, private funds donated to  
37 the commission may be used to promote passage of the  
38 proposed charter.”  
39 2. By renumbering as necessary.

MARY A. LUNDBY  
BRYAN J. SIEVERS

### S-3044

1 Amend Senate File 390 as follows:  
2 1. Page 6, by striking lines 30 through 35, and  
3 inserting the following: “proposed to be included in  
4 the consolidation. The charter shall only apply to an  
5 incorporated area in which a majority of the votes  
6 cast on the charter in the incorporated area favors  
7 the proposal. The charter shall only apply to the  
8 county if a majority of the votes cast in each of the  
9 incorporated areas and in the unincorporated areas of  
10 the county favors the proposal. The consolidation  
11 charter shall be effective in regard”.  
12 2. Page 16, by striking lines 17 through 22, and

13 inserting the following: “~~participation in the~~  
14 ~~commonwealth charter.~~ The community commonwealth  
15 charter shall only apply to an incorporated area in  
16 which a majority of the votes cast on the charter in  
17 the incorporated area favors the proposal. The  
18 community commonwealth charter shall only apply to the  
19 county if a majority of the votes cast in each of the  
20 incorporated areas and in the unincorporated areas of  
21 the county favors the proposal.”

MARY A. LUNDBY  
BRYAN J. SIEVERS

### S-3045

1 Amend Senate File 390 as follows:  
2 1. Page 5, by striking line 9, and inserting the  
3 following:  
4 “NEW SUBSECTION. 4. Subsections 2 and 3 of this  
5 section do not apply to the”.  
6 2. Page 10, by striking lines 12 through 16, and  
7 inserting the following:  
8 “i. Notwithstanding section 331.238, subsection 3,  
9 provide whether the election of its officers shall be  
10 on a partisan or nonpartisan basis.”  
11 3. Page 18, line 21, by striking the word  
12 “chosen” and inserting the following: “appointed”.  
13 4. Page 18, line 24, by striking the word  
14 “chosen” and inserting the following: “appointed”.  
15 5. Page 19, line 3, by inserting after the word  
16 “legislator.” the following: “If any portion of a  
17 legislative district is in the unincorporated area of  
18 the county, the member appointed by that legislator  
19 shall be a resident of the unincorporated area of the  
20 county.”  
21 6. Page 19, by inserting after line 3, the  
22 following:  
23 “e. Three members appointed by the township  
24 trustees of all the townships in the county and an  
25 additional member appointed by the township trustees  
26 for each five percent of the total population of the  
27 county residing in the unincorporated area of the  
28 county. The members shall be residents of the  
29 unincorporated area of the county and shall be persons  
30 who are not holding elected office other than that of  
31 township trustee. The county auditor shall determine  
32 the date and location for a meeting of the township  
33 trustees of all the townships in the county at which  
34 meeting the appointments shall be made and shall  
35 provide written notice of the meeting to the trustees.

36 The meeting shall be held in accordance with chapter  
 37 21.”  
 38 7. By renumbering as necessary.

BRYAN J. SIEVERS  
 MARY A. LUNDBY

### S-3046

1 Amend Senate File 37 as follows:  
 2 1. Page 1, by inserting after line 4 the  
 3 following:  
 4 “Sec. \_\_\_. Section 321J.2, subsection 2, paragraph  
 5 a, subparagraph (1), Code 2003, is amended to read as  
 6 follows:  
 7 (1) Imprisonment in the county jail ~~for not less~~  
 8 ~~than forty eight hours~~ up to one year, to be served as  
 9 ordered by the court, less credit for any time the  
 10 person was confined in a jail or detention facility  
 11 following arrest. However, the court, in ordering  
 12 service of the sentence and in its discretion, may  
 13 accommodate the defendant’s work schedule.  
 14 Sec. \_\_\_. Section 321J.2, subsection 2, paragraphs  
 15 b and c, Code 2003, are amended to read as follows:  
 16 b. An aggravated misdemeanor for a second offense,  
 17 and ~~shall may~~ be imprisoned in the county jail or  
 18 community-based correctional facility ~~not less than~~  
 19 ~~seven days~~ up to two years, and ~~shall be~~ assessed a  
 20 fine of not less than one thousand five hundred  
 21 dollars nor more than five thousand dollars.  
 22 c. A class “D” felony for a third offense and each  
 23 subsequent offense, and ~~shall may~~ be committed to the  
 24 custody of the director of the department of  
 25 corrections for an indeterminate term not to exceed  
 26 five years, ~~shall be confined for a mandatory minimum~~  
 27 ~~term of thirty days~~, and shall be assessed a fine of  
 28 not less than two thousand five hundred dollars nor  
 29 more than seven thousand five hundred dollars.  
 30 (1) If the court does not suspend a person’s  
 31 sentence of commitment to the custody of the director  
 32 of the department of corrections under this paragraph  
 33 “c”, the person shall be assigned to a facility  
 34 pursuant to section 904.513.  
 35 (2) If the court suspends a person’s sentence of  
 36 commitment to the custody of the director of the  
 37 department of corrections under this paragraph “c”,  
 38 ~~the court shall order the person to serve not less~~  
 39 ~~than thirty days nor more than one year in the county~~  
 40 ~~jail, and~~ the person may be committed to treatment in  
 41 the community under section 907.6.  
 42 Sec. \_\_\_. Section 321J.2, Code 2003, is amended by  
 43 adding the following new subsection:

44 NEW SUBSECTION. 2A. In ordering service of the  
45 defendant's sentence under subsection 2, paragraph  
46 "a", "b", or "c", the court may order the defendant to  
47 perform a specified amount of unpaid community  
48 service, assign the defendant to a substance abuse  
49 treatment facility, or order the defendant to attend  
50 and participate in a reality education substance abuse

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1 prevention program or drinking drivers course, or any  
2 combination of the foregoing, in lieu of the sentence  
3 of confinement.  
4 Sec. \_\_\_\_ Section 321J.2, subsection 3, paragraph  
5 a, unnumbered paragraph 1, Code 2003, is amended to  
6 read as follows:  
7 Notwithstanding the provisions of sections 901.5  
8 and 907.3, the court shall not ~~defer judgment or~~  
9 ~~sentencing, or suspend execution of any mandatory~~  
10 ~~minimum sentence of incarceration applicable to the~~  
11 ~~defendant under subsection 2, and shall not~~ suspend  
12 execution of any other part of a sentence not  
13 involving incarceration imposed pursuant to subsection  
14 2, if any of the following apply:  
15 Sec. \_\_\_\_ Section 321J.2, subsection 3, paragraph  
16 d, Code 2003, is amended to read as follows:  
17 d. A ~~minimum~~ term of imprisonment in a county jail  
18 or community-based correctional facility imposed on a  
19 person convicted of a second or subsequent offense  
20 under subsection 2 shall be served on consecutive  
21 days. However, if the sentencing court finds that  
22 service of the full ~~minimum~~ term on consecutive days  
23 would work an undue hardship on the person, or finds  
24 that sufficient jail space is not available and is not  
25 reasonably expected to become available within four  
26 months after sentencing to incarcerate the person  
27 serving the ~~minimum~~ sentence on consecutive days, the  
28 court may order the person to serve the ~~minimum~~ term  
29 in segments of at least forty-eight hours and to  
30 perform a specified number of hours of unpaid  
31 community service as deemed appropriate by the  
32 sentencing court."  
33 2. Page 1, by inserting after line 25, the  
34 following:  
35 "Sec. \_\_\_\_ Section 907.3, subsection 3, paragraph  
36 c, Code 2003, is amended to read as follows:  
37 c. A ~~mandatory minimum sentence of incarceration~~  
38 ~~imposed pursuant to a violation of section 321J.2,~~  
39 ~~subsection 1; furthermore, the court shall not suspend~~  
40 ~~any~~ Any part of a sentence not involving incarceration  
41 imposed pursuant to section 321J.2, subsection 2,  
42 beyond the mandatory minimum if any of the following

43 apply.”

44 3. Title page, line 1, by striking the words and  
45 figure “providing for a .08 blood alcohol  
46 concentration limit for” and inserting the following:  
47 “relating to”.

48 4. By renumbering as necessary.

DAVID MILLER  
BOB BRUNKHORST

### S-3047

1 Amend Senate File 297 as follows:

2 1. Page 37, lines 11 and 12, by striking the  
3 words “fees collected pursuant to section 321I.4 and”.

4 2. Page 37, line 20, by inserting after the word  
5 “commission.” the following: “All-terrain vehicle  
6 fees may be used for the establishment, maintenance,  
7 and operation of all-terrain vehicle recreational  
8 riding areas through the awarding of grants  
9 administered by the department. All-terrain vehicle  
10 recreational riding areas established, maintained, or  
11 operated by the use of such grants shall not be  
12 operated for profit.”

13 3. Page 47, by inserting before line 1, the  
14 following:

15 “Sec. \_\_. NEW SECTION. 321I.23A RECREATIONAL  
16 RIDING AREA -- LIMITATION OF LIABILITY OF LANDOWNERS.

17 A public or private owner of land on which an all-  
18 terrain vehicle recreational riding area is  
19 established, maintained, or operated and the public or  
20 private owner of property adjoining such land owe no  
21 duty of care to keep the land and the adjoining land  
22 safe for entry or use by persons operating an all-  
23 terrain vehicle or other recreational vehicle, or to  
24 give any warning of a dangerous condition, use,  
25 structure, or activity on such premises to persons  
26 entering for such purposes. A lessee or other agent  
27 of the owner and any prior owners of the land and  
28 adjoining land shall have no greater duty of care than  
29 the current owner or current adjoining owner.”

30 4. By renumbering as necessary.

KITTY REHBERG

### S-3048

1 Amend Senate File 351 as follows:

2 1. Page 8, line 26, by striking the words “or  
3 county attorney”.

4 2. Page 8, line 31, by striking the words “or  
5 county attorney”.

MAGGIE TINSMAN

**S-3049**

- 1 Amend Senate File 390 as follows:  
2 1. By striking page 3, line 34 through page 5,  
3 line 11.  
4 2. By renumbering as necessary.

DICK L. DEARDEN

**S-3050**

- 1 Amend Senate File 390 as follows:  
2 1. Page 7, by striking lines 8 through 10, and  
3 inserting the following: “the last general election  
4 for the office of governor or president of the United  
5 States, whichever is fewer. Within fifteen days after  
6 receiving a valid”.

DICK L. DEARDEN

**S-3051**

- 1 Amend Senate File 390 as follows:  
2 1. Page 13, line 34, by striking the word “two”  
3 and inserting the following: “ten”.  
4 2. Page 18, line 10, by striking the word “two”  
5 and inserting the following: “ten”.

DICK L. DEARDEN

**S-3052**

- 1 Amend Senate File 390 as follows:  
2 1. Page 3, line 13, by striking the words “of  
3 whether” and inserting the following: “that”.  
4 2. Page 3, line 14, by striking the words “or  
5 nonpartisan”.  
6 3. Page 10, by striking lines 12 through 16, and  
7 inserting the following:  
8 “i. Provide for the partisan election of its  
9 officers.”  
10 4. Page 15, by striking lines 27 through 29, and  
11 inserting the following: “specifically provide that  
12 the election of new officers shall be on a partisan  
13 basis. The elections shall be”.  
14 5. By striking page 16, line 33, through page 17,  
15 line 3.  
16 6. Page 20, by striking lines 9 through 12, and  
17 inserting the following: “commission created pursuant

18 to section 331.233.”

19 7. By renumbering as necessary.

DICK L. DEARDEN  
JACK HATCH

### S-3053

1 Amend Senate File 275 as follows:

2 1. Page 2, by inserting after line 14 the  
3 following:

4 “Sec. \_\_\_\_ Section 437A.3, subsection 21,  
5 paragraph a, subparagraph (1), subparagraph  
6 subdivision (am), Code 2003, is amended to read as  
7 follows:

8 (am) The city of Waukee in Dallas county and the  
9 area within two miles of the city limits.”

10 2. By renumbering, redesignating, and correcting  
11 internal references as necessary.

NEAL SCHUERER  
JERRY BEHN

### S-3054

1 Amend Senate File 352 as follows:

2 1. Page 1, by striking lines 16 and 17 and  
3 inserting the following: “or jurisdiction  
4 commensurate with a law enforcement training program  
5 approved by the director.”

6 2. Page 1, by striking lines 23 through 25.

KEITH A. KREIMAN

### S-3055

1 Amend Senate File 334 as follows:

2 1. Page 1, line 8, by inserting after the word  
3 “reconstructed” the following: “reasonably, in good  
4 faith, and”.

KEITH A. KREIMAN

### S-3056

1 Amend Senate File 390 as follows:

2 1. Page 4, by striking lines 6 through 9, and  
3 inserting the following: “election held on the day of  
4 the regular city election. To be”.

5 2. Page 5, by striking line 9, and inserting the

6 following:  
7 “NEW SUBSECTION. 4. Subsections 2 and 3 do not  
8 apply to the”.

MARY A. LUNDBY  
BRYAN J. SIEVERS

**S-3057**

1 Amend Senate File 401 as follows:  
2 1. Page 1, by striking line 31, and inserting the  
3 following: “as convenient and accessible to the  
4 extent practicable throughout the state”.  
5 2. Page 2, line 16, by inserting after the word  
6 “authority” the following: “or the Iowa department  
7 of public health following transfer of the matter to  
8 the Iowa department of public health pursuant to  
9 section 453A.2, subsection 5A.”.  
10 3. Page 3, line 17, by inserting after the word  
11 “under” the following: “either”.  
12 4. Page 3, line 31, by inserting after the word  
13 “program” the following: “which is approximately one  
14 hour in length as”.

BRYAN J. SIEVERS

**S-3058**

1 Amend Senate File 396 as follows:  
2 1. Page 1, by striking lines 1 through 5, and  
3 inserting the following:  
4 “Section 1. Section 459.102, subsection 6,  
5 paragraphs h and i, Code 2003, are amended to read as  
6 follows:  
7 h. Turkeys weighing sixty-eight ounces or more ..... 0.018  
8 i. Turkeys weighing less than sixty-eight ounces ... 0.0085  
9 ~~i. j. Broiler or layer chickens~~ Chickens weighing  
10 twenty ounces or more ..... 0.010  
11 k. Chickens weighing less than twenty ounces ..... 0.0025”.

HUBERT M. HOUSER

**S-3059**

1 Amend Senate File 390 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. Section 331.210A, subsection 2, Code  
5 2003, is amended by adding the following new  
6 paragraph:  
7 NEW PARAGRAPH. f. (1) Notwithstanding the  
8 provisions of this section to the contrary, for a

9 county with a population of one hundred eighty  
10 thousand or more that has adopted a charter for a  
11 city-county consolidated form of government or a  
12 community commonwealth form of government and which  
13 charter provides for representation by districts, the  
14 legislative service bureau, and not the temporary  
15 county redistricting commission, shall draw a first or  
16 second plan as necessary and required by paragraph “a”  
17 pursuant to a contract executed with the county. The  
18 plan drawn by the legislative service bureau shall be  
19 based upon the precinct plan adopted for use by the  
20 county and shall be drawn in accordance with section  
21 42.4, to the extent applicable.

22 (2) The plan drawn by the legislative service  
23 bureau shall be submitted to the temporary county  
24 redistricting commission which shall not amend the  
25 plan and which shall perform the duties required by  
26 paragraphs “b” and “c” concerning the plan. The  
27 temporary county redistricting commission shall accept  
28 the plan in total or it may request and contract to  
29 have a second plan prepared by the legislative service  
30 bureau. In doing so, the temporary county  
31 redistricting commission shall state its objections to  
32 the first plan in writing.

33 (3) After the requirements of paragraphs “b” and  
34 “c” have been met with respect to either a first or  
35 second plan, the plan drawn by the legislative service  
36 bureau and accepted by the temporary county  
37 redistricting commission shall be submitted to the  
38 governing body for its approval or rejection. If the  
39 plan drawn by the legislative service bureau and  
40 accepted by the temporary county redistricting  
41 commission is rejected by the governing body, the  
42 governing body may consider and accept the other plan  
43 submitted by the legislative service bureau to the  
44 temporary county redistricting commission, if any, or  
45 shall direct the temporary county redistricting  
46 commission to prepare another plan as provided by  
47 paragraph “d”.

48 Sec. 2. Section 331.231, subsection 5, Code 2003,  
49 is amended to read as follows:

50 5. City-county consolidated form as provided in

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1 ~~section sections~~ 331.247 through 331.252.

2 Sec. 3. Section 331.232, subsection 3, Code 2003,  
3 is amended to read as follows:

4 3. An alternative form of county government shall  
5 be submitted to the ~~county~~ electorate by the  
6 commission in the form of a charter or charter  
7 amendment.

8 Sec. 4. Section 331.235, subsection 4, Code 2003,  
9 is amended to read as follows:

10 4. The commission is dissolved on the date of the  
11 ~~general~~ election at which the proposed charter is  
12 submitted to the electorate. However, if a charter  
13 proposing the city-county consolidated form or the  
14 community commonwealth form is adopted, the commission  
15 is dissolved on the date that the terms of office of  
16 the members of the governing body for the alternative  
17 form of government commence. If a charter is not  
18 recommended, the commission is dissolved upon  
19 submission of its final report to the board.

20 Sec. 5. Section 331.237, Code 2003, is amended by  
21 adding the following new subsection:

22 NEW SUBSECTION. 4. Subsections 2 and 3 of this  
23 section do not apply to the city-county consolidated  
24 form of government or the community commonwealth form  
25 of government.

26 Sec. 6. Section 331.238, Code 2003, is amended by  
27 adding the following new subsection:

28 NEW SUBSECTION. 4. Subsections 1 and 2 do not  
29 apply to the city-county consolidated form of  
30 government or the community commonwealth form of  
31 government.

32 Sec. 7. Section 331.244, subsection 1, Code 2003,  
33 is amended by adding the following new subsection:

34 NEW SUBSECTION. 3. This section does not apply to  
35 the city-county consolidated form of government.

36 Sec. 8. Section 331.247, Code 2003, is amended to  
37 read as follows:

38 331.247 CITY-COUNTY CONSOLIDATION FORM.

39 1. ~~A county and one or more cities within the~~  
40 ~~county may unite to form a single unit of local~~  
41 ~~government in accordance with this part. A commission~~  
42 ~~appointed pursuant to section 331.233A may propose a~~  
43 ~~charter under which a county and one or more cities~~  
44 ~~within the county may unite to form a single unit of~~  
45 ~~local government, or may propose a charter under which~~  
46 ~~a county and one or more cities within the county may~~  
47 ~~form a combined governance structure for the county~~  
48 ~~and such cities in accordance with this part. The~~  
49 ~~charter shall declare whether the form is a merger of~~  
50 ~~a county and one or more cities to form a single unit~~

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1 of local government or whether the form establishes a  
2 combined government structure of a county and one or  
3 more cities. Either option proposed shall be referred  
4 to as a city-county consolidated form of government.  
5 If more than fifty percent of the population of a city  
6 resides within the affected county, it is a city

7 within the county for the purposes of this section and  
 8 may continue its status as a city within the county  
 9 even if the population of such city falls below the  
 10 fifty percent threshold in a future census.

11 ~~2. An alternative form of government, including a~~  
 12 ~~charter form, for a consolidated unit of government~~  
 13 ~~may be submitted to the voters only by a commission~~  
 14 ~~established under this chapter. A majority vote by~~  
 15 ~~the charter commission is required for the submission~~  
 16 ~~to the electorate of an alternative form of government~~  
 17 ~~for a consolidated unit of local government proposed~~  
 18 ~~charter for a city-county consolidated form of~~  
 19 ~~government. The charter commission submitting a~~  
 20 ~~consolidated form shall issue a final report and~~  
 21 ~~proposal.~~

22 ~~3. An alternative form of government for a A city-~~  
 23 ~~county consolidated unit of local government form of~~  
 24 ~~government does not need to include more than one~~  
 25 ~~city. A city shall not be included unless the city~~  
 26 ~~participates in the commission process, and a majority~~  
 27 ~~of the electors of the affected city voting approves~~  
 28 ~~the proposed charter for the consolidated government.~~

29 ~~4. If an alternative form of government for a~~  
 30 ~~consolidated unit of local government is proposed,~~  
 31 ~~approval of the consolidation charter shall be a~~  
 32 ~~separate ballot issue from approval of the alternative~~  
 33 ~~form of government in those cities proposed to be~~  
 34 ~~included in the consolidation. Adoption of the~~  
 35 ~~consolidation charter requires the approval of a~~  
 36 ~~majority of the votes cast in the entire county. A~~  
 37 ~~city named on the ballot is included in the~~  
 38 ~~consolidation if the proposed charter is approved by a~~  
 39 ~~majority of the votes cast in the city. The~~  
 40 ~~consolidation charter shall be effective in regard to~~  
 41 ~~a city government only if a majority of the voters of~~  
 42 ~~the city voting on the question voted for~~  
 43 ~~participation in the consolidation charter.~~

44 ~~5. A city may request to join an existing city-~~  
 45 ~~county consolidated government by resolution of the~~  
 46 ~~city council or upon petition of eligible electors of~~  
 47 ~~the city equal in number to at least twenty-five~~  
 48 ~~percent of the persons who voted at the last general~~  
 49 ~~election for the office of governor or president of~~  
 50 ~~the United States, whichever is fewer regular city~~

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1 election. Within fifteen days after receiving a valid  
 2 petition, the city council of the petitioning city  
 3 shall adopt a resolution in favor of participation and  
 4 shall immediately, within ten days of adoption,  
 5 forward the resolution to the legislative governing

6 body of the city-county consolidated government. If a  
7 majority of the ~~city-county consolidated legislative~~  
8 governing body of the city-county consolidated  
9 government approves the resolution, the question of  
10 joining the city-county consolidated government shall  
11 be submitted to the electorate of the petitioning city  
12 within sixty days after approval of the resolution.  
13 6. a. If a charter is adopted, it may be amended  
14 at any time by one of the following methods:  
15 (1) The governing body of the city-county  
16 consolidated form of government, by resolution, may  
17 submit a proposed amendment to the voters at a general  
18 election or at a special election, and the proposed  
19 amendment becomes effective upon approval by a  
20 majority of those voting.  
21 (2) The governing body of the city-county  
22 consolidated form of government, by ordinance, may  
23 amend the charter. However, within thirty days  
24 following publication of the ordinance, if a petition  
25 valid under the provisions of section 331.306 is filed  
26 with the governing body of the city-county  
27 consolidated form of government, the governing body  
28 must submit the charter amendment to the voters at a  
29 special election and, in such an event, the amendment  
30 becomes effective only upon approval of a majority of  
31 those voting within the city-county consolidated area.  
32 (3) If a petition valid under the provisions of  
33 section 331.306 filed with the governing body of the  
34 city-county consolidated form of government, proposing  
35 an amendment to the charter, the governing body must  
36 submit the proposed amendment to the voters at a  
37 general election or at a special election and, in such  
38 an event, the amendment becomes effective only upon  
39 approval of a majority of those voting within the  
40 city-county consolidated area.  
41 b. If an election is held, the governing body  
42 shall submit the question of amending the charter to  
43 the electors in substantially the following form:  
44 Should the amendment described below be adopted for  
45 the city-county consolidated charter of (insert name  
46 of county and of each consolidated city)?  
47 The ballot must contain a brief description and  
48 summary of the proposed amendment.  
49 c. An amendment shall not adopt an alternative  
50 form of county government but an amendment may allow

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1 the governing body of a city-county consolidated form  
2 of government that has a combined governance structure  
3 to adopt a city-county consolidated form of government  
4 under which a county and one or more cities within the

5 county unite to form a single unit of local  
6 government.

7 Sec. 9. Section 331.248, subsection 1, Code 2003,  
8 is amended to read as follows:

9 1. The charter commission proposing ~~consolidation~~  
10 a city-county consolidated form of government shall  
11 prepare, adopt, and ~~submit~~ cause to be submitted to  
12 the voters ~~a consolidation~~ the charter including an  
13 alternative form of government.

14 Sec. 10. Section 331.248, subsection 2, Code 2003,  
15 is amended to read as follows:

16 2. The ~~consolidation~~ charter for a city-county  
17 consolidated form of government shall:

18 a. Provide for adjustment of existing bonded  
19 indebtedness and other obligations in a manner which  
20 will provide for a fair and equitable burden of  
21 taxation for debt service.

22 b. Provide for establishment of service areas,  
23 except that formation of a city-county ~~consolidation~~  
24 government consolidated form of government shall not  
25 affect the assignment of electric utility service  
26 territories pursuant to chapter 476, and shall not  
27 affect the rights of a city to grant a franchise under  
28 chapter 364.

29 c. Provide for the transfer or other disposition  
30 of property and other rights, claims, assets, and  
31 franchises of ~~local governments~~ the county and each  
32 city consolidated under the alternative form.

33 d. Provide the official name of the city-county  
34 consolidated unit of local government form of  
35 government.

36 e. Provide for the transfer, reorganization,  
37 abolition, absorption, and adjustment of boundaries of  
38 all existing boards, bureaus, commissions, agencies,  
39 special districts, and political subdivisions of the  
40 city-county consolidated form of government.

41 ~~Include other provisions which the county~~  
42 ~~charter commission and the city charter commission~~  
43 ~~elect to include and which are not inconsistent with~~  
44 ~~state law. Provide for the exercise of home rule~~  
45 power and authority not inconsistent with state law.

46 g. Provide for a governing body of an odd number  
47 of members, not less than five, but which may exceed  
48 the number of members specified in sections 331.201,  
49 331.203, and 331.204. The titles of the members of  
50 the governing body shall be determined by the charter.

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1 h. Provide for a representation plan for the  
2 governing body which representation plan may differ  
3 from the representation plans provided in section

4 331.206 and in chapter 372. If the plan calls for  
 5 representation by districts and the charter has been  
 6 approved in a county whose population is one hundred  
 7 eighty thousand or more, the plan shall be drawn  
 8 pursuant to section 331.210A, subsection 2, paragraph  
 9 “f”. The initial representation plan for such a  
 10 county shall be drawn as provided in section 331.210A,  
 11 subsection 2, paragraph “f”, within ninety days after  
 12 the election at which the charter is approved. For  
 13 the initial representation plan, the charter  
 14 commission shall assume the role of the governing body  
 15 for purposes of this paragraph and section 331.210A,  
 16 subsection 2, paragraphs “d” through “f”.  
 17 i. Provide for the initial compensation for  
 18 members of the governing body and for a method of  
 19 changing the compensation.

20 Sec. 11. Section 331.248, Code 2003, is amended by  
 21 adding the following new subsection:

22 NEW SUBSECTION. 4. The consolidation charter may  
 23 include other provisions which the commission elects  
 24 to include and which are not irreconcilable with state  
 25 law. These provisions may include but are not limited  
 26 to the following:

27 a. Provide for a method of selecting officers of  
 28 the governing body and fixing their terms of office  
 29 which may differ from the requirements of sections  
 30 331.208 through 331.211 and the provisions of chapter  
 31 372.

32 b. Provide for meetings of the governing body and  
 33 rules of procedure which may differ from the  
 34 requirements of section 331.213, except that the  
 35 meetings shall be scheduled and conducted in  
 36 compliance with chapter 21.

37 c. Provide for combining the duties of elected  
 38 officials of the county, for eliminating elected  
 39 offices and the assumption of the duties of those  
 40 offices by appointed officials, and for adding to,  
 41 deleting, or otherwise changing the duties of  
 42 officials, elected or otherwise, of the county and  
 43 each consolidated city.

44 d. Provide for the organization of city and county  
 45 departments, agencies, or boards. The organization  
 46 plan may provide for the abolition or consolidation of  
 47 a department, agency, board, or commission and the  
 48 assumption of its powers and duties by the governing  
 49 body or by another department, agency, board, or  
 50 commission. This paragraph does not apply to the

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1 board of trustees of a county hospital.

2 e. Provide for a method for the governing body or

3 another office to exercise the powers and duties of  
4 the township trustees, in lieu of their election or  
5 appointment.

6 Sec. 12. Section 331.249, Code 2003, is amended to  
7 read as follows:

8 331.249 EFFECT OF CONSOLIDATION.

9 1. a. The consolidation of one or more cities and  
10 one or more counties shall create a unified government  
11 which includes a municipal corporation and a county.  
12 A city-county consolidated form of government under  
13 which a county and one or more cities within the  
14 county unite to form a single unit of local government  
15 shall create a unified government which includes a  
16 municipal corporation and a county. The consolidated  
17 unit shall have the separate status of a county and a  
18 city for all purposes and shall constitute two  
19 political subdivisions, a consolidated city and a  
20 county, under combined governance. The consolidated  
21 unit shall retain one separate constitutional debt  
22 limitation with respect to its status as a city and a  
23 separate constitutional debt limitation with respect  
24 to its status as a county.

25 b. The governing body of a city-county  
26 consolidated form of government under which a county  
27 and one or more cities within the county form a  
28 combined governance structure shall have, with respect  
29 to the county, the power and authority of the board of  
30 supervisors of a county, and, with respect to each  
31 city, the power and authority of the city council of a  
32 city. Each consolidated city and the county  
33 constitute separate political subdivisions. Each  
34 consolidated city and the county shall retain a  
35 separate constitutional debt limitation and shall each  
36 have the authority to issue bonds and incur financial  
37 obligations in accordance with the provisions of state  
38 law applicable to a city or a county, respectively.

39 2. A The city-county consolidated unit of local  
40 government form of government may include an area  
41 which is located in another county, but which is  
42 within the corporate boundaries of one of the  
43 consolidated cities. County services ~~shall~~ may be  
44 provided in the extra-county area and taxes to fund  
45 those services ~~shall~~ may be collected in the extra-  
46 county area by the consolidated government, to the  
47 extent permitted by the Constitution of the State of  
48 Iowa. In addition to the right to vote in the county  
49 of residence, electors residing in the extra-county  
50 area shall have the right to vote on any matter

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1 related to the city-county consolidated unit of local  
2 form of government, including election of its  
3 officials governing body.

4 If a city-county consolidation charter is proposed,  
5 within ninety days following the final report of the  
6 commission, a resident or property owner of the  
7 commission area proposed to be consolidated may bring  
8 an action in district court for declaratory judgment  
9 to determine the legality of the proposed charter and  
10 to otherwise declare the effect of the charter. The  
11 referendum on the proposed charter shall be stayed  
12 during pendency of the action and for such additional  
13 time during which the proposed charter or its enabling  
14 legislation does not conform to the Constitution or  
15 laws of the State of Iowa. If in its final judgment  
16 the court determines that the proposed charter fails  
17 to conform to the Constitution or laws of this state,  
18 the commission shall have a period of six months in  
19 which to revise and resubmit the proposed charter.

20 3. All provisions of law authorizing contributions  
21 of any kind, in money or otherwise, from the state or  
22 federal government to counties and cities shall remain  
23 in full force with respect to each city and the county  
24 comprising a city-county consolidated local form of  
25 government.

26 4. The adoption of the city-county consolidated  
27 form of government does not alter any right or  
28 liability of the county or consolidated city in effect  
29 at the time of the election at which the charter was  
30 adopted.

31 5. All departments and agencies of the county and  
32 of each consolidated city shall continue to operate  
33 until their authority to operate is superseded by  
34 action of the governing body.

35 6. Upon the effective date of the adopted charter,  
36 the county shall adopt the city-county consolidated  
37 form of government by ordinance, and shall file a copy  
38 with the secretary of state and maintain available  
39 copies for public inspection.

40 7. Members of the governing body of the county and  
41 of each consolidated city shall continue in office  
42 until the members of the governing body of the city-  
43 county consolidated form of government have been  
44 elected and sworn into office, at which time the  
45 offices of the former governing bodies shall be  
46 abolished, and the terms of the members of the former  
47 governing bodies shall be terminated. During the  
48 period between the effective date of the charter and  
49 the election and qualification of the elected members  
50 of the new governing body, the former governing bodies

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1 of each consolidated city and of the county shall  
2 continue to perform their duties and shall assist in  
3 planning the transition to the city-county  
4 consolidated form of government.

5 8. If a city-county consolidation charter is  
6 submitted to the electorate but is not adopted,  
7 another charter shall not be submitted to the  
8 electorate for at least two years from the date of the  
9 election at which the charter was rejected. If a  
10 city-county consolidation charter is adopted, a  
11 proposed charter for another alternative form of  
12 county government shall not be submitted to the  
13 electorate for at least six years from the date of the  
14 election at which the charter was adopted.

15 Sec. 13. Section 331.250, Code 2003, is amended to  
16 read as follows:

17 331.250 GENERAL POWERS OF CONSOLIDATED LOCAL  
18 GOVERNMENTS.

19 The consolidation charter shall provide for the  
20 delivery of services to specified areas of the  
21 ~~consolidated local government county and of each~~  
22 consolidated city. The governing body of the  
23 consolidated government shall ~~administer~~ supervise the  
24 administration of the provision of services in each of  
25 the designated service areas and shall have the  
26 authority to determine the boundaries of the service  
27 areas. For each service provided by the consolidated  
28 government, the consolidated government shall assume  
29 the same statutory rights, powers, and duties relating  
30 to the provision of the service as if the county or  
31 the member city were itself providing the service to  
32 its citizens.

33 Sec. 14. Section 331.251, Code 2003, is amended to  
34 read as follows:

35 331.251 RULES, ORDINANCES, AND RESOLUTIONS OF  
36 CONSOLIDATED ~~UNIT~~ GOVERNMENT.

37 ~~Within two years after ratification of the~~  
38 ~~consolidation, the governing body of the consolidated~~  
39 ~~unit of local government shall revise, repeal, or~~  
40 ~~reaffirm all rules, ordinances, and resolutions in~~  
41 ~~force within the participating county and cities at~~  
42 ~~the time of consolidation.~~ Each rule, ordinance, or  
43 resolution in force within a county or within a city  
44 at the time of consolidation shall remain in force  
45 within the former geographic jurisdiction that county  
46 or within that city until superseded by action of the  
47 new governing body, unless the rule, ordinance, or  
48 resolution is in conflict with a provision of the  
49 charter, in which case, the charter provision shall  
50 supersede the conflicting rule, ordinance, or

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1 resolution. Ordinances and resolutions relating to  
2 public improvements to be paid for in whole or in part  
3 by special assessments shall remain in effect until  
4 paid in full.

5 Sec. 15. Section 331.252, Code 2003, is amended to  
6 read as follows:

7 331.252 FORM OF BALLOT -- CITY-COUNTY  
8 CONSOLIDATION.

9 The question of city-county consolidation shall be  
10 submitted to the electors in substantially the  
11 following form:

12 ~~Should the corporate existence and governments of~~  
13 ~~the county of ..... and the cities of ..... and~~  
14 ~~..... be consolidated into one joint city-county~~  
15 ~~corporation government charter described below be~~  
16 ~~adopted for (insert name of county and each city~~  
17 ~~proposing to consolidate)?~~

18 ~~If section 331.247, subsection 4, applies, the~~  
19 ~~following question shall be placed on the ballot of~~  
20 ~~each participating city:~~

21 ~~Should the (name of city or second county)~~  
22 ~~participate in the consolidation charter?~~

23 The ballot must contain a brief description and  
24 summary of the proposed charter ~~or amendment~~.

25 Sec. 16. Section 331.260, subsection 2, Code 2003,  
26 is amended to read as follows:

27 2. A charter proposing a community commonwealth as  
28 an alternative form of government may be submitted to  
29 the voters only by a commission established under  
30 section 331.232. A majority vote by the commission is  
31 required for the submission of a charter proposing a  
32 community commonwealth as an alternative form of local  
33 government. The commission submitting a community  
34 commonwealth form of government shall issue a final  
35 report and proposal. ~~If an alternative form of~~  
36 ~~government for a community commonwealth form of local~~  
37 ~~government is proposed, approval of the commonwealth~~  
38 ~~charter shall be a separate ballot issue from approval~~  
39 ~~of the alternative form of government in those cities~~  
40 ~~proposed to be included in the commonwealth. The~~  
41 ~~commonwealth charter shall be effective in regard to a~~  
42 ~~city government only if a majority of the voters of~~  
43 ~~the city voting on the question voted for~~  
44 ~~participation in the commonwealth charter. Adoption~~  
45 ~~of the proposed community commonwealth charter~~  
46 ~~requires the approval of a majority of the votes cast~~  
47 ~~in the entire county. A city named on the ballot is~~  
48 ~~included in the community commonwealth if the proposed~~  
49 ~~community commonwealth charter is approved by a~~  
50 ~~majority of the votes cast in the city.~~

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1 The question of forming a community commonwealth  
2 shall be submitted to the electorate in substantially  
3 the same ~~form~~ manner as provided in section 331.247,  
4 subsection 4, and section 331.252.

5 Sec. 17. Section 331.261, subsection 2, Code 2003,  
6 is amended to read as follows:

7 2. An elective legislative body established in the  
8 manner provided for county boards of supervisors under  
9 sections 331.201 through 331.216 and section ~~331.238~~  
10 331.248, subsection 2.

11 Sec. 18. Section 331.261, unnumbered paragraph 2,  
12 Code 2003, is amended to read as follows:

13 The community commonwealth charter may include  
14 other provisions which the commission elects to  
15 include and which are not inconsistent irreconcilable  
16 with state law, including, but not limited to, those  
17 provisions in section 331.248, subsection 4.

18 Sec. 19. Section 331.262, Code 2003, is amended by  
19 adding the following new subsections:

20 NEW SUBSECTION. 1A. The adoption of the community  
21 commonwealth form of government does not alter any  
22 right or liability of the county or member city in  
23 effect at the time of the election at which the  
24 charter was adopted.

25 NEW SUBSECTION. 1B. All departments and agencies  
26 of the county and of each member city shall continue  
27 to operate until their authority to operate is  
28 superseded by action of the governing body.

29 NEW SUBSECTION. 1C. All ordinances or resolutions  
30 in effect remain effective until amended or repealed,  
31 unless they are irreconcilable with the adopted  
32 charter.

33 NEW SUBSECTION. 1D. Upon the effective date of  
34 the adopted charter, the county shall adopt the  
35 community commonwealth form of government by  
36 ordinance, and shall file a copy with the secretary of  
37 state and maintain available copies for public  
38 inspection.

39 NEW SUBSECTION. 1E. Members of the governing body  
40 of the county and of each member city shall continue  
41 in office until the members of the governing body of  
42 the community commonwealth form of government have  
43 been elected and sworn into office, at which time the  
44 offices of the former governing bodies shall be  
45 abolished, and the terms of the members of the former  
46 governing bodies shall be terminated. During the  
47 period between the effective date of the charter and  
48 the election and qualification of the elected members  
49 of the new governing body, the former governing bodies  
50 of each member city and of the county shall continue

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1 to perform their duties and shall assist in planning  
 2 the transition to the community commonwealth form of  
 3 government.  
 4 NEW SUBSECTION. 1F. If a community commonwealth  
 5 charter is submitted to the electorate but is not  
 6 adopted, another charter shall not be submitted to the  
 7 electorate for at least two years from the date of the  
 8 election at which the charter was rejected. If a  
 9 community commonwealth charter is adopted, a proposed  
 10 charter for another alternative form of county  
 11 government shall not be submitted to the electorate  
 12 for at least six years from the date of the election  
 13 at which the charter was adopted.

14 Sec. 20. Section 372.1, Code 2003, is amended by  
 15 adding the following new subsections:

16 NEW SUBSECTION. 7. City-county consolidated form  
 17 as provided in sections 331.247 through 331.252.

18 NEW SUBSECTION. 8. Community commonwealth as  
 19 provided in sections 331.260 through 331.263.

20 Sec. 21. Section 372.2, unnumbered paragraph 1,  
 21 Code 2003, is amended to read as follows:

22 A Unless otherwise provided by law, a city may  
 23 adopt a different form of government not more often  
 24 than once in a six-year period. A different form,  
 25 other than a home rule charter, ~~or~~ special charter,  
 26 city-county consolidated form of government, or  
 27 community commonwealth must be adopted as follows:

28 Sec. 22. EFFECTIVE AND APPLICABILITY DATES. This  
 29 Act, being deemed of immediate importance, takes  
 30 effect upon enactment and applies to charter  
 31 commissions in existence on the effective date of this  
 32 Act.”

33 2. Title page, by striking lines 9 and 10, and  
 34 inserting the following: “government and a community  
 35 commonwealth, and including”.

DICK L. DEARDEN  
 JACK HATCH  
 JACK HOLVECK  
 WALLY E. HORN

### S-3060

1 Amend Senate File 400 as follows:

- 2 1. Page 5, line 14, by inserting after the word
- 3 “company” the following: “or an insurance producer
- 4 for an insurance company.”.

CHARLES W. LARSON, JR.

**S-3061**

- 1 Amend Senate File 373 as follows:  
2 1. Page 3, by inserting after line 23 the  
3 following:  
4 “Sec. \_\_\_\_ Section 462A.53, Code 2003, is amended  
5 to read as follows:  
6 462A.53 AMOUNT OF WRITING FEES.  
7 A writing fee of ~~one dollar~~ two dollars for each  
8 transaction shall be collected by the county recorder.  
9 If two or more functions are transacted for the same  
10 vessel at one time, the writing fee is limited to ~~one~~  
11 dollar two dollars.”  
12 2. By renumbering as necessary.

DENNIS H. BLACK

**S-3062**

- 1 Amend Senate File 357 as follows:  
2 1. Page 1, by inserting after line 16, the  
3 following:  
4 “Sec. \_\_\_\_ Section 392.6, Code 2003, is amended by  
5 adding the following new unnumbered paragraph after  
6 unnumbered paragraph 1:  
7 NEW UNNUMBERED PARAGRAPH. On or before July 1,  
8 2004, and not less than sixty days before an election  
9 for hospital or health care facility trustee, the  
10 ordinance providing for election of hospital or health  
11 care facility trustees shall be amended to include a  
12 description of the boundaries of the service area of  
13 the hospital or health care facility. The service  
14 area boundaries of a hospital or health care facility  
15 may be revised by the city not more than once in a  
16 ten-year period. The ordinance, or amendment to the  
17 ordinance, revising the service area boundaries must  
18 be adopted not less than sixty days before an election  
19 for hospital or health care facility trustees. For a  
20 hospital or health care facility established by a city  
21 after July 1, 2004, the ordinance containing the  
22 boundaries of the hospital or health care facility  
23 service area must be adopted not less than sixty days  
24 before the election for hospital or health care  
25 facility trustees.”  
26 2. By renumbering as necessary.

HERMAN C. QUIRMBACH

**S-3063**

- 1 Amend House File 319, as passed by the House, as  
2 follows:  
3 1. Page 1, line 13, by striking the word  
4 “conclusive” and inserting the following:  
5 “presumptive”.

STEVEN H. WARNSTADT

**S-3064**

- 1 Amend Senate File 327 as follows:  
2 1. Page 1, by inserting before line 1 the  
3 following:  
4 “Section 1. Section 99B.7, subsection 1,  
5 unnumbered paragraph 1, Code 2003, is amended to read  
6 as follows:  
7 Except as otherwise provided in section 99B.8,  
8 games of skill, games of chance, games using pull-tab  
9 tickets, and raffles lawfully may be conducted at a  
10 specified location meeting the requirements of  
11 subsection 2 of this section, but only if all of the  
12 following are complied with:  
13 Sec. 2. Section 99B.7, subsection 1, paragraph b,  
14 Code 2003, is amended to read as follows:  
15 b. No person receives or has any fixed or  
16 contingent right to receive, directly or indirectly,  
17 any profit, remuneration, or compensation from or  
18 related to a game of skill, game of chance, game using  
19 pull-tab tickets, or raffle, except any amount which  
20 the person may win as a participant on the same basis  
21 as the other participants. A person conducting a game  
22 or raffle shall not be a participant in the game or  
23 raffle.  
24 Sec. 3. Section 99B.7, subsection 1, paragraph d,  
25 unnumbered paragraph 1, Code 2003, is amended to read  
26 as follows:  
27 Cash prizes shall not be awarded in games other  
28 than bingo, games using pull-tab tickets, and raffles.  
29 The value of a prize shall not exceed ten thousand  
30 dollars and merchandise prizes shall not be  
31 repurchased. If a prize consists of more than one  
32 item, unit, or part, the aggregate value of all items,  
33 units, or parts shall not exceed ten thousand dollars.  
34 However, one raffle may be conducted per calendar year  
35 at which real property or one or more merchandise  
36 prizes having a combined value of more than ten  
37 thousand dollars may be awarded.  
38 Sec. 4. Section 99B.7, subsection 2, unnumbered  
39 paragraph 1, Code 2003, is amended to read as follows:  
40 Games of skill, games of chance, games using pull-

41 tab tickets, and raffles may be conducted on premises  
 42 owned or leased by the licensee, but shall not be  
 43 conducted on rented premises unless the premises are  
 44 rented from a person licensed under this section, and  
 45 unless the net rent received is dedicated to one or  
 46 more of the uses permitted under subsection 3 for  
 47 dedication of net receipts. This subsection shall not  
 48 apply where the rented premises are those upon which a  
 49 qualified organization usually carries out a lawful  
 50 business other than operating games of skill, games of

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1 chance, games using pull-tab tickets, or raffles.  
 2 However, a qualified organization may rent premises  
 3 other than from a licensed qualified organization to  
 4 be used for the conduct of games of skill, games of  
 5 chance, games using pull-tab tickets, and raffles, and  
 6 the person from whom the premises are rented may  
 7 impose and collect rent for such use of those  
 8 premises, but only if all of the following are  
 9 complied with:

10 Sec. 5. Section 99B.7, subsection 8, Code 2003, is  
 11 amended to read as follows:

12 8. A qualified organization licensed under this  
 13 section shall purchase games using pull-tab tickets  
 14 and bingo equipment and supplies only from a  
 15 manufacturer or a distributor licensed by the  
 16 department.

17 Sec. 6. Section 99B.7A, Code 2003, is amended to  
 18 read as follows:

19 99B.7A MANUFACTURERS AND DISTRIBUTORS OF PULL-TAB  
 20 GAMES OR BINGO EQUIPMENT AND SUPPLIES -- LICENSE.

21 A person shall not engage in business as a  
 22 manufacturer or a distributor of games using pull-tab  
 23 tickets or bingo equipment and supplies in this state  
 24 without first obtaining a license from the department.  
 25 Upon receipt of an application and a fee of one  
 26 thousand dollars for a manufacturer's license or a fee  
 27 of five hundred dollars for a distributor's license,  
 28 the department shall issue an annual license as  
 29 applicable. The application shall be submitted on  
 30 forms furnished by the department and contain the  
 31 information required by rule of the department. A  
 32 license may be renewed annually upon payment of the  
 33 annual license fee and compliance with this chapter."

34 2. Title page, line 1, by inserting after the  
 35 words "providing for" the following: "gambling and  
 36 bingo, by permitting pull-tab tickets and concerning".

37 3. By renumbering as necessary.

**S-3065**

- 1 Amend Senate File 297 as follows:  
2 1. Page 28, line 30, by striking the word “seven”  
3 and inserting the following: “eight”.  
4 2. Page 41, lines 3 and 4, by striking the words  
5 “while carrying a passenger” and inserting the  
6 following: “with more persons on the vehicle than it  
7 was designed to carry”.

KITTY REHBERG

**S-3066**

- 1 Amend Senate File 275 as follows:  
2 1. Page 2, by inserting after line 14 the  
3 following:  
4 “Sec. \_\_\_\_ Section 437A.3, subsection 21,  
5 paragraph a, subparagraph (1), subparagraph  
6 subdivision (am), Code 2003, is amended to read as  
7 follows:  
8 (am) The city of Waukee in Dallas county and the  
9 area within two miles of the city limits of Waukee as  
10 of January 1, 1999, not including any part of the  
11 cities of Clive, Urbandale, or West Des Moines.”  
12 2. By renumbering, redesignating, and correcting  
13 internal references as necessary.

NEAL SCHUERER  
JERRY BEHN

**S-3067**

- 1 Amend Senate File 327 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. Section 99F.11, Code 2003, is amended  
5 to read as follows:  
6 99F.11 WAGERING TAX -- RATE -- ALLOCATIONS.  
7 1. a. A tax is imposed on the adjusted gross  
8 receipts received annually from gambling games  
9 authorized under this chapter at the rate of five  
10 percent on the first one million dollars of adjusted  
11 gross receipts, at the rate of ten percent on the next  
12 two million dollars of adjusted gross receipts, and at  
13 the rate of ~~twenty~~ twenty-two percent on any amount of  
14 adjusted gross receipts over three million dollars.  
15 However, for the calendar year beginning January 1,  
16 2003, the rate of tax on any amount of adjusted gross  
17 receipts over three million dollars is twenty percent.  
18 b. However Notwithstanding any provision of  
19 paragraph “a” to the contrary, beginning January 1,

20 ~~1997~~ 2003, the rate on any amount of adjusted gross  
 21 receipts over three million dollars from gambling  
 22 games at racetrack enclosures is ~~twenty two~~ twenty-  
 23 eight percent ~~and shall increase by two percent each~~  
 24 ~~succeeding calendar year until the rate is thirty six~~  
 25 ~~percent.~~

26 2. The taxes imposed by this section shall be paid  
 27 by the licensee to the treasurer of state within ten  
 28 days after the close of the day when the wagers were  
 29 made and shall be distributed as follows:

30 ~~1. a.~~ If the gambling excursion originated at a  
 31 dock located in a city, one-half of one percent of the  
 32 adjusted gross receipts shall be remitted to the  
 33 treasurer of the city in which the dock is located and  
 34 shall be deposited in the general fund of the city.  
 35 Another one-half of one percent of the adjusted gross  
 36 receipts shall be remitted to the treasurer of the  
 37 county in which the dock is located and shall be  
 38 deposited in the general fund of the county.

39 ~~2. b.~~ If the gambling excursion originated at a  
 40 dock located in a part of the county outside a city,  
 41 one-half of one percent of the adjusted gross receipts  
 42 shall be remitted to the treasurer of the county in  
 43 which the dock is located and shall be deposited in  
 44 the general fund of the county. Another one-half of  
 45 one percent of the adjusted gross receipts shall be  
 46 remitted to the treasurer of the Iowa city nearest to  
 47 where the dock is located and shall be deposited in  
 48 the general fund of the city.

49 ~~3. c.~~ Three-tenths of one percent of the adjusted  
 50 gross receipts shall be deposited in the gambling

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1 treatment fund specified in section 99E.10, subsection  
 2 1, paragraph "a".

3 ~~4. d.~~ The remaining amount of the adjusted gross  
 4 receipts tax shall be credited to the general fund of  
 5 the state.

6 Sec. 2. EFFECTIVE DATE -- RETROACTIVE  
 7 APPLICABILITY. This Act, being deemed of immediate  
 8 importance, takes effect upon enactment and is  
 9 retroactively applicable to January 1, 2003, and is  
 10 applicable on and after that date."

11 2. Title page, by striking lines 1 through 6, and  
 12 inserting the following: "An Act providing for the  
 13 tax on the adjusted gross receipts from gambling games  
 14 on excursion boats and at racetracks and including  
 15 effective and retroactive applicability provisions."

**S-3068**

- 1 Amend Senate File 327 as follows:
- 2 1. Page 1, by striking lines 4 through 6 and  
 3 inserting the following: “the commission. However,  
 4 for racetrack enclosures, “gambling game” does not  
 5 include table games of chance ~~or video machines.~~  
 6 “Gambling game” does not include sports betting.”
- 7 2. Page 4, by striking lines 7 through 12 and  
 8 inserting the following: “receipts over three million  
 9 dollars. However, beginning January 1, ~~1997~~ 2003, the  
 10 rate on any amount of adjusted gross receipts over  
 11 three million dollars from gambling games at racetrack  
 12 enclosures is ~~twenty-two~~ twenty-eight percent ~~and~~  
 13 ~~shall increase by two percent each succeeding calendar~~  
 14 ~~year until the rate is thirty-six percent.~~ The taxes  
 15 imposed by this section shall”.
- 16 3. Page 4, by inserting after line 15 the  
 17 following:  
 18 “Sec. \_\_. EFFECTIVE DATE -- RETROACTIVE  
 19 APPLICABILITY. The section of this Act amending  
 20 section 99F.11, being deemed of immediate importance,  
 21 takes effect upon enactment and is retroactively  
 22 applicable to January 1, 2003, and is applicable on  
 23 and after that date.”
- 24 4. Title page, line 6, by inserting after the  
 25 word “games” the following: “, and including  
 26 effective and retroactive applicability provisions”.
- 27 5. By renumbering as necessary.

JEFF LAMBERTI

**S-3069**

- 1 Amend Senate File 397 as follows:
- 2 1. Page 2, line 10, by striking the word “free”.
- 3 2. Page 2, by inserting after line 22 the  
 4 following:  
 5 “Sec. \_\_. REPORT. The natural resource  
 6 commission, in consultation with the department of  
 7 corrections, shall evaluate the results of the deer  
 8 harvesting program created in section 483A.24A, and  
 9 shall make recommendations suggesting improvements to  
 10 the program and whether the program should be expanded  
 11 to allow receipt of harvested deer meat by other  
 12 governmental agencies and nonprofit entities. The  
 13 natural resource commission and the department of  
 14 corrections shall file a joint report containing their  
 15 findings and recommendations with the legislative  
 16 service bureau by February 1, 2004, for distribution  
 17 to the general assembly.”
- 18 3. Title page, line 1, by striking the word

19 “free”.  
 20 4. Title page, line 3, by inserting after the  
 21 word “institutions,” the following: “requiring a  
 22 report.”.

BOB BRUNKHORST  
 DICK L. DEARDEN

### S-3070

1 Amend Senate File 357 as follows:  
 2 1. Page 1, by striking lines 11 and 12, and  
 3 inserting the following: “city at the time of the  
 4 election at which”.  
 5 2. Page 1, line 13, by inserting after the word  
 6 “ballot” the following: “and, if elected, for the  
 7 duration of the term of office”.  
 8 3. Page 2, line 5, by inserting after the word  
 9 “qualified.” the following: “A person appointed to  
 10 the board of trustees must be a resident of the city  
 11 at the time of appointment and for the duration of the  
 12 term of office.”

HERMAN C. QUIRMBACH

### S-3071

1 Amend Senate File 361 as follows:  
 2 1. Page 1, by striking line 7 and inserting the  
 3 following: “section 125.81, subsection 2 or 3. Such  
 4 an intoxicated or”.  
 5 2. Page 3, by striking line 7 and inserting the  
 6 following: “defined in section 229.11, subsections 2  
 7 and 3. A”.

MAGGIE TINSMAN

### S-3072

1 Amend Senate File 402 as follows:  
 2 1. Page 1, line 7, by inserting after the word  
 3 “relevant” the following: “, except as otherwise  
 4 provided in this section”.  
 5 2. Page 1, line 12, by inserting after the word  
 6 “evidence.” the following: “This evidence is not  
 7 admissible unless the state presents clear proof of  
 8 the commission of the prior act of sexual abuse.”

LARRY McKIBBEN

**S-3073**

1 Amend Senate File 37 as follows:

2 1. Page 1, by inserting after line 4 the

3 following:

4 “Sec. \_\_\_\_ Section 321J.2, subsection 2, paragraph

5 a, subparagraph (1), Code 2003, is amended to read as

6 follows:

7 (1) Imprisonment in the county jail for ~~not less~~

8 ~~than forty eight hours up to one year~~, to be served as

9 ordered by the court, less credit for any time the

10 person was confined in a jail or detention facility

11 following arrest. However, the court, in ordering

12 service of the sentence and in its discretion, may

13 accommodate the defendant’s work schedule. In lieu of

14 a sentence of imprisonment, the court may order the

15 defendant to perform unpaid community service.

16 Sec. \_\_\_\_ Section 321J.2, subsection 2, paragraphs

17 b and c, Code 2003, are amended to read as follows:

18 b. An aggravated misdemeanor for a second offense,

19 and shall be imprisoned in the county jail or

20 community-based correctional facility not less than

21 ~~seven five days or shall be sentenced to perform~~

22 unpaid community service for not less than thirty

23 days, and shall be assessed a fine of not less than

24 one thousand five hundred dollars nor more than five

25 thousand dollars.

26 c. A class “D” felony for a third offense and each

27 subsequent offense, and shall be committed to the

28 custody of the director of the department of

29 corrections for an indeterminate term not to exceed

30 five years, shall be confined for a mandatory minimum

31 term of ~~thirty ten days or shall be sentenced to~~

32 perform unpaid community service for not less than

33 sixty days, and shall be assessed a fine of not less

34 than two thousand five hundred dollars nor more than

35 seven thousand five hundred dollars.

36 (1) If the court does not suspend a person’s

37 sentence of commitment to the custody of the director

38 of the department of corrections under this paragraph

39 “c”, the person shall be assigned to a facility

40 pursuant to section 904.513.

41 (2) If the court suspends a person’s sentence of

42 commitment to the custody of the director of the

43 department of corrections under this paragraph “c”,

44 the court shall order the person to serve not less

45 than ~~thirty ten days~~ nor more than one year in the

46 county jail, and the person may be committed to

47 treatment in the community under section 907.6.”

48 2. By renumbering as necessary.

DAVID MILLER  
BOB BRUNKHORST

**S-3074**

1 Amend House File 65, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 1, by inserting after line 4 the  
4 following:

5 “Sec. \_\_\_. Section 321J.2, subsection 2, paragraph  
6 a, subparagraph (1), Code 2003, is amended to read as  
7 follows:

8 (1) Imprisonment in the county jail for ~~not less~~  
9 ~~than forty eight hours~~ up to one year, to be served as  
10 ordered by the court, less credit for any time the  
11 person was confined in a jail or detention facility  
12 following arrest. However, the court, in ordering  
13 service of the sentence and in its discretion, may  
14 accommodate the defendant’s work schedule. In lieu of  
15 a sentence of imprisonment, the court may order the  
16 defendant to perform unpaid community service.”

17 2. Page 2, by inserting after line 4 the  
18 following:

19 “Sec. \_\_\_. Section 321J.2, subsection 2, paragraphs  
20 b and c, Code 2003, are amended to read as follows:

21 b. An aggravated misdemeanor for a second offense,  
22 and shall be imprisoned in the county jail or  
23 community-based correctional facility not less than  
24 ~~seven five~~ days or shall be sentenced to perform  
25 unpaid community service for not less than thirty  
26 days, and shall be assessed a fine of not less than  
27 one thousand five hundred dollars nor more than five  
28 thousand dollars.

29 c. A class “D” felony for a third offense and each  
30 subsequent offense, and shall be committed to the  
31 custody of the director of the department of  
32 corrections for an indeterminate term not to exceed  
33 five years, shall be confined for a mandatory minimum  
34 term of ~~thirty ten~~ days or shall be sentenced to  
35 perform unpaid community service for not less than  
36 sixty days, and shall be assessed a fine of not less  
37 than two thousand five hundred dollars nor more than  
38 seven thousand five hundred dollars.

39 (1) If the court does not suspend a person’s  
40 sentence of commitment to the custody of the director  
41 of the department of corrections under this paragraph  
42 “c”, the person shall be assigned to a facility  
43 pursuant to section 904.513.

44 (2) If the court suspends a person’s sentence of

45 commitment to the custody of the director of the  
 46 department of corrections under this paragraph “c”,  
 47 the court shall order the person to serve not less  
 48 than ~~thirty~~ ten days nor more than one year in the  
 49 county jail, and the person may be committed to  
 50 treatment in the community under section 907.6.”

Page 2

- 1 3. By renumbering as necessary.

DAVID MILLER  
 BOB BRUNKHORST

### S-3075

1 Amend Senate File 354 as follows:  
 2 1. Page 1, line 3, by inserting before the word  
 3 “If” the following: “1.”  
 4 2. Page 1, by inserting after line 8 the  
 5 following:  
 6 “2. In any proceeding held or action taken under  
 7 this chapter involving an Indian child, the applicable  
 8 requirements of the federal Adoption and Safe Families  
 9 Act of 1999, Pub. L. No. 105-89, shall be applied to  
 10 the proceeding or action in a manner that complies  
 11 with chapter 232B and the federal Indian Child Welfare  
 12 Act, Pub. L. No. 95-608.”  
 13 3. Page 1, line 28, by striking the word  
 14 “interests” and inserting the following: “interest”.  
 15 4. Page 2, by inserting after line 14 the  
 16 following:  
 17 “ \_\_\_. “Best interest of the child” means the use  
 18 of practices in accordance with the federal Indian  
 19 Child Welfare Act, this chapter, and other applicable  
 20 law, that are designed to prevent the Indian child’s  
 21 voluntary or involuntary out-of-home placement, and  
 22 whenever such placement is necessary or ordered,  
 23 placing the child, to the greatest extent possible, in  
 24 a foster home, adoptive placement, or other type of  
 25 custodial placement that reflects the unique values of  
 26 the child’s tribal culture and is best able to assist  
 27 the child in establishing, developing, and maintaining  
 28 a political, cultural, and social relationship with  
 29 the Indian child’s tribe and tribal community.”  
 30 5. Page 2, line 35, by inserting after the word  
 31 “age” the following: “or a child that an Indian tribe  
 32 identifies as a child of the tribe’s community”.  
 33 6. Page 3, by striking lines 1 and 2.  
 34 7. Page 3, by inserting after line 20 the  
 35 following:  
 36 “ \_\_\_. “Indian child’s tribe” means a tribe in

37 which an Indian child is a member or eligible for  
38 membership.”

39 8. Page 4, line 35, by striking the word  
40 “proceedings” and inserting the following:  
41 “proceedings, including but not limited to”.

42 9. Page 5, line 1, by striking the words “and  
43 which is”.

44 10. Page 6, by inserting after line 13 the  
45 following:

46 “ \_\_\_\_ . The federal Indian Child Welfare Act and  
47 this chapter are applicable without exception in any  
48 child custody proceeding involving an Indian child. A  
49 state court does not have discretion to determine  
50 whether an Indian child is part of an existing Indian

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1 family.”

2 11. Page 8, line 27, by striking the word  
3 “adoption” and inserting the following: “permanent  
4 placement”.

5 12. Page 10, line 6, by striking the word  
6 “interests” and inserting the following: “interest”.

7 13. Page 10, by inserting after line 19 the  
8 following:

9 “ \_\_\_\_ . If a petition to transfer proceedings as  
10 described in subsection 9 is filed, the court shall  
11 find good cause to deny the petition only if one or  
12 more of the following circumstances are shown to  
13 exist:

14 a. The tribal court of the child’s tribe declines  
15 the transfer of jurisdiction.

16 b. The tribal court does not have subject matter  
17 jurisdiction under the laws of the tribe or federal  
18 law.

19 c. Circumstances exist in which the evidence  
20 necessary to decide the case cannot be presented in  
21 the tribal court without undue hardship to the parties  
22 or the witnesses, and the tribal court is unable to  
23 mitigate the hardship by making arrangements to  
24 receive and consider the evidence or testimony by use  
25 of remote communication, by hearing the evidence or  
26 testimony at a location convenient to the parties or  
27 witnesses, or by use of other means permitted in the  
28 tribal court’s rules of evidence or discovery.

29 d. An objection to the transfer is entered in  
30 accordance with subsection 9.”

31 14. Page 11, line 23, by inserting after the word  
32 “unsuccessful.” the following: “The court shall not  
33 order the placement or termination, unless the  
34 evidence of active efforts shows there has been a  
35 vigorous and concerted level of case work beyond the

36 level that typically constitutes reasonable efforts as  
37 defined in sections 232.57 and 232.102. Reasonable  
38 efforts shall not be construed to be active efforts.  
39 The active efforts must be made in a manner that takes  
40 into account the prevailing social and cultural  
41 values, conditions, and way of life of the Indian  
42 child's tribe. Active efforts shall utilize the  
43 available resources of the Indian child's extended  
44 family, tribe, tribal and other Indian social service  
45 agencies, and individual Indian caregivers. Active  
46 efforts shall include but are not limited to all of  
47 the following:  
48 a. A request to the Indian child's tribe to  
49 convene traditional and customary support and  
50 resolution actions or services.

Page 3

1 b. Identification and participation of tribally  
2 designated representatives at the earliest point.  
3 c. Consultation with extended family members to  
4 identify family structure and family support services  
5 that may be provided by extended family members.  
6 d. Frequent visitation in the Indian child's home  
7 and the homes of the child's extended family members.  
8 e. Exhaustion of all tribally appropriate family  
9 preservation alternatives.  
10 f. Identification and provision of housing,  
11 financial, and transportation assistance.”  
12 15. Page 15, line 29, by striking the word  
13 “interests” and inserting the following: “interest”.  
14 16. Page 17, by inserting after line 14 the  
15 following:  
16 “ \_\_\_\_\_. To the greatest possible extent, a placement  
17 made in accordance with subsection 1 or 2 shall be  
18 made in the best interest of the child.  
19 \_\_\_\_\_. An adoptive placement of an Indian child  
20 shall not be ordered in the absence of a  
21 determination, supported by clear and convincing  
22 evidence including the testimony of qualified expert  
23 witnesses, that the placement of the child is in the  
24 best interest of the child.”  
25 17. Page 19, by striking lines 29 and 30 and  
26 inserting the following: “extensive knowledge of the  
27 customs, traditions, and values of the Indian child's  
28 tribe as the customs, traditions, and values”.  
29 18. Page 25, line 23, by inserting after the  
30 figure “232B.” the following: “In any proceeding held  
31 or action taken under this chapter involving an Indian  
32 child, the applicable requirements of the federal  
33 Adoption and Safe Families Act of 1999, Pub. L. No.  
34 105-89, shall be applied to the proceeding or action

35 in a manner that complies with chapter 232B and the  
 36 federal Indian Child Welfare Act, Pub. L. No. 95-608.”  
 37 19. Page 25, line 31, by inserting after the  
 38 figure “232B.” the following: “In any proceeding held  
 39 or action taken under this chapter involving an Indian  
 40 child, the applicable requirements of the federal  
 41 Adoption and Safe Families Act of 1999, Pub. L. No.  
 42 105-89, shall be applied to the proceeding or action  
 43 in a manner that complies with chapter 232B and the  
 44 federal Indian Child Welfare Act, Pub. L. No. 95-608.”  
 45 20. By renumbering, redesignating, and correcting  
 46 internal references as necessary.

STEVEN H. WARNSTADT

### S-3076

1 Amend Senate File 416 as follows:  
 2 1. Page 1, by striking lines 12 and 13 and  
 3 inserting the following: “team as established  
 4 pursuant to section 235B.1.”

MAGGIE TINSMAN

### S-3077

1 Amend Senate File 422 as follows:  
 2 1. By striking page 1, line 34, through page 2,  
 3 line 10.  
 4 2. Page 2, by inserting before line 11 the  
 5 following:  
 6 “Sec. \_\_\_\_ . Section 124.413, unnumbered paragraph  
 7 1, Code 2003, is amended to read as follows:  
 8 A person sentenced pursuant to section 124.401,  
 9 subsection 1, paragraph “a”, “b”, ~~“c”~~, “e”, or “f”,  
 10 shall not be eligible for parole until the person has  
 11 served a minimum period of confinement of one-third of  
 12 the maximum indeterminate sentence prescribed by law.”  
 13 3. Page 2, by striking lines 20 through 30.  
 14 4. Page 5, by striking lines 4 through 16.  
 15 5. Page 7, lines 2 and 3, by striking the words  
 16 “, thereby requiring the court to grant the motion.”.  
 17 6. Page 7, by striking lines 17 through 25.  
 18 7. Page 9, by inserting after line 3 the  
 19 following:  
 20 “Sec. \_\_\_\_ . Section 905.6, Code 2003, is amended by  
 21 adding the following new subsection:  
 22 NEW SUBSECTION. 9. Notify the board of parole,  
 23 thirty days prior to release, of the release from a  
 24 residential facility operated by the district  
 25 department of a person serving a sentence under  
 26 section 902.12.

27 Sec. \_\_\_\_ NEW SECTION. 905.11 RESIDENTIAL  
 28 FACILITY RESIDENCY -- MINIMUM. A person who is  
 29 serving a sentence under section 902.12, the maximum  
 30 term of which exceeds ten years, and who is released  
 31 on parole or work release shall reside in a  
 32 residential facility operated by the district  
 33 department for a period of not less than one year.”  
 34 8. Page 9, line 16, by striking the figures  
 35 “124.413, 692A.13A,” and inserting the following:  
 36 “692A.13A”.

DONALD B. REDFERN

### S-3078

1 Amend Senate File 359 as follows:  
 2 1. Page 1, by inserting before line 1 the  
 3 following:  
 4 “Section 1. NEW SECTION. 29A.101A TERMINATION OF  
 5 LEASE OR RENTAL AGREEMENT BY SERVICE MEMBER.  
 6 1. A service member may terminate the lease or  
 7 rental agreement for any premises used as a dwelling  
 8 by the service member or the service member’s  
 9 dependents at any time during the service member’s  
 10 period of military service if the rent on the premises  
 11 occupied by the service member or the service member’s  
 12 dependents is less than one thousand two hundred  
 13 dollars per month.  
 14 2. Any provisions in chapter 562A not in conflict  
 15 with this section shall apply.”  
 16 2. By renumbering as necessary.

DARYL BEALL  
 STEVEN H. WARNSTADT

### S-3079

1 Amend Senate File 359 as follows:  
 2 1. Page 1, by striking lines 1 through 10.  
 3 2. Page 1, line 31, by striking the word “ninety”  
 4 and inserting the following: “sixty”.  
 5 3. Page 2, line 11, by striking the word “ninety-  
 6 day” and inserting the following: “sixty-day”.  
 7 4. Page 2, line 19, by inserting after the word  
 8 “purchasers” the following: “sent by the defendant.  
 9 The plaintiff shall not have the right to sell the  
 10 home during the sixty-day period unless the defendant  
 11 enters into a written agreement for the plaintiff to  
 12 sell the home”.  
 13 5. Page 2, line 20, by striking the word “ninety-  
 14 day” and inserting the following: “sixty-day”.  
 15 6. Page 2, line 28, by striking the word “ninety-

- 16 day and inserting the following: “sixty-day”.
- 17 7. Page 3, line 22, by striking the word “ninety-
- 18 day” and inserting the following: “sixty-day”.
- 19 8. By renumbering as necessary.

DONALD B. REDFERN

### S-3080

#### HOUSE AMENDMENT TO SENATE CONCURRENT RESOLUTION 2

- 1 Amend Senate Concurrent Resolution 2, as passed by
- 2 the Senate, as follows:
- 3 1. Page 5, line 18, by striking the figure and
- 4 words “40 hours in a one-week” and inserting the
- 5 following: “40 80 hours in a ~~one-week~~ two-week”.
- 6 2. Page 5, line 23, by inserting after the word
- 7 “time.” the following: “Joint security employees of
- 8 the senate and house of representatives may be
- 9 compensated for each hour of overtime at a rate of pay
- 10 equal to one-and-one-half times the hourly pay
- 11 provided.”

### S-3081

- 1 Amend House File 216, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 13, by inserting after the word
- 4 “person” the following: “when disseminated for an
- 5 official purpose, and”.
- 6 2. Page 1, line 35, by striking the word “and”
- 7 and inserting the following: “or”.
- 8 3. Page 2, line 10, by inserting after the words
- 9 “or person” the following: “when disseminated for an
- 10 official purpose, and”.
- 11 4. Page 2, line 11, by inserting after the word
- 12 “harm” the following: “, and”.
- 13 5. Page 2, line 32, by inserting after the word
- 14 “person” the following: “if disseminated for an
- 15 official purpose, and”.
- 16 6. Page 3, by inserting after line 5 the
- 17 following:
- 18 “Sec. \_\_\_\_ EFFECTIVE DATE. This Act, being deemed
- 19 of immediate importance, takes effect upon enactment.”
- 20 7. Title page, line 2, by inserting after the
- 21 word “person” the following: “, and providing an
- 22 effective date”.
- 23 8. By renumbering as necessary.

COMMITTEE ON JUDICIARY  
DONALD B. REDFERN, Chair

**S-3082**

1 Amend Senate File 327 as follows:  
2 1. Page 3, by inserting after line 25 the  
3 following:  
4 “5A. By October 1 of the year following the fiscal  
5 year in which a qualifying license is issued, and each  
6 October 1 thereafter, the commission shall assess each  
7 person holding a qualifying license during the  
8 previous fiscal year a lottery revenue replacement fee  
9 for that fiscal year to be determined as provided by  
10 this subsection pursuant to rules adopted by the  
11 commission. The total lottery revenue replacement fee  
12 to be assessed in the aggregate to each person holding  
13 a qualifying license in the previous fiscal year shall  
14 be an amount equal to the difference, if negative, in  
15 the revenue deposited in the general fund of the state  
16 by the Iowa lottery for the fiscal year prior to the  
17 fiscal year in which the first qualifying license is  
18 awarded and the fiscal year for which the fee is to be  
19 assessed. For purposes of this subsection, a  
20 “qualifying license” is a license issued under section  
21 99F.4 to a person holding a licensing certificate  
22 issued pursuant to the requirements of this section.”  
23 2. By renumbering as necessary.

DAVID JOHNSON

**S-3083**

1 Amend Senate File 425 as follows:  
2 1. Page 6, by inserting after line 15, the  
3 following:  
4 “DIVISION VI  
5 STATE FORESTRY NURSERIES AND STATE FISHERIES  
6 Sec. \_\_\_\_ NEW SECTION. 455A.14 STATE FORESTRY  
7 NURSERIES AND STATE FISHERIES -- AUDIT AND REPORT.  
8 1. As used in this section:  
9 a. “State forestry nursery” means a nursery  
10 located on state-owned land under the control of the  
11 department which is used for producing seeds,  
12 seedlings, or plants for sale or distribution.  
13 b. “State fishery” means a fish hatchery, a fish  
14 nursery, or other area under the jurisdiction of the  
15 department that is operated for fish production  
16 purposes.  
17 2. The department shall provide an audit each year  
18 for the operations of the state forestry nurseries and  
19 the state fisheries which includes a report analyzing  
20 the extent to which the operations of the state  
21 forestry nurseries and the state fisheries are self-

22 sustaining.

23 a. In analyzing costs associated with the  
24 operations of the state forestry nurseries and the  
25 state fisheries, the department shall account for the  
26 amount of moneys that are used to support these  
27 operations which do not derive from the sale of  
28 nursery stock or fishery stock. These moneys shall  
29 include but are not limited to any part of the wages,  
30 salaries, expenses, and benefits of departmental  
31 employees who provide directly or indirectly for the  
32 operations of the state forestry nurseries and state  
33 fisheries on a full-time or part-time basis.

34 b. The department in cooperation with the  
35 department of corrections shall also account for costs  
36 associated with the operations of state forestry  
37 nurseries operated by the department of corrections  
38 pursuant to section 904.705 and an estimate of  
39 comparable costs for obtaining such labor in the  
40 private sector.

41 3. The department shall provide the report  
42 required in this section to the general assembly on or  
43 before the beginning of each session of the general  
44 assembly.”

45 2. By renumbering as necessary.

NEAL SCHUERER

### S-3084

1 Amend the amendment, S-3077, to Senate File 422 as  
2 follows:

3 1. Page 1, by inserting after line 17 the  
4 following:

5 “    . Page 8, by striking line 4 and inserting  
6 the following:

7 “Except as otherwise provided in section ~~903A.2~~  
8 902.12A, a person”.

9     . Page 8, by inserting after line 20 the  
10 following:

11 “Sec.     . NEW SECTION. 902.12A MINIMUM SENTENCE  
12 FOR CERTAIN FELONIES -- CRIME AGAINST A CHILD.

13 A person serving a sentence for a conviction of a  
14 felony described in section 902.12, where the victim  
15 of the felony is a child, shall be denied parole or  
16 work release unless the person has served at least  
17 eighty-five percent of the maximum term of the  
18 person’s confinement.”

19 2. Page 1, by striking line 20 and inserting the  
20 following:

21 ““Sec.     . NEW SECTION. 903A.2A EARNED TIME --  
22 CHILD VICTIM. Notwithstanding section 903A.2, an  
23 inmate serving a sentence under section 902.12A is not

24 eligible for a reduction of the sentence.  
25 Sec. \_\_\_\_ Section 905.6, Code 2003, is amended  
26 by”.  
27 3. Page 1, line 29, by inserting after the figure  
28 “902.12” the following: “or 902.12A”.  
29 4. Page 1, by inserting after line 33 the  
30 following:  
31 “ \_\_\_\_ Page 9, line 8, by inserting after the  
32 figure “902.12” the following: “or 902.12A”.”

MARY A. LUNDBY

### S-3085

1 Amend Senate File 313 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. Section 20.6, subsection 2, Code 2003,  
5 is amended to read as follows:  
6 2. Collect, for public employers other than the  
7 state and its boards, commissions, departments, and  
8 agencies, data and conduct studies relating to total  
9 compensation, including wages, hours, benefits and  
10 other terms and conditions of public employment and  
11 make the same available to any interested person or  
12 organization.  
13 Sec. 2. NEW SECTION. 20.16A BARGAINING FACTORS.  
14 The public employer and the certified employee  
15 organization shall consider, in addition to any other  
16 relevant factors, the following bargaining factors in  
17 negotiating a collective bargaining agreement under  
18 this chapter:  
19 1. Past collective bargaining contracts between  
20 the parties including the bargaining that led up to  
21 such contracts.  
22 2. Comparison of the total compensation, including  
23 wages, hours, benefits, and conditions of employment  
24 of the involved public employees with those of private  
25 sector and other public employees doing comparable  
26 work, giving consideration to factors peculiar to the  
27 area and the classifications involved.  
28 3. Consideration of the economic cost of each item  
29 of a proposed collective bargaining agreement and the  
30 relationship of the cost of each item to the total  
31 economic cost of a proposed collective bargaining  
32 agreement.  
33 4. The interests and welfare of the public and the  
34 effect on the public employer of financing economic  
35 adjustments in a collective bargaining agreement on  
36 the normal standard of services.  
37 5. The ability of the public employer to finance  
38 economic adjustments; provided, however, that the

39 employer's ability to finance economic adjustments  
40 shall not be predicated on the premise that the  
41 employer may increase or impose new taxes, fees, or  
42 charges, use funds collected and otherwise dedicated  
43 by law for a special or restricted purpose, or develop  
44 other sources of revenue.

45 6. The present and anticipated future economic  
46 conditions that may impact the financing of economic  
47 adjustments, including consideration of the public  
48 employer's financial condition, the general economic  
49 condition of the state, and the general condition of  
50 the economy as a whole.

Page 2

1 Sec. 3. Section 20.17, subsection 6, Code 2003, is  
2 amended to read as follows:

3 6. No collective bargaining agreement or  
4 arbitrators' decision shall be valid or enforceable if  
5 its implementation would be inconsistent with any  
6 statutory limitation on the public employer's funds,  
7 spending or budget, which includes consideration of  
8 the bargaining factors enumerated in section 20.16A.  
9 or would substantially impair or limit the performance  
10 of any statutory duty by the public employer. A  
11 collective bargaining agreement or arbitrators' award  
12 may provide for benefits conditional upon specified  
13 funds to be obtained by the public employer, but the  
14 agreement shall provide either for automatic reduction  
15 of such conditional benefits or for additional  
16 bargaining if the funds are not obtained or if a  
17 lesser amount is obtained.

18 Sec. 4. Section 20.21, unnumbered paragraph 1,  
19 Code 2003, is amended to read as follows:

20 If the impasse persists ten days after the mediator  
21 has been appointed, the board shall appoint a fact-  
22 finder representative of the public, from a list of  
23 qualified persons maintained by the board. The fact-  
24 finder shall conduct a hearing, may administer oaths,  
25 and may request the board to issue subpoenas. The  
26 fact-finder shall make written findings of facts and  
27 recommendations for resolution of the dispute, taking  
28 into consideration the bargaining factors enumerated  
29 in section 20.16A. and, not later than fifteen days  
30 from the day of appointment, shall serve such findings  
31 on the public employer and the certified employee  
32 organization.

33 Sec. 5. Section 20.22, subsection 9, Code 2003, is  
34 amended by striking the subsection and inserting in  
35 lieu thereof the following:

36 9. The panel of arbitrators shall consider, in

37 addition to any other relevant factors, the bargaining  
38 factors enumerated in section 20.16A.”  
39 2. By renumbering as necessary.

NEAL SCHUERER

**S-3086**

1 Amend Senate File 359 as follows:  
2 1. Page 3, line 18, by striking the word “A” and  
3 inserting the following: “A Nothing in this section  
4 shall prevent the defendant from removing the mobile  
5 home or manufactured home prior to the expiration of  
6 three days after entry of judgment, after which time  
7 a”.

KEITH A. KREIMAN

**S-3087**

1 Amend Senate File 368 as follows:  
2 1. Page 4, lines 7 and 8, by striking the words  
3 “a price regulation plan” and inserting the following:  
4 “price regulation”.  
5 2. Page 5, line 7, by striking the word “service”  
6 and inserting the following: “services”.  
7 3. Page 5, line 18, by striking the words  
8 “broadband services” and inserting the following:  
9 “advanced telecommunications services”.  
10 4. Page 5, lines 34 and 35, by striking the words  
11 “, to a minimum of fifty-six kilobits per second.”.  
12 5. Page 7, line 20, by striking the word  
13 “service” and inserting the following: “services”.  
14 6. By renumbering, redesignating, and correcting  
15 internal references as necessary.

JEFF ANGELO

**S-3088**

1 Amend Senate File 386 as follows:  
2 1. Page 2, line 1, by inserting after the word  
3 “provider,” the following: “a representative of an  
4 area education agency,”.

KEITH A. KREIMAN  
NANCY BOETTGER

**S-3089**

- 1 Amend Senate File 359 as follows:  
2 1. Page 1, by inserting after line 21 the  
3 following:  
4 “Sec. \_\_\_\_ Section 648.22, Code 2003, is amended  
5 to read as follows:  
6 648.22 JUDGMENT -- EXECUTION -- COSTS.  
7 If the defendant is found guilty, judgment shall be  
8 entered that the defendant be removed from the  
9 premises, and that the plaintiff be put in possession  
10 of the premises, and an execution for the defendant’s  
11 removal within three days from the judgment shall  
12 issue accordingly, to which shall be added a clause  
13 commanding the officer to collect the costs as in  
14 ordinary cases. However, where the action is brought  
15 concerning a tenancy under chapter 562B, except those  
16 brought pursuant to section 562B.25A, an execution  
17 shall not issue for the defendant’s removal until  
18 after expiration of thirty days from the date of the  
19 judgment and section 648.18 shall not apply.”  
20 2. By renumbering as necessary.

JACK HATCH

**S-3090**

- 1 Amend Senate File 402 as follows:  
2 1. Page 1, line 12, by inserting after the word  
3 “evidence.” the following: “This evidence is not  
4 admissible unless the state presents clear proof of  
5 the commission of the prior act of sexual abuse.”

LARRY McKIBBEN

**S-3091**

- 1 Amend Senate File 373 as follows:  
2 1. Page 1, line 17, by inserting after the word  
3 “more” the following: “. but less than one hundred  
4 fifty feet in length”.  
5 2. Page 1, by inserting after line 17, the  
6 following:  
7 “e. For motorboats or sailboats one hundred fifty  
8 feet in length or more, ten thousand dollars.”  
9 3. By renumbering as necessary.

BOB BRUNKHORST

**S-3092**

- 1 Amend House File 319, as passed by the House, as  
2 follows:  
3 1. Page 1, line 13, by striking the word  
4 “conclusive” and inserting the following:  
5 “presumptive”.

COMMITTEE ON COMMERCE  
JEFF ANGELO, Chair

**S-3093**

- 1 Amend the amendment, S-3085, to Senate File 313 as  
2 follows:  
3 1. Page 1, line 25, by inserting after the word  
4 “sector” the following: “employees, based upon the  
5 employment and wages annual averages report issued by  
6 the United States department of labor, bureau of labor  
7 statistics,”.

NEAL SCHUERER

**S-3094**

- 1 Amend the amendment, S-3085, to Senate File 313 as  
2 follows:  
3 1. Page 1, line 48, by striking the word  
4 “condition,” and inserting the following: “condition  
5 and”.  
6 2. Page 1, lines 49 and 50, by striking the words  
7 “, and the general condition of the economy as a  
8 whole”.

NEAL SCHUERER

**S-3095**

- 1 Amend the amendment, S-3085, to Senate File 313 as  
2 follows:  
3 1. Page 1, by inserting after line 3 the  
4 following:  
5 “Section 1. Section 20.1, subsection 7, Code 2003,  
6 is amended to read as follows:  
7 7. ~~Assisting the attorney general in the~~  
8 ~~preparation of~~ Preparing legal briefs and ~~the~~  
9 ~~presentation of~~ presenting oral arguments in the  
10 district court, ~~the court of appeals,~~ and the supreme  
11 court in cases affecting the board.  
12 Sec. \_\_\_\_. Section 20.1, Code 2003, is amended by  
13 adding the following new subsection:

14 NEW SUBSECTION. 8. Providing mediators to assist  
 15 in the resolution of grievances arising under  
 16 collective bargaining and providing training and  
 17 facilitation for cooperative alternative bargaining  
 18 and dispute resolution processes at the discretion of  
 19 the board and upon joint request of the parties  
 20 involved.

21 Sec. \_\_\_\_ Section 20.3, subsection 4, Code 2003,  
 22 is amended to read as follows:

23 4. “Employee organization” means an organization  
 24 of any kind in which public employees participate and  
 25 which exists for the primary purpose of representing  
 26 public employees in their employment relations.

27 Sec. \_\_\_\_ Section 20.5, subsection 5, Code 2003,  
 28 is amended to read as follows:

29 5. Members of the board and ~~other~~ employees of the  
 30 board shall be allowed their actual and necessary  
 31 expenses incurred in the performance of their duties.  
 32 All expenses and salaries shall be paid from  
 33 appropriations for such purposes and the board shall  
 34 be subject to the budget requirements of chapter 8.”

35 2. Page 1, by inserting after line 12 the  
 36 following:

37 “Sec. \_\_\_\_ Section 20.6, subsection 3, Code 2003,  
 38 is amended to read as follows:

39 3. Establish minimum qualifications for  
 40 arbitrators, fact-finders, and mediators, establish  
 41 procedures for appointing, maintaining, and removing  
 42 from a list persons representative of the public to be  
 43 available to serve as arbitrators, fact-finders, and  
 44 mediators, and establish compensation rates for  
 45 arbitrators, fact-finders, and mediators.

46 Sec. \_\_\_\_ Section 20.10, subsection 2, paragraph  
 47 f, Code 2003, is amended to read as follows:

48 f. Deny the rights accompanying certification ~~or~~  
 49 ~~exclusive recognition~~ granted in this chapter.

50 Sec. \_\_\_\_ Section 20.10, subsection 3, paragraph

Page 2

1 b, Code 2003, is amended to read as follows:

2 b. Interfere, restrain, or coerce a public  
 3 employer with respect to rights granted in this  
 4 chapter or with respect to selecting a representative  
 5 for the purposes of negotiating collectively ~~on~~ or the  
 6 adjustment of grievances.

7 Sec. \_\_\_\_ Section 20.10, subsection 3, paragraph  
 8 f, Code 2003, is amended to read as follows:

9 f. Violate the provisions of sections 732.1 to  
 10 732.3, which are hereby made applicable to public  
 11 employers, public employees and ~~public~~ employee  
 12 organizations.

13 Sec. \_\_\_\_ Section 20.10, subsection 4, Code 2003,  
14 is amended to read as follows:

15 4. The expressing of any views, argument or  
16 opinion, or the dissemination thereof, whether orally  
17 or in written, printed, graphic, or visual form, shall  
18 not constitute or be evidence of any ~~unfair labor~~  
19 ~~prohibited~~ practice under any of the provisions of  
20 this chapter, if such expression contains no threat of  
21 reprisal or force or promise of benefit.

22 Sec. \_\_\_\_ Section 20.11, subsections 1, 2, and 3,  
23 Code 2003, are amended to read as follows:

24 1. Proceedings against a party alleging a  
25 violation of section 20.10, shall be commenced by  
26 filing a complaint with the board within ninety days  
27 of the alleged violation causing a copy of the  
28 complaint to be served upon the accused party ~~in the~~  
29 ~~manner of an original notice as provided in this~~  
30 ~~chapter~~. The accused party shall have ten days within  
31 which to file a written answer to the complaint.  
32 However, the board may conduct a preliminary  
33 investigation of the alleged violation, and if the  
34 board determines that the complaint has no basis in  
35 fact, the board may dismiss the complaint. The board  
36 shall promptly thereafter set a time and place for  
37 hearing in the county where the alleged violation  
38 occurred, provided, however, that the presiding  
39 officer may conduct the hearing through the use of  
40 technology from a remote location. The parties shall  
41 be permitted to be represented by counsel, summon  
42 witnesses, and request the board to subpoena witnesses  
43 on the requester's behalf. Compliance with the  
44 technical rules of pleading and evidence shall not be  
45 required.

46 2. The board may designate one of its members, an  
47 administrative law judge, or any other qualified  
48 person employed by the board to conduct serve as the  
49 presiding officer at the hearing. The ~~administrative~~  
50 ~~law judge~~ presiding officer has the powers as may be

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1 exercised by the board for conducting the hearing and  
2 shall follow the procedures adopted by the board for  
3 conducting the hearing. The proposed decision of the  
4 ~~administrative law judge~~ presiding officer may be  
5 appealed to the board ~~and the board may hear the case~~  
6 ~~de novo or upon the record as submitted before the~~  
7 ~~administrative law judge, utilizing procedures~~  
8 ~~governing appeals to the district court in this~~  
9 ~~section so far as applicable, or reviewed on motion of~~  
10 the board, in accordance with the provisions of  
11 chapter 17A.

12 3. The board shall appoint a certified shorthand  
 13 reporter to report the proceedings and the board shall  
 14 fix the reasonable amount of compensation for such  
 15 service, and for any transcript requested by the  
 16 board, which amount amounts shall be taxed as other  
 17 costs.

18 Sec. \_\_\_\_ Section 20.13, subsections 2 and 3, Code  
 19 2003, are amended to read as follows:

20 2. Within thirty days of receipt of a petition ~~or~~  
 21 ~~notice to all interested parties if on its own~~  
 22 ~~initiative~~, the board shall conduct a public hearing,  
 23 receive written or oral testimony, and promptly  
 24 thereafter file an order defining the appropriate  
 25 bargaining unit. In defining the unit, the board  
 26 shall take into consideration, along with other  
 27 relevant factors, the principles of efficient  
 28 administration of government, the existence of a  
 29 community of interest among public employees, the  
 30 history and extent of public employee organization,  
 31 geographical location, and the recommendations of the  
 32 parties involved.

33 3. Appeals from such order shall be governed by  
 34 ~~appeal provisions provided in section 20.11 the~~  
 35 provisions of chapter 17A.

36 Sec. \_\_\_\_ Section 20.14, subsection 2, paragraph  
 37 a, Code 2003, is amended to read as follows:

38 a. The employee organization has submitted a  
 39 request to a public employer to bargain collectively  
 40 ~~with on behalf of~~ a designated group of public  
 41 employees.

42 Sec. \_\_\_\_ Section 20.14, subsection 6, Code 2003,  
 43 is amended by striking the subsection.

44 Sec. \_\_\_\_ Section 20.15, subsections 1, 2, and 6,  
 45 Code 2003, are amended to read as follows:

46 1. Upon the filing of a petition for certification  
 47 of an employee organization, the board shall submit a  
 48 question to the public employees at an election in ~~an~~  
 49 the appropriate bargaining unit. The question on the  
 50 ballot shall permit the public employees to vote for

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1 no bargaining representation or for any employee  
 2 organization which has petitioned for certification or  
 3 which has presented proof satisfactory to the board of  
 4 support of ten percent or more of the public employees  
 5 in the appropriate unit.

6 2. If a majority of the votes cast on the question  
 7 is for no bargaining representation, the public  
 8 employees in the bargaining unit shall not be  
 9 represented by an employee organization. If a  
 10 majority of the votes cast on the question is for a

11 listed employee organization, then ~~the~~ that employee  
 12 organization shall represent the public employees in  
 13 ~~an appropriate~~ the bargaining unit.

14 6. A petition for certification as an exclusive  
 15 bargaining representative, ~~or a petition for~~  
 16 decertification of a certified bargaining  
 17 representative, shall not be considered by the board  
 18 for a period of one year from the date of the  
 19 certification or noncertification of an employee  
 20 organization as an exclusive bargaining representative  
 21 ~~or. The board shall also not consider a petition for~~  
 22 decertification of an exclusive bargaining  
 23 representative during the duration of a collective  
 24 bargaining agreement which, for purposes of this  
 25 section, shall be deemed not to exceed two years. A  
 26 collective bargaining agreement with the state, its  
 27 boards, commissions, departments, and agencies shall  
 28 be for two years and the provisions of a collective  
 29 bargaining agreement ~~except agreements agreed to or~~  
 30 ~~tentatively agreed to prior to July 1, 1977, or~~  
 31 ~~arbitrators' arbitrator's~~ award affecting state  
 32 employees shall not provide for renegotiations which  
 33 would require the refinancing of salary and fringe  
 34 benefits for the second year of the term of the  
 35 agreement, except as provided in section 20.17,  
 36 subsection 6, and the effective date of any such  
 37 agreement shall be July 1 of odd-numbered years,  
 38 provided that if an exclusive bargaining  
 39 representative is certified on a date which will  
 40 prevent the negotiation of a collective bargaining  
 41 agreement prior to July 1 of odd-numbered years for a  
 42 period of two years, the certified collective  
 43 bargaining representative may negotiate a one-year  
 44 contract with a public employer which shall be  
 45 effective from July 1 of the even-numbered year to  
 46 July 1 of the succeeding odd-numbered year when new  
 47 contracts shall become effective. However, if a  
 48 petition for decertification is filed during the  
 49 duration of a collective bargaining agreement, the  
 50 board shall award an election under this section not

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1 more than one hundred eighty days nor less than one  
 2 hundred fifty days prior to the expiration of the  
 3 collective bargaining agreement. If an employee  
 4 organization is decertified, the board may receive  
 5 petitions under section 20.14, provided that no such  
 6 petition and no election conducted pursuant to such  
 7 petition within one year from decertification shall  
 8 include as a party the decertified employee  
 9 organization.”

10 3. Page 1, by inserting after line 50 the  
 11 following:  
 12 “Sec. \_\_\_\_ Section 20.17, subsection 3, Code 2003,  
 13 is amended to read as follows:  
 14 3. Negotiating sessions, strategy meetings of  
 15 public employers ~~or employee organizations~~, mediation  
 16 and the deliberative process of ~~arbitrators~~ an  
 17 arbitrator shall be exempt from the provisions of  
 18 chapter 21. However, the employee organization shall  
 19 present its initial bargaining position to the public  
 20 employer at the first bargaining session. The public  
 21 employer shall present its initial bargaining position  
 22 to the employee organization at the second bargaining  
 23 session, which shall be held no later than two weeks  
 24 following the first bargaining session. Both sessions  
 25 shall be open to the public and subject to the  
 26 provisions of chapter 21. Parties who by agreement  
 27 are utilizing a cooperative alternative bargaining  
 28 process may exchange their respective initial interest  
 29 statements in lieu of initial bargaining positions at  
 30 these open sessions and shall make minutes or  
 31 summaries of subsequent sessions available to the  
 32 public. Hearings conducted by ~~arbitrators~~ an  
 33 arbitrator shall be open to the public.”  
 34 4. Page 2, line 4, by striking the word  
 35 “arbitrators” and inserting the following:  
 36 ~~“arbitrators’ arbitrator’s”~~.  
 37 5. Page 2, line 11, by striking the word  
 38 “arbitrators” and inserting the following:  
 39 ~~“arbitrators’ arbitrator’s”~~.  
 40 6. Page 2, by inserting after line 17 the  
 41 following:  
 42 “Sec. \_\_\_\_ Section 20.17, subsection 10, Code  
 43 2003, is amended to read as follows:  
 44 10. The negotiation of a proposed collective  
 45 bargaining agreement by representatives of a state  
 46 public employer and a state employee organization  
 47 shall be complete not later than March 15 of the year  
 48 when the agreement is to become effective. The board  
 49 shall provide, by rule, a date on which any impasse  
 50 item must be submitted to binding arbitration and for

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1 such other procedures as deemed necessary to provide  
 2 for the completion of negotiations of proposed state  
 3 collective bargaining agreements not later than March  
 4 15. The date selected for the mandatory submission of  
 5 impasse items to binding arbitration shall be  
 6 sufficiently in advance of March 15 to insure that the  
 7 ~~arbitrators’ arbitrator’s~~ decision can be reasonably  
 8 made before March 15.

9 Sec. \_\_\_\_ Section 20.17, subsection 11, Code 2003,  
10 is amended to read as follows:

11 11. a. In the absence of an impasse agreement  
12 negotiated pursuant to section 20.19 which provides  
13 for a different completion date, public employees  
14 represented by a certified employee organization who  
15 are teachers licensed under chapter 272 and who are  
16 employed by a public employer which is a school  
17 district or area education agency shall complete the  
18 negotiation of a proposed collective bargaining  
19 agreement not later than May 31 of the year when the  
20 agreement is to become effective. The board shall  
21 provide, by rule, a date on which impasse items in  
22 such cases must be submitted to binding arbitration  
23 and for such other procedures as deemed necessary to  
24 provide for the completion of negotiations of proposed  
25 collective bargaining agreements not later than May  
26 31. The date selected for the mandatory submission of  
27 impasse items to binding arbitration in such cases  
28 shall be sufficiently in advance of May 31 to ensure  
29 that the ~~arbitrators'~~ arbitrator's decision can be  
30 reasonably made ~~before~~ by May 31.

31 b. If the public employer is a community college,  
32 ~~the following apply:~~

33 ~~(1) The negotiation of a proposed collective~~  
34 ~~bargaining agreement shall be complete not later than~~  
35 ~~May 31 of the year when the agreement is to become~~  
36 ~~effective, absent the existence then, in the absence~~  
37 ~~of an impasse agreement negotiated pursuant to section~~  
38 ~~20.19 which provides for a different completion date,~~  
39 ~~public employees represented by a certified employee~~  
40 ~~organization who are employed by a public employer~~  
41 ~~which is a community college shall complete the~~  
42 ~~negotiation of a proposed collective bargaining~~  
43 ~~agreement not later than May 31 of the year when the~~  
44 ~~agreement is to become effective. The board shall~~  
45 ~~adopt rules providing provide, by rule, for a date on~~  
46 ~~which impasse items in such cases must be submitted to~~  
47 ~~binding arbitration and for such other procedures as~~  
48 ~~deemed necessary to provide for the completion of~~  
49 ~~negotiations of proposed collective bargaining~~  
50 ~~agreements not later than May 31. The date selected~~

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1 for the mandatory submission of impasse items to  
2 binding arbitration in such cases shall be  
3 sufficiently in advance of May 31 to ensure that the  
4 ~~arbitrators'~~ arbitrator's decision can be reasonably  
5 made by May 31.

6 ~~(2) Notwithstanding the provisions of subparagraph~~  
7 ~~(1), the May 31 deadline may be waived by mutual~~

8 ~~agreement of the parties to the collective bargaining~~  
 9 ~~agreement negotiations.~~

10 Sec. \_\_\_\_ Section 20.18, unnumbered paragraph 1,  
 11 Code 2003, is amended to read as follows:

12 An agreement with an employee organization which is  
 13 the exclusive representative of public employees in an  
 14 appropriate unit may provide procedures for the  
 15 consideration of public employee and employee  
 16 organization grievances ~~and of disputes~~ over the  
 17 interpretation and application of agreements.

18 Negotiated procedures may provide for binding  
 19 arbitration of public employee and employee  
 20 organization grievances ~~and of disputes~~ over the  
 21 interpretation and application of existing agreements.  
 22 An arbitrator's decision on a grievance may not change  
 23 or amend the terms, conditions or applications of the  
 24 collective bargaining agreement. Such procedures  
 25 shall provide for the invoking of arbitration only  
 26 with the approval of the employee organization, and in  
 27 the case of an employee grievance, only with the  
 28 approval of the public employee. The costs of  
 29 arbitration shall be shared equally by the parties.

30 Sec. \_\_\_\_ Section 20.19, Code 2003, is amended by  
 31 adding the following new unnumbered paragraph:  
 32 NEW UNNUMBERED PARAGRAPH. Parties who by agreement  
 33 are utilizing a cooperative alternative bargaining  
 34 process shall, at the outset of such process, agree  
 35 upon a method and schedule for the completion of  
 36 impasse procedures should they fail to reach a  
 37 collective bargaining agreement through the use of  
 38 such alternative process."

39 7. Page 2, by inserting after line 32 the  
 40 following:

41 "Sec. \_\_\_\_ Section 20.22, subsections 1, 2, and 3,  
 42 Code 2003, are amended to read as follows:

43 1. If an impasse persists after the fact-finder's  
 44 findings of fact and recommendations are made public  
 45 by the ~~fact-finder board~~, the parties may continue to  
 46 negotiate or, the board shall have the power, upon  
 47 request of either party, to arrange for arbitration,  
 48 which shall be binding. The request for arbitration  
 49 shall be in writing and a copy of the request shall be  
 50 served upon the other party.

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1 2. Each party shall submit to the board within  
 2 four days of request a final offer on the impasse  
 3 items with proof of service of a copy upon the other  
 4 party. Each party shall also submit a copy of a draft  
 5 of the proposed collective bargaining agreement to the  
 6 extent to which agreement has been reached ~~and the~~

7 ~~name of its selected arbitrator.~~ The parties may  
8 continue to negotiate all offers until an agreement is  
9 reached or ~~a decision~~ an award is rendered by the  
10 ~~panel of arbitrators~~ arbitrator.

11 ~~As an alternative procedure, the two parties may~~  
12 ~~agree to submit the dispute to a single arbitrator.~~  
13 ~~If the parties cannot agree on the arbitrator within~~  
14 ~~four days, the selection shall be made pursuant to~~  
15 ~~subsection 5.~~ The full costs of arbitration under  
16 this ~~provision~~ section shall be shared equally by the  
17 parties to the dispute.

18 3. The submission of the impasse items to the  
19 ~~arbitrators~~ arbitrator shall be limited to those  
20 issues that had been considered by the fact-finder and  
21 upon which the parties have not reached agreement.  
22 With respect to each such item, the ~~arbitration board~~  
23 arbitrator's award shall be restricted to the final  
24 offers on each impasse item submitted by the parties  
25 to the ~~arbitration board~~ arbitrator or to the  
26 recommendation of the fact-finder on each impasse  
27 item.

28 Sec. \_\_\_\_ Section 20.22, subsections 4, 5, and 6,  
29 Code 2003, are amended by striking the subsections and  
30 inserting in lieu thereof the following:

31 4. Upon the filing of the request for arbitration,  
32 a list of five arbitrators shall be served upon the  
33 parties by the board. Within five days of service of  
34 the list, the parties shall determine by lot which  
35 party shall remove the first name from the list and  
36 the parties shall then alternately remove names from  
37 the list until the name of one person remains, who  
38 shall become the arbitrator. The parties shall  
39 immediately notify the board of their selection and  
40 the board shall notify the arbitrator. After  
41 consultation with the parties, the arbitrator shall  
42 set a time and place for an arbitration hearing.

43 Sec. \_\_\_\_ Section 20.22, subsections 7 and 8, Code  
44 2003, are amended to read as follows:

45 7. The ~~panel of arbitrators~~ arbitrator shall at no  
46 time engage in an effort to mediate or otherwise  
47 settle the dispute in any manner other than that  
48 prescribed in this section.

49 8. From the time ~~of appointment~~ the board notifies  
50 the arbitrator of the selection of the arbitrator

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1 until such time as the ~~panel of arbitrators~~ makes its  
2 final determination arbitrator's selection on each  
3 impasse item is made, there shall be no discussion  
4 concerning recommendations for settlement of the  
5 dispute by the ~~members of the panel of arbitrators~~

6 arbitrator with parties other than those who are  
 7 direct parties to the dispute. ~~The panel of~~  
 8 ~~arbitrators may conduct formal or informal hearings to~~  
 9 ~~discuss offers submitted by both parties.”~~

10 8. Page 2, line 36, by striking the words “panel  
 11 of arbitrators” and inserting the following:  
 12 “arbitrator”.

13 9. Page 2, by inserting after line 38 the  
 14 following:

15 “Sec. \_\_\_\_ Section 20.22, subsections 10, 11, 12,  
 16 and 13, Code 2003, are amended to read as follows:

17 10. ~~The chairperson of the panel of arbitrators~~  
 18 arbitrator may ~~hold hearings and~~ administer oaths,  
 19 examine witnesses and documents, take testimony and  
 20 receive evidence, and issue subpoenas to compel the  
 21 attendance of witnesses and the production of records;  
 22 ~~and delegate such powers to other members of the panel~~  
 23 ~~of arbitrators.~~ ~~The chairperson of the panel of~~  
 24 ~~arbitrators~~ arbitrator may petition the district court  
 25 at the seat of government or of the county in which  
 26 ~~any the~~ hearing is held to enforce the order of the  
 27 ~~chairperson~~ arbitrator compelling the attendance of  
 28 witnesses and the production of records.

29 11. ~~A majority of the panel of arbitrators~~ The  
 30 arbitrator shall select within fifteen days after ~~its~~  
 31 ~~first meeting the hearing~~ the most reasonable offer,  
 32 in ~~its the~~ the arbitrator's judgment, of the final offers  
 33 on each impasse item submitted by the parties, or the  
 34 recommendations of the fact-finder on each impasse  
 35 item.

36 12. The selections by the ~~panel of arbitrators~~  
 37 arbitrator and items agreed upon by the public  
 38 employer and the employee organization, shall be  
 39 deemed to be the collective bargaining agreement  
 40 between the parties.

41 13. The determination of the ~~panel of arbitrators~~  
 42 ~~shall be by majority vote and~~ arbitrator shall be  
 43 final and binding subject to the provisions of section  
 44 20.17, subsection 6. ~~The panel of arbitrators~~  
 45 arbitrator shall give written explanation for ~~its~~  
 46 ~~selection the arbitrator's selections~~ and inform the  
 47 parties of ~~its the~~ decision.

48 Sec. \_\_\_\_ Section 20.24, Code 2003, is amended to  
 49 read as follows:

50 20.24 NOTICE AND SERVICE.

1 Any notice required under the provisions of this  
 2 chapter shall be in writing, but service thereof shall  
 3 be sufficient if mailed by restricted certified mail,  
 4 return receipt requested, addressed to the last known

5 address of the ~~parties~~ intended recipient, unless  
 6 otherwise provided in this chapter. Refusal of  
 7 restricted certified mail by any party shall be  
 8 considered service. ~~Prescribed~~ Unless otherwise  
 9 provided in this chapter, time periods shall commence  
 10 from the date of the receipt of the notice. Any party  
 11 may at any time execute and deliver an acceptance of  
 12 service in lieu of mailed notice.  
 13 Sec. \_\_\_\_ Section 20.30, Code 2003, is repealed.”  
 14 10. By renumbering as necessary.

NEAL SCHUERER  
 WILLIAM A. DOTZLER

### S-3096

1 Amend House File 180, as passed by the House, as  
 2 follows:  
 3 1. Page 1, line 4, by inserting after the word  
 4 “condition” the following: “for the inclusion of a  
 5 service learning endorsement on a student’s diploma or  
 6 as a condition”.

BOB BRUNKHORST  
 KEITH A. KREIMAN

### S-3097

1 Amend House File 534, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 2, line 15, by striking the word  
 4 “public”.  
 5 2. Page 3, line 18, by striking the word  
 6 “enterprisewide”.  
 7 3. Page 3, line 21, by striking the words “the  
 8 enterprise” and inserting the following: “state  
 9 government”.  
 10 4. Page 8, by striking line 32 and inserting the  
 11 following: “biennial review by the appropriate  
 12 customer council of the decision made by the  
 13 department that the department should be the sole  
 14 provider of a service.”  
 15 5. By striking page 8, line 35, through page 9,  
 16 line 2, and inserting the following:  
 17 “1. The director shall enter into agreements with  
 18 state agencies, and may enter into agreements with any  
 19 other governmental entity, to furnish services and  
 20 facilities of the department to the applicable  
 21 governmental entity. The”.  
 22 6. Page 9, by inserting after line 8 the  
 23 following:  
 24 “3. The state board of regents shall not be

25 required to obtain any service for the state board of  
26 regents or any institution under the control of the  
27 state board of regents that is provided by the  
28 department pursuant to this chapter without the  
29 consent of the state board of regents.”

30 7. Page 9, line 9, by striking the word  
31 “REVOLVING”, and inserting the following: “INTERNAL  
32 SERVICE”.

33 8. Page 9, by striking lines 10 through 17 and  
34 inserting the following:

35 “1. Activities of the department shall be  
36 accounted for within the general fund of the state,  
37 except that the director may establish and maintain  
38 internal service funds in accordance with generally  
39 accepted accounting principles, as defined in section  
40 8.57, subsection 4, for activities of the department  
41 which are primarily funded from billings to  
42 governmental entities for services rendered by the  
43 department. The establishment of an internal service  
44 fund is subject to the approval of the director of the  
45 department of management. At least ninety days prior  
46 to the establishment of an internal service fund  
47 pursuant to this section, the director shall notify in  
48 writing the general assembly, including the  
49 legislative council, legislative fiscal committee, and  
50 the legislative fiscal bureau.

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1 2. Internal service funds shall be administered by  
2 the department and shall consist of moneys collected  
3 by the department from billings issued in accordance  
4 with section 8A.125 and any other moneys obtained or  
5 accepted by the department, including but not limited  
6 to gifts, loans, donations, grants, and contributions,  
7 which are designated to support the activities of the  
8 individual internal service funds.”

9 9. Page 9, line 19, by striking the words “a  
10 revolving” and inserting the following: “an internal  
11 service”.

12 10. Page 9, by striking lines 23 and 24 and  
13 inserting the following:

14 “3. The proceeds of an internal service fund  
15 established pursuant to this section shall be used by  
16 the”.

17 11. Page 9, line 28, by striking the words “a  
18 revolving”, and inserting the following: “an internal  
19 service”.

20 12. Page 9, line 34, by striking the letter “c.”,  
21 and inserting the following: “4.”

22 13. Page 9, line 34, by striking the word  
23 “revolving”, and inserting the following: “internal

- 24 service”.
- 25 14. Page 10, by striking line 3 and inserting the  
26 following:  
27 “5. a. The director shall annually provide  
28 internal service fund”.
- 29 15. Page 10, line 9, by striking the figure  
30 “(2)”, and inserting the following: “b.”
- 31 16. Page 10, line 10, by striking the word and  
32 figure “January 31”, and inserting the following:  
33 “October 1”.
- 34 17. Page 10, line 12, by striking the words “a  
35 revolving”, and inserting the following: “an internal  
36 service”.
- 37 18. Page 10, by striking lines 14 through 20.
- 38 19. Page 11, line 3, by inserting after the word  
39 “costs” the following: “which have not been funded by  
40 an appropriation to the department”.
- 41 20. Page 11, lines 25 and 26, by striking the  
42 words “a revolving”, and inserting the following: “an  
43 internal service”.
- 44 21. Page 11, line 27, by striking the word  
45 “revolving”, and inserting the following: “internal  
46 service”.
- 47 22. Page 13, line 11, by inserting after the word  
48 “systems” the following: “and capitol complex  
49 security systems in use for the legislative branch”.
- 50 23. Page 13, by inserting after line 15, the

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- 1 following:
- 2 “g. A judicial district department of correctional  
3 services established pursuant to section 905.2”.
- 4 24. Page 30, line 2, by inserting after the word  
5 “purchased” the following: “by state agencies”.
- 6 25. Page 30, line 6, by inserting after the word  
7 “law.” the following: “However, items of general use  
8 may be purchased through the department by any  
9 governmental entity.”
- 10 26. Page 63, line 2, by striking the word “as”,  
11 and inserting the following: “if such policies are  
12 otherwise”.
- 13 27. Page 107, by striking line 15, and inserting  
14 the following: “shall be paid at the rate established  
15 by section ~~48.117~~ 8A.363 for”.
- 16 28. Page 107, line 18, by inserting after the  
17 word “session” the following: “unless the general  
18 assembly otherwise provides”.
- 19 29. Page 107, by inserting after line 31, the  
20 following:  
21 “Sec. \_\_\_\_ . Section 2.43, unnumbered paragraph 1,  
22 Code 2003, is amended to read as follows:

23 The legislative council in cooperation with the  
 24 officers of the senate and house shall have the duty  
 25 and responsibility for preparing for each session of  
 26 the general assembly. Pursuant to such duty and  
 27 responsibility, the legislative council shall assign  
 28 the use of areas in the state capitol except for the  
 29 areas used by the governor as of January 1, 1986, and  
 30 by the courts as of ~~November 1, 2002~~ July 1, 2003,  
 31 and, in consultation with the director of the  
 32 department of general services and the capitol  
 33 planning commission, may assign areas in other state  
 34 office buildings for use of the general assembly or  
 35 legislative agencies. The legislative council may  
 36 authorize the renovation, remodeling and preparation  
 37 of the physical facilities used or to be used by the  
 38 general assembly or legislative agencies subject to  
 39 the jurisdiction of the legislative council and award  
 40 contracts pursuant to such authority to carry out such  
 41 preparation. The legislative council may purchase  
 42 supplies and equipment deemed necessary for the proper  
 43 functioning of the legislative branch of government.”  
 44 30. Page 114, by striking lines 25 through 34.  
 45 31. Page 118, by striking line 9, and inserting  
 46 the following: “revenue ~~and finance~~ certify that  
 47 the”.  
 48 32. Page 118, line 18, by striking the words  
 49 “administrative services”, and inserting the  
 50 following: “management for deposit in the innovations

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1 fund”.  
 2 33. Page 130, by striking lines 2 and 3 and  
 3 inserting the following:  
 4 “Sec. \_\_\_\_ Section 70A.38, subsection 8, Code  
 5 2003, is amended to read as follows:  
 6 8. This section is repealed June 30, ~~2003~~ 2008.”  
 7 34. Page 179, by inserting after line 13, the  
 8 following:  
 9 “Sec. \_\_\_\_ DEPARTMENT PROGRESS REPORTS. The  
 10 department of administrative services shall report to  
 11 the committees on government oversight of the senate  
 12 and house of representatives on or before each July 31  
 13 and January 31 between July 1, 2003, and June 30,  
 14 2005, regarding the activities of the department in  
 15 implementing the requirements of this Act, including  
 16 but not limited to the department’s decisions  
 17 concerning which services should be provided solely by  
 18 the department and which services should be available  
 19 from a variety of providers.”  
 20 35. By striking page 179, line 14, through page  
 21 181, line 17.

- 22 36. Page 181, line 20, by inserting after the  
23 figure “7D.33,” the following: “7F.1.”  
24 37. By renumbering, relettering, or redesignating  
25 and correcting internal references as necessary.

COMMITTEE ON GOVERNMENT OVERSIGHT  
MARY A. LUNDBY, Chair

### S-3098

- 1 Amend the amendment, S-3085, to Senate File 313 as  
2 follows:  
3 1. Page 1, line 24, by striking the word  
4 “private” and inserting the following: “public”.  
5 2. Page 1, line 25, by striking the words “and  
6 other public”.  
7 3. Page 1, by striking lines 37 through 44, and  
8 inserting the following:  
9 “5. The power of the public employer to levy taxes  
10 and appropriate funds, both within its statutory  
11 limitations, for the conduct of its operations.”  
12 4. Page 1, lines 48 and 49, by striking the words  
13 “the general economic condition of the state” and  
14 inserting the following: “its authority as described  
15 in subsection 5”.  
16 5. Page 2, by striking lines 7 through 8, and  
17 inserting the following: “spending or budget”.  
18 6. Page 2, line 28, by inserting after the word  
19 “consideration” the following: “, in addition to any  
20 other relevant factors.”.

MIKE CONNOLLY

### S-3099

- 1 Amend House File 216, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, line 15, by inserting after the word  
4 “imminent” the following: “serious”.  
5 2. Page 2, line 11, by inserting after the word  
6 “imminent” the following: “serious”.  
7 3. Page 2, line 33, by inserting after the word  
8 “imminent” the following: “serious”.

KEITH A. KREIMAN

**S-3100**

- 1 Amend Senate File 368 as follows:
- 2 1. Page 4, line 33, by inserting after the word “services”
  - 3 the following: “to all customers”.
  - 4 2. Page 5, line 19, by inserting after the word “rates” the
  - 5 following: “in all or a substantial part of the exchange”.
  - 6 3. By renumbering as necessary.

JEFF ANGELO

**S-3101**

- 1 Amend Senate File 344 as follows:
- 2 1. Page 1, by inserting after line 9, the
  - 3 following:
  - 4 “Sec. \_\_\_\_ Section 321.493, subsection 1,
  - 5 paragraph a, Code 2003, is amended to read as follows:
  - 6 a. Subject to paragraph “b”, in all cases where
  - 7 damage is done by any motor vehicle by reason of
  - 8 negligence of the driver, and driven with the consent
  - 9 of the owner, the owner of the motor vehicle shall be
  - 10 liable for such damage. For purposes of this
  - 11 subsection, “owner” means the person to whom the
  - 12 certificate of title for the vehicle has been issued
  - 13 or assigned or to whom a manufacturer’s or importer’s
  - 14 certificate of origin for the vehicle has been
  - 15 delivered or assigned. However, if the vehicle is
  - 16 leased or rented, “owner” means the person to whom the
  - 17 vehicle is leased or rented, not the person to whom
  - 18 the certificate of title for the vehicle has been
  - 19 issued or assigned or to whom the manufacturer’s or
  - 20 importer’s certificate of origin for the vehicle has
  - 21 been delivered or assigned. For purposes of this
  - 22 subsection, “leased” means the transfer of the
  - 23 possession or right to possession of a vehicle to a
  - 24 lessee for a valuable consideration for a continuous
  - 25 period of twelve months or more, pursuant to a written
  - 26 agreement. For purposes of this subsection, “rented”
  - 27 means the temporary transfer of the possession or
  - 28 right to possession of a vehicle to a renter as
  - 29 defined in section 522A.2.”
  - 30 2. By renumbering as necessary.

RICHARD F. DRAKE

**S-3102**

- 1 Amend Senate File 435 as follows:  
2 1. Page 3, by striking lines 32 through 34.  
3 2. By renumbering as necessary.

EUGENE S. FRAISE  
KEITH A. KREIMAN

**S-3103**

HOUSE AMENDMENT TO  
SENATE FILE 94

- 1 Amend Senate File 94, as passed by the Senate, as  
2 follows:  
3 1. Page 1, by inserting after line 22, the  
4 following:  
5 “Sec. \_\_\_\_ Section 331.608, subsection 6, Code  
6 2003, is amended to read as follows:  
7 6. If a certified copy of a ~~public~~ record is  
8 required to perfect the claim of a veteran in service  
9 or honorably discharged or a claim of a dependent of  
10 the veteran, the certified copy shall be furnished by  
11 the custodian of the ~~public~~ record without charge.”  
12 2. By renumbering as necessary.

**S-3104**

- 1 Amend Senate File 365 as follows:  
2 1. Page 3, line 14, by inserting after the figure  
3 “1.” the following: “a.”  
4 2. Page 3, line 15, by inserting after the word  
5 “agency” the following: “, with respect to the  
6 agency’s provision of services relating to fiscal  
7 analysis of legislation, state expenditure, revenue,  
8 and budget review, state government oversight and  
9 performance evaluation, and staffing of revenue and  
10 budget committees.”.  
11 3. Page 3, by line 26, by striking the figure  
12 “2.” and inserting the following: “b.”  
13 4. Page 3, line 27, by inserting after the word  
14 “agency” the following: “, with respect to the  
15 agency’s provision of services described in paragraph  
16 “a.”.  
17 5. Page 3, line 35, by striking the figure “3.”  
18 and inserting the following: “c.”  
19 6. Page 4, line 2, by inserting after the word  
20 “access” the following: “under paragraph “a”.”.  
21 7. Page 4, by inserting after line 6 the  
22 following:  
23 “2. The director and agents and employees of the

24 legislative services agency, with respect to the  
 25 agency's provision of services relating to legal  
 26 analysis, drafting, and publications, staffing of  
 27 subject matter standing and statutory committees, and  
 28 provision of legislative information to the public,  
 29 may call upon any agency, office, board, or commission  
 30 of the state or any of its political subdivisions or  
 31 private organizations providing services to  
 32 individuals under contracts with a state agency,  
 33 office, board, or commission for such information and  
 34 assistance as may be needed in the provision of  
 35 services described in this subsection. Such  
 36 information and assistance shall be furnished within  
 37 the resources and authority of such agency, office,  
 38 board, or commission. This requirement of furnishing  
 39 such information and assistance shall not be construed  
 40 to require the production or opening of any public  
 41 records which are required by law to be kept private  
 42 or confidential."

43 8. Page 4, line 7, by striking the figure "4."  
 44 and inserting the following: "3."

45 9. Page 4, line 12, by inserting after the word  
 46 "act" the following: "concerning the consideration or  
 47 passage or rejection of proposed legislation".

48 10. Page 5, by striking lines 14 through 17 and  
 49 inserting the following:

50 "8. Provision of staffing services including but

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1 not limited to preparation of legal and legislative  
 2 analysis for the administrative rules review  
 3 committee."

4 11. Page 9, line 8, by striking the words  
 5 "provide the" and inserting the following: "provide".

6 12. Page 23, by inserting after line 32 the  
 7 following:

8 "Sec. \_\_\_. Section 17A.4, Code 2003, is amended by  
 9 adding the following new subsection:

10 **NEW SUBSECTION.** 2A. Any notice of intended action  
 11 or rule filed without notice pursuant to subsection 2,  
 12 which necessitates additional annual expenditures of  
 13 at least one hundred thousand dollars or combined  
 14 expenditures of at least five hundred thousand dollars  
 15 within five years by all affected persons, including  
 16 the agency itself, shall be accompanied by a fiscal  
 17 impact statement outlining the expenditures. The  
 18 agency shall promptly deliver a copy of the statement  
 19 to the legislative services agency. To the extent  
 20 feasible, the legislative services agency shall  
 21 analyze the statement and provide a summary of that  
 22 analysis to the administrative rules review committee.

23 If the agency has made a good faith effort to comply  
 24 with the requirements of this subsection, the rule  
 25 shall not be invalidated on the ground that the  
 26 contents of the statement are insufficient or  
 27 inaccurate.”

28 13. By renumbering as necessary.

NANCY BOETTGER

### S-3105

1 Amend House File 636 as follows:

2 1. Page 7, by inserting after line 12 the  
 3 following:

4 “2A. The legislative services agency shall compile  
 5 for publication and distribute in odd-numbered years  
 6 the Iowa official register. The register shall  
 7 contain historical, political, and other information  
 8 and statistics of general value but shall not contain  
 9 information or statistics of a partisan character.  
 10 The print and electronic versions of the register need  
 11 not contain the same information and statistics but  
 12 shall be published to provide the greatest access to  
 13 such information and statistics at the most reasonable  
 14 cost as determined by the legislative services agency.  
 15 The different versions of the register may be  
 16 distributed free of charge, may be distributed free of  
 17 charge except for postage and handling charges, or may  
 18 be sold at a price to be established by the  
 19 legislative services agency.”

20 2. Page 24, by inserting after line 11 the  
 21 following:

22 “Sec. \_\_. Section 7D.6, Code 2003, is amended to  
 23 read as follows:

24 7D.6 REPORT ~~FOR~~ -- OFFICIAL REGISTER.

25 The secretary shall, as soon as practicable after  
 26 January 1 of each odd-numbered year, prepare a report  
 27 of the proceedings of the executive council for the  
 28 two preceding calendar years. ~~Said The~~ report shall  
 29 include a statement of:

30 1. The official canvass of the votes cast at the  
 31 last general election.

32 2. Other acts of ~~said the~~ council that are of  
 33 general interest.

34 ~~Said The~~ report ~~shall~~ may be published in the Iowa  
 35 official register as provided in section 2E.5.”

36 3. Page 24, by inserting after line 20 the  
 37 following:

38 “Sec. \_\_. Section 9F.4, Code 2003, is amended to  
 39 read as follows:

40 9F.4 PUBLICATION ~~IN~~ -- OFFICIAL REGISTER.

41 The ~~state printing administrator~~ shall legislative

42 ~~services agency may publish said the~~ federal census  
 43 report ~~and certificate aforesaid in full~~ in each copy  
 44 of the Iowa official register as provided in section  
 45 2E.5.

46 Sec. \_\_. Section 9F.5, Code 2003, is amended to  
 47 read as follows:

48 9F.5 EVIDENCE.

49 ~~Said The~~ certified census records in the office of  
 50 the secretary of state, ~~and said authorized~~

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1 ~~publications, including the certificates attached~~  
 2 ~~thereto,~~ shall be competent evidence of all matters  
 3 therein contained.”

4 4. Page 32, line 10, by inserting after the  
 5 figure “7A.19,” the following: “7A.20,”.

6 5. Page 32, line 11, by inserting after the  
 7 figure “7A.26,” the following: “9.6,”.

8 6. Page 32, by inserting after line 13 the  
 9 following:

10 “Sec. \_\_. PREVAILING PROVISIONS. The provisions  
 11 of this Act regarding the publication and distribution  
 12 of the Iowa official register shall prevail over any  
 13 conflicting provisions of any other Act enacted by the  
 14 Eightieth General Assembly, 2003 Regular Session.”

15 7. By renumbering as necessary.

NANCY BOETTGER

## S-3106

1 Amend Senate File 422 as follows:

2 1. Page 6, lines 31 and 32, by striking the words  
 3 “The victim, if possible, shall be served a copy of  
 4 the motion by certified mail.” and inserting the  
 5 following: “The county attorney shall notify the  
 6 victim pursuant to section 915.13 of the filing of the  
 7 motion.”

8 2. Page 6, line 33, by striking the words “, if  
 9 possible,”.

10 3. Page 9, by inserting after line 15 the  
 11 following:

12 “Sec. \_\_. Section 915.13, subsection 1, Code  
 13 2003, is amended by adding the following new  
 14 paragraph:

15 NEW PARAGRAPH. h. The filing of a motion to  
 16 reopen a sentence of a defendant pursuant to section  
 17 901.5B. Notwithstanding section 915.10, the notice  
 18 shall be served by certified mail. Notice shall  
 19 include notice to the victim that the victim has  
 20 thirty days from the date of the service of the motion

21 to file a written objection with the court.  
 22 Sec. \_\_\_\_ Section 915.14, Code 2003, is amended to  
 23 read as follows:  
 24 915.14 NOTIFICATION BY CLERK OF THE DISTRICT  
 25 COURT.  
 26 The clerk of the district court shall notify a  
 27 registered victim of all dispositional orders of the  
 28 case in which the victim was involved and may advise  
 29 the victim of any other orders regarding custody or  
 30 confinement. The clerk of the district court shall  
 31 also notify a registered victim of the scheduled date,  
 32 time, and place of any hearing on a motion to reopen a  
 33 sentence pursuant to section 901.5B.”

KEITH A. KREIMAN

### S-3107

1 Amend the amendment, S-3075, to Senate File 354 as  
 2 follows:  
 3 1. Page 1, line 31, by inserting after the word  
 4 “child” the following: “who is under eighteen years  
 5 of age”.  
 6 2. Page 1, line 49, by inserting after the word  
 7 “determine” the following: “the applicability of the  
 8 federal Indian Child Welfare Act or this chapter to a  
 9 child custody proceeding based upon”.

STEVEN H. WARNSTADT

### S-3108

1 Amend Senate File 344 as follows:  
 2 1. By striking page 1, line 10, through page 20,  
 3 line 13, and inserting the following:  
 4 “Sec. \_\_\_\_ Section 625A.9, Code 2003, is amended  
 5 to read as follows:  
 6 625A.9 EXECUTION ON UNSTAYED PART OF JUDGMENT ::  
 7 SUPERSEDEAS BOND WAIVED.  
 8 1. The taking of the appeal from part of a  
 9 judgment or order, and the filing of a bond as above  
 10 directed, does not stay execution as to that part of  
 11 the judgment or order not appealed from.  
 12 2. If the judgment or order appealed from is for  
 13 money, such bond shall not exceed any of the following  
 14 amounts, excluding costs:  
 15 a. One hundred percent of the amount of the money  
 16 judgment up to and including one million dollars.  
 17 b. One million dollars plus ten percent of the  
 18 amount above one million dollars, if the amount of the  
 19 money judgment is in excess of one million dollars, up  
 20 to and including one hundred million dollars.

21 c. Twenty-five million dollars, if the amount of  
 22 the money judgment is in excess of one hundred million  
 23 dollars.

24 3. Upon motion and for good cause shown, the  
 25 district court may stay all proceedings under the  
 26 order or judgment being appealed and permit the state  
 27 or any of its political subdivisions to appeal a  
 28 judgment or order to the supreme court without the  
 29 filing of a supersedeas bond.

30 Sec. \_\_\_\_ Section 668.4, Code 2003, is amended to  
 31 read as follows:

32 668.4 JOINT AND SEVERAL LIABILITY.

33 In actions brought under this chapter, the rule of  
 34 joint and several liability shall not apply to  
 35 defendants ~~who are found to bear less than fifty~~  
 36 ~~percent of the total fault assigned to all parties.~~  
 37 ~~However, a defendant found to bear fifty percent or~~  
 38 ~~more of fault shall only be jointly and severally~~  
 39 ~~liable for economic damages and not for any~~  
 40 ~~noneconomic damage awards.~~

41 Sec. \_\_\_\_ Section 668.12, Code 2003, is amended to  
 42 read as follows:

43 668.12 LIABILITY FOR PRODUCTS -- ~~STATE OF THE ART~~  
 44 ~~DEFENSE DEFENSES.~~

45 1. In any action brought pursuant to this chapter  
 46 against an assembler, designer, supplier of  
 47 specifications, distributor, manufacturer, or seller  
 48 for damages arising from an alleged defect in the  
 49 design, testing, manufacturing, formulation,  
 50 packaging, warning, or labeling of a product, a

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1 percentage of fault shall not be assigned to such  
 2 persons if they plead and prove that the product  
 3 conformed to the state of the art in existence at the  
 4 time the product was designed, tested, manufactured,  
 5 formulated, packaged, provided with a warning, or  
 6 labeled.

7 2. Nothing contained in ~~this section~~ subsection 1  
 8 shall diminish the duty of an assembler, designer,  
 9 supplier of specifications, distributor, manufacturer  
 10 or seller to warn concerning subsequently acquired  
 11 knowledge of a defect or dangerous condition that  
 12 would render the product unreasonably dangerous for  
 13 its foreseeable use or diminish the liability for  
 14 failure to so warn.

15 3. An assembler, designer, supplier of  
 16 specifications, distributor, manufacturer, or seller  
 17 shall not be subject to liability for failure to warn  
 18 regarding risks and risk-avoidance measures that  
 19 should be obvious to, or generally known by,

20 foreseeable product users. When reasonable minds may  
21 differ as to whether the risk or risk-avoidance  
22 measure was obvious or generally known, the issues  
23 shall be decided by the trier of fact.

24 4. In any action brought pursuant to this chapter  
25 against an assembler, designer, supplier of  
26 specifications, distributor, manufacturer, or seller  
27 for damages arising from an alleged defect in  
28 packaging, warning, or labeling of a product, a  
29 product bearing or accompanied by a warning or  
30 instruction that is reasonably safe for use if the  
31 warning or instruction is followed shall not be deemed  
32 defective or unreasonably dangerous on the basis of  
33 failure to warn or instruct.

34 5. In any action brought pursuant to this chapter  
35 against an assembler, designer, supplier of  
36 specifications, distributor, manufacturer, or seller  
37 for damages arising from an alleged defect in the  
38 design which allegedly enhanced injuries, or any  
39 action alleging the crashworthiness of a product,  
40 evidence of the user's or injured person's fault shall  
41 be admissible and, subject to the provisions of  
42 section 668.2, shall be compared if such fault was a  
43 substantial factor in causing the underlying accident  
44 or event producing any injury to the claimant,  
45 including an enhanced injury.

46 6. An assembler, designer, supplier of  
47 specifications, distributor, manufacturer, or seller  
48 shall not be subject to liability under a theory of  
49 civil conspiracy unless such persons knowingly entered  
50 into a conspiracy with an intent to commit an unlawful

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1 act which causes harm.

2 Sec. \_\_\_\_ Section 668A.1, subsection 1, Code 2003,  
3 is amended to read as follows:

4 1. In a trial of a claim involving the request for  
5 punitive or exemplary damages, the court shall  
6 instruct the jury to answer special interrogatories  
7 or, if there is no jury, shall make findings,  
8 indicating all of the following:

9 a. Whether, by a preponderance of clear, and  
10 convincing, and satisfactory evidence, the conduct of  
11 the defendant from which the claim arose constituted  
12 willful and wanton disregard for the rights or safety  
13 of another.

14 b. Whether the conduct of the defendant was  
15 directed specifically at the claimant, or at the  
16 person from which the claimant's claim is derived.

17 c. Whether, by a preponderance of clear and  
18 convincing evidence, the conduct of the defendant from

19 which the claim arose constituted actual malice.  
 20 Sec. \_\_\_\_ Section 668A.1, subsection 2, paragraph  
 21 b, Code 2003, is amended to read as follows:  
 22 b. If the answer or finding pursuant to subsection  
 23 1, paragraph “b”, is negative, after payment of all  
 24 applicable costs and fees, an amount not to exceed  
 25 twenty-five percent of the punitive or exemplary  
 26 damages awarded may be ordered paid to the claimant,  
 27 with the remainder of the award to be ordered paid  
 28 into a civil reparations trust fund administered by  
 29 the state court administrator. Attorney fees shall  
 30 not be recoverable on any punitive or exemplary  
 31 damages award to be ordered paid to the civil  
 32 reparations trust fund. Funds placed in the civil  
 33 reparations trust shall be under the control and  
 34 supervision of the executive council, and shall be  
 35 disbursed only for purposes of indigent civil  
 36 litigation programs or insurance assistance programs.  
 37 The state court administrator shall file a report with  
 38 the general assembly for each fiscal year, relating to  
 39 the administration of the fund.  
 40 Sec. \_\_\_\_ NEW SECTION. 668A.2 DEFINITIONS.  
 41 As used in this chapter, the following terms shall  
 42 have the following meanings:  
 43 1. “Clear and convincing evidence” means evidence  
 44 which leaves no serious or substantial doubt about the  
 45 correctness of the conclusions drawn from the  
 46 evidence. It is more than a preponderance of  
 47 evidence, but less than beyond a reasonable doubt.  
 48 2. “Malice” means either conduct which is  
 49 specifically intended by the defendant to cause  
 50 tangible or intangible serious injury to the plaintiff

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1 or conduct that is carried out by the defendant both  
 2 with a flagrant indifference to the rights of the  
 3 plaintiff and with a subjective awareness that such  
 4 conduct will result in tangible serious injury.  
 5 Sec. \_\_\_\_ NEW SECTION. 668A.3 AWARD OF PUNITIVE  
 6 OR EXEMPLARY DAMAGES -- PROOF -- STANDARD.  
 7 Punitive or exemplary damages shall only be awarded  
 8 where the plaintiff proves by clear and convincing  
 9 evidence that the plaintiff's harm was the result of  
 10 actual malice. This burden of proof shall not be  
 11 satisfied by proof of any degree of negligence,  
 12 including gross negligence.  
 13 Sec. \_\_\_\_ NEW SECTION. 668A.4 PUNITIVE OR  
 14 EXEMPLARY DAMAGE LIMITATIONS.  
 15 1. Except as provided in subsection 2, an award of  
 16 punitive or exemplary damages shall not exceed two  
 17 times the amount of the plaintiff's compensatory

18 damages award or two hundred fifty thousand dollars,  
19 whichever is greater.

20 2. If the defendant is a person or a business with  
21 fifty or fewer full-time employees, an award of  
22 punitive or exemplary damages shall not exceed two  
23 times the amount of the plaintiff's compensatory  
24 damages or two hundred fifty thousand dollars,  
25 whichever is less.

26 Sec. \_\_\_\_ NEW SECTION. 668B.1 CITATION.

27 This chapter may be cited as the "Noneconomic  
28 Damage Awards Act".

29 Sec. \_\_\_\_ NEW SECTION. 668B.2 DAMAGE AWARDS.

30 In any personal injury action, the prevailing  
31 plaintiff may be awarded all of the following damages:

32 1. Compensation for economic damages suffered by  
33 the injured plaintiff.

34 2. Compensation for the noneconomic damages  
35 suffered by the injured plaintiff not to exceed the  
36 greater of either of the following:

37 a. Two hundred fifty thousand dollars, except upon  
38 a finding of especially egregious conduct on the part  
39 of the defendant.

40 b. The amount awarded in economic damages.

41 Sec. \_\_\_\_ NEW SECTION. 677.10A PREJUDGMENT  
42 INTEREST.

43 If any offer to confess judgment is made under this  
44 chapter and is not accepted, and a subsequent trial  
45 results in a judgment which is less than the offer to  
46 confess judgment, prejudgment interest shall not be  
47 calculated or be subject to recovery after the date of  
48 the offer to confess judgment."

49 2. By renumbering, redesignating, and correcting  
50 internal references as necessary.

RON WIECK

### S-3109

1 Amend Senate File 384 as follows:

2 1. Page 1, by inserting before line 1 the  
3 following:

4 "Section 1. Section 12D.1, unnumbered paragraph 1,  
5 Code 2003, is amended to read as follows:

6 The general assembly finds that the general welfare  
7 and well-being of the state are directly related to  
8 educational levels and skills of the citizens of the  
9 state, and that a vital and valid public purpose is  
10 served by the creation and implementation of programs  
11 which encourage and make possible the attainment of  
12 higher education by the greatest number of citizens of  
13 the state. The state has limited resources to provide  
14 additional programs for higher education funding and

15 the continued operation and maintenance of the state's  
 16 public institutions of higher education and the  
 17 general welfare of the citizens of the state will be  
 18 enhanced by establishing a program which allows  
 19 citizens of the state to invest money in a public  
 20 trust for future application to the payment of higher  
 21 education costs. The creation of the means of  
 22 encouragement for citizens to invest in such a program  
 23 represents the carrying out of a vital and valid  
 24 public purpose. In order to make available to the  
 25 citizens of the state an opportunity to fund future  
 26 higher education needs, it is necessary that a public  
 27 trust be established in which moneys may be invested  
 28 for future educational use. ~~It is also necessary to  
 29 establish an endowment fund which may be funded with  
 30 public funds, among other sources, the income from  
 31 which will be made available to participants in the  
 32 trust to enhance their savings invested for the  
 33 payment of future higher education costs.~~

34 Sec. \_\_\_\_ Section 12D.1, subsections 5 and 13,  
 35 Code 2003, are amended by striking the subsections.

36 Sec. \_\_\_\_ Section 12D.2, subsections 4, 8, and 12,  
 37 Code 2003, are amended to read as follows:

38 4. Accept any grants, gifts, legislative  
 39 appropriations, and other moneys from the state, any  
 40 unit of federal, state, or local government, or any  
 41 other person, firm, partnership, or corporation which  
 42 the treasurer of state shall deposit into the  
 43 administrative fund, ~~the endowment fund,~~ or the  
 44 program fund.

45 ~~8. Solicit and accept for the benefit of the  
 46 endowment fund gifts, grants, and other moneys,  
 47 including legislative appropriations and grants from  
 48 any federal, state, or local governmental agency.~~

49 12. Invest moneys from ~~the endowment fund and~~ the  
 50 program fund in any investments which are determined

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1 by the treasurer of state to be appropriate.

2 Sec. \_\_\_\_ Section 12D.3, subsections 2 and 3, Code  
 3 2003, are amended to read as follows:

4 2. Beneficiaries designated in participation  
 5 agreements may be designated from date of birth ~~up to,~~  
 6 ~~but not including, their eighteenth birthday.~~ A  
 7 substitute beneficiary ~~may be older than age eighteen~~  
 8 ~~provided that the substitute beneficiary is not shall~~  
 9 ~~not be~~ older than the original beneficiary.

10 3. A participant's account balance shall be  
 11 refunded to the participant, ~~less endowment fund~~  
 12 ~~earnings, and less a refund penalty levied by the~~  
 13 ~~trust against account balance earnings, if any, in the~~

14 ~~event an account balance remains in the account for a~~  
 15 ~~thirty day period following the beneficiary's~~  
 16 ~~thirtieth birthday.~~

17 Sec. \_\_\_\_ Section 12D.4, Code 2003, is amended by  
 18 striking the section and inserting in lieu thereof the  
 19 following:

20 12D.4 PROGRAM AND ADMINISTRATIVE FUNDS --  
 21 INVESTMENT AND PAYMENTS.

22 1. The treasurer of state shall segregate moneys  
 23 received by the trust into two funds: the program  
 24 fund and the administrative fund.

25 2. All moneys paid by participants in connection  
 26 with participation agreements shall be deposited as  
 27 received into separate accounts within the program  
 28 fund.

29 3. Contributions to the trust made by participants  
 30 or received in the form of gifts, grants, or donations  
 31 may only be made in the form of cash.

32 4. A participant or beneficiary shall not provide  
 33 investment direction regarding program contributions  
 34 or earnings held by the trust.

35 5. Moneys accrued by participants in the program  
 36 fund of the trust may be used for payments to any  
 37 institution of higher education.

38 Sec. \_\_\_\_ Section 12D.5, Code 2003, is amended by  
 39 striking the section and inserting in lieu thereof the  
 40 following:

41 12D.5 CANCELLATION OF AGREEMENTS.

42 A participant may cancel a participation agreement  
 43 at will. Upon cancellation of a participation  
 44 agreement, a participant shall be entitled to the  
 45 return of the participant's account balance.

46 Sec. \_\_\_\_ Section 12D.6, subsections 1 and 2, Code  
 47 2003, are amended to read as follows:

48 1. a. A participant retains ownership of all  
 49 payments made under a participation agreement up to  
 50 the date of ~~utilization for payment of higher~~

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1 ~~education costs for~~ distribution to the beneficiary.

2 b. All income derived from the investment of the  
 3 payments made by the participant shall be considered  
 4 to be held in trust for the benefit of the  
 5 beneficiary.

6 2. In the event the program is terminated prior to  
 7 ~~payment of higher education costs for~~ distribution to  
 8 the beneficiary, the participant is entitled to a  
 9 refund of the participant's account balance.

10 ~~No right to receive investment income shall exist~~  
 11 ~~in cases of voluntary participant cancellation except~~  
 12 ~~as provided in section 12D.5.~~

13 Sec. \_\_\_\_ Section 12D.9, subsection 1, paragraphs  
 14 c, d, and e, Code 2003, are amended to read as  
 15 follows:  
 16 c. Pursuant to section 12D.4, subsection ~~4~~,  
 17 ~~paragraph “b” 2~~, a separate account is established for  
 18 each beneficiary.  
 19 d. Pursuant to section 12D.4, subsection ~~4~~,  
 20 ~~paragraph “f” 3~~, contributions may only be made in the  
 21 form of cash.  
 22 e. Pursuant to section 12D.4, subsection ~~4~~,  
 23 ~~paragraph “g” 4~~, a participant or beneficiary shall  
 24 not provide investment direction regarding program  
 25 contributions or earnings held by the trust.  
 26 Sec. \_\_\_\_ Section 12D.9, subsection 1, paragraph  
 27 f, Code 2003, is amended by striking the paragraph.  
 28 Sec. \_\_\_\_ Section 12D.9, subsection 2, Code 2003,  
 29 is amended to read as follows:  
 30 2. State income tax treatment of the Iowa  
 31 educational savings plan trust shall be as provided in  
 32 section 422.7, subsections 32, ~~and 33, and 34, and~~  
 33 ~~section 422.35, subsection 14.~~  
 34 Sec. \_\_\_\_ Section 12D.10, subsection 1, Code 2003,  
 35 is amended to read as follows:  
 36 1. The assets of the trust, including the program  
 37 fund ~~and the endowment fund~~, shall at all times be  
 38 preserved, invested, and expended solely and only for  
 39 the purposes of the trust and shall be held in trust  
 40 for the participants and beneficiaries.  
 41 Sec. \_\_\_\_ Section 422.7, subsection 34, Code 2003,  
 42 is amended by striking the subsection.”  
 43 2. Page 1, by inserting after line 24 the  
 44 following:  
 45 “Sec. \_\_\_\_ Section 422.35, subsection 14, Code  
 46 2003, is amended by striking the subsection.”  
 47 3. Title page, line 1, by inserting after the  
 48 word “relating” the following: “to the Iowa education  
 49 savings plan trust and”.

CHARLES W. LARSON, JR.

## S-3110

1 Amend Senate File 432 as follows:  
 2 1. By striking page 3, line 32, through page 4,  
 3 line 8, and inserting the following:  
 4 “b. In determining the applicable ratemaking  
 5 principles, the board shall not be limited to  
 6 traditional ratemaking principles or traditional cost  
 7 recovery mechanisms. Among the principles and  
 8 mechanisms the board may consider, the board has the  
 9 authority to approve ratemaking principles proposed by  
 10 a rate-regulated public utility that provide for

11 reasonable restrictions upon the ability of the public  
 12 utility to seek a general increase in electric rates  
 13 under section 476.6 for at least three years after the  
 14 generation facility begins providing service to Iowa  
 15 customers.”  
 16 2. By renumbering, redesignating, and correcting  
 17 internal references as necessary.

COMMITTEE ON COMMERCE  
 JEFF ANGELO, Chair

### S-3111

1 Amend House File 479, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, line 8, by inserting after the word  
 4 “program” the following: “if the advanced registered  
 5 nurse practitioner has a written collaborative  
 6 agreement with a primary care physician similarly  
 7 approved”.

BOB BRUNKHORST  
 JEFF LAMBERTI  
 JACK HOLVECK  
 JACK HATCH

### S-3112

1 Amend House File 479, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, line 10, by inserting after the figure  
 4 “152.” the following: “Each advanced registered nurse  
 5 practitioner acting in the capacity of an approved  
 6 provider of health care services pursuant to this  
 7 paragraph shall be required to maintain liability  
 8 insurance providing coverage in the amounts of one  
 9 million dollars per incident, and three million  
 10 dollars aggregate.”

JACK HOLVECK  
 BOB BRUNKHORST  
 JEFF LAMBERTI  
 JACK HATCH

### S-3113

1 Amend Senate File 383 as follows:  
 2 1. By striking everything after the enacting  
 3 clause and inserting the following:  
 4 “Section 1. Section 256.7, Code 2003, is amended  
 5 by adding the following new subsections:  
 6 NEW SUBSECTION. 26. Adopt rules setting forth the

7 academic policies and operational procedures for the  
8 Iowa virtual academy established pursuant to section  
9 256.24 and identifying the responsibilities of the  
10 school districts that utilize the academy.

11 NEW SUBSECTION. 27. Adopt rules and establish a  
12 policy for students enrolled in kindergarten through  
13 grade six relating to the use of instructional  
14 technology in meeting the minimum educational  
15 standards for accreditation.

16 Sec. 2. NEW SECTION. 256.24 IOWA VIRTUAL  
17 ACADEMY.

18 1. If funds are sufficient from a source other  
19 than the general fund of the state, an Iowa virtual  
20 academy is established within the department of  
21 education to provide secondary students with access to  
22 quality courses delivered through instructional  
23 technology including, but not limited to, web-based  
24 and Iowa communications network applications. The  
25 academy shall serve as a central resource,  
26 clearinghouse, and provider of on-line and interactive  
27 video learning opportunities for students, educators,  
28 school districts, and accredited nonpublic schools.  
29 The department is responsible for the development,  
30 regulation, and improvement of the academy. The  
31 academy shall collaborate with school districts,  
32 accredited nonpublic schools, area education agencies,  
33 and Iowa accredited higher education institutions in  
34 order to provide quality learning opportunities for  
35 secondary students who are located anywhere in the  
36 state, and who have a variety of educational needs, to  
37 prepare them for postsecondary academic or vocational-  
38 technical pursuits. For purposes of this section,  
39 “secondary students” means students in grades seven  
40 through twelve.

41 2. The director shall appoint the administrator of  
42 the academy in accordance with section 256.9,  
43 subsection 4. The administrator, subject to approval  
44 by the director, may do the following:

45 a. Establish a review process for approval of  
46 academy courseware providers. The state board shall  
47 approve and prescribe by administrative rule the  
48 process by which courseware and providers may be  
49 obtained.

50 b. Secure services through a variety of education

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1 providers to provide teachers and curriculum for  
2 academy courses. The administrator may also secure  
3 services through an area education agency for staff  
4 development opportunities for academy teachers.

5 c. Develop evaluation procedures that will measure

6 the effects of instruction provided by means of the  
7 academy on student achievement.

8 d. Except as authorized in section 261C.4 and  
9 section 257.11, subsection 3, establish enrollment  
10 fees school districts and accredited nonpublic schools  
11 are responsible for paying on behalf of their  
12 students. The administrator may waive all or part of  
13 the enrollment fee for school districts and accredited  
14 nonpublic schools that offer courses through the  
15 academy.

16 e. Provide for determination of student grade  
17 percentages and grades and award credits and grades to  
18 students participating in the academy. The provider  
19 shall cooperate with the resident school district or  
20 accredited nonpublic school of enrollment to provide  
21 or assign the appropriate credit or grade to  
22 participating students. This paragraph shall apply  
23 only to those courses for which a student may earn  
24 credit toward high school graduation.

25 3. Curriculum authorized for credit or grades  
26 through the academy shall be taught by a teacher  
27 licensed under chapter 272 who is responsible for  
28 teaching, assignments, and assuring all coursework is  
29 completed.

30 4. A school district or accredited nonpublic  
31 school may access courses delivered through the use of  
32 instructional technology to meet up to twenty percent  
33 of the course offerings required to meet the  
34 educational standards for secondary schools as  
35 provided in section 256.11. Except as otherwise  
36 specified under a contract entered into in accordance  
37 with subsection 2, the school district, or the  
38 accredited nonpublic school, as appropriate, is  
39 responsible for, at a minimum, supervising students  
40 enrolled in the school district, or in the accredited  
41 nonpublic school, who participate in a course offered  
42 through the academy, providing a student receiving  
43 courseware through the academy with access to student  
44 services the school district or accredited nonpublic  
45 school provides to its general student population, and  
46 providing a student with access to a computer with  
47 internet connectivity during the school day or with  
48 access to other electronic equipment as the academy  
49 deems necessary.

50 5. Accredited higher education institutions

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1 located in Iowa offering courses authorized under  
2 section 261C.4, or classes offered through a sharing  
3 agreement between a school district and a community  
4 college pursuant to section 257.11, subsection 3, may

5 be listed in the academy course catalog at no cost to  
6 the institution. Nothing in this section shall be  
7 construed to prohibit a school district or accredited  
8 nonpublic school from using telecommunications as an  
9 instructional tool in accordance with section 256.7,  
10 subsection 7, or delivering its own web-based courses  
11 to students or schools located within or without this  
12 state.

13 6. Academy courseware utilized by a school  
14 district or accredited nonpublic school shall be  
15 included in the district's or school's comprehensive  
16 school improvement plans and meet the district's or  
17 school's school improvement goals developed in  
18 accordance with section 256.7, subsection 21.

19 7. The state board shall set enrollment fees by  
20 rule, in accordance with section 256.7, subsection 26.  
21 The department may retain fees collected to administer  
22 the Iowa virtual academy and the fees retained are  
23 appropriated to the department for the purposes of  
24 administering this section. Notwithstanding section  
25 8.33, fees that remain unexpended at the end of the  
26 fiscal year shall not revert to the general fund of  
27 the state but shall be available for use for the  
28 following fiscal year to administer the academy.

29 8. Not later than January 15, annually, the  
30 department shall submit to the chairpersons and  
31 ranking members of the senate and house committees on  
32 education a report of academy activities, fees  
33 collected and funds expended for the operation of the  
34 academy, and budget projections for the anticipated  
35 activities of the academy in subsequent years. The  
36 department shall investigate expansion of the  
37 activities of the academy to other state agencies and  
38 institutions, including, but not limited to, the  
39 department of corrections for purposes of meeting the  
40 requirements of section 904.516. Recommendations for  
41 expansion of the academy's activities shall be  
42 included in the annual report submitted pursuant to  
43 this subsection.

44 Sec. 3. Section 272.2, Code 2003, is amended by  
45 adding the following new subsection:

46 NEW SUBSECTION. 17. License individuals from  
47 Iowa, or another state, territory, federal district,  
48 or country, to teach courses delivered using  
49 instructional technology including, but not limited  
50 to, web-based and Iowa communications network

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1 applications.

2 Sec. 4. EMERGENCY RULES. The state board of  
3 education may adopt emergency rules under section

4 17A.4, subsection 2, and section 17A.5, subsection 2,  
 5 paragraph “b”, to implement the provisions of this Act  
 6 and the rules shall be effective immediately upon  
 7 filing unless a later date is specified in the rules.  
 8 Any rules adopted in accordance with this section  
 9 shall also be published as a notice of intended action  
 10 as provided in section 17A.4.  
 11 Sec. 5. EFFECTIVE DATE. This Act, being deemed of  
 12 immediate importance, takes effect upon enactment.”  
 13 2. Title page, by striking lines 1 through 4 and  
 14 inserting the following: “An Act authorizing the  
 15 establishment of an Iowa virtual academy, authorizing  
 16 the board of educational examiners to license  
 17 instructors of internet courses, and providing an  
 18 effective date.”

KEITH A. KREIMAN  
 ROBERT E. DVORSKY  
 BOB BRUNKHORST  
 NANCY BOETTGER

### S-3114

1 Amend Senate File 344 as follows:  
 2 1. By striking page 43, line 2, through page 44,  
 3 line 12.  
 4 2. Title page, line 6, by striking the words “and  
 5 restrictions on property rights”.  
 6 3. By renumbering, redesignating, and correcting  
 7 internal references as necessary.

RON WIECK

### S-3115

1 Amend Senate File 344 as follows:  
 2 1. Page 26, by striking lines 3 through 5 and  
 3 inserting the following:  
 4 “a. A traumatic injury is an injury to the body  
 5 that comes about not through the natural”.  
 6 2. Page 26, line 16, by striking the word  
 7 “employee.” and inserting the following: “employee.”  
 8 3. Page 26, by striking lines 17 through 19.  
 9 4. Page 26, by striking lines 23 through 26 and  
 10 inserting the following:  
 11 “a. The cumulative injury is caused by an  
 12 employment activity that is the single most  
 13 substantial factor contributing to the cumulative  
 14 injury, or is a significant aggravation of a  
 15 preexisting condition, that is caused by an employment  
 16 activity.”  
 17 5. Page 30, by striking lines 20 and 21 and

18 inserting the following: “section 668.13, ~~except for~~  
 19 ~~interest due pursuant to section 85.30 for which the~~  
 20 ~~rate shall be ten percent per year.”~~”

RON WIECK

### S-3116

1 Amend Senate File 344 as follows:  
 2 1. Page 47, by inserting after line 28, the  
 3 following:  
 4 “b. “Public road project” means a project under  
 5 the control of a public owner for the construction,  
 6 maintenance, or repair of a road or street that is  
 7 funded, in whole or in part, by moneys from the road  
 8 use tax fund.”  
 9 2. Page 47, line 29, by striking the letter “b.”  
 10 and inserting the following: “c.”  
 11 3. Page 48, line 2, by striking the letter “c.”  
 12 and inserting the following: “d.”  
 13 4. Page 48, line 3 by inserting after the word  
 14 “works.” the following: “However, “public works  
 15 project” does not mean a public road project.”  
 16 5. Page 48, line 21, by inserting after the word  
 17 “project” the following: “or a public road project”.  
 18 6. Page 48, line 29, by inserting after the word  
 19 “project” the following: “or the public road  
 20 project”.  
 21 7. Page 48, line 35, by inserting after the word  
 22 “project” the following: “or the public road  
 23 project”.  
 24 8. By renumbering, redesignating, and correcting  
 25 internal references as necessary.

RON WIECK  
 RICHARD F. DRAKE

### S-3117

1 Amend Senate File 344 as follows:  
 2 1. Page 49, by inserting after line 5 the  
 3 following:  
 4 “DIVISION VIII  
 5 ECONOMIC DEVELOPMENT  
 6 Sec. \_\_\_\_ NEW SECTION. 15E.18 CITIES, COUNTIES,  
 7 AND REGIONS -- SITE PREPARATION FOR TARGETED ECONOMIC  
 8 DEVELOPMENT.  
 9 1. For purposes of this section, “region” means a  
 10 group of two or more contiguous counties that  
 11 establishes a single, focused economic development  
 12 effort.  
 13 2. A city, county, or region, subject to the

14 approval of the property owner, may designate an area  
 15 within the boundaries of the city, county, or region  
 16 for a specific type of targeted economic development.  
 17 The specific type of targeted economic development  
 18 shall be one of the following:  
 19 a. Manufacturing.  
 20 b. Light industrial.  
 21 c. Warehouse and distribution.  
 22 d. Office parks.  
 23 e. Business and commerce parks.  
 24 f. Research and development.  
 25 3. A city, county, or region that designates an  
 26 area for a specific type of targeted economic  
 27 development may apply to the department for purposes  
 28 of certifying the area as a preapproved development  
 29 site. The department shall develop criteria for the  
 30 certification process.  
 31 4. Prior to a specific project being developed, a  
 32 city, county, or region designating the area for  
 33 targeted economic development pursuant to this section  
 34 may apply for and obtain appropriate licenses,  
 35 permits, and approvals for the type of targeted  
 36 economic development project desired for the area.”  
 37 2. Title page, by striking lines 7 and 8 and  
 38 inserting the following: “regulatory requirements,  
 39 public project contractor requirements, and economic  
 40 development.”  
 41 3. By renumbering as necessary.

RON WIECK

### S-3118

1 Amend Senate File 344 as follows:  
 2 1. Page 21, line 14, by inserting after the word  
 3 “highest;” the following: “and”.  
 4 2. Page 21, line 16, by inserting after the word  
 5 “amounts,” the following: “both”.  
 6 3. Page 21, by striking lines 17 through 20 and  
 7 inserting the following: “dependents, of the  
 8 statewide average weekly wage paid to employees in  
 9 insured work which shall be effective the first day of  
 10 the first full week in July.”  
 11 4. Page 21, line 27, by striking the figure  
 12 “\$292.18”, and inserting the following: “\$292”.  
 13 5. Page 21, line 28, by striking the figure  
 14 “\$303.21”, and inserting the following: “\$303”.  
 15 6. Page 21, line 29, by striking the figure  
 16 “\$314.24”, and inserting the following: “\$314”.  
 17 7. Page 21, line 30, by striking the figure,  
 18 “\$330.77”, and inserting the following: “\$330”.  
 19 8. Page 21, line 31, by striking the figure,

- 20 “~~§358.34~~”, and inserting the following: “~~§358~~”.
- 21 9. Page 23, line 18, by striking the word “Keep”
- 22 and inserting the following: “Actively seek work and
- 23 keep”.
- 24 10. Page 23, line 25, by striking the words “a
- 25 full” and inserting the following: “six of seven days
- 26 in a”.
- 27 11. Page 25, by inserting after line 19 the
- 28 following:
- 29 “Sec. \_\_\_\_ Section 96.5, subsection 4, Code 2003,
- 30 is amended by adding the following new paragraph:
- 31 NEW PARAGRAPH. c. The individual is willing to
- 32 work but is prevented from working by the employer’s
- 33 lockout.”
- 34 12. By renumbering as necessary.

RON WIECK

### S-3119

- 1 Amend Senate File 384 as follows:
- 2 1. By striking everything after the enacting
- 3 clause and inserting the following:
- 4 “Section 1. Section 12D.2, subsection 12, Code
- 5 2003, is amended to read as follows:
- 6 12. Invest moneys from the endowment fund and the
- 7 program fund in any investments which are with and in
- 8 companies located in Iowa and which are determined by
- 9 the treasurer of state to be appropriate.
- 10 Sec. 2. Section 12D.4, subsection 1, Code 2003, is
- 11 amended by adding the following new paragraph:
- 12 NEW PARAGRAPH. h. All moneys in the program fund
- 13 and the endowment fund that are invested shall be
- 14 invested with companies located in Iowa that make
- 15 investments in companies located in Iowa or shall be
- 16 invested directly in companies that are located in
- 17 Iowa.”
- 18 2. Title page, by striking lines 1 through 3 and
- 19 inserting the following: “An Act relating to
- 20 investments made by Iowa’s qualified state tuition
- 21 program.”

KEITH A. KREIMAN

### S-3120

- 1 Amend Senate File 344 as follows:
- 2 1. Page 41, by inserting after line 30 the
- 3 following:
- 4 “Sec. \_\_\_\_ Section 730.5, subsection 1, paragraph
- 5 j, Code 2003, is amended to read as follows:
- 6 j. “Sample” means such sample from the human body

- 7 capable of revealing the presence of alcohol or other  
 8 drugs, or their metabolites, including, but not  
 9 limited to, breath, urine, or oral fluid. However,  
 10 sample does not mean blood except as authorized  
 11 pursuant to subsection 7, paragraph “I.”  
 12 2. Title page, by striking line 5 and inserting  
 13 the following: “, financial”.  
 14 3. By renumbering as necessary.

RON WIECK

### S-3121

- 1 Amend Senate File 344 as follows:  
 2 1. Page 44, by striking lines 15 through 18.  
 3 2. By striking page 46, line 29, through page 47,  
 4 line 17, and inserting the following:  
 5 “Sec. \_\_\_. Section 481B.4, Code 2003, is amended  
 6 by adding the following new unnumbered paragraph after  
 7 unnumbered paragraph 2:  
 8 NEW UNNUMBERED PARAGRAPH. If the state department  
 9 of transportation conducts a highway project using  
 10 only state moneys, the list in section 481B.5,  
 11 subsection 1, shall be used to determine whether the  
 12 project encroaches on the habitat of an endangered  
 13 species of fish, plants, or wildlife. If the state  
 14 department of transportation conducts a highway  
 15 project using, at least in part, federal moneys, the  
 16 lists in section 481B.5, subsections 2, 3, and 4,  
 17 shall be used to determine whether the project  
 18 encroaches on the habitat of an endangered species of  
 19 fish, plants, or wildlife.”  
 20 3. By renumbering as necessary.

RON WIECK

### S-3122

- 1 Amend House File 547, as passed by the House, as  
 2 follows:  
 3 1. Page 2, by inserting after line 22, the  
 4 following:  
 5 “Sec. \_\_\_. EFFECTIVE DATE. This Act, being deemed  
 6 of immediate importance, takes effect upon enactment.”  
 7 2. Title page, line 2, by inserting after the  
 8 word “applicators” the following: “, and providing an  
 9 effective date”.  
 10 3. By renumbering as necessary.

COMMITTEE ON AGRICULTURE  
 JERRY BEHN, Chair

**S-3123**

- 1 Amend Senate File 372 as follows:
- 2 1. Page 2, line 7, by striking the word “of” and  
3 inserting the following: “or”.
- 4 2. Page 2, lines 29 and 30, by striking the words  
5 “transmission, check cashing,” and inserting the  
6 following: “transmission”.
- 7 3. Page 2, by striking line 32 and inserting the  
8 following:  
9 “a. Selling payment instruments to one or more  
10 persons or issuing payment instruments which are sold  
11 to one or more persons.”
- 12 4. Page 5, by striking lines 1 through 3 and  
13 inserting the following: “under the laws of a state  
14 or the United States.”
- 15 5. Page 6, by inserting after line 4 the  
16 following:  
17 “15. An insurance company organized under chapter  
18 508, 514, 514B, 515, 518, 518A, or 520, or authorized  
19 to do the business of insurance in Iowa to the extent  
20 of its operation as an insurance company.
- 21 16. An insurance producer as defined in section  
22 522B.1 to the extent of its operation as an insurance  
23 producer.”
- 24 6. Page 9, line 13, by inserting after the word  
25 “license” the following: “fee”.
- 26 7. Page 9, lines 14 through 16 by striking the  
27 words “, and the superintendent may require a bond not  
28 to exceed two hundred fifty thousand dollars”.
- 29 8. Page 12, line 19, by striking the words “and  
30 in a medium”.
- 31 9. Page 16, line 24, by striking the word “and”.
- 32 10. Page 17, by inserting after line 34 the  
33 following:  
34 “6. A person operating under a written contract  
35 with a licensee as required under subsection 2 shall  
36 not be deemed to be conducting unauthorized money  
37 services because the licensee has failed to properly  
38 designate the person as an authorized delegate under  
39 this chapter provided that the person is otherwise  
40 operating in full compliance with this chapter.”
- 41 11. Page 18, line 10, by striking the words “or  
42 of any of its authorized delegates”.
- 43 12. Page 18, line 11, by inserting after the word  
44 “licensee.” the following: “The superintendent may  
45 conduct an annual examination of any authorized  
46 delegate of a licensee upon reasonable notice in a  
47 record to the authorized delegate and the licensee.”

## S-3124

- 1 Amend Senate File 407 as follows:
- 2 1. By striking everything after the enacting  
3 clause and inserting the following:
- 4 “DIVISION XV
- 5 UNIVERSAL NEWBORN AND INFANT HEARING SCREENING
- 6 Section 1. NEW SECTION. 135.131 UNIVERSAL  
7 NEWBORN AND INFANT HEARING SCREENING.
- 8 1. For the purposes of this section, “birthing  
9 hospital” means a private or public hospital licensed  
10 pursuant to chapter 135B that has a licensed obstetric  
11 unit or is licensed to provide obstetric services, or  
12 a licensed birthing center associated with a hospital.
- 13 2. Beginning January 1, 2004, all infants born in  
14 this state shall be screened for hearing loss in  
15 accordance with this section. The person required to  
16 perform the screening shall use at least one of the  
17 following procedures:
- 18 a. Automated or diagnostic auditory brainstem  
19 response (ABR).
- 20 b. Otoacoustic emissions (OAE).
- 21 c. Any other technology approved by the  
22 department.
- 23 3. Beginning January 1, 2004, a birthing hospital  
24 that is not a birthing center shall screen every  
25 newborn delivered in the hospital for hearing loss  
26 prior to discharge of the newborn from the birthing  
27 hospital. A birthing hospital that transfers a  
28 newborn for acute care prior to completion of the  
29 hearing screening shall notify the receiving facility  
30 of the status of the hearing screening. The receiving  
31 facility shall be responsible for completion of the  
32 newborn hearing screening. The birthing hospital or  
33 other facility completing the hearing screening under  
34 this subsection shall report the results of the  
35 screening to the parent or guardian of the newborn and  
36 to the department in a manner prescribed by rule of  
37 the department.
- 38 4. Beginning January 1, 2004, a birthing hospital  
39 that is a birthing center shall refer the newborn to a  
40 licensed audiologist, physician, or hospital for  
41 screening for hearing loss prior to discharge of the  
42 newborn from the birthing center. The hearing  
43 screening shall be completed within thirty days  
44 following discharge of the newborn. The person  
45 completing the hearing screening shall report the  
46 results of the screening to the parent or guardian of  
47 the newborn and to the department in a manner  
48 prescribed by rule of the department.
- 49 5. Beginning January 1, 2004, if a newborn is  
50 delivered in a location other than a birthing

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1 hospital, the physician or other health care  
2 professional who undertakes the pediatric care of the  
3 newborn or infant shall ensure that the hearing  
4 screening is performed within three months of the date  
5 of the newborn's or infant's birth. The physician or  
6 other health care professional shall report the  
7 results of the hearing screening to the parent or  
8 guardian of the newborn or infant and to the  
9 department in a manner prescribed by rule of the  
10 department.

11 6. A birthing hospital, physician, or other health  
12 care provider required to report information under  
13 this section shall report all of the following  
14 information to the department relating to a newborn's  
15 or infant's hearing screening, as applicable:

16 a. The name, address, and telephone number, if  
17 available, of the mother of the newborn or infant.

18 b. The primary care provider at the birthing  
19 hospital for the newborn or infant.

20 c. The results of the hearing screening.

21 d. Any rescreenings and the diagnostic  
22 audiological assessment procedures used.

23 7. This section shall not apply if the parent  
24 objects to the screening. If a parent objects to the  
25 screening, the birthing hospital, physician, or other  
26 health care professional required to report  
27 information to the department under this section shall  
28 obtain a written refusal from the parent, shall  
29 document the refusal in the newborn's or infant's  
30 medical record, and shall report the refusal to the  
31 department in the manner prescribed by rule of the  
32 department.

33 8. The department shall adopt rules to administer  
34 this section including rules to provide for the  
35 sharing of information among agencies and persons  
36 involved with newborn and infant hearing screenings,  
37 follow-up, and intervention services, that maintain  
38 the confidentiality of the individuals involved.

39 9. A person who acts in good faith in complying  
40 with this section shall not be civilly or criminally  
41 liable for reporting the information required to be  
42 reported by this section.

43 Sec. 2. **NEW SECTION.** 135B.18A UNIVERSAL NEWBORN  
44 AND INFANT HEARING SCREENING.

45 Beginning January 1, 2004, a birthing hospital  
46 shall comply with section 135.131 relating to  
47 universal newborn and infant hearing screening.”

48 2. Title page, line 1, by inserting after the  
49 word “mandatory” the following: “universal”.

NANCY BOETTGER

**S-3125**

1 Amend House File 454, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. By striking everything after the enacting  
4 clause and inserting the following:  
5 “DIVISION XV  
6 UNIVERSAL NEWBORN AND INFANT HEARING SCREENING  
7 Section 1. NEW SECTION. 135.131 UNIVERSAL  
8 NEWBORN AND INFANT HEARING SCREENING.  
9 1. For the purposes of this section, unless the  
10 context otherwise requires:  
11 a. “Birth center” means birth center as defined in  
12 section 135.61.  
13 b. “Birthing hospital” means a private or public  
14 hospital licensed pursuant to chapter 135B that has a  
15 licensed obstetric unit or is licensed to provide  
16 obstetric services.  
17 2. Beginning January 1, 2004, all newborns and  
18 infants born in this state shall be screened for  
19 hearing loss in accordance with this section. The  
20 person required to perform the screening shall use at  
21 least one of the following procedures:  
22 a. Automated or diagnostic auditory brainstem  
23 response.  
24 b. Otoacoustic emissions.  
25 c. Any other technology approved by the  
26 department.  
27 3. Beginning January 1, 2004, a birthing hospital  
28 shall screen every newborn delivered in the hospital  
29 for hearing loss prior to discharge of the newborn  
30 from the birthing hospital. A birthing hospital that  
31 transfers a newborn for acute care prior to completion  
32 of the hearing screening shall notify the receiving  
33 facility of the status of the hearing screening. The  
34 receiving facility shall be responsible for completion  
35 of the newborn hearing screening. The birthing  
36 hospital or other facility completing the hearing  
37 screening under this subsection shall report the  
38 results of the screening to the parent or guardian of  
39 the newborn and to the department in a manner  
40 prescribed by rule of the department.  
41 4. Beginning January 1, 2004, a birth center shall  
42 refer the newborn to a licensed audiologist,  
43 physician, or hospital for screening for hearing loss  
44 prior to discharge of the newborn from the birth  
45 center. The hearing screening shall be completed

46 within thirty days following discharge of the newborn.  
47 The person completing the hearing screening shall  
48 report the results of the screening to the parent or  
49 guardian of the newborn and to the department in a  
50 manner prescribed by rule of the department.

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1 5. Beginning January 1, 2004, if a newborn is  
2 delivered in a location other than a birthing hospital  
3 or a birth center, the physician or other health care  
4 professional who undertakes the pediatric care of the  
5 newborn or infant shall ensure that the hearing  
6 screening is performed within three months of the date  
7 of the newborn's or infant's birth. The physician or  
8 other health care professional shall report the  
9 results of the hearing screening to the parent or  
10 guardian of the newborn or infant and to the  
11 department in a manner prescribed by rule of the  
12 department.

13 6. A birthing hospital, birth center, physician,  
14 or other health care professional required to report  
15 information under subsection 3, 4, or 5, shall report  
16 all of the following information

17 to the department relating to a newborn's or  
18 infant's hearing screening, as applicable:

19 a. The name, address, and telephone number, if  
20 available, of the mother of the newborn or infant.

21 b. The primary care provider at the birthing  
22 hospital or birth center for the newborn or infant.

23 c. The results of the hearing screening.

24 d. Any rescreenings and the diagnostic  
25 audiological assessment procedures used.

26 7. The department may share information with  
27 agencies and persons involved with newborn and infant  
28 hearing screenings, follow-up, and intervention  
29 services, including the local birth-to-three  
30 coordinator or similar agency, the local area  
31 education agency, and local health care providers.  
32 The department shall adopt rules to protect the  
33 confidentiality of the individuals involved.

34 8. An area education agency with which information  
35 is shared pursuant to subsection 7 shall report all of  
36 the following information to the department relating  
37 to a newborn's or infant's hearing, follow-up, and  
38 intervention services, as applicable:

39 a. The name, address, and telephone number, if  
40 available, of the mother of the newborn or infant.

41 b. The results of the hearing screening and any  
42 rescreenings, including the diagnostic audiological  
43 assessment procedures used.

44 c. The nature of any follow-up or other

45 intervention services provided to the newborn or  
 46 infant.  
 47 9. This section shall not apply if the parent  
 48 objects to the screening. If a parent objects to the  
 49 screening, the birthing hospital, birth center,  
 50 physician, or other health care professional required

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1 to report information under subsection 3, 4, or 5 to  
 2 the department shall obtain a written refusal from the  
 3 parent, shall document the refusal in the newborn's or  
 4 infant's medical record, and shall report the refusal  
 5 to the department in the manner prescribed by rule of  
 6 the department.

7 10. A person who acts in good faith in complying  
 8 with this section shall not be civilly or criminally  
 9 liable for reporting the information required to be  
 10 reported by this section.

11 Sec. 2. NEW SECTION. 135B.18A UNIVERSAL NEWBORN  
 12 AND INFANT HEARING SCREENING.

13 Beginning January 1, 2004, a birthing hospital as  
 14 defined in section 135.131 shall comply with section  
 15 135.131 relating to universal newborn and infant  
 16 hearing screening.”

NANCY BOETTGER

**S-3126**

1 Amend House File 516, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 2, by inserting after line 25, the  
 4 following:  
 5 “Sec. \_\_\_\_ . Section 455G.6, Code 2003, is amended  
 6 by adding the following new subsection:  
 7 NEW SUBSECTION. 17. The board may adopt rules  
 8 pursuant to chapter 17A providing for the transfer of  
 9 all or a portion of the liabilities of the board under  
 10 this chapter. Notwithstanding other provisions to the  
 11 contrary, the board, upon such transfer, shall not  
 12 maintain any duty to reimburse claimants under this  
 13 chapter for those liabilities transferred.”  
 14 2. By renumbering as necessary.

COMMITTEE ON NATURAL  
 RESOURCES AND ENVIRONMENT  
 HUBERT M. HOUSER, Chair

**S-3127**

- 1 Amend House File 584, as passed by the House, as  
 2 follows:  
 3 1. Page 1, by striking lines 9 through 12, and  
 4 inserting the following: “constructed or  
 5 reconstructed, reasonably and in good faith, in  
 6 accordance with a generally recognized engineering or  
 7 safety ~~standard, criteria, standards~~ or design ~~theory~~  
 8 theories in existence at the time of the construction  
 9 or reconstruction.”  
 10 2. By renumbering as necessary.

COMMITTEE ON JUDICIARY  
 DONALD B. REDFERN, Chair

**S-3128**

- 1 Amend House File 479, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, by striking line 6 and inserting the  
 4 following: “including primary care. When delivering  
 5 primary care services, an advance registered nurse  
 6 practitioner shall have a written collaborative  
 7 agreement with a primary care physician similarly  
 8 approved, for purposes of managed care or”.

BOB BRUNKHORST  
 JEFF LAMBERTI  
 JACK HOLVECK

**S-3129**

- 1 Amend Senate File 344 as follows:  
 2 1. By striking page 41, line 33, through page 42,  
 3 line 6, and inserting the following:  
 4 “Sec. \_\_\_\_ Section 535.8, subsection 2, paragraph  
 5 b, Code 2003, is amended by adding the following new  
 6 subparagraphs:  
 7 NEW SUBPARAGRAPH. (11) Underwriting fee.  
 8 NEW SUBPARAGRAPH. (12) Tax service fee.  
 9 NEW SUBPARAGRAPH. (13) Flood hazard determination  
 10 fee.”  
 11 2. By renumbering, redesignating, and correcting  
 12 internal references as necessary.

RON WIECK

**S-3130**

1 Amend Senate File 344 as follows:

2 1. Page 44, by inserting after line 25 the

3 following:

4 “Sec. \_\_\_\_ Section 455B.133, subsection 4,

5 unnumbered paragraph 1, Code 2003, is amended to read

6 as follows:

7 Adopt, amend, or repeal emission limitations or  
8 standards relating to the maximum quantities of air  
9 contaminants that may be emitted from any air  
10 contaminant source. The standards or limitations  
11 adopted under this section shall not exceed the  
12 standards or limitations promulgated by the  
13 administrator of the United States environmental  
14 protection agency or the requirements of the federal  
15 Clean Air Act as amended through January 1, 1991, or  
16 air quality standards or limitations promulgated by  
17 the United States occupational safety and health  
18 administration. This With the exception of ambient  
19 air standards, this does not prohibit the commission  
20 from adopting a standard for a source or class of  
21 sources for which the United States environmental  
22 protection agency or the United States occupational  
23 safety and health administration has not promulgated a  
24 standard. If the United States environmental  
25 protection agency has not promulgated ambient air  
26 quality standards, this section shall not prohibit the  
27 commission from adopting an ambient air standard if  
28 the commission utilizes established federal Clean Air  
29 Act methodologies under the national ambient air  
30 quality standards program. The methodology shall  
31 include an economic impact study to ascertain costs  
32 associated with compliance with any proposed  
33 standards. This also does not prohibit the commission  
34 from adopting an emission standard or limitation for  
35 infectious medical waste treatment or disposal  
36 facilities which exceeds the standards or limitations  
37 promulgated by the administrator of the United States  
38 environmental protection agency or the requirements of  
39 the federal Clean Air Act as amended through January  
40 1, 1991. The commission shall not adopt an emission  
41 standard or limitation for infectious medical waste  
42 treatment or disposal facilities prior to January 1,  
43 1995, which exceeds the standards or limitations  
44 promulgated by the administrator of the United States  
45 environmental protection agency or the requirements of  
46 the federal Clean Air Act, as amended through January  
47 1, 1991, for a hospital, or a group of hospitals,  
48 licensed under chapter 135B which has been operating

49 an infectious medical waste treatment or disposal  
50 facility prior to January 1, 1991.”

Page 2

- 1 2. By renumbering as necessary.

RON WIECK

### S-3131

- 1 Amend the amendment, S-3121, to Senate File 344 as  
2 follows:  
3 1. Page 1, by striking lines 16 and 17 and  
4 inserting the following: “state department of  
5 transportation, after consultation with the department  
6 of natural resources, may use lists in section 481B.5,  
7 subsections 2, 3, and 4, to determine whether the  
8 project”.

BRYAN J. SIEVERS  
BOB BRUNKHORST

### S-3132

- 1 Amend Senate File 372 as follows:  
2 1. Page 4, line 31, by inserting after the word  
3 “company,” the following: “savings and loan  
4 association, savings bank,”.

STEVEN H. WARNSTADT

### S-3133

- 1 Amend Senate File 392 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. Section 459.307, unnumbered paragraph  
5 1, Code 2003, is amended to read as follows:  
6 The department shall adopt rules establishing  
7 construction design standards for formed manure  
8 storage structures that are part of confinement  
9 feeding operations other than small animal feeding  
10 operations. However, the construction design  
11 standards shall apply to a formed manure storage  
12 structure that is part of a small animal feeding  
13 operation as provided in section 459.310.  
14 Sec. 2. Section 459.308, subsection 3, Code 2003,  
15 is amended to read as follows:  
16 3. A person shall not construct an unformed manure  
17 storage structure on karst terrain or on an area that  
18 drains into a known sinkhole. However, a person may

19 construct an unformed manure storage structure, if  
20 there is a twenty-five foot vertical separation  
21 distance between the bottom of the unformed manure  
22 storage structure and underlying limestone, dolomite,  
23 or other soluble rock.

24 Sec. 3. Section 459.310, subsection 1, unnumbered  
25 paragraph 1, Code 2003, is amended to read as follows:

26 Except as provided in ~~subsection~~ subsections 3 and  
27 3A, the following shall apply:

28 Sec. 4. Section 459.310, subsection 2, Code 2003,  
29 is amended to read as follows:

30 2. ~~A~~ Except as provided in subsection 3A, a  
31 confinement feeding operation structure shall not be  
32 constructed on land that is part of a one hundred year  
33 floodplain as designated by rules adopted by the  
34 department pursuant to section 459.301.

35 Sec. 5. Section 459.310, Code 2003, is amended by  
36 adding the following new subsection:

37 NEW SUBSECTION. 3A. A separation distance  
38 required in subsection 1 or the prohibition against  
39 construction of a confinement feeding operation  
40 structure on a one hundred year floodplain as provided  
41 in subsection 2 shall not apply to a confinement  
42 feeding operation that includes a confinement feeding  
43 operation structure that was constructed prior to  
44 March 1, 2003, if any of the following apply:

45 a. One or more unformed manure storage structures  
46 that is part of the confinement feeding operation is  
47 replaced with one or more formed manure storage  
48 structures on or after the effective date of this Act,  
49 and all of the following apply:

50 (1) The animal weight capacity or animal unit

Page 2

1 capacity, whichever is applicable, is not increased  
2 for that portion of the confinement feeding operation  
3 that utilizes all replacement formed manure storage  
4 structures.

5 (2) The use of each replaced unformed manure  
6 storage structure is discontinued within one year  
7 after the construction of the replacement formed  
8 manure storage structure.

9 (3) The capacity of all replacement formed manure  
10 storage structures does not exceed the amount required  
11 to store manure produced by that portion of the  
12 confinement feeding operation utilizing the formed  
13 manure storage structures during any fourteen-month  
14 period.

15 (4) No portion of the replacement formed manure  
16 storage structure is closer to the location or object  
17 from which separation is required under subsection 1

18 than any other confinement feeding operation structure  
19 which is part of the operation.

20 (5) The formed manure storage structure meets or  
21 exceeds the requirements of section 459.307.

22 b. A formed manure storage structure that is part  
23 of the confinement feeding operation is constructed on  
24 or after the effective date of this Act pursuant to a  
25 variance granted by the department. In granting the  
26 variance, the department shall make a finding of all  
27 of the following:

28 (1) The replacement formed manure storage  
29 structure complies with standards adopted pursuant to  
30 section 459.307.

31 (2) The replacement formed manure storage  
32 structure more likely than not provides a higher  
33 degree of environmental protection than the  
34 confinement feeding operation's existing manure  
35 storage and handling facilities.

36 If the formed manure storage structure will replace  
37 any existing manure storage structure, the department  
38 shall, as a condition of granting the variance,  
39 require that the replaced manure storage structure be  
40 properly closed.

41 Sec. 6. EFFECTIVE DATE. This Act, being deemed of  
42 immediate importance, takes effect upon enactment.”

43 2. Title page, line 1, by striking the word  
44 “and”.

45 3. Title page, line 2, by inserting after the  
46 word “penalties” the following: “, and providing an  
47 effective date”.

MARK ZIEMAN

### S-3134

1 Amend Senate File 434 as follows:

2 1. Page 1, by inserting before line 1 the  
3 following:

4 “Section 1. Section 12D.5, subsection 2, paragraph  
5 a, Code 2003, is amended by adding the following new  
6 subparagraph:

7 NEW SUBPARAGRAPH. (4) Attendance of the  
8 designated beneficiary at the United States military  
9 academy, the United States naval academy, the United  
10 States air force academy, the United States coast  
11 guard academy, or the United States merchant marine  
12 academy, to the extent that the amount of the payment  
13 or distribution does not exceed the costs of advanced  
14 education, as defined by 10 U.S.C. } 2005(e)(3), as in  
15 effect on the date of the enactment of this  
16 subparagraph, attributable to such attendance.

17 Sec. 2. Section 12D.9, subsection 1, paragraph f,

18 Code 2003, is amended to read as follows:

19 f. Pursuant to section 12D.5, subsection 1,  
20 penalties are provided on refunds of earnings which  
21 are not used for qualified higher education expenses  
22 of the beneficiary, made on account of the death or  
23 disability of the designated beneficiary, ~~or~~ made due  
24 to scholarship, allowance, or payment receipt as  
25 provided in section 529(b)(3) of the Internal Revenue  
26 Code, or made in the amount of the costs for  
27 attendance at the United States military, naval, air  
28 force, coast guard, or merchant marine academy.”

29 2. Page 1, line 1, by striking the word and  
30 figure “Section 1.” and inserting the following:  
31 “Sec. 3.”

32 3. Page 1, line 2, by striking the word  
33 “subsection” and inserting the following:  
34 “subsections”.

35 4. Page 1, by inserting after line 7 the  
36 following:

37 “NEW SUBSECTION. 40. Subtract, not to exceed one  
38 thousand five hundred dollars, the overnight  
39 transportation, meals, and lodging expenses, to the  
40 extent not reimbursed, incurred by the taxpayer for  
41 travel away from home of more than one hundred miles  
42 for the performance of services by the taxpayer as a  
43 member of the national guard or armed forces military  
44 reserve.

45 NEW SUBSECTION. 41. Subtract, to the extent  
46 included, military student loan repayments received by  
47 the taxpayer serving on active duty in the national  
48 guard or armed forces military reserve or on active  
49 duty status in the armed forces.

50 Sec. 4. Section 422.7, Code 2003, is amended by

Page 2

1 adding the following new subsection:

2 NEW SUBSECTION. 42. Subtract, to the extent not  
3 otherwise excluded, the amount of the death gratuity  
4 payable under 10 U.S.C. §§ 1475-1491 for deaths  
5 occurring after September 10, 1991.

6 Sec. 5. Section 422.9, subsection 2, Code 2003, is  
7 amended by adding the following new paragraph:  
8 NEW PARAGRAPH. j. If the taxpayer has a deduction  
9 for miscellaneous expenses under section 67 of the  
10 Internal Revenue Code, the taxpayer shall recompute  
11 for the purposes of this subsection the amount of the  
12 deduction under section 67 by excluding from the  
13 expenses, the amount subtracted under section 422.7,  
14 subsection 40.

15 Sec. 6. Section 422.21, unnumbered paragraph 2,  
16 Code 2003, is amended to read as follows:

17 An individual in the armed forces of the United  
 18 States serving in an area designated by the president  
 19 of the United States or the United States Congress as  
 20 a combat zone or as a qualified hazardous duty area,  
 21 or deployed outside the United States away from the  
 22 individual's permanent duty station while  
 23 participating in an operation designated by the United  
 24 States secretary of defense as a contingency operation  
 25 as defined in 10 U.S.C. § 101(a)(13), or which became  
 26 such a contingency operation by the operation of law,  
 27 or an individual serving in support of those forces,  
 28 is allowed the same additional time period after  
 29 leaving the combat zone or the qualified hazardous  
 30 duty area, or ceasing to participate in such  
 31 contingency operation, or after a period of continuous  
 32 hospitalization, to file a state income tax return or  
 33 perform other acts related to the department, as would  
 34 constitute timely filing of the return or timely  
 35 performance of other acts described in section 7508(a)  
 36 of the Internal Revenue Code. For the purposes of  
 37 this paragraph, "other acts related to the department"  
 38 includes filing claims for refund for any tax  
 39 administered by the department, making tax payments  
 40 other than withholding payments, filing appeals on the  
 41 tax matters, filing other tax returns, and performing  
 42 other acts described in the department's rules. The  
 43 additional time period allowed applies to the spouse  
 44 of the individual described in this paragraph to the  
 45 extent the spouse files jointly or separately on the  
 46 combined return form with the individual or when the  
 47 spouse is a party with the individual to any matter  
 48 for which the additional time period is allowed.  
 49 Sec. 7. Section 422.34, subsection 2, Code 2003,  
 50 is amended by adding the following new unnumbered

Page 3

1 paragraph:  
 2 NEW UNNUMBERED PARAGRAPH. An organization that  
 3 would have qualified as an organization exempt from  
 4 federal income tax under section 501(c)(19) of the  
 5 Internal Revenue Code but for the fact that the  
 6 requirement that substantially all of the members who  
 7 are not past or present members of the United States  
 8 armed forces is not met because such members include  
 9 ancestors or lineal descendants, shall be considered  
 10 for purposes of the exemption from taxation under this  
 11 division as an organization exempt from federal income  
 12 tax under section 501(c)(19) of the Internal Revenue  
 13 Code."  
 14 5. Page 1, line 8, by striking the words "This  
 15 Act," and inserting the following:

16 “1. Except as provided in subsections 2, 3, and 4,  
 17 this Act.”  
 18 6. Page 1, by inserting after line 11 the  
 19 following:  
 20 “2. Section 4 of this Act, amending section 422.7  
 21 to allow for the subtraction of additional death  
 22 gratuity benefits, being deemed of immediate  
 23 importance, takes effect upon enactment and applies  
 24 retroactively to tax years ending after September 10,  
 25 2001.  
 26 3. Section 6 of this Act, amending section 422.21,  
 27 being deemed of immediate importance, takes effect  
 28 upon enactment and applies to any period for  
 29 performing an act that has not expired before the  
 30 effective date.  
 31 4. Section 7 of this Act, amending section 422.34,  
 32 being deemed of immediate importance, takes effect  
 33 upon enactment and applies to tax years beginning  
 34 after the effective date.”  
 35 7. Title page, by striking lines 1 through 5 and  
 36 inserting the following: “An Act relating to income  
 37 tax deductions and exemptions for military service  
 38 personnel and organizations, and including effective  
 39 and applicability date provisions.”

STEVEN H. WARNSTADT

**S-3135**

1 Amend Senate File 432 as follows:  
 2 1. Page 2, by inserting after line 5 the  
 3 following:  
 4 “Sec. \_\_\_\_ Section 476.42, Code 2003, is amended  
 5 by adding the following new subsection:  
 6 NEW SUBSECTION. 3A. “Small alternate energy  
 7 producer” means an alternate energy production  
 8 facility with a capacity of three megawatts or less.”  
 9 2. Page 2, line 10, by striking the words “both  
 10 of”.  
 11 3. Page 2, line 13, by inserting after the words  
 12 “hydro producers,” the following: “including small  
 13 alternate energy producers,”.  
 14 4. Page 2, by inserting after line 29 the  
 15 following:  
 16 “c. Enter into power purchase agreements with  
 17 small alternate energy producers.”  
 18 5. By renumbering, redesignating, and correcting  
 19 internal references as necessary.

MARY A. LUNDBY  
 HUBERT M. HOUSER  
 DAVID JOHNSON

NEAL SCHUERER  
 JAMES SEYMOUR  
 DAVID MILLER  
 KITTY REHBERG  
 JULIE HOSCH  
 STEVE KETTERING

**S-3136**

1 Amend Senate Concurrent Resolution 13 as follows:  
 2 1. Page 1, by striking lines 3 through 6, and  
 3 inserting the following:  
 4 “A Concurrent Resolution urging the United States  
 5 Department of Agriculture to fully investigate the  
 6 impact of implementation of a country of origin  
 7 labeling initiative upon this nation’s system of  
 8 producing and marketing agricultural commodities.”  
 9 2. By striking page 1, line 17 through page 2,  
 10 line 10, and inserting the following:  
 11 “WHEREAS, the initiative requiring the  
 12 implementation of a system of country of origin  
 13 labeling is supported by many persons but has raised  
 14 concerns and questions by other persons, including the  
 15 Iowa cattlemen’s association and the national  
 16 cattlemen’s association, which remain supportive of  
 17 some method of country of origin labeling; and  
 18 WHEREAS, some of these concerns and questions  
 19 relate to the costs involved in identifying, tracking,  
 20 auditing, and verifying information necessary to  
 21 implement the country of origin labeling initiative;  
 22 NOW THEREFORE,  
 23 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
 24 REPRESENTATIVES CONCURRING, That the United States  
 25 Department of Agriculture is urged to fully  
 26 investigate the implementation of the country of  
 27 origin labeling initiative prior to adopting  
 28 regulations necessary to carry out those provisions of  
 29 the 2002 Farm Bill, which to every extent feasible  
 30 should include comprehensive public hearings to  
 31 address the initiative’s impacts upon this nation’s  
 32 system of producing and marketing agricultural  
 33 commodities; and”.

JOHN P. KIBBIE

**S-3137**

1 Amend Senate File 432 as follows:  
 2 1. By striking page 2, line 32, through page 3,  
 3 line 21, and inserting the following:  
 4 “2. a. An electric utility subject to this  
 5 division, except a utility ~~which~~ that elects rate

6 regulation pursuant to section 476.1A, shall ~~not~~ be  
 7 required to purchase, ~~at any one time, more than its~~  
 8 ~~share of one hundred five megawatts of power or~~  
 9 ~~generate at least the following percentages of its~~  
 10 ~~total annual Iowa retail electric sales from~~  
 11 ~~alternative alternate energy production facilities or~~  
 12 ~~small hydro facilities at the rates established~~  
 13 ~~pursuant to section 476.43:—The board shall allocate~~  
 14 ~~the one hundred five megawatts based upon each~~  
 15 ~~utility's percentage of the total Iowa retail peak~~  
 16 ~~demand, for the year beginning January 1, 1990, of all~~  
 17 ~~utilities subject to this section.~~

18 (1) By December 31, 2004, four percent.

19 (2) By December 31, 2005, five percent.

20 (3) By December 31, 2006, six percent.

21 (4) By December 31, 2007, seven percent.

22 (5) By December 31, 2008, eight percent.

23 (6) By December 31, 2009, nine percent.

24 (7) By December 31, 2010, and annually thereafter,  
 25 at least ten percent.

26 b. A maximum of two percent of each utility's  
 27 total annual retail electric sales may be derived from  
 28 alternate energy production facilities or small hydro  
 29 facilities placed in service before January 1, 2004.

30 c. At least twenty percent of an electric  
 31 utility's yearly percentage pursuant to the schedule  
 32 in paragraph "a" shall be derived from small  
 33 distributed generation.

34 ~~If a utility undergoes reorganization as defined in~~  
 35 ~~section 476.76, the board shall combine the allocated~~  
 36 ~~purchases of power for each utility involved in the~~  
 37 ~~reorganization.~~

38 ~~Notwithstanding the one hundred five megawatt~~  
 39 ~~maximum, the board may increase the amount of power~~  
 40 ~~that a utility is required to purchase at the rates~~  
 41 ~~established pursuant to section 476.43 if the board~~  
 42 ~~finds that a utility, including a reorganized utility,~~  
 43 ~~exceeds its 1990 Iowa retail peak demand by twenty~~  
 44 ~~percent and the additional power the utility is~~  
 45 ~~required to purchase will encourage the development of~~  
 46 ~~alternate energy production facilities and small hydro~~  
 47 ~~facilities. The increase shall not exceed the~~  
 48 ~~utility's increase in peak demand multiplied by the~~  
 49 ~~ratio of the utility's share of the one hundred five~~  
 50 ~~megawatt maximum to its 1990 Iowa retail peak demand."~~

Page 2

- 1 2. By renumbering, redesignating, and correcting
- 2 internal references as necessary.

JOE BOLKCOM  
 JACK HATCH  
 JOHN P. KIBBIE  
 DARYL BEALL  
 KEITH A. KREIMAN  
 JACK HOLVECK  
 ROBERT E. DVORSKY  
 MIKE CONNOLLY  
 MARY A. LUNDBY

**S-3138**

- 1 Amend Senate File 300 as follows:  
 2 1. Page 26, by inserting after line 18 the  
 3 following:  
 4 “Sec. \_\_\_\_ PROGRAM FUNDING AND OPERATION.  
 5 Notwithstanding the provisions of chapter 321N, as  
 6 enacted in this Act, fees collected by the department  
 7 of natural resources from the registration of off-  
 8 highway vehicles, as required in this Act, shall be  
 9 deposited in the off-highway vehicle fund created in  
 10 section 321N.5 and allowed to accumulate without  
 11 expenditure until the department begins operation of  
 12 the state’s off-highway vehicle program. When  
 13 revenues in the fund are sufficient to cover the  
 14 operational costs of the off-highway vehicle program,  
 15 the department shall begin operation of the program.  
 16 For purposes of this section, “operation of the  
 17 program” includes, but is not limited to, purchasing  
 18 land for use by off-highway vehicles, initiating a  
 19 safety certificate program, and employing part-time or  
 20 full-time employees to administer the off-highway  
 21 vehicle fund and its functions.”  
 22 2. By renumbering as necessary.

MARK ZIEMAN

**S-3139**

- 1 Amend House File 391, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 2, line 6, by striking the word “three”  
 4 and inserting the following: “two”.  
 5 2. Page 2, line 10, by striking the word “pilot”.  
 6 3. Page 2, line 31, by striking the figure “2008”  
 7 and inserting the following: “2007”.  
 8 4. Page 2, line 32, by striking the figure “2008”  
 9 and inserting the following: “2007”.  
 10 5. Page 2, line 35, by striking the figure “2008”  
 11 and inserting the following: “2007”.

12 6. By correcting internal references as  
 13 necessary.

COMMITTEE ON COMMERCE  
 JEFF ANGELO, Chair

**S-3140**

1 Amend Senate File 439 as follows:

2 1. Page 2, by inserting after line 32 the  
 3 following:

4 “ \_\_\_\_\_. In addition to the amount appropriated in  
 5 subsection 1, there is appropriated to the department  
 6 of justice for the fiscal year beginning July 1, 2003,  
 7 and ending June 30, 2004, the following amount, or so  
 8 much thereof as is necessary, to be used for the  
 9 purposes designated:

10 For victim assistance grants:

11 ..... \$ 2,000,000

12 Notwithstanding sections 8.33 and 8.39, moneys  
 13 appropriated in this subsection that remain  
 14 unencumbered or unobligated at the close of the fiscal  
 15 year shall not revert but shall remain available for  
 16 expenditure during the subsequent fiscal year for the  
 17 same purpose, and shall not be transferred to any  
 18 other program.”

19 2. By renumbering as necessary.

EUGENE S. FRAISE  
 JOE BOLKCOM  
 MIKE CONNOLLY  
 MICHAEL E. GRONSTAL  
 JOHN P. KIBBIE  
 DENNIS H. BLACK  
 AMANDA RAGAN  
 JACK HOLVECK  
 JACK HATCH  
 ROBERT E. DVORSKY  
 ROGER STEWART  
 THOMAS G. COURTNEY  
 DR. JOE SENG  
 WILLIAM A. DOTZLER  
 DARYL BEALL  
 STEVEN H. WARNSTADT  
 HERMAN C. QUIRMBACH  
 WALLY E. HORN  
 DICK L. DEARDEN  
 MATT McCOY  
 KEITH A. KREIMAN

**S-3141**

1 Amend House File 652, as passed by the House, as  
2 follows:

3 1. Page 1, by inserting before line 1 the  
4 following:

5 "Section 1. There is appropriated from the general  
6 fund of the state to the state department of  
7 transportation for the fiscal year beginning July 1,  
8 2003, and ending June 30, 2004, the following amounts,  
9 or so much thereof as is necessary, to be used for the  
10 purposes designated:

11 1. For the operation and maintenance of the		
12 network of automated weather observation and data		
13 transfer systems associated with the Iowa aviation		
14 weather system:		
15 .....	\$	110,000
16 2. For the runway marking program for public		
17 airports:		
18 .....	\$	100,000
19 3. For the windsock program for public airports:		
20 .....	\$	12,000
21 4. For the aviation improvement program:		
22 .....	\$	278,000"

23 2. Title page, line 4, by inserting after the  
24 words "tax fund" the following: ", the general fund  
25 of the state,".

26 3. By renumbering as necessary.

JOHN P. KIBBIE

**S-3142**

1 Amend Senate File 300 as follows:

2 1. Page 4, line 29, by striking the words "set by  
3 the commission by rule" and inserting the following:  
4 "of twenty dollars".

5 2. Page 12, line 17, by inserting after the word  
6 "application." the following: "The department shall  
7 issue its response to an application for authorization  
8 to conduct a special event no later than seven days  
9 from receipt of the application."

10 3. Page 13, line 15, by striking the words "a  
11 safety certificate and".

12 4. Page 14, line 26, by striking the word "may"  
13 and inserting the following: "shall".

14 5. Page 14, line 27, by inserting after the word  
15 "operator" the following: "who applies for  
16 certification".

17 6. Page 15, line 5, by striking the word "three"  
18 and inserting the following: "five".

19 7. Page 23, line 1, by striking the words and

20 figures “~~and 327G.15, and 321N.8~~” and inserting the  
 21 following: “321N.8, and 327G.15”.

MARK ZIEMAN

**S-3143**

1 Amend Senate File 370 as follows:  
 2 1. Page 8, line 31, by inserting after the word  
 3 “or” the following: “described in section 53.16,  
 4 subsection 3, or”.  
 5 2. Page 16, by striking lines 8 through 22, and  
 6 inserting the following:  
 7 “53.16 SUBSCRIBING TO AFFIDAVIT -- IDENTIFICATION  
 8 REQUIRED OF CERTAIN VOTERS.  
 9 1. After marking the ballot, the voter shall make  
 10 and subscribe to the affidavit on the reverse side of  
 11 the envelope, and fold the ballot or ballots,  
 12 separately, so as to conceal the markings on them, and  
 13 deposit them in the envelope, and securely seal the  
 14 envelope.  
 15 2. An eligible elector who registers by mail and  
 16 who has not previously voted in an election for  
 17 federal office in the county of registration and who  
 18 is voting an absentee ballot by mail, at the  
 19 commissioner’s office, or at a satellite voting  
 20 station, shall be required to provide a form of  
 21 identification described in section 49.77, subsection  
 22 3, unless the registrant provided on the registration  
 23 form the registrant’s Iowa driver’s license number or  
 24 the last four numerals of the registrant’s social  
 25 security number and the driver’s license or partial  
 26 social security number matches an existing state or  
 27 federal identification record with the same social  
 28 security number or Iowa driver’s license number and  
 29 name, including first name and any family forename or  
 30 surname, and date of birth, including month, date, and  
 31 year.  
 32 3. A voter who is required to present  
 33 identification when casting an absentee ballot in  
 34 person shall be permitted to vote a provisional ballot  
 35 pursuant to section 49.81 if the voter does not  
 36 provide the required identification. If a voter who  
 37 is required to present identification when casting an  
 38 absentee ballot votes an absentee ballot by mail, the  
 39 ballot returned by the voter shall be considered a  
 40 provisional ballot pursuant to sections 49.81 and  
 41 53.31.”  
 42 3. Page 18, line 7, by inserting after the word  
 43 “this” the following: “division of this”.  
 44 4. Page 18, line 13, by inserting after the word  
 45 “this” the following: “division of this”.

- 46 5. Page 18, line 15, by inserting after the word  
 47 “this” the following: “division of this”.  
 48 6. Page 18, line 19, by inserting after the word  
 49 “this” the following: “division of this”.  
 50 7. By striking page 28, line 33 through page 31,

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- 1 line 1, and inserting the following:  
 2 “Sec. \_\_\_\_ Section 39A.2, subsection 1, paragraph  
 3 b, Code 2003, is amended by adding the following new  
 4 subparagraph:  
 5 NEW SUBPARAGRAPH. (6) Returns an absentee ballot  
 6 application or voted absentee ballot to the  
 7 commissioner’s office and the person is not an  
 8 immediate family member of the applicant or voter as  
 9 that term is defined in section 53.1A or is not the  
 10 designee of a voter described in section 53.22,  
 11 subsection 5.  
 12 Sec. \_\_\_\_ NEW SECTION. 53.1A DEFINITIONS.  
 13 For purposes of this chapter, “immediate family  
 14 member” of an absentee ballot applicant or absentee  
 15 ballot voter means the spouse, adult child, parent,  
 16 grandparent, or adult sibling of the applicant or  
 17 voter.  
 18 Sec. \_\_\_\_ Section 53.2, unnumbered paragraph 1,  
 19 Code 2003, is amended to read as follows:  
 20 Any registered voter, under the circumstances  
 21 specified in section 53.1, may ~~on any day, except~~  
 22 ~~election day, and~~ not more than ~~seventy six~~ sixty days  
 23 prior to the date of the election, apply in person for  
 24 an absentee ballot at the commissioner’s office or at  
 25 any location designated by the commissioner, or make  
 26 written application to the commissioner for an  
 27 absentee ballot. Absentee ballot applications may  
 28 only be distributed by the commissioner’s office. The  
 29 commissioner may make absentee ballot applications  
 30 available on the commissioner’s office internet  
 31 website. Absentee ballot applications shall be  
 32 distributed by the commissioner not more than sixty  
 33 days and not less than seven days before the election.  
 34 PARAGRAPH DIVIDED. The state commissioner shall  
 35 prescribe a form for absentee ballot applications.  
 36 ~~However, if a registered voter submits an application~~  
 37 ~~that includes all of the information required in this~~  
 38 ~~section, the prescribed form is not required.~~  
 39 Absentee ballot applications may include instructions  
 40 to send the application directly to the county  
 41 commissioner of elections. However, no absentee  
 42 ballot application shall be preaddressed or printed  
 43 with instructions to send the applications to anyone  
 44 other than the appropriate commissioner. A completed

45 application for an absentee ballot may be returned  
46 only by the applicant, or a member of the applicant's  
47 immediate family, or the applicant's designee if the  
48 applicant is a voter described in section 53.22,  
49 subsection 5.  
50 Sec. \_\_\_\_ Section 53.2, Code 2003, is amended by

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1 adding the following new unnumbered paragraph:  
2 NEW UNNUMBERED PARAGRAPH. If an absentee ballot  
3 application is received by the commissioner more than  
4 sixty days before the election, the commissioner shall  
5 notify the applicant that the applicant must reapply  
6 for an absentee ballot no sooner than sixty days  
7 before the election.  
8 Sec. \_\_\_\_ Section 53.8, subsection 1, Code 2003,  
9 is amended to read as follows:  
10 1. Upon receipt of an application for an absentee  
11 ballot and immediately after the absentee ballots are  
12 printed and not less than seven days before the  
13 election, the commissioner shall mail an absentee  
14 ballot to the applicant ~~within twenty-four hours,~~  
15 except as otherwise provided in subsection 3.  
16 However, the commissioner may mail an absentee ballot  
17 to an applicant less than seven days before the  
18 election if the applicant is a voter described in  
19 section 53.22, subsection 5. The absentee ballot  
20 shall be enclosed in an unsealed envelope bearing a  
21 serial number and affidavit. The absentee ballot and  
22 unsealed envelope shall be enclosed in or with a  
23 carrier envelope marked postage paid which bears the  
24 same serial number as the unsealed envelope. The  
25 absentee ballot, unsealed envelope, and carrier  
26 envelope shall be enclosed in a third envelope to be  
27 sent to the registered voter. If the ballot cannot be  
28 folded so that all of the votes cast on the ballot  
29 will be hidden, the commissioner shall also enclose a  
30 secrecy envelope with the absentee ballot.  
31 Sec. \_\_\_\_ Section 53.8, subsection 2, Code 2003,  
32 is amended to read as follows:  
33 2. If an application is received so late that it  
34 is unlikely that the absentee ballot can be returned  
35 in time to be counted on election day, the  
36 commissioner shall enclose with the absentee ballot a  
37 statement to that effect. The statement shall also  
38 point out that it is possible for the applicant, a  
39 member of the applicant's immediate family, or the  
40 applicant's designee if the absentee ballot is voted  
41 by a voter described in section 53.22, subsection 5,  
42 to personally deliver the completed absentee ballot to  
43 the office of the commissioner at any time before the

44 closing of the polls on election day.  
 45 Sec. \_\_\_\_ Section 53.17, subsection 1, Code 2003,  
 46 is amended to read as follows:  
 47 1. The sealed carrier envelope may be delivered by  
 48 the registered voter, or a member of the voter's  
 49 immediate family, or the voter's designee if the  
 50 absentee ballot is voted by a voter described in

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1 section 53.22, subsection 5, to the commissioner's  
 2 office no later than the time the polls are closed on  
 3 election day.  
 4 Sec. \_\_\_\_ Section 53.17, subsection 2, Code 2003,  
 5 is amended to read as follows:  
 6 2. The sealed carrier envelope may be mailed to  
 7 the commissioner. ~~The carrier envelope shall indicate~~  
 8 ~~that greater postage than ordinary first class mail~~  
 9 ~~may be required. The commissioner shall pay any~~  
 10 ~~insufficient postage due on a carrier envelope bearing~~  
 11 ~~ordinary first class postage and accept the ballot."~~  
 12 8. By renumbering as necessary.

MARK ZIEMAN

### S-3144

1 Amend Senate File 408 as follows:  
 2 1. By striking everything after the enacting  
 3 clause and inserting the following:  
 4 "Section 1. NEW SECTION. 135.131 INTERAGENCY  
 5 PHARMACEUTICALS BULK PURCHASING COUNCIL.  
 6 1. For the purposes of this section, "interagency  
 7 pharmaceuticals bulk purchasing council" or "council"  
 8 means the interagency pharmaceuticals bulk purchasing  
 9 council created in this section.  
 10 2. An interagency pharmaceuticals bulk purchasing  
 11 council is created within the Iowa department of  
 12 public health. The department shall provide staff  
 13 support to the council and the department of  
 14 pharmaceutical care of the university of Iowa  
 15 hospitals and clinics shall act in an advisory  
 16 capacity to the council. The council shall be  
 17 composed of all of the following members:  
 18 a. The director of public health, or the  
 19 director's designee.  
 20 b. The director of human services, or the  
 21 director's designee.  
 22 c. The director of the department of personnel, or  
 23 the director's designee.  
 24 d. A representative of the state board of regents.  
 25 e. The director of the department of corrections,

26 or the director's designee.

27 f. The director, or the director's designee, of  
28 any other agency that purchases pharmaceuticals  
29 designated to be included as a member by the director  
30 of public health.

31 3. The council shall select a chairperson annually  
32 from its membership. A majority of the members of the  
33 council shall constitute a quorum.

34 4. The council shall do all of the following:

35 a. Develop procedures that member agencies must  
36 follow in purchasing pharmaceuticals. However, a  
37 member agency may elect not to follow the council's  
38 procedures if the agency is able to purchase the  
39 pharmaceuticals for a lower price than the price  
40 available through the council. An agency that does  
41 not follow the council's procedures shall report all  
42 of the following to the council:

43 (1) The purchase price for the pharmaceuticals.

44 (2) The name of the wholesaler, retailer, or  
45 manufacturer selling the pharmaceuticals.

46 b. Designate a member agency as the central  
47 purchasing agency for purchasing of pharmaceuticals.

48 c. Use existing distribution networks, including  
49 wholesale and retail distributors, to distribute the  
50 pharmaceuticals.

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1 d. Investigate options that maximize purchasing  
2 power, including expanding purchasing under the  
3 medical assistance program, qualifying for  
4 participation in purchasing programs under 42 U.S.C. }  
5 256b, as amended, and utilizing rebate programs,  
6 hospital disproportionate share purchasing, multistate  
7 purchasing alliances, and health department and  
8 federally qualified health center purchasing.

9 e. In collaboration with the department of  
10 pharmaceutical care of the university of Iowa  
11 hospitals and clinics, make recommendations to member  
12 agencies regarding drug utilization review, prior  
13 authorization, the use of restrictive formularies, the  
14 use of mail order programs, and copayment structures.  
15 This paragraph shall not apply to the medical  
16 assistance program but only to the operations of the  
17 member agencies.

18 5. The central purchasing agency may enter into  
19 agreements with a local governmental entity to  
20 purchase pharmaceuticals for the local governmental  
21 entity.

22 6. The council shall develop procedures under  
23 which the council may disclose information relating to  
24 the prices manufacturers or wholesalers charge for

25 pharmaceuticals by category of pharmaceutical. The  
 26 procedure shall prohibit the council from disclosing  
 27 information that identifies a specific manufacturer or  
 28 wholesaler or the prices charged by a specific  
 29 manufacturer or wholesaler for a specific  
 30 pharmaceutical.  
 31 Sec. 2. NEW SECTION. 135C.31A ASSESSMENT OF  
 32 RESIDENTS -- PROGRAM ELIGIBILITY.  
 33 Beginning July 1, 2003, a health care facility  
 34 receiving reimbursement through the medical assistance  
 35 program under chapter 249A shall assist the Iowa  
 36 commission of veterans affairs in determining, prior  
 37 to the initial admission of a resident, the  
 38 prospective resident's eligibility for benefits  
 39 through the federal department of veterans affairs.  
 40 The health care facility shall also assist the Iowa  
 41 commission of veterans affairs in determining such  
 42 eligibility for residents residing in the facility on  
 43 July 1, 2003. The department of inspections and  
 44 appeals, in cooperation with the department of human  
 45 services, shall adopt rules to administer this  
 46 section, including a provision that ensures that if a  
 47 resident is eligible for benefits through the federal  
 48 department of veterans affairs or other third-party  
 49 payor, the payor of last resort for reimbursement to  
 50 the health care facility is the medical assistance

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1 program. This section shall not apply to the  
 2 admission of an individual to a state mental health  
 3 institute for acute psychiatric care.  
 4 Sec. 3. NEW SECTION. 249A.20A PREFERRED DRUG  
 5 LIST PROGRAM.  
 6 1. The department shall establish and implement a  
 7 preferred drug list program under the medical  
 8 assistance program. The department shall submit a  
 9 medical assistance state plan amendment to the centers  
 10 for Medicare and Medicaid services of the United  
 11 States department of health and human services, no  
 12 later than May 1, 2003, to implement the program.  
 13 2. a. A medical assistance pharmaceutical and  
 14 therapeutics committee shall be established within the  
 15 department by July 1, 2003, for the purpose of  
 16 developing and providing ongoing review of the  
 17 preferred drug list.  
 18 b. (1) The members of the committee shall be  
 19 appointed by the governor and shall include health  
 20 care professionals who possess recognized knowledge  
 21 and expertise in one or more of the following:  
 22 (a) The clinically appropriate prescribing of  
 23 covered outpatient drugs.

24 (b) The clinically appropriate dispensing and  
25 monitoring of covered outpatient drugs.  
26 (c) Drug use review, evaluation, and intervention.  
27 (d) Medical quality assurance.  
28 (2) The membership of the committee shall be  
29 comprised of at least one third but not more than  
30 fifty-one percent licensed and actively practicing  
31 physicians and at least one third licensed and  
32 actively practicing pharmacists.  
33 c. The members shall be appointed to terms of two  
34 years. Members may be appointed to more than one  
35 term. The department shall provide staff support to  
36 the committee. Committee members shall select a  
37 chairperson and vice chairperson annually from the  
38 committee membership.  
39 3. The pharmaceutical and therapeutics committee  
40 shall recommend a preferred drug list to the  
41 department. The committee shall develop the preferred  
42 drug list by considering each drug's clinically  
43 meaningful therapeutic advantages in terms of safety,  
44 effectiveness, and clinical outcome. The committee  
45 shall use evidence-based research methods in selecting  
46 the drugs to be included on the preferred drug list.  
47 The committee shall periodically review all drug  
48 classes included on the preferred drug list and may  
49 amend the list to ensure that the list provides for  
50 medically appropriate drug therapies for medical

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1 assistance recipients and achieves cost savings to the  
2 medical assistance program. The department may  
3 procure a sole source contract with an outside entity  
4 or contractor to provide professional administrative  
5 support to the pharmaceutical and therapeutics  
6 committee in researching and recommending drugs to be  
7 placed on the preferred drug list.  
8 4. With the exception of drugs prescribed for the  
9 treatment of human immunodeficiency virus or acquired  
10 immune deficiency syndrome, transplantation, or cancer  
11 and drugs prescribed for mental illness with the  
12 exception of drugs and drug compounds that do not have  
13 a significant variation in a therapeutic profile or  
14 side affect profile within a therapeutic class,  
15 prescribing and dispensing of prescription drugs not  
16 included on the preferred drug list shall be subject  
17 to prior authorization.  
18 5. The department may negotiate supplemental  
19 rebates from manufacturers that are in addition to  
20 those required by Title XIX of the federal Social  
21 Security Act. The committee shall consider a product  
22 for inclusion on the preferred drug list if the

23 manufacturer provides a supplemental rebate. The  
 24 department may procure a sole source contract with an  
 25 outside entity or contractor to conduct negotiations  
 26 for supplemental rebates.

27 6. The department shall publish and disseminate  
 28 the preferred drug list to all medical assistance  
 29 providers in this state.

30 7. Until such time as the pharmaceutical and  
 31 therapeutics committee is operational, the department  
 32 shall adopt and utilize a preferred drug list  
 33 developed by a midwestern state that has received  
 34 approval for its medical assistance state plan  
 35 amendment from the centers for Medicare and Medicaid  
 36 services of the United States department of health and  
 37 human services.

38 8. The department may procure a sole source  
 39 contract with an outside entity or contractor to  
 40 participate in a pharmaceutical pooling program with  
 41 midwestern or other states to provide for an enlarged  
 42 pool of individuals for the purchase of pharmaceutical  
 43 products and services for medical assistance  
 44 recipients.

45 9. The department may adopt administrative rules  
 46 under section 17A.4, subsection 2, and section 17A.5,  
 47 subsection 2, paragraph "b", to implement this  
 48 section.

49 10. Any savings realized under this section may be  
 50 used to the extent necessary to pay the costs

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1 associated with implementation of this section prior  
 2 to reversion to the medical assistance program. The  
 3 department shall report the amount of any savings  
 4 realized and the amount of any costs paid to the  
 5 legislative fiscal committee on a quarterly basis.

6 Sec. 4. **NEW SECTION. 249A.20B NURSING FACILITY**  
 7 **QUALITY ASSURANCE ASSESSMENT.**

8 1. The department may assess nursing facilities a  
 9 quality assurance assessment not to exceed six percent  
 10 of the total annual revenue of the facility.

11 2. The department of human services shall submit a  
 12 medical assistance state plan amendment to the centers  
 13 for Medicare and Medicaid services of the United  
 14 States department of health and human services to  
 15 effectuate the nursing facility quality assurance  
 16 assessment.

17 3. The department of human services shall submit  
 18 an application to the secretary of the United States  
 19 department of health and human services to request a  
 20 waiver of the uniform tax requirement pursuant to 42  
 21 U.S.C. } 1396b(w)(3)(E) and 42 C.F.R. } 433.68(e)(2).

22 4. The quality assurance assessment shall be paid  
23 to the department in equal monthly amounts on or  
24 before the fifteenth day of each month. The  
25 department may deduct the monthly assessment amount  
26 from medical assistance payments to a nursing  
27 facility. The amount deducted from payments shall not  
28 exceed the total amount of the fee due.

29 5. Revenue generated from the quality assurance  
30 assessment shall be deposited in the senior living  
31 trust fund created in section 249H.4. The revenues  
32 shall only be used for services for which federal  
33 financial participation under the medical assistance  
34 program is available to match state funds.

35 6. If federal financial participation to match the  
36 assessments made under subsection 1 becomes  
37 unavailable under federal law, the department shall  
38 terminate the imposition of the assessment beginning  
39 on the date that the federal statutory, regulatory, or  
40 interpretive change takes effect.

41 7. The department may procure a sole source  
42 contract to implement the provisions of this section.

43 8. For the purposes of this section, "nursing  
44 facility" means nursing facility as defined in section  
45 135C.1, excluding residential care facilities and  
46 nursing facilities that are operated by the state.

47 9. The department may adopt administrative rules  
48 under section 17A.4, subsection 2, and section 17A.5,  
49 subsection 2, paragraph "b", to implement this  
50 section.

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1 Sec. 5. NEW SECTION. 249A.29A HOME AND  
2 COMMUNITY-BASED SERVICES WAIVER -- ELIGIBILITY  
3 DETERMINATIONS.

4 1. A level of care eligibility determination of an  
5 individual seeking approval by the department to  
6 receive services under a waiver shall be completed  
7 only by a person not participating as a provider of  
8 services under a waiver. For the purposes of this  
9 section, "provider" and "waiver" mean provider and  
10 waiver as defined in section 249A.29.

11 2. Funds appropriated to the department of elder  
12 affairs for the purpose of conducting level of care  
13 eligibility determinations shall be transferred and  
14 made available to the department of human services.

15 3. The department of human services may procure a  
16 sole source contract with an outside entity or  
17 contractor to conduct level-of-care eligibility  
18 determinations.

19 4. The department may adopt administrative rules  
20 under section 17A.4, subsection 2, and section 17A.5,

21 subsection 2, paragraph “b”, to implement this  
22 section.

23 Sec. 6. Section 249B.3, subsection 1, unnumbered  
24 paragraph 1, Code 2003, is amended to read as follows:

25 The department ~~may~~ **shall** issue a notice  
26 establishing and demanding payment of an accrued or  
27 accruing spousal support debt due and owing to the  
28 department. The notice shall be served upon the  
29 community spouse in accordance with the rules of civil  
30 procedure. The notice shall include all of the  
31 following:

32 Sec. 7. MEDICAL ASSISTANCE PROGRAM --  
33 PHARMACEUTICALS -- RECIPIENT REQUIREMENTS.

34 1. The department of human services shall  
35 reimburse pharmacy dispensing fees using a single rate  
36 of \$4.26 per prescription or the pharmacy’s usual and  
37 customary fee, whichever is lower.

38 2. The department of human services shall require  
39 recipients of medical assistance to pay the following  
40 copayment on each prescription filled for a covered  
41 prescription drug, including on each refill of such  
42 prescription, as follows:

43 a. A copayment of \$1 for each covered generic  
44 prescription drug.

45 b. A copayment of 50 cents for each covered brand-  
46 name prescription drug for which the cost to the state  
47 is \$10 or less.

48 c. A copayment of \$1 for each covered brand-name  
49 prescription drug for which the cost to the state is  
50 more than \$10 and up to and including \$25.

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1 d. A copayment of \$2 for each covered brand-name  
2 prescription drug for which the cost to the state is  
3 more than \$25 and up to and including \$50.

4 e. A copayment of \$3 for each covered brand-name  
5 prescription drug for which the cost to the state is  
6 over \$50.

7 3. The department of human services shall  
8 establish an ingredient reimbursement basis equal to  
9 the average wholesale price minus 12 percent for  
10 pharmacy reimbursement for prescription drugs under  
11 the medical assistance program.

12 4. a. The department of human services shall  
13 continue the sole source contract relative to the  
14 state maximum allowable cost (SMAC) program as  
15 authorized in 2001 Iowa Acts, chapter 191, section 31,  
16 subsection 1, paragraph “b”, subparagraph (5). The  
17 department shall expand the state maximum allowable  
18 cost program for prescription drugs to the greatest  
19 extent possible as determined under the contract.

- 20 b. Pharmacies and providers that are enrolled in  
21 the medical assistance program shall make available  
22 drug acquisition cost information, product  
23 availability information, and other information deemed  
24 necessary by the department for the determination of  
25 reimbursement rates and the efficient operation of the  
26 pharmacy benefit. Pharmacies and providers shall  
27 produce and submit the requested information in the  
28 manner and format requested by the department or its  
29 designee at no cost to the department or designee.  
30 Pharmacies and providers shall submit information to  
31 the department or its designee within thirty days  
32 following receipt of a request for information unless  
33 the department or its designee grants an extension  
34 upon written request of the pharmacy or provider.
- 35 c. The state maximum allowable cost shall be  
36 established at the average wholesale acquisition cost  
37 for a prescription drug and all equivalent products,  
38 adjusted by a multiplier of 1.4. The department shall  
39 update the state maximum allowable cost every two  
40 months, or more often if necessary, to ensure adequate  
41 product availability.
- 42 d. The department shall review its current method  
43 for determining which prescription drugs are to be  
44 included in the SMAC program and shall adjust the  
45 method to maximize the cost savings realized through  
46 the SMAC program.
- 47 e. The department shall report any savings  
48 realized through the SMAC program to the legislative  
49 fiscal committee on a monthly basis.
- 50 5. The department of human services shall require

Page 8

- 1 recipients of medical assistance to pay a copayment of  
2 \$3 for each physician office visit.
- 3 6. The department of human services shall maximize  
4 expansion of prior authorization of prescription drugs  
5 under the medical assistance program beyond the 25  
6 current categories of medications.
- 7 7. The department of human services shall  
8 establish a fixed-fee reimbursement schedule for home  
9 health agencies under the medical assistance program.
- 10 8. The department may adopt emergency rules to  
11 implement this section.
- 12 **Sec. 8. HOME AND COMMUNITY-BASED SERVICES WAIVERS**  
13 **CONSOLIDATION -- BUDGET NEUTRALITY.** It is the intent  
14 of the general assembly that the consolidation of home  
15 and community-based services waivers by the department  
16 of human services be designed in a manner that does  
17 not result in additional cost, with the exception of  
18 any services added to the waivers through legislative

19 enactment. The department of human services shall  
20 submit an initial report regarding the cost neutrality  
21 and status of the waiver consolidation to the  
22 legislative fiscal committee no later than January 31,  
23 2004, and a subsequent report no later than July 31,  
24 2004.

25 Sec. 9. NURSING FACILITY REIMBURSEMENT.  
26 Notwithstanding 2001 Iowa Acts, chapter 192, section  
27 4, subsection 2, paragraph “c”, and subsection 3,  
28 paragraph “a”, subparagraph (2), if projected state  
29 fund expenditures for reimbursement of nursing  
30 facilities for the fiscal year beginning July 1, 2003,  
31 in accordance with the reimbursement rate specified in  
32 2001 Iowa Acts, chapter 192, section 4, subsection 2,  
33 paragraph “c”, exceeds \$147,252,856, the department  
34 shall adjust the inflation factor of the reimbursement  
35 rate calculation to provide reimbursement within the  
36 amount projected.

37 Sec. 10. UTILIZATION MANAGEMENT AND TARGETED  
38 AUDITS.

39 1. The department of human services shall conduct  
40 ongoing review of recipients and providers of medical  
41 assistance services to determine the appropriateness  
42 of the scope, duration, and utilization of services.  
43 If inappropriate usage is identified, the department  
44 shall implement procedures necessary to restrict  
45 utilization.

46 2. The department of human services shall conduct  
47 a review of selected medical assistance services  
48 categories and providers for state fiscal years  
49 beginning July 1, 2001, July 1, 2002, and July 1,  
50 2003. The review shall include intense data analysis

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1 to test compliance with rules, regulations, and  
2 policies and selected on-site audits.

3 3. The review required under subsection 2 shall  
4 attempt to identify any incorrectly paid billings or  
5 claims for the state medical assistance program. If  
6 inappropriate payments are identified, provider  
7 billings shall be adjusted accordingly. If there is  
8 substantiated evidence to suggest fraudulent activity,  
9 the department shall submit the audit data regarding  
10 the medical assistance provider or recipient to the  
11 department of inspections and appeals for further  
12 action.

13 4. The department of human services may procure a  
14 sole source contract to implement the provisions of  
15 this section.

16 5. Any savings realized under this section may be  
17 used to the extent necessary to pay the costs

18 associated with implementation of this section prior  
19 to reversion to the medical assistance program. The  
20 department shall report the amount of any savings  
21 realized and the amount of any costs paid to the  
22 chairpersons of the joint appropriations subcommittee  
23 on health and human services.

24 Sec. 11. MEDICAL ASSISTANCE -- CERTAIN PUBLICLY  
25 OWNED HOSPITALS -- PHYSICIAN SUPPLEMENTAL PAYMENTS.

26 1. For the fiscal year beginning July 1, 2003, and  
27 for each fiscal year thereafter, the department of  
28 human services shall institute a supplemental payment  
29 adjustment applicable to physician services provided  
30 to medical assistance recipients at publicly owned  
31 acute care teaching hospitals. The adjustment shall  
32 generate supplemental payments to physicians which are  
33 equal to the difference between the physician's charge  
34 and the physician's fee schedule under the medical  
35 assistance program. To the extent of the supplemental  
36 payments, a qualifying hospital shall, after receipt  
37 of the payments, transfer to the department of human  
38 services an amount equal to the actual supplemental  
39 payments that were made in that month. The department  
40 of human services shall deposit these payments in the  
41 department's medical assistance account. The  
42 department of human services shall amend the medical  
43 assistance state plan as necessary to implement this  
44 section. The department may adopt emergency rules to  
45 implement this section.

46 2. The department may use any savings realized  
47 under this section to the extent necessary to pay the  
48 costs associated with implementation of this section  
49 prior to reversion to the medical assistance program.  
50 The department shall report the amount of any savings

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1 realized and the amount of any costs paid to the  
2 chairpersons of the joint appropriations subcommittee  
3 on health and human services.

4 3. The department of human services shall, in any  
5 compilation of data or other report distributed to the  
6 public concerning payments to providers under the  
7 medical assistance program, set forth reimbursements  
8 to physicians of the university of Iowa college of  
9 medicine through supplemental adjustments as a  
10 separate item and shall not include such payments in  
11 the amounts otherwise reported as the reimbursement to  
12 a physician for services to medical assistance  
13 recipients.

14 Sec. 12. CHRONIC CARE MANAGEMENT.

15 1. The department of human services shall  
16 aggressively pursue chronic disease management in

17 order to improve care and reduce costs under the  
18 medical assistance program.

19 2. The department of human services, in  
20 cooperation with the department's fiscal agent and in  
21 consultation with a chronic care management resource  
22 group, shall profile medical assistance recipients  
23 within a select number of disease diagnosis  
24 categories. The assessment shall focus on those  
25 diagnosis areas that present the greatest opportunity  
26 for impact to improved care and cost reduction.

27 3. The department of human services, in  
28 consultation with a chronic care management resource  
29 group, shall conduct a chronic disease management  
30 pilot project for a select number of individuals who  
31 are participants in the medical assistance program.  
32 The project shall focus on a select number of chronic  
33 diseases which may include congestive heart failure,  
34 diabetes, and asthma. The initial pilot project shall  
35 be implemented by October 1, 2003.

36 4. The department of human services shall issue a  
37 request for proposals or otherwise solicit bids from  
38 potential vendors to manage individuals with select  
39 chronic diseases following the conclusion of the  
40 profiling of medical assistance recipients. The  
41 management of chronic diseases for individuals under  
42 this subsection may be coordinated with the pilot  
43 project established in subsection 3.

44 5. The department of human services shall amend  
45 the medical assistance state plan and seek any waivers  
46 necessary from the centers for Medicare and Medicaid  
47 services of the United States department of health and  
48 human services to implement this section.

49 6. The department of human services shall submit a  
50 progress report regarding chronic disease management

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1 measures undertaken pursuant to this section to the  
2 governor and the general assembly by November 1, 2003.  
3 The report shall include recommendations regarding  
4 incorporating chronic disease management programming  
5 into the medical assistance system and the potential  
6 improvements in care and reductions in costs that may  
7 be obtained through chronic disease management.

8 7. The department of human services may adopt  
9 emergency rules to implement this section.

10 8. Any savings realized under this section may be  
11 used as necessary to pay the costs associated with  
12 implementation of this section prior to reversion to  
13 the medical assistance program. The department shall  
14 report the amount of any savings realized and the  
15 amount of any costs paid to the chairpersons of the

16 joint appropriations subcommittee on health and human  
17 services.

18 Sec. 13. CONTINGENT EFFECTIVE DATE.

19 1. Section 249A.20B, as enacted in this Act, shall  
20 not take effect unless the department of human  
21 services receives approval of both the medical  
22 assistance state plan amendment from the centers for  
23 Medicare and Medicaid services of the United States  
24 department of health and human services to effectuate  
25 the nursing facility quality assurance assessment and  
26 of the application to the secretary of the United  
27 States department of health and human services for a  
28 waiver of the uniform tax requirement pursuant to 42  
29 U.S.C. } 1396b(w)(3)(E) and 42 C.F.R. } 433.68(e)(2).  
30 If both approvals are received, section 249A.20B shall  
31 take effect upon the date that both approvals have  
32 been received by the department and the department  
33 shall notify the Code editor of the date of receipt of  
34 the approvals.

35 2. If both approvals described in subsection 1 are  
36 not received by June 30, 2004, the section of this Act  
37 enacting section 249A.20B shall not take effect.

38 Sec. 14. EFFECTIVE DATES.

39 1. The section of this Act enacting section  
40 249A.20A takes effect upon enactment.

41 2. The portion of the section of this Act relating  
42 to the state maximum allowable cost (SMAC) program,  
43 being deemed of immediate importance, takes effect  
44 upon enactment.

45 3. The section of this Act relating to physician  
46 supplemental payments at certain publicly owned  
47 hospitals, being deemed of immediate importance, takes  
48 effect upon enactment.

49 4. The section of this Act relating to chronic  
50 disease management, being deemed of immediate

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1 importance, takes effect upon enactment.

2 5. The portions of the section of this Act  
3 enacting section 249A.20B relating to directing the  
4 department of human services to submit a medical  
5 assistance state plan amendment to the centers for  
6 Medicare and Medicaid services of the United States  
7 department of health and human services to effectuate  
8 the nursing facility quality assurance assessment and  
9 directing the department of human services to submit  
10 an application to the secretary of the United States  
11 department of health and human services for a waiver  
12 of the uniform tax requirement pursuant to 42 U.S.C. }  
13 1396b(w)(3)(E) and 42 C.F.R. } 433.68(e)(2), being  
14 deemed of immediate importance, take effect upon

15 enactment.”

16 2. Title page, line 2, by inserting after the  
17 word “eligibility” the following: “and providing  
18 effective dates and a contingent effective date”.

KEN VEENSTRA

### S-3145

1 Amend Senate File 334 as follows:

2 1. Page 1, by striking lines 8 and 9 and  
3 inserting the following: “constructed or  
4 reconstructed reasonably and in good faith in  
5 accordance with a generally recognized engineering or  
6 safety ~~standard~~ standards, criteria or design”.

KEITH A. KREIMAN

### S-3146

1 Amend Senate File 403 as follows:

2 1. By striking page 6, line 33, through page 7,  
3 line 29.  
4 2. By renumbering as necessary.

JOHN PUTNEY

### S-3147

1 Amend House File 548, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 1, by inserting after line 34 the  
4 following:  
5 “Sec. \_\_. Section 80B.11B, subsection 2, Code  
6 2003, is amended to read as follows:  
7 2. The Iowa law enforcement academy may also  
8 charge the department of natural resources or other  
9 agency or department of the state, a member of a  
10 police force of a city or county, or any political  
11 subdivision of the state not more than one-half of the  
12 cost of providing the basic training course which is  
13 designed to meet the minimum basic training  
14 requirements for a law enforcement officer. All other  
15 candidates to the law enforcement academy, including a  
16 candidate from a tribal government, shall pay the full  
17 costs of providing the basic training requirements for  
18 a law enforcement officer.”  
19 2. Title page, line 2, by inserting after the  
20 word “academy” the following: “, and providing for a  
21 fee”.

JOHN PUTNEY

## S-3148

1 Amend Senate File 362 as follows:

2 1. Page 1, by inserting after line 11 the

3 following:

4 “Sec. \_\_\_\_ Section 80B.11, subsections 1 and 2,

5 Code 2003, are amended to read as follows:

6 1. Minimum entrance requirements, course of study,  
7 attendance requirements, and equipment and facilities  
8 required at approved law enforcement training schools.

9 Minimum age requirements for entrance to approved law  
10 enforcement training schools shall be eighteen years  
11 of age. Minimum course of study requirements shall  
12 include a separate domestic abuse curriculum, which  
13 may include, but is not limited to, outside speakers  
14 from domestic abuse shelters and crime victim  
15 assistance organizations. Minimum course of study  
16 requirements shall also include a sexual assault  
17 curriculum.

18 2. Minimum basic training requirements law  
19 enforcement officers employed after July 1, 1968, must  
20 complete in order to remain eligible for continued  
21 employment and the time within which such basic  
22 training must be completed. Minimum requirements  
23 shall mandate training devoted to the topic of  
24 domestic abuse and sexual assault. The council shall  
25 submit an annual report to the general assembly by  
26 January 15 of each year relating to the continuing  
27 education requirements devoted to the topic of  
28 domestic abuse, including the number of hours  
29 required, the substance of the classes offered, and  
30 other related matters.

31 Sec. \_\_\_\_ NEW SECTION. 80B.18 LAW ENFORCEMENT  
32 OFFICER -- TRIBAL GOVERNMENT.

33 A law enforcement officer who is a member of a  
34 police force of a tribal government and who becomes  
35 certified through the Iowa law enforcement academy  
36 shall be subject to the certification and revocation  
37 of certification rules and procedures as provided in  
38 this chapter. The certified law enforcement officer  
39 shall be subject to the jurisdiction of the courts of  
40 this state if an agreement exists between the tribal  
41 government and the state or between the tribal  
42 government and a county, which grants authority to the  
43 law enforcement officer to act in a law enforcement  
44 capacity off a settlement or reservation.”

45 2. Title page, line 1, by striking the word  
46 “tribal”.

47 3. By renumbering as necessary.

**S-3149**

- 1 Amend House File 387, as passed by the House, as  
 2 follows:  
 3 1. Page 1, by striking lines 1 through 22.  
 4 2. Page 3, by striking lines 6 through 14, and  
 5 inserting the following:  
 6 “Sec. \_\_\_\_ Section 225C.5, subsection 1, paragraph  
 7 c, Code 2003, is amended to read as follows:  
 8 c. One member shall be an active board member of a  
 9 community mental health center selected from nominees  
 10 submitted by the Iowa association of community  
 11 providers.”  
 12 3. Title page, by striking lines 2 and 3, and  
 13 inserting the following: “by expanding an”.

COMMITTEE ON HUMAN RESOURCES  
 KEN VEENSTRA, Chair

**S-3150**

- 1 Amend Senate File 439 as follows:  
 2 1. Page 12, by inserting after line 28 the  
 3 following:  
 4 “ \_\_\_\_ Notwithstanding the number of full-time  
 5 equivalent positions authorized in this section, the  
 6 department of corrections may employ more than the  
 7 number of full-time equivalent positions as necessary  
 8 to alleviate staff shortages caused by members of the  
 9 Iowa national guard or armed forces reserve units  
 10 being called up for active duty.”

EUGENE S. FRAISE  
 JOE BOLKCOM  
 JOHN P. KIBBIE  
 DENNIS H. BLACK  
 AMANDA RAGAN  
 THOMAS G. COURTNEY  
 JACK HATCH  
 WILLIAM A. DOTZLER  
 DR. JOE SENG  
 DARYL BEALL  
 HERMAN C. QUIRMBACH  
 ROGER STEWART  
 ROBERT E. DVORSKY  
 DICK L. DEARDEN  
 WALLY E. HORN  
 KEITH A. KREIMAN  
 MATT McCOY  
 MICHAEL E. GRONSTAL  
 STEVEN H. WARNSTADT  
 JACK HOLVECK  
 MIKE CONNOLLY

**S-3151**HOUSE AMENDMENT TO  
SENATE FILE 230

- 1 Amend Senate File 230, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 3, by inserting after line 10, the  
4 following:  
5 “Sec. \_\_\_. EFFECTIVE DATE. This Act, being deemed  
6 of immediate importance, takes effect upon enactment.”  
7 2. Title page, line 3, by inserting after the  
8 word “cities” the following: “and providing an  
9 effective date”.  
10 3. By renumbering as necessary.

**S-3152**

- 1 Amend the House amendment, S-3103, to Senate File  
2 94, as passed by the Senate, as follows:  
3 1. Page 1, by inserting after line 2, the  
4 following:  
5 “\_\_\_. Page 1, by inserting after line 17, the  
6 following:  
7 “\_\_\_. To a person who is a funeral director  
8 licensed pursuant to chapter 156 and who has custody  
9 of the body of a deceased veteran.””  
10 2. By renumbering, redesignating, and correcting  
11 internal references as necessary.

STEVEN H. WARNSTADT

**S-3153**

- 1 Amend Senate File 384 as follows:  
2 1. Page 1, by inserting after line 24, the  
3 following:  
4 “This subsection shall only apply to an out-of-  
5 state qualified state tuition program if the state  
6 that established the program allows its residents to  
7 deduct in determining their individual income tax  
8 liabilities contributions made to the Iowa educational  
9 savings plan trust created pursuant to chapter 12D.”

MIKE CONNOLLY

**S-3154**

- 1 Amend House File 404, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, line 17, by inserting after the word

4 “victim” the following: “, a person residing with the  
5 victim, a member of the victim’s immediate family, or  
6 a witness to the offense”.  
7 2. By renumbering as necessary.

KEITH A. KREIMAN

**S-3155**

1 Amend Senate File 388 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. NEW SECTION. 7.23 TECHNOLOGY  
5 TRANSFER ADVISOR.  
6 Two technology transfer advisors shall be appointed  
7 by the governor, serve at the pleasure of the  
8 governor, and be located at offices at the university  
9 of Iowa and Iowa state university of science and  
10 technology. A technology transfer advisor is not a  
11 state agency and is not subject to chapter 17A. A  
12 technology transfer advisor shall do all of the  
13 following:  
14 1. Facilitate the transfer of technology developed  
15 at universities under the control of the state board  
16 of regents, community colleges, and private colleges  
17 and universities.  
18 2. Coordinate the technology transfer activities  
19 at each of the public and private universities to  
20 encourage the implementation of best practices in  
21 technology transfer, establish measures of  
22 performance, and design programs of continuous quality  
23 improvement for each technology transfer office.  
24 3. Establish technology transfer goals for the  
25 state.  
26 4. Provide technical assistance to Iowa-based  
27 entrepreneurs associated with or unrelated to the  
28 universities under the control of the state board of  
29 regents regarding technology transfer-related issues.  
30 The technical assistance shall include assistance in  
31 the areas of patents and licensing, business  
32 development and management, finance, production,  
33 sales, and marketing.  
34 5. Receive the technology transfer-related report  
35 submitted by the state board of regents pursuant to  
36 section 262.9, subsection 31.  
37 6. To ensure economic growth, serve as a  
38 coordinator between Iowa-based businesses and  
39 businesses intending to locate in Iowa.  
40 Sec. \_\_\_\_ Section 15.108, Code 2003, is amended by  
41 adding the following new subsection:  
42 NEW SUBSECTION. 12. TECHNOLOGY TRANSFER ADVISORS.  
43 The department shall cooperate with and provide

44 staffing support to the technology transfer advisors  
45 appointed pursuant to section 7.23.  
46 Sec. \_\_\_\_ Section 262.9, Code 2003, is amended by  
47 adding the following new subsections:  
48 NEW SUBSECTION. 29. Actively encourage and  
49 promote the transfer of technology and research at  
50 universities under the control of the board to

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1 commercial application, including the start-up of  
2 business entities.  
3 NEW SUBSECTION. 30. Give preference and technical  
4 support to those faculty members and staff members  
5 desiring to obtain licenses for intellectual property  
6 rights created in whole or in part by the faculty  
7 member or staff member. However, such preference  
8 shall not be construed to be a right accruing to that  
9 faculty member or staff member.  
10 NEW SUBSECTION. 31. By January 15 of each year,  
11 submit a report to the governor, through the  
12 technology transfer advisors, and the general assembly  
13 containing information from the previous calendar year  
14 regarding all of the following:  
15 a. Patents secured or applied for by each  
16 university under the control of the board delineated  
17 by university and by faculty member and staff member  
18 responsible for the research or activity that resulted  
19 in the patent. In the initial report filed by January  
20 15, 2004, the board shall include an inventory of  
21 patent portfolios with details concerning which  
22 patents are creating financial benefit and the amount  
23 of financial benefit and which patents are not  
24 creating financial benefit and the amount invested in  
25 those patents.  
26 b. Research grants secured by each university  
27 under the control of the board from both public and  
28 private sources delineated by university and by  
29 faculty member and staff member. The board shall also  
30 include the same information for grant applications  
31 that are denied.  
32 c. The number of faculty members and staff members  
33 at each university under the control of the board  
34 involved in a start-up company.  
35 d. The number of grant applications for research  
36 received by each university under the control of the  
37 board for start-up companies, the number of  
38 applications approved, and the number of applications  
39 denied.  
40 e. The number of agreements entered into by  
41 faculty members and staff members at each university  
42 under the control of the board with foundations

43 affiliated with the universities relating to business  
 44 start-ups.  
 45 f. An accounting of the financial gain received by  
 46 each university under the control of the board  
 47 relating to patents sold, royalties received,  
 48 licensing fees, and any other remuneration received by  
 49 the university related to technology transfer.  
 50 g. The number of professional employees at each

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1 university under the control of the board who assist  
 2 in the transfer of technology and research to  
 3 commercial application.  
 4 Sec. \_\_\_\_\_. This Act is repealed July 1, 2008.”

PAUL MCKINLEY  
 KITTY REHBERG  
 JACK HATCH

### S-3156

1 Amend House File 655, as passed by the House, as  
 2 follows:  
 3 1. Page 3, line 9, by striking the word “a.”  
 4 2. Page 3, by striking lines 14 through 22.  
 5 3. By renumbering as necessary.

BRYAN J. SIEVERS  
 MARK ZIEMAN  
 MICHAEL E. GRONSTAL  
 WILLIAM A. DOTZLER  
 DONALD B. REDFERN

### S-3157

1 Amend Senate File 422 as follows:  
 2 1. Page 6, lines 31 and 32, by striking the words  
 3 “The victim, if possible, shall be served a copy of  
 4 the motion by certified mail.” and inserting the  
 5 following: “The county attorney shall notify the  
 6 victim pursuant to section 915.13 of the filing of the  
 7 motion.”  
 8 2. Page 6, line 33, by striking the words “, if  
 9 possible.”.  
 10 3. Page 9, by inserting after line 15 the  
 11 following:  
 12 “Sec. \_\_\_\_\_. Section 915.13, subsection 1, Code  
 13 2003, is amended by adding the following new  
 14 paragraph:  
 15 NEW PARAGRAPH. h. The filing of a motion to  
 16 reopen a sentence of a defendant pursuant to section

17 901.5B. Notwithstanding section 915.10, the notice  
18 shall be served by certified mail. Notice shall  
19 include the scheduled date, time, and place of any  
20 hearing to reopen a sentence and that the victim has  
21 thirty days from the date of the service of the motion  
22 to file a written objection with the court.”

KEITH A. KREIMAN

### S-3158

1 Amend Senate File 393 as follows:  
2 1. By striking everything after the enacting  
3 clause, and inserting the following:  
4 “Section 1. Section 7E.7, Code 2003, subsection 2,  
5 is amended by striking the subsection.  
6 Sec. 2. Section 175.3, subsection 1, Code 2003, is  
7 amended to read as follows:  
8 1. a. The agricultural development authority is  
9 established ~~within the department of agriculture and~~  
10 ~~land stewardship.~~ The authority is constituted a  
11 public instrumentality and agency of the state  
12 exercising public and essential governmental  
13 functions.  
14 b. The authority is established to undertake  
15 programs which assist beginning farmers in purchasing  
16 agricultural land and agricultural improvements and  
17 depreciable agricultural property for the purpose of  
18 farming, and programs which provide financing to  
19 farmers for permanent soil and water conservation  
20 practices on agricultural land within the state or for  
21 the acquisition of conservation farm equipment, and  
22 programs to assist farmers within the state in  
23 financing operating expenses and cash flow  
24 requirements of farming. The authority shall also  
25 develop programs to assist qualified agricultural  
26 producers within the state with financing other  
27 capital requirements or operating expenses.  
28 c. The powers of the authority are vested in and  
29 exercised by a board of eleven members with nine  
30 members appointed by the governor subject to  
31 confirmation by the senate. The treasurer of state or  
32 the treasurer’s designee ~~and the secretary of~~  
33 ~~agriculture or the secretary’s designee are shall~~  
34 serve as an ex officio nonvoting ~~members~~ member. No  
35 more than five appointed members shall belong to the  
36 same political party. As far as possible the governor  
37 shall include within the membership persons who  
38 represent financial institutions experienced in  
39 agricultural lending, the real estate sales industry,  
40 farmers, beginning farmers, average taxpayers, local  
41 government, soil and water conservation district

42 officials, agricultural educators, and other persons  
 43 specially interested in family farm development.  
 44 Sec. 3. Section 175.7, subsection 1, Code 2003, is  
 45 amended to read as follows:  
 46 1. The executive director of the authority shall  
 47 be appointed by a selection and tenure committee,  
 48 which shall consist of the ~~secretary of agriculture~~  
 49 ~~and the chairperson and of the board, the vice~~  
 50 ~~chairperson of the board, established pursuant to~~

Page 2

1 ~~section 175.3 and one member elected by the board~~, or  
 2 their designees. The executive director shall serve  
 3 at the pleasure of the ~~committee board~~. The votes of  
 4 three members of the committee are necessary for any  
 5 substantive action taken by the committee, ~~except that~~  
 6 ~~two members may take a substantive action, if the~~  
 7 ~~secretary has a conflict of interest~~. If a member  
 8 ~~other than the secretary~~ has a conflict of interest,  
 9 the board shall appoint a substitute member of the  
 10 committee from the appointed members of the board for  
 11 the duration of the conflict of interest. The  
 12 executive director shall be selected primarily for  
 13 administrative ability and knowledge in the field,  
 14 without regard to political affiliation.”

E. THURMAN GASKILL

### S-3159

1 Amend House File 652, as passed by the House, as  
 2 follows:  
 3 1. Page 5, by inserting after line 6 the  
 4 following:  
 5 “Sec. \_\_\_\_ CLOSE-CLEARANCE CONDITIONS NEAR  
 6 RAILROAD TRACKS -- RULES. The state department of  
 7 transportation shall adopt rules regulating close-  
 8 clearance conditions on or near railroad tracks. The  
 9 rules shall include requirements and standards for the  
 10 installation of close-clearance warning devices.”  
 11 2. Title page, line 1, by striking the words “and  
 12 making” and inserting the following: “transportation,  
 13 including making”.  
 14 3. By renumbering as necessary.

STEVEN H. WARNSTADT

### S-3160

1 Amend Senate File 300 as follows:  
 2 1. Page 4, line 29, by striking the words “set by

3 the commission by rule” and inserting the following:  
4 “of twenty dollars”.

5 2. Page 12, line 17, by inserting after the word  
6 “application.” the following: “The department shall  
7 issue its response to an application for authorization  
8 to conduct a special event no later than seven days  
9 from receipt of the application.”

10 3. Page 13, line 15, by striking the words “a  
11 safety certificate and”.

12 4. By striking page 13, line 17, through page 14,  
13 line 14.

14 5. Page 14, line 26, by striking the word “may”  
15 and inserting the following: “shall”.

16 6. Page 14, line 27, by inserting after the word  
17 “operator” the following: “who applies for  
18 certification”.

19 7. Page 15, line 5, by striking the word “three”  
20 and inserting the following: “five”.

21 8. Page 23, line 1, by striking the words and  
22 figures “~~and 327G.15, and 321N.8~~” and inserting the  
23 following: “321N.8, and 327G.15”.

24 9. Page 26, by inserting after line 18 the  
25 following:

26 “Sec. \_\_\_\_ PROGRAM FUNDING AND OPERATION.  
27 Notwithstanding the provisions of chapter 321N, as  
28 enacted in this Act, fees collected by the department  
29 of natural resources from the registration of off-  
30 highway vehicles, as required in this Act, shall be  
31 deposited in the off-highway vehicle fund created in  
32 section 321N.5 and allowed to accumulate without  
33 expenditure until the department begins operation of  
34 the state’s off-highway vehicle program. When  
35 revenues in the fund are sufficient to cover the  
36 operational costs of the off-highway vehicle program,  
37 the department shall begin operation of the program.  
38 For purposes of this section, “operation of the  
39 program” includes, but is not limited to, purchasing  
40 land for use by off-highway vehicles, initiating a  
41 safety certificate program, and employing part-time or  
42 full-time employees to administer the off-highway  
43 vehicle fund and its functions.”

44 10. Page 26, by inserting after line 20 the  
45 following:

46 “Sec. \_\_\_\_ IMPLEMENTATION PLAN. The department of  
47 natural resources, in consultation with the Iowa  
48 association of four wheel drive clubs, shall develop a  
49 five-year plan for the use of funds collected in the  
50 off-highway vehicle fund. The plan shall include an

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1 analysis of the number of off-highway vehicles the  
 2 department estimates will be registered prior to the  
 3 establishment of an off-highway vehicle recreation  
 4 area and the number of off-highway vehicles the  
 5 department expects to register after the establishment  
 6 of such a facility. The plan shall also include  
 7 optimum locations for an off-highway vehicle  
 8 recreation area, estimated costs, if any, for  
 9 maintenance of the area, and any other issues the  
 10 department and the association deem to be of  
 11 importance in the planning process. The plan shall be  
 12 completed and available for inspection by interested  
 13 parties no later than January 1, 2004.”  
 14 11. By renumbering, relettering, or redesignating  
 15 and correcting internal references as necessary.

MARK ZIEMAN

**S-3161**

1 Amend the amendment, S-3077, to Senate File 422 as  
 2 follows:  
 3 1. Page 1, by inserting after line 17 the  
 4 following:  
 5 “ \_\_\_\_\_. Page 8, line 9, by striking the word “one-  
 6 half” and inserting the following: “seven-tenths”.”

CHARLES W. LARSON, JR.  
 MARY A. LUNDBY  
 LARRY McKIBBEN  
 KITTY REHBERG  
 MARK ZIEMAN  
 JOHN PUTNEY  
 MATT McCOY  
 RON WIECK  
 JERRY BEHN  
 BRYAN J. SIEVERS  
 NANCY BOETTGER  
 JAMES SEYMOUR  
 JULIE HOSCH  
 NEAL SCHUERER  
 DAVID JOHNSON  
 DOUG SHULL  
 KEN VEENSTRA  
 STEVE KETTERING  
 STEVEN H. WARNSTADT

**S-3162**

1 Amend House File 593, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 6, by inserting after line 27 the  
4 following:

5 “Sec. \_\_\_\_ Section 53.2, unnumbered paragraph 4,  
6 Code 2003, is amended to read as follows:

7 Each application shall contain the name and  
8 signature of the registered voter, the address at  
9 which the voter is registered to vote, and the name or  
10 date of the election for which the absentee ballot is  
11 requested, and such other information as may be  
12 necessary to determine the correct absentee ballot for  
13 the registered voter. If insufficient information has  
14 been provided, the commissioner shall, by the best  
15 means available, obtain the additional necessary  
16 information. The form prescribed by the state  
17 commissioner shall include a space for the applicant  
18 to indicate that the applicant is elderly and  
19 homebound or disabled and homebound. If the applicant  
20 makes such indication on an application, the applicant  
21 shall be treated as if the applicant were a patient of  
22 a hospital or resident or tenant of a facility under  
23 section 53.22.

24 Sec. \_\_\_\_ Section 53.8, subsection 2, Code 2003,  
25 is amended to read as follows:

26 2. If an application is received so late that it  
27 is unlikely that the absentee ballot can be returned  
28 in time to be counted on election day, the  
29 commissioner shall enclose with the absentee ballot a  
30 statement to that effect. The statement shall also  
31 point out that it is possible for the applicant or the  
32 applicant’s designee, if the absentee ballot is voted  
33 by a voter described in section 53.22, subsection 5,  
34 to personally deliver the completed absentee ballot to  
35 the office of the commissioner at any time before the  
36 closing of the polls on election day.

37 Sec. \_\_\_\_ Section 53.8, subsection 3, Code 2003,  
38 is amended to read as follows:

39 3. When an application for an absentee ballot is  
40 received by the commissioner of any county from a  
41 registered voter who is a patient in a hospital in  
42 that county or a resident or tenant of any facility in  
43 that county shown to be a ~~health care~~ facility by the  
44 list of licenses provided the commissioner under  
45 ~~section sections~~ sections 135C.29 and 231.25, the absentee  
46 ballot shall be delivered to the voter and returned to  
47 the commissioner in the manner prescribed by section  
48 53.22. However, if the application is received more  
49 than ten calendar days before the election and the  
50 commissioner has not elected to mail absentee ballots

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1 to the applicant as provided under section 53.22,  
2 subsection 3, the commissioner shall mail to the  
3 applicant within twenty-four hours a letter in  
4 substantially the following form:  
5 Your application for an absentee ballot for the  
6 election to be held on ..... has been received. This  
7 ballot will be personally delivered to you by a  
8 bipartisan team sometime during the ten days preceding  
9 the election. If you will not be at the address from  
10 which your application was sent during any or all of  
11 the ten-day period immediately preceding the election,  
12 contact this office and arrangements will be made to  
13 have your absentee ballot delivered at a time when you  
14 will be present at that address.

15 Nothing in this subsection nor in section 53.22  
16 shall be construed to prohibit a registered voter who  
17 is a hospital patient or a resident or tenant of a  
18 ~~health care~~ facility, or who anticipates entering a  
19 hospital or ~~health care~~ facility before the date of a  
20 forthcoming election, from casting an absentee ballot  
21 in the manner prescribed by section 53.11.

22 Sec. \_\_\_\_ Section 53.17, subsection 1, Code 2003,  
23 is amended to read as follows:

24 1. The sealed carrier envelope may be delivered by  
25 the registered voter, or the voter's designee if the  
26 absentee ballot is voted by a voter described in  
27 section 53.22, subsection 5, to the commissioner's  
28 office no later than the time the polls are closed on  
29 election day.

30 Sec. \_\_\_\_ Section 53.22, Code 2003, is amended to  
31 read as follows:

32 53.22 BALLOTING BY CONFINED PERSONS.

33 1. a. A registered voter who has applied for an  
34 absentee ballot, in a manner other than that  
35 prescribed by section 53.11, and who is a resident,  
36 tenant, or patient in a ~~health care~~ facility or  
37 hospital located in the county to which the  
38 application has been submitted shall be delivered the  
39 appropriate absentee ballot by two special precinct  
40 election officers, one of whom shall be a member of  
41 each of the political parties referred to in section  
42 49.13, who shall be appointed by the commissioner from  
43 the election board panel for the special precinct  
44 established by section 53.20. The special precinct  
45 election officers shall be sworn in the manner  
46 provided by section 49.75 for election board members,  
47 shall receive compensation as provided in section  
48 49.20 and shall perform their duties during the ten  
49 calendar days preceding the election and on election  
50 day if all ballots requested under section 53.8,

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1 subsection 3 have not previously been delivered and  
2 returned.

3 If materials are prepared for the two special  
4 precinct election officials, a list shall be made of  
5 all voters to whom ballots are to be delivered. The  
6 list shall be sent with the officials who deliver the  
7 ballots and shall include spaces to indicate whether  
8 the person was present at the hospital or ~~health care~~  
9 facility when the officials arrived, whether the  
10 person requested assistance from the officials,  
11 whether the person was assisted by another person of  
12 the voter's choice, the time that the ballot was  
13 returned to the officials, and any other notes the  
14 officials deem necessary.

15 The officials shall also be issued a supply of  
16 extra ballots to replace spoiled ballots. Receipts  
17 shall be issued in substantially the same form as  
18 receipts issued to precinct election officials  
19 pursuant to section 49.65. All ballots shall be  
20 accounted for and shall be returned to the  
21 commissioner. Separate envelopes shall be provided  
22 for the return of spoiled ballots and unused ballots.

23 b. If an applicant under this subsection notifies  
24 the commissioner that the applicant will not be  
25 available at the ~~health care~~ facility or hospital  
26 address at any time during the ten-day period  
27 immediately prior to the election, but will be  
28 available there at some earlier time, the commissioner  
29 shall direct the two special precinct election  
30 officers to deliver the applicant's ballot at an  
31 appropriate time prior to the ten-day period  
32 immediately preceding the election. If a person who  
33 so requested an absentee ballot has been dismissed  
34 from the ~~health care~~ facility or hospital, the special  
35 precinct election officers may take the ballot to the  
36 voter if the voter is currently residing in the  
37 county.

38 c. The special precinct election officers shall  
39 travel together in the same vehicle and both shall be  
40 present when an applicant casts an absentee ballot.  
41 If either or both of the special precinct election  
42 officers fail to appear at the time the duties set  
43 forth in this section are to be performed, the  
44 commissioner shall at once appoint some other person,  
45 giving preference to persons designated by the  
46 respective county chairpersons of the political  
47 parties described in section 49.13, to carry out the  
48 requirements of this section. The persons authorized  
49 by this subsection to deliver an absentee ballot to an  
50 applicant, if requested, may assist the applicant in

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1 filling out the ballot as permitted by section 49.90.  
2 After the voter has securely sealed the marked ballot  
3 in the envelope provided and has subscribed to the  
4 oath, the voted absentee ballots shall be deposited in  
5 a sealed container which shall be returned to the  
6 commissioner on the same day the ballots are voted.  
7 On election day the officers shall return the sealed  
8 container by the time the polls are closed.  
9 2. Any registered voter who becomes a patient or  
10 resident or tenant of a hospital or ~~health care~~  
11 facility in the county where the voter is registered  
12 to vote within three days prior to the date of any  
13 election or on election day may request an absentee  
14 ballot during that period or on election day. As an  
15 alternative to the application procedure prescribed by  
16 section 53.2, the registered voter may make the  
17 request directly to the officers who are delivering  
18 and returning absentee ballots under this section.  
19 Alternatively, the request may be made by telephone to  
20 the office of the commissioner not later than four  
21 hours before the close of the polls. If the requester  
22 is found to be a registered voter of that county,  
23 these officers shall deliver the appropriate absentee  
24 ballot to the registered voter in the manner  
25 prescribed by this section.  
26 3. For any election except a primary or general  
27 election or a special election to fill a vacancy under  
28 section 69.14, the commissioner may, as an alternative  
29 to subsection 1, mail an absentee ballot to an  
30 applicant under this section to be voted and returned  
31 to the commissioner in accordance with this chapter.  
32 This subsection only applies to applications for  
33 absentee ballots from a single ~~health care~~  
34 hospital if there are no more than two applications  
35 from that facility or hospital.  
36 4. The commissioner shall mail an absentee ballot  
37 to a registered voter who has applied for an absentee  
38 ballot and who is a patient or resident or tenant of a  
39 hospital or ~~health care~~ facility outside the county in  
40 which the voter is registered to vote.  
41 5. If the registered voter becomes a patient or  
42 resident or tenant of a hospital or ~~health care~~  
43 facility outside the county where the voter is  
44 registered to vote within three days before the date  
45 of any election or on election day, the voter may  
46 designate a person to deliver and return the absentee  
47 ballot. The designee may be any person the voter  
48 chooses except that no candidate for any office to be  
49 voted upon for the election for which the ballot is  
50 requested may deliver a ballot under this subsection.

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1 The request for an absentee ballot may be made by  
2 telephone to the office of the commissioner no later  
3 than four hours before the close of the polls. If the  
4 requester is found to be a registered voter of that  
5 county, the ballot shall be delivered by mail or by  
6 the person designated by the voter. An application  
7 form shall be included with the absentee ballot and  
8 shall be signed by the voter and returned with the  
9 ballot.

10 Absentee ballots voted under this subsection shall  
11 be delivered to the commissioner no later than the  
12 time the polls are closed on election day. If the  
13 ballot is returned by mail the carrier envelope must  
14 be received by the time the polls close, or clearly  
15 postmarked by an officially authorized postal service  
16 not later than the day before the election and  
17 received by the commissioner no later than the time  
18 established for the canvass by the board of  
19 supervisors for that election.

20 6. For purposes of this section, "facility" means  
21 a health care facility as defined in section 135C.1,  
22 subsection 6, and an assisted living program certified  
23 pursuant to chapter 231C.

24 Sec. \_\_\_\_ Section 53.23, subsection 3, unnumbered  
25 paragraph 1, Code 2003, is amended to read as follows:

26 The commissioner shall set the convening time for  
27 the board, allowing a reasonable amount of time to  
28 complete counting all absentee ballots by ten p.m. on  
29 election day. The commissioner may direct the board  
30 to meet on the ~~day~~ Wednesday before the election  
31 solely for the purpose of reviewing the absentee  
32 voters' affidavits appearing on the sealed ballot  
33 envelopes. If in the commissioner's judgment this  
34 procedure is necessary due to the number of absentee  
35 ballots received, the members of the board may open  
36 the sealed ballot envelopes and remove the secrecy  
37 envelope containing the ballot, but under no  
38 circumstances shall a secrecy envelope be opened  
39 before the board convenes on election day. If the  
40 ballot envelopes are opened before election day, two  
41 observers, one appointed by each of the two political  
42 parties referred to in section 49.13, subsection 2,  
43 shall witness the proceedings.

44 Sec. \_\_\_\_ NEW SECTION. 231.25 LICENSE LIST TO  
45 COUNTY COMMISSIONER OF ELECTIONS.

46 To facilitate the implementation of section 53.8,  
47 subsection 3, and section 53.22, the director shall  
48 provide to each county commissioner of elections at  
49 least annually a list of each licensed assisted living  
50 program in that county. The list shall include the

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- 1 street address or location, and the mailing address if
- 2 it is other than the street address or location, of
- 3 each program.”
- 4 2. Title page, line 13, by inserting after the
- 5 word “elections,” the following: “relating to
- 6 absentee voting by certain confined persons, relating
- 7 to delivery of certain completed absentee ballots to
- 8 the county commissioner of elections,”.
- 9 3. By renumbering, relettering, or redesignating
- 10 and correcting internal references as necessary.

COMMITTEE ON STATE GOVERNMENT  
MARK ZIEMAN, Chair

**S-3163**

1	Amend House File 655, as passed by the House, as		
2	follows:		
3	1. Page 1, by striking lines 10 and 11, and		
4	inserting the following:		
5	“.....	\$	1,052,565
6	..... FTEs		100.42”
7	2. Page 1, by striking line 32, and inserting the		
8	following:		
9	“.....	\$	380,427”
10	3. Page 11, by striking lines 28 and 29, and		
11	inserting the following:		
12	“.....	\$	2,245,237
13	..... FTEs		34.50”
14	4. Page 12, by striking line 12, and inserting		
15	the following:		
16	“.....	\$	25,000,000”
17	5. Page 13, by striking line 30, and inserting		
18	the following:		
19	“.....	\$	1,441,358”
20	6. Page 14, by striking line 17, and inserting		
21	the following:		
22	“.....	FTEs	29.80”
23	7. Page 22, by striking line 30, and inserting		
24	the following:		
25	“.....	FTEs	391.19”
26	8. Page 22, by striking line 35, and inserting		
27	the following:		
28	“.....	\$	24,001,011”

JACK HOLVECK  
STEVEN H. WARNSTADT

**S-3164**

1 Amend House File 655, as passed by the House, as  
 2 follows:  
 3 1. Page 12, by striking line 12 and inserting the  
 4 following:  
 5 “ ..... \$ 25,000,000”

JACK HOLVECK  
 STEVEN H. WARNSTADT

**S-3165**

1 Amend House File 655, as passed by the House, as  
 2 follows:  
 3 1. Page 1, by striking lines 10 and 11, and  
 4 inserting the following:  
 5 “ ..... \$ 1,052,565  
 6 ..... FTEs 100.42”  
 7 2. Page 11, by striking lines 28 and 29, and  
 8 inserting the following:  
 9 “ ..... \$ 2,167,369  
 10 ..... FTEs 34.50”

JACK HOLVECK  
 STEVEN H. WARNSTADT

**S-3166**

1 Amend House File 529, as passed by the House, as  
 2 follows:  
 3 1. Page 1, lines 9 and 10, by striking the words  
 4 “and children”.  
 5 2. Page 2, by striking line 15 and inserting the  
 6 following:  
 7 “The commission shall include a process by which  
 8 funding follows the covered individual among the  
 9 options considered, including but not limited to the  
 10 following.”  
 11 3. By striking page 4, line 14, through page 5,  
 12 line 14, and inserting the following:  
 13 “4. ADDRESS THE LEGAL SETTLEMENT PROCESS.  
 14 The commission shall consider options for  
 15 addressing the deficiencies in the legal settlement  
 16 process currently used for determining governmental  
 17 financial liability for service costs. The options  
 18 considered may include but are not limited to  
 19 providing for a transition to a system that provides  
 20 for service access based upon an individual’s  
 21 residency.”  
 22 4. Title page, line 4, by striking the words “and  
 23 children”.

COMMITTEE ON HUMAN RESOURCES  
KEN VEENSTRA, Chair**S-3167**

1 Amend Senate File 405 as follows:  
2 1. Page 1, by striking lines 3 through 13, and  
3 inserting the following:  
4 “In addition to the powers conferred upon a city  
5 elsewhere in this chapter, any city operating a city  
6 electric utility on January 1, 2003, may enter into  
7 agreements with and acquire equity interests in  
8 independent transmission companies or similar  
9 independent transmission entities in which they are  
10 participating that are approved by the federal energy  
11 regulatory commission. The purpose of such equity  
12 investments shall be to mitigate expenses incurred by  
13 the city electric utility due to its procurement of  
14 electric transmission service or to otherwise  
15 facilitate investment in transmission facilities and  
16 shall not be for general city or city utility  
17 investment purposes.”

BRYAN J. SIEVERS

**S-3168**

1 Amend House File 567, as passed by the House, as  
2 follows:  
3 1. Page 1, by inserting before line 1 the  
4 following:  
5 “Section 1. Section 455B.307A, subsection 3, Code  
6 2003, is amended to read as follows:  
7 3. A person who violates this section is subject  
8 to a civil penalty ~~not to exceed~~ of not less than five  
9 hundred dollars but not more than one thousand dollars  
10 for each violation.”  
11 2. By renumbering as necessary.

RON WIECK

**S-3169**

1 Amend the amendment, S-3097, to House File 534, as  
2 amended, passed, and reprinted by the House, as  
3 follows:  
4 1. Page 1, by inserting after line 14 the  
5 following:  
6 “\_\_\_. Page 8, by inserting before line 33 the  
7 following:  
8 “4. The department shall annually prepare a  
9 listing separately identifying services to be provided

10 by the department and funded by an appropriation,  
11 services to be provided by the department and funded  
12 by the governmental entity receiving the service, and  
13 services which the department is authorized to provide  
14 but which governmental entities may provide on their  
15 own or obtain from another provider of the service.”

16 2. Page 1, line 45, by inserting after the word  
17 “management” the following: “and the auditor of  
18 state”.

19 3. Page 3, by inserting after line 9 the  
20 following:

21 “\_\_\_. Page 31, line 35, by inserting after the  
22 figure “3.” the following: “a.”

23 \_\_\_. Page 32, by inserting after line 5 the  
24 following:

25 “b. Architectural and engineering services shall  
26 be procured in a reasonable manner, as the director by  
27 rule may determine, on the basis of competence and  
28 qualification for the type of services required and  
29 for a fair and reasonable price.”

30 4. Page 4, by inserting after line 1 the  
31 following:

32 “\_\_\_. Page 126, by striking lines 3 through 12.”

33 5. Page 4, by striking lines 20 and 21 and  
34 inserting the following:

35 “\_\_\_. Page 179, by inserting after line 17 the  
36 following:

37 “\_\_\_. “Agency” or “state agency” means as defined  
38 in section 8A.101. “Agency” includes the state board  
39 of regents subject to the requirements of section  
40 8A.122.”

41 \_\_\_. Page 179, by striking line 24 and inserting  
42 the following: “state agencies and other entities  
43 to”.

44 \_\_\_. Page 179, line 27, by striking the words  
45 “government entities and”, and inserting the  
46 following: “agencies. Managed competition”.

47 \_\_\_. Page 179, line 28, by inserting after the  
48 word “providers” the following: “, which may be state  
49 agencies or nongovernmental entities,”.

50 \_\_\_. Page 179, line 28, by inserting after the

Page 2

1 word “service” the following: “to state agencies”.

2 \_\_\_. Page 179, by striking line 31 and inserting  
3 the following:

4 “2. The following duties relating to state  
5 administrative services shall be performed, subject to  
6 the requirements of chapter 8A, as provided by this  
7 subsection:

8 a. (1) The department of administrative services

9 shall, pursuant to the requirements of this section,  
10 select a designated state service and conduct a pilot  
11 project to determine the feasibility of conducting a  
12 managed competition for delivery of the service and  
13 shall submit a report, with its findings and  
14 recommendations, to the legislative fiscal bureau and  
15 the committees on government oversight of the senate  
16 and house of representatives by July 1, 2005.

17 (2) In addition, the department of administrative  
18 services may.”

19 \_\_\_\_ Page 179, line 35, by striking the words “In  
20 addition.”

21 \_\_\_\_ Page 180, by striking lines 1 through 10.

22 \_\_\_\_ Page 180, line 11, by striking the words and  
23 figures “a. By July 1, 2004”, and inserting the  
24 following:

25 “b. By July 1, 2005”.

26 \_\_\_\_ Page 180, line 13, by inserting after the  
27 word “services” the following: “unless more efficient  
28 results can be obtained through the use of other  
29 entrepreneurial methods as authorized by chapter 8A”.

30 \_\_\_\_ Page 180, by striking lines 17 through 31  
31 and inserting the following:

32 “c. By September 1, 2004, the department of  
33 administrative services, with the assistance of the  
34 department of management, shall conduct a  
35 comprehensive study of the impact of transferring all  
36 state agency employees delivering information  
37 technology services to the department of  
38 administrative services and of the impact of  
39 physically merging the data centers of the department,  
40 the state department of transportation, and the  
41 department of workforce development, into one data  
42 center. The study shall include an assessment of  
43 advantages and disadvantages, economies of scale,  
44 cost, and space availability, and shall solicit input  
45 from outside vendors, both public and private. The  
46 department shall report to the legislative fiscal  
47 bureau and the committees on government oversight of  
48 the senate and house of representatives on the  
49 department’s findings and recommendations by November  
50 1, 2004.”

Page 3

1 \_\_\_\_ Page 181, by striking lines 1 through 3 and  
2 inserting the following: “the department of  
3 administrative services unless more efficient results  
4 can be obtained through the use of other  
5 entrepreneurial methods as authorized by chapter 8A.  
6 The request for proposals shall allow for the awarding  
7 of all or parts of fleet management to the department

8 of administrative services, other governmental  
 9 agencies, or nongovernmental entities.”  
 10 \_\_\_\_\_. Page 181, line 4, by striking the figure  
 11 “4.” and inserting the following: “3.”  
 12 \_\_\_\_\_. Page 181, by striking lines 5 through 11 and  
 13 inserting the following: “process for issuance of  
 14 requests for proposals for managed competition. The  
 15 role of the auditor of state is to provide advice as  
 16 to whether an approach offers the best opportunity for  
 17 reducing state government costs.”  
 18 \_\_\_\_\_. Page 181, line 12, by striking the figure  
 19 “5.”, and inserting the following: “4.”  
 20 \_\_\_\_\_. Page 181, line 14, by striking the figure  
 21 “2003,” and inserting the following: “in calendar  
 22 years 2003, 2004, and 2005.”  
 23 6. Page 4, by inserting after line 23 the  
 24 following:  
 25 “\_\_\_\_\_. Page 181, by inserting after line 24, the  
 26 following:  
 27 “Sec. \_\_\_\_\_. PREVAILING PROVISIONS. The provisions  
 28 of House File 636 relating to legislative branch  
 29 consolidation of functions, or a similar bill enacted  
 30 by the Eightieth General Assembly, 2003 Regular  
 31 Session, which provisions relate to official legal and  
 32 other publications, procurements, special distribution  
 33 of legal publications, and restrictions on free  
 34 distributions by the legislative service bureau or its  
 35 successor agency, shall prevail over any conflicting  
 36 provisions of this Act.””

BOB BRUNKHORST  
 ROBERT E. DVORSKY

### S-3170

1 Amend the amendment, S-3162, to House File 593, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:  
 4 1. Page 1, by striking lines 24 through 36.  
 5 2. Page 2, by striking lines 22 through 29.  
 6 3. Page 6, by striking lines 6 through 8, and  
 7 inserting the following: “absentee voting by certain  
 8 confined persons.””

JOHN P. KIBBIE  
 DENNIS H. BLACK  
 MIKE CONNOLLY  
 THOMAS G. COURTNEY  
 DICK L. DEARDEN  
 AMANDA RAGAN

**S-3171**

- 1 Amend Senate File 422 as follows:  
 2 1. Page 8, line 9, by striking the word “one-  
 3 half” and inserting the following: “seven-tenths”.

CHARLES W. LARSON, JR.  
 MARY A. LUNDBY  
 LARRY McKIBBEN  
 KITTY REHBERG  
 MARK ZIEMAN  
 JOHN PUTNEY  
 MATT McCOY  
 RON WIECK  
 JERRY BEHN  
 BRYAN J. SIEVERS  
 NANCY BOETTGER  
 JAMES SEYMOUR  
 JULIE HOSCH  
 NEAL SCHUERER  
 DAVID JOHNSON  
 DOUG SHULL  
 KEN VEENSTRA  
 STEVE KETTERING  
 STEVEN H. WARNSTADT  
 E. THURMAN GASKILL

**S-3172**

- 1 Amend Senate File 300 as follows:  
 2 1. Page 4, line 29, by striking the words “set by  
 3 the commission by rule” and inserting the following:  
 4 “of twenty dollars”.  
 5 2. Page 8, line 34, by inserting after the word  
 6 “programs.” the following: “Notwithstanding section  
 7 8.33, moneys in the special fund shall not revert to  
 8 the general fund of the state at the end of a fiscal  
 9 year. Notwithstanding section 12C.7, subsection 2,  
 10 interest or earnings on moneys in the special fund  
 11 shall remain in the fund.”  
 12 3. Page 12, line 17, by inserting after the word  
 13 “application.” the following: “The department shall  
 14 issue its response to an application for authorization  
 15 to conduct a special event no later than seven days  
 16 from receipt of the application.”  
 17 4. Page 13, line 15, by striking the words “a  
 18 safety certificate and”.  
 19 5. By striking page 13, line 17, through page 14,  
 20 line 14.  
 21 6. Page 14, line 26, by striking the word “may”  
 22 and inserting the following: “shall”.  
 23 7. Page 14, line 27, by inserting after the word

24 “operator” the following: “who applies for  
25 certification”.

26 8. Page 15, line 5, by striking the word “three”  
27 and inserting the following: “five”.

28 9. Page 23, line 1, by striking the words and  
29 figures “~~and 327G.15, and 321N.8~~” and inserting the  
30 following: “321N.8, and 327G.15”.

31 10. Page 26, by inserting after line 18 the  
32 following:

33 “Sec. \_\_\_\_ PROGRAM PLAN, FUNDING, AND OPERATION.

34 The department of natural resources is not required to  
35 begin operation of the off-highway vehicle program  
36 until the Iowa association of four wheel drive clubs  
37 develops and presents for the department’s approval a  
38 revenue-neutral five-year plan for operation of the  
39 program. The plan shall include an analysis of the  
40 number of off-highway vehicles expected to be  
41 registered prior to the establishment of an off-  
42 highway vehicle recreation area and the number of  
43 registrations expected after the establishment of such  
44 a facility. The plan shall also include optimum  
45 locations for an off-highway vehicle recreation area,  
46 estimated costs, if any, for maintenance of the area,  
47 and any other issues the department and the  
48 association deem to be of importance in the planning  
49 process. The plan shall be completed and available  
50 for approval by the department no later than January

Page 2

1 1, 2004.

2 The department shall not begin registration of off-  
3 highway vehicles until a five-year plan has been  
4 developed and approved. Notwithstanding the  
5 provisions of chapter 321N, as enacted in this Act,  
6 fees collected by the department from the registration  
7 of off-highway vehicles, as required in this Act,  
8 shall be deposited in the off-highway vehicle fund  
9 created in section 321N.5 and allowed to accumulate  
10 without expenditure, other than for the department’s  
11 expenses for administration of the fund, until the  
12 department begins operation of the state’s off-highway  
13 vehicle program. When revenues in the fund are  
14 sufficient to cover the operational costs of the off-  
15 highway vehicle program, the department shall begin  
16 operation of the program. For purposes of this  
17 section, “operation of the program” includes, but is  
18 not limited to, the purchasing of land for use by off-  
19 highway vehicles, initiating a safety certificate  
20 program, and employing part-time or full-time

21 employees to administer the off-highway program.”  
 22 11. By renumbering, relettering, or redesignating  
 23 and correcting internal references as necessary.

MARK ZIEMAN

**S-3173**

1 Amend Senate File 422 as follows:  
 2 1. Page 1, by inserting after line 15, the  
 3 following:  
 4 “Sec. \_\_\_\_ Section 124.401, subsection 1,  
 5 paragraph a, subparagraph (2), subparagraph  
 6 subdivisions (d) and (e), Code 2003, are amended by  
 7 striking the subparagraph subdivisions.  
 8 Sec. \_\_\_\_ Section 124.401, subsection 1, paragraph  
 9 a, Code 2003, is amended by adding the following new  
 10 subparagraph:  
 11 NEW SUBPARAGRAPH. (7) More than five kilograms of  
 12 a mixture or substance containing a detectable amount  
 13 of any of the following:  
 14 (a) Methamphetamine, its salts, isomers, or salts  
 15 of isomers.  
 16 (b) Amphetamine, its salts, isomers, and salts of  
 17 isomers.  
 18 (c) Any compound, mixture, or preparation which  
 19 contains any quantity of any of the substances  
 20 referred to in subparagraph subdivisions (a) and (b).”  
 21 2. By striking page 1, line 34, through page 2,  
 22 line 10.  
 23 3. Page 2, by inserting before line 11 the  
 24 following:  
 25 “Sec. \_\_\_\_ Section 124.413, unnumbered paragraph  
 26 1, Code 2003, is amended to read as follows:  
 27 A person sentenced pursuant to section 124.401,  
 28 subsection 1, paragraph “a”, “b”, ~~“c”~~, “e”, or “f”,  
 29 shall not be eligible for parole until the person has  
 30 served a minimum period of confinement of one-third of  
 31 the maximum indeterminate sentence prescribed by law.”  
 32 4. Page 2, by striking lines 20 through 30.  
 33 5. Page 5, by striking lines 4 through 16.  
 34 6. Page 7, lines 2 and 3, by striking the words  
 35 “, thereby requiring the court to grant the motion,”.  
 36 7. Page 7, by striking lines 17 through 25.  
 37 8. Page 9, by inserting after line 3 the  
 38 following:  
 39 “Sec. \_\_\_\_ Section 905.6, Code 2003, is amended by  
 40 adding the following new subsection:  
 41 NEW SUBSECTION. 9. Notify the board of parole,  
 42 thirty days prior to release, of the release from a  
 43 residential facility operated by the district  
 44 department of a person serving a sentence under

45 section 902.12.  
 46 Sec. \_\_\_\_ NEW SECTION. 905.11 RESIDENTIAL  
 47 FACILITY RESIDENCY -- MINIMUM. A person who is  
 48 serving a sentence under section 902.12, the maximum  
 49 term of which exceeds ten years, and who is released  
 50 on parole or work release shall reside in a

Page 2

1 residential facility operated by the district  
 2 department for a period of not less than one year.”  
 3 9. Page 9, by inserting after line 15, the  
 4 following:  
 5 “Sec. \_\_\_\_ Section 907.3, subsection 3, paragraph  
 6 g, Code 2003, is amended by striking the paragraph.”  
 7 10. Page 9, line 16, by striking the figures  
 8 “124.413, 692A.13A,” and inserting the following:  
 9 “692A.13A”.  
 10 11. Title page, lines 3 and 4, by striking the  
 11 words “by creating a criminal offense of robbery in  
 12 the third degree.”.

DONALD B. REDFERN

## S-3174

1 Amend House File 585, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, by striking lines 1 through 14, and  
 4 inserting the following:  
 5 “Section 1. Section 602.6105, subsection 3, Code  
 6 2003, is amended to read as follows:  
 7 3. a. The chief judge of a judicial district  
 8 shall designate times and places for magistrates to  
 9 hold court to ensure accessibility of magistrates at  
 10 all times throughout the district. The schedule of  
 11 times and places of availability of magistrates and  
 12 any schedule changes shall be disseminated by the  
 13 chief judge to the peace officers within the district.  
 14 b. The chief judge of a judicial district shall  
 15 schedule a magistrate to hold court in a city other  
 16 than the county seat if magistrate court was regularly  
 17 scheduled in that city prior to July 1, 2001, and if  
 18 the city requests the chief judge to schedule  
 19 magistrate court. In addition to paying the costs in  
 20 section 602.1303, subsection 1, the city requesting  
 21 the magistrate court shall pay any other costs  
 22 incurred by the judicial branch for holding magistrate  
 23 court in the city.”

COMMITTEE ON JUDICIARY  
 DONALD B. REDFERN, Chair

**S-3175**

1 Amend House File 400, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, line 13, by inserting after the figure  
 4 “321.11.” the following: “The department for parolees  
 5 or the judicial district department of correctional  
 6 services for probationers shall notify the local law  
 7 enforcement agency with jurisdiction over the area  
 8 where the person is paroled or placed on probation and  
 9 the state department of transportation, when the  
 10 person is discharged from parole or probation. Upon  
 11 receipt of the notice that the person is discharged  
 12 from parole or probation the record of information  
 13 generated or maintained pursuant to this section shall  
 14 be expunged by the state department of transportation  
 15 and the local law enforcement agency.”

COMMITTEE ON JUDICIARY  
 DONALD B. REDFERN, Chair

**S-3176**

1 Amend House File 655, as passed by the House, as  
 2 follows:  
 3 1. Page 3, by striking line 12 and inserting the  
 4 following:  
 5 “..... \$ 829,996”  
 6 2. Page 3, by striking lines 14 through 22 and  
 7 inserting the following:  
 8 “b. Notwithstanding the provisions of section  
 9 546.10, subsection 3, to the contrary, for the fiscal  
 10 year beginning July 1, 2003, and ending June 30, 2004,  
 11 funds received from an increase in licensing fees by a  
 12 licensing board or commission listed in section  
 13 546.10, subsection 1, shall be deposited in the  
 14 general fund of the state as provided in section  
 15 546.10, subsection 5.”  
 16 3. By renumbering as necessary.

BRYAN J. SIEVERS  
 MARK ZIEMAN  
 MICHAEL E. GRONSTAL  
 WILLIAM A. DOTZLER  
 DONALD B. REDFERN

**S-3177**

1 Amend House File 65, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, by inserting before line 1 the  
 4 following:

5 “Section 1. NEW SECTION. 123.49A BREATHALYZER  
6 TESTS.

7 An establishment that holds a class “A”, class “B”,  
8 or class “C” liquor control license shall provide a  
9 preliminary breath screening test for public use at a  
10 charge not to exceed five dollars per test. A  
11 licensee shall be immune from liability in any civil  
12 or criminal action arising out of the results of a  
13 test provided pursuant to this section and such  
14 results shall not be admissible in a court of law.”

15 2. Title page, line 2, by inserting after the  
16 word “offenses” the following: “and providing for  
17 preliminary breath screening tests in certain drinking  
18 establishments”.

19 3. By renumbering as necessary.

DAVID MILLER

**S-3178**

1 Amend House File 655, as passed by the House, as  
2 follows:

3 1. Page 3, by striking line 12 and inserting the  
4 following:

5 “..... \$ 829,996”

6 2. Page 3, by striking lines 14 through 22 and  
7 inserting the following:

8 “b. Notwithstanding the provisions of section  
9 546.10, subsection 3, to the contrary, for the fiscal  
10 year beginning July 1, 2003, and ending June 30, 2004,  
11 funds received from an increase in licensing fees by  
12 the real estate commission created pursuant to chapter  
13 543B shall be deposited in the general fund of the  
14 state as provided in section 546.10, subsection 5.”

15 3. By renumbering as necessary.

BRYAN J. SIEVERS  
MARK ZIEMAN  
MICHAEL E. GRONSTAL  
WILLIAM A. DOTZLER  
DONALD B. REDFERN

**S-3179**

1 Amend House File 391, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 31 the  
4 following:

5 “c. The selection of a cogeneration project under  
6 this program does not authorize an electric utility to  
7 furnish or offer to furnish electric services to the  
8 public outside its assigned area of service

9 established under sections 476.22 through 476.26.”  
 10 2. By renumbering, redesignating, and correcting  
 11 internal references as necessary.

STEVE KETTERING  
 DAVID JOHNSON  
 NANCY BOETTGER

### S-3180

1 Amend House File 594, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 2, line 6, by inserting after the word  
 4 “department.” the following: “Each person who  
 5 registers with the department under this section shall  
 6 pay an annual registration fee of two thousand five  
 7 hundred dollars.”  
 8 2. Title page, line 3, by inserting after the  
 9 word “thereof,” the following: “establishing fees.”

COMMITTEE ON STATE GOVERNMENT  
 MARK ZIEMAN, Chair

### S-3181

1 Amend House File 567, as passed by the House, as  
 2 follows:  
 3 1. Page 1, line 1, by inserting after the figure  
 4 “455B.307B” the following: “ENVIRONMENTAL HEALTH  
 5 DIRECTOR OR OTHER”.  
 6 2. Page 1, by striking lines 3 through 17 and  
 7 inserting the following:  
 8 “1. The board of health of each county and each  
 9 city that has a board of health may, under the  
 10 provisions of sections 137.6 and 137.7, grant the  
 11 environmental health director or other environmental  
 12 health specialist the power to enforce the provisions  
 13 of sections 455B.307A and 455B.363 and local littering  
 14 ordinances. These powers shall be in addition to any  
 15 other duties and responsibilities assigned to the  
 16 environmental health director or other environmental  
 17 health specialist by the board of health. The  
 18 environmental health director or other environmental  
 19 health specialist may enter upon any public land  
 20 within the local board of health’s jurisdiction at any  
 21 time for the performance of their duties under this  
 22 section, and may hire the labor and equipment  
 23 necessary subject to the approval of the board of  
 24 health.”  
 25 3. Page 1, line 19, by striking the words “a  
 26 county” and inserting the following: “an  
 27 environmental health director or other”.

- 28 4. Page 1, line 20, by inserting after the word  
29 “the” the following: “environmental health director’s  
30 or other”.
- 31 5. Page 1, line 23, by inserting after the word  
32 “an” the following: “environmental health director or  
33 other”.
- 34 6. Page 1, line 24, by inserting after the word  
35 “the” the following: “environmental health director  
36 or other”.
- 37 7. Title page, line 1, by striking the word  
38 “county” and inserting the following: “local  
39 environmental health directors and other”.

DENNIS H. BLACK

**S-3182**

- 1 Amend House File 592, as passed by the House, as  
2 follows:
- 3 1. By striking everything after the enacting  
4 clause and inserting the following:  
5 “Section 1. NEW SECTION. 7.23 TECHNOLOGY  
6 TRANSFER ADVISOR.  
7 Two technology transfer advisors shall be appointed  
8 by the governor, serve at the pleasure of the  
9 governor, and be located at offices at the university  
10 of Iowa and Iowa state university of science and  
11 technology. A technology transfer advisor is not a  
12 state agency and is not subject to chapter 17A. A  
13 technology transfer advisor shall do all of the  
14 following:
- 15 1. Facilitate the transfer of technology developed  
16 at universities under the control of the state board  
17 of regents, community colleges, and private colleges  
18 and universities.
- 19 2. Coordinate the technology transfer activities  
20 at each of the public and private universities to  
21 encourage the implementation of best practices in  
22 technology transfer, establish measures of  
23 performance, and design programs of continuous quality  
24 improvement for each technology transfer office.
- 25 3. Establish technology transfer goals for the  
26 state.
- 27 4. Provide technical assistance to Iowa-based  
28 entrepreneurs associated with or unrelated to the  
29 universities under the control of the state board of  
30 regents regarding technology transfer-related issues.  
31 The technical assistance shall include assistance in  
32 the areas of patents and licensing, business  
33 development and management, finance, production,  
34 sales, and marketing.
- 35 5. Receive the technology transfer-related report

36 submitted by the state board of regents pursuant to  
37 section 262.9, subsection 31.

38 6. To ensure economic growth, serve as a  
39 coordinator between Iowa-based businesses and  
40 businesses intending to locate in Iowa.

41 Sec. 2. Section 15.108, Code 2003, is amended by  
42 adding the following new subsection:

43 NEW SUBSECTION. 12. TECHNOLOGY TRANSFER ADVISORS.

44 The department shall cooperate with and provide  
45 staffing support to the technology transfer advisors  
46 appointed pursuant to section 7.23.

47 Sec. 3. Section 262.9, Code 2003, is amended by  
48 adding the following new subsections:

49 NEW SUBSECTION. 29. Actively encourage and  
50 promote the transfer of technology and research at

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1 universities under the control of the board to  
2 commercial application, including the start-up of  
3 business entities.

4 NEW SUBSECTION. 30. Give preference and technical  
5 support to those faculty members and staff members  
6 desiring to obtain licenses for intellectual property  
7 rights created in whole or in part by the faculty  
8 member or staff member. However, such preference  
9 shall not be construed to be a right accruing to that  
10 faculty member or staff member.

11 NEW SUBSECTION. 31. By January 15 of each year,  
12 submit a report to the governor, through the  
13 technology transfer advisors, and the general assembly  
14 containing information from the previous calendar year  
15 regarding all of the following:

16 a. Patents secured or applied for by each  
17 university under the control of the board delineated  
18 by university and by faculty member and staff member  
19 responsible for the research or activity that resulted  
20 in the patent. In the initial report filed by January  
21 15, 2004, the board shall include an inventory of  
22 patent portfolios with details concerning which  
23 patents are creating financial benefit and the amount  
24 of financial benefit and which patents are not  
25 creating financial benefit and the amount invested in  
26 those patents.

27 b. Research grants secured by each university  
28 under the control of the board from both public and  
29 private sources delineated by university and by  
30 faculty member and staff member. The board shall also  
31 include the same information for grant applications  
32 that are denied.

33 c. The number of faculty members and staff members  
34 at each university under the control of the board

35 involved in a start-up company.  
 36 d. The number of grant applications for research  
 37 received by each university under the control of the  
 38 board for start-up companies, the number of  
 39 applications approved, and the number of applications  
 40 denied.  
 41 e. The number of agreements entered into by  
 42 faculty members and staff members at each university  
 43 under the control of the board with foundations  
 44 affiliated with the universities relating to business  
 45 start-ups.  
 46 f. An accounting of the financial gain received by  
 47 each university under the control of the board  
 48 relating to patents sold, royalties received,  
 49 licensing fees, and any other remuneration received by  
 50 the university related to technology transfer.

Page 3

1 g. The number of professional employees at each  
 2 university under the control of the board who assist  
 3 in the transfer of technology and research to  
 4 commercial application.  
 5 Sec. 4. This division of this Act is repealed July  
 6 1, 2008.”  
 7 2. Title page, by striking lines 1 through 7 and  
 8 inserting the following: “An Act relating to the  
 9 appointment of technology transfer advisors.”

COMMITTEE ON ECONOMIC GROWTH  
 KITTY REHBERG, Chair

## S-3183

### HOUSE AMENDMENT TO SENATE FILE 433

1 Amend Senate File 433, as passed by the Senate, as  
 2 follows:  
 3 1. Page 5, by inserting after line 28 the  
 4 following:  
 5 “1A. Of the moneys appropriated in subsection 1,  
 6 Iowa state university shall allocate at least \$550,000  
 7 for purposes of funding small business development  
 8 centers. Small business development centers shall be  
 9 located equally throughout the different regions of  
 10 the state. Iowa state university may allocate moneys  
 11 appropriated in subsection 1 to the various small  
 12 business development centers in any manner necessary  
 13 to achieve the purposes of this subsection.”  
 14 2. By renumbering as necessary.

**S-3184**HOUSE AMENDMENT TO  
SENATE FILE 435

1 Amend Senate File 435, as passed by the Senate, as  
2 follows:  
3 1. Page 3, by striking lines 32 through 34, and  
4 inserting the following:  
5 “Sec. \_\_\_. APPOINTMENT OF CLERK OF COURT. The  
6 district judges shall not begin the appointment  
7 process of a clerk of the district court pursuant to  
8 section 602.1215 until the state court administrator  
9 approves filling the clerk of the district court  
10 vacancy.”

**S-3185**

1 Amend the amendment, S-3097, to House File 534, as  
2 amended, passed, and reprinted by the House, as  
3 follows:  
4 1. Page 1, by inserting after line 9 the  
5 following:  
6 “\_\_\_. Page 8, line 27, by inserting after the  
7 word “approving” the following: “, on an annual  
8 basis,”.  
9 \_\_\_. Page 8, line 28, by striking the word  
10 “service.”, and inserting the following: “service,  
11 the procedure for resolving complaints concerning the  
12 service provided, and the procedure for setting rates  
13 for the service. In addition, if the service to be  
14 provided may also be provided to the judicial branch  
15 and legislative branch, then the rules shall provide  
16 that the chief justice of the supreme court and the  
17 legislative council may, in their discretion, each  
18 appoint a member to the applicable customer council.”  
19 2. Page 1, by inserting after line 14 the  
20 following:  
21 “\_\_\_. Page 8, by inserting before line 33 the  
22 following:  
23 “4. The department shall annually prepare a  
24 listing separately identifying services to be provided  
25 by the department and funded by an appropriation,  
26 services to be provided by the department and funded  
27 by the governmental entity receiving the service, and  
28 services which the department is authorized to provide  
29 but which governmental entities may provide on their  
30 own or obtain from another provider of the service.”  
31 3. Page 1, line 45, by inserting after the word  
32 “management” the following: “and the concurrence of  
33 the auditor of state”.  
34 4. Page 3, by inserting after line 9 the

35 following:

36 “\_\_\_ . Page 31, line 35, by inserting after the  
37 figure “3.” the following: “a.”

38 \_\_\_ . Page 32, by inserting after line 5 the  
39 following:

40 “b. Architectural and engineering services shall  
41 be procured in a reasonable manner, as the director by  
42 rule may determine, on the basis of competence and  
43 qualification for the type of services required and  
44 for a fair and reasonable price.”“

45 5. Page 4, by inserting after line 1 the  
46 following:

47 “\_\_\_ . Page 126, by striking lines 3 through 12.”

48 6. Page 4, lines 13 and 14, by striking the word  
49 and figures “June 30, 2005” and inserting the  
50 following: “February 1, 2006”.

Page 2

1 7. Page 4, by striking lines 20 and 21 and  
2 inserting the following:

3 “\_\_\_ . Page 179, by inserting after line 17 the  
4 following:

5 “\_\_\_ “Agency” or “state agency” means as defined  
6 in section 8A.101. “Agency” includes the state board  
7 of regents subject to the requirements of section  
8 8A.122.”

9 \_\_\_ . Page 179, by striking line 24 and inserting  
10 the following: “state agencies and other entities  
11 to”.

12 \_\_\_ . Page 179, line 27, by striking the words  
13 “government entities and”, and inserting the  
14 following: “agencies. Managed competition”.

15 \_\_\_ . Page 179, line 28, by inserting after the  
16 word “providers” the following: “, which may be state  
17 agencies or nongovernmental entities,”.

18 \_\_\_ . Page 179, line 28, by inserting after the  
19 word “service” the following: “to state agencies”.

20 \_\_\_ . Page 179, by striking line 31 and inserting  
21 the following:

22 “2. The following duties relating to state  
23 administrative services shall be performed, subject to  
24 the requirements of chapter 8A, as provided by this  
25 subsection:

26 a. (1) The department of administrative services  
27 shall, pursuant to the requirements of this section,  
28 select a designated state service and conduct a pilot  
29 project to determine the feasibility of conducting a  
30 managed competition for delivery of the service and  
31 shall submit a report, with its findings and  
32 recommendations, to the legislative fiscal bureau and  
33 the committees on government oversight of the senate

34 and house of representatives by July 1, 2005.  
35 (2) In addition, the department of administrative  
36 services may,”  
37 \_\_\_\_\_. Page 179, line 35, by striking the words “In  
38 addition,”.  
39 \_\_\_\_\_. Page 180, by striking lines 1 through 10.  
40 \_\_\_\_\_. Page 180, line 11, by striking the words and  
41 figures “a. By July 1, 2004”, and inserting the  
42 following:  
43 “b. By July 1, 2005”.  
44 \_\_\_\_\_. Page 180, line 13, by inserting after the  
45 word “services” the following: “unless more efficient  
46 results can be obtained through the use of other  
47 entrepreneurial methods as authorized by chapter 8A”.  
48 \_\_\_\_\_. Page 180, by striking lines 17 through 31  
49 and inserting the following:  
50 “c. By September 1, 2004, the department of

Page 3

1 administrative services, with the assistance of the  
2 department of management, shall conduct a  
3 comprehensive study of the impact of transferring all  
4 state agency employees delivering information  
5 technology services to the department of  
6 administrative services and of the impact of  
7 physically merging the data centers of the department,  
8 the state department of transportation, and the  
9 department of workforce development, into one data  
10 center. The study shall include an assessment of  
11 advantages and disadvantages, economies of scale,  
12 cost, and space availability, and shall solicit input  
13 from outside vendors, both public and private. The  
14 department shall report to the legislative fiscal  
15 bureau and the committees on government oversight of  
16 the senate and house of representatives on the  
17 department’s findings and recommendations by November  
18 1, 2004.”  
19 \_\_\_\_\_. Page 181, by striking lines 1 through 3 and  
20 inserting the following: “the department of  
21 administrative services unless more efficient results  
22 can be obtained through the use of other  
23 entrepreneurial methods as authorized by chapter 8A.  
24 The request for proposals shall allow for the awarding  
25 of all or parts of fleet management to the department  
26 of administrative services, other governmental  
27 agencies, or nongovernmental entities.”  
28 \_\_\_\_\_. Page 181, line 4, by striking the figure  
29 “4.” and inserting the following: “3.”  
30 \_\_\_\_\_. Page 181, by striking lines 5 through 17 and  
31 inserting the following: “process for issuance of  
32 requests for proposals for managed competition. The

33 role of the auditor of state is to provide advice as  
34 to whether an approach offers the best opportunity for  
35 reducing state government costs.”“

36 8. Page 4, by inserting before line 24 the  
37 following:

38 “\_\_\_ . Page 181, by inserting after line 24, the  
39 following:

40 “Sec. \_\_\_ . PREVAILING PROVISIONS. The provisions  
41 of House File 636 relating to legislative branch  
42 consolidation of functions, or a similar bill enacted  
43 by the Eightieth General Assembly, 2003 Regular  
44 Session, which provisions relate to official legal and  
45 other publications, procurements, special distribution  
46 of legal publications, and restrictions on free  
47 distributions by the legislative service bureau or its  
48 successor agency, shall prevail over any conflicting  
49 provisions of this Act.””

BOB BRUNKHORST  
ROBERT E. DVORSKY

**S-3186**

1 Amend House File 662, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 10, by inserting after line 32 the  
4 following:

5 “\_\_\_ . IOWA VIRTUAL ACADEMY

6 For the establishment and administration of the  
7 Iowa virtual academy:

8 ..... \$ 400,000”

9 2. By renumbering as necessary.

ROBERT E. DVORSKY  
DARYL BEALL  
DENNIS H. BLACK  
JOE BOLKCOM  
MIKE CONNOLLY  
THOMAS G. COURTNEY  
DICK L. DEARDEN  
WILLIAM A. DOTZLER  
GENE FRAISE  
MICHAEL E. GRONSTAL  
JACK HATCH  
JACK HOLVECK  
WALLY E. HORN  
JOHN P. KIBBIE  
KEITH KREIMAN  
MATT McCOY  
HERMAN QUIRMBACH  
AMANDA RAGAN  
DR. JOE M. SENG  
ROGER STEWART  
STEVE H. WARNSTADT

**S-3187**

1 Amend House File 662, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 10, by striking line 32 and inserting the  
 4 following:  
 5 “ ..... \$ 44,700,000”

- MIKE CONNOLLY
- DARYL BEALL
- DENNIS H. BLACK
- JOE BOLKCOM
- THOMAS G. COURTNEY
- DICK L. DEARDEN
- WILLIAM A. DOTZLER
- ROBERT E. DVORSKY
- GENE FRAISE
- MICHAEL E. GRONSTAL
- JACK HATCH
- JACK HOLVECK
- WALLY E. HORN
- JOHN P. KIBBIE
- KEITH KREIMAN
- MATT McCOY
- HERMAN QUIRMBACH
- AMANDA RAGAN
- DR. JOE M. SENG
- ROGER STEWART
- STEVE H. WARNSTADT

**S-3188**

1 Amend House File 662, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking page 1, line 33 through page 2,  
 4 line 2.  
 5 2. By renumbering as necessary.

- HERMAN C. QUIRMBACH
- DARYL BEALL
- DENNIS H. BLACK
- JOE BOLKCOM
- MIKE CONNOLLY
- THOMAS G. COURTNEY
- DICK L. DEARDEN
- WILLIAM A. DOTZLER
- ROBERT E. DVORSKY
- GENE FRAISE
- MICHAEL E. GRONSTAL
- JACK HATCH
- JACK HOLVECK
- WALLY E. HORN

JOHN P. KIBBIE  
KEITH KREIMAN  
MATT McCOY  
AMANDA RAGAN  
DR. JOE M. SENG  
ROGER STEWART  
STEVE H. WARNSTADT

**S-3189**

1 Amend House File 662, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 2, by striking line 33 and inserting the  
4 following:

5 “ ..... \$ 1,300,000”

JOE BOLKCOM  
DARYL BEALL  
DENNIS H. BLACK  
MIKE CONNOLLY  
THOMAS G. COURTNEY  
DICK L. DEARDEN  
WILLIAM A. DOTZLER  
ROBERT E. DVORSKY  
EUGENE S. FRAISE  
MICHAEL E. GRONSTAL  
JACK HATCH  
JACK HOLVECK  
WALLY E. HORN  
JOHN P. KIBBIE  
KEITH A. KREIMAN  
MATT McCOY  
HERMAN C. QUIRMBACH  
AMANDA RAGAN  
DR. JOE SENG  
ROGER STEWART  
STEVEN H. WARNSTADT

**S-3190**

1 Amend House File 662, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 11, by striking lines 4 through 21 and  
4 inserting the following:

5 “ ..... \$ 142,823,005

6 The funds appropriated in this subsection shall be  
7 allocated as follows:

8 a. Merged Area I ..... \$ 6,858,169  
9 b. Merged Area II ..... \$ 8,039,385  
10 c. Merged Area III ..... \$ 7,463,765  
11 d. Merged Area IV ..... \$ 3,649,979  
12 e. Merged Area V ..... \$ 7,659,218

13	f.	Merged Area VI .....	\$	7,076,344
14	g.	Merged Area VII .....	\$	10,221,858
15	h.	Merged Area IX .....	\$	12,577,563
16	i.	Merged Area X .....	\$	19,767,777
17	j.	Merged Area XI .....	\$	20,962,630
18	k.	Merged Area XII .....	\$	8,258,294
19	l.	Merged Area XIII .....	\$	8,485,867
20	m.	Merged Area XIV .....	\$	3,693,007
21	n.	Merged Area XV .....	\$	11,619,791
22	o.	Merged Area XVI .....	\$	6,489,358”
23	2.	By renumbering as necessary.		

JOHN P. KIBBIE  
DARYL BEALL  
DENNIS H. BLACK  
JOE BOLKCOM  
MIKE CONNOLLY  
THOMAS G. COURTNEY  
DICK L. DEARDEN  
WILLIAM A. DOTZLER  
ROBERT E. DVORSKY  
GENE FRAISE  
MICHAEL E. GRONSTAL  
JACK HATCH  
JACK HOLVECK  
WALLY E. HORN  
KEITH KREIMAN  
MATT McCOY  
HERMAN QUIRMBACH  
AMANDA RAGAN  
DR. JOE M. SENG  
ROGER STEWART  
STEVE H. WARNSTADT

**S-3191**

1 Amend House File 662, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 10, line 34, by inserting before the word  
4 “For” the following: “a.”  
5 2. Page 11, by inserting after line 21 the  
6 following:  
7 “b. For purposes of allocating moneys to community  
8 colleges for instructional technology used in  
9 vocational-technical programs:  
10 ..... \$ 1,000,000  
11 Moneys appropriated in this lettered paragraph  
12 shall be allocated by the department of education to  
13 each community college on the basis of each community  
14 college’s share of overall community college student  
15 enrollment. The overall enrollment and each community  
16 college district’s share of the overall enrollment

17 shall be determined utilizing refined enrollment  
18 reporting methods approved by the department of  
19 education using data from fiscal year 2002-2003. The  
20 department of education shall determine enrollment  
21 share percentages for each community college district  
22 for purposes of allocating the moneys. Allocations to  
23 each community college under this lettered paragraph  
24 shall be made in one payment on or about October 15,  
25 taking into consideration the relative budget and cash  
26 position of the state resources.

27 Moneys received by a community college under this  
28 lettered paragraph shall not be commingled with  
29 general state financial aid, including financial aid  
30 to merged areas in lieu of personal property tax  
31 replacement payments, and including moneys received  
32 for vocational education programs in accordance with  
33 chapters 258 and 260C. Payments made to a community  
34 college shall be accounted for by the community  
35 college separately from other state aid payments.  
36 Each community college shall maintain a separate  
37 listing within its budget accounting for payments  
38 received and expenditures made pursuant to this  
39 lettered paragraph. Moneys received under this  
40 lettered paragraph shall supplement, not supplant, the  
41 moneys each community college budgets for technology.

42 A community college shall expend funds received  
43 pursuant to this lettered paragraph for the  
44 acquisition, lease, lease-purchase, installation, and  
45 maintenance of instructional technology equipment used  
46 in vocational-technical programs, including hardware  
47 and software, materials, and supplies related to  
48 instructional technology, faculty development, and  
49 training related to instructional technology.”

50 3. By renumbering as necessary.

JACK HOLVECK  
DARYL BEALL  
DENNIS H. BLACK  
JOE BOLKCOM  
MIKE CONNOLLY  
THOMAS G. COURTNEY  
DICK L. DEARDEN  
WILLIAM A. DOTZLER  
ROBERT E. DVORSKY  
GENE FRAISE  
MICHAEL E. GRONSTAL  
JACK HATCH  
WALLY E. HORN  
JOHN P. KIBBIE  
KEITH KREIMAN  
MATT McCOY  
HERMAN QUIRMBACH

AMANDA RAGAN  
 DR. JOE M. SENG  
 ROGER STEWART  
 STEVE H. WARNSTADT

**S-3192**

1 Amend House File 595, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 2, by striking lines 17 through 20 and  
 4 inserting the following: “However, the area of the  
 5 territory that is public land included without the  
 6 written consent of the agency with jurisdiction over  
 7 the public land may not be used to determine the  
 8 percentage of territory that is included with the  
 9 consent of the owner and without the consent of the  
 10 owner.”

JEFF ANGELO

**S-3193**

1 Amend the amendment, S-3134, to Senate File 434 as  
 2 follows:  
 3 1. Page 1, by inserting after line 34 the  
 4 following:  
 5 “\_\_\_ Page 1, line 7, by inserting after the word  
 6 “Freedom” the following: “, Operation Noble Eagle,  
 7 and Operation Enduring Freedom.”  
 8 2. Page 2, line 5, by striking the figure “1991”  
 9 and inserting the following: “2001”.

STEVEN H. WARNSTADT

**S-3194**

1 Amend House File 565, as passed by the House, as  
 2 follows:  
 3 1. Page 1, line 11, by inserting after the word  
 4 “amounts” the following: “of not less than ten  
 5 dollars per individual and twenty dollars per family,  
 6 if not otherwise prohibited by federal law.”  
 7 2. Page 2, by striking line 32, and inserting the  
 8 following: “shall be assessed ~~on a sliding fee scale~~  
 9 based on family”.  
 10 3. Page 3, by striking lines 15 and 16, and  
 11 inserting the following:  
 12 “e. Is not currently covered ~~under or was not~~  
 13 ~~covered within the prior six months~~ under a group  
 14 health plan as”.  
 15 4. Page 3, by inserting after line 33, the  
 16 following:

17 “Sec. \_\_\_\_ MONITORING AND REPORTING REQUIREMENTS.

18 The department of human services shall monitor the  
 19 effects of the striking of section 514I.5, subsection  
 20 8, paragraph “m”, by this Act, until June 30, 2005.  
 21 The department shall submit a report to the general  
 22 assembly annually on January 15, during the period  
 23 ending June 30, 2005, that includes the reporting of  
 24 any increased cost of the hawk-i program resulting  
 25 from the striking of the paragraph described in this  
 26 section.”

27 5. By renumbering as necessary.

COMMITTEE ON HUMAN RESOURCES  
 KEN VEENSTRA, Chair

### S-3195

1 Amend House File 644, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 3, by striking lines 11 through 13, and  
 4 inserting the following: “license pursuant to section  
 5 17A.18A. The”.  
 6 2. Page 6, by striking lines 28 through 34, and  
 7 inserting the following:  
 8 “The department may issue an order to suspend or  
 9 revoke the certification of a commercial manure  
 10 service representative for a violation of this  
 11 chapter. The department shall issue an order for the  
 12 suspension”.  
 13 3. By striking page 10, line 16, through page 12,  
 14 line 25.  
 15 4. By renumbering as necessary.

COMMITTEE ON AGRICULTURE  
 JERRY BEHN, Chair

### S-3196

1 Amend House File 543, as passed by the House, as  
 2 follows:  
 3 1. By striking everything after the enacting  
 4 clause and inserting the following:  
 5 “Section 1. Section 514C.4, subsection 1,  
 6 unnumbered paragraph 1, Code 2003, is amended to read  
 7 as follows:  
 8 A policy or contract providing for third-party  
 9 payment or prepayment of health or medical expenses  
 10 shall provide minimum mammography examination  
 11 coverage, including, but not limited to, the following  
 12 classes of third-party payment provider contracts or  
 13 policies delivered, issued for delivery, continued, or  
 14 renewed in this state ~~on or after July 1, 1989;~~

15 Sec. 2. Section 514C.4, subsection 2, paragraphs a  
 16 and c. Code 2003, are amended to read as follows:  
 17 a. One baseline mammogram for any woman who is  
 18 thirty-five through thirty-nine years of age, or more  
 19 frequent mammograms if recommended by the woman's  
 20 physician.

21 c. A mammogram every year for any woman who is  
 22 fifty years of age or older, or more frequently if  
 23 recommended by the woman's physician.

24 Sec. 3. Section 514C.4, subsection 4, Code 2003,  
 25 is amended to read as follows:

26 4. The commissioner of insurance shall adopt rules  
 27 under chapter 17A necessary to implement this section  
 28 ~~no later than July 1, 1989.~~

29 2. Title page, by striking lines 1 through 3 and  
 30 inserting the following: "An Act relating to minimum  
 31 mammography examination coverage, and making related  
 32 changes."

33 3. By renumbering, redesignating, and correcting  
 34 internal references as necessary.

COMMITTEE ON COMMERCE  
 JEFF ANGELO, Chair

### S-3197

1 Amend Senate File 369 as follows:

2 1. By striking everything after the enacting  
 3 clause and inserting the following:

4 "Section 1. Section 214A.1, Code 2003, is amended  
 5 to read as follows:

6 214A.1 DEFINITIONS.

7 The following definitions shall apply to the  
 8 various terms used in this chapter:

9 1. "A.S.T.M." means the American society for  
 10 testing and materials.

11 ~~2. "Motor vehicle fuel" means a substance or~~  
 12 ~~combination of substances which is intended to be or~~  
 13 ~~is capable of being used for the purpose of propelling~~  
 14 ~~or running by combustion any internal combustion~~  
 15 ~~engine and is kept for sale or sold for that purpose.~~  
 16 ~~The products commonly known as kerosene and distillate~~  
 17 ~~or petroleum products of lower gravity (Baume scale),~~  
 18 ~~when not used to propel a motor vehicle or for~~  
 19 ~~compounding or combining with a motor vehicle fuel,~~  
 20 ~~are exempt from this chapter except as provided in~~  
 21 ~~section 214A.2A.~~

22 2. "Ethanol blended gasoline" means gasoline  
 23 containing at least ten percent alcohol distilled from  
 24 cereal grains.

25 3. "Motor vehicle" means a self-propelled vehicle  
 26 that operates using gasoline, including but not

27 limited to any of the following:  
 28 a. An automobile as defined in section 321.1.  
 29 b. A motor truck as defined in section 321.1.  
 30 c. A motor bus as used in section 452A.57.  
 31 d. A motorcycle as defined in section 321.1.  
 32 e. Watercraft as defined in section 462A.2.  
 33 f. An off-road vehicle which is a snowmobile or an  
 34 all-terrain vehicle as defined in section 321G.1.  
 35 4. “Motor vehicle fuel” means the same as defined  
 36 in section 214.1.  
 37 5. “Motor vehicle fuel pump” or “pump” means a  
 38 stationary pump located at a service station which is  
 39 used for measuring and dispensing motor vehicle fuel  
 40 and which is required to be licensed by the department  
 41 pursuant to chapter 214.  
 42 ~~3. 6.~~ “Motor vehicle fuel storage tank” means an  
 43 aboveground or belowground container that is a  
 44 fixture, used to keep an accumulation of motor vehicle  
 45 fuel.  
 46 ~~4. 7.~~ “MTBE” means methyl tertiary butyl ether.  
 47 ~~5. 8.~~ “Oxygenate octane enhancer” means oxygen-  
 48 containing compounds, including but not limited to  
 49 alcohols, ethers, or ethanol.  
 50 ~~6. 9.~~ “Retail dealer” shall mean and include any

Page 2

1 person, firm, partnership, association, or corporation  
 2 who operates, maintains, or conducts, either in  
 3 person, or by any agent, employee, or servant, any  
 4 place of business, filling station, pump station, or  
 5 tank wagon, from which any motor vehicle fuel, as  
 6 defined herein, is sold or offered for sale, at  
 7 retail, or to the final or ultimate consumer. means a  
 8 person who operates, maintains, or conducts a service  
 9 station, either in person, or by any agent or an  
 10 employee.  
 11 ~~7. 10.~~ “Sell” means to sell or to offer for sale.  
 12 ~~11.~~ “Service station” means the location of a for-  
 13 profit or nonprofit business in this state where motor  
 14 vehicle fuel is sold or offered for sale on a retail  
 15 basis.  
 16 ~~8. 12.~~ “Wholesale dealer” shall mean and include  
 17 any person, firm, partnership, association, or  
 18 corporation, other than retail dealers as defined in  
 19 subsection 3 of this section, who sells, keeps, or  
 20 holds, for sale, or purchase for the purpose of sale  
 21 within this state, any means a person, other than a  
 22 retail dealer, who provides motor vehicle fuel for  
 23 sale within this state.  
 24 Sec. 2. Section 214A.2, subsection 1, Code 2003,  
 25 is amended to read as follows:

26 1. ~~a.~~ The ~~secretary~~ department shall adopt rules  
 27 pursuant to chapter 17A for carrying out this chapter.  
 28 The rules may include, but are not limited to,  
 29 specifications relating to motor vehicle fuel or  
 30 oxygenate octane enhancers, including ethanol blended  
 31 gasoline.

32 ~~b.~~ In the interest of uniformity, the ~~secretary~~  
 33 department shall adopt by reference or otherwise  
 34 specifications relating to tests and standards for  
 35 motor vehicle fuel or oxygenate octane enhancers;  
 36 The specifications shall be based on those established  
 37 by the American society for testing and materials  
 38 (A.S.T.M.), unless the ~~secretary~~ department determines  
 39 those specifications are inconsistent with this  
 40 chapter or are not appropriate to the conditions which  
 41 exist in this state.

42 Sec. 3. Section 214A.2, subsection 3, Code 2003,  
 43 is amended to read as follows:

44 3. a. Gasoline with a mixture of less than ten  
 45 percent ethanol shall be known as high-emission  
 46 gasoline.

47 ~~b.~~ Gasoline with a mixture of ten percent or more  
 48 ethanol, but not more than thirteen percent, shall be  
 49 known as conventional blend ethanol.

50 ~~b. c.~~ Gasoline with a mixture of more than

Page 3

1 thirteen percent ethanol, but not more than twenty-  
 2 five percent ethanol, shall be known as high blend  
 3 ethanol. For purposes of chapters 323A, 422, and  
 4 452A, high blend ethanol shall be treated as  
 5 conventional blend ethanol.

6 ~~e. d.~~ Gasoline ~~shall not contain with~~ a mixture of  
 7 seventy percent or more than twenty-five percent  
 8 ethanol shall be known as E-85 ethanol blended  
 9 gasoline.

10 Sec. 4. Section 214A.16, Code 2003, is amended to  
 11 read as follows:

12 214A.16 NOTICE TO PUBLIC OF ~~BLENDED FUEL—DECAL~~  
 13 TYPES OF MOTOR VEHICLE FUEL SOLD AT A PUMP.

14 1. If motor vehicle fuel containing a renewable  
 15 fuel is sold from a motor vehicle fuel pump, the pump  
 16 shall have affixed a decal identifying the name of the  
 17 renewable fuel. The decal may be different based on  
 18 the type of renewable fuel used. The design and  
 19 location of the decal shall be prescribed by rules  
 20 adopted by the department. A decal identifying a  
 21 renewable fuel shall be consistent with standards  
 22 adopted pursuant to section 159A.6. The department  
 23 may approve an application to place a decal in a  
 24 special location on a pump or container or use a decal

25 with special lettering or colors, if the decal appears  
 26 clear and conspicuous to the consumer. The  
 27 application shall be made in writing pursuant to  
 28 procedures adopted by the department.

29 2. If high-emission gasoline is sold from a motor  
 30 vehicle fuel pump, the pump shall have affixed a  
 31 label. The label shall identify the gasoline as high-  
 32 emission gasoline and provide notice that its use is  
 33 restricted under this chapter. The design and  
 34 location of the decal shall be prescribed by rules  
 35 adopted by the department.

36 Sec. 5. NEW SECTION. 214A.18A PROHIBITION --  
 37 HIGH-EMISSION GASOLINE.

38 On and after January 1, 2006, except as provided in  
 39 this section, a retail dealer shall not sell high-  
 40 emission gasoline, as described in section 214A.2, in  
 41 this state.

42 1. This section shall not apply to a retail dealer  
 43 that sells gasoline used to operate any of the  
 44 following:

- 45 a. An aircraft as defined in section 328.1.
- 46 b. A motor vehicle used exclusively for motor  
 47 sports, including on a raceway, if the motor vehicle  
 48 cannot operate on a highway as provided in chapter 321  
 49 or rules adopted by the state department of  
 50 transportation.

Page 4

1 c. A motor vehicle operated by using diesel fuel.  
 2 2. A retail dealer may sell high-emission gasoline  
 3 if all of the following apply:

4 a. The high-emission gasoline is premium grade  
 5 unleaded gasoline as provided in section 214A.2.

6 b. The high-emission gasoline is sold exclusively  
 7 for the operation of one of the following:

8 (1) A motorcycle as defined in section 321.1.

9 (2) An antique vehicle registered under section  
 10 321.115.

11 (3) A snowmobile as defined in section 321G.1.

12 (4) An all-terrain vehicle as defined in section  
 13 321G.1.

14 (5) Watercraft as defined in section 462A.2.

15 (6) A small motor vehicle such as a lawnmower.

16 c. The retail dealer's service station does not  
 17 use more than one motor vehicle fuel pump to sell  
 18 high-emission gasoline at any one time.

19 d. The retail dealer does not sell more than six  
 20 gallons of high-emission gasoline at any one time to a  
 21 single customer.

22 Sec. 6. Section 422.11C, Code 2003, is amended by  
 23 adding the following new subsection:

24 NEW SUBSECTION. 6. This section is repealed on  
 25 January 1, 2006.  
 26 Sec. 7. NEW SECTION. 422.11H E-85 ETHANOL  
 27 BLENDED GASOLINE MOTOR VEHICLE PURCHASE TAX CREDIT.  
 28 1. As used in this section:  
 29 a. “E-85 ethanol blended gasoline” means E-85  
 30 ethanol blended gasoline that meets standards of the  
 31 department of agriculture and land stewardship  
 32 pursuant to section 214A.2.  
 33 b. “Motor vehicle” means the same as defined in  
 34 section 321.1.  
 35 2. The taxes imposed under this division, less the  
 36 credits allowed under sections 422.12 and 422.12B,  
 37 shall be reduced by the E-85 ethanol blended gasoline  
 38 motor vehicle purchase tax credit for the tax year in  
 39 which the taxpayer purchases a new or used motor  
 40 vehicle powered by using E-85 ethanol blended gasoline  
 41 from a retail seller of new or used motor vehicles.  
 42 The tax credit equals the lesser of one hundred  
 43 dollars or the amount paid by the taxpayer less any  
 44 discounts and trade-ins.  
 45 3. a. Any credit in excess of the tax liability  
 46 shall be refunded. In lieu of claiming a refund, a  
 47 taxpayer may elect to have the overpayment shown on  
 48 the taxpayer’s final, completed return credited to the  
 49 tax liability for the following tax year.  
 50 b. Married taxpayers who have filed joint federal

Page 5

1 returns electing to file separate returns or to file  
 2 separately on a combined return form must determine  
 3 the E-85 ethanol blended gasoline motor vehicle  
 4 purchase tax credit based upon their combined net  
 5 income and allocate the total credit amount to each  
 6 spouse in the proportion that each spouse’s respective  
 7 net income bears to the total combined net income.  
 8 Nonresidents or part-year residents of Iowa must  
 9 determine their E-85 ethanol blended gasoline motor  
 10 vehicle purchase tax credit in the ratio of their  
 11 Iowa-source net income to their all-source net income.  
 12 Nonresidents or part-year residents who are married  
 13 and elect to file separate returns or to file  
 14 separately on a combined return form must allocate the  
 15 E-85 ethanol blended gasoline motor vehicle purchase  
 16 tax credit between the spouses in the ratio of each  
 17 spouse’s Iowa-source net income to the combined Iowa-  
 18 source net income of the taxpayers. An individual may  
 19 claim the E-85 ethanol blended gasoline motor vehicle  
 20 purchase tax credit allowed a partnership, S  
 21 corporation, limited liability company, or estate or  
 22 trust electing to have the income taxed directly to

23 the individual. The amount claimed by the individual  
24 shall be based upon the pro rata share of the  
25 individual's earnings of the partnership, S  
26 corporation, limited liability company, or estate or  
27 trust.

28 4. This section is repealed on January 1, 2008.

29 Sec. 8. Section 422.33, subsection 11, Code 2003,  
30 is amended by adding the following new paragraph:  
31 NEW PARAGRAPH. e. This subsection is repealed on  
32 January 1, 2006.

33 Sec. 9. Section 423.24, subsection 1, paragraph a,  
34 Code 2003, is amended to read as follows:

35 a. ~~Twenty five~~ Until June 30, 2014, twenty-five  
36 percent of all such revenue, up to a maximum of four  
37 million two hundred fifty thousand dollars per  
38 quarter, shall be deposited into and credited to the  
39 Iowa comprehensive petroleum underground storage tank  
40 fund created in section 455G.3, and the moneys so  
41 deposited are a continuing appropriation for  
42 expenditure under chapter 455G, and moneys so  
43 appropriated shall not be used for other purposes.

44 Sec. 10. Section 452A.3, subsection 1, unnumbered  
45 paragraph 1, Code 2003, is amended to read as follows:

46 Except as otherwise provided in this section and in  
47 this division, until ~~June 30, 2007~~ December 31, 2006,  
48 this subsection shall apply to the excise tax imposed  
49 on each gallon of motor fuel used for any purpose for  
50 the privilege of operating motor vehicles in this

Page 6

1 state.

2 Sec. 11. Section 452A.3, subsection 1A, Code 2003,  
3 is amended to read as follows:

4 1A. Except as otherwise provided in this section  
5 and in this division, after ~~June 30, 2007~~ December 31,  
6 2006, an excise tax of twenty cents is imposed on each  
7 gallon of motor fuel used for any purpose for the  
8 privilege of operating motor vehicles in this state.

9 Sec. 12. Section 455G.3, Code 2003, is amended by  
10 adding the following new subsection:

11 NEW SUBSECTION. 6. a. There is appropriated from  
12 the unassigned revenue fund administered by the Iowa  
13 comprehensive petroleum underground storage tank fund  
14 board to support the super ethanol storage tank  
15 incentive program as provided in section 455G.23, one  
16 hundred fifty thousand dollars for each fiscal year  
17 for the fiscal period beginning on July 1, 2003, and  
18 ending June 30, 2008. The board shall cooperate with  
19 the department of natural resources in awarding moneys  
20 under the program.

21 b. This subsection is repealed on July 1, 2008.

22 Sec. 13. Section 455G.8, subsection 2, Code 2003,  
23 is amended to read as follows:

24 2. USE TAX. ~~The~~ Until June 30, 2014, revenues  
25 derived from the use tax imposed under chapter 423.  
26 The proceeds of the use tax under section 423.24,  
27 subsection 1, paragraph “a”, shall be allocated,  
28 consistent with this chapter, among the fund’s  
29 accounts, for debt service and other fund expenses,  
30 according to the fund budget, resolution, trust  
31 agreement, or other instrument prepared or entered  
32 into by the board or authority under direction of the  
33 board.

34 Sec. 14. NEW SECTION. 455G.23 E-85 ETHANOL  
35 BLENDED GASOLINE STORAGE TANK INCENTIVE PROGRAM.

36 1. As used in this section:

37 a. “E-85 ethanol blended gasoline” means E-85  
38 ethanol blended gasoline that meets standards of the  
39 department of agriculture and land stewardship  
40 pursuant to section 214A.2.

41 b. “Motor vehicle fuel” means the same as defined  
42 in section 214A.1.

43 c. “Motor vehicle fuel pump” or “pump” means the  
44 same as defined in section 214.1.

45 d. “Motor vehicle fuel storage tank” or “tank”  
46 means a container that is a fixture on a site, used to  
47 keep an accumulation of motor vehicle fuel.

48 e. “Site” means the premises where a motor vehicle  
49 fuel storage tank is located, if the tank is used to  
50 serve a connecting motor vehicle fuel pump where motor

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1 vehicle fuel is dispensed to customers on a retail  
2 basis.

3 2. The board shall establish an E-85 ethanol  
4 blended gasoline storage tank incentive program to  
5 reimburse the owner or operator of a site for costs  
6 necessary to install, replace, or convert an  
7 aboveground motor vehicle fuel storage tank for use in  
8 storing and dispensing E-85 ethanol blended gasoline.  
9 An owner or operator shall not be reimbursed more than  
10 seven thousand five hundred dollars for each tank that  
11 is installed, replaced, or converted under the  
12 program. In order to be eligible for reimbursement,  
13 all of the following must apply:

14 a. The motor vehicle fuel storage tank must be  
15 located at a site.

16 b. The site must comply with federal and state  
17 standards governing new or upgraded motor vehicle fuel  
18 storage tanks used to store and dispense motor vehicle  
19 fuel, including E-85 ethanol blended gasoline.

20 c. The owner or operator of the site must apply to

21 the board in a manner and according to procedures  
22 required by the board. The application must contain  
23 all information required by the board and shall at  
24 least include all of the following:

25 (1) The name of the owner or operator and the  
26 address of the site.

27 (2) A detailed description of the motor vehicle  
28 fuel storage tank to be installed, replaced, or  
29 converted on the site, including but not limited to  
30 the model number of the tank if available.

31 (3) A statement that the installation,  
32 replacement, or conversion is necessary to store and  
33 dispense E-85 ethanol blended gasoline.

34 3. A site classified as a no further action site  
35 pursuant to a certificate issued by the department of  
36 natural resources under section 455B.474 shall retain  
37 its classification following modifications necessary  
38 to store and dispense E-85 ethanol blended gasoline,  
39 and the owner or operator shall not be required to  
40 perform a new site assessment unless the site causes a  
41 clear, present, and impending danger to the public  
42 health or the environment.

43 4. This section is repealed on July 1, 2008.

44 Sec. 15. 2001 Iowa Acts, chapter 123, section 6,  
45 subsection 2, is amended to read as follows:

46 2. The ethanol blended gasoline tax credits  
47 provided in sections 422.11C and 422.33 apply ~~to tax~~  
48 ~~years beginning on or after~~ January 1, 2002.

49 Notwithstanding the provisions in those sections  
50 limiting the tax credits to taxpayers' tax years, the

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1 amount of the initial tax credit under these sections  
2 for each eligible service station shall be based on  
3 the total number of gallons of ethanol blended  
4 gasoline sold and dispensed through all metered pumps  
5 located at the taxpayer's service station from January  
6 1, 2002, until the beginning of the taxpayer's next  
7 fiscal year. The department of revenue and finance  
8 shall perform functions, ~~prior to the beginning of~~  
9 ~~that tax year,~~ necessary in order to implement the tax  
10 credits.

11 Sec. 16. REFUNDS. Refunds of taxes, interest, or  
12 penalties which arise from claims resulting from the  
13 enactment of 2001 Iowa Acts, chapter 123, section 6,  
14 subsection 2, as amended in this Act, for sales of  
15 ethanol blended gasoline occurring between January 1,  
16 2002, and the effective date of this Act, shall not be  
17 allowed unless refund claims are filed prior to  
18 October 1, 2003, notwithstanding any other provision  
19 of law.

20 Sec. 17. RETROACTIVE APPLICATION -- EFFECTIVE  
21 DATE.

22 1. Section 422.11H as enacted in this Act takes  
23 effect upon enactment and applies retroactively to tax  
24 years beginning on or after January 1, 2003.

25 2. 2001 Iowa Acts, chapter 123, section 6,  
26 subsection 2, as amended by this Act, being deemed of  
27 immediate importance, takes effect upon enactment and  
28 applies retroactively to January 1, 2002.”

29 2. Title page, line 1, by striking the words “E-  
30 85 ethanol” and inserting the following: “ethanol  
31 blended gasoline, providing for tax revenue, providing  
32 for appropriations, and providing for applicability  
33 and effective dates”.

34 3. By renumbering as necessary.

NEAL SCHUERER  
HUBERT M. HOUSER  
JOHN P. KIBBIE

**S-3198**

1 Amend Senate File 332 as follows:

2 1. Page 1, by inserting before line 1, the  
3 following:

4 “Section 1. NEW SECTION. 38E.1 SECURE AND  
5 VERIFIABLE IDENTIFICATION.

6 1. A public benefit or service of this state,  
7 including a law enforcement service, which requires  
8 the recipient of the public benefit or service to  
9 produce identification, shall not be provided by a  
10 department, agency, or any political subdivision of  
11 this state, or other entity within the executive,  
12 legislative, or judicial branch of this state, unless  
13 the identification is issued by a federal or state  
14 authority and is subject to verification by a federal  
15 law enforcement, intelligence, or homeland security  
16 agency.

17 2. An elected or appointed official, employee, or  
18 other contractor or agent of this state or of a  
19 political subdivision of this state who takes any  
20 action inconsistent with subsection 1 shall be deemed  
21 to be acting beyond the scope of authority granted by  
22 law and shall not be immune from liability for such  
23 action unless such immunity is conferred by the  
24 Constitution of the United States or the Constitution  
25 of the State of Iowa and cannot be waived.

26 Sec. \_\_\_\_ Section 43.2, unnumbered paragraph 1,  
27 Code 2003, is amended to read as follows:

28 The term “political party” ~~shall mean~~ means a party  
29 which, at the last preceding general election, cast  
30 for its candidate for ~~president of the United States~~

31 ~~or for governor, as the case may be~~ any statewide  
 32 office, at least two percent of the total vote cast  
 33 for all candidates for that office at that election  
 34 or, in the alternative, which maintains registrations  
 35 with that party in a number equal to or greater than  
 36 one-half of one percent of the total number of voters  
 37 who cast ballots in the last preceding general  
 38 election. It shall be the responsibility of the state  
 39 commissioner to determine whether any organization  
 40 claiming to be a political party qualifies as such  
 41 under the foregoing definition.  
 42 Sec. \_\_\_\_ NEW SECTION. 43.51A PRIMARY RUNOFF  
 43 ELECTIONS.  
 44 1. If there are two or more candidates for any  
 45 nomination under section 43.52, subsection 1, or  
 46 section 43.65, and no candidate receives thirty-five  
 47 percent or more of the votes cast by voters of the  
 48 candidate's party for the office sought, but the  
 49 number of votes received by the candidate receiving  
 50 the highest number of votes cast exceeds by ten

Page 2

1 percent or more of the total votes cast for the office  
 2 the number of votes received by the candidate  
 3 receiving the next highest number of votes cast, the  
 4 candidate receiving the highest number of votes cast  
 5 shall appear as the party's candidate for the office  
 6 on the general election ballot. If there are two or  
 7 more candidates for any nomination and no candidate  
 8 receives thirty-five percent or more of the votes cast  
 9 by voters of the candidate's party for the office  
 10 sought, and the number of votes received by the  
 11 candidate receiving the highest number of votes cast  
 12 does not exceed by ten percent or more of the total  
 13 votes cast for the office the number of votes received  
 14 by the candidate receiving the next highest number of  
 15 votes cast, the primary is inconclusive and the  
 16 nomination shall be determined in a runoff election.  
 17 The candidates receiving the highest and next highest  
 18 number of votes in the primary election are candidates  
 19 in the runoff election.  
 20 2. If under section 43.66, two or more candidates  
 21 receive at least one hundred votes, the nomination  
 22 shall be determined in a runoff election. The  
 23 candidates receiving the highest and next highest  
 24 number of votes in the primary election are candidates  
 25 in the runoff election.  
 26 3. The runoff election shall be held five weeks  
 27 after the date of the primary election and shall be  
 28 conducted in the same manner as the primary election.  
 29 The candidate receiving the highest number of votes

30 for a nomination in the runoff election shall be the  
 31 candidate of that party for that office in the general  
 32 election.”

33 2. Page 1, line 4, by inserting before the word  
 34 “The” the following: “1”

35 3. Page 1, line 10, by inserting after the word  
 36 “ballot” the following: “, except as otherwise  
 37 provided in section 43.51A”.

38 4. Page 1, line 16, by inserting before the word  
 39 “When” the following: “2”

40 5. Page 2, line 13, by inserting after the word  
 41 “elections” the following: “and primary runoff  
 42 elections”.

43 6. Page 2, line 27, by inserting after the word  
 44 “election” the following: “, except as otherwise  
 45 provided in section 43.51A”.

46 7. Page 3, by striking lines 28 through 32, and  
 47 inserting the following: “~~nomination, except as~~  
 48 otherwise provided in section 43.51A. If no candidate  
 49 receives at least one hundred votes, the primary is  
 50 inconclusive, and the necessary nominations shall be

Page 3

1 made in accordance with section 43.78, subsection 1.  
 2 Sec. \_\_\_\_ Section 43.77, subsection 2, Code 2003,  
 3 is amended to read as follows:

4 2. The primary election was inconclusive as to  
 5 that office because no candidate for the party’s  
 6 nomination for that office received the number of  
 7 votes required by section ~~43.52, 43.53 or 43.65,~~  
 8 ~~whichever is applicable~~ 43.66.”

9 8. Title page, by striking lines 1 through 3, and  
 10 inserting the following: “An Act relating to public  
 11 benefits and public office, including identification  
 12 requirements for receipt of public benefits and  
 13 services, allowing greater third party ballot access  
 14 by redefining political party, and requiring runoff  
 15 elections for certain nominations to public office.”

16 9. By renumbering, redesignating, and correcting  
 17 internal references as necessary.

NEAL SCHUERER  
 JEFF LAMBERTI  
 BRYAN J. SIEVERS  
 MARY A. LUNDBY

## S-3199

1 Amend Senate File 440 as follows:

2 1. Page 1, by inserting after line 20, the  
 3 following:

4 “Sec. \_\_\_\_ NEW SECTION. 257.8B STATE PERCENT OF  
5 GROWTH -- SUPPLEMENTAL AID.

6 For the school budget year beginning July 1, 2003,  
7 and succeeding budget years, if the department of  
8 management determines that the regular program  
9 district cost of a school district for the budget  
10 year, as adjusted pursuant to section 257.14 if  
11 applicable, is less than an amount corresponding to  
12 the product of the state percent of growth for the  
13 budget year multiplied by the regular program district  
14 cost of the school district for the base year as  
15 adjusted pursuant to section 257.14 if applicable, the  
16 school district shall be entitled to an additional  
17 budget adjustment equal to the difference.

18 There is appropriated from the general fund of the  
19 state to the department of management for each fiscal  
20 year an amount sufficient to pay the supplemental aid  
21 to school districts under this section. Supplemental  
22 aid shall be paid in the manner provided in section  
23 257.16.

24 Sec. \_\_\_\_ EFFECTIVE DATE. This Act, being deemed  
25 of immediate importance, takes effect upon enactment.”

26 2. Title page, by striking line 2 and inserting  
27 the following: “public and nonpublic schools under  
28 prescribed circumstances, making an appropriation, and  
29 providing an effective date.”

STEVEN H. WARNSTADT

**S-3200**

1 Amend Senate File 440 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. NONPUBLIC SCHOOL TEXTBOOK AND  
5 TRANSPORTATION ASSISTANCE. There is appropriated from  
6 the general fund of the state to the department of  
7 education for the fiscal year beginning July 1, 2003,  
8 and ending June 30, 2004, the following amounts, or so  
9 much thereof as may be necessary, to be used for the  
10 purposes designated:

11 1. NONPUBLIC SCHOOL TEXTBOOKS	
12 To provide funds for costs of providing textbooks	
13 to each resident pupil who attends a nonpublic school	
14 as authorized by Code section 301.1:	
15 .....	\$ 590,458
16 2. NONPUBLIC SCHOOL TRANSPORTATION COSTS	
17 To provide funds for payment of nonpublic school	
18 transportation claims pursuant to section 285.2, or	
19 for reimbursement of nonpublic school transportation	
20 expenses pursuant to section 285.3:	
21 .....	\$ 7,955,541”

22 2. Title page, by striking lines 1 and 2 and  
 23 inserting the following: “An Act making an  
 24 appropriation for nonpublic school textbook and  
 25 transportation costs.”

MIKE CONNOLLY

**S-3201**

1 Amend Senate File 440 as follows:

2 1. Page 1, by inserting after line 20 the  
 3 following:  
 4 “Sec. \_\_\_\_ NONPUBLIC SCHOOL TEXTBOOK AND  
 5 TRANSPORTATION ASSISTANCE. There is appropriated from  
 6 the general fund of the state to the department of  
 7 education for the fiscal year beginning July 1, 2003,  
 8 and ending June 30, 2004, the following amounts, or so  
 9 much thereof as may be necessary, to be used for the  
 10 purposes designated:

11 1. NONPUBLIC SCHOOL TEXTBOOKS		
12 To provide funds for costs of providing textbooks		
13 to each resident pupil who attends a nonpublic school		
14 as authorized by section 301.1:		
15 .....	\$	590,458
16 2. NONPUBLIC SCHOOL TRANSPORTATION COSTS		
17 To provide funds for payment of nonpublic school		
18 transportation claims pursuant to section 285.2, or		
19 for reimbursement of nonpublic school transportation		
20 expenses pursuant to section 285.3:		
21 .....	\$	7,955,541”

22 2. Title page, line 2, by inserting after the  
 23 word “circumstances” the following: “, and making an  
 24 appropriation”.

MIKE CONNOLLY

*State of Iowa*

**JOURNAL  
OF THE SENATE**

**EIGHTIETH  
GENERAL ASSEMBLY**

**2003 REGULAR AND  
EXTRAORDINARY SESSION**

**Volume II**

**MARY KRAMER, President of the Senate  
MICHAEL E. MARSHALL, Secretary of the Senate**

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## S-3202

- 1 Amend Senate File 404 as follows:
- 2 1. Page 1, by striking lines 1 through 15, and  
3 inserting the following:  
4 “Sec. \_\_\_\_ Section 388.9, subsection 2, Code 2003,  
5 is amended by adding the following new unnumbered  
6 paragraph:  
7 NEW UNNUMBERED PARAGRAPH. This subsection shall  
8 not apply to a financial audit or complete financial  
9 statement required pursuant to section 388.10.”
- 10 2. Page 2, line 13, by striking the words  
11 “directly or indirectly.”
- 12 3. Page 3, by striking lines 7 through 12, and  
13 inserting the following: “form, whether temporary or  
14 permanent, or other arrangements by which there is  
15 recourse”.
- 16 4. Page 3, lines 31 and 32, by striking the words  
17 “exceed the lesser of any” and inserting the  
18 following: “be greater than either the”.
- 19 5. Page 3, line 33, by striking the words  
20 “initial construction” and inserting the following:  
21 “construction or upgrade”.
- 22 6. By striking page 3, line 35 through page 4,  
23 line 3, and inserting the following: “capital”
- 24 7. Page 4, by striking lines 5 through 11, and  
25 inserting the following: “loan shall not be less than  
26 the rate for public obligations determined in  
27 accordance with section 74A.6, subsection 3, for  
28 obligations described in section 74A.3, subsection 2,  
29 which are to be paid from revenue derived from the  
30 operations of a publicly owned enterprise. Interest  
31 payments shall be”.
- 32 8. Page 4, line 16, by striking the word  
33 “fifteen” and inserting the following: “twenty”.
- 34 9. By striking page 4, line 28 through page 5,  
35 line 1, and inserting the following: “shall have its  
36 default reviewed in a public hearing before the city  
37 council. The city council may choose whether to cure  
38 the default, and shall adopt a resolution of intent on  
39 its proposal and call a public hearing. Notice of the  
40 time and place of the public hearing and the proposed  
41 action shall be published as provided in section  
42 362.3. The council, at the same or a subsequent  
43 meeting, may pass the resolution. Within thirty days,  
44 a petition may be filed with the clerk in the manner  
45 provided in section 362.4, requesting that the  
46 question be submitted to the registered voters of the  
47 city. Upon receipt of a petition requesting an  
48 election, the council shall direct the county  
49 commissioner of elections to call a special election  
50 on the question, or shall adopt a resolution

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1 abandoning its prior position, and indicating other  
2 intent, if any. Notice of an election shall be given  
3 by publication as required in section 49.53. An  
4 additional public hearing is required if the council  
5 chooses new proposed action. However, the default  
6 must be resolved in some manner by the council or the  
7 voters.”

8 10. Page 6, by inserting after line 2, the  
9 following:

10 “g. This section shall not affect the ability of a  
11 telecommunications utility to utilize vehicles, tools,  
12 personnel, or office facilities of another utility,  
13 provided that the telecommunications utility pays for  
14 the pro rata actual cost of such vehicles, tools,  
15 personnel, or office facilities based on actual  
16 usage.”

17 11. Page 6, by striking line 29, and inserting  
18 the following:

19 “d. Annually cause to be prepared a certificate of  
20 compliance with this section. If the annual financial  
21 statements of the municipal utility are audited, then  
22 the certificate of compliance shall be prepared by the  
23 auditor. If the annual financial statements of the  
24 municipal utility are not audited, then the  
25 certificate of compliance shall be prepared and signed  
26 by an officer of the municipal utility.

27 e. Nothing in this subsection shall prohibit the  
28 provision of discounted rates for telecommunications  
29 services for low-income, elderly, and disabled  
30 persons.

31 3. In the event that any third party believes that  
32 a municipality or municipal utility may not be in full  
33 compliance with this section, the third party may  
34 submit a written request to the auditor of state to  
35 audit the compliance of the municipality or municipal  
36 utility with this section. Upon receipt of written  
37 request, the auditor of state shall have full access  
38 to all of the municipality’s and the municipal  
39 utility’s records and shall conduct the audit timely,  
40 and issue a written report to both the municipality or  
41 municipal utility and to the third party requesting  
42 the audit. If the audit finds full compliance with  
43 all provisions of this section, the third party shall  
44 pay the reasonable actual costs of the audit. In all  
45 other circumstances, the municipality or municipal  
46 utility shall pay all actual costs of the audit.

47 ~~3.~~ 4. This section shall not prohibit the  
48 marketing or”.

49 12. By renumbering, redesignating, and correcting  
50 internal references as necessary.

BOB BRUNKHORST

**S-3203**

1 Amend House File 386, as passed by the House, as  
2 follows:

3 1. Page 10, line 1, by inserting after the word  
4 “out” the following: “reasonably and”.

JACK HOLVECK  
JERRY BEHN

**S-3204**

1 Amend House File 65, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 4 the  
4 following:

5 “Sec. \_\_\_\_ NEW SECTION. 321J.2C PERSONS FOUND  
6 NOT GUILTY.

7 1. Notwithstanding any other provision of this  
8 chapter to the contrary, if any prosecution for a  
9 violation of section 321J.2 or 321J.2A does not result  
10 in a conviction, and the defendant’s driver’s license  
11 or nonresident operating privilege has been revoked  
12 under section 321J.12 for the occurrence from which  
13 the arrest arose, the department shall, upon receipt  
14 of the court order finding the defendant not guilty,  
15 immediately rescind the revocation order and reinstate  
16 the defendant’s license.

17 2. Notwithstanding section 321.12 or any other  
18 provision of chapter 321 or 321J to the contrary, the  
19 director shall immediately destroy any operating  
20 records pertaining to a revocation under section  
21 321J.12 for the occurrence from which an arrest arose  
22 when the defendant was subsequently prosecuted and  
23 found not guilty upon receipt of the court order  
24 finding the defendant not guilty.”

25 2. By renumbering as necessary.

BOB BRUNKHORST  
WILLIAM A. DOTZLER  
JEFF LAMBERTI  
BRYAN J. SIEVERS  
RON WIECK  
WALLY E. HORN  
THOMAS G. COURTNEY  
HERMAN C. QUIRMBACH  
MARK ZIEMAN

**S-3205**

- 1 Amend the amendment, S-3097, to House File 534, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:
- 4 1. Page 3, by inserting after line 9 the  
 5 following:  
 6 “\_\_\_ Page 55, by striking lines 27 through 28.  
 7 \_\_\_ Page 55, line 29, by striking the figure  
 8 “4.” and inserting the following: “3.””
  - 9 2. Page 3, by inserting after line 18 the  
 10 following:  
 11 “\_\_\_ Page 107, by striking lines 19 through 31.”
  - 12 3. Page 3, line 19, by striking the words “after  
 13 line 31”, and inserting the following: “before line  
 14 32”.
  - 15 4. Page 3, by inserting after line 43 the  
 16 following:  
 17 “\_\_\_ Page 108, by striking lines 2 through 11.  
 18 \_\_\_ By striking page 109, line 6, through page  
 19 112, line 8.”
  - 20 5. Page 4, by inserting after line 1 the  
 21 following:  
 22 “\_\_\_ Page 119, by striking lines 16 through 22.  
 23 \_\_\_ By striking page 125, line 18, through page  
 24 126, line 2.”
  - 25 6. By renumbering as necessary.

BOB BRUNKHORST  
 ROBERT E. DVORSKY

**S-3206**

- 1 Amend House File 395, as passed by the House, as  
 2 follows:
- 3 1. Page 1, by inserting after line 17 the  
 4 following:  
 5 “Sec. \_\_\_ NEW SECTION. 546A.1 PROVISION OF  
 6 CONSUMER REPORTS.  
 7 1. For purposes of this section, unless the  
 8 context otherwise requires:  
 9 a. “Consumer” means an individual who obtains or  
 10 has obtained a financial product or service from a  
 11 financial institution that is to be used primarily for  
 12 personal, family, or household purposes, or that  
 13 individual’s legal representative.  
 14 b. “Consumer report” means any written or other  
 15 form of communication of any information by a consumer  
 16 reporting agency bearing on a consumer’s  
 17 creditworthiness, credit standing, or credit capacity  
 18 which is used or intended to be used or collected, in  
 19 whole or in part, for the purpose of serving as a

20 factor in establishing the consumer's eligibility for  
21 either of the following:  
22 (1) Credit or insurance to be used primarily for  
23 personal, family, or household purposes.  
24 (2) Employment, promotion, reassignment, or  
25 retention as an employee.  
26 c. "Consumer reporting agency" means any person  
27 that, for monetary fees, dues, or on a cooperative  
28 nonprofit basis, regularly engages, in whole or in  
29 part, in the practice of assembling or evaluating  
30 consumer credit information or other information  
31 pertaining to consumers for the purpose of furnishing  
32 consumer reports to third parties.  
33 2. a. A consumer reporting agency that compiles  
34 and maintains files on consumers on a nationwide basis  
35 shall furnish to any consumer who has provided  
36 appropriate verification of the consumer's identity  
37 one complete consumer report per calendar year, upon  
38 the written request of the consumer and without charge  
39 to the consumer.  
40 b. The report required under this section must be  
41 furnished by the consumer reporting agency to a  
42 requesting consumer within ten calendar days of the  
43 consumer reporting agency's receipt of the consumer's  
44 request.  
45 3. A consumer who requests and is not provided a  
46 consumer report pursuant to this section shall have a  
47 cause of action against the consumer reporting agency  
48 that fails to furnish the requested report within ten  
49 calendar days of the request to obtain both of the  
50 following:

Page 2

- 1 a. The greater of actual monetary damages or two
- 2 hundred fifty dollars.
- 3 b. Reasonable attorney fees and court costs."
- 4 2. Title page, line 1, by inserting after the
- 5 word "to" the following: "consumer credit, including
- 6 the provision of consumer credit reports and".
- 7 3. By renumbering, redesignating, and correcting
- 8 internal references as necessary.

JOE BOLKCOM  
STEVEN H. WARNSTADT  
THOMAS G. COURTNEY  
HERMAN C. QUIRMBACH

**S-3207**

- 1 Amend House File 619, as amended, passed, and
- 2 reprinted by the House, as follows:

3 1. Page 7, by striking lines 9 through 26, and  
 4 inserting the following:  
 5 “Sec. \_\_\_\_ . CASE MANAGEMENT PROGRAM FOR FRAIL  
 6 ELDERLS.  
 7 1. The general assembly finds that the existing  
 8 case management program for frail elders administered  
 9 by the department of elder affairs is an important  
 10 component of the long-term care system in this state.  
 11 The program emphasizes the independence and dignity of  
 12 the individual while providing services in a cost-  
 13 effective manner.  
 14 2. The purposes of the case management program for  
 15 frail elders include all of the following:  
 16 a. To provide planning, policy development,  
 17 coordination and administrative oversight.  
 18 b. To provide assistance in the form of assessment  
 19 and care coordination under circumstances in which an  
 20 elder or the elder’s caregiver is experiencing  
 21 diminished functional capacity or other conditions  
 22 that require the provision of services by professional  
 23 service providers.  
 24 c. To maintain a system that focuses on the  
 25 delivery of home and community-based services that  
 26 emphasize individual independence, individual needs  
 27 and desires, and consumer-driven quality of services.  
 28 3. It is the intent of the general assembly that  
 29 the department of elder affairs in collaboration with  
 30 the department of human services, area agencies on  
 31 aging, advocacy groups, industry representatives, and  
 32 consumers submit recommendations to the general  
 33 assembly by December 31, 2003, regarding the  
 34 redesigning of the case management program for the  
 35 frail elderly including preadmission screening  
 36 methodologies, independent assessment methodologies,  
 37 level of care determinations and ongoing methodologies  
 38 for the coordination, provision, and delivery of home  
 39 and community-based services.”  
 40 2. By renumbering as necessary.

AMANDA RAGAN

**S-3208**

1 Amend House File 386, as passed by the House, as  
 2 follows:  
 3 1. Page 5, by inserting after line 1 the  
 4 following:  
 5 “Sec. \_\_\_\_ . NEW SECTION. 231.23A PROGRAMS AND  
 6 SERVICES.  
 7 The department of elder affairs shall provide or  
 8 administer, but is not limited to providing or  
 9 administering, all of the following programs and

10 services:

- 11 1. Elderly services including but not limited to
- 12 home and community-based services such as adult day
- 13 services, assessment and intervention, transportation,
- 14 chore services, counseling, homemaker services,
- 15 material aid, personal care, reassurance, respite
- 16 services, visitation, caregiver support, emergency
- 17 response system services, mental health outreach, and
- 18 home repair.
- 19 2. The senior internship program.
- 20 3. The retired senior volunteer program.
- 21 4. The case management program for the frail
- 22 elderly.
- 23 5. Administration relating to the long-term care
- 24 resident's advocate program.
- 25 6. Administration relating to the area agencies on
- 26 aging.
- 27 7. Other programs and services authorized by law.”

MAGGIE TINSMAN  
JERRY BEHN

### S-3209

- 1 Amend House File 619, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 8, line 3, by striking the figure “\$4.26”
- 4 and inserting the following: “\$4.35”.
- 5 2. Page 8, line 26, by striking the figure “12”
- 6 and inserting the following: “11”.
- 7 3. By striking page 8, line 35, through page 9,
- 8 line 13.
- 9 4. Page 9, line 17, by striking the figure “1.4”
- 10 and inserting the following: “1.8”.
- 11 5. By renumbering, redesignating, and correcting
- 12 internal references as necessary.

AMANDA RAGAN  
DENNIS H. BLACK  
JOHN P. KIBBIE  
JACK HATCH  
THOMAS G. COURTNEY  
JACK HOLVECK  
JOE BOLKCOM  
DR. JOE SENG  
HERMAN C. QUIRMBACH  
STEVEN H. WARNSTADT  
KEITH A. KREIMAN  
DARYL BEALL  
MATT McCOY  
WILLIAM A. DOTZLER  
ROGER STEWART

ROBERT E. DVORSKY  
 MIKE CONNOLLY  
 DICK L. DEARDEN  
 WALLY E. HORN  
 EUGENE S. FRAISE  
 MICHAEL E. GRONSTAL

**S-3210**

HOUSE AMENDMENT TO  
 SENATE FILE 397

1 Amend Senate File 397, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 1, by inserting before line 1, the  
 4 following:  
 5 “Section 1. Section 483A.8, Code 2003, is amended  
 6 by adding the following new subsection:  
 7 NEW SUBSECTION. 6. The commission shall provide,  
 8 by rule, for the issuance to a nonresident, of a  
 9 nonresident antlerless deer hunting license that is  
 10 valid for use only during the period beginning on  
 11 December 24, 2003, and ending at sunset on January 2,  
 12 2004, and costs fifty dollars. A nonresident hunting  
 13 deer with a license issued under this subsection shall  
 14 be otherwise qualified to hunt deer in this state and  
 15 shall have a nonresident hunting license and pay the  
 16 wildlife habitat fee. Pursuant to this subsection,  
 17 the commission shall make available for issuance only  
 18 the remaining nonresident antlerless deer hunting  
 19 licenses allocated under subsection 3 that have not  
 20 yet been issued for the 2003-2004 antlerless deer  
 21 hunting seasons.”  
 22 2. By renumbering as necessary.

**S-3211**

HOUSE AMENDMENT TO  
 SENATE FILE 172

1 Amend Senate File 172, as passed by the Senate, as  
 2 follows:  
 3 1. Page 1, line 10, by striking the words “Upon  
 4 receipt of such a grant, the” and inserting the  
 5 following: “The.”  
 6 2. Page 1, by inserting after line 30, the  
 7 following:  
 8 “Sec. \_\_\_\_ Section 256F.11, as enacted by 2002  
 9 Iowa Acts, chapter 1124, section 11, is amended to  
 10 read as follows:  
 11 SEC. 11. NEW SECTION. 256F.11 FUTURE REPEAL.  
 12 This chapter is repealed effective July 1, ~~2010~~

13 2011.”

14 3. Page 2, by striking lines 33 and 34, and  
 15 inserting the following: “application procedure ~~for~~  
 16 ~~the fiscal year beginning not later than July 1, 2002~~  
 17 2004, for purposes of ~~receiving~~ distributing federal  
 18 planning funds”.

19 4. By renumbering, relettering, or redesignating  
 20 and correcting internal references as necessary.

## S-3212

1 Amend House File 619, as amended, passed, and  
 2 reprinted by the House, as follows:

3 1. Page 3, by inserting after line 18 the  
 4 following:

5 “Sec.     . NEW SECTION. 155A.4A PHARMACEUTICAL  
 6 MARKETERS -- PROHIBITION OF GIFTS.

7 1. A pharmaceutical marketer shall not offer or  
 8 provide to any practitioner, hospital, health care  
 9 facility, or health benefit plan administrator, or any  
 10 other person in this state authorized or licensed to  
 11 dispense, distribute, or purchase prescription drugs,  
 12 any gift not otherwise exempt under this section.

13 2. The following gifts are exempt from the  
 14 prohibition of this section:

15 a. Free samples of prescription drugs intended for  
 16 distribution to patients.

17 b. The payment of reasonable compensation and  
 18 reimbursement of expenses in connection with bona fide  
 19 clinical trials. As used in this paragraph, “clinical  
 20 trial” means an approved clinical trial conducted in  
 21 connection with a research study designed to answer  
 22 specific questions about vaccines, new therapies, or  
 23 new ways of utilizing known treatments.

24 c. Any gift, fee, payment, subsidy, or other  
 25 economic benefit the value of which is less than  
 26 twenty-five dollars.

27 d. A scholarship or other support for medical  
 28 students, residents, or fellows to attend a  
 29 significant educational, scientific, or policymaking  
 30 conference of a national, regional, or specialty  
 31 medical or other professional association if the  
 32 recipient of the scholarship or other support is  
 33 selected by the association.

34 3. a. Annually on or before January 1, every  
 35 pharmaceutical manufacturing company shall disclose to  
 36 the board the value, nature, and purpose of any gift,  
 37 fee, payment, subsidy, or other economic benefit  
 38 provided in connection with detailing, promotional, or  
 39 other marketing activities by the company, directly or  
 40 through its pharmaceutical marketers, to any  
 41 practitioner, hospital, nursing home, pharmacist,

42 health benefit plan administrator, or any other person  
43 in this state authorized to prescribe, dispense, or  
44 purchase prescription drugs in this state. Disclosure  
45 shall be made on a form and in a manner prescribed by  
46 the board and shall be made for the period beginning  
47 July 1 and ending June 30 of the previous state fiscal  
48 year. An initial disclosure shall be made on January  
49 15, 2004, for the period beginning July 1, 2003, and  
50 ending December 31, 2003. The board shall provide to

Page 2

1 the office of the attorney general complete access to  
2 the information required to be disclosed under this  
3 subsection. The office of the attorney general shall  
4 report annually on the disclosures made under this  
5 section to the governor and the general assembly on or  
6 before March 1.

7 b. Each company subject to the provisions of this  
8 section shall also disclose to the board, on or before  
9 October 1, 2003, and annually thereafter, the name and  
10 address of the individual responsible for the  
11 company's compliance with this section.

12 c. The board and the office of the attorney  
13 general shall keep confidential all trade secrets as  
14 defined in section 550.2. The disclosure form  
15 prescribed by the board shall permit the company to  
16 identify any information that is a trade secret.

17 d. The company is exempt from disclosure of any  
18 gifts that are exempt from the prohibition pursuant to  
19 subsection 2.

20 e. The attorney general may bring an action for  
21 injunctive relief, costs, and attorney fees, and may  
22 impose a civil penalty of not more than ten thousand  
23 dollars per violation on a company that fails to  
24 disclose information as required by this subsection.  
25 Each failure to disclose constitutes a separate  
26 violation.

27 4. For the purposes of this section:

28 a. "Pharmaceutical manufacturing company" means  
29 any entity engaged in the production, preparation,  
30 propagation, compounding, conversion, or processing of  
31 prescription drugs, either directly or indirectly by  
32 extraction from substances of natural origin, or  
33 independently by means of chemical synthesis, or by a  
34 combination of extraction and chemical synthesis, or  
35 any entity engaged in the packaging, repackaging,  
36 labeling, relabeling, or distribution of prescription  
37 drugs. The term does not include a wholesaler or a  
38 pharmacist licensed under this chapter.

39 b. "Pharmaceutical marketer" means a person who,  
40 while employed by or under contract to represent a

41 pharmaceutical manufacturing company, engages in  
 42 pharmaceutical detailing, promotional activities, or  
 43 other marketing of prescription drugs in this state to  
 44 any practitioner, hospital, health care facility,  
 45 pharmacist, health benefit plan administrator, or any  
 46 other person licensed or authorized to prescribe,  
 47 dispense, or purchase prescription drugs.  
 48 “Pharmaceutical marketer” does not include a  
 49 wholesaler or a wholesale salesperson.”  
 50 2. By renumbering as necessary.

JACK HOLVECK  
 DICK L. DEARDEN  
 DR. JOE SENG  
 ROBERT E. DVORSKY  
 WALLY E. HORN  
 JOHN P. KIBBIE  
 EUGENE S. FRAISE  
 KEITH A. KREIMAN  
 AMANDA RAGAN  
 DENNIS H. BLACK  
 MATT McCOY  
 HERMAN C. QUIRMBACH  
 STEVEN H. WARNSTADT  
 THOMAS G. COURTNEY  
 ROGER STEWART  
 WILLIAM A. DOTZLER  
 JOE BOLKCOM  
 JACK HATCH

### S-3213

1 Amend Senate File 352 as follows:  
 2 1. By striking everything after the enacting  
 3 clause and inserting the following:  
 4 “Section 1. NEW SECTION. 80B.11D TRAINING.  
 5 1. An individual who is not a certified law  
 6 enforcement officer may apply for attendance at a  
 7 short course of study at an approved law enforcement  
 8 training program if such individual is sponsored by a  
 9 law enforcement agency. Such individual may be  
 10 sponsored by a law enforcement agency that either  
 11 intends to hire or has hired the individual as a law  
 12 enforcement officer.  
 13 2. An individual who submits an application  
 14 pursuant to subsection 1 shall, at a minimum, meet all  
 15 minimum hiring standards as established by academy  
 16 rules, including the successful completion of certain  
 17 psychological and physical testing examinations. In  
 18 addition, such individual shall be of good moral  
 19 character as determined by a thorough background  
 20 investigation by the hiring law enforcement agency.

21 The academy shall conduct the requisite testing and  
 22 background investigation for a fee if the law  
 23 enforcement agency does not do so, and for such  
 24 purposes, the academy shall be defined as a law  
 25 enforcement agency and shall have the authority to  
 26 conduct a background investigation including a  
 27 fingerprint search of local, state, and national  
 28 fingerprint files.

29 3. An individual who submits an application  
 30 pursuant to subsection 1 shall, at a minimum, submit  
 31 proof of successful completion of a two-year or four-  
 32 year police science or criminal justice program at an  
 33 accredited educational institution in this state  
 34 approved by the academy.

35 4. An individual shall not be granted permission  
 36 to attend an approved law enforcement training program  
 37 pursuant to subsection 1 if such acceptance would  
 38 result in the nonacceptance of another qualifying  
 39 applicant who is a law enforcement officer.

40 5. This section applies only to individuals who  
 41 apply for certification through a short course of  
 42 study as established by rule.

43 6. An individual who has not been hired by a law  
 44 enforcement agency must be hired by a law enforcement  
 45 agency within eighteen months of completing the short  
 46 course of study in order to obtain certification  
 47 pursuant to this section.”

CHARLES W. LARSON, JR.  
 STEVEN H. WARNSTADT

### S-3214

1 Amend House File 392 as passed by the House as  
 2 follows:

- 3 1. Page 1, by striking line 6 and inserting the
- 4 following: “state agencies involved in economic
- 5 development activities”.

KEITH A. KREIMAN

### S-3215

1 Amend House File 65, as amended, passed, and  
 2 reprinted by the House, as follows:

- 3 1. Page 1, line 22, by inserting after the word
- 4 “owned” the following: “or operated”.
- 5 2. Page 2, line 3, by inserting after the word
- 6 “owned” the following: “or operated”.
- 7 3. Page 2, line 25, by inserting after the word
- 8 “owned” the following: “or operated”.
- 9 4. Page 3, line 6, by inserting after the word

- 10 “owned” the following: “or operated”.  
 11 5. Page 3, line 30, by inserting after the word  
 12 “owned” the following: “or operated”.  
 13 6. Page 4, line 11, by inserting after the word  
 14 “owned” the following: “or operated”.  
 15 7. Page 4, line 34, by inserting after the word  
 16 “owned” the following: “or operated”.  
 17 8. Page 5, line 15, by inserting after the word  
 18 “owned” the following: “or operated”.

DONALD B. REDFERN

### S-3216

- 1 Amend House File 65, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking page 1, line 29 through page 2,  
 4 line 1, and inserting the following: “for at least  
 5 thirty days if a test was obtained. A defendant whose  
 6 alcohol concentration is more than .10 shall be  
 7 ordered to install an ignition interlock”.  
 8 2. By striking page 2, line 32 through page 3,  
 9 line 4, and inserting the following: “for at least  
 10 thirty days if a test was obtained. A defendant whose  
 11 alcohol concentration is more than .10 shall be  
 12 ordered to install an ignition interlock”.  
 13 3. Page 4, by striking lines 2 through 9, and  
 14 inserting the following: “for at least thirty days if  
 15 a test was obtained. A defendant whose alcohol  
 16 concentration is more than .10 shall be ordered to  
 17 install an ignition interlock”.  
 18 4. Page 5, by striking lines 6 through 13, and  
 19 inserting the following: “for at least thirty days if  
 20 a test was obtained. A defendant whose alcohol  
 21 concentration is more than .10 shall be ordered to  
 22 install an ignition interlock”.  
 23 5. By renumbering as necessary.

DONALD B. REDFERN

### S-3217

- 1 Amend Senate File 445 as follows:  
 2 1. Page 1, line 22, by inserting after the word  
 3 “improvements” the following: “and those activities  
 4 for which revenues under section 298.3 or 300.2 may be  
 5 spent”.

JEFF ANGELO

**S-3218**

- 1 Amend House File 65, as amended, passed, and  
 2 reprinted by the House, as follows:
- 3 1. By striking page 1, line 5, through page 2,  
 4 line 4.
  - 5 2. By striking page 2, line 5, through page 4,  
 6 line 16.
  - 7 3. By striking page 4, line 23, through page 5,  
 8 line 31.
  - 9 4. Page 6, by striking lines 12 through 22.
  - 10 5. By renumbering as necessary.

DONALD B. REDFERN

**S-3219**

HOUSE AMENDMENT TO  
 SENATE FILE 351

- 1 Amend Senate File 351, as amended, passed, and  
 2 reprinted by the Senate, as follows:
- 3 1. Page 8, line 31, by striking the words "~~may~~  
 4 shall" and inserting the following: "may".

**S-3220**

HOUSE AMENDMENT TO  
 SENATE FILE 379

- 1 Amend Senate File 379, as passed by the Senate, as  
 2 follows:
- 3 1. Page 4, line 33, by inserting after the word  
 4 "perfected." the following: "~~However, a landlord's~~  
 5 lien that is perfected pursuant to section 570.1 shall  
 6 have priority over a conflicting agricultural supply  
 7 dealer's lien as provided in section 570.1, and a  
 8 harvester's lien that is perfected pursuant to section  
 9 571.3 shall have priority over a conflicting  
 10 agricultural supply dealer's lien as provided in  
 11 section 571.3A."
  - 12 2. Page 5, by striking lines 5 through 20.
  - 13 3. Page 7, by striking lines 11 through 21, and  
 14 inserting the following: "is perfected. A perfected  
 15 harvester's lien shall have priority over a  
 16 conflicting landlord's lien as provided in chapter  
 17 570, regardless of when such landlord's lien is  
 18 perfected."
  - 19 4. By striking page 8, line 20, through page 9,  
 20 line 1, and inserting the following: "interest or  
 21 lien in livestock treated by a veterinarian,  
 22 regardless of when such security interest or lien is  
 23 perfected."

**S-3221**

1 Amend House File 565, as passed by the House, as  
2 follows:  
3 1. Page 2, by inserting after line 28 the  
4 following:  
5 “Sec. \_\_\_\_ Section 514I.5, subsection 8, paragraph  
6 e, Code 2003, is amended by adding the following new  
7 subparagraphs:  
8 NEW SUBPARAGRAPH. (15) Care coordination. For  
9 the purposes of this subparagraph, “care coordination”  
10 means coordinating the provision of services to  
11 children and families to ensure that the children  
12 receive health care services by promoting the  
13 coordination of social supports and medical services  
14 across organizations and providers. Care coordination  
15 may include but is not limited to educating families  
16 about the services provided under the family’s health  
17 insurance coverage plan; assisting families in  
18 selecting providers; assisting families with  
19 scheduling of health care appointments, transportation  
20 to attend health care appointments, and translation  
21 during health care appointments; and assisting  
22 families in accessing community support services.  
23 NEW SUBPARAGRAPH. (16) Dental services, including  
24 the coverage of partial dentures and dentures, with an  
25 annual coverage maximum of one thousand five hundred  
26 dollars.  
27 NEW SUBPARAGRAPH. (17) Mental health and  
28 substance abuse benefits, including coverage of Axis I  
29 and Axis II diagnoses as specified in the diagnostic  
30 and statistical manual of mental disorders; coverage  
31 of the full continuum of evaluation, treatment, and  
32 services; provision of adequate provider panels; use  
33 of admission, discharge, continued stay, and placement  
34 criteria specific to children and adolescents; and the  
35 use of Iowa juvenile placement criteria for substance  
36 abuse services.  
37 NEW SUBPARAGRAPH. (18) Medically necessary  
38 nutrition services provided by a licensed dietician  
39 based upon a physician referral.  
40 NEW SUBPARAGRAPH. (19) Occupational therapy  
41 services provided by a licensed occupational  
42 therapist.  
43 NEW SUBPARAGRAPH. (20) Case management for  
44 children with special health care needs. For the  
45 purposes of this subparagraph, “case management” means  
46 services intended to coordinate various clinical  
47 services to ensure the best clinical outcomes, and  
48 “children with special health care needs” means  
49 children who have or are at increased risk for a  
50 chronic physical, developmental, behavioral, or

Page 2

- 1 emotional condition and who also require health and
- 2 related services of a type or amount beyond that
- 3 required by children generally.”
- 4 2. By renumbering as necessary.

JACK HATCH

**S-3222**

- 1 Amend House File 386, as passed by the House, as
- 2 follows:
- 3 1. Page 5, by inserting after line 1 the
- 4 following:
- 5 “Sec. \_\_\_\_ NEW SECTION. 231.23A PROGRAMS AND
- 6 SERVICES.
- 7 The department of elder affairs shall provide or
- 8 administer, but is not limited to providing or
- 9 administering, all of the following programs and
- 10 services:
- 11 1. Elderly services including but not limited to
- 12 home and community-based services such as adult day
- 13 services, assessment and intervention, transportation,
- 14 chore services, counseling, homemaker services,
- 15 material aid, personal care, reassurance, respite
- 16 services, visitation, caregiver support, emergency
- 17 response system services, mental health outreach, and
- 18 home repair.
- 19 2. The senior internship program.
- 20 3. The retired senior volunteer program.
- 21 4. The case management program for the frail
- 22 elderly.
- 23 5. Administration relating to the long-term care
- 24 resident’s advocate program and training for resident
- 25 advocate committees.
- 26 6. Administration relating to the area agencies on
- 27 aging.
- 28 7. Other programs and services authorized by law.”

MAGGIE TINSMAN  
JERRY BEHN

**S-3223**

HOUSE AMENDMENT TO  
SENATE FILE 416

- 1 Amend Senate File 416, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. By striking everything after the enacting
- 4 clause and inserting the following:

5 “Section 1. NEW SECTION. 231.56A ELDER ABUSE  
6 EMERGENCY SHELTER AND SUPPORT SERVICES PROJECTS.

7 1. Through the state’s service contract process  
8 adopted pursuant to section 8.47, the department shall  
9 identify area agencies on aging that have demonstrated  
10 the ability to provide a collaborative response to the  
11 immediate needs of elders in the area agency on aging  
12 service area for the purpose of implementing elder  
13 abuse emergency shelter and support services projects.  
14 The projects shall be implemented only in the counties  
15 within an area agency on aging service area that have  
16 a multidisciplinary team established pursuant to  
17 section 235B.1.

18 2. The target population of the projects shall be  
19 any elder residing in the service area of an area  
20 agency on aging who meets both of the following  
21 conditions:

22 a. Is the subject of a report of suspected  
23 dependent adult abuse pursuant to chapter 235B.  
24 b. Is not receiving assistance under a county  
25 management plan approved pursuant to section 331.439.

26 3. The area agencies on aging implementing the  
27 projects shall identify allowable emergency shelter  
28 and support services, state funding, outcomes,  
29 reporting requirements, and approved community  
30 resources from which services may be obtained under  
31 the projects. The area agency on aging shall identify  
32 at least one provider of case management services for  
33 the project area.

34 4. The area agencies on aging shall implement the  
35 projects and shall coordinate the provider network  
36 through the use of referrals or other engagement of  
37 community resources to provide services to elders.

38 5. The department shall award funds to the area  
39 agencies on aging in accordance with the state’s  
40 service contract process. Receipt and expenditures of  
41 moneys under the projects are subject to examination,  
42 including audit, by the department.

43 6. This section shall not be construed and is not  
44 intended as, and shall not imply, a grant of  
45 entitlement for services to individuals who are not  
46 otherwise eligible for the services or for utilization  
47 of services that do not currently exist or are not  
48 otherwise available.

49 Sec. 2. Section 235B.3, subsection 5, Code 2003,  
50 is amended to read as follows:

Page 2

1 5. Following the reporting of suspected dependent  
2 adult abuse, the department of human services or an  
3 agency approved by the department shall complete an

4 assessment of necessary services and shall make  
 5 appropriate referrals for receipt of these services.  
 6 The assessment shall include interviews with the  
 7 dependent adult, and, if appropriate, with the alleged  
 8 perpetrator of the dependent adult abuse and with any  
 9 person believed to have knowledge of the circumstances  
 10 of the case. The department may provide necessary  
 11 protective services and may establish a sliding fee  
 12 schedule for those persons able to pay a portion of  
 13 the protective services.

14 Sec. 3. Section 235B.6, subsection 2, paragraph c,  
 15 Code 2003, is amended by adding the following new  
 16 subparagraph:

17 NEW SUBPARAGRAPH. (8) An employee of an agency  
 18 requested by the department to provide case management  
 19 or other services to the dependent adult.

20 Sec. 4. Section 235B.6, subsection 2, paragraph e,  
 21 Code 2003, is amended by adding the following new  
 22 subparagraph:

23 NEW SUBPARAGRAPH. (10) The long-term care  
 24 resident's advocate if the victim resides in a long-  
 25 term care facility or the alleged perpetrator is an  
 26 employee of a long-term care facility.

27 Sec. 5. Section 235B.6, subsection 3, Code 2003,  
 28 is amended to read as follows:

29 3. Access to unfounded dependent adult abuse  
 30 information is authorized only to those persons  
 31 identified in subsection 2, paragraph "a", paragraph  
 32 "b", subparagraphs (2), ~~(5)~~, and (6), and paragraph  
 33 "e", ~~subparagraph subparagraphs (2) and (10)~~.

34 Sec. 6. Section 235B.9, subsections 1, 2, and 3,  
 35 Code 2003, are amended to read as follows:

36 1. Dependent adult abuse information ~~relating to a~~  
 37 ~~particular case of suspected dependent adult abuse~~  
 38 which is determined by a preponderance of the evidence  
 39 to be founded, shall be sealed ten years after the  
 40 receipt of the initial report of such abuse by the  
 41 registry unless good cause is shown why the  
 42 information should remain open to authorized access.  
 43 If a subsequent report of ~~a suspected case of founded~~  
 44 dependent adult abuse involving the adult named in the  
 45 initial report as the victim of abuse or a person  
 46 named in such report as having abused an adult is  
 47 received by the registry within the ten-year period,  
 48 the information shall be sealed ten years after  
 49 receipt of the subsequent report unless good cause is  
 50 shown why the information should remain open to

Page 3

1 authorized access.

2 2. Dependent adult abuse information which ~~cannot~~

3 ~~be determined by a preponderance of the evidence to be~~  
 4 ~~founded or unfounded shall be expunged one year after~~  
 5 ~~the receipt of the initial report of abuse and~~  
 6 ~~dependent adult abuse information which is determined~~  
 7 by a preponderance of the evidence to be unfounded  
 8 shall be expunged ~~immediately when~~ one year from the  
 9 date it is determined to be unfounded.

10 3. However, if a correction of dependent adult  
 11 abuse information is requested under section 235B.10  
 12 and the issue is not resolved at the end of one year  
 13 the information shall be retained until the issue is  
 14 resolved and if the dependent adult abuse information  
 15 is not determined to be founded, the information shall  
 16 be expunged ~~immediately when~~ one year from the date it  
 17 is determined to be unfounded.”

18 2. Title page, line 1, by striking the words “to  
 19 an” and inserting the following: “to dependent adult  
 20 abuse including elder abuse”.

21 3. Title page, by striking line 2 and inserting  
 22 the following: “projects”.

**S-3224**

HOUSE AMENDMENT TO  
 SENATE FILE 396

1 Amend Senate File 396, as amended, passed, and  
 2 reprinted by the Senate, as follows:

3 1. Page 1, line 3, by striking the word “sixty-  
 4 eight” and inserting the following: “one hundred  
 5 twelve”.

6 2. Page 1, line 4, by striking the word “sixty-  
 7 eight” and inserting the following: “one hundred  
 8 twelve”.

9 3. Page 1, line 6, by striking the word “twenty”  
 10 and inserting the following: “forty-eight”.

11 4. Page 1, line 7, by striking the word “twenty”  
 12 and inserting the following: “forty-eight”.

13 5. Page 1, by inserting after line 7, the  
 14 following:  
 15 “Sec. \_\_\_\_ EFFECTIVE DATE. This Act, being deemed  
 16 of immediate importance, takes effect upon enactment.”

17 6. Title page, line 1, by striking the word  
 18 “pullets” and inserting the following: “fowl”.

19 7. Title page, line 3, by inserting after the  
 20 word “Act” the following: “, and providing an  
 21 effective date”.

22 8. By renumbering, relettering, or redesignating  
 23 and correcting internal references as necessary.

**S-3225**

HOUSE AMENDMENT TO  
SENATE FILE 393

- 1 Amend Senate File 393, as amended, passed, and  
2 reprinted by the Senate, as follows:
- 3 1. Page 1, by striking lines 1 and 2, and  
4 inserting the following:  
5 “Sec. \_\_\_\_ Section 7E.7, subsection 2, Code 2003,  
6 is amended to read as follows:  
7 2. The agricultural development authority as  
8 established in section 175.3 shall be considered part  
9 of the ~~department of agriculture and land stewardship.~~  
10 ~~The department of agriculture and land stewardship~~  
11 office of treasurer of state. The office may provide  
12 staff assistance and administrative support to the  
13 authority.”
- 14 2. Page 1, by striking lines 5 through 7, and  
15 inserting the following:  
16 “1. a. The agricultural development authority is  
17 established within the ~~department of agriculture and~~  
18 ~~land stewardship~~ office of treasurer of state. The  
19 authority is constituted as a public”.
- 20 3. Page 1, line 23, by striking the word “eleven”  
21 and inserting the following: “~~eleven~~ ten”.

**S-3226**

- 1 Amend Senate File 441 as follows:
- 2 1. By striking page 1, line 26, through page 2,  
3 line 11, and inserting the following: “housing  
4 development. Tax credit certificates issued under  
5 this chapter may be transferred to any person or  
6 entity. Within ninety days of transfer, the  
7 transferee must submit the transferred tax credit  
8 certificate to the department of economic development  
9 along with a statement containing the transferee’s  
10 name, tax identification number, and address, and the  
11 denomination that each replacement tax credit  
12 certificate is to carry and any other information  
13 required by the department of revenue and finance.  
14 Within thirty days of receiving the transferred tax  
15 credit certificate and the transferee’s statement, the  
16 department of economic development shall issue one or  
17 more replacement tax credit certificates to the  
18 transferee. Each replacement certificate must contain  
19 the information required to receive the original  
20 certificate and must have the same expiration date  
21 that appeared in the transferred tax credit  
22 certificate. Tax credit certificate amounts of less  
23 than the minimum amount established by rule of the

24 department of economic development shall not be  
 25 transferable. A tax credit shall not be claimed by a  
 26 transferee under subsection 6, paragraph “a”.  
 27 until a replacement tax credit certificate identifying  
 28 the transferee as the proper holder has been issued.  
 29 The transferee may use the amount of the tax credit  
 30 transferred against the taxes imposed under chapter  
 31 422, divisions II, III, and V, and chapter 432 for any  
 32 tax year the original transferor could have claimed  
 33 the tax credit. Any consideration received for the  
 34 transfer of the tax credit shall not be included as  
 35 income under chapter 422, divisions II, III, and V.  
 36 Any consideration paid for the transfer of the tax  
 37 credit shall not be deducted from income under chapter  
 38 422, divisions II, III, and V.”

39 2. Page 2, by inserting after line 23 the  
 40 following:

41 “Sec. \_\_\_\_ Section 404A.4, Code 2003, is amended  
 42 by adding the following subsection:  
 43 **NEW SUBSECTION.** 5. Tax credit certificates issued  
 44 under this chapter may be transferred to any person or  
 45 entity. Within ninety days of transfer, the  
 46 transferee must submit the transferred tax credit  
 47 certificate to the state historic preservation office  
 48 along with a statement containing the transferee’s  
 49 name, tax identification number, and address, and the  
 50 denomination that each replacement tax credit

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1 certificate is to carry and any other information  
 2 required by the department of revenue and finance.  
 3 Within thirty days of receiving the transferred tax  
 4 credit certificate and the transferee’s statement, the  
 5 office shall issue one or more replacement tax credit  
 6 certificates to the transferee. Each replacement  
 7 certificate must contain the information required  
 8 under subsection 2 and must have the same expiration  
 9 date that appeared in the transferred tax credit  
 10 certificate. Tax credit certificate amounts of less  
 11 than the minimum amount established by rule of the  
 12 office shall not be transferable. A tax credit shall  
 13 not be claimed by a transferee under this chapter  
 14 until a replacement tax credit certificate identifying  
 15 the transferee as the proper holder has been issued.  
 16 The transferee may use the amount of the tax credit  
 17 transferred against the taxes imposed under chapter  
 18 422, divisions II, III, and V, and chapter 432 for any  
 19 tax year the original transferor could have claimed  
 20 the tax credit. Any consideration received for the  
 21 transfer of the tax credit shall not be included as  
 22 income under chapter 422, divisions II, III, and V.

23 Any consideration paid for the transfer of the tax  
 24 credit shall not be deducted from income under chapter  
 25 422, divisions II, III, and V.”

26 2. Page 2, by inserting after line 23 the  
 27 following:

28 “Sec. \_\_\_\_ EFFECTIVE AND APPLICABILITY DATE. This  
 29 Act, being deemed of immediate importance, takes  
 30 effect upon enactment and applies retroactively to  
 31 January 1, 2003, for tax years beginning on or after  
 32 that date.”

33 3. Title page, line 2, by inserting after the  
 34 word “credits” the following: “and including  
 35 effective and retroactive applicability date  
 36 provisions”.

JOE BOLKCOM  
 LARRY McKIBBEN  
 STEVEN H. WARNSTADT

### S-3227

1 Amend Senate File 445 as follows:

2 1. Page 11, by striking lines 1 and 2 and  
 3 inserting the following:

4 “f. The financial condition of the district,  
 5 including the effect of the decline of the budget  
 6 guarantee and unspent balance.

7 g. Broad and long-term ability of the district to  
 8 support the facility and the quality of the academic  
 9 program.

10 h. Cooperation with other educational entities  
 11 including other school districts, area education  
 12 agencies, postsecondary institutions, and local  
 13 communities.”

JEFF ANGELO

### S-3228

1 Amend House File 560, as amended, passed, and  
 2 reprinted by the House, as follows:

3 1. Page 1, by striking lines 3 through 10, and  
 4 inserting the following:

5 “NEW SUBSECTION. 6. a. Effective July 1, 2003,  
 6 the provisions of the home and community-based  
 7 services waiver for persons with mental retardation  
 8 shall include adult day care, prevocational, and  
 9 transportation services. Transportation shall be  
 10 included as a separately payable service.

11 b. The department of human services shall seek  
 12 federal approval to amend the home and community-based  
 13 services waiver for persons with mental retardation to

14 include day habilitation services. Inclusion of day  
15 habilitation services in the waiver shall take effect  
16 upon receipt of federal approval and no later than  
17 July 1, 2004.

18 c. The person's county of legal settlement shall  
19 pay for the nonfederal share of the cost of services  
20 provided under the waiver and the state shall pay for  
21 the nonfederal share of such costs if the person does  
22 not have a county of legal settlement."

23 2. Page 1, by inserting after line 23, the  
24 following:

25 "Sec. \_\_\_. REIMBURSEMENT -- REVIEW -- RATE  
26 LIMITATIONS.

27 1. The department of human services shall review  
28 the reimbursement methodology for the home and  
29 community-based services waiver for persons with  
30 mental retardation under the medical assistance  
31 program in relationship to the goals and objectives of  
32 the mental health and developmental disability  
33 services system redesign being conducted by the mental  
34 health and developmental disabilities commission. The  
35 department shall submit a report of the findings of  
36 the review and recommendations to the general assembly  
37 by July 1, 2004.

38 2. For the fiscal year beginning July 1, 2003, the  
39 department of human services in cooperation with the  
40 Iowa state association of counties and the Iowa  
41 association of community providers shall establish  
42 payment rate limitations for the services provided  
43 under the home and community-based services waiver for  
44 persons with mental retardation that are consistent  
45 with the limitations used for the same or similar  
46 services that are funded one hundred percent by the  
47 counties.

48 Sec. \_\_\_. EMERGENCY RULES. The department of  
49 human services shall adopt administrative rules under  
50 section 17A.4, subsection 2, and section 17A.5,

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1 subsection 2, paragraph "b", to implement the  
2 provisions of this Act and the rules shall become  
3 effective immediately upon filing or on a later  
4 effective date specified in the rules, unless the  
5 effective date is delayed by the administrative rules  
6 review committee. Any rules adopted in accordance  
7 with this section shall not take effect before the  
8 rules are reviewed by the administrative rules review  
9 committee. The delay authority provided to the  
10 administrative rules review committee under section  
11 17A.4, subsection 5, and section 17A.8, subsection 9,  
12 shall be applicable to a delay imposed under this

13 section, notwithstanding a provision in those sections  
 14 making them inapplicable to section 17A.5, subsection  
 15 2, paragraph “b”. Any rules adopted in accordance  
 16 with the provisions of this section shall also be  
 17 published as notice of intended action as provided in  
 18 section 17A.4.”

19 3. By renumbering as necessary.

MAGGIE TINSMAN

**S-3229**

1 Amend House File 614, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking everything after the enacting  
 4 clause and inserting the following:  
 5 “Section 1. Section 47.1, Code 2003, is amended by  
 6 adding the following new unnumbered paragraph:  
 7 NEW UNNUMBERED PARAGRAPH. The state commissioner  
 8 shall adopt rules pursuant to chapter 17A, for the  
 9 implementation of uniform and nondiscriminatory  
 10 administrative complaint procedures for resolution of  
 11 grievances relating to violations of Title III of Pub.  
 12 L. No. 107-252.  
 13 Sec. 2. Section 47.7, subsections 2, 3, and 4,  
 14 Code 2003, are amended by striking the subsections and  
 15 inserting in lieu thereof the following:  
 16 2. a. On or before January 1, 2004, or on or  
 17 before January 1, 2006, if a waiver is granted  
 18 pursuant to section 303(d) of Pub. L. No. 107-252, the  
 19 state registrar of voters shall implement in a uniform  
 20 and nondiscriminatory manner, a single, uniform,  
 21 official, centralized, interactive computerized  
 22 statewide voter registration file defined, maintained,  
 23 and administered at the state level that contains the  
 24 name and registration information of every legally  
 25 registered voter in the state and assigns a unique  
 26 identifier to each legally registered voter in the  
 27 state. The state voter registration system shall be  
 28 coordinated with other agency databases within the  
 29 state, including, but not limited to, the department  
 30 of transportation driver’s license records, judicial  
 31 records of convicted felons and persons declared  
 32 incompetent to vote, and department of public health  
 33 records of deceased persons.  
 34 b. On or after the deadline established in  
 35 paragraph “a”, a county shall not establish or  
 36 maintain a voter registration system separate from the  
 37 state voter registration system. Each county shall  
 38 provide to the state registrar the names, voter  
 39 registration information, and voting history of each  
 40 registered voter in the county in the form required by

41 the state registrar.

42 c. A state or local election official may obtain  
43 immediate electronic access to the information  
44 contained in the computerized voter registration file.  
45 All voter registration information obtained by a local  
46 election official shall be electronically entered into  
47 the computerized voter registration file on an  
48 expedited basis at the time the information is  
49 provided to the local election official. The state  
50 registrar shall provide such support as may be

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1 required to enable local election officials to  
2 electronically enter the information into the  
3 computerized voter registration file on an expedited  
4 basis. The list generated from the computerized file  
5 shall serve as the official voter registration list  
6 for the conduct of all elections for federal office in  
7 the state.

8 d. The state registrar shall prescribe by rule the  
9 procedures for access to the state voter registration  
10 file, security requirements, and access protocols for  
11 adding, changing, or deleting information from the  
12 state voter registration file.

13 Sec. 3. Section 48A.8, Code 2003, is amended to  
14 read as follows:

15 48A.8 REGISTRATION BY MAIL.

16 1. An eligible elector may register to vote by  
17 completing a mail registration form. The form may be  
18 mailed or delivered by the registrant or the  
19 registrant's designee to the commissioner in the  
20 county where the person resides. A separate  
21 registration form shall be signed by each individual  
22 registrant.

23 2. An eligible elector who registers by mail and  
24 who has not previously voted in an election for  
25 federal office in the county of registration shall be  
26 required to provide identification documents when  
27 voting for the first time in the county, unless the  
28 registrant provided on the registration form the  
29 registrant's Iowa driver's license number or the last  
30 four numerals of the registrant's social security  
31 number and the driver's license or partial social  
32 security number matches an existing state or federal  
33 identification record with the same social security  
34 number or Iowa driver's license number and name,  
35 including first name and any family forename or  
36 surname, and date of birth, including month, date, and  
37 year. If the registrant under this subsection votes  
38 in person at the polls, or by absentee ballot at the  
39 commissioner's office or at a satellite voting

40 station, the registrant shall provide a current and  
 41 valid photo identification card, or shall present to  
 42 the appropriate election official one of the following  
 43 current documents that show the name and address of  
 44 the registrant:  
 45 a. Utility bill.  
 46 b. Bank statement.  
 47 c. Government check.  
 48 d. Other government document.  
 49 3. If the registrant under subsection 2 votes an  
 50 absentee ballot by mail, the registrant shall provide

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1 a photocopy of one of the documents listed in  
 2 subsection 2 when returning the absentee ballot.  
 3 4. A registrant under subsection 2 who is required  
 4 to present identification when casting a ballot in  
 5 person shall be permitted to vote a provisional ballot  
 6 if the voter does not provide the required  
 7 identification documents. If a voter who is required  
 8 to present identification when casting a ballot votes  
 9 an absentee ballot by mail, the ballot returned by the  
 10 voter shall be considered a provisional ballot  
 11 pursuant to sections 49.81 and 53.31.

12 Sec. 4. Section 48A.11, subsection 1, paragraph b,  
 13 Code 2003, is amended to read as follows:

14 b. The registrant's name, including first name and  
 15 any family forename or surname.

16 Sec. 5. Section 48A.11, subsection 1, paragraph e,  
 17 Code 2003, is amended by striking the paragraph and  
 18 inserting in lieu thereof, the following:

19 e. Iowa driver's license number, if the registrant  
 20 has a current and valid Iowa driver's license, or the  
 21 last four numerals of the registrant's social security  
 22 number. If the registrant does not have either an  
 23 Iowa driver's license number or a social security  
 24 number, the form shall provide space for a number to  
 25 be assigned as provided in subsection 7.

26 Sec. 6. Section 48A.11, subsection 1, paragraph f,  
 27 Code 2003, is amended to read as follows:

28 f. Date of birth, including month, date, and year.

29 Sec. 7. Section 48A.11, subsection 1, paragraph i,  
 30 Code 2003, is amended to read as follows:

31 i. Political party registration, if any.

32 Sec. 8. Section 48A.11, subsection 2, is amended  
 33 by adding the following new paragraph:  
 34 NEW PARAGRAPH. c. The following questions and  
 35 statement regarding eligibility:

36 (1) Are you a citizen of the United States of  
 37 America?

38 (2) Will you be eighteen years of age on or before

39 election day?

40 (3) If you checked “no” in response to either of  
41 these questions, do not complete this form.

42 Sec. 9. Section 48A.11, subsection 5, Code 2003,  
43 is amended to read as follows:

44 5. All forms for voter registration shall be  
45 prescribed ~~by rule adopted~~ by the state voter  
46 registration commission.

47 Sec. 10. Section 48A.11, Code 2003, is amended by  
48 adding the following new subsection:

49 NEW SUBSECTION. 7. A voter registration  
50 application lacking the registrant’s name, sex, date

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1 of birth, or residence address or description shall  
2 not be processed. If the registrant answered “no” or  
3 did not answer either “yes” or “no” to the question in  
4 subsection 2, paragraph “c”, subparagraph (1), the  
5 application shall not be processed. A registrant  
6 whose registration is not processed pursuant to this  
7 subsection shall be notified pursuant to section  
8 48A.26, subsection 3. A registrant who does not have  
9 either an Iowa driver’s license number or a social  
10 security number and who notifies the registrar of such  
11 shall be assigned a unique identifying number that  
12 shall serve to identify the registrant for voter  
13 registration purposes.

14 Sec. 11. NEW SECTION. 48A.25A VERIFICATION OF  
15 VOTER REGISTRATION INFORMATION.

16 Upon receipt of an application for voter  
17 registration, the state registrar of voters shall  
18 compare the driver’s license number or the last four  
19 numerals of the social security number provided by the  
20 registrant with the records of the state department of  
21 transportation. If the information cannot be  
22 verified, the application shall be rejected and the  
23 registrant shall be notified of the reason for the  
24 rejection. If the information can be verified, a  
25 record shall be made of the source used for  
26 verification and the application shall be accepted.

27 This section does not apply to persons entitled to  
28 register to vote and to vote pursuant to section  
29 48A.5, subsection 4.

30 Sec. 12. Section 48A.26, subsection 3, Code 2003,  
31 is amended to read as follows:

32 3. If the registration form is missing required  
33 information pursuant to section 48A.11, subsection 7,  
34 the acknowledgment shall advise the applicant what  
35 additional information is required. The commissioner  
36 shall enclose a new registration by mail form for the  
37 applicant to use. If the registration form has no

38 address, the commissioner shall make a reasonable  
 39 effort to determine where the acknowledgment should be  
 40 sent. If the incomplete application is received  
 41 during the twelve days before the close of  
 42 registration for an election, the commissioner shall  
 43 provide the registrant with an opportunity to complete  
 44 the form before the close of registration.  
 45 Sec. 13. Section 48A.28, subsection 2, unnumbered  
 46 paragraph 2, Code 2003, is amended to read as follows:  
 47 A commissioner participating in the national change  
 48 of address program, in the first quarter of each  
 49 calendar year, shall send a notice and preaddressed,  
 50 postage paid return card by forwardable mail to each

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1 registered voter whose name was not reported by the  
 2 national change of address program and who has not  
 3 voted; in two or more consecutive general elections  
 4 and has not registered again, or who has not reported  
 5 a change to an existing registration, or who has not  
 6 responded to a notice from the commissioner or  
 7 registrar during the preceding four calendar years  
 8 period between and following the previous two general  
 9 elections. The form and language of the notice and  
 10 return card shall be specified by the state voter  
 11 registration commission by rule. A registered voter  
 12 shall not be sent a notice and return card under this  
 13 subsection more frequently than once in a four-year  
 14 period.

15 Sec. 14. Section 48A.36, subsection 2, Code 2003,  
 16 is amended to read as follows:

17 2. Upon receipt of electronic registration data  
 18 under subsection 1, the state registrar of voters ~~may~~  
 19 shall cause the updating of registration records ~~for~~  
 20 ~~registrants in counties which have arranged for data~~  
 21 ~~processing services under section 47.7, subsection 2.~~  
 22 The registrar shall notify the appropriate  
 23 commissioner of the actions taken.

24 Sec. 15. Section 48A.38, subsection 1, paragraph  
 25 f, Code 2003, is amended to read as follows:

26 f. The county commissioner of registration and the  
 27 state registrar of voters shall remove a voter's  
 28 social security number and driver's license number  
 29 from a voter registration list prepared pursuant to  
 30 this section.

31 Sec. 16. Section 49.44, unnumbered paragraph 2,  
 32 Code 2003, is amended by striking the paragraph.

33 Sec. 17. Section 49.68, Code 2003, is amended to  
 34 read as follows:

35 49.68 STATE COMMISSIONER TO FURNISH INSTRUCTIONS.

36 The state commissioner with the approval of the

37 attorney general shall prepare, and from time to time  
 38 revise, written instructions to the voters relative to  
 39 voting, and shall furnish each commissioner with  
 40 copies of the instructions. ~~Such One set of~~  
 41 instructions, which shall be known as instructions for  
 42 marking ballots, shall cover the manner of marking  
 43 ballots. Another set of instructions, which shall be  
 44 known as the Iowa voter bill of rights, shall cover  
 45 the following matters:  
 46 1. The manner of obtaining ballots.  
 47 ~~2. The manner of marking ballots.~~  
 48 ~~2.~~ 2. That unmarked or improperly marked ballots  
 49 will not be counted.  
 50 ~~4.~~ 3. The method of gaining assistance in marking

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1 ballots.  
 2 ~~5.~~ 4. That any erasures or identification marks,  
 3 or otherwise spoiling or defacing a ballot, will  
 4 render it invalid.  
 5 ~~6.~~ 5. Not to vote a spoiled or defaced ballot.  
 6 ~~7.~~ 6. How to obtain a new ballot in place of a  
 7 spoiled or defaced one.  
 8 ~~7.~~ How to cast a provisional ballot.  
 9 8. Instructions for first-time voters who  
 10 registered by mail pursuant to section 48A.8.  
 11 9. The appropriate official to contact if the  
 12 voter believes the voter's rights have been violated.  
 13 10. Polling place hours and the date of the  
 14 election.  
 15 11. Information about federal and state laws  
 16 prohibiting fraud and misrepresentation.  
 17 ~~8.~~ 12. Any other matters ~~thought~~ determined  
 18 necessary.  
 19 Sec. 18. Section 49.70, Code 2003, is amended to  
 20 read as follows:  
 21 49.70 PRECINCT ELECTION OFFICIALS FURNISHED  
 22 INSTRUCTIONS.  
 23 The commissioner shall cause copies of ~~the~~  
 24 ~~foregoing each set of~~ instructions to be printed in  
 25 large, clear type, under the ~~heading~~ headings of Iowa  
 26 voter bill of rights and "Instructions instructions  
 27 for Voters marking ballots," and shall furnish the  
 28 precinct election officials with a sufficient number  
 29 of ~~such each set of~~ instructions as will enable them  
 30 to comply with section 49.71.  
 31 Sec. 19. Section 49.71, Code 2003, is amended to  
 32 read as follows:  
 33 49.71 POSTING INSTRUCTION CARDS AND SAMPLE  
 34 BALLOTS.  
 35 The precinct election officials, before the opening

36 of the polls, shall ~~erase said cards~~ securely post  
37 each set of instructions ~~to be securely posted~~ as  
38 follows:

39 1. One copy of instructions for marking ballots in  
40 each voting booth.

41 2. Not less than four copies of each set, with an  
42 equal number of sample ballots, in and about the  
43 polling place.

44 Sec. 20. Section 49.81, Code 2003, is amended to  
45 read as follows:

46 49.81 PROCEDURE FOR CHALLENGED VOTER TO CAST  
47 PROVISIONAL BALLOT.

48 1. A prospective voter who is prohibited under  
49 section 48A.8, subsection 4, section 49.77, subsection  
50 4, or section 49.80 from voting except under this

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1 section shall be ~~permitted to~~ notified by the  
2 appropriate precinct election official that the voter  
3 may cast a ~~paper~~ provisional ballot. If a booth  
4 meeting the requirement of section 49.25 is not  
5 available at that polling place, the precinct election  
6 officials shall make alternative arrangements to  
7 insure the challenged voter the opportunity to vote in  
8 secret. The marked ballot, folded as required by  
9 section 49.84, shall be delivered to a precinct  
10 election official who shall immediately seal it in an  
11 envelope of the type prescribed by subsection 4. The  
12 sealed envelope shall be deposited in ~~a special~~ an  
13 envelope marked ~~“ballots for special precinct~~  
14 “provisional ballots” and shall be considered as  
15 having been cast in the special precinct established  
16 by section 53.20 for purposes of the postelection  
17 canvass.

18 2. Each person who casts a ~~special~~ provisional  
19 ballot under this section shall receive a printed  
20 statement in substantially the following form:  
21 Your qualifications as a registered voter have been  
22 challenged for the following reasons:

- 23 I. ....
- 24 II. ....
- 25 III. ....

26 Your right to vote will be reviewed by the special  
27 precinct counting board on ..... You have the right  
28 and are encouraged to make a written statement and  
29 submit additional written evidence to this board  
30 supporting your qualifications as a registered voter.  
31 This written statement and evidence may be given to an  
32 election official of this precinct on election day or  
33 mailed or delivered to the county commissioner of  
34 elections, but must be received before .... a.m./p.m.

35 on ..... at ..... If your ballot is not counted you  
36 will receive, by mail, notification of this fact and  
37 the reason that the ballot was not counted.

38 3. Any elector may present written statements or  
39 documents, supporting or opposing the counting of any  
40 ~~special~~ provisional ballot, to the precinct election  
41 officials on election day, until the hour for closing  
42 the polls. Any statements or documents so presented  
43 shall be delivered to the commissioner when the  
44 election supplies are returned.

45 4. The individual envelopes used for each ~~paper~~  
46 provisional ballot cast pursuant to subsection 1 shall  
47 have printed on them the format of the face of the  
48 registration form under section 48A.8 and the  
49 following:

50 I believe I am a registered voter of this ~~precinct~~

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1 county and I am eligible to vote in this election. I  
2 registered to vote in ..... county on or about .....  
3 at ..... My name at that time was ..... I have not  
4 moved to a different county since that time. I am a  
5 United States citizen, at least eighteen years of age.  
6 .....  
7 (signature of voter) (date)

8 The following information is to be provided by the  
9 precinct election official:

10 Reason for challenge:

11 .....  
12 .....  
13 .....  
14 (signature of precinct  
15 election official)

16 Sec. 21. Section 50.20, Code 2003, is amended to  
17 read as follows:  
18 50.20 NOTICE OF NUMBER OF ~~SPECIAL~~ PROVISIONAL  
19 BALLOTS.

20 The commissioner shall compile a list of the number  
21 of ~~special~~ provisional ballots cast under section  
22 49.81 in each precinct. The list shall be made  
23 available to the public as soon as possible, but in no  
24 case later than nine ~~o'clock~~ a.m. on the second day  
25 following the election. Any elector may examine the  
26 list during normal office hours, and may also examine  
27 the affidavit envelopes bearing the ballots of  
28 challenged electors until the reconvening of the  
29 special precinct board as required by this chapter.  
30 Only those persons so permitted by section 53.23,  
31 subsection 4, shall have access to the affidavits  
32 while that board is in session. Any elector may  
33 present written statements or documents, supporting or

34 opposing the counting of any special ballot, at the  
 35 commissioner's office until the reconvening of the  
 36 special precinct board.

37 Sec. 22. Section 50.21, unnumbered paragraph 2,  
 38 Code 2003, is amended to read as follows:

39 If no ~~special~~ special provisional ballots were cast in the  
 40 county pursuant to section 49.81 at any election, the  
 41 special precinct election board need not be so  
 42 reconvened. If the number of ~~special~~ special provisional  
 43 ballots ~~is~~ cast at any election is not sufficient to  
 44 require reconvening of the entire election board of  
 45 the special precinct, the commissioner may reconvene  
 46 only the number of members required. If the number of  
 47 ~~special~~ special provisional ballots cast at any election  
 48 exceeds the number of absentee ballots cast, the size  
 49 of the special precinct election board may be  
 50 increased at the commissioner's discretion. The

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1 commissioner shall observe the requirements of  
 2 sections 49.12 and 49.13 in making adjustments to the  
 3 size of the special precinct election board.

4 Sec. 23. Section 52.1, subsection 2, paragraph h,  
 5 Code 2003, is amended to read as follows:

6 h. "Voting machine" means ~~a mechanical or an~~  
 7 electronic device, meeting the requirements of section  
 8 52.7, designated for use in casting, registering,  
 9 recording, and counting votes at an election.

10 Sec. 24. Section 52.2, Code 2003, is amended to  
 11 read as follows:

12 52.2 PURCHASE.

13 The board of supervisors of any county may, by a  
 14 majority vote, authorize, purchase, and order the use  
 15 of either voting machines or an electronic voting  
 16 system in any one or more voting precincts within ~~said~~  
 17 the county until otherwise ordered by ~~said~~ the board  
 18 of supervisors. Voting machines and an electronic  
 19 voting system may be used concurrently at ~~different~~  
 20 precincts within any county, ~~but not at the same~~  
 21 precinct.

22 The state commissioner may provide voting machines  
 23 or electronic voting systems to a county to replace  
 24 lever voting machines in use in the county in order to  
 25 comply with Pub. L. No. 107-252, the Help America  
 26 Vote Act of 2002.

27 Sec. 25. Section 52.9, unnumbered paragraph 4,  
 28 Code 2003, is amended by striking the paragraph.

29 Sec. 26. Section 52.10, Code 2003, is amended to  
 30 read as follows:

31 52.10 BALLOTS -- FORM.

32 All ballots shall be ~~printed in black ink on clear,~~

33 ~~white material, of such size as will fit the ballot~~  
 34 ~~frame, and presented in as plain, clear type as the~~  
 35 ~~space will reasonably permit. The party name for each~~  
 36 ~~political party represented on the machine shall be~~  
 37 ~~prefixed to the list of candidates of such party. The~~  
 38 ~~order of the list of candidates of the several parties~~  
 39 ~~or organizations shall be arranged as provided in~~  
 40 ~~sections 49.30 to 49.42A, except that the lists may be~~  
 41 ~~arranged in horizontal rows or vertical columns to~~  
 42 ~~meet the physical requirements of the voting machine~~  
 43 ~~used. The offices, candidates, judges, and public~~  
 44 ~~measures to be voted upon, using the voting machine,~~  
 45 ~~shall be arranged as required by chapters 43 and 49.~~  
 46 Sec. 27. Section 52.12, Code 2003, is amended to  
 47 read as follows:  
 48 52.12 EXCEPTION -- STRAIGHT PARTY VOTING.  
 49 Voting machines shall have a single ~~lever or switch~~  
 50 voting target which casts a vote for each candidate of

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1 a political party or nonparty political organization  
 2 which has nominated candidates for more than one  
 3 partisan office on the ballot. Straight party voting  
 4 shall be provided for all general elections.  
 5 Sec. 28. Section 52.16, Code 2003, is amended to  
 6 read as follows:  
 7 52.16 DUTIES OF ELECTION OFFICERS —~~INDEPENDENT~~  
 8 ~~BALLOTS.~~  
 9 The election board of each precinct in which votes  
 10 are to be cast by machine shall meet at the precinct  
 11 polling place, at least one hour before the time set  
 12 for the opening of the polls at each election, and  
 13 shall proceed to arrange the furniture, stationery,  
 14 and voting machine for the conduct of the election.  
 15 The board shall cause at least ~~two instruction cards~~  
 16 four sets of instructions to be posted conspicuously  
 17 within the polling place. ~~If not previously done,~~  
 18 ~~they shall arrange, in their proper place on the~~  
 19 ~~voting machine, the ballots containing the names of~~  
 20 ~~the offices to be filled at the election, and the~~  
 21 ~~names of the candidates nominated. If not previously~~  
 22 ~~done, the machine shall be so arranged as to show that~~  
 23 ~~no vote has been cast, and shall not be thereafter~~  
 24 ~~operated, except by electors in voting.~~  
 25 Before the polls are open for election, the board  
 26 shall carefully examine every machine and see that no  
 27 vote has been cast, ~~and the machines are subject to~~  
 28 ~~inspection of the election officers. If the voting~~  
 29 ~~machine is equipped to produce a printed record~~  
 30 ~~showing the status of the counters, this record shall~~  
 31 ~~be produced by the precinct election officials~~

32 ~~immediately~~ Immediately before the polls are open, ~~the~~  
 33 ~~precinct election officials shall print a report from~~  
 34 ~~each machine showing that the counter is set at zero.~~  
 35 The ~~inspection sheets~~ reports from each machine used  
 36 in the election shall be available for examination  
 37 throughout election day.  
 38 ~~Ballots voted for any person whose name does not~~  
 39 ~~appear on the machine as a nominated candidate for~~  
 40 ~~office, are referred to in this section as independent~~  
 41 ~~ballots. When two or more persons are to be elected~~  
 42 ~~to the same office, and the machine requires that all~~  
 43 ~~independent ballots voted for that office be deposited~~  
 44 ~~in a single receptacle or device, an elector may vote~~  
 45 ~~in or by the receptacle or device for one or more~~  
 46 ~~persons whose names do not appear upon the machine~~  
 47 ~~with or without the names of one or more persons whose~~  
 48 ~~names do so appear. With that exception, and except~~  
 49 ~~for presidential electors, no independent ballot shall~~  
 50 ~~be voted for any person for any office whose name~~

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1 ~~appears on the machine as a nominated candidate for~~  
 2 ~~that office; any independent ballot so voted shall not~~  
 3 ~~be counted. An independent ballot must be cast in its~~  
 4 ~~appropriate place on the machine, or it shall be void~~  
 5 ~~and not counted.~~  
 6 Sec. 29. Section 52.17, Code 2003, is amended to  
 7 read as follows:  
 8 52.17 VOTING MACHINE IN PLAIN VIEW.  
 9 The exterior of the voting machine and every part  
 10 of the polling place shall be in plain view of the  
 11 election officers. The voting machine shall be placed  
 12 at least ~~three feet from every wall and partition of~~  
 13 ~~the polling place, and at least four feet from the~~  
 14 ~~precinct election officials' table.~~  
 15 Sec. 30. Section 52.20, Code 2003, is amended to  
 16 read as follows:  
 17 52.20 INJURY TO MACHINE.  
 18 ~~No~~ A voter, or other person, shall not deface or  
 19 injure the voting machine or the ballot thereon. It  
 20 shall be the duty of the precinct election officials  
 21 to enforce the provisions of this section. During the  
 22 entire period of an election, at least one of ~~their~~  
 23 ~~number the officials~~, designated by ~~them~~ the officials  
 24 ~~from time to time, shall be stationed beside the~~  
 25 ~~entrance to the booth and shall see that it is~~  
 26 ~~properly closed after a voter has entered it to vote.~~  
 27 ~~The official shall also, at such intervals as the~~  
 28 ~~official may deem proper or necessary, examine the~~  
 29 ~~face of the machine to ascertain whether it has been~~  
 30 ~~defaced or injured, to detect the wrongdoer, and to~~

31 repair any injury. If the official finds that a  
32 person has left the voting booth without casting the  
33 ballot, the official shall cast the ballot.

34 Sec. 31. Section 52.21, Code 2003, is amended by  
35 striking the section and inserting in lieu thereof the  
36 following:

37 52.21 CANVASS OF VOTE -- TALLY.

38 As soon as the polls of the election are closed,  
39 the precinct election officials shall immediately lock  
40 the voting machine against voting and, in the presence  
41 of all persons who may be lawfully within the polling  
42 place, proceed to canvass the vote. The officials  
43 shall print the results from each machine, tally any  
44 write-in votes, and complete any canvass documents  
45 prescribed for the voting machine by the state  
46 commissioner. Write-in votes cast for a person whose  
47 name appears on the ballot as a candidate for that  
48 office shall not be counted.

49 Sec. 32. Section 52.23, unnumbered paragraph 2,  
50 Code 2003, is amended to read as follows:

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1 The ~~inspection sheets~~ zero count report from each  
2 machine used in the election and one copy of the  
3 printed results from each machine shall be signed by  
4 all precinct election officials and, with any paper or  
5 papers upon which write-in votes were recorded by  
6 voters, shall be securely sealed in an envelope marked  
7 with the name and date of the election, the precinct,  
8 and the serial numbers of the machines from which the  
9 enclosed results were removed. This envelope shall be  
10 preserved, unopened, for twenty-two months following  
11 elections for federal offices and for six months  
12 following elections for all other offices unless a  
13 recount is requested pursuant to section 50.48 or an  
14 election contest is pending. The envelope shall be  
15 destroyed in the same manner as ballots pursuant to  
16 section 50.13. ~~Additional copies~~ At least one  
17 additional copy of the results, ~~if any,~~ shall be  
18 signed by the officials and delivered to the  
19 commissioner with the other supplies from the election  
20 pursuant to section 50.17.

21 Sec. 33. Section 52.25, unnumbered paragraph 2,  
22 Code 2003, is amended to read as follows:

23 The entire convention question, amendment or public  
24 measure shall be printed and displayed prominently in  
25 at least four places within the voting precinct, and  
26 inside each voting booth, ~~or on the left hand side~~  
27 ~~inside the curtain of each voting machine,~~ the  
28 printing to be in conformity with the provisions of  
29 chapter 49. The public measure shall be summarized by

30 the commissioner and in the largest type possible  
 31 printed on the special paper ballots or ~~inserts used~~  
 32 in the voting machines, except that:  
 33 Sec. 34. NEW SECTION. 53.37A STATE COMMISSIONER  
 34 DUTIES.  
 35 The state commissioner of elections shall provide  
 36 information regarding voter registration procedures  
 37 and absentee ballot procedures to be used by members  
 38 of the armed forces of the United States. The state  
 39 commissioner shall accept valid voter registration  
 40 applications and absentee ballot applications and  
 41 shall forward the applications to the appropriate  
 42 county commissioner of elections in a timely manner.  
 43 Sec. 35. Section 53.40, unnumbered paragraph 1,  
 44 Code 2003, is amended to read as follows:  
 45 A request in writing for a ballot may be made by  
 46 any member of the armed forces of the United States  
 47 who is or will be a qualified voter on the day of the  
 48 election at which the ballot is to be cast, at any  
 49 time before the election. Any member of the armed  
 50 forces of the United States may request ballots for

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1 all elections to be held ~~within a calendar year~~  
 2 through the next two general elections. The request  
 3 may be made by using the federal postcard application  
 4 form and indicating that the applicant wishes to  
 5 receive ballots for all elections as permitted by  
 6 state law. The county commissioner shall send the  
 7 applicant a ballot for each election held ~~during the~~  
 8 calendar year in which ~~after~~ the application is  
 9 received and through the next two general elections.  
 10 The commissioner shall forward a copy of the absentee  
 11 ballot request to other commissioners who are  
 12 responsible under section 47.2, subsection 2, for  
 13 conducting elections in which the applicant is  
 14 eligible to vote.  
 15 Sec. 36. Section 53.53, Code 2003, is amended by  
 16 adding the following new unnumbered paragraphs:  
 17 NEW UNNUMBERED PARAGRAPH. A federal write-in  
 18 ballot received by the state commissioner of elections  
 19 shall be forwarded immediately to the appropriate  
 20 county commissioner. However, if the state  
 21 commissioner receives a federal write-in ballot after  
 22 election day and before noon on the Monday following  
 23 an election, the state commissioner shall at once  
 24 verify that the voter has complied with the  
 25 requirements of this section and that the voter's  
 26 federal write-in ballot is eligible to be counted. If  
 27 the ballot is eligible to be counted, the state  
 28 commissioner shall notify the appropriate county

29 commissioner and make arrangements for the ballot to  
 30 be transmitted to the county for counting. If the  
 31 ballot is not eligible to be counted, the state  
 32 commissioner shall mail the ballot to the appropriate  
 33 commissioner along with notification that the ballot  
 34 is ineligible to be counted. The county commissioner  
 35 shall keep the ballot with the other records of the  
 36 election.

37 NEW UNNUMBERED PARAGRAPH. The county commissioner  
 38 shall notify a voter when the voter's federal write-in  
 39 ballot was not counted and shall give the voter the  
 40 reason the ballot was not counted.

41 Sec. 37. Sections 49.35, 52.11, 52.14, and 52.22,  
 42 Code 2003, are repealed.

43 Sec. 38. EFFECTIVE DATES.

44 1. The sections of this Act enacting new Code  
 45 section 48A.25A and amending Code sections 48A.26,  
 46 48A.36, 49.68, 49.70, 49.71, and that portion of  
 47 section 52.16 relating to voter instructions only,  
 48 take effect January 1, 2004, or January 1, 2006, if a  
 49 waiver is granted pursuant to section 303(d) of Pub.  
 50 L. No. 107-252.

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1 2. The sections of this Act amending sections  
 2 52.1, 52.9, 52.10, 52.12, 52.16, 52.17, 52.20, 52.21,  
 3 and 52.25, and the sections of this Act repealing  
 4 sections 52.11, 52.14, and 52.22, take effect January  
 5 1, 2004, or January 1, 2006, if a waiver is granted  
 6 pursuant to section 102(a) of Pub. L. No. 107-252.

7 3. The remainder of this Act, being deemed of  
 8 immediate importance, takes effect upon enactment."

9 2. Title page, by striking lines 2 through 11,  
 10 and inserting the following: "implementing  
 11 requirements of federal law, making corrective changes  
 12 to state election law, and including effective date  
 13 provisions."

14 3. By renumbering as necessary.

JOHN P. KIBBIE  
 MIKE CONNOLLY  
 DICK L. DEARDEN  
 DENNIS H. BLACK  
 AMANDA RAGAN  
 THOMAS G. COURTNEY

## S-3230

1 Amend House File 641, as passed by the House, as  
 2 follows:

3 1. Page 1, by inserting before line 1, the  
 4 following:

5 “Section 1. Section 135.61, subsection 14,  
 6 paragraph “f”, Code 2003, is amended by striking the  
 7 paragraph.  
 8 Sec. 2. Section 135.61, subsection 18, Code 2003,  
 9 is amended by adding the following new paragraph:  
 10 NEW PARAGRAPH. n. Any of the following relative  
 11 to a birth center:  
 12 (1) Any capital expenditure in excess of five  
 13 hundred thousand dollars.  
 14 (2) Bed capacity in excess of three beds.  
 15 (3) Performance of cesarean sections or operative  
 16 deliveries, or the use of regional anesthesia by the  
 17 birth center.”  
 18 2. By renumbering as necessary.

NEAL SCHUERER  
 JACK HATCH

### S-3231

1 Amend Senate File 445 as follows:  
 2 1. Page 6, line 27, by inserting after the word  
 3 “relief.” the following: “However, all supplemental  
 4 school infrastructure amounts received shall be used  
 5 solely for school infrastructure purposes and shall  
 6 not be used to reduce any property tax levy.”  
 7 2. Page 9, by striking lines 9 through 30 and  
 8 inserting the following:  
 9 “\_\_. For the purposes of the distributions under  
 10 subsection 2, paragraph “b”, a school district that  
 11 receives a supplemental school infrastructure amount  
 12 shall use such amount solely for school infrastructure  
 13 purposes and shall not use such amount to reduce any  
 14 property tax levy.”

STEVEN H. WARNSTADT

### S-3232

1 Amend House File 624, as passed by the House, as  
 2 follows:  
 3 1. Page 2, line 1, by striking the word  
 4 “odocioleus” and inserting the following:  
 5 “odocoileus”.  
 6 2. Page 2, line 2, by striking the word  
 7 “odocioleus” and inserting the following:  
 8 “odocoileus”.  
 9 3. Page 2, by inserting after line 6, the  
 10 following:  
 11 “\_\_. “Fence” means a boundary fence which encloses  
 12 farm deer within a landowner’s property as required to  
 13 be constructed and maintained pursuant to section

14 170.4.”

15 4. Page 3, by striking lines 19 through 21, and  
16 inserting the following:

17 “\_\_\_ . Farm deer are livestock as provided in this  
18 title and are principally subject to regulation by the  
19 department of agriculture and land stewardship, and  
20 also the department of natural resources as  
21 specifically provided in this chapter. The  
22 regulations adopted by the department of agriculture  
23 and land stewardship may include but are not limited  
24 to providing for the importation, transportation, and  
25 disease control of farm deer. The”.

26 5. Page 3, line 35, by inserting after the word  
27 “department.” the following: “The fence shall be  
28 constructed and maintained to ensure that whitetail  
29 are kept in the enclosure and that other deer are  
30 excluded from the enclosure. A fence that is  
31 constructed on or after the effective date of this Act  
32 shall be at least eight feet in height above ground  
33 level.”

34 6. Page 4, line 1, by inserting after the word  
35 “department” the following: “of agriculture and land  
36 stewardship”.

37 7. Page 4, line 2, by inserting after the word  
38 “certification.” the following: “The department of  
39 natural resources may periodically inspect the fence  
40 according to appointment with the enclosure’s  
41 landowner.”

42 8. Page 4, line 8 by inserting after the word  
43 “resources” the following: “and the department of  
44 agriculture and land stewardship”.

45 9. Page 4, line 10, by striking the words “that  
46 department” and inserting the following: “the  
47 departments”.

48 10. Page 4, line 13, by inserting after the word  
49 “department” the following: “of agriculture and land  
50 stewardship”.

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1 11. Page 4, by striking lines 16 through 23, and  
2 inserting the following:

3 “\_\_\_ . The landowner shall cooperate with the  
4 department of natural resources and the department of  
5 agriculture and land stewardship to remove any  
6 whitetail from the enclosed land. However, after the  
7 thirtieth day following receipt of the notice, the  
8 state shall relinquish its property interest in any  
9 remaining whitetail that the landowner and the  
10 cooperating departments were unable to remove from the  
11 enclosed land. Any remaining whitetail existing at  
12 that time on the enclosed land, and any”.

- 13 12. Page 4, line 24, by striking the word  
 14 “which”.
- 15 13. Page 4, line 27, by inserting after the word  
 16 “department” the following: “of agriculture and land  
 17 stewardship”.
- 18 14. Page 5, by striking lines 12 through 26, and  
 19 inserting the following: “certification under this  
 20 section, the landowner shall provide for the  
 21 disposition of the enclosed whitetail by any lawful  
 22 means.”
- 23 15. Page 5, line 34, by inserting after the  
 24 figure “808,” the following: “This chapter does not  
 25 prevent the department of natural resources from  
 26 examining the landowner’s business records according  
 27 to appointment with the enclosure’s landowner. The  
 28 records include but are not limited to those relating  
 29 to whitetail inventories, health, inspections, or  
 30 shipments; and the enclosure’s fencing.”
- 31 16. Page 7, line 12, by striking the word “deer.”  
 32 and inserting the following: “deer”.
- 33 17. Page 7, by striking lines 16 through 20, and  
 34 inserting the following:  
 35 “NEW SUBSECTION. 3. This section does not apply  
 36 to a landowner who cooperates with the department of  
 37 natural resources and the department of agriculture  
 38 and land stewardship to remove all whitetail from  
 39 enclosed land as provided in section 170.5, even if  
 40 all whitetail are not removed.”
- 41 18. Page 7, by inserting after line 24 the  
 42 following:  
 43 “Sec. \_\_\_\_ Section 484B.12, Code 2003, is amended  
 44 to read as follows:  
 45 484B.12 HEALTH REQUIREMENTS -- UNGULATES.  
 46 All ungulates which are purchased, propagated,  
 47 confined, released, or sold by a licensed hunting  
 48 preserve shall be free of diseases considered  
 49 significant for wildlife, poultry, or livestock. The  
 50 department of agriculture and land stewardship shall

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- 1 provide for the regulation of farm deer as provided in  
 2 chapter 170.”  
 3 19. By renumbering as necessary.

JOHN PUTNEY  
 EUGENE S. FRAISE

**S-3233**

- 1 Amend Senate File 445 as follows:  
 2 1. By striking everything after the enacting

3 clause and inserting the following:  
 4 “Section 1. Section 422E.1, Code 2003, is amended  
 5 by adding the following new subsection:  
 6 NEW SUBSECTION. 4. a. This chapter does not  
 7 apply to any county after December 31, 2003, except to  
 8 the extent provided in paragraph “b”, and to this  
 9 extent this chapter is repealed. Any election on the  
 10 imposition of the local sales and services tax  
 11 scheduled to be held on or after December 31, 2003,  
 12 shall not be held.  
 13 b. A county that has voted on and approved prior  
 14 to January 1, 2004, a local sales and services tax for  
 15 school infrastructure purposes shall impose the tax  
 16 until the end of the original ten-year period or the  
 17 date of repeal stated on the ballot proposition.”  
 18 2. Title page, by striking lines 1 through 7 and  
 19 inserting the following: “An Act relating to the  
 20 repeal of the authorization to impose a local sales  
 21 and services tax for school infrastructure purposes.”

DONALD B. REDFERN  
 DAVID JOHNSON  
 ROBERT E. DVORSKY

### S-3234

1 Amend Senate File 445 as follows:  
 2 1. Page 1, line 19, by inserting after the word  
 3 “repair,” the following: “demolish work.”

RON WIECK

### S-3235

1 Amend House File 394, as passed by the House, as  
 2 follows:  
 3 1. Page 1, line 6, by inserting after the words  
 4 “creation, and” the following: “notwithstanding  
 5 section 8.57, subsection 5, paragraph “c”.”

STEVEN H. WARNSTADT

### S-3236

1 Amend House File 595, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, line 10, by inserting after the word  
 4 “with” the following: “a property owner or”.  
 5 2. Page 1, line 26, by inserting after the words  
 6 “by the” the following: “city or”.  
 7 3. Page 1, line 27, by inserting after the word

8 “agreements” the following: “and after the property  
9 owner signs the agreement, if applicable”.

KEITH A. KREIMAN

**S-3237**

1 Amend Senate File 445 as follows:

2 1. By striking page 5, line 34, through page 6,  
3 line 4 and inserting following:

4 “e. The amount of tax receipts credited to the  
5 account within the secure an advanced vision for  
6 education fund maintained in the name of a school  
7 district shall be distributed to that school district  
8 as provided in paragraphs “a”, “b”, and “c”. Any  
9 additional moneys available to the school district  
10 from the fund shall be determined and distributed as a  
11 supplemental school infrastructure amount as provided  
12 in section 422E.3A, subsection 3.”

13 2. Page 6, line 25, by inserting after the word  
14 “fund.” the following: “Appropriations made to the  
15 fund shall be credited to a separate appropriations  
16 account.”

17 3. By striking page 6, line 28 through page 10,  
18 line 5 and inserting the following:

19 “2. a. For purposes of the distributions in  
20 subsection 3, the department of education, in  
21 consultation with the departments of management and  
22 revenue and finance, shall compute by June 1 preceding  
23 each budget year the uniform levy capacity, statewide  
24 uniform levy capacity, and property tax capacity  
25 inequity for each school district located in whole or  
26 in part in a county that has imposed the local sales  
27 and services tax for school infrastructure purposes  
28 under this chapter.

29 (1) “Actual enrollment” for a school district  
30 means the actual enrollment as reported by October 1  
31 to the department of management by the department of  
32 education pursuant to section 257.6, subsection 1.

33 (2) “Property tax capacity inequity” means the  
34 amount that a school district’s uniform levy capacity  
35 is less than the statewide uniform levy capacity. If  
36 a school district’s uniform levy capacity exceeds the  
37 statewide uniform levy capacity, the school district  
38 does not have an inequity.

39 (3) “Statewide uniform levy capacity” means the  
40 total amount raised by all school districts in the  
41 state by the uniform levy of five dollars and forty  
42 cents per thousand dollars of assessed valuation  
43 divided by the combined actual enrollment of all  
44 school districts in the state.

45 (4) “Uniform levy capacity” means for a school  
46 district the amount raised by the school district’s

47 uniform levy of five dollars and forty cents per  
 48 thousand dollars of assessed valuation divided by the  
 49 actual enrollment of the school district.  
 50 3. The appropriations credited in a fiscal year to

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1 the appropriations account of the secure an advanced  
 2 vision for education fund shall be distributed as a  
 3 supplemental school infrastructure amount as follows:  
 4 a. The department of education shall compute the  
 5 property tax capacity inequity of each school district  
 6 located in whole or in part in a county that has  
 7 imposed the tax under this chapter.  
 8 b. The department of revenue and finance, in  
 9 conjunction with the department of education, shall  
 10 distribute to the extent sufficient funds are  
 11 available a supplemental school infrastructure amount  
 12 to each school district that has a property tax  
 13 capacity inequity. The amount of the supplemental  
 14 school infrastructure amount distributed shall be an  
 15 amount equal to the school district's property tax  
 16 capacity inequity. If sufficient funds are not  
 17 available, the director of revenue and finance shall  
 18 distribute to the school district with the highest  
 19 property tax capacity inequity an amount equal to such  
 20 inequity. Any additional funds shall then be  
 21 distributed to the school district with the next  
 22 highest inequity. Any additional funds will then be  
 23 distributed to the next school district in descending  
 24 order of inequity until the funds have all been  
 25 distributed.  
 26 4. Moneys received by a school district as a  
 27 supplemental school infrastructure amount shall be  
 28 used solely for school infrastructure purposes and  
 29 shall not be used to reduce any property tax levy.”  
 30 4. Page 11, line 10, by striking the words and  
 31 figure “2, paragraph “b”” and inserting the following:  
 32 “2”.

STEVEN H. WARNSTADT

### S-3238

1 Amend Senate File 445 as follows:  
 2 1. Page 1, line 9, by striking the word and  
 3 figures “December 31, 2022” and inserting the  
 4 following: “June 30, 2013”.  
 5 2. Page 4, line 30, by striking the word and  
 6 figures “December 31, 2022” and inserting the  
 7 following: “June 30, 2013”.

8 3. Page 12, line 17, by striking the figure  
9 “2023” and inserting the following: “2013”.

DONALD B. REDFERN  
DAVID JOHNSON  
ROBERT E. DVORSKY

### S-3239

1 Amend Senate File 445 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. NEW SECTION. 293.1 SCHOOL DISTRICT  
5 SALES AND USE TAX FUND.  
6 1. A school district sales and use tax fund is  
7 created as a separate and distinct fund in the state  
8 treasury under the control of the department of  
9 revenue and finance. Moneys in the fund include  
10 revenues credited to the fund pursuant to section  
11 422.69, subsection 2, and section 423.24,  
12 appropriations made to the fund and other moneys  
13 deposited into the fund. The moneys credited in a  
14 fiscal year to the fund shall be distributed as  
15 follows:  
16 a. A school district located in whole or in part  
17 in a county that had in effect on March 31, 2003, the  
18 local sales and services tax for school infrastructure  
19 purposes under chapter 422E shall receive an amount  
20 equal to its guaranteed school infrastructure amount  
21 as calculated under subsection 2 if the board of  
22 directors notifies the director of revenue and finance  
23 that the school district wants to receive its  
24 guaranteed school infrastructure amount. The  
25 notification shall be provided by July 1, 2003. If  
26 notification is not received by July 1, 2003, the  
27 school district shall receive moneys pursuant to  
28 paragraph “b”. Nothing in this chapter shall prevent  
29 a school district from using its guaranteed school  
30 infrastructure amount to pay principal and interest on  
31 obligations issued pursuant to section 422E.4.  
32 A school district receiving moneys pursuant to this  
33 paragraph shall cease to receive its guaranteed school  
34 infrastructure amount and shall receive moneys  
35 pursuant to paragraph “b” starting with the fiscal  
36 year immediately following the fiscal year in which  
37 occurs the end of the original ten-year period or the  
38 date of repeal listed on the original ballot  
39 proposition, whichever is the earlier, as provided in  
40 chapter 422E. A school district may adopt a plan, as  
41 provided in section 293.2, subsection 2, to anticipate  
42 moneys it will receive pursuant to paragraph “b”. A  
43 school district receiving moneys pursuant to this

44 paragraph may elect to receive moneys pursuant to  
45 paragraph “b” by providing notification to receive  
46 moneys pursuant to paragraph “b” to the director of  
47 revenue and finance and the director of the department  
48 of management by February 15 preceding the fiscal year  
49 for which the election will apply. Once a school  
50 district makes this election it is irrevocable.

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1 b. Moneys remaining after computations made  
2 pursuant to paragraph “a” shall be distributed to  
3 school districts not receiving moneys under paragraph  
4 “a” on a per student basis calculated by the director  
5 of revenue and finance by dividing the moneys  
6 available during the fiscal year by the combined  
7 actual enrollment for all school districts receiving  
8 distributions under this paragraph.

9 The combined actual enrollment for school  
10 districts, for purposes of this paragraph “b”, shall  
11 be calculated by adding together the actual enrollment  
12 for each school district receiving distributions under  
13 this paragraph “b” as determined by the department of  
14 management based on the actual enrollment figures  
15 reported by October 1 to the department of management  
16 by the department of education pursuant to section  
17 257.6, subsection 1. The combined actual enrollment  
18 count shall be forwarded to the director of revenue  
19 and finance by March 1, annually, for purposes of  
20 supplying estimated tax payment figures and making  
21 estimated tax payments pursuant to subsection 3 for  
22 the following fiscal year.

23 2. a. For purposes of distributions under  
24 subsection 1, paragraph “a”, the school district’s  
25 guaranteed school infrastructure amount shall be  
26 calculated according to the following formula:

27 The district’s guaranteed school infrastructure  
28 amount equals the product of the county guaranteed  
29 school infrastructure amount and the district’s county  
30 actual enrollment divided by the county combined  
31 actual enrollment.

32 b. For purposes of the formula in paragraph “a”:

33 (1) “Base year” means the fiscal year beginning  
34 July 1, 2002.

35 (2) “Base year county taxable sales percentage”  
36 means the percentage that the taxable sales in the  
37 county during the base year is of the total state  
38 taxable sales during the base year.

39 (3) “County combined actual enrollment” means the  
40 actual enrollment figures determined by the department  
41 of management for the county based on the actual  
42 enrollment figures reported by October 1 to the

43 department of management by the department of  
44 education pursuant to section 257.6, subsection 1.  
45 (4) “County guaranteed school infrastructure  
46 amount” means an amount equal to the product of the  
47 county’s chapter 422E proportionate share and the  
48 amount deposited in the school district sales and use  
49 tax fund for the current year times the current year  
50 county taxable sales percentage divided by the base

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1 year county taxable sales percentage.  
2 (5) “County’s chapter 422E proportionate share”  
3 means the percentage that the annualized revenues  
4 received in the county under chapter 422E for the base  
5 year is of one-fifth of the total state sales and use  
6 tax revenues collected for deposit into the general  
7 fund of the state for the base year.  
8 (6) “Current year” means the fiscal year for which  
9 distributions under this section are being made.  
10 (7) “Current year county taxable sales percentage”  
11 means the percentage that the taxable sales in the  
12 county during the current fiscal year is of the total  
13 state taxable sales during the current fiscal year.  
14 (8) “District’s county actual enrollment” means the  
15 actual enrollment of the school district that attends  
16 school in the county for which the county combined  
17 actual enrollment is determined.  
18 (9) “Taxable sales” means sales subject to the  
19 state sales and services tax under chapter 422,  
20 division IV.  
21 3. a. The director of revenue and finance within  
22 fifteen days of the beginning of each fiscal year  
23 shall send to each school district an estimate of the  
24 amount of tax moneys each school district will receive  
25 for the year and for each quarter of the year. At the  
26 end of each quarter, the director may revise the  
27 estimates for the year and remaining quarters.  
28 b. The director shall remit ninety-five percent of  
29 the estimated tax receipts for the school district to  
30 the school district on or before September 30 of the  
31 fiscal year and on or before the last day of each  
32 following quarter.  
33 c. The director shall remit a final payment of the  
34 remainder of tax moneys due for the fiscal year before  
35 November 10 of the next fiscal year. If an  
36 overpayment has resulted during the previous fiscal  
37 year, the November payment shall be adjusted to  
38 reflect any overpayment.  
39 d. If the distributions are to school districts  
40 described in subsection 1, paragraph “a”, the payments  
41 to these school districts shall be done on a monthly

42 basis beginning with the month of August.  
43 Sec. 2. **NEW SECTION.** 293.2 USE OF SCHOOL  
44 DISTRICT SALES AND USE TAX FUND MONEYS.  
45 1. A school district receiving moneys from the  
46 school district sales and use tax fund under section  
47 293.1, subsection 1, paragraph “a”, shall use the  
48 moneys as provided on the original ballot proposition  
49 pursuant to chapter 422E, for the payment of principal  
50 and interest on general obligation bonds issued

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1 pursuant to chapter 296, or section 298.20 or loan  
2 agreements under section 297.36, for payments made  
3 pursuant to lease or lease-purchase agreements, or for  
4 payment of principal and interest on bonds issued  
5 under sections 293.3 and 422E.4.

6 2. a. Moneys received by a school district from  
7 the school district sales and use tax fund under  
8 section 293.1, subsection 1, paragraph “b”, shall be  
9 spent for infrastructure purposes only according to a  
10 plan developed by the board of directors. The plan  
11 may apply to more than one fiscal year. Prior to  
12 adoption of the plan, the board of directors shall  
13 hold a public hearing on the question of approval of  
14 the proposed plan. The board shall set forth its  
15 proposal and shall publish the notice of the time and  
16 place of a public hearing on the proposed plan.  
17 Notice of the time and place of the public hearing  
18 shall be published not less than ten nor more than  
19 twenty days before the public hearing in a newspaper  
20 which is a newspaper of general circulation in the  
21 school district. At the hearing, or no later than  
22 thirty days after the date of the hearing, the board  
23 shall take action to adopt the proposed plan.

24 b. If the board adopts the plan, moneys received  
25 shall be used according to the plan unless within  
26 twenty-eight days following the action of the board,  
27 the secretary of the board receives a petition  
28 containing signatures of registered voters equal in  
29 number to five percent of the voters in the school  
30 district who voted at the last general election,  
31 asking that an election be called to approve or  
32 disapprove the action of the board. The board shall  
33 either rescind its action or direct the county  
34 commissioner of elections to submit the question to  
35 the registered voters of the school district at the  
36 next following regular school election or a special  
37 election. If a majority of those voting on the  
38 question at the election favors disapproval of the  
39 action of the board, the district shall use the moneys  
40 received as provided in paragraph “c” for the fiscal

41 year.

42 At the expiration of the twenty-eight day period,  
43 if no petition is filed, the board shall use the  
44 moneys received according to the plan for the duration  
45 of the plan. However, the board may, at anytime,  
46 expend a greater share of moneys received for property  
47 tax relief than otherwise specified in the plan.

48 c. If an election is held and the plan is  
49 disapproved, as provided in paragraph “b”, or if a  
50 plan is not approved by the board, moneys received by

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1 a school district shall be used for the fiscal year to  
2 reduce the following levies in the following order:  
3 (1) Bond levies under sections 298.18 and 298.18A  
4 and other debt levies until the moneys received or the  
5 levies are reduced to zero.

6 (2) The physical plant and equipment levy under  
7 section 298.2, until the moneys received or the levy  
8 is reduced to zero.

9 (3) The schoolhouse tax levy under section 278.1,  
10 subsection 7, Code 1989, until the moneys received or  
11 the levy is reduced to zero.

12 Any money remaining after the reduction of the  
13 levies specified in this paragraph may be used for any  
14 lawful infrastructure purpose of the school district.

15 d. For purposes of this subsection,  
16 “infrastructure purposes” means those purposes for  
17 which a school district is authorized to contract  
18 indebtedness and issue general obligation bonds under  
19 chapter 296 or to expend tax revenues under section  
20 298.3, the payment of principal and interest on  
21 general obligation bonds issued under chapter 296 or  
22 section 298.20 or loan agreements under section  
23 297.36, payments made pursuant to a lease or lease-  
24 purchase agreement, or the payment of principal and  
25 interest on bonds issued under section 293.3 or  
26 422E.4.

27 Sec. 3. **NEW SECTION.** 293.3 BONDING.

28 A school district may anticipate the amount of  
29 moneys to be received pursuant to section 293.1 as  
30 provided in this section.

31 The board of directors of a school district is  
32 authorized to issue negotiable, interest-bearing  
33 school bonds, without election, and utilize tax  
34 receipts derived from the school district sales and  
35 use tax fund for principal and interest repayment.  
36 Proceeds of the bonds issued pursuant to this section  
37 shall be utilized solely for school infrastructure  
38 needs as school infrastructure is defined in section  
39 293.2, subsection 2.

40 Bonds issued under this section may be sold at  
41 public sale as provided in chapter 75. Notice shall  
42 be given and a hearing shall be held as provided in  
43 section 73A.12. Bonds may bear dates, bear interest  
44 at rates not exceeding that permitted by chapter 74A,  
45 mature in one or more installments, be in either  
46 coupon or registered form, carry registration and  
47 conversion privileges, be payable as to principal and  
48 interest at times and places, be subject to terms of  
49 redemption prior to maturity with or without premium,  
50 and be in one or more denominations, all as provided

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1 by the resolution of the board of directors  
2 authorizing their issuance. The resolution may also  
3 prescribe additional provisions, terms, conditions,  
4 and covenants which the board of directors deems  
5 advisable, including provisions for creating and  
6 maintaining reserve funds, the issuance of additional  
7 bonds ranking on a parity with such bonds and  
8 additional bonds junior and subordinate to such bonds,  
9 and that such bonds shall rank on a parity with or be  
10 junior and subordinate to any bonds which may be then  
11 outstanding. Bonds may be issued to refund  
12 outstanding and previously issued bonds under this  
13 section. Bonds are a contract between the school  
14 district and holders, and the resolution issuing the  
15 bonds and pledging tax revenues to be received from  
16 the school district sales and use tax fund to the  
17 payment of principal and interest on the bonds is a  
18 part of the contract. Bonds issued pursuant to this  
19 section shall not constitute indebtedness within the  
20 meaning of any constitutional or statutory debt  
21 limitation or restriction, and shall not be subject to  
22 any other law relating to the authorization, issuance,  
23 or sale of bonds.

24 A school district shall be authorized to enter into  
25 a chapter 28E agreement with one or more cities or a  
26 county whose boundaries encompass all or a part of the  
27 area of the school district. A city or cities  
28 entering into a chapter 28E agreement shall be  
29 authorized to expend its designated portion of the tax  
30 revenues to be received from the school district sales  
31 and use tax fund for any valid purpose permitted in  
32 this chapter or authorized by the governing body of  
33 the city. A county entering into a chapter 28E  
34 agreement with a school district shall be authorized  
35 to expend its designated portion of the tax revenues  
36 to be received from the school district sales and use  
37 tax fund to provide property tax relief within the  
38 boundaries of the school district located in the

39 county. A school district is also authorized to enter  
 40 into a chapter 28E agreement with another school  
 41 district which is located partially or entirely in or  
 42 is contiguous to the county. The school district  
 43 shall only expend its designated portion of tax  
 44 revenues to be received from the school district sales  
 45 and use tax fund for infrastructure purposes.  
 46 The governing body of a city may authorize the  
 47 issuance of bonds which are payable from its  
 48 designated portion of the tax revenues to be received  
 49 from the school district sales and use tax fund, and  
 50 not from property tax, by following the authorization

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1 procedures set forth for cities in section 384.83. A  
 2 city may pledge irrevocably any amount derived from  
 3 its designated portions of the tax revenues to be  
 4 received from the school district sales and use tax  
 5 fund to the support or payment of such bonds.

6 Sec. 4. Section 298.18, unnumbered paragraph 4,  
 7 Code 2003, is amended to read as follows:

8 The amount estimated and certified to apply on  
 9 principal and interest for any one year may exceed two  
 10 dollars and seventy cents per thousand dollars of  
 11 assessed value by the amount approved by the voters of  
 12 the school corporation, but not exceeding four dollars  
 13 and five cents per thousand of the assessed value of  
 14 the taxable property within any school corporation,  
 15 provided that the registered voters of such school  
 16 corporation have first approved such increased amount  
 17 at a special election, which ~~may be was held at the~~  
 18 ~~same time as the regular school election prior to July~~  
 19 ~~1, 2003. The proposition submitted to the voters at~~  
 20 ~~such special election shall be in substantially the~~  
 21 ~~following form:~~

22 Sec. 5. Section 298.18, unnumbered paragraphs 5  
 23 and 6, Code 2003, are amended by striking the  
 24 unnumbered paragraphs.

25 Sec. 6. Section 298.18, unnumbered paragraph 8,  
 26 Code 2003, is amended to read as follows:

27 The ability of a school corporation to exceed two  
 28 dollars and seventy cents per thousand dollars of  
 29 assessed value to service principal and interest  
 30 payments on bonded indebtedness is limited and  
 31 conferred only to those school corporations engaged in  
 32 the administration of elementary and secondary  
 33 education and which have voted to exceed that levy  
 34 limitation prior to July 1, 2003.

35 Sec. 7. Section 422.43, subsections 1, 2, 4, 5, 6,  
 36 7, 10, and 12, Code 2003, are amended to read as  
 37 follows:

38 1. There is imposed a tax of ~~five~~ six percent upon  
39 the gross receipts from all sales of tangible personal  
40 property, consisting of goods, wares, or merchandise,  
41 except as otherwise provided in this division, sold at  
42 retail in the state to consumers or users; a like rate  
43 of tax upon the gross receipts from the sales,  
44 furnishing, or service of gas, electricity, water,  
45 heat, pay television service, and communication  
46 service, including the gross receipts from such sales  
47 by any municipal corporation or joint water utility  
48 furnishing gas, electricity, water, heat, pay  
49 television service, and communication service to the  
50 public in its proprietary capacity, except as

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1 otherwise provided in this division, when sold at  
2 retail in the state to consumers or users; a like rate  
3 of tax upon the gross receipts from all sales of  
4 tickets or admissions to places of amusement, fairs,  
5 and athletic events except those of elementary and  
6 secondary educational institutions; a like rate of tax  
7 on the gross receipts from an entry fee or like charge  
8 imposed solely for the privilege of participating in  
9 an activity at a place of amusement, fair, or athletic  
10 event unless the gross receipts from the sales of  
11 tickets or admissions charges for observing the same  
12 activity are taxable under this division; and a like  
13 rate of tax upon that part of private club membership  
14 fees or charges paid for the privilege of  
15 participating in any athletic sports provided club  
16 members.

17 2. There is imposed a tax of ~~five~~ six percent upon  
18 the gross receipts derived from the operation of all  
19 forms of amusement devices and games of skill, games  
20 of chance, raffles, and bingo games as defined in  
21 chapter 99B, operated or conducted within the state,  
22 the tax to be collected from the operator in the same  
23 manner as for the collection of taxes upon the gross  
24 receipts of tickets or admission as provided in this  
25 section. The tax shall also be imposed upon the gross  
26 receipts derived from the sale of lottery tickets or  
27 shares pursuant to chapter 99E. The tax on the  
28 lottery tickets or shares shall be included in the  
29 sales price and distributed to the general fund as  
30 provided in section 99E.10.

31 4. There is imposed a tax of ~~five~~ six percent upon  
32 the gross receipts from the sales of engraving,  
33 photography, retouching, printing, and binding  
34 services. For the purpose of this division, the sales  
35 of engraving, photography, retouching, printing, and  
36 binding services are sales of tangible property.

37 5. There is imposed a tax of ~~five~~ six percent upon  
38 the gross receipts from the sales of vulcanizing,  
39 recapping, and retreading services. For the purpose  
40 of this division, the sales of vulcanizing, recapping,  
41 and retreading services are sales of tangible  
42 property.

43 6. There is imposed a tax of ~~five~~ six percent upon  
44 the gross receipts from the sales of optional service  
45 or warranty contracts, except residential service  
46 contracts regulated under chapter 523C, which provide  
47 for the furnishing of labor and materials and require  
48 the furnishing of any taxable service enumerated under  
49 this section. The gross receipts are subject to tax  
50 even if some of the services furnished are not

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1 enumerated under this section. For the purpose of  
2 this division, the sale of an optional service or  
3 warranty contract, other than a residential service  
4 contract regulated under chapter 523C, is a sale of  
5 tangible personal property. Additional sales,  
6 services, or use taxes shall not be levied on  
7 services, parts, or labor provided under optional  
8 service or warranty contracts which are subject to tax  
9 under this section.

10 If the optional service or warranty contract is a  
11 computer software maintenance or support service  
12 contract and there is no separately stated fee for the  
13 taxable personal property or for the nontaxable  
14 service, the tax of ~~five~~ six percent imposed by this  
15 subsection shall be imposed on fifty percent of the  
16 gross receipts from the sale of such contract. If the  
17 contract provides for technical support services only,  
18 no tax shall be imposed under this subsection. The  
19 provisions of this subsection also apply to the tax  
20 imposed by chapter 423.

21 7. There is imposed a tax of ~~five~~ six percent upon  
22 the gross receipts from the renting of rooms,  
23 apartments, or sleeping quarters in a hotel, motel,  
24 inn, public lodging house, rooming house, manufactured  
25 or mobile home which is tangible personal property, or  
26 tourist court, or in any place where sleeping  
27 accommodations are furnished to transient guests for  
28 rent, whether with or without meals. "Renting" and  
29 "rent" include any kind of direct or indirect charge  
30 for such rooms, apartments, or sleeping quarters, or  
31 their use. For the purposes of this division, such  
32 renting is regarded as a sale of tangible personal  
33 property at retail. However, this tax does not apply  
34 to the gross receipts from the renting of a room,  
35 apartment, or sleeping quarters while rented by the

36 same person for a period of more than thirty-one  
37 consecutive days.

38 10. There is imposed a tax of ~~five~~ six percent  
39 upon the gross receipts from the rendering,  
40 furnishing, or performing of services as defined in  
41 section 422.42.

42 12. A tax of ~~five~~ six percent is imposed upon the  
43 gross receipts from the sales of prepaid telephone  
44 calling cards and prepaid authorization numbers. For  
45 the purpose of this division, the sales of prepaid  
46 telephone calling cards and prepaid authorization  
47 numbers are sales of tangible personal property.

48 Sec. 8. Section 422.43, subsection 13, paragraph  
49 a, unnumbered paragraph 1, Code 2003, is amended to  
50 read as follows:

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1 A tax of ~~five~~ six percent is imposed upon the gross  
2 receipts from the sales, furnishing, or service of  
3 solid waste collection and disposal service.

4 Sec. 9. Section 422.43, subsections 16 and 17,  
5 Code 2003, are amended to read as follows:

6 16. a. A tax of ~~five~~ six percent is imposed upon  
7 the gross receipts from sales of bundled services  
8 contracts. For purposes of this subsection, a  
9 “bundled services contract” means an agreement  
10 providing for a retailer’s performance of services,  
11 one or more of which is a taxable service enumerated  
12 in this section and one or more of which is not, in  
13 return for a consumer’s or user’s single payment for  
14 the performance of the services, with no separate  
15 statement to the consumer or user of what portion of  
16 that payment is attributable to any one service which  
17 is a part of the contract.

18 b. For purposes of the administration of the tax  
19 on bundled services contracts, the director may enter  
20 into agreements of limited duration with individual  
21 retailers, groups of retailers, or organizations  
22 representing retailers of bundled services contracts.  
23 Such an agreement shall impose the tax rate only upon  
24 that portion of the gross receipts from a bundled  
25 services contract which is attributable to taxable  
26 services provided under the contract.

27 17. A tax of ~~five~~ six percent is imposed upon the  
28 gross receipts from any mobile telecommunication  
29 service which this state is allowed to tax by the  
30 provisions of the federal Mobile Telecommunications  
31 Sourcing Act, Pub. L. No. 106-252, 4 U.S.C. } 116 et  
32 seq. For purposes of this subsection, taxes on mobile  
33 telecommunications service, as defined under the  
34 federal Mobile Telecommunications Sourcing Act, that

35 are deemed to be provided by the customer's home  
 36 service provider shall be paid to the taxing  
 37 jurisdiction whose territorial limits encompass the  
 38 customer's place of primary use, regardless of where  
 39 the mobile telecommunication service originates,  
 40 terminates, or passes through and shall in all other  
 41 respects be taxed in conformity with the federal  
 42 Mobile Telecommunications Sourcing Act. All other  
 43 provisions of the federal Mobile Telecommunications  
 44 Sourcing Act are adopted by the state of Iowa and  
 45 incorporated into this subsection by reference. With  
 46 respect to mobile telecommunications service under the  
 47 federal Mobile Telecommunications Sourcing Act the  
 48 director shall, if requested, enter into agreements  
 49 consistent with the provisions of the federal Act.  
 50 Sec. 10. Section 422.47, Code 2003, is amended by

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1 adding the following new subsection:  
 2 NEW SUBSECTION. 2. Construction contractors may  
 3 make application to the department for a refund of the  
 4 additional one percent tax paid under this division by  
 5 reason of the increase in the tax from five to six  
 6 percent for taxes paid on goods, wares, or merchandise  
 7 under the following conditions:  
 8 a. The goods, wares, or merchandise are  
 9 incorporated into an improvement to real estate in  
 10 fulfillment of a written contract fully executed prior  
 11 to July 1, 2003. The refund shall not apply to  
 12 equipment transferred in fulfillment of a mixed  
 13 construction contract.  
 14 b. The contractor has paid to the department or to  
 15 a retailer the full six percent tax.  
 16 c. The claim is filed on forms provided by the  
 17 department and is filed within one year of the date  
 18 the tax is paid.  
 19 A contractor who makes an erroneous application for  
 20 refund shall be liable for payment of the excess  
 21 refund paid plus interest at the rate in effect under  
 22 section 421.7. In addition, a contractor who  
 23 willfully makes a false application for refund is  
 24 guilty of a simple misdemeanor and is liable for a  
 25 penalty equal to fifty percent of the excess refund  
 26 claimed. Excess refunds, penalties, and interest due  
 27 under this subsection may be enforced and collected in  
 28 the same manner as the tax imposed by this division.  
 29 Sec. 11. Section 422.69, subsection 2, Code 2003,  
 30 is amended to read as follows:  
 31 2. a. Unless Except as provided in paragraph "b", '  
 32 or as otherwise provided, the fees, taxes, interest,  
 33 and penalties collected under this chapter shall be

34 credited to the general fund.

35 b. One-sixth of the fees, taxes, interest, and  
 36 penalties collected pursuant to division IV shall be  
 37 credited to the school district sales and use tax fund  
 38 created in section 293.1.

39 Sec. 12. Section 422E.1, Code 2003, is amended by  
 40 adding the following new subsection:

41 NEW SUBSECTION. 4. a. This chapter does not  
 42 apply to any county after the effective date of this  
 43 section of this Act.

44 b. In the case of a county that has in effect on  
 45 March 31, 2003, a local sales and services tax for  
 46 school infrastructure purposes, the increase in the  
 47 state sales and services tax under chapter 422,  
 48 division IV, from five percent to six percent shall  
 49 replace the county's local sales and services tax for  
 50 school infrastructure purposes and to this extent the

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1 local sales and services tax for school infrastructure  
 2 purposes is repealed.

3 Sec. 13. Section 423.2, Code 2003, is amended to  
 4 read as follows:

5 423.2 IMPOSITION OF TAX.

6 An excise tax is imposed on the use in this state  
 7 of tangible personal property, including aircraft  
 8 subject to registration under section 328.20,  
 9 purchased for use in this state, at the rate of ~~five~~  
 10 ~~six~~ percent of the purchase price of the property. An  
 11 excise tax is imposed on the use of manufactured  
 12 housing in this state at the rate of ~~five~~ ~~six~~ percent  
 13 of the purchase price if the manufactured housing is  
 14 sold in the form of tangible personal property and at  
 15 the rate of ~~five~~ ~~six~~ percent of the installed purchase  
 16 price if the manufactured housing is sold in the form  
 17 of realty. An excise tax is imposed on the use in  
 18 this state of vehicles subject to registration or  
 19 subject only to the issuance of a certificate of title  
 20 at the rate of five percent. An excise tax is imposed  
 21 on the use of leased vehicles at the rate of five  
 22 percent of the amount otherwise subject to tax as  
 23 calculated pursuant to section 423.7A. The excise tax  
 24 is imposed upon every person using the property within  
 25 this state until the tax has been paid directly to the  
 26 county treasurer or the state department of  
 27 transportation, to a retailer, or to the department.  
 28 An excise tax is imposed on the use in this state of  
 29 services enumerated in section 422.43 at the rate of  
 30 ~~five~~ ~~six~~ percent. This tax is applicable where  
 31 services are rendered, furnished, or performed in this  
 32 state or where the product or result of the service is

33 used in this state. This tax is imposed on every  
34 person using the services or the product of the  
35 services in this state until the user has paid the tax  
36 either to an Iowa use tax permit holder or to the  
37 department.

38 Sec. 14. Section 423.24, Code 2003, is amended by  
39 adding the following new subsection:

40 NEW SUBSECTION. 2A. One-sixth of all other  
41 revenue arising under the operation of this chapter  
42 shall be credited to the school district sales and use  
43 tax fund created in section 293.1.

44 Sec. 15. Section 423.24, subsection 3, Code 2003,  
45 is amended to read as follows:

46 3. All other revenue arising under the operation  
47 of this chapter not credited as specified in  
48 subsections 1, 2, and 2A shall be credited to the  
49 general fund of the state.

50 Sec. 16. APPLICABILITY. This section applies in

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1 regard to the increase in the state sales and use  
2 taxes from five to six percent. The six percent rate  
3 applies to all sales of taxable personal property,  
4 consisting of goods, wares, or merchandise if delivery  
5 occurs on or after July 1, 2003. The six percent use  
6 tax rate applies to the use of property when the first  
7 taxable use in this state occurs on or after July 1,  
8 2003. The six percent rate applies to the gross  
9 receipts from the sale, furnishing, or service of gas,  
10 electricity, water, heat, pay television service, and  
11 communication service if the date of billing the  
12 customer is on or after July 1, 2003. In the case of  
13 a service contract entered into prior to July 1, 2003,  
14 which contract calls for periodic payments, the six  
15 percent rate applies to those payments made or due on  
16 or after July 1, 2003. This periodic payment applies,  
17 but is not limited to, tickets or admissions, private  
18 club membership fees, sources of amusement, equipment  
19 rental, dry cleaning, reducing salons, dance schools,  
20 and all other services subject to tax, except the  
21 aforementioned utility services which are subject to a  
22 special transitional rule. Unlike periodic payments  
23 under service contracts, installment sales of goods,  
24 wares, and merchandise are subject to the full amount  
25 of sales or use tax when the sales contract is entered  
26 into or the property is first used in Iowa.

27 Sec. 17. EFFECTIVE DATE. Sections 1 and 2 of this  
28 Act, being deemed of immediate importance, take effect  
29 upon enactment.”

30 2. Title page, by striking lines 3 through 5 and  
31 inserting the following: “from the increase in the

32 state sales and use taxes with school districts for  
33 infrastructure purposes”.

KEITH A. KREIMAN  
JOHN P. KIBBIE

### S-3240

1 Amend Senate File 445 as follows:

2 1. By striking page 5, line 34, through page 6,  
3 line 4 and inserting following:

4 “e. The amount of tax receipts credited to the  
5 account within the secure an advanced vision for  
6 education fund maintained in the name of a school  
7 district shall be distributed to that school district  
8 as provided in paragraphs “a”, “b”, and “c”. Any  
9 additional moneys available to the school district  
10 from the fund shall be determined and distributed as a  
11 supplemental school infrastructure amount as provided  
12 in section 422E.3A, subsection 3.”

13 2. Page 6, line 25, by inserting after the word  
14 “fund.” the following: “Appropriations made to the  
15 fund shall be credited to a separate appropriations  
16 account.”

17 3. By striking page 6, line 28 through page 10,  
18 line 5 and inserting the following:

19 “2. a. For purposes of the distributions in  
20 subsection 3, the department of education, in  
21 consultation with the departments of management and  
22 revenue and finance, shall compute by June 1 preceding  
23 each budget year the infrastructure tax capacity,  
24 statewide infrastructure tax capacity, and  
25 infrastructure tax capacity inequity for each school  
26 district located in whole or in part in a county that  
27 has imposed the local sales and services tax for  
28 school infrastructure purposes under this chapter.

29 (1) “Actual enrollment” for a school district  
30 means the actual enrollment as reported by October 1  
31 to the department of management by the department of  
32 education pursuant to section 257.6, subsection 1.

33 (2) “Infrastructure tax capacity” means for a  
34 school district the estimated amount of revenues that  
35 a school district receives or would receive if the  
36 regular physical plant and equipment levy of thirty-  
37 three cents per thousand dollars is imposed divided by  
38 the school district’s actual enrollment.

39 (3) “Infrastructure tax capacity inequity” means  
40 the amount that a school district’s infrastructure tax  
41 capacity is less than the statewide infrastructure tax  
42 capacity. If a school district’s infrastructure tax  
43 capacity exceeds the statewide infrastructure tax  
44 capacity, the school district does not have an

45 inequity.

46 (4) “Statewide infrastructure tax capacity” means  
 47 the amount determined by estimating the total revenues  
 48 that would be generated by a regular physical plant  
 49 and equipment levy of thirty-three cents per thousand  
 50 dollars if imposed by all the school districts during

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1 the budget year and dividing this estimated revenue  
 2 amount by the sum of the combined actual enrollment  
 3 for all school districts.

4 3. The appropriations credited in a fiscal year to  
 5 the appropriations account of the secure an advanced  
 6 vision for education fund shall be distributed as a  
 7 supplemental school infrastructure amount as follows:

8 a. The department of education shall compute the  
 9 infrastructure tax capacity inequity of each school  
 10 district located in whole or in part in a county that  
 11 has imposed the tax under this chapter.

12 b. The department of revenue and finance, in  
 13 conjunction with the department of education, shall  
 14 distribute to the extent sufficient funds are  
 15 available a supplemental school infrastructure amount  
 16 to each school district that has an infrastructure tax  
 17 capacity inequity. The amount of the supplemental  
 18 school infrastructure amount distributed shall be an  
 19 amount equal to the school district’s infrastructure  
 20 tax capacity inequity. If sufficient funds are not  
 21 available, the director of revenue and finance shall  
 22 distribute to the school district with the highest  
 23 infrastructure tax capacity inequity an amount equal  
 24 to such inequity. Any additional funds shall then be  
 25 distributed to the school district with the next  
 26 highest inequity. Any additional funds will then be  
 27 distributed to the next school district in descending  
 28 order of inequity until the funds have all been  
 29 distributed.

30 4. Moneys received by a school district as a  
 31 supplemental school infrastructure amount shall be  
 32 used solely for school infrastructure purposes and  
 33 shall not be used to reduce any property tax levy.”

34 4. Page 11, line 10, by striking the words and  
 35 figure “2. paragraph “b”” and inserting the following:  
 36 “3”.

STEVEN H. WARNSTADT

**S-3241**

1 Amend the House amendment, S-3183, to Senate File  
 2 433 as passed by the Senate as follows:

3 1. Page 1, by inserting after line 2 the  
 4 following:  
 5 “\_\_\_ Page 5, by striking line 27 and inserting  
 6 the following:  
 7 “..... \$ 2,500,064”

HERMAN C. QUIRMBACH

**S-3242**

HOUSE AMENDMENT TO  
 SENATE FILE 439

1 Amend Senate File 439, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 10, line 12, by striking the figure  
 4 “1,138,166” and inserting the following: “1,000,000”.  
 5 2. Page 12, lines 30 and 31, by striking the  
 6 words “in this section, the department of corrections”  
 7 and inserting the following: “for the department of  
 8 corrections, the department”.  
 9 3. Page 16, line 17, by inserting after the  
 10 figure “\$5,000” the following: “or in accordance with  
 11 applicable administrative rules related to purchases  
 12 for the agency”.  
 13 4. Page 21, line 27, by striking the figure  
 14 “1,780,186” and inserting the following: “1,818,352”.  
 15 5. Page 22, line 9, by striking the figure  
 16 “37,239,586” and inserting the following:  
 17 “37,339,586”.

**S-3243**

HOUSE AMENDMENT TO  
 SENATE FILE 392

1 Amend Senate File 392, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 2, line 19, by striking the word  
 4 “fourteen-month” and inserting the following:  
 5 “eighteen-month”.  
 6 2. Page 2, by inserting after line 31, the  
 7 following:  
 8 “( ) The replacement formed manure storage  
 9 structure replaces the confinement feeding operation’s  
 10 existing manure storage and handling facilities.”  
 11 3. By renumbering as necessary.

**S-3244**

1 Amend Senate File 445 as follows:  
 2 1. Page 10, by striking lines 6 through 24 and

3 inserting the following:  
 4 “6. A school district shall not expend the  
 5 supplemental school infrastructure amount received for  
 6 new construction or for payments for bonds issued for  
 7 new construction against the supplemental school  
 8 infrastructure amount without first getting an  
 9 advisory opinion from the department of education as  
 10 to the need for such expenditure. However, an  
 11 advisory opinion is not required for the payment of  
 12 outstanding bonds issued for new construction pursuant  
 13 to section 296.1, before April 1, 2003. An advisory  
 14 opinion is also not required for repairing  
 15 schoolhouses or buildings, equipment, technology, or  
 16 transportation equipment for transporting students as  
 17 provided in section 298.3, or for construction  
 18 necessary for compliance with the federal Americans  
 19 With Disabilities Act pursuant to 42 U.S.C. } 12101-  
 20 12117. In preparing an advisory opinion, the  
 21 department shall consider all of the following:”

KEITH A. KREIMAN

### S-3245

1 Amend House File 650, as passed by the House, as  
 2 follows:  
 3 1. Page 4, by inserting after line 1 the  
 4 following:  
 5 “8. A prisoner shall not be charged more than  
 6 fifty dollars per day in total for room and board and  
 7 for the administrative costs related to the arrest and  
 8 booking of the prisoner.”

COMMITTEE ON WAYS AND MEANS  
 LARRY McKIBBEN, Chair

### S-3246

1 Amend Senate File 445 as follows:  
 2 1. Page 4, by inserting after line 22 the  
 3 following:  
 4 “c. A county that has in effect on the effective  
 5 date of this Act the local option sales and services  
 6 tax shall not hold an election on the continuation of  
 7 the tax sooner than nine years following the date on  
 8 which the question of the imposition of the tax was  
 9 first approved in the county.”  
 10 2. Page 4, line 23, by striking the word “c” and  
 11 inserting the following: “d”.

KEITH A. KREIMAN

**S-3247**

- 1 Amend Senate File 445 as follows:  
2 1. Page 1, line 19, by inserting after the word  
3 “repair,” the following: “demolition work”.

RON WIECK

**S-3248**

- 1 Amend House File 594, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, by striking lines 11 through 14 and  
4 inserting the following: “location or premises. Each  
5 person owning an electrical and mechanical amusement  
6 device in this state shall obtain a registration tag  
7 for each electrical and mechanical amusement device  
8 owned that is required”.  
9 2. Page 1, line 25, by inserting after the word  
10 “chapter.” the following: “A person owning or leasing  
11 an electrical and mechanical amusement device required  
12 to be registered under this subsection shall only own  
13 or lease an electrical and mechanical amusement device  
14 that is required to be registered that has been  
15 purchased from a manufacturer, manufacturer’s  
16 representative, or distributor registered with the  
17 department under section 99B.10A.”

DOUG SHULL

**S-3249**

- 1 Amend House File 594, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, line 8, by striking the words “No more  
4 than four” and inserting the following: “For an  
5 organization that meets the requirements of section  
6 99B.7, subsection 1, paragraph “m”, no more than four,  
7 and for all other persons, no more than two”.

WILLIAM A. DOTZLER

**S-3250**HOUSE AMENDMENT TO  
SENATE FILE 386

- 1 Amend Senate File 386, as amended, passed, and  
2 reprinted by the Senate as follows:  
3 1. Page 1, line 10, by inserting after the word  
4 “employees.” the following: “The study shall include

5 a comparison of health insurance coverage that is  
6 offered to school district employees, to other public  
7 employees, and to employees in the private sector.”

**S-3251**

HOUSE AMENDMENT TO  
SENATE FILE 359

1 Amend Senate File 359, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking lines 3 through 11, and  
4 inserting the following:

5 “1. As used in this section, “lease” or “rental  
6 agreement” means any lease or rental agreement  
7 covering premises occupied for dwelling, professional,  
8 business, agricultural, or similar purposes if both of  
9 the following conditions are met:

10 a. The lease or rental agreement was executed by  
11 or on behalf of a service member who, after the  
12 execution of the lease or rental agreement, entered  
13 military service.

14 b. The service member or the service member’s  
15 dependents occupy the premises for the purposes set  
16 forth in this subsection.

17 2. a. A service member may terminate a lease or  
18 rental agreement by providing written notice to the  
19 lessor or the lessor’s agent at any time following the  
20 date of the beginning of the service member’s period  
21 of military service. The notice may be delivered by  
22 placing it in an envelope properly stamped and  
23 addressed to the lessor or the lessor’s agent and  
24 depositing the notice in the United States mail.

25 b. Termination of a month-to-month lease or rental  
26 agreement shall not be effective until thirty days  
27 after the first day on which the next rental payment  
28 is due and payable after the date when notice is  
29 delivered or mailed. As to all other leases or rental  
30 agreements, termination shall be effective on the last  
31 day of the month following the month in which notice  
32 is delivered or mailed. Any unpaid rent for the  
33 period preceding the termination in such cases shall  
34 be computed on a pro rata basis and any rent paid in  
35 advance after termination shall be refunded by the  
36 lessor or the lessor’s agent.

37 c. Upon application by the lessor and prior to the  
38 termination period provided in the notice, a court may  
39 modify or restrict any relief granted in this  
40 subsection as the interests of justice and equity  
41 require.

42 3. A person who knowingly seizes, holds, or  
43 detains the personal effects, clothing, furniture, or

44 other property of any person who has lawfully  
45 terminated a lease or rental agreement covered under  
46 this section or who interferes in any manner with the  
47 removal of property from the premises for the purposes  
48 of subjecting the property to a claim for rent  
49 accruing subsequent to the date of termination of the  
50 lease or rental agreement commits a simple

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1 misdemeanor.”  
2 2. Page 1, by inserting before line 12, the  
3 following:  
4 “Sec. \_\_\_\_ Section 562A.27, Code 2003, is amended  
5 by adding the following new subsection:  
6 NEW SUBSECTION. 5. Notwithstanding any other  
7 provisions of this chapter, a municipal housing agency  
8 established pursuant to chapter 403A may issue a  
9 thirty-day notice of lease termination for a violation  
10 of a rental agreement by the tenant when the violation  
11 is a violation of a federal regulation governing the  
12 tenant’s eligibility for or continued participation in  
13 a public housing program. The municipal housing  
14 agency shall not be required to provide the tenant  
15 with a right or opportunity to remedy the violation or  
16 to give any notice that the tenant has such a right or  
17 opportunity when the notice cites the federal  
18 regulation as authority.  
19 Sec. \_\_\_\_ NEW SECTION. 648.1A NONPROFIT  
20 TRANSITIONAL HOUSING EXEMPTED.  
21 This chapter shall not apply to occupancy in  
22 housing owned by a nonprofit organization whose  
23 purpose is to provide transitional housing for persons  
24 released from drug or alcohol treatment facilities or  
25 to provide housing for homeless persons. Absent an  
26 applicable provision in a lease, contract, or other  
27 agreement, a person who unlawfully remains on the  
28 premises of such housing may be subject to criminal  
29 trespass penalties pursuant to section 716.8.”  
30 3. Page 2, line 10, by inserting after the word  
31 “utilities” the following: “and protecting the home  
32 from damage”.  
33 4. Page 2, line 34, by inserting after the word  
34 “park,” the following: “the plaintiff may sell or  
35 dispose of the home in accordance with the provisions  
36 of section 555B.9 without an order for disposal, or  
37 chapter 555C, and may do so free and clear of all  
38 liens, claims, or encumbrances of third parties except  
39 any tax lien, at which time”.  
40 5. Page 3, by striking lines 1 through 6 and  
41 inserting the following:  
42 “a. ~~The home, its contents, and any other property~~

43 ~~of the defendant remaining on the premises shall~~  
 44 ~~become the property of the plaintiff free and clear of~~  
 45 ~~all rights of the defendant to the property and of all~~  
 46 ~~liens, claims, or encumbrances of third parties, and~~  
 47 ~~any tax levied pursuant to chapter 435 may be abated~~  
 48 ~~by the board of supervisors. The proceeds from the~~  
 49 ~~sale shall first be applied to any judgments against~~  
 50 ~~the defendant obtained by the plaintiff, any unpaid~~

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1 rent or additional costs incurred by plaintiff, and  
 2 reasonable attorney fees. Any remaining proceeds  
 3 shall next be applied to any tax lien with the  
 4 remainder to be held in accordance with section  
 5 555B.9, subsection 3, paragraph “c.”

6 6. Page 3, line 10, by striking the word “The”  
 7 and inserting the following: “The If plaintiff elects  
 8 to retain the home pursuant to section 555B.9, the”.

9 7. Title page, line 2, by inserting after the  
 10 word “detention” the following: “and providing a  
 11 penalty”.

12 8. By renumbering, relettering, or redesignating  
 13 and correcting internal references as necessary.

### S-3252

1 Amend the amendment, S-3149, to House File 387, as  
 2 passed by the House, as follows:

3 1. Page 1, by striking line 3 and inserting the  
 4 following:

5 “   . Page 1, line 20, by striking the figure and  
 6 word “~~1985 edition~~” and inserting the following:  
 7 “~~1985~~ 2000 edition”.”

MAGGIE TINSMAN

### S-3253

1 Amend House File 457, as passed by the House, as  
 2 follows:

3 1. Page 1, by striking lines 7 through 14 and  
 4 inserting the following: “living adulthood. The  
 5 written plan of services and needs assessment shall be  
 6 developed with any person who may reasonably be  
 7 expected to be a service provider for the child when  
 8 the child becomes an adult or to become responsible  
 9 for the costs of services at that time, including but  
 10 not limited to the administrator of county general  
 11 relief under chapter 251 or 252 or of the single entry  
 12 point process implemented under section 331.440. If  
 13 the child is interested in pursuing”.

JACK HATCH

**S-3254**

- 1 Amend House File 457, as passed by the House, as  
2 follows:  
3 1. Page 1, by inserting after line 34 the  
4 following:  
5 “Sec. \_\_\_\_ Section 232.2, subsection 22, Code  
6 2003, is amended by adding the following new  
7 paragraph:  
8 NEW PARAGRAPH. d. If authorized by the court, a  
9 guardian ad litem may continue a relationship with and  
10 provide advice to a child for a period of time beyond  
11 the child’s eighteenth birthday.”  
12 2. By renumbering as necessary.

JACK HATCH  
KEITH A. KREIMAN

**S-3255**

- 1 Amend House File 206, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, by striking lines 1 through 13.  
4 2. Title page, by striking lines 1 through 3 and  
5 inserting the following: “An Act relating to child  
6 abuse reporting by requiring members of the clergy to  
7 report child abuse under certain circumstances.”

JACK HATCH

**S-3256**

- 1 Amend to House File 206, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, line 15, by striking the word  
4 “subparagraph” and inserting the following:  
5 “subparagraphs”.  
6 2. Page 2, by inserting after line 2, the  
7 following:  
8 “NEW SUBPARAGRAPH. (14) An employee or a  
9 volunteer of an organization providing pregnancy-  
10 related education, counseling, or referrals.”  
11 3. By renumbering as necessary.

JACK HATCH

**S-3257**

- 1 Amend Senate File 451 as follows:  
2 1. Page 2, line 1, by inserting after the figure  
3 “2003.” the following: “However, the jurisdiction and

4 control of the portion of state highway 79 from  
5 Middletown west to Geode state park shall not be so  
6 transferred.”

THOMAS G. COURTNEY

**S-3258**

1 Amend Senate File 451 as follows:  
2 1. Page 2, line 1, by inserting after the figure  
3 “2003.” the following: “However, the jurisdiction and  
4 control of the portion of state highway 99 between  
5 Wapello and Burlington shall not be so transferred.”

THOMAS G. COURTNEY

**S-3259**

1 Amend House File 654, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, by striking lines 7 through 14 and  
4 inserting the following:  
5 “Sec. \_\_. REFUND TAX CREDITS.  
6 1. Refund tax credits, as provided in this  
7 section, shall be granted in lieu of refunds of taxes,  
8 interest, or penalties which arise from claims  
9 resulting from the enactment of section 422.45,  
10 subsection 64, in this Act, for sales or rentals of  
11 core and mold making equipment and sand handling  
12 equipment occurring between July 1, 1997, and the  
13 effective date of this Act. Refund tax credits shall  
14 not be allowed unless refund tax credit claims are  
15 filed prior to October 1, 2003, notwithstanding any  
16 other provision of law. However, the aggregate amount  
17 of refund tax credits issued pursuant to this section  
18 shall not exceed a total of one million dollars. If  
19 the amount of claims totals more than one million  
20 dollars in the aggregate, the department of revenue  
21 and finance shall prorate the one million dollars  
22 among all claimants in relation to the amount of the  
23 claimants’ valid claims.  
24 2. Refund tax credits shall be allowed against the  
25 taxes imposed in chapter 422, divisions II, III, and  
26 IV, and chapter 423. An individual may claim a refund  
27 tax credit incurred by a refund tax partnership, S  
28 corporation, limited liability company, estate, or  
29 trust electing to have the income taxed directly to  
30 the individual. The amount claimed by the individual  
31 shall be based upon the pro rata share of the  
32 individual’s earnings of a partnership, S corporation,  
33 limited liability company, estate, or trust.  
34 3. A taxpayer shall only redeem a refund tax

35 credit for a tax period beginning on or after January  
36 1, 2004. The amount of tax credits redeemable by a  
37 taxpayer during a calendar year shall not exceed the  
38 lesser of twenty percent of the amount of tax credits  
39 originally granted the taxpayer or the total tax  
40 liabilities of the taxpayer under chapter 422,  
41 divisions II, III, and IV, and chapter 423.

42 4. The department of revenue and finance shall  
43 establish criteria and procedures for the allocation  
44 and issue of refund tax credits under this section.”

45 2. Title page, line 3, by inserting after the  
46 word “refunds” the following: “in the form of tax  
47 credits”.

DAVID MILLER  
EUGENE S. FRAISE  
WILLIAM A. DOTZLER  
THOMAS G. COURTNEY

**S-3260**

1 Amend House File 206, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 18 the  
4 following:

5 “Sec. \_\_\_\_ IMPLEMENTATION COSTS. There is  
6 appropriated from the general fund of the state to the  
7 designated branch and departments for the indicated  
8 fiscal years, the following amounts, or so much  
9 thereof as is necessary, to be used for the purposes  
10 designated for additional costs resulting from  
11 implementation of section 232.69, subsection 1,  
12 unnumbered paragraph 1, as amended by this Act:

13 1. For the fiscal year beginning July 1, 2003, and  
14 ending June 30, 2004:

15 a. To the judicial branch, including salaries,  
16 support, maintenance, miscellaneous purposes, and  
17 additional full-time equivalent positions:

18 ..... \$ 163,000

19 b. To the department of corrections for prison and  
20 probation admissions, including salaries, support,  
21 maintenance, miscellaneous purposes, and additional  
22 full-time equivalent positions:

23 ..... \$ 470,000

24 Of the amount appropriated in this paragraph “b”,  
25 \$10,000 is allocated for costs incurred in the  
26 judicial district departments of correctional  
27 services.

28 c. To the office of the state public defender of  
29 the department of inspections and appeals for indigent  
30 defense costs, including salaries, support,  
31 maintenance, miscellaneous purposes, and additional

32 full-time equivalent positions:		
33 .....	\$	175,000
34 2. For the fiscal year beginning July 1, 2004, and		
35 ending June 30, 2005:		
36 a. To the judicial branch, including salaries,		
37 support, maintenance, miscellaneous purposes, and		
38 additional full-time equivalent positions:		
39 .....	\$	324,000
40 b. To the department of corrections for prison and		
41 probation admissions, including salaries, support,		
42 maintenance, miscellaneous purposes, and additional		
43 full-time equivalent positions:		
44 .....	\$	1,430,000
45 Of the amount appropriated in this paragraph "b",		
46 \$30,000 is allocated for costs incurred in the		
47 judicial district departments of correctional		
48 services.		
49 c. To the office of the state public defender of		
50 the department of inspections and appeals for indigent		

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1 defense costs, including salaries, support,		
2 maintenance, miscellaneous purposes, and additional		
3 full-time equivalent positions:		
4 .....	\$	347,000"
5 2. Page 2, by inserting after line 18 the		
6 following:		
7 "Sec. ____ IMPLEMENTATION OF ACT. Section 25B.2,		
8 subsection 3, shall not apply to section 232.69,		
9 subsection 1, unnumbered paragraph 1, as amended by		
10 this Act."		
11 3. Title page, line 1, by inserting after the		
12 word "Act" the following: "relating to child abuse		
13 reporting by requiring members of the clergy to report		
14 child abuse under certain circumstances, by".		
15 4. Title page, line 3, by inserting after the		
16 word "child" the following: ", and making		
17 appropriations".		
18 5. By renumbering as necessary.		

EUGENE S. FRAISE  
JACK HATCH

**S-3261**

- 1 Amend the amendment, S-3162, to House File 593, as
- 2 amended, passed, and reprinted by the House, as
- 3 follows:
- 4 1. Page 4, line 12, by striking the word "three"
- 5 and inserting the following: "~~three~~ seven".
- 6 2. Page 4, by striking lines 26 through 28 and

- 7 inserting the following:  
 8 “3. For any election ~~except a primary or general~~  
 9 ~~election or a special election to fill a vacancy under~~  
 10 ~~section 69.14~~, the commissioner may, as an  
 11 alternative”.  
 12 3. Page 4, line 44, by striking the word “three”  
 13 and inserting the following: “three seven”.

MARK ZIEMAN

**S-3262**

- 1 Amend House File 206, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking page 1, line 14, through page 2,  
 4 line 2, and inserting the following:  
 5 “Sec. \_\_\_\_ Section 232.69, subsection 1, Code  
 6 2003, is amended by adding the following new  
 7 paragraph:  
 8 NEW PARAGRAPH. c. A member of the clergy, who  
 9 receives information from a source other than a source  
 10 that under section 622.10 cannot be disclosed in  
 11 testimony, and as a result of the information  
 12 reasonably believes a child has been abused.”  
 13 2. By renumbering as necessary.

KEITH A. KREIMAN

**S-3263**

HOUSE AMENDMENT TO  
 SENATE AMENDMENT TO  
 HOUSE FILE 534

- 1 Amend the Senate amendment, H-1336, to House File  
 2 534, as amended, passed, and reprinted by the House,  
 3 as follows:  
 4 1. Page 4, by striking line 33.  
 5 2. Page 6, by striking lines 46 and 47.

**S-3264**

- 1 Amend House File 549, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 1, by inserting after line 31 the  
 4 following:  
 5 “Sec. \_\_\_\_ Section 257.11, subsection 5, paragraph  
 6 b, Code 2003, is amended to read as follows:  
 7 b. A school district which establishes a regional  
 8 academy shall be eligible to assign its resident  
 9 pupils attending classes at the academy a weighting of  
 10 one-tenth of the percentage of the pupil’s school day

11 during which the pupil attends classes at the regional  
 12 academy. For the purposes of this subsection,  
 13 “regional academy” means an educational institution  
 14 established by a school district to which multiple  
 15 schools send pupils in grades ~~seven~~ nine through  
 16 twelve, and may include a virtual academy. A regional  
 17 academy shall include in its curriculum advanced-level  
 18 courses and may include in its curriculum vocational-  
 19 technical ~~programs~~ courses. The maximum amount of  
 20 additional weighting for which a school district  
 21 establishing a regional academy shall be eligible is  
 22 an amount corresponding to fifteen additional pupils.  
 23 The minimum amount of additional weighting for which a  
 24 school district establishing a regional academy shall  
 25 be eligible is an amount corresponding to ten  
 26 additional pupils if the academy provides both  
 27 advanced-level courses and vocational technical  
 28 courses.

29 Sec. \_\_\_\_ Section 257.11, Code 2003, is amended by  
 30 adding the following new subsection:

31 NEW SUBSECTION. 7A. SHARED SUPPORT SERVICES. For  
 32 the school budget years beginning July 1, 2003, July  
 33 1, 2004, and July 1, 2005, a school district which  
 34 shares with or purchases from an eligible entity a  
 35 significant portion of one or more support services,  
 36 student transportation services, or personnel or other  
 37 operational types of services shall be eligible to  
 38 assign its resident students an additional weighting.  
 39 For purposes of this subsection, “significant portion”  
 40 means that at least fifty percent of the services are  
 41 shared or purchased. Eligible sharing and purchasing  
 42 entities shall include other school districts, area  
 43 education agencies, community colleges, cities, or  
 44 counties. Eligible support services shall include but  
 45 not be limited to budgeting, receiving and disbursing  
 46 funds, financial and property accounting, payroll,  
 47 planning research and evaluation, personnel services,  
 48 and administrative technology services; and shall  
 49 exclude cooperative purchasing programs and  
 50 activities. A school district shall be eligible for

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1 additional weighting for services not previously  
 2 shared or purchased prior to July 1, 2003, from other  
 3 school districts, area education agencies, community  
 4 colleges, cities, or counties. A school district that  
 5 qualifies under this subsection shall assign to its  
 6 resident pupils an additional weight of two-  
 7 hundredths. The maximum additional weight shall be  
 8 ten additional pupils. If the sum of the funding  
 9 amount calculated for all districts under this

10 subsection exceeds two million dollars for the school  
11 year beginning July 1, 2004, and each succeeding  
12 fiscal year, the director of the department of  
13 management shall prorate the amount calculated for  
14 each district. The proration shall be based upon the  
15 amount calculated for each district when compared to  
16 the sum of the amount for all districts.

17 Sec. \_\_\_\_ Section 257.11A, Code 2003, is amended  
18 by adding the following new subsection:

19 NEW SUBSECTION. 3A. SHARED SUPERINTENDENTS. For

20 the school budget years beginning July 1, 2003, July  
21 1, 2004, and July 1, 2005, resident pupils enrolled in  
22 a school district in which the superintendent is  
23 employed jointly under section 273.7A or under section  
24 280.15, are assigned a weighting of five-hundredths  
25 for the superintendent who is jointly employed times  
26 the percent of the superintendent's time in which the  
27 superintendent is employed in the school district.  
28 However, the total additional weighting assigned under  
29 this subsection for a budget year for a school  
30 district shall not exceed five and the total  
31 additional weighting added cumulatively to the  
32 enrollment of school districts sharing a  
33 superintendent shall not exceed fifteen. If the  
34 school district has approved an action to bring about  
35 a reorganization to take effect on or before July 1,  
36 2006, the reorganized school district shall include,  
37 for a period of one year following the effective date  
38 of reorganization, additional pupils added by the  
39 application of the supplementary weighting plan, equal  
40 to the pupils added by the application of the  
41 supplementary weighting plan in the year preceding the  
42 effective date of reorganization. For purposes of  
43 this subsection, the weighted enrollment for the  
44 period of one year following the effective date of  
45 reorganization shall include the supplementary  
46 weighting in the base year used for determining the  
47 combined district cost for the first year of the  
48 reorganization. However, the weighting shall be  
49 reduced by the supplementary weighting added for a  
50 pupil whose residency is not within the reorganized

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1 district.”

2 2. By renumbering as necessary.

MIKE CONNOLLY

**S-3265**

- 1 Amend Senate File 451 as follows:  
 2 1. Page 1, lines 8 and 9, by striking the words  
 3 and figure “or road transferred pursuant to section  
 4 306.8A”.  
 5 2. By striking page 1, line 26, through page 2,  
 6 line 15.  
 7 3. Page 3, by striking lines 22 through 27.  
 8 4. By striking page 4, line 6, through page 5,  
 9 line 13.  
 10 5. Title page, lines 2 and 3, by striking the  
 11 words “primary and”.  
 12 6. Title page, lines 5 and 6, by striking the  
 13 words “, and making appropriations”.  
 14 7. By renumbering as necessary.

EUGENE S. FRAISE  
 HUBERT M. HOUSER  
 THOMAS G. COURTNEY  
 KEITH A. KREIMAN  
 PAUL McKINLEY  
 JOHN P. KIBBIE

**S-3266**

- 1 Amend House File 667, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking page 9, line 28 through page 10,  
 4 line 3.  
 5 2. By renumbering as necessary.

DOUG SHULL

**S-3267**

- 1 Amend House File 667, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 42, by striking lines 17 through 20.  
 4 2. By renumbering as necessary.

DOUG SHULL

**S-3268**

- 1 Amend House File 667, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 68, by inserting after line 3, the  
 4 following:  
 5 “Sec. \_\_\_\_ 2003 Iowa Acts, House File 619, section  
 6 12, subsections 2 and 3, are amended to read as

7 follows:

8 2. The department of human services, in  
9 cooperation with the department's fiscal agent and in  
10 consultation with a chronic care ~~management resource~~  
11 ~~group consortium~~, shall profile medical assistance  
12 recipients within a select number of disease diagnosis  
13 categories. The assessment shall focus on those  
14 diagnosis areas that present the greatest opportunity  
15 for impact to improved care and cost reduction.

16 3. The department of human services, in  
17 consultation with a chronic care ~~management resource~~  
18 ~~group consortium~~, shall conduct a chronic disease  
19 management pilot project for a select number of  
20 individuals who are participants in the medical  
21 assistance program. The project shall focus on a  
22 select number of chronic diseases which may include  
23 congestive heart failure, diabetes, and asthma. The  
24 initial pilot project shall be implemented by October  
25 1, 2003.

26 Sec. \_\_. 2003 Iowa Acts, House File 619, section  
27 12, subsection 4, is amended by striking the  
28 subsection and inserting in lieu thereof the  
29 following:

30 4. The department of human services may procure a  
31 sole source contract with a vendor to manage  
32 individuals with select chronic diseases following the  
33 conclusion of the profiling of medical assistance  
34 recipients. The management of chronic diseases for  
35 individuals under this subsection may be coordinated  
36 with the pilot project established in subsection 3."

37 2. By renumbering as necessary.

DOUG SHULL  
MAGGIE TINSMAN  
JOE BOLKCOM  
KEN VEENSTRA  
JACK HATCH

### S-3269

1 Amend House File 614, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 29, by striking lines 13 through 20, and  
4 inserting the following:

5 "Sec. \_\_. Section 39A.5, subsection 1, paragraph  
6 b, Code 2003, is amended by adding the following new  
7 subparagraphs:

8 NEW SUBPARAGRAPH. (4) Personally delivering to  
9 the commissioner's office an absentee ballot  
10 application and the person is not the applicant or an  
11 immediate family member of the applicant or a designee  
12 of the applicant if the applicant is a voter described

- 13 in section 53.22, subsection 5.  
 14 NEW SUBPARAGRAPH. (5) Personally delivering to  
 15 the commissioner's office a voted absentee ballot and  
 16 the person is not the voter or the designee of a voter  
 17 described in section 53.22, subsection 5.”  
 18 2. Page 29, line 23, by striking the words “or  
 19 absentee ballot voter”.  
 20 3. Page 29, line 25, by striking the words “or  
 21 voter”.  
 22 4. Page 31, by striking line 19, and inserting  
 23 the following: “applicant or”.  
 24 5. Page 31, by striking line 28, and inserting  
 25 the following: “registered voter”.  
 26 6. By renumbering as necessary.

MAGGIE TINSMAN

### S-3270

- 1 Amend the House amendment, S-3103, to Senate File  
 2 94, as passed by the Senate, as follows:  
 3 1. Page 1, by inserting after line 2, the  
 4 following:  
 5 “\_\_\_ Page 1, by inserting after line 22, the  
 6 following:  
 7 “\_\_\_ To a person conducting research who has  
 8 received written approval from the county commissioner  
 9 of veteran affairs to view the records.”“

STEVEN H. WARNSTADT

### S-3271

- 1 Amend the House amendment, S-3251, to Senate File  
 2 359, as amended, passed, and reprinted by the Senate,  
 3 as follows:  
 4 1. Page 2, by striking lines 19 through 29.

JACK HOLVECK  
 KEITH A. KREIMAN

### S-3272

- 1 Amend House File 667, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking page 15, line 10 through page 16,  
 4 line 35, and inserting the following:  
 5 “a. Moneys credited to the Iowa marriage  
 6 initiative grant fund in this subsection are  
 7 appropriated to the department for the fiscal year  
 8 beginning July 1, 2003, and ending June 30, 2004, to  
 9 be used to provide grants in accordance with this

10 subsection.

11 b. The department shall establish a premarital  
12 education grant program to fund premarital education  
13 activities. The department of human services shall  
14 adopt rules pursuant to chapter 17A to establish  
15 procedures for the awarding of the grants including  
16 specification of minimum requirements for providers of  
17 premarital education activities.

18 c. The program shall require that a grantee is a  
19 nonprofit organization incorporated in this state with  
20 demonstrated experience in provision of premarital  
21 education activities.

22 d. The premarital education activities funded by  
23 the grant shall be privately funded at no less than  
24 fifty percent of the grant amount.

25 e. Grants shall be awarded in a manner that  
26 results in provision of services throughout the state  
27 in an equal number of urban and rural geographic  
28 areas.

29 f. The department shall implement the grant  
30 program so that the initial request for proposals is  
31 issued on or before October 1, 2003, and so that any  
32 grants are awarded on or before January 1, 2004.

33 g. A grantee shall submit a quarterly financial  
34 report to the department and to the legislative fiscal  
35 bureau and shall be subject to an annual independent  
36 evaluation to assess the results of the program.

37 h. The department shall provide a copy of the  
38 request for proposals and shall submit a report  
39 concerning the proposals received and grants awarded  
40 to those persons designated by this division of this  
41 Act to receive reports.

42 i. The department may adopt emergency rules to  
43 implement the provisions of this subsection.”

44 2. By renumbering as necessary.

MAGGIE TINSMAN

### S-3273

1 Amend House File 667, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 63, by inserting after line 1, the  
4 following:

5 “Sec. \_\_\_. Section 234.12A, subsection 1,  
6 paragraphs b and c, Code 2003, are amended to read as  
7 follows:

8 b. A retailer providing electronic funds transfer  
9 system equipment for transactions pursuant to the  
10 program shall be reimbursed ~~seven cents for each~~  
11 ~~approved transaction~~ pursuant to the program utilizing  
12 the retailer's equipment as follows:

13 (1) For the fiscal year beginning July 1, 2003,  
 14 seven cents for each approved transaction.  
 15 (2) For the fiscal year beginning July 1, 2004,  
 16 four cents for each approved transaction.  
 17 (3) For the fiscal year beginning July 1, 2005,  
 18 and succeeding fiscal years, reimbursement shall not  
 19 be provided under this paragraph.

20 c. A retailer that provides electronic funds  
 21 transfer system equipment for transactions pursuant to  
 22 the program and who makes cash disbursements pursuant  
 23 to the program utilizing the retailer's equipment  
 24 shall be paid a fee of ~~seven cents~~ by the department  
 25 ~~for each cash disbursement transaction by the retailer~~  
 26 as follows:

27 (1) For the fiscal year beginning July 1, 2003,  
 28 seven cents for each cash disbursement transaction.

29 (2) For the fiscal year beginning July 1, 2004,  
 30 four cents for each cash disbursement transaction.

31 (3) For the fiscal year beginning July 1, 2005,  
 32 and succeeding fiscal years, reimbursement shall not  
 33 be provided under this paragraph.”

34 2. By renumbering as necessary.

MAGGIE TINSMAN

## S-3274

1 Amend House File 667, as amended, passed, and  
 2 reprinted by the House, as follows:

3 1. Page 53, line 26, by inserting after the word  
 4 “services.” the following: “Any layoff or other  
 5 reduction in force applied to field operations staff  
 6 during the fiscal year shall exempt child protection  
 7 positions.”

8 2. Page 60, by striking lines 21 through 33.

9 3. Page 67, by inserting after line 29, the  
 10 following:

11 “Sec. \_\_. 2002 Iowa Acts, Second Extraordinary  
 12 Session, chapter 1003, section 110, is amended by  
 13 adding the following new paragraph:  
 14 NEW UNNUMBERED PARAGRAPH. Notwithstanding section  
 15 8.33, up to \$2,400,000 of the funds appropriated in  
 16 this section that remain unencumbered or unobligated  
 17 at the close of the fiscal year shall not revert but  
 18 shall remain available in the succeeding fiscal year  
 19 to be used for additional field operations, full-time  
 20 equivalent positions, and \$400,000 of this amount  
 21 shall be used for eight full-time equivalent positions  
 22 to provide a case manager in each of the judicial  
 23 districts to provide coordination of services for  
 24 families that have a history of methamphetamine  
 25 abuse.”

- 26 4. Page 69, by inserting after line 31 the  
27 following:  
28 “\_\_\_ The provision amending 2002 Iowa Acts, Second  
29 Extraordinary Session, chapter 1003, section 110,  
30 relating to certain federal temporary assistance for  
31 needy families block grant funding.”  
32 5. Page 75, by inserting after line 11, the  
33 following:  
34 “The commission of veterans affairs shall work with  
35 the commandant of the Iowa veterans home, the  
36 department of human services, and the department of  
37 inspections and appeals to determine the eligibility  
38 of prospective residents and current residents of  
39 health care facilities for benefits through the  
40 federal department of veterans affairs pursuant to  
41 section 135C.31A, if enacted by 2003 Iowa Acts, House  
42 File 619.”  
43 6. By renumbering as necessary.

MAGGIE TINSMAN

### S-3275

- 1 Amend House File 595, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, line 10, by inserting after the word  
4 “with” the following: “a commercial property owner  
5 or”.  
6 2. Page 1, line 26, by inserting after the words  
7 “by the” the following: “city or”.  
8 3. Page 1, line 27, by inserting after the word  
9 “agreements” the following: “and after the commercial  
10 property owner signs the agreement, if applicable”.

KEITH A. KREIMAN

### S-3276

- 1 Amend House File 667, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 9, by inserting after line 15 the  
4 following:  
5 “Sec. \_\_\_. Section 509.3, subsections 5, 6, and 7,  
6 Code 2003, are amended to read as follows:  
7 5. A provision shall be made available to  
8 policyholders, under group policies covering vision  
9 care services or procedures, for payment of necessary  
10 medical or surgical care and treatment provided by an  
11 optometrist licensed under chapter 154 if the care and  
12 treatment are provided within the scope of the  
13 optometrist’s license and if the policy would pay for  
14 the care and treatment if the care and treatment were

15 provided by a person engaged in the practice of  
16 medicine or surgery as licensed under chapter 148 or  
17 150A. The provision shall also guarantee that any  
18 care or treatment provided by an optometrist shall be  
19 compensated at the same level as equivalent services  
20 provided by a person licensed in the practice of  
21 medicine and surgery under chapter 148 or 150A. The  
22 policy shall provide that the policyholder may reject  
23 the coverage or provision if the coverage or provision  
24 for services which may be provided by an optometrist  
25 is rejected for all providers of similar vision care  
26 services as licensed under chapter 148, 150A, or 154.  
27 This subsection applies to group policies delivered or  
28 issued for delivery after July 1, 1983, and to  
29 existing group policies on their next anniversary or  
30 renewal date, or upon expiration of the applicable  
31 collective bargaining contract, if any, whichever is  
32 later. This subsection does not apply to blanket,  
33 short-term travel, accident only, limited or specified  
34 disease, or individual or group conversion policies,  
35 or policies designed only for issuance to persons for  
36 coverage under Title XVIII of the Social Security Act,  
37 or any other similar coverage under a state or federal  
38 government plan.

39 6. A provision shall be made available to  
40 policyholders under group policies covering diagnosis  
41 and treatment of human ailments for payment or  
42 reimbursement for necessary diagnosis or treatment  
43 provided by a chiropractor licensed under chapter 151,  
44 if the diagnosis or treatment is provided within the  
45 scope of the chiropractor's license and if the policy  
46 would pay or reimburse for the diagnosis or treatment  
47 by a person licensed under chapter 148, 150, or 150A  
48 of the human ailment, irrespective of and disregarding  
49 variances in terminology employed by the various  
50 licensed professions in describing the human ailment

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1 or its diagnosis or its treatment. The provision  
2 shall also guarantee that any care or treatment  
3 provided by a chiropractor shall be compensated at the  
4 same level as equivalent services provided by a person  
5 licensed in the practice of medicine and surgery under  
6 chapter 148 or 150A. The policy shall provide that  
7 the policyholder may reject the coverage or provision  
8 if the coverage or provision for diagnosis or  
9 treatment of a human ailment by a chiropractor is  
10 rejected for all providers of diagnosis or treatment  
11 for similar human ailments licensed under chapter 148,  
12 150, 150A, or 151. A policy of group health insurance  
13 may limit or make optional the payment or

14 reimbursement for lawful diagnostic or treatment  
15 service by all licensees under chapters 148, 150,  
16 150A, and 151 on any rational basis which is not  
17 solely related to the license under or the practices  
18 authorized by chapter 151 or is not dependent upon a  
19 method of classification, categorization, or  
20 description based directly or indirectly upon  
21 differences in terminology used by different licensees  
22 in describing human ailments or their diagnosis or  
23 treatment. This subsection applies to group policies  
24 delivered or issued for delivery after July 1, 1986,  
25 and to existing group policies on their next  
26 anniversary or renewal date, or upon expiration of the  
27 applicable collective bargaining contract, if any,  
28 whichever is later. This subsection does not apply to  
29 blanket, short-term travel, accident-only, limited or  
30 specified disease, or individual or group conversion  
31 policies, or policies under Title XVIII of the Social  
32 Security Act, or any other similar coverage under a  
33 state or federal government plan.

34 7. A provision shall be made available to  
35 policyholders, under group policies covering hospital,  
36 medical, or surgical expenses, for payment of covered  
37 services determined to be medically necessary provided  
38 by registered nurses certified by a national  
39 certifying organization, which organization shall be  
40 identified by the Iowa board of nursing pursuant to  
41 rules adopted by the board, if the services are within  
42 the practice of the profession of a registered nurse  
43 as that practice is defined in section 152.1, under  
44 terms and conditions agreed upon between the insurer  
45 and the policyholder, subject to utilization controls.  
46 The provision shall also guarantee that any care or  
47 treatment provided by registered nurses shall be  
48 compensated at the same level as equivalent services  
49 provided by a person licensed in the practice of  
50 medicine and surgery under chapter 148 or 150A. This

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1 subsection shall not require payment for nursing  
2 services provided by a certified nurse practicing in a  
3 hospital, nursing facility, health care institution,  
4 physician's office, or other noninstitutional setting  
5 if the certified nurse is an employee of the hospital,  
6 nursing facility, health care institution, physician,  
7 or other health care facility or health care provider.  
8 This subsection applies to group policies delivered or  
9 issued for delivery in this state on or after July 1,  
10 1989, and to existing group policies on their next  
11 anniversary or renewal dates, or upon expiration of  
12 the applicable collective bargaining contract, if any,

13 whichever is later. This subsection does not apply to  
14 blanket, short-term travel, accident only, limited or  
15 specified disease, or individual or group conversion  
16 policies, policies rated on a community basis, or  
17 policies designed only for issuance to persons for  
18 eligible coverage under Title XVIII of the federal  
19 Social Security Act, or any other similar coverage  
20 under a state or federal government plan.  
21 Sec. \_\_\_\_ Section 509.3, Code 2003, is amended by  
22 adding the following new subsection:  
23 NEW SUBSECTION. 8. A provision shall be made  
24 available to policyholders, under group policies  
25 covering hospital, medical, or surgical expenses for  
26 payment of necessary medical or surgical care and  
27 treatment, as well as drug prescriptions, provided by  
28 a person licensed to practice podiatry under chapter  
29 149, if the care and treatment are provided within the  
30 scope of the person's license and if the policy would  
31 pay for the care and treatment if the care and  
32 treatment were provided by a person engaged in the  
33 practice of medicine and surgery as licensed under  
34 chapter 148 or 150A. The provision shall also  
35 guarantee that any medical or surgical services  
36 provided by a podiatrist shall be compensated at the  
37 same level as equivalent services provided by a person  
38 licensed in the practice of medicine or surgery under  
39 chapter 148 or 150A. The policy shall provide that  
40 the policyholder may reject the coverage or provision  
41 if the coverage or provision for similar services  
42 which may be provided by a podiatric physician is  
43 rejected for all providers of services as licensed  
44 under chapter 148, 149, or 150A. This subsection  
45 applies to group policies delivered or issued for  
46 delivery on or after July 1, 2003, and to existing  
47 group policies on their next anniversary or renewal  
48 date, or upon expiration of the applicable collective  
49 bargaining contract, if any, whichever is later. This  
50 subsection does not apply to blanket, short-term

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1 travel, accident only, limited or specified disease,  
2 or individual or group conversion policies, or  
3 policies designed only for issuance to persons for  
4 coverage under Title XVIII of the federal Social  
5 Security Act, or any other similar coverage under a  
6 state or federal government plan.  
7 Sec. \_\_\_\_ Section 509.3, unnumbered paragraph 2,  
8 Code 2003, is amended to read as follows:  
9 In addition to the provisions required in  
10 subsections 1 through ~~7~~ 8, the commissioner shall  
11 require provisions through the adoption of rules

12 implementing the federal Health Insurance Portability  
13 and Accountability Act, Pub. L. No. 104-191.

14 Sec. \_\_\_\_ Section 514B.1, subsection 5, paragraphs  
15 b, c, and d, Code 2003, are amended to read as  
16 follows:

17 b. The health care services available to enrollees  
18 under prepaid group plans covering vision care  
19 services or procedures, shall include a provision for  
20 payment of necessary medical or surgical care and  
21 treatment provided by an optometrist licensed under  
22 chapter 154, if performed within the scope of the  
23 optometrist's license, and the plan would pay for the  
24 care and treatment when the care and treatment were  
25 provided by a person engaged in the practice of  
26 medicine or surgery as licensed under chapter 148 or  
27 150A. Additionally, any optometric medical or  
28 surgical care and treatment provided shall be  
29 compensated at the same level as equivalent services  
30 provided by a person licensed in the practice of  
31 medicine or surgery under chapter 148 or 150A. The  
32 plan shall provide that the plan enrollees may reject  
33 the coverage for services which may be provided by an  
34 optometrist if the coverage is rejected for all  
35 providers of similar vision care services as licensed  
36 under chapter 148, 150A, or 154. This paragraph  
37 applies to services provided under plans made after  
38 July 1, 1983, and to existing group plans on their  
39 next anniversary or renewal date, or upon the  
40 expiration of the applicable collective bargaining  
41 contract, if any, whichever is the later. This  
42 paragraph does not apply to enrollees eligible for  
43 coverage under Title XVIII of the Social Security Act  
44 or any other similar coverage under a state or federal  
45 government plan.

46 c. The health care services available to enrollees  
47 under prepaid group plans covering diagnosis and  
48 treatment of human ailments, shall include a provision  
49 for payment of necessary diagnosis or treatment  
50 provided by a chiropractor licensed under chapter 151

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1 if the diagnosis or treatment is provided within the  
2 scope of the chiropractor's license and if the plan  
3 would pay or reimburse for the diagnosis or treatment  
4 of human ailment, irrespective of and disregarding  
5 variances in terminology employed by the various  
6 licensed professions in describing the human ailment  
7 or its diagnosis or its treatment, if it were provided  
8 by a person licensed under chapter 148, 150, or 150A.  
9 Additionally, any diagnosis and treatment provided by  
10 a chiropractor shall be compensated at the same level

11 as equivalent services provided by a person licensed  
12 in the practice of medicine or surgery under chapter  
13 148 or 150A. The plan shall also provide that the  
14 plan enrollees may reject the coverage for diagnosis  
15 or treatment of a human ailment by a chiropractor if  
16 the coverage is rejected for all providers of  
17 diagnosis or treatment for similar human ailments  
18 licensed under chapter 148, 150, 150A, or 151. A  
19 prepaid group plan of health care services may limit  
20 or make optional the payment or reimbursement for  
21 lawful diagnostic or treatment service by all  
22 licensees under chapters 148, 150, 150A, and 151 on  
23 any rational basis which is not solely related to the  
24 license under or the practices authorized by chapter  
25 151 or is not dependent upon a method of  
26 classification, categorization, or description based  
27 upon differences in terminology used by different  
28 licensees in describing human ailments or their  
29 diagnosis or treatment. This paragraph applies to  
30 services provided under plans made after July 1, 1986,  
31 and to existing group plans on their next anniversary  
32 or renewal date, or upon the expiration of the  
33 applicable collective bargaining contract, if any,  
34 whichever is the later. This paragraph does not apply  
35 to enrollees eligible for coverage under Title XVIII  
36 of the Social Security Act, or any other similar  
37 coverage under a state or federal government plan.  
38 d. The health care services available to enrollees  
39 under prepaid group plans covering hospital, medical,  
40 or surgical expenses, may include, at the option of  
41 the employer purchaser, a provision for payment of  
42 covered services determined to be medically necessary  
43 provided by a certified registered nurse certified by  
44 a national certifying organization, which organization  
45 shall be identified by the Iowa board of nursing  
46 pursuant to rules adopted by the board, if the  
47 services are within the practice of the profession of  
48 a registered nurse as that practice is defined in  
49 section 152.1, under terms and conditions agreed upon  
50 between the employer purchaser and the health

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1 maintenance organization, subject to utilization  
2 controls. Additionally, any covered services provided  
3 by a registered nurse shall be compensated at the same  
4 level as equivalent services provided by a person  
5 licensed in the practice of medicine or surgery under  
6 chapter 148 or 150A. This paragraph shall not require  
7 payment for nursing services provided by a certified  
8 registered nurse practicing in a hospital, nursing  
9 facility, health care institution, a physician's

10 office, or other noninstitutional setting if the  
11 certified registered nurse is an employee of the  
12 hospital, nursing facility, health care institution,  
13 physician, or other health care facility or health  
14 care provider. This paragraph applies to services  
15 provided under plans within this state made on or  
16 after July 1, 1989, and to existing group plans on  
17 their next anniversary or renewal date, or upon the  
18 expiration of the applicable collective bargaining  
19 contract, if any, whichever is later. This paragraph  
20 does not apply to enrollees eligible for coverage  
21 under an individual contract or coverage designed only  
22 for issuance to enrollees eligible for coverage under  
23 Title XVIII of the federal Social Security Act, or  
24 under coverage which is rated on a community basis, or  
25 any other similar coverage under a state or federal  
26 government plan.

27 Sec. \_\_\_\_ Section 514B.1, subsection 5, Code 2003,  
28 is amended by adding the following new paragraph:  
29 NEW PARAGRAPH. e. The health care services  
30 available to enrollees under prepaid group plans  
31 covering hospital, medical, or surgical expenses shall  
32 include a provision for payment of necessary medical  
33 or surgical care and treatment as well as drug  
34 prescriptions provided by a podiatric physician  
35 licensed under chapter 149, if performed within the  
36 scope of the podiatrist's license and the plan would  
37 pay for the care and treatment when the care and  
38 treatment were provided by a person engaged in the  
39 practice of medicine or surgery as licensed under  
40 chapter 148 or 150A. Additionally, any medical or  
41 surgical service provided by a podiatrist shall be  
42 compensated at the same level as equivalent services  
43 provided by a person licensed in the practice of  
44 medicine or surgery under chapter 148, 149, or 150A.  
45 The plan shall provide that the plan enrollees may  
46 reject the coverage for services which may be provided  
47 by a podiatric physician if the coverage is rejected  
48 for all providers of similar services as licensed  
49 under chapter 148, 149, or 150A. This paragraph  
50 applies to services provided under plans made on or

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1 after July 1, 2003, and to existing group plans on  
2 their next anniversary or renewal date, or upon the  
3 expiration of the applicable collective bargaining  
4 contract, if any, whichever is the later. This  
5 paragraph does not apply to enrollees eligible for  
6 coverage under Title XVIII of the federal Social  
7 Security Act or any other similar coverage under a

8 state or federal government plan.”  
 9 2. By renumbering as necessary.

JOHN PUTNEY  
 MICHAEL E. GRONSTAL  
 MARY A. LUNDBY  
 JOHN P. KIBBIE

### S-3277

1 Amend House File 450, as passed by the House, as  
 2 follows:  
 3 1. By striking page 1, line 15, through page 2,  
 4 line 2, and inserting the following:  
 5 “1. Notwithstanding section 558.68, no provision  
 6 of an instrument creating a trust and no other  
 7 disposition of property made pursuant to the exercise  
 8 of a power of appointment granted in or created  
 9 through such instrument is invalid under the rule  
 10 against perpetuities, or any similar statute or common  
 11 law, during the one hundred fifty years following the  
 12 effective date of the instrument. After such time,  
 13 the provision or other disposition of property is  
 14 deemed invalid unless the assets have previously been  
 15 distributed or have previously become vested in the  
 16 beneficiaries, including beneficiaries under a power  
 17 of appointment.  
 18 In the event the assets have not been distributed  
 19 or have not become vested at the end of the one  
 20 hundred fifty year period, the assets shall be  
 21 distributed as the district court directs, and the  
 22 court shall consider the express intent of the settlor  
 23 of the trust or the person exercising the power of  
 24 appointment.”  
 25 2. Page 2, line 3, by striking the figure “3.”  
 26 and inserting the following: “2.”  
 27 3. By renumbering as necessary.

LARRY McKIBBEN  
 NANCY BOETTGER  
 HERMAN C. QUIRMBACH  
 JEFF LAMBERTI  
 DONALD B. REDFERN

### S-3278

1 Amend House File 667, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 9, by inserting after line 15, the  
 4 following:  
 5 “Sec. \_\_\_\_ Section 135.61, subsection 14,  
 6 paragraph f, Code 2003, is amended by striking the

7 paragraph.  
8 Sec. \_\_\_\_ Section 135.61, subsection 18, Code  
9 2003, is amended by adding the following new  
10 paragraph:  
11 NEW PARAGRAPH. n. Any of the following relative  
12 to a birth center:  
13 (1) Any capital expenditure in excess of five  
14 hundred thousand dollars.  
15 (2) Bed capacity in excess of three beds.  
16 (3) Performance of cesarean sections or operative  
17 deliveries, or the use of regional anesthesia by the  
18 birth center.  
19 (4) Failure of a birth center to provide upon  
20 request demonstrable evidence that the birth center  
21 has met the national standards for birth centers of  
22 the national association of child-bearing centers.”  
23 2. By renumbering as necessary.

JACK HATCH

### S-3279

1 Amend House File 667, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, line 23, by striking the figure  
4 “2,653,222” and inserting the following: “3,153,222”.  
5 2. Page 3, line 21, by striking the figure  
6 “260,582” and inserting the following: “310,582”.  
7 3. Page 3, line 27, by striking the figure  
8 “835,959” and inserting the following: “935,959”.  
9 4. Page 3, line 33, by striking the figure  
10 “1,036,805” and inserting the following: “1,086,805”.  
11 5. Page 4, line 4, by striking the figure  
12 “1,287,158” and inserting the following: “1,397,158”.  
13 6. Page 4, by inserting after line 9, the  
14 following:  
15 “Of the funds appropriated in this subsection,  
16 \$10,000 is allocated to community mental health  
17 centers to provide counseling services to persons who  
18 are members of the national guard and reservists  
19 activated but as yet not sent to combat zones and to  
20 the persons’ family members. The sessions shall be  
21 provided on a first come, first served basis and shall  
22 be limited to three visits per family.”  
23 7. Page 4, line 26, by striking the figure  
24 “977,340” and inserting the following: “1,077,340”.  
25 8. Page 5, line 7, by striking the figure  
26 “6,510,871” and inserting the following: “6,710,871”.  
27 9. Page 7, line 33, by striking the figure  
28 “666,717” and inserting the following: “1,040,717”.  
29 10. Page 7, by inserting after line 34, the  
30 following:

31 “11A. SUBSTANCE ABUSE TREATMENT

32 For additional substance abuse treatment under the  
33 substance abuse treatment program:

34 ..... \$ 1,800,000”

35 11. Page 15, line 9, by striking the figure “85,000” and  
36 inserting the following: “75,000”.

37 12. Page 24, line 1, by striking the figure “5,482,793” and  
38 inserting the following: “5,912,793”.

39 13. Page 37, line 2, by striking the figure “107,091,253” and  
40 inserting the following: “108,287,253”.

41 14. Page 37, by striking lines 12 through 15 and  
42 inserting the following:

43 “3. a. Of the funds appropriated in this section, up to  
44 \$30,154,516 is allocated for group foster care maintenance and  
45 services. Notwithstanding sections 232.52, 232.102, 232.117,  
46 232.127, 232.143, 232.188, and 234.35, requirements for group  
47 foster care expenditure targets and the related restrictions on  
48 court orders for group foster care placements are not applicable  
49 during the fiscal year beginning July 1, 2003.”

50 15. Page 42, by striking lines 17 through 20.

Page 2

1 16. Page 71, line 23, by inserting before the word “Up” the  
2 following: “a.”

3 17. Page 71, by inserting after line 29, the following:

4 “b. Notwithstanding section 249H.5, of the amount  
5 appropriated in this subsection, \$4,870,000 is transferred to the  
6 general fund of the state.”

JACK HATCH  
AMANDA RAGAN  
JOE BOLKCOM  
JACK HOLVECK  
KEITH A. KREIMAN

**S-3280**

HOUSE AMENDMENT TO  
SENATE FILE 402

1 Amend Senate File 402, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, by inserting after line 27 the  
4 following:

5 “Sec. \_\_\_\_ Section 708.2, Code 2003, is amended by  
6 adding the following new subsection:

7 NEW SUBSECTION. 4A. A person who commits an  
8 assault, as defined in section 708.1, and who uses any  
9 object to penetrate the genitalia or anus of another  
10 person, is guilty of a class “C” felony.”

11 2. Title page, line 1, by inserting after the

- 12 word “to” the following: “sexual assault offenses by  
13 affecting”.
- 14 3. Title page, line 2, by inserting after the  
15 word “offenses” the following: “and by modifying the  
16 penalties for certain assaults”.
- 17 4. By renumbering as necessary.

**S-3281**HOUSE AMENDMENT TO  
SENATE FILE 354

- 1 Amend Senate File 354, as amended, passed, and  
2 reprinted by the Senate, as follows:
- 3 1. Page 6, line 4, by striking the words “any  
4 extended family members of the child,” and inserting  
5 the following: “the child’s parent, any person who  
6 has custody of the child or with whom the child  
7 resides,”.
- 8 2. Page 13, by striking lines 26 and 27 and  
9 inserting the following:  
10 “f. Identification and provision of information to  
11 the child’s family concerning community resources that  
12 may be able to offer housing, financial, and  
13 transportation assistance and actively assisting the  
14 family in accessing the community resources.”
- 15 3. By striking page 14, line 17 through page 15,  
16 line 12 and inserting the following:  
17 “2. Within three business days following the  
18 issuance of an order of emergency removal or placement  
19 of an Indian child, the court issuing the order shall  
20 notify the Indian child’s tribe of the emergency  
21 removal or placement by registered mail, return  
22 receipt requested. The notice shall include the court  
23 order, the petition, if applicable, any information  
24 required by this chapter, and a statement informing  
25 the child’s tribe of the tribe’s right to intervene in  
26 the proceeding.
- 27 3. A motion, application, or petition commencing  
28 an emergency or temporary removal under section 232.79  
29 or 232.95 or foster care placement proceeding under  
30 chapter 232 involving an Indian child shall be  
31 accompanied by all of the following:
- 32 a. An affidavit containing the names, tribal  
33 affiliations, and addresses of the Indian child, and  
34 of the child’s parents and Indian custodians.
- 35 b. A specific and detailed account of the  
36 circumstances supporting the removal of the child.
- 37 c. All reports or other documents from each public  
38 or private agency involved with the emergency or  
39 temporary removal that are filed with the court and  
40 upon which any decision may be based. The reports

41 shall include all of the following information, when  
42 available:

- 43 (1) The name of each agency.
- 44 (2) The names of agency administrators and  
45 professionals involved in the removal.
- 46 (3) A description of the emergency justifying the  
47 removal of the child.
- 48 (4) All observations made and actions taken by the  
49 agency.
- 50 (5) The date, time, and place of each such action.

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1 (6) The signatures of all agency personnel  
2 involved.  
3 (7) A statement of the specific actions taken and  
4 to be taken by each involved agency to effectuate the  
5 safe return of the child to the custody of the child's  
6 parent or Indian custodian.”

7 4. Page 26, by striking lines 21 through 31 and  
8 inserting the following:

9 “1. The department of human services, in  
10 consultation with Indian tribes, shall establish  
11 standards and procedures for the department's review  
12 of cases subject to this chapter and methods for  
13 monitoring the department's compliance with provisions  
14 of the federal Indian Child Welfare Act and this  
15 chapter. These standards and procedures and the  
16 monitoring methods shall be integrated into the  
17 department's structure and plan for the federal  
18 government's child and family service review process  
19 and any program improvement plan resulting from that  
20 process.”

21 5. By renumbering as necessary.

## S-3282

1 Amend House File 667, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 74, by inserting after line 22 the  
4 following:

5 “Sec. \_\_\_. MEDICAL ASSISTANCE PROGRAM -- REPAYMENT  
6 OF SENIOR LIVING TRUST FUND FOR FY 2003-2004. If  
7 moneys received from the federal government for the  
8 medical assistance program for the fiscal year  
9 beginning July 1, 2003, and ending June 30, 2004,  
10 exceed the amount anticipated, the excess moneys in an  
11 amount not to exceed the amount appropriated from the  
12 senior living trust fund for the medical assistance  
13 program for the fiscal year beginning July 1, 2003,  
14 which have not otherwise been repaid, shall be  
15 transferred to the senior living trust fund created in

- 16 section 249H.4.”  
 17 2. By renumbering as necessary.

JACK HOLVECK  
 KEITH A. KREIMAN  
 MIKE CONNOLLY  
 JOHN P. KIBBIE  
 EUGENE S. FRAISE  
 MICHAEL E. GRONSTAL  
 AMANDA RAGAN  
 DENNIS H. BLACK  
 JOE BOLKCOM  
 ROGER STEWART  
 HERMAN C. QUIRMBACH  
 THOMAS G. COURTNEY  
 DARYL BEALL  
 WALLY E. HORN  
 ROBERT E. DVORSKY  
 DICK L. DEARDEN  
 DR. JOE SENG  
 WILLIAM A. DOTZLER  
 JACK HATCH  
 STEVEN H. WARNSTADT  
 MATT McCOY

### S-3283

#### HOUSE AMENDMENT TO SENATE FILE 366

- 1 Amend Senate File 366, as passed by the Senate, as  
 2 follows:  
 3 1. Page 3, line 27, by inserting after the word  
 4 “trust” the following: “not”.

### S-3284

- 1 Amend House File 667, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 15, by inserting after line 9, the  
 4 following:  
 5 “Of the funds appropriated in this subsection,  
 6 \$10,000 is transferred to the Iowa department of  
 7 public health for allocation to community mental  
 8 health centers to provide counseling services to  
 9 persons who are members of the national guard and  
 10 reservists activated but as yet not sent to combat  
 11 zones and to the persons’ family members. The  
 12 sessions shall be provided on a first come, first  
 13 served basis and shall be limited to three visits per  
 14 family.”  
 15 2. By renumbering as necessary.

JACK HOLVECK  
 EUGENE S. FRAISE  
 MIKE CONNOLLY  
 MICHAEL E. GRONSTAL  
 KEITH A. KREIMAN  
 AMANDA RAGAN  
 DENNIS H. BLACK  
 ROGER STEWART  
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 THOMAS G. COURTNEY  
 JACK HATCH  
 JOE BOLKCOM  
 WILLIAM A. DOTZLER  
 WALLY E. HORN  
 DICK L. DEARDEN  
 MATT McCOY

**S-3285**

HOUSE AMENDMENT TO  
 SENATE AMENDMENT TO  
 HOUSE FILE 584

- 1 Amend the Senate amendment, H-1337, to House File  
 2 584, as passed by the House, as follows:  
 3 1. Page 1, by inserting after line 2 the  
 4 following:  
 5 “\_\_. Page 1, by inserting before line 1 the  
 6 following:  
 7 “Section 1. NEW SECTION. 321G.23A RECREATIONAL  
 8 RIDING AREA -- LIMITATION OF LIABILITY OF PRIOR  
 9 LANDOWNERS.  
 10 Prior owners of land on which an all-terrain  
 11 vehicle recreational riding area is established,  
 12 maintained, or operated owe no duty of care to keep  
 13 the land safe for entry or use by persons operating an  
 14 all-terrain vehicle or to give any warning of a  
 15 dangerous condition, use, structure, or activity on  
 16 such premises that would make the land unsafe for all-  
 17 terrain vehicle usage.”  
 18 2. Title page, line 1, by striking the words  
 19 “municipal tort”.  
 20 3. By renumbering as necessary.

**S-3286**

1 Amend Senate File 451 as follows:  
2 1. Page 2, line 2, by inserting after the figure  
3 “306.8.” the following: “However, the department  
4 shall place all roads subject to such transfer in a  
5 condition that complies with the “3R’s” guidelines  
6 established by the department prior to such transfer.”

HUBERT M. HOUSER  
PAUL McKINLEY

**S-3287**

1 Amend Senate File 426 as follows:  
2 1. By striking everything after the enacting  
3 clause and inserting the following:  
4 “Section 1. Section 15.333, subsection 1,  
5 unnumbered paragraph 1, Code 2003, is amended to read  
6 as follows:  
7 An eligible business may claim a corporate tax  
8 credit up to a maximum of ten percent of the new  
9 investment which is directly related to new jobs  
10 created by the location or expansion of an eligible  
11 business under the program. Any credit in excess of  
12 the tax liability for the tax year may be credited to  
13 the tax liability for the following seven years or  
14 until depleted, whichever occurs earlier. Subject to  
15 prior approval by the department of economic  
16 development in consultation with the department of  
17 revenue and finance, an eligible business whose  
18 project primarily involves the production of value-  
19 added agricultural products may elect to receive a  
20 refund of all or a portion of an unused tax credit.  
21 For purposes of this section, an eligible business  
22 includes a cooperative described in section 521 of the  
23 Internal Revenue Code which is not required to file an  
24 Iowa corporate income tax return, ~~and whose project~~  
25 ~~primarily involves the production of ethanol.~~ The  
26 refund may be used against a tax liability imposed  
27 under chapter 422, division II, III, or V. If the  
28 business is a partnership, S corporation, limited  
29 liability company, cooperative organized under chapter  
30 501 and filing as a partnership for federal tax  
31 purposes, or estate or trust electing to have the  
32 income taxed directly to the individual, an individual  
33 may claim the tax credit allowed. The amount claimed  
34 by the individual shall be based upon the pro rata  
35 share of the individual’s earnings of the partnership,  
36 S corporation, limited liability company, cooperative  
37 organized under chapter 501 and filing as a  
38 partnership for federal tax purposes, or estate or

39 trust.

40 Sec. 2. Section 15.333, subsection 2, Code 2003,  
41 is amended to read as follows:

42 2. An eligible business whose project primarily  
43 involves the production of value-added agricultural  
44 products, that elects to receive a refund of all or a  
45 portion of an unused tax credit, shall apply to the  
46 department of economic development for tax credit  
47 certificates. An eligible business whose project  
48 primarily involves the production of value-added  
49 agricultural products shall not claim a tax credit  
50 under this section unless a tax credit certificate

Page 2

1 issued by the department of economic development is  
2 attached to the taxpayer's tax return for the tax year  
3 for which the tax credit is claimed. For purposes of  
4 this section, an eligible business includes a  
5 cooperative described in section 521 of the Internal  
6 Revenue Code which is not required to file an Iowa  
7 corporate income tax return, ~~and whose project~~  
8 ~~primarily involves the production of ethanol.~~ For  
9 purposes of this section, an eligible business also  
10 includes a cooperative described in section 521 of the  
11 Internal Revenue Code which is required to file an  
12 Iowa corporate income tax return ~~and whose project~~  
13 ~~primarily involves the production of ethanol.~~ Such  
14 cooperative may elect to transfer all or a portion of  
15 its tax credit to its members. The amount of tax  
16 credit transferred and claimed by a member shall be  
17 based upon the pro rata share of the member's earnings  
18 of the cooperative.

19 A tax credit certificate shall not be valid until  
20 the tax year following the date of the project  
21 completion. A tax credit certificate shall contain  
22 the taxpayer's name, address, tax identification  
23 number, the date of project completion, the amount of  
24 the tax credit, and other information required by the  
25 department of revenue and finance. The department of  
26 economic development shall not issue tax credit  
27 certificates which total more than four million  
28 dollars during a fiscal year. If the department  
29 receives applications for tax credit certificates in  
30 excess of four million dollars, the applicants shall  
31 receive certificates for a prorated amount. The tax  
32 credit certificates shall not be transferred except as  
33 provided in this subsection for a cooperative  
34 described in section 521 of the Internal Revenue Code  
35 which is required to file an Iowa corporate income tax  
36 return ~~and whose project primarily involves the~~  
37 ~~production of ethanol.~~ For a cooperative described in

38 section 521 of the Internal Revenue Code, the  
 39 department of economic development shall require that  
 40 the cooperative submit a list of its members and the  
 41 share of each member’s interest in the cooperative.  
 42 The department shall issue a tax credit certificate to  
 43 each member contained on the submitted list.  
 44 Sec. 3. APPLICABILITY DATE. This Act applies to  
 45 tax years beginning on or after July 1, 2003.”

DR. JOE SENG

**S-3288**

1 Amend Senate File 452 as follows:

2 1. Page 1, by inserting after line 2 the  
 3 following:

4 “STATE BOARD OF REGENTS  
 5 Section 1. There is appropriated from the rebuild  
 6 Iowa infrastructure fund to the state board of regents  
 7 for the fiscal year beginning July 1, 2003, and ending  
 8 June 30, 2004, the following amounts, or so much  
 9 thereof as is necessary, to be used for the purposes  
 10 designated:

- |  |    |          |
|--|----|----------|
| 11 1. For completion of the girls’ dormitory at the      |    |          |
| 12 Iowa school for the deaf:                             |    |          |
| 13 .....   | \$ | 100,000  |
| 14 2. For electrical and plumbing upgrades, repair of    |    |          |
| 15 classrooms and the auditorium, and restoration of the |    |          |
| 16 auditorium at the Iowa braille and sight saving       |    |          |
| 17 school:   |    |          |
| 18 .....   | \$ | 100,000” |

19 2. Page 4, by striking lines 9 through 11 and  
 20 inserting the following:

21 “Of the amount appropriated in this section,  
 22 \$250,000 is allocated to maintain and operate the  
 23 enterprise warehouse technology project and \$65,000 is  
 24 allocated to”.

25 3. Page 12, by striking lines 26 through 33.

26 4. By renumbering, redesignating, and correcting  
 27 internal references as necessary.

LARRY McKIBBEN

**S-3289**

1 Amend Senate File 452 as follows:

2 1. Page 5, by striking lines 14 through 20 and  
 3 inserting the following:

4 “NATIONAL PROGRAM FOR PLAYGROUND SAFETY  
 5 Sec. \_\_\_\_\_. There is appropriated from the rebuild  
 6 Iowa infrastructure fund to the national program for  
 7 playground safety at the university of northern Iowa

8 for the fiscal year beginning July 1, 2003, and ending  
 9 June 30, 2004, the following amount, or so much  
 10 thereof as is necessary, to be used for the purpose  
 11 designated:

12 To administer the Iowa safe surfacing initiative.”.

13 2. Page 5, by striking lines 23 through 26 and  
 14 inserting the following:

15 “No more than 10 percent of the funds appropriated  
 16 in this section shall be used by the national program  
 17 for playground safety for administration of the Iowa  
 18 safe surfacing initiative.

19 The crumb rubber playground tiles for the  
 20 initiative shall be international play equipment  
 21 manufacturers association (IPEMA)-certified to the  
 22 American society for testing and materials (ASTM)  
 23 F1292 standard. The national program for playground  
 24 safety shall give preference for the purchasing of  
 25 such tiles from an IPEMA-certified manufacturing  
 26 operation owned, located, and operated in this state.”

27 3. By renumbering, redesignating, and correcting  
 28 internal references as necessary.

MARK ZIEMAN  
 MARY E. KRAMER  
 STEWART IVERSON, JR.  
 NANCY BOETTGER  
 JEFF ANGELO  
 RON WIECK  
 KEN VEENSTRA  
 STEVE KETTERING  
 JAMES SEYMOUR  
 LARRY McKIBBEN  
 CHARLES W. LARSON, JR.  
 DAVID JOHNSON  
 JOHN PUTNEY  
 NEAL SCHUERER  
 PAUL McKINLEY  
 JULIE HOSCH  
 BRYAN J. SIEVERS  
 E. THURMAN GASKILL  
 RICHARD F. DRAKE  
 DOUG SHULL  
 DONALD B. REDFERN  
 KITTY REHBERG  
 JEFF LAMBERTI

### S-3290

1 Amend the amendment, S-3196, to House File 543, as  
 2 passed by the House, as follows:

3 1. Page 1, by striking lines 5 through 32 and  
 4 inserting the following:

5 ““Sec. \_\_\_\_ NEW SECTION. 514C.21 MANDATED  
6 COVERAGE FOR NEUROBIOLOGICAL DISORDERS AND UNDERLYING  
7 CO-MORBIDITY.

8 1. For purposes of this section, unless the  
9 context otherwise requires:

10 a. “Co-morbidity” means the coexistence of  
11 conditions or diagnosable disorders such as  
12 neurobiological disorders and substance abuse.

13 b. “Neurobiological disorder” means the following:

14 (1) Schizophrenia and other psychotic disorders.

15 (2) Affective disorders.

16 (3) Anxiety disorders.

17 (4) Pervasive developmental disorders.

18 (5) Attention deficit hyperactivity disorder and  
19 related disorders.

20 (6) Disorders identified in childhood and  
21 adolescence.

22 The commissioner, by rule, shall identify the  
23 neurobiological disorders covered by this definition,  
24 consistent with the guidelines provided in the most  
25 recent edition of the American psychiatric  
26 association’s diagnostic and statistical manual of  
27 mental disorders, as such definitions may be amended  
28 from time to time. The commissioner may adopt the  
29 definitions provided in the manual by reference.

30 c. “Rates, terms, and conditions” means any  
31 lifetime or annual payment limits, deductibles,  
32 copayments, coinsurance, and any other cost-sharing  
33 requirements, out-of-pocket limits, visit limitations,  
34 and any other financial component of benefits coverage  
35 that affects the covered individual.

36 d. “Substance abuse” means a pattern of  
37 pathological use of alcohol or a drug that causes  
38 impairment in social or occupational functioning, or  
39 that produces physiological dependency evidenced by  
40 physical tolerance or by physical symptoms when the  
41 alcohol or drug is withdrawn.

42 2. a. Notwithstanding the uniformity of treatment  
43 requirements of section 514C.6, a policy, contract, or  
44 plan providing for third-party payment or prepayment  
45 of health, medical, and surgical expenses shall  
46 provide coverage benefits for treatment for  
47 neurobiological disorders and underlying co-morbidity  
48 based on rates, terms, and conditions that are no more  
49 restrictive than the rates, terms, and conditions for  
50 coverage benefits provided for other health or medical

Page 2

1 conditions under the policy, contract, or plan.

2 b. Any restrictions or limitations with respect to

3 rates, terms, and conditions involving deductibles,

4 copayments, coinsurance, and any other cost-sharing  
5 requirements shall be cumulative for coverage of  
6 treatment for neurobiological disorders and underlying  
7 co-morbidity and other health or medical conditions  
8 under a policy, contract, or plan. A policy,  
9 contract, or plan subject to this section shall not  
10 impose an aggregate lifetime or annual limit on  
11 treatment for neurobiological disorders or underlying  
12 co-morbidity coverage benefits unless the policy,  
13 contract, or plan imposes an aggregate lifetime or  
14 annual limit on substantially all health, medical, or  
15 surgical coverage benefits. A policy, contract, or  
16 plan subject to this section that imposes an aggregate  
17 lifetime or annual limit on substantially all health,  
18 medical, or surgical coverage benefits shall not  
19 impose an aggregate lifetime or annual limit on  
20 treatment for neurobiological disorders or underlying  
21 co-morbidity coverage benefits that is less than the  
22 aggregate lifetime or annual limit imposed on  
23 substantially all health or medical coverage benefits.

24 c. Coverage required under this section shall be  
25 for the treatment of neurobiological disorders and  
26 underlying co-morbidity, for services provided by a  
27 health professional licensed under chapter 147A, 148,  
28 150A, 152, 154B, 154C, or 154D, for services provided  
29 in a hospital, clinic, office, community mental health  
30 center, health care facility, outpatient treatment  
31 facility, residential treatment facility, halfway  
32 house, or similar facility for the provision of health  
33 care services, and for services provided pursuant to  
34 the comprehensive program for treatment for substance  
35 abuse maintained by the department of public health  
36 pursuant to section 125.12 in a hospital licensed  
37 under chapter 135B or a facility licensed under  
38 chapter 125.

39 3. This section applies to the following classes  
40 of third-party payment provider policies, contracts,  
41 or plans delivered, issued for delivery, continued, or  
42 renewed in this state on or after January 1, 2004:

43 a. Individual or group accident and sickness  
44 insurance providing coverage on an expense-incurred  
45 basis.

46 b. An individual or group hospital or medical  
47 service contract issued pursuant to chapter 509, 514,  
48 or 514A.

49 c. A plan established pursuant to chapter 509A for  
50 public employees.

Page 3

1 d. An individual or group health maintenance  
2 organization contract regulated under chapter 514B.

3 e. An individual or group Medicare supplemental  
4 policy, unless coverage pursuant to such policy is  
5 preempted by federal law.

6 f. Any other entity engaged in the business of  
7 insurance, risk transfer, or risk retention, which is  
8 subject to the jurisdiction of the commissioner.

9 g. An organized delivery system licensed by the  
10 director of public health.

11 4. The commissioner shall adopt rules pursuant to  
12 chapter 17A to administer this section.

13 Sec. \_\_\_\_ INSURANCE DIVISION STUDY IN CONJUNCTION  
14 WITH STATE AUDITOR.

15 1. The insurance division of the department of  
16 commerce, in conjunction with the auditor of state,  
17 shall conduct a study of the cost of providing  
18 neurobiological disorder coverage benefits in Iowa.

19 2. The study shall assess at least all of the  
20 following:

21 a. Identification of the costs attributed to  
22 treatment of neurobiological disorders, and to  
23 underlying co-morbidity.

24 b. An estimate of the impact of mandated coverage  
25 on health care coverage benefit costs and  
26 availability.

27 c. Actions taken by the division to ensure that  
28 third-party payors subject to this Act are in  
29 compliance.

30 d. Identification of any segments of the  
31 population of this state that may be excluded from or  
32 have limited access to treatment, including the number  
33 of citizens that may be excluded from or have limited  
34 access to treatment under third-party payor policies  
35 or contracts provided by employers who receive  
36 substantial revenue from public sources.

37 3. The insurance division shall submit a written  
38 report to the general assembly on or before January  
39 30, 2005.

40 Sec. \_\_\_\_ DEPARTMENT OF PUBLIC HEALTH STUDY.

41 1. The department of public health shall conduct a  
42 two-year study of the mental health delivery system in  
43 Iowa, beginning July 1, 2003.

44 2. The study shall include participation by at  
45 least all of the following:

46 a. Representatives of professional health care  
47 groups licensed under chapters 147A, 148, 150A, 152,  
48 154B, 154C, and 154D.

49 b. Representatives of associations or other groups  
50 representing hospitals, clinics, community mental

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1 health centers, community corrections and prison  
2 corrections, health care facilities, outpatient  
3 treatment facilities, and any other facility offering  
4 mental health services.  
5 c. County supervisors, representatives from the  
6 department of human services, judges, mental health  
7 advocates, and other state or county officials  
8 involved in the provision of mental health services.  
9 d. Consumers, family members, and patients.  
10 3. The participants in the study shall assess the  
11 relevant issues facing the mental health delivery  
12 system in Iowa, and shall prepare a report with  
13 recommendations for presentation to the general  
14 assembly no later than November 1, 2005.”  
15 \_\_\_\_\_. Title page, by striking lines 1 through 3 and  
16 inserting the following: “An Act requiring third-  
17 party providers of policies, contracts, or plans that  
18 provide payment or prepayment of health or medical  
19 expenses to provide coverage for neurobiological  
20 disorders and underlying co-morbidity based on rates,  
21 terms, and conditions that are no more restrictive  
22 than the rates, terms, and conditions for other health  
23 or medical conditions under the policy, contract, or  
24 plan, and providing for studies by the insurance  
25 division of the department of commerce, and by the  
26 department of public health.”

MARY A. LUNDBY

### S-3291

1 Amend House File 543, as passed by the House, as  
2 follows:  
3 1. By striking everything after the enacting  
4 clause and inserting the following:  
5 “Section 1. NEW SECTION. 514C.21 MANDATED  
6 COVERAGE FOR NEUROBIOLOGICAL DISORDERS AND UNDERLYING  
7 CO-MORBIDITY.  
8 1. For purposes of this section, unless the  
9 context otherwise requires:  
10 a. “Co-morbidity” means the coexistence of  
11 conditions or diagnosable disorders such as  
12 neurobiological disorders and substance abuse.  
13 b. “Neurobiological disorder” means the following:  
14 (1) Schizophrenia and other psychotic disorders.  
15 (2) Affective disorders.  
16 (3) Anxiety disorders.  
17 (4) Pervasive developmental disorders.  
18 (5) Attention deficit hyperactivity disorder and  
19 related disorders.

20 (6) Disorders identified in childhood and  
21 adolescence.  
22 The commissioner, by rule, shall identify the  
23 neurobiological disorders covered by this definition,  
24 consistent with the guidelines provided in the most  
25 recent edition of the American psychiatric  
26 association's diagnostic and statistical manual of  
27 mental disorders, as such definitions may be amended  
28 from time to time. The commissioner may adopt the  
29 definitions provided in the manual by reference.  
30 c. "Rates, terms, and conditions" means any  
31 lifetime or annual payment limits, deductibles,  
32 copayments, coinsurance, and any other cost-sharing  
33 requirements, out-of-pocket limits, visit limitations,  
34 and any other financial component of benefits coverage  
35 that affects the covered individual.  
36 d. "Substance abuse" means a pattern of  
37 pathological use of alcohol or a drug that causes  
38 impairment in social or occupational functioning, or  
39 that produces physiological dependency evidenced by  
40 physical tolerance or by physical symptoms when the  
41 alcohol or drug is withdrawn.  
42 2. a. Notwithstanding the uniformity of treatment  
43 requirements of section 514C.6, a policy, contract, or  
44 plan providing for third-party payment or prepayment  
45 of health, medical, and surgical expenses shall  
46 provide coverage benefits for treatment for  
47 neurobiological disorders and underlying co-morbidity  
48 based on rates, terms, and conditions that are no more  
49 restrictive than the rates, terms, and conditions for  
50 coverage benefits provided for other health or medical

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1 conditions under the policy, contract, or plan.  
2 b. Any restrictions or limitations with respect to  
3 rates, terms, and conditions involving deductibles,  
4 copayments, coinsurance, and any other cost-sharing  
5 requirements shall be cumulative for coverage of  
6 treatment for neurobiological disorders and underlying  
7 co-morbidity and other health or medical conditions  
8 under a policy, contract, or plan. A policy,  
9 contract, or plan subject to this section shall not  
10 impose an aggregate lifetime or annual limit on  
11 treatment for neurobiological disorders or underlying  
12 co-morbidity coverage benefits unless the policy,  
13 contract, or plan imposes an aggregate lifetime or  
14 annual limit on substantially all health, medical, or  
15 surgical coverage benefits. A policy, contract, or  
16 plan subject to this section that imposes an aggregate  
17 lifetime or annual limit on substantially all health,  
18 medical, or surgical coverage benefits shall not

19 impose an aggregate lifetime or annual limit on  
20 treatment for neurobiological disorders or underlying  
21 co-morbidity coverage benefits that is less than the  
22 aggregate lifetime or annual limit imposed on  
23 substantially all health or medical coverage benefits.  
24 c. Coverage required under this section shall be  
25 for the treatment of neurobiological disorders and  
26 underlying co-morbidity, for services provided by a  
27 health professional licensed under chapter 147A, 148,  
28 150A, 152, 154B, 154C, or 154D, for services provided  
29 in a hospital, clinic, office, community mental health  
30 center, health care facility, outpatient treatment  
31 facility, residential treatment facility, halfway  
32 house, or similar facility for the provision of health  
33 care services, and for services provided pursuant to  
34 the comprehensive program for treatment for substance  
35 abuse maintained by the department of public health  
36 pursuant to section 125.12 in a hospital licensed  
37 under chapter 135B or a facility licensed under  
38 chapter 125.  
39 3. This section applies to the following classes  
40 of third-party payment provider policies, contracts,  
41 or plans delivered, issued for delivery, continued, or  
42 renewed in this state on or after January 1, 2004:  
43 a. Individual or group accident and sickness  
44 insurance providing coverage on an expense-incurred  
45 basis.  
46 b. An individual or group hospital or medical  
47 service contract issued pursuant to chapter 509, 514,  
48 or 514A.  
49 c. A plan established pursuant to chapter 509A for  
50 public employees.

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1 d. An individual or group health maintenance  
2 organization contract regulated under chapter 514B.  
3 e. An individual or group Medicare supplemental  
4 policy, unless coverage pursuant to such policy is  
5 preempted by federal law.  
6 f. Any other entity engaged in the business of  
7 insurance, risk transfer, or risk retention, which is  
8 subject to the jurisdiction of the commissioner.  
9 g. An organized delivery system licensed by the  
10 director of public health.  
11 4. The commissioner shall adopt rules pursuant to  
12 chapter 17A to administer this section.  
13 Sec. 2. INSURANCE DIVISION STUDY IN CONJUNCTION  
14 WITH STATE AUDITOR.  
15 1. The insurance division of the department of  
16 commerce, in conjunction with the auditor of state,  
17 shall conduct a study of the cost of providing

18 neurobiological disorder coverage benefits in Iowa.

19 2. The study shall assess at least all of the  
20 following:

21 a. Identification of the costs attributed to  
22 treatment of neurobiological disorders, and to  
23 underlying co-morbidity.

24 b. An estimate of the impact of mandated coverage  
25 on health care coverage benefit costs and  
26 availability.

27 c. Actions taken by the division to ensure that  
28 third-party payors subject to this Act are in  
29 compliance.

30 d. Identification of any segments of the  
31 population of this state that may be excluded from or  
32 have limited access to treatment, including the number  
33 of citizens that may be excluded from or have limited  
34 access to treatment under third-party payor policies  
35 or contracts provided by employers who receive  
36 substantial revenue from public sources.

37 3. The insurance division shall submit a written  
38 report to the general assembly on or before January  
39 30, 2005.

40 Sec. 3. DEPARTMENT OF PUBLIC HEALTH STUDY.

41 1. The department of public health shall conduct a  
42 two-year study of the mental health delivery system in  
43 Iowa, beginning July 1, 2003.

44 2. The study shall include participation by at  
45 least all of the following:

46 a. Representatives of professional health care  
47 groups licensed under chapters 147A, 148, 150A, 152,  
48 154B, 154C, and 154D.

49 b. Representatives of associations or other groups  
50 representing hospitals, clinics, community mental

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1 health centers, community corrections and prison  
2 corrections, health care facilities, outpatient  
3 treatment facilities, and any other facility offering  
4 mental health services.

5 c. County supervisors, representatives from the  
6 department of human services, judges, mental health  
7 advocates, and other state or county officials  
8 involved in the provision of mental health services.

9 d. Consumers, family members, and patients.

10 3. The participants in the study shall assess the  
11 relevant issues facing the mental health delivery  
12 system in Iowa, and shall prepare a report with  
13 recommendations for presentation to the general  
14 assembly no later than November 1, 2005.”

15 2. Title page, by striking lines 1 through 3, and  
16 inserting the following:

17 “An Act requiring third-party providers of  
 18 policies, contracts, or plans that provide payment or  
 19 prepayment of health or medical expenses to provide  
 20 coverage for neurobiological disorders and underlying  
 21 co-morbidity based on rates, terms, and conditions  
 22 that are no more restrictive than the rates, terms,  
 23 and conditions for other health or medical conditions  
 24 under the policy, contract, or plan, and providing for  
 25 studies by the insurance division of the department of  
 26 commerce, and by the department of public health.”  
 27 3. By renumbering, redesignating, and correcting  
 28 internal references as necessary.

MARY A. LUNDBY

**S-3292**

1 Amend Senate File 452 as follows:  
 2 1. Page 5, by striking lines 14 through 26.  
 3 2. By renumbering, redesignating, and correcting  
 4 internal references as necessary.

MARK ZIEMAN  
 JEFF LAMBERTI

**S-3293**

1 Amend Senate File 451 as follows:  
 2 1. Page 1, line 34, by inserting after the word  
 3 “roads” the following: “, except the portion of state  
 4 highway 16 located between United States highway 218  
 5 and United States highway 61,”.

EUGENE S. FRAISE

**S-3294**

1 Amend Senate File 449 as follows:  
 2 1. Page 2, line 15, by inserting after the figure  
 3 “1.” the following: “a.”  
 4 2. Page 2, by inserting after line 21 the  
 5 following:  
 6 “b. The disallowance of the tax credit pursuant to  
 7 paragraph “a” does not apply to an owner of a  
 8 qualified facility that owns, directly or indirectly,  
 9 in the aggregate, a total annual turbine nameplate  
 10 capacity of all such property of less than one  
 11 megawatt.”

DARYL BEALL  
 JOHN P. KIBBIE  
 JOE BOLKCOM  
 JACK HATCH  
 BRYAN J. SIEVERS

S-3295

1 Amend Senate File 452 as follows:  
2 1. Page 3, line 17, by striking the figure  
3 “5,000,000” and inserting the following: “4,750,000”.  
4 2. Page 3, line 28, by striking the figure  
5 “1,029,237” and inserting the following: “729,237”.  
6 3. Page 3, by inserting after line 28 the  
7 following:  
8 “The move and relocation associated with renovation  
9 of the records and property building shall not  
10 commence until April 1, 2004.”  
11 4. Page 3, by inserting after line 33 the  
12 following:  
13 “\_\_\_ . To provide matching funds for construction  
14 of the medical and education building for a child  
15 treatment center located in a county with a population  
16 between 189,000 and 196,000:  
17 ..... \$ 250,000  
18 \_\_\_ . For construction and display of permanent  
19 exhibits for the statewide African-American museum  
20 located in Linn county, notwithstanding section 8.57,  
21 subsection 5, paragraph “c”:  
22 ..... \$ 300,000”  
23 5. By renumbering, redesignating, and correcting  
24 internal references as necessary.

MARY A. LUNDBY  
ROBERT E. DVORSKY  
WALLY E. HORN  
CHARLES W. LARSON, JR.

S-3296

1 Amend Senate File 452 as follows:  
2 1. Page 5, line 9, by striking the word “amount”  
3 and inserting the following: “amounts”.  
4 2. Page 5, line 10, by striking the word  
5 “purpose” and inserting the following: “purposes”.  
6 3. Page 5, line 11, by inserting before the word  
7 “For” the following: “1.”  
8 4. Page 5, line 13, by striking the figure  
9 “850,000” and inserting the following: “800,000”.  
10 5. Page 5, by inserting after line 13 the  
11 following:  
12 “2. To the division of fire safety of the  
13 department for allocation to the fire service training  
14 bureau for the planning, design, and construction of  
15 regional training facilities in the state:  
16 ..... \$ 50,000”  
17 6. By renumbering as necessary.

MIKE CONNOLLY

**S-3297**

1 Amend the amendment, S-3289, to Senate File 452 as  
2 follows:  
3 1. Page 1, by striking lines 2 through 26 and  
4 inserting the following:  
5 “\_\_\_ Page 5, by striking lines 14 through 26.  
6 \_\_\_ Page 5, line 34, by inserting before the  
7 word “For” the following: “1.”  
8 \_\_\_ Page 6, by inserting after line 4 the  
9 following:  
10 “2. For acquiring, constructing, and improving  
11 recreational trails within the state:  
12 ..... \$ 1,263,000.”

WILLIAM A. DOTZLER

**S-3298**

1 Amend the amendment, S-3292, to Senate File 452 as  
2 follows:  
3 1. Page 1, by inserting after line 2 the  
4 following:  
5 “\_\_\_ Page 5, line 34, by inserting before the  
6 word “For” the following: “1.”  
7 \_\_\_ Page 6, by inserting after line 4 the  
8 following:  
9 “2. For acquiring, constructing, and improving  
10 recreational trails within the state:  
11 ..... \$ 1,263,000”

WILLIAM A. DOTZLER

**S-3299**

1 Amend Senate File 451 as follows:  
2 1. Page 5, by inserting after line 13 the  
3 following:  
4 “Sec. \_\_\_. FUTURE CONTINGENT REPEAL OF PRIMARY  
5 ROAD TRANSFER PROVISIONS. Sections 3, 4, and 8 of  
6 this Act, and section 312.3, subsection 2, paragraph  
7 “c”, as enacted in this Act, are repealed effective  
8 July 1, 2008, if the total revenues deposited in the  
9 road use tax fund for the fiscal year beginning July  
10 1, 2007, equal or exceed the total revenues deposited  
11 in the road use tax fund for the fiscal year beginning  
12 July 1, 2000. The treasurer of state shall notify the  
13 Code editor at the end of the fiscal year beginning  
14 July 1, 2007, regarding the total revenues deposited  
15 in the road use tax fund for that fiscal year.”  
16 2. By renumbering as necessary.

KEITH A. KREIMAN

**S-3300**

1 Amend Senate File 448 as follows:

2 1. Page 1, by inserting before line 1 the

3 following:

4 “Section 1. Section 321J.2, subsection 2,  
5 paragraph a, subparagraph (1), Code 2003, is amended  
6 to read as follows:

7 (1) Imprisonment in the county jail for not less  
8 than forty-eight hours, to be served as ordered by the  
9 court, less credit for any time the person was  
10 confined in a jail or detention facility following  
11 arrest ~~or for any time the person spent in a court-~~  
12 ~~ordered operating-while-intoxicated program that~~  
13 ~~provides law enforcement security.~~ However, the  
14 court, in ordering service of the sentence and in its  
15 discretion, may accommodate the defendant’s work  
16 schedule.

17 Sec. 2. NEW SECTION. 811.2A PRETRIAL RELEASE.

18 A person who has been arrested and is released  
19 pursuant to pretrial release guidelines and who is  
20 subsequently rearrested for an offense greater than a  
21 serious misdemeanor while under a plan of pretrial  
22 release shall not be eligible for another release  
23 pursuant to pretrial release guidelines. However, the  
24 person may be admitted to bail if eligible pursuant to  
25 section 811.1.”

26 2. Page 5, by inserting after line 7 the

27 following:

28 “Sec. \_\_\_\_ NEW SECTION. 904.117 INTERSTATE  
29 COMPACT FUND.

30 An interstate compact fund is established under the  
31 control of the department. All interstate compact  
32 fees collected by the department pursuant to section  
33 907B.5 shall be deposited into the fund and the moneys  
34 shall be used by the department to offset the costs of  
35 complying with the interstate compact for adult  
36 offender supervision in chapter 907B. Notwithstanding  
37 section 8.33, moneys remaining in the fund at the end  
38 of a fiscal year shall not revert to the general fund  
39 of the state. Notwithstanding section 12C.7, interest  
40 and earnings deposited in the fund shall be credited  
41 to the fund.”

42 3. Page 8, by inserting after line 29 the

43 following:

44 “Sec. \_\_\_\_ Section 907.4, Code 2003, is amended to  
45 read as follows:

46 907.4 DEFERRED JUDGMENT DOCKET.

47 A deferment of judgment under section 907.3 shall  
48 be reported promptly by the clerk of the district  
49 court, or the clerk’s designee, to the state court  
50 administrator for entry in the deferred judgment

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1 docket. The docket shall contain a permanent record  
2 of the deferred judgment including the name and date  
3 of birth of the defendant, the district court docket  
4 number, the nature of the offense, and the date of the  
5 deferred judgment. Before granting deferred judgment  
6 in any case, the court shall request of the state  
7 court administrator a search of the deferred judgment  
8 docket and shall consider any prior record of a  
9 deferred judgment against the defendant. The  
10 permanent record provided for in this section is a  
11 confidential record exempted from public access under  
12 section 22.7 and shall be available only to justices  
13 of the supreme court, judges of the court of appeals,  
14 district judges, district associate judges, judicial  
15 magistrates, clerks of the district court, judicial  
16 district departments of correctional services, and  
17 county attorneys requesting information pursuant to  
18 this section, or the designee of a justice, judge,  
19 magistrate, clerk, judicial district department of  
20 correctional services, or county attorney.”

21 4. Page 9, by inserting after line 26, the  
22 following:

23 “Sec. \_\_\_\_ NEW SECTION. 907B.4 CRIMINAL  
24 OFFENSES.

25 1. A person on parole, probation, or who is under  
26 any other form of correctional supervision in another  
27 compacting state, shall not reside or remain in this  
28 state for a period greater than three days in  
29 violation of the terms or rules of the interstate  
30 compact for adult offender supervision.

31 2. A person accepted by this state under the  
32 interstate compact for adult offender supervision  
33 shall provide a current address to and register with  
34 the judicial district department of correctional  
35 services in which the person resides. If a person  
36 changes residences, the person shall notify the  
37 person’s probation or parole officer within three days  
38 of changing residences.

39 3. A person accepted by this state under the  
40 interstate compact for adult offender supervision  
41 shall not violate the terms and conditions of  
42 supervision set by the judicial district department of  
43 correctional services supervising the person.

44 4. A person shall not knowingly provide materially  
45 false information during an investigation to determine  
46 the appropriateness of placement or acceptance under  
47 the interstate compact for adult offender supervision.

48 5. A person who violates this section commits a  
49 serious misdemeanor.

50 Sec. \_\_\_\_ NEW SECTION. 907B.5 INTERSTATE COMPACT

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1 FEE.

2 The department of corrections may assess a fee, not  
3 to exceed one hundred dollars, for an application to  
4 transfer out of the state under the interstate compact  
5 for adult offender supervision. The fee may be waived  
6 by the department. The moneys collected pursuant to  
7 this section shall be deposited into the interstate  
8 compact fund established in section 904.117 and shall  
9 be used to offset the costs of complying with the  
10 interstate compact for adult offender supervision.

11 Sec. \_\_\_\_ Section 910.3B, Code 2003, is amended to  
12 read as follows:

13 910.3B RESTITUTION FOR DEATH OF VICTIM.

14 1. In all criminal cases in which the offender is  
15 convicted of a felony in which the act or acts  
16 committed by the offender caused the death of another  
17 person, in addition to the amount determined to be  
18 payable and ordered to be paid to a victim for  
19 pecuniary damages, as defined under section 910.1, and  
20 determined under section 910.3, the court shall also  
21 order the offender to pay at least one hundred fifty  
22 thousand dollars in restitution to the victim's estate  
23 if the victim died testate. If the victim died  
24 intestate the court shall order the offender to pay  
25 the restitution to the victim's heirs at law as  
26 determined pursuant to section 633.210. The  
27 obligation to pay the additional amount shall not be  
28 dischargeable in any proceeding under the federal  
29 Bankruptcy Act. Payment of the additional amount  
30 shall have the same priority as payment of a victim's  
31 pecuniary damages under section 910.2, in the  
32 offender's plan for restitution.

33 2. An award under this section does not preclude  
34 or supersede the right of a victim's estate or heirs  
35 at law to bring a civil action against the offender  
36 for damages arising out of the same facts or event.  
37 However, no evidence relating to the entry of the  
38 judgment against the offender pursuant to this section  
39 or the amount of the award ordered pursuant to this  
40 section shall be permitted to be introduced in any  
41 civil action for damages arising out of the same facts  
42 or event.

43 3. An offender who is ordered to pay a victim's  
44 estate or heirs at law under this section is precluded  
45 from denying the elements of the felony offense which  
46 resulted in the order for payment in any subsequent  
47 civil action for damages arising out of the same facts  
48 or event.

49 Sec. \_\_\_\_ Section 915.100, subsection 2, paragraph  
50 c, Code 2003, is amended to read as follows:

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1 c. In cases where the act committed by an offender  
2 causes the death of another person, in addition to the  
3 amount ordered for payment of the victim's pecuniary  
4 damages, the court shall also order the offender to  
5 pay at least one hundred fifty thousand dollars in  
6 restitution to the victim's estate or heirs at law,  
7 pursuant to the provisions of section 910.3B."

8 5. Title page, line 1, by striking the words "the  
9 department of corrections and its duties" and  
10 inserting the following: "criminal offenders and  
11 inmates".

12 6. Title page, line 2, by striking the word  
13 "regarding" and inserting the following: "including  
14 credit for time served by operating-while-intoxicated  
15 offenders, pretrial release guidelines,".

16 7. Title page, lines 6 and 7, by striking the  
17 words "and payment of supervision fees." and inserting  
18 the following: ", expansion of the accessibility of  
19 the deferred judgment docket, payment of supervision  
20 fees, payment of restitution, creating criminal  
21 offenses for persons under the interstate compact for  
22 adult offender supervision, creating a fund, providing  
23 for a fee, and providing penalties."

24 8. By renumbering as necessary.

CHARLES W. LARSON, JR.  
ROBERT E. DVORSKY  
KEITH A. KREIMAN

## S-3301

### HOUSE AMENDMENT TO SENATE FILE 422

1 Amend Senate File 422, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking lines 1 through 9.

4 2. Page 2, by inserting after line 12, the  
5 following:

6 "Sec. \_\_\_\_ NEW SECTION. 321J.2C PERSONS FOUND  
7 NOT GUILTY.

8 1. Notwithstanding any other provision of this  
9 chapter to the contrary, if any prosecution for a  
10 violation of section 321J.2 or 321J.2A does not result  
11 in a conviction, and the defendant's driver's license  
12 or nonresident operating privilege has been revoked  
13 under section 321J.12 for the occurrence from which  
14 the arrest arose, the department shall, upon receipt  
15 of the court order finding the defendant not guilty,  
16 immediately rescind the revocation order and reinstate

17 the defendant's license.

18 2. Notwithstanding section 321.12 or any other  
19 provision of chapter 321 or 321J to the contrary, the  
20 director shall immediately destroy any operating  
21 records pertaining to a revocation under section  
22 321J.12 for the occurrence from which an arrest arose  
23 when the defendant was subsequently prosecuted and  
24 found not guilty upon receipt of the court order  
25 finding the defendant not guilty."

26 3. By striking page 2, line 13, through page 6,  
27 line 3.

28 4. Page 6, line 10, by striking the words "prior  
29 to the effective date of this Act,".

30 5. Page 6, line 24, by striking the word "Upon"  
31 and inserting the following: "Notwithstanding section  
32 902.12, upon".

33 6. Page 6, lines 26 and 27, by striking the words  
34 "in the same manner as a defendant serving a sentence  
35 under section 902.12".

36 7. Page 6, line 31, by inserting after the word  
37 "order" the following: ", and the reopening of the  
38 sentence does not change the manner in which earned  
39 time is calculated pursuant to section 903A.2".

40 8. Page 7, by striking lines 1 through 31.

41 9. Page 8, by striking lines 15 through 34.

42 10. Page 9, by inserting before line 15, the  
43 following:

44 "Sec. \_\_\_\_ Section 915.14, Code 2003, is amended  
45 to read as follows:

46 915.14 NOTIFICATION BY CLERK OF THE DISTRICT  
47 COURT.

48 The clerk of the district court shall notify a  
49 registered victim of all dispositional orders of the  
50 case in which the victim was involved and may advise

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1 the victim of any other orders regarding custody or  
2 confinement. If a motion to reopen the sentence has  
3 been filed pursuant to section 901.5B, the clerk of  
4 the district court shall notify a registered victim of  
5 the case in which the victim was involved. The notice  
6 shall include the scheduled date, time, and place of  
7 the hearing, and the clerk shall notify the victim of  
8 a cancellation or postponement of any hearing  
9 regarding the motion to reopen."

10 11. Page 9, by striking line 15, and inserting  
11 the following:

12 "Sec. \_\_\_\_ Section 902.3A, Code 2003, is".

13 12. Page 9, by striking lines 17 through 22.

14 13. Title page, line 1, by inserting before the  
15 word "procedure" the following: "administrative".

- 16 14. Title page, by striking lines 3 through 10  
 17 and inserting the following: “controlled substances  
 18 by permitting the reopening of certain sentences, by  
 19 reinstating a driver’s license upon a finding of not  
 20 guilty in an operating-while-intoxicated offense, and  
 21 repealing certain determinate sentences.”  
 22 15. By renumbering as necessary.

**S-3302**

- 1 Amend Senate File 449 as follows:  
 2 1. Page 5, line 17, by inserting after the word  
 3 “return.” the following: “A tax credit certificate  
 4 shall not be used or attached to a return filed prior  
 5 to July 1, 2005.”

BRYAN J. SIEVERS

**S-3303**

- 1 Amend Senate File 449 as follows:  
 2 1. Page 1, line 35, by striking the figure “2009”  
 3 and inserting the following: “2007”.

DOUG SHULL

**S-3304**

- 1 Amend Senate File 444 as follows:  
 2 1. Page 1, line 11, by inserting after the word  
 3 “prairie” the following: “that has been restored or  
 4 reestablished”.  
 5 2. Page 2, line 13, by inserting after the word  
 6 “prairie” the following: “that has been restored or  
 7 reestablished”.  
 8 3. Page 2, line 31, by inserting after the word  
 9 “prairie” the following: “that has been restored or  
 10 reestablished and”.  
 11 4. Page 3, line 10, by striking the words “after  
 12 the property” and inserting the following: “. in the  
 13 case of a wildlife habitat that has been restored or  
 14 reestablished.”.  
 15 5. Page 3, line 24, by inserting after the word  
 16 “property” the following: “is a restored or  
 17 reestablished wildlife habitat and”.

WILLIAM A. DOTZLER  
DENNIS H. BLACK  
JULIE HOSCH

**S-3305**

- 1 Amend House File 455, as passed by the House, as  
2 follows:  
3 1. Page 1, by striking lines 6 through 10, and  
4 inserting the following: “likely to have been  
5 incurred in connection with arson or the manufacture  
6 of methamphetamine or to”.

HERMAN C. QUIRMBACH

**S-3306**

- 1 Amend Senate File 453 as follows:  
2 1. Page 5, line 31, by inserting after the figure  
3 “80B.11E” the following: “ACADEMY”.  
4 2. Page 6, line 1, by inserting after the word  
5 “expense” the following: “if such individual is  
6 sponsored by a law enforcement agency that either  
7 intends to hire or has hired the individual as a law  
8 enforcement officer”.  
9 3. By renumbering as necessary.

JOHN PUTNEY

**S-3307**

- 1 Amend Senate File 453 as follows:  
2 1. Page 5, line 31, by inserting after the figure  
3 “80B.11E” the following: “ACADEMY”.  
4 2. Page 6, line 1, by inserting after the word  
5 “expense” the following: “if such individual is  
6 sponsored by a law enforcement agency”.  
7 3. By renumbering as necessary.

JOHN PUTNEY  
KEITH A. KREIMAN**S-3308**

- 1 Amend Senate File 453 as follows:  
2 1. Page 4, by striking lines 7 through 15 and  
3 inserting the following:  
4 “Sec. \_\_\_\_ CONTINGENT UNIFORM REDUCTION,  
5 APPROPRIATION LIMITATIONS, AND EFFECTIVE DATES.  
6 1. If the governor approves of this section and  
7 the remainder of this division of this Act in their  
8 entirety, the governor shall order reductions in the  
9 allotments of the appropriations made from the general  
10 fund of the state for the fiscal year beginning July  
11 1, 2003, and ending June 30, 2004, in an amount equal  
12 to \$35,000,000. The reductions in the appropriations

13 shall be applied uniformly as provided in section 8.31  
14 except that the governor may wholly exempt specific  
15 appropriations which shall be identified by the  
16 governor in the governor's order.

17 2. If the governor approves of this section and  
18 the remainder of this division of this Act in their  
19 entirety, notwithstanding the standing appropriations  
20 in the following designated sections for the fiscal  
21 year beginning July 1, 2003, and ending June 30, 2004,  
22 the amounts appropriated from the general fund of the  
23 state pursuant to those sections for the designated  
24 purposes shall not exceed the following amounts:

- 25 a. For the personal property tax replacement  
26 program under section 405A.8:  
27 ..... \$ 30,000,000
- 28 b. For the payment of franchise tax allocations to  
29 cities and counties under section 405A.10:  
30 ..... \$ 5,000,000

31 3. If the governor approves of this section and  
32 the remainder of this division of this Act in their  
33 entirety, the provisions of this division of this Act  
34 other than this section, the section amending section  
35 427B.19C, the section of this Act that voids the  
36 revaluation of machinery, equipment, and computers,  
37 and the immediate effective date section, shall take  
38 effect July 1, 2004.”

DAVID MILLER  
BOB BRUNKHORST

**S-3309**

1 Amend House File 654, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 1, by striking lines 13 and 14 and  
4 inserting the following: “shall be limited to six  
5 hundred thousand dollars in the aggregate and shall  
6 not be allowed unless refund claims are filed prior to  
7 October 1, 2003, notwithstanding any other provision  
8 of law. If the amount of claims totals more than six  
9 hundred thousand dollars in the aggregate, the  
10 department of revenue and finance shall prorate the  
11 six hundred thousand dollars among all claimants in  
12 relation to the amounts of the claimants' valid  
13 claims. However, notwithstanding any other provision  
14 of law, each valid refund claim shall be paid by the  
15 department of revenue and finance in five equal  
16 installments, or as equal as possible, over five  
17 fiscal years beginning with the fiscal year beginning  
18 July 1, 2003. Claimants shall not be entitled to  
19 interest on any installments.”

DAVID MILLER  
EUGENE S. FRAISE  
THOMAS G. COURTNEY  
MIKE CONNOLLY  
WILLIAM A. DOTZLER

**S-3310**

1 Amend House File 595, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 4, line 35, by striking the word “three”  
4 and inserting the following: “two”.  
5 2. By striking page 6, line 5, through page 7,  
6 line 4, and inserting the following:  
7 “If a city fails to provide municipal services to  
8 territory involuntarily annexed, according to the plan  
9 filed pursuant to section 368.11, subsection 14,  
10 within ~~three~~ two years after city taxes are imposed in  
11 the annexed territory, the city development board  
12 shall initiate proceedings to sever the annexed  
13 territory from the city. ~~However, a city may appeal~~  
14 ~~to the board for an additional three years to provide~~  
15 ~~municipal services if good cause is shown.~~ A petition  
16 for severance filed pursuant to this section shall be  
17 filed and acted upon in the same manner as a petition  
18 under section 368.11. For purposes of this section,  
19 “municipal services” means services selected by a  
20 landowner to be provided by the city, including, but  
21 not limited to, water supply, sewage disposal, street  
22 and road maintenance, and police and fire protection,  
23 if the provision of such services is within the legal  
24 authority of the annexing city and if such services  
25 are being provided to other residents of the city.”

RON WIECK

**S-3311**

1 Amend Senate File 453 as follows:  
2 1. Page 30, by striking line 13 and inserting the  
3 following: “fiscal year beginning July 1, 2004, and  
4 ending June 30, 2005.”  
5 2. Page 31, by striking lines 8 through 28 and  
6 inserting the following:  
7 “9. REDESIGN SAVINGS. Any expenditure savings  
8 realized through the service system redesign  
9 activities shall be reinvested in the child welfare  
10 service system.”

JACK HATCH  
ROBERT E. DVORSKY  
AMANDA RAGAN

KEITH A. KREIMAN  
 JACK HOLVECK  
 MICHAEL E. GRONSTAL  
 MATT McCOY  
 JOHN P. KIBBIE  
 MIKE CONNOLLY  
 THOMAS G. COURTNEY  
 ROGER STEWART  
 DARYL BEALL  
 HERMAN C. QUIRMBACH  
 STEVEN H. WARNSTADT  
 JOE BOLKCOM  
 WILLIAM A. DOTZLER  
 DR. JOE SENG  
 WALLY E. HORN

**S-3312**

- 1 Amend Senate File 453 as follows:  
 2 1. Page 19, line 3, by striking the words  
 3 “STATUTORY AND”.  
 4 2. Page 19, line 5, by striking the words  
 5 “regulatory statute or”.  
 6 3. Page 19, line 6, by striking the words  
 7 “statute or”.  
 8 4. Page 19, line 11, by striking the words  
 9 “regulatory statute or”.  
 10 5. Page 19, line 13, by striking the words  
 11 “statute or”.  
 12 6. Page 19, line 16, by striking the words  
 13 “statute or”.  
 14 7. Page 19, line 19, by striking the words  
 15 “statute or”.  
 16 8. Page 19, line 23, by striking the words  
 17 “statute or”.  
 18 9. Page 19, line 26, by inserting after the words  
 19 “a violation of” the following: “state or”.  
 20 10. Page 19, line 31, by striking the words  
 21 “statute or”.  
 22 11. Page 21, line 12, by striking the words “or  
 23 regulatory statute”.

JACK HATCH  
 ROBERT E. DVORSKY  
 AMANDA RAGAN  
 KEITH A. KREIMAN  
 JACK HOLVECK  
 JOHN P. KIBBIE  
 MATT McCOY  
 THOMAS G. COURTNEY  
 WALLY E. HORN  
 MICHAEL E. GRONSTAL

MIKE CONNOLLY  
ROGER STEWART  
DARYL BEALL  
HERMAN C. QUIRMBACH  
STEVEN H. WARNSTADT  
JOE BOLKCOM  
WILLIAM A. DOTZLER  
DR. JOE SENG

**S-3313**

1 Amend Senate File 434 as follows:  
2 1. Page 1, by inserting before line 1 the  
3 following:  
4 "Section 1. Section 29A.28, Code 2003, is amended  
5 to read as follows:  
6 29A.28 LEAVE OF ABSENCE OF CIVIL EMPLOYEES.  
7 1. All officers and employees of the state, or a  
8 subdivision thereof, or a municipality other than  
9 employees employed temporarily for six months or less,  
10 who are members of the national guard, organized  
11 reserves or any component part of the military, naval,  
12 or air forces or nurse corps of this state or nation,  
13 or who are or may be otherwise inducted into the  
14 military service of this state or of the United  
15 States, shall, when ordered by proper authority to  
16 state active duty, active state service or federal  
17 service, be entitled to a leave of absence from such  
18 civil employment for the period of state active duty,  
19 active state service, or federal service, without loss  
20 of status or efficiency rating, and without loss of  
21 pay during the first thirty days of such leave of  
22 absence. ~~Where state active duty, active state~~  
23 ~~service, or federal service is for a period less than~~  
24 ~~thirty days, a leave of absence under this section~~  
25 ~~shall only be required for those days that the civil~~  
26 ~~employee would normally perform services for the~~  
27 ~~state, subdivision of the state, or a municipality.~~  
28 2. ~~The proper appointing authority may make a~~  
29 ~~temporary appointment to A state agency, subdivision~~  
30 ~~of the state, or municipality may hire a temporary~~  
31 ~~employee to fill any vacancy created by such leave of~~  
32 ~~absence. Temporary employees hired to fill a vacancy~~  
33 ~~created by a leave of absence under this section shall~~  
34 ~~not count against the number of full-time equivalent~~  
35 ~~positions authorized for the state agency, subdivision~~  
36 ~~of the state, or municipality.~~  
37 3. ~~Upon returning from a leave of absence under~~  
38 ~~this section, an employee shall be entitled to return~~  
39 ~~to the same position and classification held by the~~  
40 ~~employee at the time of entry into state active duty,~~  
41 ~~active state service, or federal service or to the~~

42 position and classification that the employee would  
 43 have been entitled to if the continuous civil service  
 44 of the employee had not been interrupted by state  
 45 active duty, active state service, or federal service.  
 46 Under this subsection, “position” includes the  
 47 geographical location of the position.”  
 48 2 Page 1, line 8, by striking the words “This  
 49 Act,” and inserting the following:  
 50 “1. The section of this Act, amending section

Page 2

1 29A.28, being deemed of immediate importance, takes  
 2 effect upon enactment and applies retroactively to  
 3 January 1, 2003.  
 4 2. The section of this Act amending section  
 5 422.7.”.

STEVEN H. WARNSTADT

### S-3314

1 Amend House File 455, as passed by the House, as  
 2 follows:  
 3 1. Page 1, line 9, by striking the word “which”  
 4 and inserting the following: “if any of these burns”.

HERMAN C. QUIRMBACH

### S-3315

#### HOUSE AMENDMENT TO SENATE FILE 368

1 Amend Senate File 368, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 1, by striking lines 1 through 15.  
 4 2. Page 3, by striking lines 17 and 18 and  
 5 inserting the following: “used only for consumer  
 6 education programs administered by the board.”  
 7 3. Page 4, by striking lines 4 through 31 and  
 8 inserting the following: “the following new  
 9 subsection:  
 10 NEW SUBSECTION. 12. a. The Iowa broadband  
 11 initiative is”.  
 12 4. Page 5, line 24, by striking the word and  
 13 figure “section 476.97.”.  
 14 5. Page 6, by inserting after line 23 the  
 15 following:  
 16 “( ) By choosing to participate in the Iowa  
 17 broadband initiative, the participating carrier agrees  
 18 to make available to other carriers, on both a

19 wholesale and an unbundled basis, the services and  
 20 facilities that result from implementation of the  
 21 participating carrier’s plan. The wholesale rates and  
 22 unbundled rates shall be set by the board, which shall  
 23 consider, among other factors, the extent to which the  
 24 service or facility was financed by the revenues  
 25 generated by the rate increase allowed under this  
 26 paragraph “c”.”

27 6. Page 7, by inserting after line 6 the  
 28 following:

29 “Sec. \_\_\_\_ NEW SECTION. 476.105 SEVERABILITY.

30 If any provision of this chapter or its application  
 31 to any person or circumstance is held invalid or  
 32 otherwise rendered ineffective by any entity, the  
 33 invalidity or ineffectiveness shall not affect other  
 34 provisions or applications of this chapter that can be  
 35 given effect without the invalid or ineffective  
 36 provision or application, and to this end the  
 37 provisions of this chapter are severable.”

38 7. Page 7, by striking lines 7 through 29.

39 8. Title page, by striking lines 2 through 4 and  
 40 inserting the following: “including rate provisions.”

41 9. By renumbering, redesignating, and correcting  
 42 internal references as necessary.

**S-3316**

1 Amend Senate File 453 as follows:

2 1. Page 37, by inserting after line 5 the  
 3 following:

4 “DIVISION \_\_\_\_  
 5 ENERGY CONSERVATION  
 6 Sec. \_\_\_\_ NEW SECTION. 297A.1 STATE POLICY.  
 7 The general assembly finds that investment in  
 8 energy conservation measures by public facilities can  
 9 reduce the amount of energy consumed by the facilities  
 10 and produce both immediate and long-term cost savings.  
 11 It is the policy of this state to encourage school  
 12 districts, area education agencies, community  
 13 colleges, public universities, municipalities,  
 14 counties, and state institutions to invest in facility  
 15 technology infrastructure upgrades and energy  
 16 conservation measures that reduce energy consumption,  
 17 produce a cost savings, or improve the quality of  
 18 indoor air, or when economically feasible, to build,  
 19 operate, maintain, or renovate public facilities in a  
 20 manner which will minimize energy consumption or  
 21 maximize energy savings. It is additionally the  
 22 policy of this state to encourage reinvestment of  
 23 energy savings resulting from energy conservation  
 24 measures into additional and continued energy  
 25 conservation efforts, including but not limited to

26 school instructional computer hardware, software, and  
27 other technology equipment or training needs to  
28 maintain or operate technology systems. The  
29 department of natural resources, in consultation with  
30 the department of education, shall adopt rules  
31 pursuant to chapter 17A for the administration of  
32 sections 297A.2, 297A.3, and 297A.4.

33 Sec. \_\_\_\_ NEW SECTION. 297A.2 DEFINITIONS.

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

36 1. “Energy conservation measure and facility  
37 technology infrastructure” means an employee training  
38 program, facility alteration, or equipment to be used  
39 in new construction that reduces energy costs and  
40 includes, but is not limited to, any of the following:

41 a. Insulation of the facility structure or systems  
42 within the facility.

43 b. Storm windows or doors, caulking or weather  
44 stripping, multiple-glazed windows or doors, heat-  
45 absorbing or heat-reflective glazed and coated window  
46 or door systems, additional glazing, reductions in  
47 glass area, or other window and door system  
48 modifications that reduce energy consumption.

49 c. Automated or computerized energy control  
50 systems including related software-required network

Page 2

1 communication wiring, computer devices, wiring and  
2 support services for building maintenance or delivery  
3 of energy conservation services. Any cost for support  
4 services that will continue beyond the length of the  
5 contract shall be identified specifically in the  
6 energy performance-based evaluation. Energy control  
7 system technology infrastructure may also be used, as  
8 applicable, for other public corporation technology  
9 needs. Additional technology infrastructure  
10 improvements may be implemented if the cost is  
11 supported by the energy savings generated by other  
12 energy conservation measures and facility technology  
13 infrastructure.

14 d. Heating, ventilating, or air conditioning  
15 system modifications or replacements.

16 e. Replacement or modification of lighting  
17 fixtures to increase the energy efficiency of the  
18 lighting system which, at a minimum, shall conform to  
19 the applicable state or local building code.

20 f. Energy recovery systems.

21 g. Renewable energy systems, such as solar,  
22 biomass, and wind.

23 h. Any measure not otherwise defined that produces  
24 measurable energy cost savings or British thermal unit

25 reductions.

26 2. “Energy cost savings” means a measured  
27 reduction in fuel, energy, or operation and  
28 maintenance cost savings created from the  
29 implementation of one or more energy conservation  
30 measures and facility technology infrastructure when  
31 compared with an established baseline for previous  
32 fuel, energy, or operation and maintenance costs.

33 3. “Energy performance-based contract” means a  
34 contract for the recommendation and implementation of  
35 energy conservation measures and facility technology  
36 infrastructure which includes, at a minimum, all of  
37 the following:

38 a. The design and installation of equipment to  
39 implement one or more energy conservation measures and  
40 facility technology infrastructure, and, if  
41 applicable, operation and maintenance of such  
42 measures.

43 b. The amount of any actual annual energy and  
44 operational cost savings. The amount shall be  
45 guaranteed by the qualified provider and verified by a  
46 professional engineer or registered architect  
47 experienced in the field of energy conservation who is  
48 not employed by or has contracted with the qualified  
49 provider. The verification shall occur using a  
50 process established by the department of natural

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1 resources.

2 4. “Energy performance-based evaluation” means  
3 performance of an energy audit, data collection, or  
4 other related analyses preliminary to the undertaking  
5 of energy conservation measures and facility  
6 technology infrastructure, and maintenance of project  
7 monitoring and data collection to verify  
8 postinstallation energy consumption and energy-related  
9 operating costs. The department of natural resources  
10 shall establish guidelines that consider federal  
11 energy management program guidelines.

12 5. “Maintenance cost savings” means auditable  
13 operating expenses eliminated and future capital  
14 replacement expenditures avoided as a result of new  
15 equipment installed or services performed by the  
16 qualified provider.

17 6. “Public corporation” means a school corporation  
18 as described in chapters 273 and 274, a community  
19 college as defined in chapter 260C, a public  
20 university, city, county, or state agency.

21 7. “Qualified provider” means a business or person  
22 that has been qualified by the department of natural  
23 resources. The department of natural resources shall

24 adopt rules pursuant to chapter 17A to establish a  
 25 qualifications process. The process shall consider  
 26 accreditation by the national association of energy  
 27 service companies, certification by the association of  
 28 energy engineers, or professional licensure as an  
 29 engineer or registered architect in Iowa. A business  
 30 or person accredited by the national association of  
 31 energy service companies shall be qualified in Iowa.  
 32 Sec. \_\_\_\_ NEW SECTION. 297A.3 REQUESTS FOR  
 33 PROPOSALS EVALUATION.

34 1. Prior to entering into an energy performance-  
 35 based contract as provided in section 297A.4, a public  
 36 corporation shall announce a request for proposals. A  
 37 request for proposals shall be advertised for public  
 38 bidding and let publicly. The model request for  
 39 proposals format developed by the department of  
 40 natural resources shall be made available for use by  
 41 public corporations. The public corporation shall  
 42 administer the program, requesting innovative  
 43 solutions and proposals for energy conservation  
 44 measures and facility technology infrastructure.  
 45 Proposals submitted shall be sealed. If the model  
 46 request for proposals format is not used, the request  
 47 for proposals shall include, at a minimum, all of the  
 48 following:  
 49 a. Name and address of the public corporation.  
 50 b. Name, address, title, and telephone number of a

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1 contact person for the public corporation.  
 2 c. Notice indicating that the public corporation  
 3 is requesting qualified providers to propose energy  
 4 conservation measures and facility technology  
 5 infrastructure to be provided pursuant to an energy  
 6 performance-based contract.  
 7 d. Date, time, and place where proposals must be  
 8 received.  
 9 e. Evaluation criteria for assessing the  
 10 proposals.  
 11 f. Any other stipulations and clarifications the  
 12 public corporation may require.  
 13 2. The public corporation shall evaluate any  
 14 sealed proposal from a qualified provider. Sealed  
 15 proposals shall be opened by a designated member or  
 16 employee of the governing body of the public  
 17 corporation at a public meeting during which the  
 18 contents of the proposals shall be announced. Each  
 19 person submitting a sealed proposal must receive at  
 20 least ten days' notice of the time and place of the  
 21 public meeting, published pursuant to the procedure  
 22 specified in this section. The public corporation

23 shall analyze each qualified provider's estimate of  
24 the cost of design, engineering, installation,  
25 maintenance, repairs, debt service, conversions to a  
26 different energy or fuel source, and postinstallation  
27 project monitoring, data collection, and reporting.  
28 The evaluation shall include a detailed analysis of  
29 whether the energy consumed or the operating costs, or  
30 both, will be reduced. Selection of the qualified  
31 provider shall, through either a request for proposals  
32 process or a request for qualification process,  
33 constitute selection of the best value based on life  
34 cycle cost analysis of the component parts and systems  
35 to the public corporation. The public corporation  
36 shall enter into an energy performance-based contract.  
37 Sec. \_\_. NEW SECTION. 297A.4 AWARD OF  
38 GUARANTEED ENERGY COST SAVINGS CONTRACT.  
39 1. A public corporation shall select a qualified  
40 provider that best meets the needs of the public  
41 corporation based on life cycle cost analysis. After  
42 completing its evaluation of the proposals received  
43 pursuant to section 297A.3, the public corporation  
44 shall provide public notice of the meeting at which it  
45 proposes to award an energy performance-based  
46 contract. The notice shall contain the names of the  
47 parties to the proposed contract and the purpose of  
48 the contract. The public notice shall be published at  
49 least ten days prior to the meeting, pursuant to the  
50 procedure specified in section 297A.3. A public

Page 5

1 corporation may enter into an energy performance-based  
2 contract with a qualified provider if it finds, after  
3 evaluating the proposal pursuant to section 297A.3,  
4 that the total amount it would spend on the design,  
5 implementation, financing and performance management  
6 of the energy conservation measures and facility  
7 technology infrastructure upgrades and modernization  
8 measures recommended in the proposal would not exceed  
9 the amount to be saved in either energy or operational  
10 costs, or both, within a twenty-year period from the  
11 date of installation or modification, based on life-  
12 cycle costing calculations, if the recommendations in  
13 the proposal are followed. Each individual  
14 improvement must pay for itself within the useful life  
15 of the equipment, as determined by the American  
16 society of heating, refrigeration, and air  
17 conditioning engineers.  
18 2. A public corporation may enter into a financing  
19 agreement as provided in sections 473.19, 473.20, and  
20 473.20A, or may secure financing through a third party  
21 for the purchase and installation of energy

22 conservation measures and facility technology  
23 infrastructure upgrades and modernization measures.  
24 Energy performance-based contracts may extend beyond  
25 the fiscal year in which they become effective, and  
26 may be automatically renewed annually for up to twenty  
27 years.

28 3. A qualified provider shall be responsible for  
29 the measurement and verification of the savings  
30 generated by the energy conservation measures and  
31 facility technology infrastructure upgrades and  
32 modernization measures. The process to be used for  
33 the measurement and verification shall follow the  
34 guidelines of the federal energy management program.  
35 A public corporation may have these savings verified  
36 by a qualified independent third party on an annual  
37 basis. The verification shall also include an annual  
38 reconciliation of the guaranteed energy cost savings  
39 until the project is repaid from energy savings. The  
40 cost of this verification shall be a part of the  
41 contract with the qualified provider. A business or  
42 person accredited by the national association of  
43 energy service companies shall be qualified in Iowa.

44 4. A selected qualified provider shall provide a  
45 one hundred percent performance guarantee bond to the  
46 public corporation for the installation and faithful  
47 performance of the installed energy conservation  
48 measures and facility technology infrastructure as  
49 outlined in the energy performance-based contract.

50 5. A public corporation has the right to terminate

Page 6

1 an energy performance-based contract at any time  
2 provided that written notice to the qualified provider  
3 is provided at least thirty days prior to termination.  
4 All qualified providers shall include clear statements  
5 and requirements regarding contract termination as  
6 part of the contract documentation. The documentation  
7 shall clearly state the options of the public  
8 corporation to satisfy the contract early and include  
9 all associated costs. The documentation shall also  
10 state the rights of a public corporation under a  
11 contract for terminating the contract due to  
12 nonperformance, exercising performance bonds, and  
13 shall list all costs and responsibilities for payment  
14 of any remaining debt associated with energy and  
15 operational savings projects already implemented. The  
16 information and associated costs described in this  
17 subsection shall be provided to a public corporation  
18 before an energy performance-based contract is  
19 approved.

20 6. An energy performance-based contract shall

21 include a written guarantee by a qualified provider  
 22 that the amount of any actual energy and operational  
 23 savings shall be guaranteed. The amount must also  
 24 meet or exceed the total annual contract payments,  
 25 including financing charges, made by the public  
 26 corporation over the life of the contract. A  
 27 qualified provider shall reimburse a public  
 28 corporation for any shortfall of guaranteed energy  
 29 cost savings projected in the contract. Actual  
 30 savings documentation shall be reconciled on an annual  
 31 basis as provided in the contract. Any savings  
 32 shortfall shall be made whole by the qualified  
 33 provider within sixty days. Excess documented and  
 34 mutually agreed upon savings may be carried over to  
 35 future years. A qualified provider shall provide the  
 36 public corporation with a one hundred percent  
 37 performance and payment bond for installation and  
 38 retrofit projects. A qualified provider shall  
 39 guarantee the savings for the length of the contract.  
 40 An energy performance-based contract may provide for  
 41 payments over a period of time, not to exceed twenty  
 42 years. Nothing in this chapter shall be construed to  
 43 prohibit local public corporations, school  
 44 corporations, or public universities from utilizing  
 45 savings created from energy conservation, in excess of  
 46 the amount needed to pay for the cost saving measures,  
 47 for discretionary budget operations including but not  
 48 limited to school instructional computer hardware,  
 49 software, technology training, upgrades, or other  
 50 similar uses.”

Page 7

- 1 2. By renumbering as necessary.

DOUG SHULL  
 MIKE CONNOLLY

### S-3317

- 1 Amend Senate File 453 as follows:
- 2 1. Page 5, line 31, by inserting after the figure
- 3 “80B.11E” the following: “ACADEMY”.
- 4 2. Page 6, line 1, by inserting after the word
- 5 “expense” the following: “if such individual is
- 6 sponsored by a law enforcement agency that either
- 7 intends to hire or has hired the individual as a law
- 8 enforcement officer”.
- 9 3. Page 6, by inserting after line 17 the
- 10 following:
- 11 “4. An individual who has not been hired by a law
- 12 enforcement agency must be hired by a law enforcement

13 agency within eighteen months of completing the  
 14 appropriate coursework at the law enforcement academy  
 15 in order to obtain certification pursuant to this  
 16 section.”

17 4. Page 6, line 19, by striking the word  
 18 “PUBLICATION --”.

19 5. Page 6, by striking lines 20 through 34.

20 6. By striking page 7, line 8 through page 9,  
 21 line 22 and inserting the following:

22 “DIVISION \_\_\_\_  
 23 INDEBTEDNESS REPORTING -- COLLECTION OF TAXES

24 Sec. \_\_\_\_ Section 403.23, subsection 1, Code 2003,  
 25 is amended by striking the subsection and inserting in  
 26 lieu thereof the following:

27 1. On or before December 1 of each odd-numbered  
 28 year, each municipality that has established an urban  
 29 renewal area shall report to the department of  
 30 management and to the appropriate county auditor the  
 31 total amount of loans, advances, indebtedness, or  
 32 bonds outstanding at the close of the most recently  
 33 ended fiscal year, which qualify for payment from the  
 34 special fund created in section 403.19, including  
 35 interest negotiated on such loans, advances,  
 36 indebtedness, or bonds. For purposes of this  
 37 subsection, “indebtedness” includes written agreements  
 38 whereby the municipality agrees to suspend, abate,  
 39 exempt, rebate, refund, or reimburse property taxes,  
 40 or provide a grant for property taxes paid, with  
 41 moneys in the special fund. The amount of loans,  
 42 advances, indebtedness, or bonds shall be listed in  
 43 the aggregate for each municipality reporting.

44 Sec. \_\_\_\_ Section 403.23, subsections 2 and 3,  
 45 Code 2003, are amended to read as follows:

46 2. At the request of the legislative fiscal  
 47 bureau, the department of management shall provide the  
 48 reports and additional information to the legislative  
 49 fiscal bureau. The department of management, in  
 50 consultation with the legislative fiscal bureau, shall

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1 determine reporting criteria and shall prepare a form  
 2 for reports filed with the department pursuant to this  
 3 section. The department shall make the form available  
 4 by electronic means.

5 3. If a municipality does not file the ~~annual~~  
 6 report with the department of management and the  
 7 county auditor by December 1 of each odd-numbered  
 8 year, the county treasurer shall withhold disbursement  
 9 of incremental taxes to the municipality until the  
 10 ~~annual~~ report is filed beginning immediately with the  
 11 next following disbursement of taxes. The county

12 auditor shall notify the county treasurer if taxes are  
13 to be withheld.

14 Sec. \_\_\_\_ Section 631.1, Code 2003, is amended by  
15 adding the following new subsection:

16 NEW SUBSECTION. 7. The district court sitting in  
17 small claims has concurrent jurisdiction of an action  
18 for the collection of taxes brought by a county  
19 treasurer pursuant to sections 445.3 and 445.4 where  
20 the amount in controversy is five thousand dollars or  
21 less for actions commenced on or after July 1, 2003,  
22 exclusive of interest and costs.”

23 7. By striking page 9, line 23, through page 11,  
24 line 7, and inserting the following:

25 “DIVISION \_\_\_\_

26 MUNICIPAL AND COUNTY INFRACTIONS

27 Sec. \_\_\_\_ Section 331.302, subsection 15, Code  
28 2003, is amended to read as follows:

29 15. A county shall not provide a civil penalty in  
30 excess of ~~five seven~~ hundred ~~fifty~~ dollars for the  
31 violation of an ordinance which is classified as a  
32 county infraction or if the infraction is a repeat  
33 offense, a civil penalty not to exceed ~~seven hundred~~  
34 ~~fifty one thousand~~ dollars for each repeat offense. A  
35 county infraction is not punishable by imprisonment.

36 Sec. \_\_\_\_ Section 331.307, subsection 1, Code  
37 2003, is amended to read as follows:

38 1. A county infraction is a civil offense  
39 punishable by a civil penalty of not more than ~~five~~  
40 ~~seven~~ hundred ~~fifty~~ dollars for each violation or if  
41 the infraction is a repeat offense a civil penalty not  
42 to exceed ~~seven hundred fifty one thousand~~ dollars for  
43 each repeat offense.

44 Sec. \_\_\_\_ Section 364.3, subsection 6, Code 2003,  
45 is amended to read as follows:

46 6. A city shall not provide a civil penalty in  
47 excess of ~~five seven~~ hundred ~~fifty~~ dollars for the  
48 violation of an ordinance which is classified as a  
49 municipal infraction or if the infraction is a repeat  
50 offense, a civil penalty not to exceed ~~seven hundred~~

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1 ~~fifty one thousand~~ dollars for each repeat offense. A  
2 municipal infraction is not punishable by  
3 imprisonment.

4 Sec. \_\_\_\_ Section 364.22, subsection 1, unnumbered  
5 paragraph 1, Code 2003, is amended to read as follows:

6 A municipal infraction is a civil offense  
7 punishable by a civil penalty of not more than ~~five~~  
8 ~~seven~~ hundred ~~fifty~~ dollars for each violation or if  
9 the infraction is a repeat offense, a civil penalty  
10 not to exceed ~~seven hundred fifty one thousand~~ dollars

11 for each repeat offense. However, notwithstanding  
12 section 364.3, a municipal infraction arising from  
13 noncompliance with a pretreatment standard or  
14 requirement, referred to in 40 C.F.R. } 403.8, by an  
15 industrial user may be punishable by a civil penalty  
16 of not more than one thousand dollars for each day a  
17 violation exists or continues.”

18 8. By striking page 11, line 12 through page 12,  
19 line 17 and inserting the following:

20 “1. For the fiscal year beginning July 1, 2003,  
21 and ending June 30, 2004, the recorder shall collect a  
22 fee of five dollars for each recorded transaction for  
23 which a fee is paid pursuant to section 331.604 to be  
24 used for the purposes of planning and implementing  
25 electronic recording and electronic transactions in  
26 each county and developing county and statewide  
27 internet websites to provide electronic access to  
28 records and information.

29 2. Beginning July 1, 2004, the recorder shall  
30 collect a fee of one dollar for each recorded  
31 transaction for which a fee is paid pursuant to  
32 section 331.604 to be used for the purpose of paying  
33 the county’s ongoing costs of maintaining the systems  
34 developed and implemented under subsection 1.

35 3. The county treasurer, on behalf of the  
36 recorder, shall establish and maintain an interest-  
37 bearing account into which all moneys collected  
38 pursuant to subsections 1 and 2 shall be deposited.

39 4. The state government electronic transaction  
40 fund is established in the office of the treasurer of  
41 state under the control of the treasurer of state.  
42 Moneys deposited into the fund are not subject to  
43 section 8.33. Notwithstanding section 12C.7, interest  
44 or earnings on moneys in the state government  
45 electronic transaction fund shall be credited to the  
46 fund. Moneys in the state government electronic  
47 transaction fund are not subject to transfer,  
48 appropriation, or reversion to any other fund, or any  
49 other use except as provided in this subsection. The  
50 treasurer of state shall enter into a contract with

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1 the Iowa state association of counties affiliate  
2 representing county recorders to develop, implement,  
3 and maintain a statewide internet website for purposes  
4 of providing electronic access to records and  
5 information recorded or filed by county recorders. On  
6 a monthly basis, the county treasurer shall pay one  
7 dollar of each fee collected pursuant to subsection 1  
8 to the treasurer of state for deposit into the state  
9 government electronic transaction fund. Moneys

10 credited to the state government electronic  
 11 transaction fund are appropriated to the treasurer of  
 12 state to be used for contract costs. This subsection  
 13 is repealed June 30, 2004.

14 5. The pooled local government electronic  
 15 transaction fund is established in the office of the  
 16 treasurer of state under control of the treasurer of  
 17 state. Moneys deposited into the fund are not subject  
 18 to section 8.33. Notwithstanding section 12C.7,  
 19 interest or earnings on moneys in the pooled local  
 20 government electronic transaction fund shall be  
 21 credited to the fund. Moneys in the fund are not  
 22 subject to transfer, appropriation, or reversion to  
 23 any other fund, or any other use except as provided in  
 24 this subsection. On a quarterly basis, the county  
 25 treasurer shall pay four dollars of each fee collected  
 26 pursuant to subsection 1 and all fees collected  
 27 pursuant to subsection 2, to the treasurer of state  
 28 for deposit into the pooled local government  
 29 electronic transaction fund. Moneys credited to the  
 30 pooled local government electronic transaction fund  
 31 are appropriated to the treasurer of state to be  
 32 distributed equally to all counties and paid to the  
 33 county treasurers of each county within thirty days  
 34 after the moneys are received by the treasurer of  
 35 state. Moneys received by a county treasurer pursuant  
 36 to this subsection shall be deposited into the account  
 37 established and maintained by the county treasurer on  
 38 behalf of the county recorder under subsection 3, and  
 39 shall be used by the county recorder for the purposes  
 40 set forth in subsections 1 and 2.

41 6. The recorder shall make available any  
 42 information required by the county auditor or auditor  
 43 of state concerning the fees collected under this  
 44 section for the purposes of determining the amount of  
 45 fees collected and the uses for which such fees are  
 46 expended.”

47 9. Page 14, by inserting before line 32 the  
 48 following:

49 “DIVISION \_\_\_\_  
 50 STUDY OF CITY AND COUNTY REGULATION BY THE

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1 DEPARTMENT OF NATURAL RESOURCES  
 2 Sec. \_\_\_\_ STUDY. The legislative council shall  
 3 establish a study committee for the 2003 interim to  
 4 review the department of natural resources’  
 5 enforcement and penalty policies relating to  
 6 regulation of cities and counties. The study  
 7 committee shall review options for changing the  
 8 department’s approach to enforcement from reliance on

9 punitive measures to a collaborative approach. In  
10 addition, the amounts of fines shall be reviewed along  
11 with the possibility of designating a portion of a  
12 fine to be applied against the costs of compliance  
13 with the departmental regulation.”

14 10. Page 15, line 16, by striking the word  
15 “STUDY” and inserting the following: “--STUDY”.

16 11. Page 15, by striking line 30 and inserting  
17 the following:

18 “2. The legislative council shall authorize a  
19 study for”.

20 12. Page 16, by striking lines 3 through 5 and  
21 inserting the following: “findings and  
22 recommendations, shall be submitted to the general  
23 assembly for consideration during the 2004 legislative  
24 session. The study shall be”.

25 13. Page 16, by striking lines 7 and 8 and  
26 inserting the following: “one member designated by  
27 the state board of regents, one member representing  
28 the department of”.

29 14. Page 16, line 18, by inserting after the word  
30 “representatives.” the following: “A chairperson or  
31 cochairpersons shall be designated by the legislative  
32 council.”

33 15. Page 17, by inserting after line 21 the  
34 following:

35 “d. A director of a charter agency may authorize  
36 the payment of bonuses to employees of the charter  
37 agency in a total amount not in excess of fifty  
38 percent of the director’s annual rate of pay, based  
39 upon the director’s evaluation of the employees’  
40 performance.”

41 16. Page 18, by inserting after line 2 the  
42 following:

43 “d. For the fiscal period beginning July 1, 2003,  
44 and ending June 30, 2005, a charter agency is not  
45 subject to a uniform reduction ordered by the governor  
46 in accordance with section 8.31.”

47 17. Page 23, by inserting after line 2 the  
48 following:

49 “ \_\_\_\_ . For the fiscal year beginning July 1, 2003,  
50 and ending June 30, 2004, if the actual amount of

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1 revenue received by a charter agency exceeds the  
2 revenue amount budgeted for that charter agency by the  
3 governor and the general assembly, the charter agency  
4 may consider the excess amount to be repayment  
5 receipts as defined in section 8.2.”

6 18. Page 24, by inserting after line 27 the  
7 following:

- 8 “ \_\_\_\_ . A person who is a private provider of  
9 special education services.  
10 \_\_\_\_ . An administrator of an accredited nonpublic  
11 school.”
- 12 19. Page 27, line 9, by striking the word  
13 “delinquency” and inserting the following: “justice”.  
14 20. Page 27, line 12, by inserting after the word  
15 “federal” the following: “and state”.  
16 21. Page 27, by striking line 21.  
17 22. Page 27, by striking line 26 and inserting  
18 the following: “community connections is preserved.”  
19 23. Page 27, line 32, by striking the word  
20 “adequate” and inserting the following:  
21 “appropriate”.  
22 24. Page 28, by inserting after line 2 the  
23 following:  
24 “d. Public safety. Communities are protected from  
25 juvenile crime.  
26 e. Accountability. Communities are made whole  
27 through completion of community service activities  
28 assigned to juvenile offenders.  
29 f. Rehabilitation. Youth receive appropriate  
30 services and make measurable progress toward acquiring  
31 the skills that are essential to law-abiding,  
32 productive citizens.”
- 33 25. Page 28, line 9, by inserting after the  
34 figure “232” the following: “or alleged to have  
35 committed a delinquent act and identified in a police  
36 report or other formal complaint received by juvenile  
37 court services”.  
38 26. Page 28, line 11, by inserting after the  
39 figure “232” the following: “or placed for emergency  
40 care under section 232.20 or 232.21.”  
41 27. Page 28, line 19, by striking the word  
42 “agencies” and inserting the following: “child  
43 welfare staff and the state institutions”.  
44 28. Page 28, line 22, by inserting after the word  
45 “possible” the following: “and directs funds to  
46 services and other support based upon the needs of  
47 children and families”.  
48 29. Page 28, line 29, by inserting after the word  
49 “quality” the following: “and to address federal  
50 program and budget accountability expectations, with

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- 1 appropriate recognition of the need to balance the  
2 impact upon service providers”.  
3 30. Page 28, line 31, by inserting after the word  
4 “collection,” the following: “management information  
5 systems, training,”.  
6 31. Page 29, line 2, by striking the word

7 “partnerships.” and inserting the following:  
8 “partnerships are promoted with parents, the courts,  
9 the department, and service providers. The redesign  
10 shall build upon successful Iowa programs such as  
11 community partnerships for protecting children, child  
12 welfare funding decategorization projects, and quality  
13 service reviews.”

14 32. Page 29, by inserting after line 16 the  
15 following:

16 “g. Implementation of evidence-based and  
17 continuous learning practices are promoted in the  
18 public and private sectors in order to measure and  
19 improve outcomes.”

20 33. Page 30, by striking lines 12 and 13 and  
21 inserting the following:

22 “a. Implementation of the redesign plan shall  
23 begin no later than January 1, 2004.”

24 34. Page 32, by inserting after line 18 the  
25 following:

26 “Sec. \_\_\_. Section 2C.9, Code 2003, is amended by  
27 adding the following new subsection:

28 NEW SUBSECTION. 1A. Investigate, on complaint or  
29 on the citizens’ aide’s own motion, any administrative  
30 action of any person providing child welfare or  
31 juvenile justice services under contract with an  
32 agency that is subject to investigation by the  
33 citizens’ aide. The person shall be considered to be  
34 an agency for purposes of the citizens’ aide’s  
35 investigation.”

36 35. Page 33, by inserting after line 16 the  
37 following:

38 “Sec. \_\_\_. MEDICAL ASSISTANCE PROGRAM REDESIGN.

39 1. The department of human services shall  
40 establish a work group in cooperation with  
41 representatives of the insurance industry to develop a  
42 plan for the redesign of the medical assistance  
43 program. In developing the redesign plan, the work  
44 group shall consider all of the following:

45 a. Iowa’s medical assistance program cannot be  
46 sustained in a manner that provides care for  
47 participants at the current rate of growth.

48 b. Iowans deserve a health care safety net that  
49 provides health care that is timely, effective, and  
50 responsive to individual needs.

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1 c. Iowans would be better served, at a lower cost  
2 to taxpayers, if persons who are at risk of becoming  
3 medical assistance recipients due to their income,  
4 health, and insurance status could be identified and  
5 insured.

6 d. Iowa's children and families would benefit from  
7 the use of a medical home model that links children  
8 and families to an ongoing source of medical care that  
9 ensures access to and appropriate utilization of  
10 medical services including preventive services.

11 e. Iowa's senior population should have more  
12 options available to address the population's health  
13 care needs including home and community-based services  
14 and assisted living.

15 2. The redesign plan shall include measures such  
16 as providing state funding for health care spending  
17 accounts for families in the medical assistance  
18 program in order to provide incentives for effective  
19 health care cost management, providing an insurance-  
20 like benefit package for those individuals with  
21 extensive medical needs that emphasizes flexible and  
22 preventive care through case management, moving to an  
23 acuity-based reimbursement system for dually eligible  
24 seniors, and developing an evidence-based  
25 pharmaceutical program.

26 3. The department shall submit a progress report  
27 of the work group's recommendations for medical  
28 assistance program redesign to the governor and the  
29 general assembly by January 15, 2004."

30 36. Page 34, by inserting after line 23 the  
31 following:

32 "Sec. \_\_\_. NEW SECTION. 249A.32 PHARMACEUTICAL  
33 SETTLEMENT ACCOUNT -- MEDICAL ASSISTANCE PROGRAM.

34 1. A pharmaceutical settlement account is created  
35 in the state treasury under the authority of the  
36 department of human services. Moneys received from  
37 settlements relating to provision of pharmaceuticals  
38 under the medical assistance program shall be  
39 deposited in the account.

40 2. Moneys in the account shall be used only as  
41 provided in appropriations from the account to the  
42 department for the purpose of technology upgrades  
43 under the medical assistance program.

44 3. The account shall be separate from the general  
45 fund of the state and shall not be considered part of  
46 the general fund of the state. The moneys in the  
47 account shall not be considered revenue of the state,  
48 but rather shall be funds of the account. The moneys  
49 in the account are not subject to reversion to the  
50 general fund of the state under section 8.33 and shall

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1 not be transferred, used, obligated, appropriated, or  
2 otherwise encumbered, except to provide for the  
3 purposes of this section. Notwithstanding section  
4 12C.7, subsection 2, interest or earnings on moneys

5 deposited in the account shall be credited to the  
6 account.

7 4. The treasurer of state shall provide a  
8 quarterly report of account activities and balances to  
9 the director.”

10 37. Page 36, line 30, by inserting after the  
11 figure “2003.” the following: “The budget for the  
12 institutions referred to in section 218.1, subsections  
13 7 and 8, shall include funds to access services from  
14 the area education agency in the manner in which the  
15 services were accessed from the area education agency  
16 in the fiscal year beginning July 1, 2002.”

17 38. Page 37, by inserting after line 5 the  
18 following:

19 “DIVISION \_\_\_\_  
20 REINVENTION INVESTMENT

21 Sec. \_\_\_\_ DEPARTMENT OF MANAGEMENT. There is  
22 appropriated from the general fund of the state to the  
23 department of management for the fiscal year beginning  
24 July 1, 2003, and ending June 30, 2004, the following  
25 amount, or so much thereof as is necessary, to be used  
26 for the purpose designated:

27 For investment in reinvention initiatives intended  
28 to produce ongoing savings, in addition to funds  
29 appropriated for this purpose in 2003 Iowa Acts, House  
30 File 655, section 11, subsection 3, if enacted:

31  
32 ..... \$ 1,350,000”

33 39. Title page, line 3, by inserting after the  
34 word “fee,” the following: “increasing civil  
35 penalties.”

36 40. By renumbering as necessary.

JEFF LAMBERTI

**S-3318**

1 Amend Senate File 453 as follows:

2 1. By striking page 1, line 1, through page 4,  
3 line 19, and inserting the following:

4 “DIVISION I  
5 RESERVE FUNDS -- COMBINED RETURNS

6 Section 1. Section 8.55, subsection 4, Code 2003,  
7 is amended by striking the subsection.

8 Sec. \_\_\_\_ Section 8.56, subsection 1, Code 2003,  
9 is amended to read as follows:

10 1. A cash reserve fund is created in the state  
11 treasury. The cash reserve fund shall be separate  
12 from the general fund of the state and shall not be  
13 considered part of the general fund of the state  
14 except in determining the cash position of the state  
15 as provided in subsection 3. The moneys in the cash

16 reserve fund are not subject to section 8.33 and shall  
 17 not be transferred, used, obligated, appropriated, or  
 18 otherwise encumbered except as provided in this  
 19 section. ~~Notwithstanding section 12C.7, subsection 2,~~  
 20 ~~interest or earnings on moneys deposited in the cash~~  
 21 ~~reserve fund shall be credited to the rebuild Iowa~~  
 22 ~~infrastructure fund created in section 8.57.~~ Moneys  
 23 in the cash reserve fund may be used for cash flow  
 24 purposes during a fiscal year provided that any moneys  
 25 so allocated are returned to the cash reserve fund by  
 26 the end of that fiscal year.

27 Sec. \_\_\_\_ Section 8.57, subsection 1, paragraph a,  
 28 unnumbered paragraph 1, Code Supplement 2001, as  
 29 enacted by 2002 Iowa Acts, Second Extraordinary  
 30 Session, chapter 1001, section 28, is amended to read  
 31 as follows:

32 The “cash reserve goal percentage” for fiscal years  
 33 beginning on or after July 1, ~~2003~~ 2004, is seven and  
 34 one-half percent of the adjusted revenue estimate.  
 35 For each fiscal year ~~beginning on or after July 1,~~  
 36 ~~2003,~~ in which the appropriation of the surplus  
 37 existing in the general fund of the state at the  
 38 conclusion of the prior fiscal year pursuant to  
 39 paragraph “b” was not sufficient for the cash reserve  
 40 fund to reach the cash reserve goal percentage for the  
 41 current fiscal year, there is appropriated from the  
 42 general fund of the state an amount to be determined  
 43 as follows:

44 Sec. \_\_\_\_ NEW SECTION. 422.37A COMBINED RETURNS.

45 An affiliated group of corporations shall, under  
 46 rules prescribed by the director, file a combined  
 47 return showing the net income of all corporations  
 48 engaged in a unitary business, subject to the  
 49 following:

50 1. The affiliated group filing under this section

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1 shall meet the requirements to file a consolidated  
 2 return for federal income tax purposes as provided in  
 3 sections 1501 through 1504 of the Internal Revenue  
 4 Code for the same taxable year.

5 2. All members of the affiliated group shall join  
 6 in the filing of an Iowa combined return to the extent  
 7 they are engaged in a unitary business.

8 3. Members of the affiliated group exempt from  
 9 taxation by section 422.34 shall not be included in a  
 10 combined return.

11 4. All members of the affiliated group shall use  
 12 the statutory method of allocation and apportionment  
 13 unless the director has granted permission to all  
 14 members to use an alternative method of allocation and

15 apportionment.

16 5. The computation of income under a combined  
17 return for members of an affiliated group shall be  
18 made in the same manner and under the same procedures,  
19 including all intercompany adjustments and  
20 eliminations, as are required for consolidating the  
21 incomes of affiliated corporations for the taxable  
22 year for federal income tax purposes in accordance  
23 with section 1502 of the Internal Revenue Code.

24 6. The combined income approach is the computation  
25 of combining the taxable income of an affiliated group  
26 as a single economic unit and each affiliated group  
27 shall only file one income tax return. The net income  
28 of an affiliated group is determined by applying the  
29 apportionment formula against the combined income of  
30 the affiliated group.

31 7. Only the sales of those corporations in the  
32 affiliated group subject to the tax imposed by section  
33 422.33 are included in the numerator of the  
34 apportionment formula.

35 8. Only those corporations in the affiliated group  
36 subject to the tax imposed by section 422.33 are  
37 jointly and severally liable for the Iowa tax of the  
38 combined group.

39 Sec. \_\_\_\_ 2002 Iowa Acts, Second Extraordinary  
40 Session, chapter 1001, section 33, is amended to read  
41 as follows:

42 SEC. 33. EFFECTIVE DATE -- APPLICABILITY. The  
43 amendments to the following designated Code provisions  
44 in this division of this Act take effect July 1, ~~2003~~  
45 2004:

- 46 1. Section 8.55, subsection 2, paragraph "a".
  - 47 2. Section 8.56, subsection 4, paragraph "b".
  - 48 3. Section 8.57, subsection 1, paragraph "a".
- 49 Sec. \_\_\_\_ CASH RESERVE APPROPRIATION TO GENERAL  
50 FUND.

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1 1. Notwithstanding section 8.56, subsection 4,  
2 paragraph "a", there is appropriated from the cash  
3 reserve fund to the general fund of the state for the  
4 fiscal year beginning July 1, 2003, and ending June  
5 30, 2004, the following amount, or so much thereof as  
6 is necessary:

7 ..... \$ 43,700,000

8 2. The appropriation made in this section is  
9 declared to be made for nonrecurring emergency  
10 expenditures as required in section 8.56, subsections  
11 3 and 4.

12 Sec. \_\_\_\_ GENERAL FUND APPROPRIATION TO CASH  
13 RESERVE. Notwithstanding section 8.57, subsection 1,

14 paragraph “a”, there shall be no appropriation from  
 15 the general fund of the state to the cash reserve fund  
 16 for the fiscal year beginning July 1, 2003, and ending  
 17 June 30, 2004, of the amount necessary for the cash  
 18 reserve fund to reach the cash reserve goal percentage  
 19 for that fiscal year.

20 Sec. \_\_\_\_ RETROACTIVE APPLICABILITY PROVISION.

21 The provision of this division of this Act enacting  
 22 section 422.37A, is retroactively applicable to  
 23 January 1, 2003, for tax years beginning on or after  
 24 that date.”

25 2. Title page, line 1, by inserting after the  
 26 word “financial” the following: “,tax,.”

27 3. By renumbering as necessary.

MICHAEL E. GRONSTAL

### S-3319

1 Amend Senate File 453 as follows:

2 1. Page 37, by inserting before line 6 the  
 3 following:

4 “DIVISION XVI  
 5 IOWA LOTTERY AUTHORITY

6 Sec. \_\_\_\_ NEW SECTION. 99G.1 TITLE.

7 This chapter may be cited as the “Iowa Lottery  
 8 Authority Act”.

9 Sec. \_\_\_\_ NEW SECTION. 99G.2 STATEMENT OF  
 10 PURPOSE AND INTENT.

11 The general assembly finds and declares the  
 12 following:

13 1. That net proceeds of lottery games conducted  
 14 pursuant to this chapter should be transferred to the  
 15 general fund of the state in support of a variety of  
 16 programs and services.

17 2. That lottery games are an entrepreneurial  
 18 enterprise and that the state should create a public  
 19 instrumentality of the state in the form of a  
 20 nonprofit authority known as the Iowa lottery  
 21 authority with comprehensive and extensive powers to  
 22 operate a state lottery in an entrepreneurial and  
 23 businesslike manner and which is accountable to the  
 24 governor, the general assembly, and the people of the  
 25 state through a system of audits, reports, legislative  
 26 oversight, and thorough financial disclosure as  
 27 required by this chapter.

28 3. That lottery games shall be operated and  
 29 managed in a manner that provides continuing  
 30 entertainment to the public, maximizes revenues, and  
 31 ensures that the lottery is operated with integrity  
 32 and dignity and free from political influence.

33 Sec. \_\_\_\_ NEW SECTION. 99G.3 DEFINITIONS.

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

- 36 1. “Administrative expenses” includes, but is not  
37 limited to, personnel costs, travel, purchase of  
38 equipment and all other expenses not directly  
39 associated with the operation or sale of a game.
- 40 2. “Authority” means the Iowa lottery authority.
- 41 3. “Board” means the board of directors of the  
42 authority.
- 43 4. “Chief executive officer” means the chief  
44 executive officer of the authority.
- 45 5. “Game specific rules” means rules governing the  
46 particular features of specific games, including, but  
47 not limited to, setting the name, ticket price, prize  
48 structure, and prize claim period of the game.
- 49 6. “Instant lottery” or “instant ticket” means a  
50 game that offers preprinted tickets such that when a

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1 protective coating is scratched or scraped away, it  
2 indicates immediately whether the player has won.

- 3 7. “Lottery”, “lotteries”, “lottery game”,  
4 “lottery games” or “lottery products” means any game  
5 of chance approved by the board and operated pursuant  
6 to this chapter and games using mechanical or  
7 electronic devices, provided that the authority shall  
8 not authorize a player-activated gaming machine that  
9 utilizes an internal randomizer to determine winning  
10 and nonwinning plays and that upon random internal  
11 selection of a winning play dispenses coins, currency,  
12 or a ticket, credit, or token to the player that is  
13 redeemable for cash or a prize, and excluding gambling  
14 or gaming conducted pursuant to chapter 99B, 99D, or  
15 99F.
- 16 8. “Major procurement contract” means a consulting  
17 agreement or a contract with a business organization  
18 for the printing of tickets or the purchase or lease  
19 of equipment or services essential to the operation of  
20 a lottery game.
- 21 9. “Net proceeds” means all revenue derived from  
22 the sale of lottery tickets or shares and all other  
23 moneys derived from the lottery, less operating  
24 expenses.
- 25 10. “On-line lotto” means a lottery game connected  
26 to a central computer via telecommunications in which  
27 the player selects a specified group of numbers,  
28 symbols, or characters out of a predetermined range.
- 29 11. “Operating expenses” means all costs of doing  
30 business, including, but not limited to, prizes and  
31 associated prize reserves, computerized gaming system  
32 vendor expense, instant and pull-tab ticket expense,

33 and other expenses directly associated with the  
34 operation or sale of any game, compensation paid to  
35 retailers, advertising and marketing costs, and  
36 administrative expenses.

37 12. “Pull-tab ticket” or “pull-tab” means a game  
38 that offers preprinted paper tickets with the play  
39 data hidden beneath a protective tab or seal that when  
40 opened reveals immediately whether the player has won.

41 13. “Retailer” means a person, licensed by the  
42 authority, who sells lottery tickets or shares on  
43 behalf of the authority pursuant to a contract.

44 14. “Share” means any intangible evidence of  
45 participation in a lottery game.

46 15. “Ticket” means any tangible evidence issued by  
47 the lottery to provide participation in a lottery  
48 game.

49 16. “Vendor” means a person who provides or  
50 proposes to provide goods or services to the authority

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1 pursuant to a major procurement contract, but does not  
2 include an employee of the authority, a retailer, or a  
3 state agency or instrumentality thereof.

4 Sec. \_\_\_\_ NEW SECTION. 99G.4 IOWA LOTTERY  
5 AUTHORITY CREATED.

6 1. An Iowa lottery authority is created, effective  
7 September 1, 2003, which shall administer the state  
8 lottery. The authority shall be deemed to be a public  
9 authority and an instrumentality of the state, and not  
10 a state agency. However, the authority shall be  
11 considered a state agency for purposes of chapters  
12 17A, 21, 22, 28E, 68B, 91B, 97B, 509A, and 669.

13 2. The income and property of the authority shall  
14 be exempt from all state and local taxes, and the sale  
15 of lottery tickets and shares issued and sold by the  
16 authority and its retail licensees shall be exempt  
17 from all state and local sales taxes.

18 Sec. \_\_\_\_ NEW SECTION. 99G.5 CHIEF EXECUTIVE  
19 OFFICER.

20 The chief executive officer of the authority shall  
21 be appointed by the governor subject to confirmation  
22 by the senate and shall serve a four-year term of  
23 office beginning and ending as provided in section  
24 69.19. The chief executive officer shall be qualified  
25 by training and experience to manage a lottery. The  
26 governor may remove the chief executive officer for  
27 malfeasance in office, or for any cause that renders  
28 the chief executive officer ineligible, incapable, or  
29 unfit to discharge the duties of the office.  
30 Compensation and employment terms of the chief  
31 executive officer shall be set by the governor, taking

32 into consideration the officer's level of education  
 33 and experience, as well as the success of the lottery.  
 34 The chief executive officer shall be an employee of  
 35 the authority and shall direct the day-to-day  
 36 operations and management of the authority and be  
 37 vested with such powers and duties as specified by the  
 38 board and by law.

39 Sec. \_\_\_\_ NEW SECTION. 99G.6 POWER TO ADMINISTER  
 40 OATHS AND TAKE TESTIMONY -- SUBPOENA.

41 The chief executive officer or the chief executive  
 42 officer's designee if authorized to conduct an  
 43 inquiry, investigation, or hearing under this chapter  
 44 may administer oaths and take testimony under oath  
 45 relative to the matter of inquiry, investigation, or  
 46 hearing. At a hearing ordered by the chief executive  
 47 officer, the chief executive officer or the designee  
 48 may subpoena witnesses and require the production of  
 49 records, paper, or documents pertinent to the hearing.

50 Sec. \_\_\_\_ NEW SECTION. 99G.7 DUTIES OF THE CHIEF

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1 EXECUTIVE OFFICER.

2 1. The chief executive officer of the authority  
 3 shall direct and supervise all administrative and  
 4 technical activities in accordance with the provisions  
 5 of this chapter and with the administrative rules,  
 6 policies, and procedures adopted by the board. The  
 7 chief executive officer shall do all of the following:  
 8 a. Facilitate the initiation and supervise and  
 9 administer the operation of the lottery games.  
 10 b. Employ an executive vice president, who shall  
 11 act as chief executive officer in the absence of the  
 12 chief executive officer, and employ and direct other  
 13 such personnel as deemed necessary.  
 14 c. Contract with and compensate such persons and  
 15 firms as deemed necessary for the operation of the  
 16 lottery.  
 17 d. Promote or provide for promotion of the lottery  
 18 and any functions related to the authority.  
 19 e. Prepare a budget for the approval of the board.  
 20 f. Require bond from such retailers and vendors in  
 21 such amounts as required by the board.  
 22 g. Report semiannually to the legislative  
 23 government oversight committees regarding the  
 24 operations of the authority.  
 25 h. Report quarterly and annually to the board, the  
 26 governor, the auditor of state, and the general  
 27 assembly a full and complete statement of lottery  
 28 revenues and expenses for the preceding quarter, and  
 29 with respect to the annual report, for the preceding  
 30 year and transfer proceeds to the general fund within

- 31 thirty days following the end of the quarter.
- 32 i. Perform other duties generally associated with  
33 a chief executive officer of an authority of an  
34 entrepreneurial nature.
- 35 2. The chief executive officer shall conduct an  
36 ongoing study of the operation and administration of  
37 lottery laws similar to this chapter in other states  
38 or countries, of available literature on the subject,  
39 of federal laws and regulations which may affect the  
40 operation of the lottery and of the reaction of  
41 citizens of this state to existing or proposed  
42 features of lottery games with a view toward  
43 implementing improvements that will tend to serve the  
44 purposes of this chapter.
- 45 3. The chief executive officer may for good cause  
46 suspend, revoke, or refuse to renew any contract  
47 entered into in accordance with the provisions of this  
48 chapter or the administrative rules, policies, and  
49 procedures of the board.
- 50 4. The chief executive officer or the chief

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- 1 executive officer's designee may conduct hearings and  
2 administer oaths to persons for the purpose of  
3 assuring the security or integrity of lottery  
4 operations or to determine the qualifications of or  
5 compliance by vendors and retailers.
- 6 Sec. \_\_\_\_ NEW SECTION. 99G.8 BOARD OF DIRECTORS.
- 7 1. The authority shall be administered by a board  
8 of directors comprised of five members appointed by  
9 the governor subject to confirmation by the senate.  
10 Board members appointed when the senate is not in  
11 session shall serve only until the end of the next  
12 regular session of the general assembly, unless  
13 confirmed by the senate.
- 14 2. Board members shall serve staggered terms of  
15 four years beginning and ending as provided in section  
16 69.19. No more than three board members shall be from  
17 the same political party.
- 18 3. Board members may be removed by the governor  
19 for neglect of duty, misfeasance, or nonfeasance in  
20 office.
- 21 4. No officer or employee of the authority shall  
22 be a member of the board.
- 23 5. Board members shall be residents of the state  
24 of Iowa, shall be prominent persons in their  
25 respective businesses or professions, and shall not  
26 have been convicted of any felony offense. Of the  
27 members appointed, the governor shall appoint to the  
28 board an attorney admitted to the practice of law in  
29 Iowa, an accountant, a person who is or has been a law

30 enforcement officer, and a person having expertise in  
31 marketing.

32 6. A majority of members in office shall  
33 constitute a quorum for the transaction of any  
34 business and for the exercise of any power or function  
35 of the authority.

36 7. Action may be taken and motions and resolutions  
37 adopted by the board at any meeting thereof by the  
38 affirmative vote of a majority of present and voting  
39 board members.

40 8. No vacancy in the membership of the board shall  
41 impair the right of the members to exercise all the  
42 powers and perform all the duties of the board.

43 9. Board members shall be considered to hold  
44 public office and shall give bond as such as required  
45 in chapter 64.

46 10. Board members shall be entitled to receive a  
47 per diem as specified in section 7E.6 for each day  
48 spent in performance of duties as members, and shall  
49 be reimbursed for all actual and necessary expenses  
50 incurred in the performance of their official duties

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1 as members. No person who serves as a member of the  
2 board shall by reason of such membership be eligible  
3 for membership in the Iowa public employees'  
4 retirement system and service on the board shall not  
5 be eligible for service credit for any public  
6 retirement system.

7 11. The board shall meet at least quarterly and at  
8 such other times upon call of the chairperson or the  
9 president. Notice of the time and place of each board  
10 meeting shall be given to each member. The board  
11 shall also meet upon call of three or more of the  
12 board members. The board shall keep accurate and  
13 complete records of all its meetings.

14 12. Meetings of the board shall be governed by the  
15 provisions of chapter 21.

16 13. Board members shall not have any direct or  
17 indirect interest in an undertaking that puts their  
18 personal interest in conflict with that of the  
19 authority, including, but not limited to, an interest  
20 in a major procurement contract or a participating  
21 retailer.

22 14. The members shall elect from their membership  
23 a chairperson and vice chairperson.

24 15. The board of directors may delegate to the  
25 chief executive officer of the authority such powers  
26 and duties as it may deem proper to the extent such  
27 delegation is not inconsistent with the Constitution  
28 of this state.

29 Sec. \_\_\_\_ NEW SECTION. 99G.9 BOARD DUTIES.  
30 The board shall provide the chief executive officer  
31 with private-sector perspectives of a large marketing  
32 enterprise. The board shall do all of the following:  
33 1. Approve, disapprove, amend, or modify the  
34 budget recommended by the chief executive officer for  
35 the operation of the authority.  
36 2. Approve, disapprove, amend, or modify the terms  
37 of major lottery procurements recommended by the chief  
38 executive officer.  
39 3. Adopt policies and procedures and promulgate  
40 administrative rules pursuant to chapter 17a relating  
41 to the management and operation of the authority. The  
42 administrative rules promulgated pursuant to this  
43 subsection may include but shall not be limited to the  
44 following:  
45 a. The type of games to be conducted.  
46 b. The sale price of tickets or shares and the  
47 manner of sale, including but not limited to  
48 authorization of sale of tickets or shares at a  
49 discount for marketing purposes, provided, however,  
50 that a retailer may accept payment by cash, check,

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1 money order, debit card, or electronic funds transfer  
2 and shall not extend or arrange credit for the  
3 purchase of a ticket or share. As used in this  
4 section, "cash" means United States currency.  
5 c. The number and amount of prizes, including but  
6 not limited to prizes of free tickets or shares in  
7 lottery games conducted by the authority and  
8 merchandise prizes. The authority shall maintain and  
9 make available for public inspection at its offices  
10 during regular business hours a detailed listing of  
11 the estimated number of prizes of each particular  
12 denomination that are expected to be awarded in any  
13 game that is on sale or the estimated odds of winning  
14 the prizes and, after the end of the claim period,  
15 shall maintain and make available a listing of the  
16 total number of tickets or shares sold in a game and  
17 the number of prizes of each denomination that were  
18 awarded.  
19 d. The method and location of selecting or  
20 validating winning tickets or shares.  
21 e. The manner and time of payment of prizes, which  
22 may include lump-sum payments or installments over a  
23 period of years.  
24 f. The manner of payment of prizes to the holders  
25 of winning tickets or shares after performing  
26 validation procedures appropriate to the game and as  
27 specified by the board.

28 g. The frequency of games and drawings or  
 29 selection of winning tickets or shares.  
 30 h. The means of conducting drawings, provided that  
 31 drawings shall be open to the public and witnessed by  
 32 an independent certified public accountant. Equipment  
 33 used to select winning tickets or shares or  
 34 participants for prizes shall be examined by an  
 35 independent certified public accountant prior to and  
 36 after each drawing.  
 37 i. The manner and amount of compensation to  
 38 lottery retailers.  
 39 j. The engagement and compensation of audit  
 40 services.  
 41 k. Any and all other matters necessary, desirable,  
 42 or convenient toward ensuring the efficient and  
 43 effective operation of lottery games, the continued  
 44 entertainment and convenience of the public, and the  
 45 integrity of the lottery.  
 46 4. Adopt game specific rules. The promulgation of  
 47 game specific rules shall not be subject to the  
 48 requirements of chapter 17A. However, game specific  
 49 rules shall be made available to the public prior to  
 50 the time the games go on sale and shall be kept on

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1 file at the office of the authority.  
 2 5. Perform such other functions as specified by  
 3 this chapter.  
 4 Sec.     . **NEW SECTION.** 99G.10 AUTHORITY  
 5 PERSONNEL.  
 6 1. All employees of the authority shall be  
 7 considered public employees.  
 8 2. Subject to the approval of the board, the chief  
 9 executive officer shall have the sole power to  
 10 designate particular employees as key personnel, but  
 11 may take advice from the department of personnel in  
 12 making any such designations. All key personnel shall  
 13 be exempt from the merit system described in chapter  
 14 19A. The chief executive officer and the board shall  
 15 have the sole power to employ, classify, and fix the  
 16 compensation of key personnel. All other employees  
 17 shall be employed, classified, and compensated in  
 18 accordance with chapters 19a and 20.  
 19 3. The chief executive officer and the board shall  
 20 have the exclusive power to determine the number of  
 21 full-time equivalent positions, as defined in chapter  
 22 8, necessary to carry out the provisions of this  
 23 chapter.  
 24 4. The chief executive officer shall have the sole  
 25 responsibility to assign duties to all authority  
 26 employees.

27 5. The authority may establish incentive programs  
28 for authority employees.

29 6. An employee of the authority shall not have a  
30 financial interest in any vendor doing business or  
31 proposing to do business with the authority. However,  
32 an employee may own shares of a mutual fund which may  
33 hold shares of a vendor corporation provided the  
34 employee does not have the ability to influence the  
35 investment functions of the mutual fund.

36 7. An employee of the authority with decision-  
37 making authority shall not participate in any decision  
38 involving a retailer with whom the employee has a  
39 financial interest.

40 8. A background investigation shall be conducted  
41 by the department of public safety, division of  
42 criminal investigation, on each applicant who has  
43 reached the final selection process prior to  
44 employment by the authority. For positions not  
45 designated as sensitive by the board, the  
46 investigation may consist of a state criminal history  
47 background check, work history, and financial review.  
48 The board shall identify those sensitive positions of  
49 the authority which require full background  
50 investigations, which positions shall include, at a

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1 minimum, any officer of the authority, and any  
2 employee with operational management responsibilities,  
3 security duties, or system maintenance or programming  
4 responsibilities related to the authority's data  
5 processing or network hardware, software,  
6 communication, or related systems. In addition to a  
7 work history and financial review, a full background  
8 investigation may include a national criminal history  
9 record check through the federal bureau of  
10 investigation. The screening of employees through the  
11 federal bureau of investigation shall be conducted by  
12 submission of fingerprints through the state criminal  
13 history record repository to the federal bureau of  
14 investigation. The results of background  
15 investigations conducted pursuant to this section  
16 shall not be considered public records under chapter  
17 22.

18 9. A person who has been convicted of a felony or  
19 bookmaking or other form of illegal gambling or of a  
20 crime involving moral turpitude shall not be employed  
21 by the authority.

22 10. The authority shall bond authority employees  
23 with access to authority funds or lottery revenue in  
24 such an amount as provided by the board and may bond  
25 other employees as deemed necessary.

26 Sec. \_\_\_\_ NEW SECTION. 99G.11 CONFLICTS OF  
27 INTEREST.

28 1. A member of the board, any officer, or other  
29 employee of the authority shall not directly or  
30 indirectly, individually, as a member of a partnership  
31 or other association, or as a shareholder, director,  
32 or officer of a corporation have an interest in a  
33 business that contracts for the operation or marketing  
34 of the lottery as authorized by this chapter, unless  
35 the business is controlled or operated by a consortium  
36 of lotteries in which the authority has an interest.

37 2. Notwithstanding the provisions of chapter 68B,  
38 a person contracting or seeking to contract with the  
39 state to supply gaming equipment or materials for use  
40 in the operation of the lottery, an applicant for a  
41 license to sell tickets or shares in the lottery, or a  
42 retailer shall not offer a member of the board, any  
43 officer, or other employee of the authority, or a  
44 member of their immediate family a gift, gratuity, or  
45 other thing having a value of more than the limits  
46 established in chapter 68B, other than food and  
47 beverage consumed at a meal. For purposes of this  
48 subsection, “member of their immediate family” means a  
49 spouse, child, stepchild, brother, brother-in-law,  
50 stepbrother, sister, sister-in-law, stepsister,

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1 parent, parent-in-law, or step-parent of the board  
2 member, the officer, or other employee who resides in  
3 the same household in the same principal residence of  
4 the board member, officer, or other employee.

5 3. If a board member, officer, or other employee  
6 of the authority violates a provision of this section,  
7 the board member, officer, or employee shall be  
8 immediately removed from the office or position.

9 4. Enforcement of this section against a board  
10 member, officer, or other employee shall be by the  
11 attorney general who upon finding a violation shall  
12 initiate an action to remove the board member,  
13 officer, or employee.

14 5. A violation of this section is a serious  
15 misdemeanor.

16 Sec. \_\_\_\_ NEW SECTION. 99G.21 AUTHORITY POWERS,  
17 TRANSFER OF ASSETS, LIABILITIES, AND OBLIGATIONS.

18 1. Funds of the state shall not be used or  
19 obligated to pay the expenses or prizes of the  
20 authority.

21 2. The authority shall have any and all powers  
22 necessary or convenient to carry out and effectuate  
23 the purposes and provisions of this chapter which are  
24 not in conflict with the Constitution of this state,

25 including, but without limiting the generality of the  
26 foregoing, the following powers:  
27 a. To sue and be sued and to complain and defend  
28 in all courts.  
29 b. To adopt and alter a seal.  
30 c. To procure or to provide insurance.  
31 d. To hold copyrights, trademarks, and service  
32 marks and enforce its rights with respect thereto.  
33 e. To initiate, supervise, and administer the  
34 operation of the lottery in accordance with the  
35 provisions of this chapter and administrative rules,  
36 policies, and procedures adopted pursuant thereto.  
37 f. To enter into written agreements with one or  
38 more other states or territories of the United States,  
39 or one or more political subdivisions of another state  
40 or territory of the United States, or any entity  
41 lawfully operating a lottery outside the United States  
42 for the operation, marketing, and promotion of a joint  
43 lottery or joint lottery game. For the purposes of  
44 this subsection, any lottery with which the authority  
45 reaches an agreement or compact shall meet the  
46 criteria for security, integrity, and finance set by  
47 the board.  
48 g. To conduct such market research as is necessary  
49 or appropriate, which may include an analysis of the  
50 demographic characteristics of the players of each

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1 lottery game, and an analysis of advertising,  
2 promotion, public relations, incentives, and other  
3 aspects of communication.  
4 h. Subject to the provisions of subsection 3, to  
5 acquire or lease real property and make improvements  
6 thereon and acquire by lease or by purchase, personal  
7 property, including, but not limited to, computers;  
8 mechanical, electronic, and on-line equipment and  
9 terminals; and intangible property, including, but not  
10 limited to, computer programs, systems, and software.  
11 i. Subject to the provisions of subsection 3, to  
12 enter into contracts to incur debt in its own name and  
13 enter into financing agreements with the state,  
14 agencies or instrumentalities of the state, or with  
15 any commercial bank or credit provider.  
16 j. To select and contract with vendors and  
17 retailers.  
18 k. To enter into contracts or agreements with  
19 state or local law enforcement agencies for the  
20 performance of law enforcement, background  
21 investigations, and security checks.  
22 l. To enter into contracts of any and all types on  
23 such terms and conditions as the authority may

24 determine necessary.  
25 m. To establish and maintain banking  
26 relationships, including, but not limited to,  
27 establishment of checking and savings accounts and  
28 lines of credit.  
29 n. To advertise and promote the lottery and  
30 lottery games.  
31 o. To act as a retailer, to conduct promotions  
32 which involve the dispensing of lottery tickets or  
33 shares, and to establish and operate a sales facility  
34 to sell lottery tickets or shares and any related  
35 merchandise.  
36 p. Notwithstanding any other provision of law to  
37 the contrary, to purchase meals for attendees at  
38 authority business meetings.  
39 q. To exercise all powers generally exercised by  
40 private businesses engaged in entrepreneurial  
41 pursuits, unless the exercise of such a power would  
42 violate the terms of this chapter or of the  
43 Constitution of this state.  
44 3. Notwithstanding any other provision of law, any  
45 purchase of real property and any borrowing of more  
46 than one million dollars by the authority shall  
47 require written notice from the authority to the  
48 legislative government oversight committees and the  
49 prior approval of the executive council.  
50 4. The powers enumerated in this section are

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1 cumulative of and in addition to those powers  
2 enumerated elsewhere in this chapter and no such  
3 powers limit or restrict any other powers of the  
4 authority.  
5 5. Departments, boards, commissions, or other  
6 agencies of this state shall provide reasonable  
7 assistance and services to the authority upon the  
8 request of the chief executive officer.  
9 Sec. \_\_\_\_ NEW SECTION. 99G.22 **VENDOR BACKGROUND**  
10 **REVIEW.**  
11 1. The authority shall investigate the financial  
12 responsibility, security, and integrity of any lottery  
13 system vendor who is a finalist in submitting a bid,  
14 proposal, or offer as part of a major procurement  
15 contract. Before a major procurement contract is  
16 awarded, the division of criminal investigation of the  
17 department of public safety shall conduct a background  
18 investigation of the vendor to whom the contract is to  
19 be awarded. The chief executive officer and board  
20 shall consult with the division of criminal  
21 investigation and shall provide for the scope of the  
22 background investigation and due diligence to be

23 conducted in connection with major procurement  
24 contracts. At the time of submitting a bid, proposal,  
25 or offer to the authority on a major procurement  
26 contract, the authority shall require that each vendor  
27 submit to the division of criminal investigation  
28 appropriate investigation authorization to facilitate  
29 this investigation, together with an advance of funds  
30 to meet the anticipated investigation costs. If the  
31 division of criminal investigation determines that  
32 additional funds are required to complete an  
33 investigation, the vendor will be so advised. The  
34 background investigation by the division of criminal  
35 investigation may include a national criminal history  
36 record check through the federal bureau of  
37 investigation. The screening of vendors or their  
38 employees through the federal bureau of investigation  
39 shall be conducted by submission of fingerprints  
40 through the state criminal history record repository  
41 to the federal bureau of investigation.

42 2. If at least twenty-five percent of the cost of  
43 a vendor's contract is subcontracted, the vendor shall  
44 disclose all of the information required by this  
45 section for the subcontractor as if the subcontractor  
46 were itself a vendor.

47 3. A major procurement contract shall not be  
48 entered into with any lottery system vendor who has  
49 not complied with the disclosure requirements  
50 described in this section, and any contract with such

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1 a vendor is voidable at the option of the authority.  
2 Any contract with a vendor that does not comply with  
3 the requirements for periodically updating such  
4 disclosures during the tenure of the contract as may  
5 be specified in such contract may be terminated by the  
6 authority. The provisions of this section shall be  
7 construed broadly and liberally to achieve the ends of  
8 full disclosure of all information necessary to allow  
9 for a full and complete evaluation by the authority of  
10 the competence, integrity, background, and character  
11 of vendors for major procurements.

12 4. A major procurement contract shall not be  
13 entered into with any vendor who has been found guilty  
14 of a felony related to the security or integrity of  
15 the lottery in this or any other jurisdiction.

16 5. A major procurement contract shall not be  
17 entered into with any vendor if such vendor has an  
18 ownership interest in an entity that had supplied  
19 consultation services under contract to the authority  
20 regarding the request for proposals pertaining to  
21 those particular goods or services.

22 6. If, based on the results of a background  
 23 investigation, the board determines that the best  
 24 interests of the authority, including but not limited  
 25 to the authority's reputation for integrity, would be  
 26 served thereby, the board may disqualify a potential  
 27 vendor from contracting with the authority for a major  
 28 procurement contract or from acting as a subcontractor  
 29 in connection with a contract for a major procurement  
 30 contract.

31 Sec. \_\_\_\_ NEW SECTION. 99G.23 VENDOR BONDING,  
 32 TAX FILING, AND COMPETITIVE BIDDING.

33 1. The authority may purchase, lease, or lease-  
 34 purchase such goods or services as are necessary for  
 35 effectuating the purposes of this chapter. The  
 36 authority may make procurements that integrate  
 37 functions such as lottery game design, lottery ticket  
 38 distribution to retailers, supply of goods and  
 39 services, and advertising. In all procurement  
 40 decisions, the authority shall take into account the  
 41 particularly sensitive nature of the lottery and shall  
 42 act to promote and ensure security, honesty, fairness,  
 43 and integrity in the operation and administration of  
 44 the lottery and the objectives of raising net proceeds  
 45 for state programs.

46 2. Each vendor shall, at the execution of the  
 47 contract with the authority, post a performance bond  
 48 or letter of credit from a bank or credit provider  
 49 acceptable to the authority in an amount as deemed  
 50 necessary by the authority for that particular bid or

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1 contract.

2 3. Each vendor shall be qualified to do business  
 3 in this state and shall file appropriate tax returns  
 4 as provided by the laws of this state.

5 4. All major procurement contracts must be  
 6 competitively bid pursuant to policies and procedures  
 7 approved by the board unless there is only one  
 8 qualified vendor and that vendor has an exclusive  
 9 right to offer the service or product.

10 Sec. \_\_\_\_ NEW SECTION. 99G.24 RETAILER  
 11 COMPENSATION -- LICENSING.

12 1. The general assembly recognizes that to conduct  
 13 a successful lottery, the authority must develop and  
 14 maintain a statewide network of lottery retailers that  
 15 will serve the public convenience and promote the sale  
 16 of tickets or shares and the playing of lottery games  
 17 while ensuring the integrity of the lottery  
 18 operations, games, and activities.

19 2. The board shall determine the compensation to  
 20 be paid to licensed retailers. Compensation may

21 include provision for variable payments based on sales  
22 volume or incentive considerations.

23 3. The authority shall issue a license certificate  
24 to each person with whom it contracts as a retailer  
25 for purposes of display as provided in this section.  
26 Every lottery retailer shall post its license  
27 certificate, or a facsimile thereof, and keep it  
28 conspicuously displayed in a location on the premises  
29 accessible to the public. No license shall be  
30 assignable or transferable. Once issued, a license  
31 shall remain in effect until canceled, suspended, or  
32 terminated by the authority.

33 4. A licensee shall cooperate with the authority  
34 by using point-of-purchase materials, posters, and  
35 other marketing material when requested to do so by  
36 the authority. Lack of cooperation is sufficient  
37 cause for revocation of a retailer's license.

38 5. The board shall develop a list of objective  
39 criteria upon which the qualification of lottery  
40 retailers shall be based. Separate criteria shall be  
41 developed to govern the selection of retailers of  
42 instant tickets and online retailers. In developing  
43 these criteria, the board shall consider such factors  
44 as the applicant's financial responsibility, security  
45 of the applicant's place of business or activity,  
46 accessibility to the public, integrity, and  
47 reputation. The criteria shall include but not be  
48 limited to the volume of expected sales and the  
49 sufficiency of existing licensees to serve the public  
50 convenience.

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1 6. The applicant shall be current in filing all  
2 applicable tax returns to the state of Iowa and in  
3 payment of all taxes, interest, and penalties owed to  
4 the state of Iowa, excluding items under formal appeal  
5 pursuant to applicable statutes. The department of  
6 revenue and finance is authorized and directed to  
7 provide this information to the authority.

8 7. A person, partnership, unincorporated  
9 association, authority, or other business entity shall  
10 not be selected as a lottery retailer if the person or  
11 entity meets any of the following conditions:

12 a. Has been convicted of a criminal offense  
13 related to the security or integrity of the lottery in  
14 this or any other jurisdiction.

15 b. Has been convicted of any illegal gambling  
16 activity, false statements, perjury, fraud, or a  
17 felony in this or any other jurisdiction.

18 c. Has been found to have violated the provisions  
19 of this chapter or any regulation, policy, or

20 procedure of the authority or of the lottery division  
 21 unless either ten years have passed since the  
 22 violation or the board finds the violation both minor  
 23 and unintentional in nature.  
 24 d. Is a vendor or any employee or agent of any  
 25 vendor doing business with the authority.  
 26 e. Resides in the same household as an officer of  
 27 the authority.  
 28 f. Is less than eighteen years of age.  
 29 g. Does not demonstrate financial responsibility  
 30 sufficient to adequately meet the requirements of the  
 31 proposed enterprise.  
 32 h. Has not demonstrated that the applicant is the  
 33 true owner of the business proposed to be licensed and  
 34 that all persons holding at least a ten percent  
 35 ownership interest in the applicant's business have  
 36 been disclosed.  
 37 i. Has knowingly made a false statement of  
 38 material fact to the authority.  
 39 8. Persons applying to become lottery retailers  
 40 may be charged a uniform application fee for each  
 41 lottery outlet.  
 42 9. Any lottery retailer contract executed pursuant  
 43 to this section may, for good cause, be suspended,  
 44 revoked, or terminated by the chief executive officer  
 45 or the chief executive officer's designee if the  
 46 retailer is found to have violated any provision of  
 47 this chapter or objective criteria established by the  
 48 board. Cause for suspension, revocation, or  
 49 termination may include, but is not limited to, sale  
 50 of tickets or shares to a person under the age of

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1 twenty-one and failure to pay for lottery products in  
 2 a timely manner.  
 3 Sec. \_\_\_\_ NEW SECTION. 99G.25 LICENSE NOT  
 4 ASSIGNABLE.  
 5 Any lottery retailer license certificate or  
 6 contract shall not be transferable or assignable. The  
 7 authority may issue a temporary license when deemed in  
 8 the best interests of the state. a lottery retailer  
 9 shall not contract with any person for lottery goods  
 10 or services, except with the approval of the board.  
 11 Sec. \_\_\_\_ NEW SECTION. 99G.26 RETAILER BONDING.  
 12 The authority may require any retailer to post an  
 13 appropriate bond, as determined by the authority,  
 14 using a cash bond or an insurance company acceptable  
 15 to the authority.  
 16 Sec. \_\_\_\_ NEW SECTION. 99G.27 LOTTERY RETAIL  
 17 LICENSES -- CANCELLATION, SUSPENSION, REVOCATION, OR  
 18 TERMINATION.

- 19 1. A lottery retail license issued by the  
20 authority pursuant to this chapter may be canceled,  
21 suspended, revoked, or terminated by the authority,  
22 for reasons including, but not limited to, any of the  
23 following:
- 24 a. A violation of this chapter, a regulation, or a  
25 policy or procedure of the authority.
  - 26 b. Failure to accurately or timely account or pay  
27 for lottery products, lottery games, revenues, or  
28 prizes as required by the authority.
  - 29 c. Commission of any fraud, deceit, or  
30 misrepresentation.
  - 31 d. Insufficient sales.
  - 32 e. Conduct prejudicial to public confidence in the  
33 lottery.
  - 34 f. The retailer filing for or being placed in  
35 bankruptcy or receivership.
  - 36 g. Any material change as determined in the sole  
37 discretion of the authority in any matter considered  
38 by the authority in executing the contract with the  
39 retailer.
  - 40 h. Failure to meet any of the objective criteria  
41 established by the authority pursuant to this chapter.
  - 42 i. Other conduct likely to result in injury to the  
43 property, revenue, or reputation of the authority.
- 44 2. A lottery retailer license may be temporarily  
45 suspended by the authority without prior notice if the  
46 chief executive officer or designee determines that  
47 further sales by the licensed retailer are likely to  
48 result in immediate injury to the property, revenue,  
49 or reputation of the authority.
- 50 3. The board shall adopt administrative rules

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- 1 governing appeals of lottery retailer licensing  
2 disputes.
- 3 Sec. \_\_. NEW SECTION. 99G.28 PROCEEDS HELD IN  
4 TRUST.
- 5 All proceeds from the sale of the lottery tickets  
6 or shares shall constitute a trust fund until paid to  
7 the authority directly, through electronic funds  
8 transfer to the authority, or through the authority's  
9 authorized collection representative. a lottery  
10 retailer and officers of a lottery retailer's business  
11 shall have a fiduciary duty to preserve and account  
12 for lottery proceeds and lottery retailers shall be  
13 personally liable for all proceeds. Proceeds shall  
14 include unsold products received but not paid for by a  
15 lottery retailer and cash proceeds of the sale of any  
16 lottery products net of allowable sales commissions  
17 and credit for lottery prizes paid to winners by

18 lottery retailers. Sales proceeds of pull-tab tickets  
 19 shall include the sales price of the lottery product  
 20 net of allowable sales commission and prizes contained  
 21 in the product. Sales proceeds and unused instant  
 22 tickets shall be delivered to the authority or its  
 23 authorized collection representative upon demand.  
 24 Sec. \_\_\_\_ NEW SECTION. 99G.29 RETAILER RENTAL  
 25 CALCULATIONS -- LOTTERY TICKET SALES TREATMENT.  
 26 If a lottery retailer's rental payments for the  
 27 business premises are contractually computed, in whole  
 28 or in part, on the basis of a percentage of retail  
 29 sales and such computation of retail sales is not  
 30 explicitly defined to include sales of tickets or  
 31 shares in a state-operated or state-managed lottery,  
 32 only the compensation received by the lottery retailer  
 33 from the authority may be considered the amount of the  
 34 lottery retail sale for purposes of computing the  
 35 rental payment.  
 36 Sec. \_\_\_\_ NEW SECTION. 99G.30 TICKET SALES  
 37 REQUIREMENTS -- PENALTIES.  
 38 1. Lottery tickets or shares may be distributed by  
 39 the authority for promotional purposes.  
 40 2. A ticket or share shall not be sold at a price  
 41 other than that fixed by the authority and a sale  
 42 shall not be made other than by a retailer or an  
 43 employee of the retailer who is authorized by the  
 44 retailer to sell tickets or shares. a person who  
 45 violates a provision of this subsection is guilty of a  
 46 simple misdemeanor.  
 47 3. A ticket or share shall not be sold to a person  
 48 who has not reached the age of twenty-one. Any person  
 49 who knowingly sells a lottery ticket or share to a  
 50 person under the age of twenty-one shall be guilty of

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1 a simple misdemeanor. It shall be an affirmative  
 2 defense to a charge of a violation under this section  
 3 that the retailer reasonably and in good faith relied  
 4 upon presentation of proof of age in making the sale.  
 5 a prize won by a person who has not reached the age of  
 6 twenty-one but who purchases a winning ticket or share  
 7 in violation of this subsection shall be forfeited.  
 8 This section does not prohibit the lawful purchase of  
 9 a ticket or share for the purpose of making a gift to  
 10 a person who has not reached the age of twenty-one.  
 11 The board shall adopt administrative rules governing  
 12 the payment of prizes to persons who have not reached  
 13 the age of twenty-one.  
 14 4. Except for the authority, a retailer shall only  
 15 sell lottery products on the licensed premises and not  
 16 through the mail or by technological means except as

17 the authority may provide or authorize.

18 5. The retailer may accept payment by cash, check,  
19 money order, debit card, or electronic funds transfer.  
20 The retailer shall not extend or arrange credit for  
21 the purchase of a ticket or share. As used in this  
22 subsection, “cash” means United States currency.

23 6. Nothing in this chapter shall be construed to  
24 prohibit the authority from designating certain of its  
25 agents and employees to sell or give lottery tickets  
26 or shares directly to the public.

27 7. No elected official’s name shall be printed on  
28 tickets.

29 Sec. \_\_. NEW SECTION. 99G.31 PRIZES.

30 1. The chief executive officer shall award the  
31 designated prize to the ticket or shareholder upon  
32 presentation of the winning ticket or confirmation of  
33 a winning share. The prize shall be given to only one  
34 person; however, a prize shall be divided between  
35 holders of winning tickets if there is more than one  
36 winning ticket.

37 2. The authority shall adopt administrative rules,  
38 policies, and procedures to establish a system of  
39 verifying the validity of tickets or shares claimed to  
40 win prizes and to effect payment of such prizes,  
41 subject to the following requirements:

42 a. The prize shall be given to the person who  
43 presents a winning ticket. a prize may be given to  
44 only one person per winning ticket. However, a prize  
45 shall be divided between holders of winning tickets if  
46 there is more than one winning ticket. Payment of a  
47 prize may be made to the estate of a deceased prize  
48 winner or to another person pursuant to an appropriate  
49 judicial order issued by an Iowa court of competent  
50 jurisdiction.

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1 b. A prize shall not be paid arising from claimed  
2 tickets that are stolen, counterfeit, altered,  
3 fraudulent, unissued, produced or issued in error,  
4 unreadable, not received, or not recorded by the  
5 authority within applicable deadlines; lacking in  
6 captions that conform and agree with the play symbols  
7 as appropriate to the particular lottery game  
8 involved; or not in compliance with such additional  
9 specific administrative rules, policies, and public or  
10 confidential validation and security tests of the  
11 authority appropriate to the particular lottery game  
12 involved.

13 c. No particular prize in any lottery game shall  
14 be paid more than once, and in the event of a  
15 determination that more than one claimant is entitled

16 to a particular prize, the sole remedy of such  
 17 claimants is the award to each of them of an equal  
 18 share in the prize.

19 d. Unclaimed prize money for the prize on a  
 20 winning ticket or share shall be retained for a period  
 21 deemed appropriate by the chief executive officer,  
 22 subject to approval by the board. If a valid claim is  
 23 not made for the money within the applicable period,  
 24 the unclaimed prize money shall be added to the pool  
 25 from which future prizes are to be awarded or used for  
 26 special prize promotions. Notwithstanding this  
 27 subsection, the disposition of unclaimed prize money  
 28 from multijurisdictional games shall be made in  
 29 accordance with the rules of the multijurisdictional  
 30 game.

31 e. No prize shall be paid upon a ticket or share  
 32 purchased or sold in violation of this chapter. Any  
 33 such prize shall constitute an unclaimed prize for  
 34 purposes of this section.

35 f. The authority is discharged of all liability  
 36 upon payment of a prize pursuant to this section.

37 g. No ticket or share issued by the authority  
 38 shall be purchased by and no prize shall be paid to  
 39 any member of the board of directors; any officer or  
 40 employee of the authority; or to any spouse, child,  
 41 brother, sister, or parent residing as a member of the  
 42 same household in the principal place of residence of  
 43 any such person.

44 h. No ticket or share issued by the authority  
 45 shall be purchased by and no prize shall be paid to  
 46 any officer, employee, agent, or subcontractor of any  
 47 vendor or to any spouse, child, brother, sister, or  
 48 parent residing as a member of the same household in  
 49 the principal place of residence of any such person if  
 50 such officer, employee, agent, or subcontractor has

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1 access to confidential information which may  
 2 compromise the integrity of the lottery.

3 i. The proceeds of any lottery prize shall be  
 4 subject to state and federal income tax laws. An  
 5 amount deducted from the prize for payment of a state  
 6 tax, pursuant to section 422.16, subsection 1, shall  
 7 be transferred by the authority to the department of  
 8 revenue and finance on behalf of the prize winner.

9 Sec. \_\_\_\_ NEW SECTION. 99G.32 AUTHORITY LEGAL  
 10 REPRESENTATION.

11 The authority shall retain the services of legal  
 12 counsel to advise the authority and the board and to  
 13 provide representation in legal proceedings. The  
 14 authority may retain the attorney general or a full-

15 time assistant attorney general in that capacity and  
16 provide reimbursement for the cost of advising and  
17 representing the board and the authority.

18 Sec. \_\_\_\_ NEW SECTION. 99G.33 LAW ENFORCEMENT  
19 INVESTIGATIONS.

20 The department of public safety, division of  
21 criminal investigation, shall be the primary state  
22 agency responsible for investigating criminal  
23 violations under this chapter. The chief executive  
24 officer shall contract with the department of public  
25 safety for investigative services, including the  
26 employment of special agents and support personnel,  
27 and procurement of necessary equipment to carry out  
28 the responsibilities of the division of criminal  
29 investigation under the terms of the agreement and  
30 this chapter.

31 Sec. \_\_\_\_ NEW SECTION. 99G.34 OPEN RECORDS --  
32 EXCEPTIONS.

33 The records of the authority shall be governed by  
34 the provisions of chapter 22, provided that, in  
35 addition to records that may be kept confidential  
36 pursuant to section 22.7, the following records shall  
37 be kept confidential, unless otherwise ordered by a  
38 court, by the lawful custodian of the records, or by  
39 another person duly authorized to release such  
40 information:

- 41 1. Marketing plans, research data, and proprietary  
42 intellectual property owned or held by the authority  
43 under contractual agreements.
- 44 2. Personnel, vendor, and player social security  
45 or tax identification numbers.
- 46 3. Computer system hardware, software, functional  
47 and system specifications, and game play data files.
- 48 4. Security records pertaining to investigations  
49 and intelligence-sharing information between lottery  
50 security officers and those of other lotteries and law

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- 1 enforcement agencies, the security portions or  
2 segments of lottery requests for proposals, proposals  
3 by vendors to conduct lottery operations, and records  
4 of the security division of the authority pertaining  
5 to game security data, ticket validation tests, and  
6 processes.
- 7 5. Player name and address lists, provided that  
8 the names and addresses of prize winners shall not be  
9 withheld.
- 10 6. Operational security measures, systems, or  
11 procedures and building plans.
- 12 7. Security reports and other information  
13 concerning bids or other contractual data, the

14 disclosure of which would impair the efforts of the  
 15 authority to contract for goods or services on  
 16 favorable terms.

17 8. Information that is otherwise confidential  
 18 obtained pursuant to investigations.

19 Sec. \_\_. NEW SECTION. 99G.35 SECURITY.

20 1. The authority's chief security officer and  
 21 investigators shall be qualified by training and  
 22 experience in law enforcement to perform their  
 23 respective duties in support of the activities of the  
 24 security office. The chief security officer and  
 25 investigators shall not have sworn peace officer  
 26 status. The lottery security office shall perform all  
 27 of the following activities in support of the  
 28 authority mission:

29 a. Supervise ticket or share validation and  
 30 lottery drawings, provided that the authority may  
 31 enter into cooperative agreements with  
 32 multijurisdictional lottery administrators for shared  
 33 security services at drawings and game show events  
 34 involving more than one participating lottery.

35 b. Inspect at times determined solely by the  
 36 authority the facilities of any vendor or lottery  
 37 retailer in order to determine the integrity of the  
 38 vendor's product or the operations of the retailer in  
 39 order to determine whether the vendor or the retailer  
 40 is in compliance with its contract.

41 c. Report any suspected violations of this chapter  
 42 to the appropriate county attorney or the attorney  
 43 general and to any law enforcement agencies having  
 44 jurisdiction over the violation.

45 d. Upon request, provide assistance to any county  
 46 attorney, the attorney general, the department of  
 47 public safety, or any other law enforcement agency.

48 e. Upon request, provide assistance to retailers  
 49 in meeting their licensing contract requirements and  
 50 in detecting retailer employee theft.

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1 f. Monitor authority operations for compliance  
 2 with internal security requirements.

3 g. Provide physical security at the authority's  
 4 central operations facilities.

5 h. Conduct on-press product production  
 6 surveillance, testing, and quality approval for  
 7 printed scratch and pull-tab tickets.

8 i. Coordinate employee and retailer background  
 9 investigations conducted by the department of public  
 10 safety, division of criminal investigation.

11 2. The authority may enter into intelligence-  
 12 sharing, reciprocal use, or restricted use agreements

13 with the federal government, law enforcement agencies,  
14 lottery regulation agencies, and gaming enforcement  
15 agencies of other jurisdictions which provide for and  
16 regulate the use of information provided and received  
17 pursuant to the agreement.

18 3. Records, documents, and information in the  
19 possession of the authority received pursuant to an  
20 intelligence-sharing, reciprocal use, or restricted  
21 use agreement entered into by the authority with a  
22 federal department or agency, any law enforcement  
23 agency, or the lottery regulation or gaming  
24 enforcement agency of any jurisdiction shall be  
25 considered investigative records of a law enforcement  
26 agency and are not subject to chapter 22 and shall not  
27 be released under any condition without the permission  
28 of the person or agency providing the record or  
29 information.

30 Sec. \_\_. NEW SECTION. 99G.36 FORGERY -- FRAUD  
31 -- PENALTIES.

32 1. A person who, with intent to defraud, falsely  
33 makes, alters, forges, utters, passes, redeems, or  
34 counterfeits a lottery ticket or share or attempts to  
35 falsely make, alter, forge, utter, pass, redeem, or  
36 counterfeit a lottery ticket or share, or commits  
37 theft or attempts to commit theft of a lottery ticket  
38 or share, is guilty of a class "D" felony.

39 2. Any person who influences or attempts to  
40 influence the winning of a prize through the use of  
41 coercion, fraud, deception, or tampering with lottery  
42 equipment or materials shall be guilty of a class "D"  
43 felony.

44 3. No person shall knowingly or intentionally make  
45 a material false statement in any application for a  
46 license or proposal to conduct lottery activities or  
47 make a material false entry in any book or record  
48 which is compiled or maintained or submitted to the  
49 board pursuant to the provisions of this chapter. Any  
50 person who violates the provisions of this section

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1 shall be guilty of a class "D" felony.

2 Sec. \_\_. NEW SECTION. 99G.37 COMPETITIVE  
3 BIDDING.

4 1. The authority shall enter into a major  
5 procurement contract pursuant to competitive bidding.  
6 The requirement for competitive bidding does not apply  
7 in the case of a single vendor having exclusive rights  
8 to offer a particular service or product. The board  
9 shall adopt procedures for competitive bidding.  
10 Procedures adopted by the board shall be designed to  
11 allow the selection of proposals that provide the

12 greatest long-term benefit to the state, the greatest  
 13 integrity for the authority, and the best service and  
 14 products for the public.

15 2. In any bidding process, the authority may  
 16 administer its own bidding and procurement or may  
 17 utilize the services of the department of general  
 18 services, or its successor, or other state agency.

19 Sec. \_\_. NEW SECTION. 99G.38 AUTHORITY FINANCE  
 20 -- SELF-SUSTAINING.

21 1. The authority may borrow, or accept and expend,  
 22 in accordance with the provisions of this chapter,  
 23 such moneys as may be received from any source,  
 24 including income from the authority's operations, for  
 25 effectuating its business purposes, including the  
 26 payment of the initial expenses of initiation,  
 27 administration, and operation of the authority and the  
 28 lottery.

29 2. The authority shall be self-sustaining and  
 30 self-funded. Moneys in the general fund of the state  
 31 shall not be used or obligated to pay the expenses of  
 32 the authority or prizes of the lottery, and no claim  
 33 for the payment of an expense of the lottery or prizes  
 34 of the lottery may be made against any moneys other  
 35 than moneys credited to the authority operating  
 36 account.

37 3. The state of Iowa offset program, as provided  
 38 in section 421.17, shall be available to the authority  
 39 to facilitate receipt of funds owed to the authority.

40 Sec. \_\_. NEW SECTION. 99G.39 ALLOCATION,  
 41 APPROPRIATION, TRANSFER, AND REPORTING OF FUNDS.

42 1. Upon receipt of any revenue, the chief  
 43 executive officer shall deposit the moneys in the  
 44 lottery fund created pursuant to section 99G.40. At  
 45 least fifty percent of the projected annual revenue  
 46 accruing from the sale of tickets or shares shall be  
 47 allocated for payment of prizes to the holders of  
 48 winning tickets. After the payment of prizes, the  
 49 following shall be deducted from the authority's  
 50 revenue prior to disbursement:

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1 a. An amount equal to three-tenths of one percent  
 2 of the gross lottery revenue for the year shall be  
 3 deposited in a gambling treatment fund in the office  
 4 of the treasurer of state.

5 b. The expenses of conducting the lottery.  
 6 Expenses for advertising production and media  
 7 purchases shall not exceed four percent of the  
 8 authority's gross revenue for the year.

9 2. The director of management shall not include  
 10 lottery revenues in the director's fiscal year revenue

11 estimates.

12 3. a. Notwithstanding subsection 1, if gaming  
13 revenues under sections 99D.17 and 99F.11 are  
14 insufficient in a fiscal year to meet the total amount  
15 of such revenues directed to be deposited in the  
16 vision Iowa fund and the school infrastructure fund  
17 during the fiscal year pursuant to section 8.57,  
18 subsection 5, paragraph “e”, the difference shall be  
19 paid from lottery revenues prior to deposit of the  
20 lottery revenues in the general fund. If lottery  
21 revenues are insufficient during the fiscal year to  
22 pay the difference, the remaining difference shall be  
23 paid from lottery revenues in subsequent fiscal years  
24 as such revenues become available.

25 b. The treasurer of state shall, each quarter,  
26 prepare an estimate of the gaming revenues and lottery  
27 revenues that will become available during the  
28 remainder of the appropriate fiscal year for the  
29 purposes described in paragraph “a”. The department  
30 of management and the department of revenue and  
31 finance shall take appropriate actions to provide that  
32 the amount of gaming revenues and lottery revenues  
33 that will be available during the remainder of the  
34 appropriate fiscal year is sufficient to cover any  
35 anticipated deficiencies.

36 Sec. \_\_. NEW SECTION. 99G.40 AUDITS AND REPORTS  
37 -- LOTTERY FUND.

38 1. To ensure the financial integrity of the  
39 lottery, the authority shall do all of the following:

40 a. Submit quarterly and annual reports to the  
41 governor, state auditor, and the general assembly  
42 disclosing the total lottery revenues, prize  
43 disbursements, and other expenses of the authority  
44 during the reporting period. The fourth quarter  
45 report shall be included in the annual report made  
46 pursuant to this section. The annual report shall  
47 include a complete statement of lottery revenues,  
48 prize disbursements, and other expenses, and  
49 recommendations for changes in the law that the chief  
50 executive officer deems necessary or desirable. The

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1 annual report shall be submitted within one hundred  
2 twenty days after the close of the fiscal year. The  
3 chief executive officer shall report immediately to  
4 the governor, the treasurer of state, and the general  
5 assembly any matters that require immediate changes in  
6 the law in order to prevent abuses or evasions of this  
7 chapter or rules adopted or to rectify undesirable  
8 conditions in connection with the administration or  
9 operation of the lottery.

10 b. Maintain weekly or more frequent records of  
11 lottery transactions, including the distribution of  
12 tickets or shares to retailers, revenues received,  
13 claims for prizes, prizes paid, prizes forfeited, and  
14 other financial transactions of the authority.  
15 c. The authority shall deposit in the lottery fund  
16 created in subsection 2 any moneys received by  
17 retailers from the sale of tickets or shares less the  
18 amount of any compensation due the retailers. The  
19 chief executive officer may require licensees to file  
20 with the authority reports of receipts and  
21 transactions in the sale of tickets or shares. The  
22 reports shall be in the form and contain the  
23 information the chief executive officer requires.  
24 2. A lottery fund is created in the office of the  
25 treasurer of state and shall exist as the recipient  
26 fund for authority receipts. The fund consists of all  
27 revenues received from the sale of lottery tickets or  
28 shares and all other moneys lawfully credited or  
29 transferred to the fund. The chief executive officer  
30 shall certify quarterly that portion of the fund that  
31 has been transferred to the general fund of the state  
32 under this chapter and shall cause that portion to be  
33 transferred to the general fund of the state.  
34 However, upon the request of the chief executive  
35 officer and subject to the approval by the treasurer  
36 of state, an amount sufficient to cover the  
37 foreseeable administrative expenses of the lottery for  
38 a period of twenty-one days may be retained from the  
39 lottery fund. Prior to the quarterly transfer to the  
40 general fund of the state, the chief executive officer  
41 may direct that lottery revenue shall be deposited in  
42 the lottery fund and in interest-bearing accounts  
43 designated by the treasurer of state. Interest or  
44 earnings paid on the deposits or investments is  
45 considered lottery revenue and shall be transferred to  
46 the general fund of the state in the same manner as  
47 other lottery revenue.  
48 3. The chief executive officer shall certify  
49 before the last day of the month following each  
50 quarter that portion of the lottery fund resulting

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1 from the previous quarter's sales to be transferred to  
2 the general fund of the state.  
3 4. For informational purposes only, the chief  
4 executive officer shall submit to the department of  
5 management by October 1 of each year a proposed  
6 operating budget for the authority for the succeeding  
7 fiscal year. This budget proposal shall also be  
8 accompanied by an estimate of the net proceeds to be

9 deposited into the general fund during the succeeding  
10 fiscal year. This budget shall be on forms prescribed  
11 by the department of management.

12 5. The authority shall adopt the same fiscal year  
13 as that used by state government and shall be audited  
14 annually.

15 Sec. \_\_\_\_ NEW SECTION. 99G.41 PRIZE OFFSETS --  
16 GARNISHMENTS.

17 1. Any claimant agency may submit to the authority  
18 a list of the names of all persons indebted to such  
19 claimant agency or to persons on whose behalf the  
20 claimant agency is acting. The full amount of the  
21 debt shall be collectable from any lottery winnings  
22 due the debtor without regard to limitations on the  
23 amounts that may be collectable in increments through  
24 garnishment or other proceedings. Such list shall  
25 constitute a valid lien upon and claim of lien against  
26 the lottery winnings of any debtor named in such list.  
27 The list shall contain the names of the debtors, their  
28 social security numbers if available, and any other  
29 information that assists the authority in identifying  
30 the debtors named in the list.

31 2. The authority is authorized and directed to  
32 withhold any winnings paid out directly by the  
33 authority subject to the lien created by this section  
34 and send notice to the winner. However, if the winner  
35 appears and claims winnings in person, the authority  
36 shall notify the winner at that time by hand delivery  
37 of such action. The authority shall pay the funds  
38 over to the agency administering the offset program.

39 3. Notwithstanding the provisions of section  
40 99G.34 which prohibit disclosure by the authority of  
41 certain portions of the contents of prize winner  
42 records or information, and notwithstanding any other  
43 confidentiality statute, the authority may provide to  
44 a claimant agency all information necessary to  
45 accomplish and effectuate the intent of this section.

46 4. The information obtained by a claimant agency  
47 from the authority in accordance with this section  
48 shall retain its confidentiality and shall only be  
49 used by a claimant agency in the pursuit of its debt  
50 collection duties and practices. Any employee or

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1 prior employee of any claimant agency who unlawfully  
2 discloses any such information for any other purpose,  
3 except as otherwise specifically authorized by law,  
4 shall be subject to the same penalties specified by  
5 law for unauthorized disclosure of confidential  
6 information by an agent or employee of the authority.

7 5. Except as otherwise provided in this chapter,

8 attachments, garnishments, or executions authorized  
 9 and issued pursuant to law shall be withheld if timely  
 10 served upon the authority.

11 6. The provisions of this section shall only apply  
 12 to prizes paid directly by the authority and shall not  
 13 apply to any retailers authorized by the board to pay  
 14 prizes of up to six hundred dollars after deducting  
 15 the price of the ticket or share.

16 Sec. \_\_\_\_ NEW SECTION. 99G.42 COMPULSIVE  
 17 GAMBLERS -- PRINTING ON TICKETS -- INFORMATION AT  
 18 RETAIL OUTLETS.

19 The authority shall cooperate with the gambling  
 20 treatment program administered by the Iowa department  
 21 of public health to incorporate information regarding  
 22 the gambling treatment program and its toll-free  
 23 telephone number in printed materials distributed by  
 24 the authority.

25 Sec. \_\_\_\_ Section 7E.5, subsection 1, paragraph d,  
 26 Code 2003, is amended to read as follows:

27 d. The department of revenue and finance, created  
 28 in section 421.2, which has primary responsibility for  
 29 revenue collection and revenue law compliance, and  
 30 financial management and assistance, ~~and the Iowa~~  
 31 ~~lottery~~.

32 Sec. \_\_\_\_ Section 7E.6, subsection 3, Code 2003,  
 33 is amended to read as follows:

34 3. Any position of membership on the ~~lottery~~ board  
 35 of the Iowa lottery authority shall receive  
 36 compensation of fifty dollars per day and expenses.

37 Sec. \_\_\_\_ Section 8.22A, subsection 5, paragraph  
 38 a, Code 2003, is amended to read as follows:

39 a. The amount of lottery revenues for the  
 40 following fiscal year to be available for disbursement  
 41 following the deductions made pursuant to section  
 42 ~~99E.10~~ 99G.39, subsection 1.

43 Sec. \_\_\_\_ Section 8.57, subsection 5, paragraph e,  
 44 unnumbered paragraph 2, Code 2003, is amended to read  
 45 as follows:

46 If the total amount of moneys directed to be  
 47 deposited in the general fund of the state under  
 48 sections 99D.17 and 99F.11 in a fiscal year is less  
 49 than the total amount of moneys directed to be  
 50 deposited in the vision Iowa fund and the school

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1 infrastructure fund in the fiscal year pursuant to  
 2 this paragraph “e”, the difference shall be paid from  
 3 lottery revenues in the manner provided in section  
 4 ~~99E.10~~ 99G.39, subsection 3.

5 Sec. \_\_\_\_ Section 68B.35, subsection 2, paragraph  
 6 e, Code 2003, is amended to read as follows:

7 e. Members of the banking board, the ethics and  
8 campaign disclosure board, the credit union review  
9 board, the economic development board, the employment  
10 appeal board, the environmental protection commission,  
11 the health facilities council, the Iowa finance  
12 authority, the Iowa public employees' retirement  
13 system investment board, the ~~lottery~~ board of the Iowa  
14 lottery authority, the natural resource commission,  
15 the board of parole, the petroleum underground storage  
16 tank fund board, the public employment relations  
17 board, the state racing and gaming commission, the  
18 state board of regents, the tax review board, the  
19 transportation commission, the office of consumer  
20 advocate, the utilities board, the Iowa  
21 telecommunications and technology commission, and any  
22 full-time members of other boards and commissions as  
23 defined under section 7E.4 who receive an annual  
24 salary for their service on the board or commission.  
25 Sec. \_\_\_\_ Section 99A.10, Code 2003, is amended to  
26 read as follows:  
27 99A.10 MANUFACTURE AND DISTRIBUTION OF GAMBLING  
28 DEVICES PERMITTED.  
29 A person may manufacture or act as a distributor  
30 for gambling devices for sale out of the state in  
31 another jurisdiction where possession of the device is  
32 legal or for sale in the state or use in the state if  
33 the use is permitted pursuant to either chapter 99B or  
34 chapter ~~99E~~ 99G.  
35 Sec. \_\_\_\_ Section 99B.1, subsection 17, Code 2003,  
36 is amended to read as follows:  
37 17. "Merchandise" includes lottery tickets or  
38 shares sold or authorized under chapter ~~99E~~ 99G. The  
39 value of the ticket or share is the price of the  
40 ticket or share as established by the lottery division  
41 of the department of revenue and finance pursuant to  
42 chapter ~~99E~~ 99G.  
43 Sec. \_\_\_\_ Section 99B.6, subsection 5, Code 2003,  
44 is amended to read as follows:  
45 5. Lottery tickets or shares authorized pursuant  
46 to chapter ~~99E~~ 99G may be sold on the premises of an  
47 establishment that serves or sells alcoholic  
48 beverages, wine, or beer as defined in section 123.3.  
49 Sec. \_\_\_\_ Section 99B.7, subsection 1, paragraph  
50 1, subparagraph (1), Code 2003, is amended to read as

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1 follows:  
2 (1) No other gambling is engaged in at the same  
3 location, except that lottery tickets or shares issued  
4 by the lottery division of the department of revenue  
5 and finance may be sold pursuant to chapter ~~99E~~ 99G.

6 Sec. \_\_\_\_ Section 99B.15, Code 2003, is amended to  
7 read as follows:  
8 99B.15 APPLICABILITY OF CHAPTER -- PENALTY.  
9 It is the intent and purpose of this chapter to  
10 authorize gambling in this state only to the extent  
11 specifically permitted by a section of this chapter or  
12 chapter 99D, ~~99E, or 99F, or 99G.~~ Except as otherwise  
13 provided in this chapter, the knowing failure of any  
14 person to comply with the limitations imposed by this  
15 chapter constitutes unlawful gambling, a serious  
16 misdemeanor.

17 Sec. \_\_\_\_ Section 99F.2, Code 2003, is amended to  
18 read as follows:  
19 99F.2 SCOPE OF PROVISIONS.  
20 This chapter does not apply to the pari-mutuel  
21 system of wagering used or intended to be used in  
22 connection with the horse-race or dog-race meetings as  
23 authorized under chapter 99D, lottery or lotto games  
24 authorized under chapter ~~99E~~ 99G, or bingo or games of  
25 skill or chance authorized under chapter 99B.

26 Sec. \_\_\_\_ Section 99F.11, subsection 3, Code 2003,  
27 is amended to read as follows:  
28 3. Three-tenths of one percent of the adjusted  
29 gross receipts shall be deposited in the gambling  
30 treatment fund specified in section ~~99E-10~~ 99G.39,  
31 subsection 1, paragraph “a”.

32 Sec. \_\_\_\_ Section 123.49, subsection 2, paragraph  
33 a, Code 2003, is amended to read as follows:  
34 a. Knowingly permit any gambling, except in  
35 accordance with chapter 99B, 99D, ~~99E, or 99F,~~ or 99G.  
36 or knowingly permit solicitation for immoral purposes,  
37 or immoral or disorderly conduct on the premises  
38 covered by the license or permit.

39 Sec. \_\_\_\_ Section 321.19, subsection 1, unnumbered  
40 paragraph 2, Code 2003, is amended to read as follows:  
41 The department shall furnish, on application, free  
42 of charge, distinguishing plates for vehicles thus  
43 exempted, which plates except plates on Iowa state  
44 patrol vehicles shall bear the word “official” and the  
45 department shall keep a separate record. Registration  
46 plates issued for Iowa state patrol vehicles, except  
47 unmarked patrol vehicles, shall bear two red stars on  
48 a yellow background, one before and one following the  
49 registration number on the plate, which registration  
50 number shall be the officer’s badge number.

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1 Registration plates issued for county sheriff’s patrol  
2 vehicles shall display one seven-pointed gold star  
3 followed by the letter “S” and the call number of the  
4 vehicle. However, the director of general services or

5 the director of transportation may order the issuance  
6 of regular registration plates for any exempted  
7 vehicle used by peace officers in the enforcement of  
8 the law, persons enforcing chapter 124 and other laws  
9 relating to controlled substances, persons in the  
10 department of justice, the alcoholic beverages  
11 division of the department of commerce, disease  
12 investigators of the Iowa department of public health,  
13 the department of inspections and appeals, and the  
14 department of revenue and finance, who are regularly  
15 assigned to conduct investigations which cannot  
16 reasonably be conducted with a vehicle displaying  
17 “official” state registration plates, persons in the  
18 ~~Iowa lottery division of the department of revenue and~~  
19 ~~finance authority~~ whose regularly assigned duties  
20 relating to security or the carrying of lottery  
21 tickets cannot reasonably be conducted with a vehicle  
22 displaying “official” registration plates, and persons  
23 in the department of economic development who are  
24 regularly assigned duties relating to existing  
25 industry expansion or business attraction. For  
26 purposes of sale of exempted vehicles, the exempted  
27 governmental body, upon the sale of the exempted  
28 vehicle, may issue for in-transit purposes a  
29 pasteboard card bearing the words “Vehicle in  
30 Transit”, the name of the official body from which the  
31 vehicle was purchased, together with the date of the  
32 purchase plainly marked in at least one-inch letters,  
33 and other information required by the department. The  
34 in-transit card is valid for use only within forty-  
35 eight hours after the purchase date as indicated on  
36 the bill of sale which shall be carried by the driver.

37 Sec. \_\_\_\_ Section 421.17, subsection 27, Code  
38 2003, is amended by striking the subsection.

39 Sec. \_\_\_\_ Section 422.16, subsection 1, unnumbered  
40 paragraph 4, Code 2003, is amended to read as follows:  
41 For the purposes of this subsection, state income  
42 tax shall be withheld on winnings in excess of six  
43 hundred dollars derived from gambling activities  
44 authorized under chapter 99B or ~~99E, 99G~~. State income  
45 tax shall be withheld on winnings in excess of one  
46 thousand dollars from gambling activities authorized  
47 under chapter 99D. State income tax shall be withheld  
48 on winnings in excess of twelve hundred dollars  
49 derived from slot machines authorized under chapter  
50 99F.

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- 1 Sec. \_\_\_\_ Section 422.43, subsection 2, Code 2003,
- 2 is amended to read as follows:
- 3 2. There is imposed a tax of five percent upon the

4 gross receipts derived from the operation of all forms  
 5 of amusement devices and games of skill, games of  
 6 chance, raffles, and bingo games as defined in chapter  
 7 99B, operated or conducted within the state, the tax  
 8 to be collected from the operator in the same manner  
 9 as for the collection of taxes upon the gross receipts  
 10 of tickets or admission as provided in this section.  
 11 ~~The tax shall also be imposed upon the gross receipts~~  
 12 ~~derived from the sale of lottery tickets or shares~~  
 13 ~~pursuant to chapter 99E. The tax on the lottery~~  
 14 ~~tickets or shares shall be included in the sales price~~  
 15 ~~and distributed to the general fund as provided in~~  
 16 ~~section 99E.10.~~

17 Sec. \_\_\_\_ Section 422B.8, unnumbered paragraph 1,  
 18 Code 2003, is amended to read as follows:

19 A local sales and services tax at the rate of not  
 20 more than one percent may be imposed by a county on  
 21 the gross receipts taxed by the state under chapter  
 22 422, division IV. a local sales and services tax  
 23 shall be imposed on the same basis as the state sales  
 24 and services tax or in the case of the use of natural  
 25 gas, natural gas service, electricity, or electric  
 26 service on the same basis as the state use tax and  
 27 shall not be imposed on the sale of any property or on  
 28 any service not taxed by the state, except the tax  
 29 shall not be imposed on the gross receipts from the  
 30 sale of motor fuel or special fuel as defined in  
 31 chapter 452a which is consumed for highway use or in  
 32 watercraft or aircraft if the fuel tax is paid on the  
 33 transaction and a refund has not or will not be  
 34 allowed, on the gross receipts from the rental of  
 35 rooms, apartments, or sleeping quarters which are  
 36 taxed under chapter 422a during the period the hotel  
 37 and motel tax is imposed, on the gross receipts from  
 38 the sale of equipment by the state department of  
 39 transportation, on the gross receipts from the sale of  
 40 self-propelled building equipment, pile drivers,  
 41 motorized scaffolding, or attachments customarily  
 42 drawn or attached to self-propelled building  
 43 equipment, pile drivers, and motorized scaffolding,  
 44 including auxiliary attachments which improve the  
 45 performance, safety, operation, or efficiency of the  
 46 equipment and replacement parts and are directly and  
 47 primarily used by contractors, subcontractors, and  
 48 builders for new construction, reconstruction,  
 49 alterations, expansion, or remodeling of real property  
 50 or structures, and on the gross receipts from the sale

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- 1 of a lottery ticket or share in a lottery game
- 2 conducted pursuant to chapter ~~99E~~ 99G and except the

3 tax shall not be imposed on the gross receipts from  
4 the sale or use of natural gas, natural gas service,  
5 electricity, or electric service in a city or county  
6 where the gross receipts from the sale of natural gas  
7 or electric energy are subject to a franchise fee or  
8 user fee during the period the franchise or user fee  
9 is imposed. A local sales and services tax is  
10 applicable to transactions within those incorporated  
11 and unincorporated areas of the county where it is  
12 imposed and shall be collected by all persons required  
13 to collect state gross receipts taxes. However, a  
14 person required to collect state retail sales tax  
15 under chapter 422, division IV, is not required to  
16 collect local sales and services tax on transactions  
17 delivered within the area where the local sales and  
18 services tax is imposed unless the person has physical  
19 presence in that taxing area. All cities contiguous  
20 to each other shall be treated as part of one  
21 incorporated area and the tax would be imposed in each  
22 of those contiguous cities only if the majority of  
23 those voting in the total area covered by the  
24 contiguous cities favor its imposition.

25 Sec. \_\_\_\_ Section 422E.3, subsection 2, Code 2003,  
26 is amended to read as follows:

27 2. The tax shall be imposed on the same basis as  
28 the state sales and services tax or in the case of the  
29 use of natural gas, natural gas service, electricity,  
30 or electric service on the same basis as the state use  
31 tax and shall not be imposed on the sale of any  
32 property or on any service not taxed by the state,  
33 except the tax shall not be imposed on the gross  
34 receipts from the sale of motor fuel or special fuel  
35 as defined in chapter 452a which is consumed for  
36 highway use or in watercraft or aircraft if the fuel  
37 tax is paid on the transaction and a refund has not or  
38 will not be allowed, on the gross receipts from the  
39 rental of rooms, apartments, or sleeping quarters  
40 which are taxed under chapter 422a during the period  
41 the hotel and motel tax is imposed, on the gross  
42 receipts from the sale of equipment by the state  
43 department of transportation, on the gross receipts  
44 from the sale of self-propelled building equipment,  
45 pile drivers, motorized scaffolding, or attachments  
46 customarily drawn or attached to self-propelled  
47 building equipment, pile drivers, and motorized  
48 scaffolding, including auxiliary attachments which  
49 improve the performance, safety, operation, or  
50 efficiency of the equipment, and replacement parts and

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1 are directly and primarily used by contractors,  
2 subcontractors, and builders for new construction,  
3 reconstruction, alterations, expansion, or remodeling  
4 of real property or structures, and on the gross  
5 receipts from the sale of a lottery ticket or share in  
6 a lottery game conducted pursuant to chapter ~~99E~~ 99G  
7 and except the tax shall not be imposed on the gross  
8 receipts from the sale or use of natural gas, natural  
9 gas service, electricity, or electric service in a  
10 city or county where the gross receipts from the sale  
11 of natural gas or electric energy are subject to a  
12 franchise fee or user fee during the period the  
13 franchise or user fee is imposed.

14 Sec. \_\_\_\_ Section 537A.4, unnumbered paragraph 2,  
15 Code 2003, is amended to read as follows:

16 This section does not apply to a contract for the  
17 operation of or for the sale or rental of equipment  
18 for games of skill or games of chance, if both the  
19 contract and the games are in compliance with chapter  
20 99B. This section does not apply to wagering under  
21 the pari-mutuel method of wagering authorized by  
22 chapter 99D. This section does not apply to the sale,  
23 purchase or redemption of a ticket or share in the  
24 state lottery in compliance with chapter ~~99E~~ 99G.  
25 This section does not apply to wagering under the  
26 excursion boat gambling method of wagering authorized  
27 by chapter 99F. This section does not apply to the  
28 sale, purchase, or redemption of any ticket or similar  
29 gambling device legally purchased in Indian lands  
30 within this state.

31 Sec. \_\_\_\_ Section 714B.10, subsection 1, Code  
32 2003, is amended to read as follows:

33 1. Advertising by sponsors registered pursuant to  
34 chapter 557B, licensed pursuant to chapter 99B, or  
35 regulated pursuant to chapter 99D, ~~99E~~, or 99F or  
36 99G.

37 Sec. \_\_\_\_ Section 725.9, subsection 5, Code 2003,  
38 is amended to read as follows:

39 5. This chapter does not prohibit the possession  
40 of gambling devices by a manufacturer or distributor  
41 if the possession is solely for sale out of the state  
42 in another jurisdiction where possession of the device  
43 is legal or for sale in the state or use in the state  
44 if the use is licensed pursuant to either chapter 99B  
45 or chapter ~~99E~~ 99G.

46 Sec. \_\_\_\_ Section 725.15, Code 2003, is amended to  
47 read as follows:

48 725.15 EXCEPTIONS FOR LEGAL GAMBLING.

49 Sections 725.5 to 725.10 and 725.12 do not apply to  
50 a game, activity, ticket, or device when lawfully

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1 possessed, used, conducted, or participated in  
2 pursuant to chapter 99B, ~~99E, or 99F~~, or 99G.  
3 Sec. \_\_\_\_ Chapter 99E, Code 2003, is repealed.  
4 Sec. \_\_\_\_ IOWA LOTTERY AUTHORITY -- TRANSITION  
5 PROVISIONS.  
6 1. For purposes of this section, unless the  
7 context otherwise requires:  
8 a. "Iowa lottery authority" means the Iowa lottery  
9 authority as created in this Act pursuant to chapter  
10 99G.  
11 b. "Iowa lottery board" means the five-member  
12 board established pursuant to 1985 Iowa Acts, chapter  
13 33, section 105.  
14 c. "Lottery division" means the lottery division  
15 of the department of revenue and finance established  
16 pursuant to 1985 Iowa Acts, chapter 33, section 103.  
17 2. The Iowa lottery authority shall be the legal  
18 successor to the lottery division and, as such, shall  
19 assume all rights, privileges, obligations, and  
20 responsibilities of the lottery division. The  
21 promulgated rules of the lottery division shall remain  
22 in full force and effect as the rules of the authority  
23 until amended or repealed by the authority. In  
24 addition, the Iowa lottery authority may continue the  
25 security practices and procedures utilized by the  
26 lottery division until amended or repealed by the  
27 authority.  
28 3. The Iowa lottery authority is created effective  
29 at 12:01 a.m. on September 1, 2003, upon which date  
30 and time the authority shall become the legal  
31 successor to the lottery division. Until the  
32 aforesaid date and time, no business shall be  
33 conducted by the authority on behalf of the lottery,  
34 provided, however, that the Iowa lottery commissioner  
35 and Iowa lottery board shall implement such measures  
36 as are appropriate to ensure a smooth transition from  
37 the agency to the Iowa lottery authority as of the  
38 effective date of succession.  
39 4. Notwithstanding any provision of chapter 99G,  
40 as created by this Act, to the contrary, the  
41 commissioner of the Iowa lottery established pursuant  
42 to 1985 Iowa Acts, chapter 33, section 103, as amended  
43 by 1986 Iowa Acts, chapter 1245, section 404, shall  
44 serve as the initial chief executive officer of the  
45 Iowa lottery authority. In addition, notwithstanding  
46 any provision of section 99G.9, as created by this  
47 Act, to the contrary, the term of office for the chief  
48 executive officer of the Iowa lottery authority as of  
49 September 1, 2003, shall end April 30, 2008.  
50 5. Notwithstanding any provision of chapter 99G,

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1 as created by this Act, to the contrary, the initial  
2 board of directors of the Iowa lottery authority shall  
3 consist of the duly appointed and confirmed members of  
4 the Iowa lottery board serving at the date of  
5 succession. Said board members shall serve as members  
6 of the Iowa lottery authority's board of directors  
7 throughout the remainder of their respective Iowa  
8 lottery board terms, subject to earlier resignation or  
9 removal from office for cause as provided by this Act.

10 6. Personnel of the lottery division employed on  
11 September 1, 2003, shall transition to the Iowa  
12 lottery authority as the initial authority employees.

13 7. Whereas the lottery division was authorized  
14 only as a self-funded enterprise and except for an  
15 initial appropriation for start-up expenses, funds of  
16 the state have not been authorized for use or  
17 obligation to pay the expenses or prizes of the  
18 lottery division. The Iowa lottery authority shall  
19 function as the legal successor to the lottery  
20 division and shall assume all of the assets and  
21 obligations of the lottery division, and funds of the  
22 state shall not be used or obligated to pay the  
23 expenses or prizes of the authority or its  
24 predecessor, the lottery division.

25 8. In order to effect an immediate and efficient  
26 transition of the lottery from the lottery division to  
27 the Iowa lottery authority, as soon as practicable,  
28 the Iowa lottery authority shall do all of the  
29 following:

30 a. Take such steps and enter into such agreements  
31 as the board of the Iowa lottery authority may  
32 determine are necessary and proper in order to effect  
33 the transfer, assignment, and delivery to the  
34 authority from the state of all the tangible and  
35 intangible assets constituting the lottery, including  
36 the exclusive right to operate the lottery and the  
37 assignment to and assumption by the authority of all  
38 agreements, covenants, and obligations of the lottery  
39 division and other agencies of the state, relating to  
40 the operation and management of the lottery.

41 b. Receive as transferee from the state of Iowa  
42 all of the tangible and intangible assets constituting  
43 the lottery including, without limitation, the  
44 exclusive authorization to operate a lottery in the  
45 state of Iowa and ownership of annuities and bonds  
46 purchased prior to the date of transfer and held in  
47 the name of the Iowa lottery for payment of lottery  
48 prizes, and shall assume and discharge all of the  
49 agreements, covenants, and obligations of the lottery  
50 division entered into and constituting part of the

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1 operation and management of the lottery. In  
 2 consideration for such transfer and assumption, the  
 3 Iowa lottery authority shall transfer to the state all  
 4 net profits of the authority, at such times and  
 5 subject to such financial transfer requirements as are  
 6 provided in this Act.

7 c. Have perpetual succession as an instrumentality  
 8 of the state and a public authority.

9 9. Notwithstanding any provision of chapter 99G,  
 10 as created by this Act, to the contrary, the following  
 11 provisions shall apply to the Iowa lottery authority:

12 a. Moneys appropriated from the lottery fund to  
 13 the department of revenue and finance, for  
 14 administration of the lottery for the fiscal year  
 15 beginning July 1, 2003, and unexpended prior to  
 16 September 1, 2003, shall be appropriated to the Iowa  
 17 lottery authority for operation of the lottery.

18 b. Of the moneys collected by the lottery division  
 19 and Iowa lottery authority for the fiscal year  
 20 beginning July 1, 2003, fifty-four million eight  
 21 hundred thousand dollars shall be transferred to the  
 22 general fund of the state.

23 c. Any authority for establishing the budget of  
 24 the Iowa lottery authority pursuant to chapter 99G, as  
 25 created by this Act, shall only apply for the fiscal  
 26 year beginning July 1, 2004, and each succeeding  
 27 fiscal year.

28 Sec. \_\_\_\_ EFFECTIVE DATE. This division of this  
 29 Act, creating the Iowa lottery authority, takes effect  
 30 September 1, 2003.”

31 2. By renumbering as necessary.

JEFF LAMBERTI

## S-3320

### HOUSE AMENDMENT TO SENATE FILE 383

1 Amend Senate File 383, as amended, passed, and  
 2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting  
 4 clause and inserting the following:

5 “Section 1. Section 256.7, subsection 7,  
 6 unnumbered paragraph 5, Code 2003, is amended to read  
 7 as follows:

8 For the purpose of the rules adopted by the state  
 9 board, telecommunications means narrowcast  
 10 communications through systems that are directed  
 11 toward a narrowly defined audience, ~~and~~ includes

12 interactive live communications, and, until July 1,  
13 2005, includes internet web-based applications.  
14 Sec. 2. Section 256.7, Code 2003, is amended by  
15 adding the following new subsection:  
16 NEW SUBSECTION. 26. Adopt rules establishing a  
17 course catalog and a clearinghouse for courses offered  
18 through internet web-based and Iowa communications  
19 network applications. The rules shall establish  
20 quality standards for internet web-based courses and  
21 an approval process for nonprofit and private  
22 providers of internet web-based courses. School  
23 districts, accredited nonpublic schools, and area  
24 education agencies are encouraged to meet the quality  
25 standards. Nonprofit and private providers approved  
26 by the department shall meet the quality standards.  
27 Upon request and at no cost to the course provider,  
28 the department shall include in the course catalog  
29 those courses provided by a school district,  
30 accredited nonpublic school, area education agency,  
31 accredited higher education institution providing  
32 courses under section 261C.4 or section 257.11,  
33 subsection 3, accredited higher education institution  
34 providing internet web-based advanced placement  
35 courses, or any other provider approved by the  
36 department. In addition, the rules shall allow the  
37 department, if funds are available from a source other  
38 than the general fund of the state, to act as a  
39 clearinghouse to assist school districts and area  
40 education agencies in the development of courseware,  
41 provide preliminary information on the copyright of  
42 courses developed, recommend appropriate course fees,  
43 assist providers in securing appropriately licensed  
44 teachers, and assist school districts and accredited  
45 nonpublic schools in scheduling.  
46 Sec. 3. VIRTUAL ACADEMY STUDY.  
47 1. The department of education shall conduct a  
48 study regarding the feasibility of establishing a  
49 state-sponsored virtual academy for students in grades  
50 seven through twelve. The study shall address

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1 curriculum qualifications; scheduling; appropriate  
2 licensure of individuals, other than teachers licensed  
3 under chapter 272, to teach courses using internet  
4 web-based and Iowa communications network  
5 applications; responsibilities of the district or  
6 accredited nonpublic school seeking to access courses  
7 from the state-sponsored virtual academy; and the  
8 conditions under which the department may grant a  
9 waiver to permit a district to meet an accreditation  
10 standard for kindergarten through grade twelve through

11 telecommunications. The study shall include a review  
12 of other private and publicly sponsored virtual  
13 academies. The study shall also include a five-year  
14 implementation and fiscal estimate. The fiscal  
15 estimate shall include operational costs of the  
16 prospective state-sponsored virtual academy and any  
17 potential impact on the general fund of the state  
18 through the state school foundation program.

19 2. The director of the department shall convene a  
20 group of education stakeholders who may provide input  
21 into the study and its recommendations. The  
22 stakeholders group shall include, at minimum, a  
23 representative from a public and private accredited  
24 postsecondary institution providing courses under  
25 section 261C.4 or section 257.11, subsection 3; an  
26 accredited higher education institution providing  
27 internet web-based advanced placement courses; the  
28 Iowa association of school boards; the school  
29 administrators of Iowa; the Iowa state education  
30 association; area education agencies; accredited  
31 nonpublic schools; the board of educational examiners;  
32 and others deemed appropriate by the department.

33 3. The department shall submit its findings and  
34 recommendations in a report to the chairpersons and  
35 ranking members of the senate and house standing  
36 committees on education and the joint appropriations  
37 subcommittee on education by December 15, 2003.”

38 2. Title page, by striking lines 1 through 4 and  
39 inserting the following: “An Act relating to the use  
40 of telecommunications as an instructional tool,  
41 authorizing the state board of education to adopt  
42 rules establishing a course catalog and a  
43 clearinghouse for courses offered through internet  
44 web-based and Iowa communications network  
45 applications, and directing the department of  
46 education to conduct a virtual academy study.”

### **S-3321**

1 Amend Senate File 454 as follows:

2 1. Page 5, line 35, by striking the figure  
3 “860,000” and inserting the following: “920,000”.

4 2. Page 6, line 16, by striking the figure  
5 “250,000” and inserting the following: “310,000”.

6 3. Page 6, line 18, by inserting after the word  
7 “program.” the following: “A portion of the funds  
8 allocated in this paragraph may be used to establish a  
9 similar value-based treatment program at the Iowa  
10 correctional institution for women at Mitchellville.”

**S-3322**

- 1 Amend Senate File 454 as follows:  
 2 1. Page 3, line 23, by striking the figure  
 3 “5,000,000” and inserting the following: “9,300,000”.

JOE BOLKCOM  
 DENNIS H. BLACK  
 ROBERT E. DVORSKY  
 JACK HOLVECK  
 AMANDA RAGAN  
 JACK HATCH  
 HERMAN C. QUIRMBACH  
 KEITH A. KREIMAN  
 DARYL BEALL  
 ROGER STEWART  
 DR. JOE SENG  
 JOHN P. KIBBIE

**S-3323**

- 1 Amend Senate File 454 as follows:  
 2 1. Page 6, line 16, by striking the figure  
 3 “250,000” and inserting the following: “172,000”.  
 4 2. Page 6, by inserting after line 18, the  
 5 following:  
 6 “f. Of the funds appropriated in this subsection,  
 7 \$78,000 is allocated for community-based corrections  
 8 day programming.”

JOE BOLKCOM  
 DENNIS H. BLACK  
 ROBERT E. DVORSKY  
 JACK HOLVECK  
 JACK HATCH  
 HERMAN C. QUIRMBACH

**S-3324**

HOUSE AMENDMENT TO  
 SENATE FILE 445

- 1 Amend Senate File 445, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. Page 1, line 22, by inserting after the word  
 4 “improvements” the following: “and those activities  
 5 for which revenues under section 298.3 or 300.2 may be  
 6 spent”.

**S-3325**

1 Amend the House amendment, S-3301, to Senate File  
 2 422, as amended, passed, and reprinted by the Senate,  
 3 as follows:  
 4 1. Page 1, by striking lines 4 through 25.  
 5 2. Page 1, by striking lines 28 through 41.  
 6 3. Page 2, by inserting after the line 13, the  
 7 following:  
 8 “\_\_\_\_. Title page, line 1, by striking the word  
 9 “the”.  
 10 4. Page 2, by striking lines 14 and 15.  
 11 5. Page 2, by striking lines 18 through 21 and  
 12 inserting the following: “by permitting the reopening  
 13 of a sentence that requires a maximum accumulation of  
 14 earned time credits of fifteen percent of the total  
 15 term of confinement and by changing the parole and  
 16 work release eligibility of a person serving such a  
 17 sentence, repealing certain determinate sentences, and  
 18 providing a penalty.”“

DONALD B. REDFERN

**S-3326**

1 Amend House File 685, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 3, line 23, by striking the figure  
 4 “5,000,000” and inserting the following: “9,300,000”.

JOE BOLKCOM  
 JACK HATCH  
 ROBERT E. DVORSKY  
 MIKE CONNOLLY  
 WALLY E. HORN  
 DICK L. DEARDEN  
 JACK HOLVECK  
 DR. JOE SENG  
 MATT McCOY  
 HERMAN C. QUIRMBACH  
 WILLIAM A. DOTZLER  
 ROGER STEWART  
 DARYL BEALL  
 KEITH A. KREIMAN  
 AMANDA RAGAN  
 DENNIS H. BLACK  
 EUGENE S. FRAISE  
 JOHN P. KIBBIE

**S-3327**

1 Amend House File 685, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 6, by striking lines 16 through 21, and  
 4 inserting the following:  
 5 “e. Of the funds appropriated in this subsection,  
 6 \$310,000 is allocated for community-based corrections  
 7 day programming.”

JOE BOLKCOM  
 JACK HATCH  
 ROBERT E. DVORSKY  
 JACK HOLVECK  
 MATT McCOY  
 HERMAN C. QUIRMBACH  
 DENNIS H. BLACK  
 EUGENE S. FRAISE

**S-3328**

1 Amend House File 685, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 4, by inserting after line 10, the  
 4 following:  
 5 “aa. For a grant to a program that utilizes high  
 6 school mentors to teach life skills, violence  
 7 prevention, and character education in an effort to  
 8 reduce the illegal use of alcohol, tobacco, and other  
 9 substances:  
 10 ..... \$ 400,000”  
 11 2. Page 5, line 13, by striking the figure  
 12 “2,200,000” and inserting the following: “2,346,960”.  
 13 3. Page 5, line 28, by striking the figure  
 14 “141,810” and inserting the following: “288,770”.  
 15 4. Page 7, line 32, by striking the figure  
 16 “4,660,000” and inserting the following: “5,206,960”.  
 17 5. By renumbering, redesignating, and correcting  
 18 internal references as necessary.

JEFF LAMBERTI  
 MARY E. KRAMER

**S-3329**

1 Amend House File 675, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 16, by inserting after line 33, the  
 4 following:  
 5 “4. A continuing care retirement community that is  
 6 in compliance with chapter 523D shall not be held in  
 7 violation of this chapter if the continuing care

8 retirement community provides services to its  
 9 independent living residents.”  
 10 2. By renumbering as necessary.

MARY A. LUNDBY

### S-3330

1 Amend the amendment, S-3325, to the House  
 2 amendment, S-3301, to Senate File 422, as amended,  
 3 passed, and reprinted by the Senate, as follows:  
 4 1. Page 1, by striking line 4.  
 5 2. Page 1, by striking line 10.  
 6 3. Page 1, line 17, by inserting after the word  
 7 “sentence,” the following: “by reinstating a driver’s  
 8 license upon a finding of not guilty in an operating  
 9 while intoxicated offense.”.

BOB BRUNKHORST  
 DENNIS H. BLACK

### S-3331

1 Amend Senate File 418 as follows:  
 2 1. By striking everything after the enacting  
 3 clause and inserting the following:  
 4 “Section 1. Section 46.12, unnumbered paragraph 1,  
 5 Code 2003, is amended to read as follows:  
 6 When a vacancy occurs or will occur within one  
 7 hundred twenty days in the supreme court, the court of  
 8 appeals, or district court, the state commissioner of  
 9 elections shall forthwith so notify the chairperson of  
 10 the proper judicial nominating commission, unless the  
 11 chief justice has ordered the state commissioner of  
 12 elections to delay sending the notification. The  
 13 chief justice may order the delay for up to one  
 14 hundred eighty days for budgetary reasons. The  
 15 chairperson shall call a meeting of the commission  
 16 within ten days after such notice; if the chairperson  
 17 fails to do so, the chief justice shall call such  
 18 meeting.  
 19 Sec. 2. Section 46.14, Code 2003, is amended to  
 20 read as follows:  
 21 46.14 NOMINATION.  
 22 1. Each judicial nominating commission shall  
 23 carefully consider the individuals available for  
 24 judge, and within sixty days after receiving notice of  
 25 a vacancy shall certify to the governor and the chief  
 26 justice the proper number of nominees, in alphabetical  
 27 order. Such nominees shall be chosen by the  
 28 affirmative vote of a majority of the full statutory  
 29 number of commissioners upon the basis of their

30 qualifications and without regard to political  
 31 affiliation. Nominees shall be members of the bar of  
 32 Iowa, shall be residents of the state or district of  
 33 the court to which they are nominated, and shall be of  
 34 such age that they will be able to serve an initial  
 35 and one regular term of office to which they are  
 36 nominated before reaching the age of seventy-two  
 37 years. Nominees for district judge shall file a  
 38 certified application form, to be provided by the  
 39 supreme court, with the chairperson of the district  
 40 judicial nominating commission. ~~No person shall be  
 41 eligible for nomination by a commission as judge  
 42 during the term for which the person was elected or  
 43 appointed to that commission.~~ Absence of a  
 44 commissioner or vacancy upon the commission shall not  
 45 invalidate a nomination. The chairperson of the  
 46 commission shall promptly certify the names of the  
 47 nominees, in alphabetical order, to the governor and  
 48 the chief justice.  
 49 2. A commissioner shall not be eligible for  
 50 nomination by the commission during the term for which

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1 the commissioner was elected or appointed to that  
 2 commission. A commissioner shall not be eligible to  
 3 vote for the nomination of a family member, current  
 4 law partner, or current business partner. For  
 5 purposes of this subsection, "family member" means a  
 6 spouse, son, daughter, brother, sister, uncle, aunt,  
 7 first cousin, nephew, niece, father-in-law, mother-in-  
 8 law, son-in-law, daughter-in-law, brother-in-law,  
 9 sister-in-law, father, mother, stepfather, stepmother,  
 10 stepson, stepdaughter, stepbrother, stepsister, half  
 11 brother, or half sister.

12 Sec. 3. Section 46.16, subsections 2 and 3, Code  
 13 2003, are amended to read as follows:

14 2. Subject to removal for cause, the initial term  
 15 of office of a district associate judge shall be for  
 16 one year after appointment and until January 1  
 17 following the next judicial election after expiration  
 18 of such year, and the regular term of office of a  
 19 district associate judge retained at a judicial  
 20 election shall be ~~four~~ six years from the expiration  
 21 of the initial or previous regular term, as the case  
 22 may be.

23 3. Subject to removal for cause, the initial term  
 24 of office of a full-time associate juvenile judge or a  
 25 full-time associate probate judge shall be for one  
 26 year after appointment and until January 1 following  
 27 the next judicial election after expiration of such  
 28 year, and the regular term of office of a full-time

29 associate juvenile judge or a full-time associate  
30 probate judge retained at a judicial election shall be  
31 ~~four~~ six years from the expiration of the initial or  
32 previous regular term, as the case may be.

33 Sec. 4. Section 232.35, subsection 1, Code 2003,  
34 is amended to read as follows:

35 1. A formal judicial proceeding to determine  
36 whether a child has committed a delinquent act shall  
37 be initiated by the filing by the county attorney of a  
38 petition alleging that a child has committed a  
39 delinquent act. After a petition has been filed,  
40 service of a summons requiring the child to appear  
41 before the court or service of a notice shall be made  
42 as provided in section 232.37.

43 Sec. 5. Section 232.37, subsection 4, Code 2003,  
44 is amended to read as follows:

45 4. Service of summons or notice shall be made  
46 personally ~~by the sheriff by the delivery of~~  
47 delivering a copy of the summons or notice to the  
48 person being served. If the court determines that  
49 personal service of a summons or notice is  
50 impracticable, the court may order service by

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1 certified mail addressed to the last known address.  
2 Service of summons or notice shall be made not less  
3 than five days before the time fixed for hearing.  
4 Service of summons, notice, subpoenas or other  
5 process, after an initial valid summons or notice,  
6 shall be made in accordance with the rules of the  
7 court governing such service in civil actions.

8 Sec. 6. Section 232.183, subsection 7, Code 2003,  
9 is amended by striking the subsection.

10 Sec. 7. Section 236.3, unnumbered paragraph 2,  
11 Code 2003, is amended to read as follows:

12 The filing fee and court costs for an order for  
13 protection and in a contempt action under this chapter  
14 shall be waived for the plaintiff. The clerk of  
15 court, the sheriff of any county in this state, and  
16 other law enforcement and corrections officers shall  
17 perform their duties relating to service of process  
18 without charge to the plaintiff. When an order for  
19 protection is entered by the court, the court may  
20 direct the defendant to pay to the clerk of court the  
21 fees for the filing of the petition and reasonable  
22 costs of service of process if the court determines  
23 the defendant has the ability to pay the plaintiff's  
24 fees and costs.

25 Sec. 8. Section 237.20, unnumbered paragraph 1,  
26 Code 2003, is amended to read as follows:

27 A local board shall, except in delinquency cases,

28 do the following:

29 Sec. 9. Section 255.1, unnumbered paragraph 1,  
30 Code 2003, is amended to read as follows:  
31 Any adult resident of the state may file a  
32 complaint in the office of the ~~clerk of any juvenile~~  
33 ~~court, county general assistance director~~ charging  
34 that any legal resident of Iowa residing in the county  
35 where the complaint is filed is pregnant or is  
36 suffering from some malady or deformity that can  
37 probably be improved or cured or advantageously  
38 treated by medical or surgical treatment or hospital  
39 care, and that neither such person nor persons legally  
40 chargeable with the person's support are able to pay  
41 therefor.

42 Sec. 10. Section 255.4, Code 2003, is amended to  
43 read as follows:

44 255.4 EXAMINATION BY PHYSICIAN.

45 Upon the filing of such complaint, the ~~clerk shall~~  
46 ~~number and index the same and county general~~  
47 ~~assistance director~~ shall appoint a competent  
48 physician and surgeon, living in the vicinity of the  
49 patient, who shall personally examine the patient with  
50 respect to ~~said the~~ pregnancy, malady, or deformity.

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1 The ~~clerk director~~ may, after the expiration of five  
2 years from the filing of a complaint, destroy ~~it the~~  
3 ~~complaint~~ and all papers or records in connection  
4 ~~therewith with the complaint.~~

5 Sec. 11. Section 255.5, Code 2003, is amended to  
6 read as follows:

7 255.5 REPORT BY PHYSICIAN.

8 Such physician shall make a report in duplicate on  
9 blanks furnished as ~~hereinafter~~ provided in this  
10 chapter, answering the questions contained ~~therein in~~  
11 the blanks and setting forth the information required  
12 ~~thereby~~, giving such history of the case as will be  
13 likely to aid the medical or surgical treatment or  
14 hospital care of such patient, describing the  
15 pregnancy, deformity, or malady in detail, and stating  
16 whether or not in the physician's opinion the ~~same~~  
17 pregnancy, deformity, or malady can probably be  
18 improved or cured or advantageously treated, which  
19 report shall be filed in the office of the ~~clerk~~  
20 within such time as the clerk may fix county general  
21 assistance director.

22 Sec. 12. Section 255.6, Code 2003, is amended to  
23 read as follows:

24 255.6 INVESTIGATION AND REPORT.

25 When a complaint is filed, ~~the clerk of juvenile~~  
26 ~~court~~ in the office of the county general assistance

27 ~~director, the director~~ shall furnish the county  
 28 attorney and board of supervisors with a copy and the  
 29 board shall, by the general assistance director or  
 30 other agent it selects, make a thorough investigation  
 31 of facts as to the legal residence of the patient, and  
 32 the ability of the patient or others chargeable with  
 33 the patient's support to pay the expense of treatment  
 34 and care; and shall file a report of the investigation  
 35 ~~in the office of the clerk, with the board~~ at or  
 36 before the time of hearing.

37 Sec. 13. Section 255.7, Code 2003, is amended to  
 38 read as follows:

39 255.7 NOTICE OF HEARING -- DUTY OF COUNTY  
 40 ATTORNEY.

41 When the physician's report has been filed, the  
 42 ~~clerk county general assistance director~~ shall, ~~with~~  
 43 ~~the consent of the court or judge, fix set~~ a time and  
 44 place for hearing ~~of on~~ the matter ~~by the court~~, and  
 45 the county attorney shall cause such patient and the  
 46 parent or parents, guardian, or person having the  
 47 legal custody of said patient, if under legal  
 48 disability, to be served with such notice of the time  
 49 and place of the hearing as the ~~judge or clerk~~  
 50 ~~director~~ may prescribe.

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1 Sec. 14. Section 255.8, Code 2003, is amended to  
 2 read as follows:

3 255.8 ~~HEARING ORDER EMERGENCY CASES --~~  
 4 ~~CANCELLATION OF COMMITMENTS DETERMINATION BY BOARD OF~~  
 5 ~~SUPERVISORS.~~

6 ~~The county attorney and the general assistance~~  
 7 ~~director, or other agent of the board of supervisors~~  
 8 ~~of the county, shall appear at the hearing. The~~  
 9 ~~complainant, the county attorney, the general~~  
 10 ~~assistance director or other agent of the board of~~  
 11 ~~supervisors, and the patient, or any person~~  
 12 ~~representing the patient, may introduce evidence and~~  
 13 ~~be heard. If the court board of supervisors finds~~  
 14 that the patient is a legal resident of Iowa and is  
 15 pregnant or is suffering from a malady or deformity  
 16 which can probably be improved or cured or  
 17 advantageously treated by medical or surgical  
 18 treatment or hospital care, and that neither the  
 19 patient nor any person legally chargeable with the  
 20 patient's support is able to pay the expenses, ~~then~~  
 21 the ~~clerk of court~~ county general assistance director,  
 22 except in obstetrical cases and orthopedic cases,  
 23 shall immediately ascertain from the admitting  
 24 physician at the university hospital whether the  
 25 person can be received as a patient within a period of

26 thirty days, and if the patient can be received, the  
 27 ~~court, or in the event of no actual contest, the clerk~~  
 28 ~~of the court, board~~ shall enter an order directing  
 29 direct that the patient be sent to the university  
 30 hospital for proper medical and surgical treatment and  
 31 hospital care. If the ~~court ascertain~~ board  
 32 ascertains, except in obstetrical cases and orthopedic  
 33 cases, that a person of the age or sex of the patient,  
 34 or afflicted by the complaint, disease, or deformity  
 35 with which the person is afflicted, cannot be received  
 36 as a patient at the university hospital within the  
 37 period of thirty days, ~~then the court or the clerk~~  
 38 ~~shall enter an order directing~~ the board of  
 39 supervisors of shall direct the county to provide  
 40 adequate treatment at county expense for the patient  
 41 at home or in a hospital. Obstetrical cases and  
 42 orthopedic cases may be committed to the university  
 43 hospital without regard to the limiting period of  
 44 thirty days.

45 In any case of emergency the ~~court or the clerk~~  
 46 board of supervisors without previous inquiry may at  
 47 its discretion order the patient to be immediately  
 48 taken to and accepted by the university hospital for  
 49 the necessary care as provided in section 255.11, but  
 50 if such a patient cannot be immediately accepted at

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1 the university hospital as ascertained by telephone if  
 2 necessary, ~~the court or the clerk may enter an order~~  
 3 ~~as in certain cases above set forth directing the~~  
 4 board of supervisors shall direct the county to  
 5 provide adequate treatment at county expense for the  
 6 ~~said~~ patient at home or in a hospital.

7 Sec. 15. Section 255.10, Code 2003, is amended to  
 8 read as follows:  
 9 255.10 RELIGIOUS BELIEF -- DENIAL OF ORDER.  
 10 The ~~court~~ board of supervisors in its discretion  
 11 may refuse to make such order in any case where the  
 12 ~~court board~~ finds the patient or the patient's parent,  
 13 parents, or guardian are members of a religious  
 14 denomination whose tenets preclude dependence on the  
 15 practice of medicine or surgery and desire in good  
 16 faith to rely upon the practice of their religion for  
 17 relief from disease or disorder.

18 Sec. 16. Section 255.11, Code 2003, is amended to  
 19 read as follows:  
 20 255.11 ORDER IN CASE OF EMERGENCY.  
 21 In cases of great emergency, when the ~~court or~~  
 22 ~~judge~~ board of supervisors is satisfied that delay  
 23 would be seriously injurious to the patient, the ~~court~~  
 24 ~~or judge~~ board of supervisors may make such order with

25 the consent of the patient, if an adult, or of the  
 26 parent or parents, guardian, or person having the  
 27 legal custody of ~~said the~~ patient, if a minor or  
 28 incompetent, without examination, report, notice, or  
 29 hearing.

30 Sec. 17. Section 255.12, Code 2003, is amended to  
 31 read as follows:

32 255.12 CERTIFIED COPY OF ORDER.

33 The ~~clerk~~ county general assistance director shall  
 34 prepare a certified copy of ~~said such~~ order, which,  
 35 together with a copy of the physician's report, shall  
 36 be delivered to the admitting physician of ~~said such~~  
 37 hospital at or before the time of the reception of the  
 38 patient into the hospital.

39 Sec. 18. Section 255.13, Code 2003, is amended to  
 40 read as follows:

41 255.13 ATTENDANT -- PHYSICIAN -- COMPENSATION.

42 If the physician appointed to examine the patient  
 43 ~~shall certify certifies~~ that an attendant to accompany  
 44 the patient to the ~~said~~ hospital is necessary, and the  
 45 university hospital attendant and ambulance service is  
 46 not available, ~~then the court or judge or clerk of the~~  
 47 ~~court~~ the county general assistance director may  
 48 appoint an attendant who shall receive not exceeding  
 49 two dollars per day for the time thus necessarily  
 50 employed and actual necessary traveling expenses by

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1 the most feasible route to ~~said the~~ hospital whether  
 2 by ambulance, train, or automobile; but if such  
 3 appointee is a relative of the patient or a member of  
 4 the patient's immediate family, or receives a salary  
 5 or other compensation from the public for the  
 6 appointee's services, no such per diem compensation  
 7 shall be paid. The physician appointed ~~by the court~~  
 8 ~~or clerk~~ to make the examination and report shall  
 9 receive ~~therefor~~ three dollars for each examination  
 10 and report so made and the physician's actual  
 11 necessary expenses incurred in making such  
 12 examination, but if ~~said the~~ physician receives a  
 13 salary or other compensation from the public for the  
 14 physician's full-time services, ~~then~~ no such  
 15 examination fee shall be paid. The actual, necessary  
 16 expenses of transporting and caring for the patient  
 17 shall be paid as ~~hereinafter~~ provided in this chapter.

18 Sec. 19. Section 255.14, Code 2003, is amended to  
 19 read as follows:

20 255.14 PAYMENT OF EXPENSES —HOW PAID.

21 An itemized, verified statement of all charges  
 22 provided for in sections 255.8 and 255.13, in cases  
 23 where the patient is admitted or accepted for

24 treatment at the university hospital shall be filed  
 25 with the superintendent of the university hospital,  
 26 and upon the superintendent's recommendation when  
 27 approved by the ~~judge or clerk of the court under~~  
 28 ~~whose order the same were incurred~~ board of  
 29 supervisors, they the charges shall be charged  
 30 included on the regular bill for the maintenance,  
 31 transportation and treatment of the patient, and be  
 32 audited and paid in the manner as ~~hereinafter~~ provided  
 33 in this chapter.

34 Sec. 20. Section 255.21, Code 2003, is amended to  
 35 read as follows:

36 255.21 TREATMENT OUTSIDE HOSPITAL -- ATTENDANT.

37 If, in the judgment of the physician or surgeon to  
 38 whom the patient has been assigned for treatment,  
 39 continuous residence of the patient in the hospital is  
 40 unnecessary, such patient may, by the hospital  
 41 authorities, be sent to the patient's home or other  
 42 appropriate place, and be required to return to the  
 43 hospital when and for such length of time as may be  
 44 for the patient's benefit. The hospital authorities  
 45 may, if necessary, appoint an attendant to accompany  
 46 such patient and discharged patients, and the  
 47 compensation of such attendant shall be fixed by the  
 48 state board of regents and charged by the hospital as  
 49 part of the costs of transporting patients. The  
 50 compensation paid to and the expenses of the attendant

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1 shall be audited and paid in the same manner as is  
 2 provided by law for the compensation of an attendant  
 3 appointed by the ~~court~~ board of supervisors.

4 Sec. 21. Section 255.22, Code 2003, is amended to  
 5 read as follows:

6 255.22 TREATMENT AUTHORIZED.

7 ~~No~~ A minor or incompetent person shall not be  
 8 treated for any malady or deformity except such as is  
 9 reasonably well described in the order ~~of court~~ or the  
 10 report of the examining physician, unless permission  
 11 for such treatment is provided for in the order ~~of~~  
 12 ~~court~~, or is granted by the person's parents or  
 13 guardian; but the physician in charge may administer  
 14 such treatment or perform such surgical operations as  
 15 are usually required in cases of emergency.

16 Sec. 22. Section 255.27, Code 2003, is amended to  
 17 read as follows:

18 255.27 FACULTY TO PREPARE BLANKS -- PRINTING.

19 The medical faculty of the state university  
 20 hospital shall from time to time prepare blanks  
 21 containing questions and requiring information that it  
 22 finds necessary and proper to be obtained by the

23 physician who examines a patient under order of ~~court~~  
 24 ~~the board of supervisors~~. The blanks shall be printed  
 25 by the state, and a sufficient supply shall be  
 26 furnished by the state printing administrator to the  
 27 ~~clerk of each juvenile court in the state county~~  
 28 ~~general assistance director~~. The cost of printing the  
 29 blanks shall be audited, allowed, and paid in the same  
 30 manner as other bills for public printing.

31 Sec. 23. Section 321.20B, subsection 4, paragraph  
 32 b, subparagraph (1), unnumbered paragraph 1, Code  
 33 2003, is amended to read as follows:

34 An owner or driver who produces to the clerk of  
 35 court, ~~within thirty days of the issuance of the~~  
 36 ~~citation under paragraph “a”, or prior to the date of~~  
 37 the individual’s court appearance as indicated on the  
 38 citation, ~~whichever is earlier~~, proof that financial  
 39 liability coverage was in effect for the motor vehicle  
 40 at the time the person was stopped and cited, or, if  
 41 the driver is not the owner of the motor vehicle,  
 42 proof that liability coverage was in effect for the  
 43 driver with respect to the motor vehicle being driven  
 44 at the time the driver was stopped and cited, in the  
 45 same manner as if the motor vehicle were owned by the  
 46 driver, shall be given a receipt indicating that such  
 47 proof was provided and be subject to one of the  
 48 following:

49 Sec. 24. Section 321.20B, subsection 4, paragraph  
 50 c, Code 2003, is amended to read as follows:

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1 c. An owner or driver cited for a violation of  
 2 subsection 1, who produces to the clerk of court  
 3 ~~within thirty days of the issuance of the citation~~  
 4 ~~prior to the date of the individual’s court appearance~~  
 5 ~~as indicated on the citation~~ proof that financial  
 6 liability coverage was in effect for the motor vehicle  
 7 at the time the person was stopped and cited, shall  
 8 not be convicted of such violation and the citation  
 9 issued shall be dismissed.

10 Sec. 25. Section 321.20B, subsection 5, paragraph  
 11 b, Code 2003, is amended to read as follows:

12 b. Issue a citation. An owner or driver who  
 13 produces to the clerk of court ~~within thirty days of~~  
 14 ~~the issuance of the citation, or prior to the date of~~  
 15 the individual’s court appearance as indicated on the  
 16 citation, ~~whichever is earlier~~, proof that the  
 17 financial liability coverage was in effect for the  
 18 motor vehicle at the time the person was stopped and  
 19 cited, or if the driver is not the owner of the motor  
 20 vehicle, proof that liability coverage was in effect  
 21 for the driver with respect to the motor vehicle being

22 driven at the time the driver was stopped and cited in  
 23 the same manner as if the motor vehicle were owned by  
 24 the driver, shall be given a receipt indicating that  
 25 proof was provided, and the citation issued shall be  
 26 dismissed.

27 Sec. 26. Section 321.484, unnumbered paragraph 2,  
 28 Code 2003, is amended to read as follows:

29 The owner of a vehicle shall not be held  
 30 responsible for a violation of a provision regulating  
 31 the stopping, standing, or parking of a vehicle,  
 32 whether the provision is contained in this chapter, or  
 33 chapter 321L, or an ordinance or other regulation or  
 34 rule, if the owner establishes that at the time of the  
 35 violation the vehicle was in the custody of an  
 36 identified person other than the owner pursuant to a  
 37 lease as defined in chapter 321F or pursuant to a  
 38 rental agreement as defined in section 516D.3. The  
 39 furnishing to the ~~clerk of the district court~~ county  
 40 attorney where the charge is pending of a copy of the  
 41 lease prescribed by section 321F.6 or rental agreement  
 42 that was in effect for the vehicle at the time of the  
 43 alleged violation shall be prima facie evidence that  
 44 the vehicle was in the custody of an identified person  
 45 other than the owner within the meaning of this  
 46 paragraph, ~~and the charge against the owner shall be~~  
 47 ~~dismissed. The clerk of the district court then shall~~  
 48 ~~cause a uniform citation and complaint to be issued~~  
 49 ~~against the lessee or renter of the vehicle, and the~~  
 50 ~~citation shall be served upon the defendant by~~

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1 ~~ordinary mail directed to the defendant at the address~~  
 2 ~~shown in the lease or rental agreement.~~

3 Sec. 27. Section 331.653, Code 2003, is amended by  
 4 adding the following new subsection:

5 NEW SUBSECTION. 23A. Carry out duties related to  
 6 service of a summons, notice, or subpoena pursuant to  
 7 sections 232.35, 232.37, and 232.88.

8 Sec. 28. Section 598.21, Code 2003, is amended by  
 9 adding the following new subsection:

10 NEW SUBSECTION. 10A. If the court modifies an  
 11 order, and the original decree was entered in another  
 12 county in Iowa, the clerk of court shall send a copy  
 13 of the modification by regular mail, electronic  
 14 transmission, or facsimile to the clerk of court for  
 15 the county where the original decree was entered.

16 Sec. 29. Section 602.1215, subsection 1, Code  
 17 2003, is amended to read as follows:

18 1. ~~The Subject to the provisions of section~~  
 19 ~~602.1209, subsection 3, the~~ district judges of each  
 20 judicial election district shall by majority vote

21 appoint persons to serve as clerks of the district  
 22 court, ~~one for each county~~ within the judicial  
 23 election district. The district judges of a judicial  
 24 election district may appoint a person to serve as  
 25 clerk of the district court for more than one but not  
 26 more than four contiguous counties in the same  
 27 judicial district. A person does not qualify for  
 28 appointment to the office of clerk of the district  
 29 court unless the person is at the time of application  
 30 a resident of the state. ~~Within three months of~~  
 31 ~~appointment the clerk of the district court must~~  
 32 ~~establish residence and physically reside in the~~  
 33 ~~county.~~ A clerk of the district court may be removed  
 34 from office for cause by a majority vote of the  
 35 district judges of the judicial election district.  
 36 Before removal, the clerk of the district court shall  
 37 be notified of the cause for removal.

38 Sec. 30. Section 602.1501, subsection 4, Code  
 39 2003, is amended to read as follows:

40 4. District associate judges shall receive the  
 41 salary set by the general assembly. ~~However, an~~  
 42 ~~alternate district associate judge whose appointment~~  
 43 ~~is authorized under section 602.6303 shall receive a~~  
 44 ~~salary for each day of actual duty equal to a district~~  
 45 ~~associate judge's daily salary.~~

46 Sec. 31. Section 602.1604, Code 2003, is amended  
 47 to read as follows:

48 602.1604 JUDGES SHALL NOT PRACTICE LAW.

49 While holding office, a supreme court justice,  
 50 court of appeals judge, district judge, or district

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1 associate judge shall not practice as an attorney or  
 2 counselor or give advice in relation to any action  
 3 pending or about to be brought in any of the courts of  
 4 the state. ~~A person whose appointment as an alternate~~  
 5 ~~district associate judge is authorized under section~~  
 6 ~~602.6303 may practice law except when actually serving~~  
 7 ~~as a district associate judge.~~

8 Sec. 32. Section 602.1611, subsection 2, Code  
 9 2003, is amended by striking the subsection.

10 Sec. 33. Section 602.6105, subsection 3, Code  
 11 2003, is amended to read as follows:

12 3. a. The chief judge of a judicial district  
 13 shall designate times and places for magistrates to  
 14 hold court to ensure accessibility of magistrates at  
 15 all times throughout the district. The schedule of  
 16 times and places of availability of magistrates and  
 17 any schedule changes shall be disseminated by the  
 18 chief judge to the peace officers within the district.

19 b. The chief judge of a judicial district shall

20 schedule a magistrate to hold court in a city other  
 21 than the county seat if all of the following apply:  
 22 (1) Magistrate court was regularly scheduled in  
 23 the city on or after July 1, 2001.  
 24 (2) The population of the city is at least two  
 25 times greater than the population of the county seat  
 26 or the population of the city is at least thirty  
 27 thousand.  
 28 (3) The city requests the chief judge to schedule  
 29 magistrate court.  
 30 In addition to paying the costs in section  
 31 602.1303, subsection 1, the city requesting the  
 32 magistrate court shall pay any other costs for holding  
 33 magistrate court in the city which would not otherwise  
 34 have been incurred by the judicial branch.  
 35 Sec. 34. Section 602.6107, Code 2003, is amended  
 36 by striking the section and inserting in lieu thereof  
 37 the following:  
 38 602.6107 REORGANIZATION OF JUDICIAL DISTRICTS AND  
 39 JUDICIAL ELECTION DISTRICTS.  
 40 1. The supreme court shall, beginning January 1,  
 41 2012, and at least every ten years thereafter, review  
 42 the division of the state into judicial districts and  
 43 judicial election districts in order to determine  
 44 whether the composition or the total number of the  
 45 judicial districts and judicial election districts is  
 46 the most efficient and effective administration of the  
 47 district court and the judicial branch.  
 48 2. If the supreme court determines that the  
 49 administration of the district court and the judicial  
 50 branch would be made more efficient and effective by

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1 reorganizing the judicial districts and judicial  
 2 election districts, which may include expanding or  
 3 contracting the total number of judicial districts and  
 4 judicial election districts, the supreme court shall  
 5 develop and submit to the general assembly by November  
 6 15 a plan that reorganizes the judicial districts and  
 7 judicial election districts. The legislative service  
 8 bureau shall draft a bill embodying the plan for  
 9 submission by the supreme court to the general  
 10 assembly. The general assembly shall bring the bill  
 11 to a vote in either the senate or the house of  
 12 representatives within thirty days of the bill's  
 13 submission by the supreme court to the general  
 14 assembly, under a procedure or rule permitting no  
 15 amendments by either house except those of a purely  
 16 corrective nature. If both houses pass the bill, the  
 17 bill shall be presented as any other bill to the  
 18 governor for approval. The bill shall take effect

19 upon the general assembly passing legislation, which  
 20 is approved by the governor including an effective  
 21 date for the reorganization of the judicial districts  
 22 and judicial election districts.

23 3. The composition of the judicial districts in  
 24 section 602.6107, Code 2003, and judicial election  
 25 districts in section 602.6109, Code 2003, shall remain  
 26 in effect until a new division of the state into  
 27 judicial districts and judicial election districts is  
 28 enacted.

29 4. It is the intent of the general assembly that  
 30 the supreme court prior to developing a plan pursuant  
 31 to this section consult with and receive input from  
 32 members of the general public, court employees,  
 33 judges, members of the general assembly, the judicial  
 34 departments of correctional services, county officers,  
 35 officials from other interested political  
 36 subdivisions, and attorneys. In submitting a plan  
 37 pursuant to this section, the supreme court shall also  
 38 submit to the general assembly a report stating the  
 39 reasons for developing the plan and describing in  
 40 detail the process used in developing the plan.

41 5. Nothing in this section or other provision of  
 42 the Code shall be construed to preclude the general  
 43 assembly or the judicial branch from proposing or  
 44 considering a plan reorganizing the judicial districts  
 45 and judicial election districts at any time.

46 Sec. 35. Section 602.6109, Code 2003, is amended  
 47 by striking the section and inserting in lieu thereof  
 48 the following:

49 602.6109 JUDICIAL ELECTION DISTRICTS AND  
 50 JUDGESHIPS.

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1 1. The reorganized judicial election districts  
 2 established pursuant to section 602.6107 shall be used  
 3 solely for purposes of nomination, appointment, and  
 4 retention of judges of the district court.

5 2. If the judicial election districts are  
 6 reorganized under section 602.6107, the state court  
 7 administrator shall reapportion the number of  
 8 judgeships to which each judicial election district is  
 9 entitled. The reapportionment shall be determined  
 10 according to section 602.6201, subsection 3.

11 Sec. 36. Section 602.6111, Code 2003, is amended  
 12 by striking the section and inserting in lieu thereof  
 13 the following:

14 602.6111 IDENTIFICATION ON DOCUMENTS FILED WITH  
 15 THE CLERK.

16 1. Any party, other than the state or a political  
 17 subdivision of the state, filing a petition or

18 complaint, answer, appearance, first motion, or any  
 19 document filed with the clerk of the district court  
 20 which brings a new party into a proceeding shall  
 21 provide the clerk of the district court with the  
 22 following information when applicable:  
 23 a. An employer identification number if a number  
 24 has been assigned.  
 25 b. The birth date of the party.  
 26 c. The social security number of the party.  
 27 2. Any party, except the child support recovery  
 28 unit, filing a petition, complaint, answer,  
 29 appearance, first motion, or any document with the  
 30 clerk of the district court to establish or modify an  
 31 order for child support under chapter 236, 252A, 252K,  
 32 598, or 600B shall provide the clerk of the district  
 33 court with the date of birth and social security  
 34 number of the child.  
 35 3. A party shall provide the information pursuant  
 36 to this section in the manner required by rules or  
 37 directives prescribed by the supreme court. The clerk  
 38 of the district court shall keep a social security  
 39 number provided pursuant to this section confidential  
 40 in accordance with the rules and directives prescribed  
 41 by the supreme court.  
 42 Sec. 37. NEW SECTION. 602.6112 REGIONAL  
 43 LITIGATION CENTERS -- PROHIBITION.  
 44 The judicial branch shall not establish regional  
 45 litigation centers.  
 46 Sec. 38. Section 602.6201, subsection 8, Code  
 47 2003, is amended to read as follows:  
 48 8. ~~Vacancies shall not be filled in a judicial~~  
 49 ~~election district which becomes entitled to fewer~~  
 50 ~~judgeships under subsection 3, but an An incumbent~~

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1 district judge shall not be removed from office  
 2 because of a reduction in the number of authorized  
 3 judgeships.  
 4 Sec. 39. Section 602.6201, Code 2003, is amended  
 5 by adding the following new subsections:  
 6 NEW SUBSECTION. 11. Notwithstanding any other  
 7 provision of the Code to the contrary, if a vacancy in  
 8 a judgeship occurs, and the chief justice of the  
 9 supreme court makes a finding that a substantial  
 10 disparity exists in the allocation of judgeships and  
 11 judicial workload between judicial election districts,  
 12 the chief justice may apportion the judgeship from the  
 13 judicial election district where the vacancy occurs to  
 14 another judicial election district based upon the  
 15 substantial disparity finding. However, a judgeship  
 16 shall not be apportioned pursuant to this section

17 unless a majority of the judicial council approves the  
18 apportionment.  
19 NEW SUBSECTION. 12. Notwithstanding any other  
20 provision of the Code to the contrary, if the chief  
21 justice of the supreme court determines a substantial  
22 disparity exists in the allocation of judgeships and  
23 judicial workload between judicial election districts,  
24 the chief justice may authorize a voluntary permanent  
25 transfer of a district judge from one judicial  
26 election district to another upon approval by a  
27 majority of the judicial council. After approval by  
28 the judicial council, the chief justice shall notify  
29 all eligible district judges of the intent to seek  
30 applicants for a voluntary permanent transfer and the  
31 terms of such a transfer. A district judge is not  
32 eligible for a voluntary transfer unless the judge has  
33 served a regular term of office as specified in  
34 section 46.16. Upon approval of the judge's  
35 application, the chief justice may transfer a district  
36 judge who consents to the transfer within six months  
37 of the notification. The transfer of a district judge  
38 shall take effect within sixty days of the official  
39 announcement of the transfer by the chief justice. A  
40 district judge transferred pursuant to this subsection  
41 shall have six months from the date of the  
42 announcement of the transfer to establish residency in  
43 the judicial election district where the district  
44 judge is transferred. A district judge who has been  
45 transferred shall stand for retention in the judicial  
46 election district to which the district judge has been  
47 transferred as provided in chapter 46. For purposes  
48 of subsection 3, the judgeship shall be apportioned to  
49 the judicial election district where the judge is  
50 transferred. A voluntary transfer pursuant to this

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1 subsection shall not cause a vacancy of a judgeship in  
2 the judicial election district from which the district  
3 judge was transferred.  
4 Sec. 40. Section 602.6301, Code 2003, is amended  
5 to read as follows:  
6 602.6301 NUMBER AND APPORTIONMENT OF DISTRICT  
7 ASSOCIATE JUDGES.  
8 There shall be one district associate judge in  
9 counties having a population of more than thirty-five  
10 thousand and less than eighty thousand; two in  
11 counties having a population of eighty thousand or  
12 more and less than one hundred twenty-five thousand;  
13 three in counties having a population of one hundred  
14 twenty-five thousand or more and less than two hundred  
15 thousand; four in counties having a population of two

16 hundred thousand or more and less than two hundred  
 17 thirty-five thousand; five in counties having a  
 18 population of two hundred thirty-five thousand or more  
 19 and less than two hundred seventy thousand; six in  
 20 counties having a population of two hundred seventy  
 21 thousand or more and less than three hundred five  
 22 thousand; and seven in counties having a population of  
 23 three hundred five thousand or more. However, a  
 24 county shall not lose a district associate judgeship  
 25 solely because of a reduction in the county's  
 26 population. If the formula provided in this section  
 27 results in the allocation of an additional district  
 28 associate judgeship to a county, implementation of the  
 29 allocation shall be subject to prior approval of the  
 30 supreme court and availability of funds to the  
 31 judicial branch. A district associate judge appointed  
 32 pursuant to section 602.6302 ~~or 602.6303~~ shall not be  
 33 counted for purposes of this section.

34 Sec. 41. Section 602.6304, subsections 1, 2, and  
 35 3, Code 2003, are amended to read as follows:

36 1. The district associate judges authorized by  
 37 sections 602.6301, and 602.6302, ~~and 602.6303~~ shall be  
 38 appointed by the district judges of the judicial  
 39 election district from persons nominated by the county  
 40 magistrate appointing commission. In the case of a  
 41 district associate judge to be appointed to more than  
 42 one county, the appointment shall be from persons  
 43 nominated by the county magistrate appointing  
 44 commissions acting jointly and in the case of a  
 45 district associate judge to be appointed to more than  
 46 one judicial election district of the same judicial  
 47 district, the appointment shall be by a majority of  
 48 the district judges in each judicial election  
 49 district.

50 2. In November of any year in which an impending

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1 vacancy is created because a district associate judge  
 2 is not retained in office pursuant to a judicial  
 3 election, the county magistrate appointing commission  
 4 shall publicize notice of the vacancy in at least two  
 5 publications in the official county newspaper. The  
 6 commission shall accept applications for consideration  
 7 for nomination as district associate judge for a  
 8 minimum of fifteen days prior to certifying  
 9 nominations. The commission shall consider the  
 10 applications and shall, by majority vote, certify to  
 11 the chief judge of the judicial district not later  
 12 than December 15 of that year the names of three  
 13 applicants who are nominated by the commission for the  
 14 vacancy, unless the chief justice has ordered the

15 commission to delay the certification of the nominees  
 16 to the chief judge. The chief justice may order the  
 17 delay of the certification for up to one hundred  
 18 eighty days for budgetary reasons. If there are three  
 19 or fewer applicants the commission shall certify all  
 20 applicants who meet the statutory qualifications.  
 21 Nominees shall be chosen solely on the basis of the  
 22 qualifications of the applicants, and political  
 23 affiliation shall not be considered.

24 3. Within thirty days after a county magistrate  
 25 appointing commission receives notification of an  
 26 actual or impending vacancy in the office of district  
 27 associate judge, other than a vacancy referred to in  
 28 subsection 2, the commission shall certify to the  
 29 chief judge of the judicial district the names of  
 30 three applicants who are nominated by the commission  
 31 for the vacancy, unless the chief justice has ordered  
 32 the commission to delay the certification of the  
 33 nominees to the chief judge. The chief justice may  
 34 order the delay of the certification for up to one  
 35 hundred eighty days for budgetary reasons. The  
 36 commission shall publicize notice of the vacancy in at  
 37 least two publications in the official county  
 38 newspaper. The commission shall accept applications  
 39 for consideration for nomination as district associate  
 40 judge for a minimum of fifteen days prior to  
 41 certifying nominations. The commission shall consider  
 42 the applications and shall, by majority vote, certify  
 43 to the chief judge of the judicial district the names  
 44 of three applicants who are nominated by the  
 45 commission for the vacancy. If there are three or  
 46 fewer applicants the commission shall certify all  
 47 applicants who meet the statutory qualifications.  
 48 Nominees shall be chosen solely on the basis of the  
 49 qualifications of the applicants, and political  
 50 affiliation shall not be considered. As used in this

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1 subsection, a vacancy is created by the death,  
 2 retirement, resignation, or removal of a district  
 3 associate judge, or by an increase in the number of  
 4 positions authorized.

5 Sec. 42. Section 602.6305, subsection 1, Code  
 6 2003, is amended to read as follows:

7 1. District associate judges shall serve initial  
 8 terms and shall stand for retention in office within  
 9 the judicial election districts of their residences at  
 10 the judicial election in 1982 and every ~~four~~ six years  
 11 thereafter, under sections 46.17 to 46.24.

12 Sec. 43. Section 602.6403, subsection 3, Code  
 13 2003, is amended to read as follows:

14 3. Within thirty days following receipt of  
15 notification of a vacancy in the office of magistrate,  
16 the commission shall appoint a person to the office to  
17 serve the remainder of the unexpired term, unless the  
18 chief justice has ordered the commission to delay the  
19 appointment for up to one hundred eighty days for  
20 budgetary reasons. For purposes of this section,  
21 vacancy means a death, resignation, retirement, or  
22 removal of a magistrate, or an increase in the number  
23 of positions authorized.

24 Sec. 44. Section 602.7103B, subsections 2 and 3,  
25 Code 2003, are amended to read as follows:

26 2. In November of any year in which an impending  
27 vacancy is created because a full-time associate  
28 juvenile judge is not retained in office pursuant to a  
29 judicial election, the county magistrate appointing  
30 commission shall publicize notice of the vacancy in at  
31 least two publications in the official county  
32 newspaper. The commission shall accept applications  
33 for consideration for nomination as full-time  
34 associate juvenile judge for a minimum of fifteen days  
35 prior to certifying nominations. The commission shall  
36 consider the applications and shall, by majority vote,  
37 certify to the chief judge of the judicial district  
38 not later than December 15 of that year the names of  
39 three applicants who are nominated by the commission  
40 for the vacancy, unless the chief justice has ordered  
41 the commission to delay the certification of the  
42 nominees to the chief judge. The chief justice may  
43 order the delay of the certification for up to one  
44 hundred eighty days for budgetary reasons. If there  
45 are three or fewer applicants, the commission shall  
46 certify all applicants who meet the statutory  
47 qualifications. Nominees shall be chosen solely on  
48 the basis of the qualifications of the applicants, and  
49 political affiliation shall not be considered.

50 3. Within thirty days after a county magistrate

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1 appointing commission receives notification of an  
2 actual or impending vacancy in the office of full-time  
3 associate juvenile judge, other than a vacancy  
4 referred to in subsection 2, the commission shall  
5 certify to the chief judge of the judicial district  
6 the names of three applicants who are nominated by the  
7 commission for the vacancy, unless the chief justice  
8 has ordered the commission to delay the certification  
9 of the nominees to the chief judge. The chief justice  
10 may order the delay of the certification for up to one  
11 hundred eighty days for budgetary reasons. The  
12 commission shall publicize notice of the vacancy in at

13 least two publications in the official county  
14 newspaper. The commission shall accept applications  
15 for consideration for nomination as full-time  
16 associate juvenile judge for a minimum of fifteen days  
17 prior to certifying nominations. The commission shall  
18 consider the applications and shall, by majority vote,  
19 certify to the chief judge of the judicial district  
20 the names of three applicants who are nominated by the  
21 commission for the vacancy. If there are three or  
22 fewer applicants, the commission shall certify all  
23 applicants who meet the statutory qualifications.  
24 Nominees shall be chosen solely on the basis of the  
25 qualifications of the applicants, and political  
26 affiliation shall not be considered. As used in this  
27 subsection, a vacancy is created by the death,  
28 retirement, resignation, or removal of a full-time  
29 associate juvenile judge, or by an increase in the  
30 number of positions authorized.

31 Sec. 45. Section 602.8102, subsection 9, Code  
32 2003, is amended to read as follows:

33 9. Enter in the appearance docket a memorandum of  
34 the date of filing of all petitions, demurrers,  
35 answers, motions, or papers of any other description  
36 in the cause. A pleading of any description is  
37 considered filed when the clerk entered the date the  
38 pleading was received on the pleading and the pleading  
39 shall not be taken from the clerk's office until the  
40 memorandum is made. The memorandum shall be made  
41 before the end of the next working day within two  
42 business days of a new petition or order being filed,  
43 and as soon as practicable for all other pleadings.  
44 Thereafter, when a demurrer or motion is sustained or  
45 overruled, a pleading is made or amended, or the trial  
46 of the cause, rendition of the verdict, entry of  
47 judgment, issuance of execution, or any other act is  
48 done in the progress of the cause, a similar  
49 memorandum shall be made of the action, including the  
50 date of action and the number of the book and page of

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1 the record where the entry is made. The appearance  
2 docket is an index of each suit from its commencement  
3 to its conclusion.

4 Sec. 46. Section 602.8102, subsection 11, Code  
5 2003, is amended to read as follows:

6 11. Refund amounts less than ~~one dollar~~ three  
7 dollars only upon written application.

8 Sec. 47. Section 602.8106, subsection 1,  
9 paragraphs b, c, d, and e, Code 2003, are amended to  
10 read as follows:

11 b. For filing and docketing of a complaint or

12 information for a simple misdemeanor and a complaint  
 13 or information for a nonscheduled simple misdemeanor  
 14 under chapter 321, ~~twenty five~~ seventeen dollars.

15 c. For filing and docketing a complaint or  
 16 information or uniform citation and complaint for  
 17 parking violations under sections 321.236, 321.239,  
 18 321.358, 321.360, and 321.361, ~~one dollar~~ eight  
 19 dollars, effective January 1, ~~1991~~ 2004. The court  
 20 costs in cases of parking meter and overtime parking  
 21 violations which are denied, and charged and collected  
 22 pursuant to section 321.236, subsection 1, or pursuant  
 23 to a uniform citation and complaint, are eight dollars  
 24 per information or complaint or per uniform citation  
 25 and complaint effective January 1, 1991.

26 d. The court costs in scheduled violation cases  
 27 where a court appearance is required ~~are twenty five,~~  
 28 seventeen dollars.

29 e. For court costs in scheduled violation cases  
 30 where a court appearance is not required, ~~fifteen~~  
 31 seventeen dollars.

32 Sec. 48. Section 624.20, Code 2003, is amended to  
 33 read as follows:

34 624.20 SATISFACTION OF JUDGMENT.

35 Where a judgment is set aside or satisfied by  
 36 execution or otherwise, the clerk shall at once enter  
 37 a memorandum thereof on the column left for that  
 38 purpose in the judgment docket. However, the clerk  
 39 may enter satisfaction of judgment if the amount of  
 40 the judgment that is unsatisfied is ~~one dollar~~ three  
 41 dollars or less.

42 Sec. 49. Section 631.5, subsection 6, Code 2003,  
 43 is amended to read as follows:

44 6. DEFAULT. If a defendant fails to appear and  
 45 the clerk in accordance with subsection 4 determines  
 46 that proper notice has been given, judgment shall be  
 47 rendered against the defendant by the clerk if the  
 48 relief is readily ascertainable. If the relief is not  
 49 readily ascertainable the claim shall be assigned to a  
 50 judicial magistrate for determination ~~and the clerk~~

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1 ~~shall immediately notify the plaintiff or the~~  
 2 ~~plaintiff's attorney and the judicial magistrate of~~  
 3 ~~such assignment by ordinary mail.~~

4 Sec. 50. Section 631.6, subsection 1, paragraph c,  
 5 Code 2003, is amended to read as follows:

6 c. Postage charged for the mailing of original  
 7 notice shall be ~~the actual costs of the postage~~ eight  
 8 dollars.

9 Sec. 51. Section 633.20B, subsections 2 and 3,  
 10 Code 2003, are amended to read as follows:

11 2. In November of any year in which an impending  
12 vacancy is created because a full-time associate  
13 probate judge is not retained in office pursuant to a  
14 judicial election, the county magistrate appointing  
15 commission shall publicize notice of the vacancy in at  
16 least two publications in the official county  
17 newspaper. The commission shall accept applications  
18 for consideration for nomination as full-time  
19 associate probate judge for a minimum of fifteen days  
20 prior to certifying nominations. The commission shall  
21 consider the applications and shall, by majority vote,  
22 certify to the chief judge of the judicial district  
23 not later than December 15 of that year the names of  
24 three applicants who are nominated by the commission  
25 for the vacancy, unless the chief justice has ordered  
26 the commission to delay the certification of the  
27 nominees to the chief judge. The chief justice may  
28 order the delay of the certification for up to one  
29 hundred eighty days for budgetary reasons. If there  
30 are three or fewer applicants, the commission shall  
31 certify all applicants who meet the statutory  
32 qualifications. Nominees shall be chosen solely on  
33 the basis of the qualifications of the applicants, and  
34 political affiliation shall not be considered.  
35 3. Within thirty days after a county magistrate  
36 appointing commission receives notification of an  
37 actual or impending vacancy in the office of full-time  
38 associate probate judge, other than a vacancy referred  
39 to in subsection 2, the commission shall certify to  
40 the chief judge of the judicial district the names of  
41 three applicants who are nominated by the commission  
42 for the vacancy, unless the chief justice has ordered  
43 the commission to delay the certification of the  
44 nominees to the chief judge. The chief justice may  
45 order the delay of the certification for up to one  
46 hundred eighty days for budgetary reasons. The  
47 commission shall publicize notice of the vacancy in at  
48 least two publications in the official county  
49 newspaper. The commission shall accept applications  
50 for consideration for nomination as full-time

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1 associate probate judge for a minimum of fifteen days  
2 prior to certifying nominations. The commission shall  
3 consider the applications and shall, by majority vote,  
4 certify to the chief judge of the judicial district  
5 the names of three applicants who are nominated by the  
6 commission for the vacancy. If there are three or  
7 fewer applicants, the commission shall certify all  
8 applicants who meet the statutory qualifications.  
9 Nominees shall be chosen solely on the basis of the

10 qualifications of the applicants, and political  
 11 affiliation shall not be considered. As used in this  
 12 subsection, a vacancy is created by the death,  
 13 retirement, resignation, or removal of a full-time  
 14 associate probate judge, or by an increase in the  
 15 number of positions authorized.

16 Sec. 52. Section 633.47, Code 2003, is amended to  
 17 read as follows:

18 ~~633.47 PROOF OF SERVICE AND TAXATION~~ PAYMENT OF  
 19 COSTS.

20 Proof of service of any notice, required by this  
 21 Code or by order of court, including those by  
 22 publication, shall be filed with the clerk. The costs  
 23 of serving any notice given by the fiduciary shall ~~be~~  
 24 ~~taxed by the clerk as part of the costs of~~  
 25 ~~administration in said~~ be paid directly by the estate.

26 Sec. 53. Section 633.301, Code 2003, is amended to  
 27 read as follows:

28 633.301 COPY OF WILL FOR EXECUTOR.

29 When a will has been admitted to probate and  
 30 certified pursuant to section 633.300, the clerk shall  
 31 cause ~~an authenticated~~ a certified copy thereof to be  
 32 placed in the hands of the executor to whom letters  
 33 are issued. The clerk shall retain the will in a  
 34 separate file provided for that purpose until the time  
 35 for contest has expired, and promptly thereafter shall  
 36 place it with the files of the estate.

37 Sec. 54. Section 633.479, unnumbered paragraph 2,  
 38 Code 2003, is amended to read as follows:

39 An order approving the final report and discharging  
 40 the personal representative shall not be required if  
 41 all distributees otherwise entitled to notice are  
 42 adults, under no legal disability, have signed waivers  
 43 of notice as provided in section 633.478, have signed  
 44 statements of consent agreeing that the prayer of the  
 45 final report shall constitute an order approving the  
 46 final report and discharging the personal  
 47 representative, and if the statements of consent are  
 48 dated not more than thirty days prior to the date of  
 49 the final report, and if compliance with sections  
 50 422.27 and 450.58 have been fulfilled and receipts and

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1 certificates are on file. In those instances final  
 2 order shall not be required and the prayer of the  
 3 final report shall be considered as granted and shall  
 4 have the same force and effect as an order of  
 5 discharge of the personal representative and an order  
 6 approving the final report. ~~The clerk shall comply~~  
 7 ~~with section 633.480 with respect to issuing a change~~  
 8 ~~of title.~~

9 Sec. 55. Section 633.480, Code 2003, is amended to  
10 read as follows:

11 633.480 CERTIFICATE TO COUNTY RECORDER FOR TAX  
12 PURPOSES WITH ADMINISTRATION.

13 After discharge as provided in section 633.479, ~~the~~  
14 ~~clerk shall certify under chapter 558 relative to each~~  
15 ~~parcel of real estate the personal representative~~  
16 shall deliver to the county recorder of the county in  
17 which the real estate is situated a certificate  
18 pertaining to each parcel of real estate described in  
19 the final report of the personal representative which  
20 has not been sold by the personal representative, ~~and~~  
21 ~~deliver the certificate to the county recorder of the~~  
22 ~~county in which the real estate is situated.~~ The  
23 certificate shall include the name and complete  
24 mailing address, as shown on the final report, of the  
25 individual or entity in whose name each parcel of real  
26 estate is to be taxed. The county recorder shall  
27 deliver the certificate to the county auditor as  
28 provided in section 558.58.

29 Sec. 56. Section 633.481, Code 2003, is amended to  
30 read as follows:

31 633.481 CERTIFICATE TO COUNTY RECORDER FOR TAX  
32 PURPOSES WITHOUT ADMINISTRATION.

33 When an inventory or report is filed under section  
34 450.22, without administration of the estate of the  
35 decedent, the ~~clerk heir or heir's attorney~~ shall  
36 ~~issue prepare~~ and deliver to the county recorder of  
37 the county in which the real estate is situated a  
38 certificate pertaining to each parcel of real estate  
39 described in the inventory or report. Any fees for  
40 certificates or recording fees required by this  
41 section or section 633.480 shall be assessed as costs  
42 of administration. The fee for recording and indexing  
43 the instrument shall be as provided in section  
44 331.604. The county recorder shall deliver the  
45 certificates to the county auditor as provided in  
46 section 558.58.

47 Sec. 57. Section 635.7, Code 2003, is amended to  
48 read as follows:

49 635.7 REPORT AND INVENTORY -- EXCESS VALUE AND  
50 TERMINATION.

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1 The executor or administrator is required to file  
2 the report and inventory for which provision is made  
3 in section 633.361. Nothing in sections 635.1 to  
4 635.3 shall exempt the executor or administrator from  
5 complying with the requirements of section 422.27,  
6 450.22, or 450.58, or ~~the clerk from complying with~~  
7 ~~the requirements of section 633.481.~~ If the inventory

8 and report shows assets subject to the jurisdiction of  
9 this state which exceed the total gross value of the  
10 amount permitted the small estate under the applicable  
11 provision of section 635.1, the clerk shall terminate  
12 the letters issued under section 635.1 without  
13 prejudice to the rights of persons who delivered  
14 property as permitted under section 635.3. The  
15 executor or administrator shall then be required to  
16 petition for administration of the estate as provided  
17 in chapter 633.

18 Sec. 58. Section 668.13, subsection 3, Code 2003,  
19 is amended to read as follows:

20 3. Interest shall be calculated as of the date of  
21 judgment at a rate equal to the one-year treasury  
22 constant maturity ~~index~~ published by the federal  
23 reserve in the H15 report settled immediately prior to  
24 the date of the judgment plus two percent. The state  
25 court administrator shall distribute notice monthly of  
26 that rate and any changes to that rate to all district  
27 courts.

28 Sec. 59. Section 902.4, Code 2003, is amended to  
29 read as follows:

30 902.4 RECONSIDERATION OF FELON'S SENTENCE.

31 For a period of one year from the date when a  
32 person convicted of a felony, other than a class "A"  
33 felony or a felony for which a minimum sentence of  
34 confinement is imposed, begins to serve a sentence of  
35 confinement, the court, on its own motion or on the  
36 recommendation of the director of the Iowa department  
37 of corrections, may order the person to be returned to  
38 the court, at which time the court may review its  
39 previous action and reaffirm it or substitute for it  
40 any sentence permitted by law. Copies of the order to  
41 return the person to the court shall be provided to  
42 the attorney for the state, the defendant's attorney,  
43 and the defendant. Upon a request of the attorney for  
44 the state, the defendant's attorney, or the defendant  
45 if the defendant has no attorney, the court may, but  
46 is not required to, conduct a hearing on the issue of  
47 reconsideration of sentence. The court shall not  
48 disclose its decision to reconsider or not to  
49 reconsider the sentence of confinement until the date  
50 reconsideration is ordered or the date the one-year

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1 period expires, whichever occurs first. The district  
2 court retains jurisdiction for the limited purposes of  
3 conducting such review and entering an appropriate  
4 order notwithstanding the timely filing of a notice of  
5 appeal. The court's final order in the proceeding  
6 shall be delivered to the defendant personally or by

7 ~~certified regular~~ mail. The court's decision to take  
8 the action or not to take the action is not subject to  
9 appeal. However, for the purposes of appeal, a  
10 judgment of conviction of a felony is a final judgment  
11 when pronounced.

12 Sec. 60. Section 903.2, Code 2003, is amended to  
13 read as follows:

14 903.2 RECONSIDERATION OF MISDEMEANANT'S SENTENCE.

15 For a period of thirty days from the date when a  
16 person convicted of a misdemeanor begins to serve a  
17 sentence of confinement, the court may order the  
18 person to be returned to the court, at which time the  
19 court may review its previous action and reaffirm it  
20 or substitute for it any sentence permitted by law.  
21 The sentencing court retains jurisdiction for the  
22 limited purposes of conducting such review and  
23 entering an appropriate order notwithstanding the  
24 timely filing of a notice of appeal or an application  
25 for discretionary review. The court's final order in  
26 the proceeding shall be delivered to the defendant  
27 personally or by ~~certified regular~~ mail. Such action  
28 is discretionary with the court and its decision to  
29 take the action or not to take the action is not  
30 subject to appeal. The other provisions of this  
31 section notwithstanding, for the purposes of appeal a  
32 judgment of conviction is a final judgment when  
33 pronounced.

34 Sec. 61. Section 907.4, Code 2003, is amended to  
35 read as follows:

36 907.4 DEFERRED JUDGMENT DOCKET.

37 A deferment of judgment under section 907.3 shall  
38 be ~~reported entered~~ promptly by the clerk of the  
39 district court, or the clerk's designee, ~~to the state~~  
40 ~~court administrator for entry in into the deferred~~  
41 ~~judgment docket database of the state, which shall~~  
42 ~~serve as the deferred judgment docket.~~ The docket  
43 shall contain a permanent record of the deferred  
44 judgment including the name and date of birth of the  
45 defendant, the district court docket number, the  
46 nature of the offense, and the date of the deferred  
47 judgment. Before granting deferred judgment in any  
48 case, the court shall ~~request of the state court~~  
49 ~~administrator a~~ search of the deferred judgment docket  
50 and shall consider any prior record of a deferred

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1 judgment against the defendant. The permanent record  
2 provided for in this section is a confidential record  
3 exempted from public access under section 22.7 and  
4 shall be available only to justices of the supreme  
5 court, judges of the court of appeals, district

6 judges, district associate judges, judicial  
 7 magistrates, clerks of the district court, ~~and~~ county  
 8 attorneys, and the department of corrections  
 9 requesting information pursuant to this section, or  
 10 the designee of a justice, judge, magistrate, clerk,  
 11 or county attorney, or department.

12 Sec. 62. Sections 602.6303 and 633.15, Code 2003,  
 13 are repealed.

14 Sec. 63. Section 602.6201, subsection 12, as  
 15 enacted by this Act, is amended by striking the  
 16 subsection effective July 1, 2008.

17 Sec. 64. The sections of this Act amending section  
 18 46.12; section 602.6304, subsections 2 and 3; and  
 19 sections 602.6403, 602.7103B, and 633.20B are repealed  
 20 on July 1, 2006.

21 Sec. 65. RETENTION OF JUDGES. The amendments in  
 22 this Act to section 46.16, subsections 2 and 3, apply  
 23 to elections for retaining a judge occurring after the  
 24 effective date of this Act.

25 Sec. 66. JUDICIAL DISTRICT REDISTRICTING INTERIM  
 26 STUDY COMMITTEE. The legislative council is requested  
 27 to establish an interim study committee to study the  
 28 judicial district and judicial election district  
 29 redistricting and the allocation of judicial branch  
 30 resources. The committee shall review all relevant  
 31 matters regarding judicial district and judicial  
 32 election district redistricting, and the allocation of  
 33 judicial branch resources deemed relevant by the  
 34 majority of the committee including but not limited to  
 35 determining whether a misallocation of judicial  
 36 officers exists between judicial districts, the nature  
 37 and history of judicial branch resources and a cost  
 38 analysis of current judicial branch resources, the  
 39 optimum allocation of resources regardless of judicial  
 40 district boundaries, the effect of redistricting on  
 41 the delivery of court services and employee morale, a  
 42 cost benefits analysis of implementing a redistricting  
 43 plan, and the recommendations of the Iowa supreme  
 44 court committee on redistricting. If after reviewing  
 45 all relevant matters the committee determines that  
 46 redistricting should occur, the committee shall adopt  
 47 a redistricting plan and submit the plan for  
 48 consideration by the general assembly by December 15,  
 49 2003. If the committee determines redistricting  
 50 should not occur, the committee shall submit to the

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1 general assembly other recommendations for achieving  
 2 an optimum allocation of judicial branch resources by  
 3 December 15, 2003. The committee shall consist of  
 4 twenty-six members with each organization selecting

- 5 their member or representative as follows:
- 6 1. Three members to be selected by the supreme
  - 7 court.
  - 8 2. One member to be selected by the speaker of the
  - 9 house of representatives.
  - 10 3. One member to be selected by the president of
  - 11 the senate.
  - 12 4. Three members of the Iowa state bar
  - 13 association.
  - 14 5. Three members of the Iowa judges association.
  - 15 6. Three members of the Iowa trial lawyers
  - 16 association.
  - 17 7. Two members of the Iowa clerks of court
  - 18 association.
  - 19 8. One member of the Iowa association of
  - 20 magistrate judges.
  - 21 9. One member of the Iowa defense counsel
  - 22 association.
  - 23 10. One member of the Iowa academy of trial
  - 24 lawyers.
  - 25 11. One member of the Iowa county attorneys
  - 26 association.
  - 27 12. A representative of the judicial district
  - 28 department of correctional services to be selected by
  - 29 the eight directors of the judicial district
  - 30 department of correctional services.
  - 31 13. One member of the Iowa sheriffs' and deputies'
  - 32 association.
  - 33 14. One member of the recorders affiliate of the
  - 34 Iowa state association of counties.
  - 35 15. One member of the Iowa court reporters
  - 36 association.
  - 37 16. One member to be selected by the Iowa civil
  - 38 liberties union.
  - 39 17. One member of the supervisors affiliate of the
  - 40 Iowa state association of counties.”
  - 41 2. Title page, by striking lines 1 through 6 and
  - 42 inserting the following: “An Act relating to the
  - 43 judicial branch including by establishing a judicial
  - 44 district and judicial election district redistricting
  - 45 process, making changes to the nomination,
  - 46 appointment, and retention of judges, expanding
  - 47 magistrate courts, eliminating the position of
  - 48 alternate district associate judge, permitting
  - 49 district judgeships to be apportioned or transferred
  - 50 to another judicial district, requiring the county

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- 1 sheriff to serve a summons in certain delinquency
- 2 proceedings, eliminating the participation of the
- 3 foster care review board in voluntary foster care

4 placements, waiving the filing fee and court costs in  
5 certain contempt actions, changing the duties of and  
6 the procedures related to the clerk of the district  
7 court, providing that interest on a judgment be  
8 calculated upon the one year treasury constant  
9 maturity plus two percent, expanding the access of the  
10 deferred judgment docket, prohibiting regional  
11 litigation centers, modifying the schedule of the  
12 probate court, providing for a fee, and providing for  
13 a study.”

DONALD B. REDFERN

### S-3332

1 Amend House File 549, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, by inserting before line 1 the  
4 following:  
5 “Section 1. Section 256.5A, Code 2003, is amended  
6 to read as follows:  
7 256.5A NONVOTING MEMBER.  
8 The governor shall appoint the one nonvoting  
9 student member of the state board for a term of one  
10 year beginning and ending as provided in section  
11 69.19. The nonvoting student member shall be  
12 appointed from a list of names submitted by the state  
13 board of education. Students enrolled in either grade  
14 ten or eleven in a public school may apply to the  
15 state board to serve as a nonvoting student member.  
16 The department shall develop an application process  
17 that requires the consent of the student’s parent or  
18 guardian if the student is a minor, initial  
19 application approval by the school district in which  
20 the student applicant is enrolled, and submission of  
21 approved applications by a school district to the  
22 department. The nonvoting student member’s school  
23 district of enrollment shall notify the student’s  
24 parents if the student’s grade point average falls  
25 during the period in which the student is a member of  
26 the state board. The state board shall adopt rules  
27 under chapter 17A specifying criteria for the  
28 selection of applicants whose names shall be submitted  
29 to the governor. Criteria shall include, but are not  
30 limited to, academic excellence, participation in  
31 extracurricular and community activities, and interest  
32 in serving on the board. Rules adopted by the state  
33 board shall also require, if the student is a minor,  
34 supervision of the student by the student’s parent or  
35 guardian while the student is engaged in authorized  
36 state board business at a location other than the  
37 community in which the student resides, unless the

38 student's parent or guardian submits to the state  
39 board a signed release indicating the parent or  
40 guardian has determined that supervision of the  
41 student by the parent or guardian is unnecessary. The  
42 nonvoting student member ~~shall be appointed without~~  
43 ~~regard to political affiliation~~ appointment is not  
44 subject to section 69.16 or 69.16A. The nonvoting  
45 student member shall have been enrolled in a public  
46 school in Iowa for at least one year prior to the  
47 member's appointment. A nonvoting student member who  
48 will not graduate from high school prior to the end of  
49 a second term may apply to the state board for  
50 submission of candidacy to the governor for a second

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1 one-year term. A nonvoting student member shall be  
2 paid a per diem as provided in section 7E.6 and the  
3 student and the student's parent or guardian shall be  
4 reimbursed for actual and necessary expenses incurred  
5 in the performance of the student's duties as a  
6 nonvoting member of the state board. A vacancy in the  
7 membership of the nonvoting student member shall not  
8 be filled until the expiration of the term.

9 Sec. \_\_\_\_ Section 256.7, subsection 21, unnumbered  
10 paragraph 1, Code 2003, is amended to read as follows:

11 Develop and adopt rules ~~by July 1, 1999,~~  
12 incorporating accountability for, and reporting of,  
13 student achievement into the standards and  
14 accreditation process described in section 256.11.  
15 The rules shall provide for all of the following:"

16 2. Page 1, by inserting after line 31 the  
17 following:

18 "Sec. \_\_\_\_ Section 256.9, Code 2003, is amended by  
19 adding the following new subsection:

20 NEW SUBSECTION. 53. Develop and implement a  
21 statewide program of educational assessment reporting.  
22 The director shall provide information needed to  
23 improve public schools by collecting and disseminating  
24 data and information resulting from assessments made  
25 of public school students, to aid in the development  
26 and evaluation of educational programs and policies by  
27 school districts, and to inform parents of the  
28 educational progress of their children in the public  
29 schools. Information collected under the department's  
30 statewide program of educational assessment reporting  
31 shall be utilized as part of the state report card on  
32 school performance and on statewide progress by the  
33 state in accordance with implementation of the federal  
34 No Child Left Behind Act of 2001, Pub. L. No. 107-110.

35 a. Not later than July 1, 2004, the department  
36 shall maintain an internet site that reports the

37 following:

38 (1) Iowa tests of basic skills scores for each  
39 school district that administers the test and for each  
40 attendance center within the school district for  
41 grades three through eight. Each school district  
42 administering the Iowa test of basic skills shall  
43 provide a report to the department relating to each  
44 attendance center's test score averages and a  
45 longitudinal analysis chart.

46 The report shall contain attendance-center-level  
47 test results for the Iowa test of basic skills in the  
48 areas of reading, expression, social studies,  
49 mathematics, and science. The report shall include,  
50 but shall not be limited to the number of students

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1 tested, the number of test results used to compute the  
2 averages, average standard score, the corresponding  
3 grade equivalent score, average stanine score for the  
4 group, and the normal curve equivalent of average  
5 standard scores, and percentile ranks based on student  
6 norms.

7 The longitudinal analysis chart shall use the  
8 growth scores of the same group each year using  
9 available reading, mathematics, and science scores.  
10 The district shall develop a chart that provides grade  
11 equivalent scores for grades three through eight and  
12 gains between consecutive pairs of grades for each  
13 attendance center and provides for a districtwide  
14 study of grade equivalent scores.

15 (2) Iowa test of educational development scores  
16 for each school district that administers the test and  
17 for each attendance center within the school district  
18 for grades nine through eleven. Each school district  
19 administering the Iowa test of educational development  
20 shall provide a report to the department relating to  
21 each attendance center's test score averages.

22 b. Scores required to be reported under paragraph  
23 "a", subparagraphs (1) and (2), shall be presented in  
24 percentiles that allow for comparisons between  
25 participating schools. The internet site shall  
26 include background information regarding the tests,  
27 including guidance for interpreting test scores and  
28 the number of students that did not participate in the  
29 tests and the reasons the students did not  
30 participate.

31 Sec. \_\_\_\_. Section 256.18, subsection 2, unnumbered  
32 paragraph 2, Code 2003, is amended by striking the  
33 unnumbered paragraph.

34 Sec. \_\_\_\_. Section 256.39, subsection 8, Code 2003,  
35 is amended by striking the subsection.

36 Sec. \_\_\_\_ Section 256A.4, subsection 1, unnumbered  
37 paragraph 1, Code 2003, is amended to read as follows:

38 The board of directors of each school district may  
39 develop and offer a program which provides outreach  
40 and incentives for the voluntary participation of  
41 expectant parents and parents of children in the  
42 period of life from birth through age five, who reside  
43 within district boundaries, in educational family  
44 support experiences designed to assist parents in  
45 learning about the physical, mental, and emotional  
46 development of their children. ~~A district providing a~~  
47 ~~family support program, which seeks additional funding~~  
48 ~~under sections 204A.13 through 204A.16, shall meet the~~  
49 ~~requirements of this section and the program shall be~~  
50 ~~subject to approval by the department of education. A~~

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1 board may contract with another school district or  
2 public or private nonprofit agency for provision of  
3 the approved program or program site.

4 Sec. 101. Section 256D.9, Code 2003, is amended to  
5 read as follows:

6 256D.9 FUTURE REPEAL.

7 This chapter is repealed effective July 1, ~~2003~~  
8 2004.

9 Sec. 102. Section 257.3, subsection 2, Code 2003,  
10 is amended to read as follows:

11 2. TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.

12 a. Notwithstanding subsection 1, a reorganized  
13 school district shall cause a foundation property tax  
14 of four dollars and forty cents per thousand dollars  
15 of assessed valuation to be levied on all taxable  
16 property which, in the year preceding a  
17 reorganization, was within a school district affected  
18 by the reorganization as defined in section 275.1, or  
19 in the year preceding a dissolution was a part of a  
20 school district that dissolved if the dissolution  
21 proposal has been approved by the director of the  
22 department of education pursuant to section 275.55.  
23 ~~In the year preceding the reorganization or~~  
24 ~~dissolution, the school district affected by the~~  
25 ~~reorganization or the school district that dissolved~~  
26 ~~must have had a certified enrollment of fewer than six~~  
27 ~~hundred in order for the four dollar and forty cent~~  
28 ~~levy to apply.~~

29 b. In succeeding school years, the foundation  
30 property tax levy on that portion shall be increased  
31 to the rate of four dollars and ninety cents per  
32 thousand dollars of assessed valuation the first  
33 succeeding year, five dollars and fifteen cents per  
34 thousand dollars of assessed valuation the second

35 succeeding year, and five dollars and forty cents per  
36 thousand dollars of assessed valuation the third  
37 succeeding year and each year thereafter.

38 c. The foundation property tax levy reduction  
39 pursuant to this subsection shall be available if  
40 either of the following apply:

41 (1) In the year preceding the reorganization or  
42 dissolution, the school district affected by the  
43 reorganization or the school district that dissolved  
44 had a certified enrollment of fewer than six hundred  
45 pupils.

46 (2) In the year preceding the reorganization or  
47 dissolution, the school district affected by the  
48 reorganization or the school district that dissolved  
49 had a certified enrollment of six hundred pupils or  
50 greater, and entered into a reorganization or

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1 dissolution with one or more school districts with a  
2 certified enrollment of fewer than six hundred pupils.  
3 The amount of foundation property tax reduction  
4 received by a school district qualifying for the  
5 reduction pursuant to this subparagraph shall not  
6 exceed the highest reduction amount provided in  
7 paragraphs “a” and “b” received by any of the school  
8 districts with a certified enrollment of fewer than  
9 six hundred pupils involved in the reorganization  
10 pursuant to subparagraph (1) of this paragraph “c”.

11 d. For purposes of this section, a reorganized  
12 school district is one which absorbs at least thirty  
13 percent of the enrollment of the school district  
14 affected by a reorganization or dissolution during a  
15 dissolution and in which action to bring about a  
16 reorganization or dissolution is initiated by a vote  
17 of the board of directors or jointly by the affected  
18 boards of directors to take effect on or after July 1,  
19 2002, and on or before July 1, 2006. Each district  
20 which initiated, by a vote of the board of directors  
21 or jointly by the affected boards, action to bring  
22 about a reorganization or dissolution to take effect  
23 on or after July 1, 2002, and on or before July 1,  
24 2006, shall certify the date and the nature of the  
25 action taken to the department of education by January  
26 1 of the year in which the reorganization or  
27 dissolution takes effect.

28 Sec. \_\_\_\_. Section 257.11, subsection 2, paragraph  
29 c, subparagraph (2), Code 2003, is amended to read as  
30 follows:

31 (2) A school district which was not participating  
32 in a whole grade sharing arrangement during the budget  
33 year beginning July 1, 2000, which executes a whole

34 grade sharing agreement pursuant to sections 282.10  
 35 through 282.12 for the budget year beginning July 1,  
 36 2002, ~~or~~ July 1, 2003, July 1, 2004, or July 1, 2005,  
 37 and which adopts a resolution jointly with the other  
 38 affected boards to study the question of undergoing a  
 39 reorganization or dissolution to take effect on or  
 40 before July 1, 2006, shall receive a weighting of one-  
 41 tenth of the percentage of the pupil's school day  
 42 during which the pupil attends classes in another  
 43 district, attends classes taught by a teacher who is  
 44 jointly employed under section 280.15, or attends  
 45 classes taught by a teacher who is employed by another  
 46 school district. A district shall be eligible for  
 47 supplementary weighting pursuant to this subparagraph  
 48 for a maximum of three years. Receipt of  
 49 supplementary weighting for a second and third year  
 50 shall be conditioned upon submission of information

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1 resulting from the study to the school budget review  
 2 committee indicating progress toward the objective of  
 3 reorganization on or before July 1, 2006.  
 4 Sec. \_\_\_\_ Section 258.17, subsection 4, Code 2003,  
 5 is amended to read as follows:  
 6 4. Each workstart program shall include a written  
 7 agreement by the school or school district with one or  
 8 more businesses from the surrounding community to  
 9 provide workplace-specific training and learning  
 10 programs which are related to the skills needed to  
 11 succeed in those occupational areas. The proposed  
 12 plan for implementation of the workstart program shall  
 13 include a copy of the written agreement between the  
 14 school or school district and the business or  
 15 businesses and a business support component, which  
 16 shall consist of financial or in-kind support, or both  
 17 financial and in-kind support, from the businesses  
 18 that have entered into the agreement with the school  
 19 or school district. ~~The plan may provide for the  
 20 utilization of phase III and other available school  
 21 funds in the establishment of the program. A  
 22 workstart program is a comprehensive school  
 23 transformation program under section 204A.14.~~  
 24 Sec. \_\_\_\_ Section 262.9, Code 2003, is amended by  
 25 adding the following new subsection:  
 26 NEW SUBSECTION. 29. Develop a policy, not later  
 27 than August 1, 2003, that each institution of higher  
 28 education under the control of the board shall  
 29 approve, institute, and enforce, which prohibits  
 30 students, faculty, and staff from harassing,  
 31 intimidating, or displaying untoward negative behavior  
 32 directed at a student or any other person on

33 institution property who is wearing the uniform of, or  
 34 a distinctive part of the uniform of, the armed forces  
 35 of the United States. A policy developed in  
 36 accordance with this subsection shall not prohibit an  
 37 individual from wearing such a uniform on institution  
 38 property if the individual is authorized to wear the  
 39 uniform under the laws of a state or the United  
 40 States. The policy shall provide for appropriate  
 41 sanctions.

42 Sec. \_\_\_\_ . Section 272.2, subsection 14, paragraph  
 43 b, subparagraph (1), subparagraph subdivision (b),  
 44 Code 2003, is amended by adding the following new  
 45 subparagraph subdivision part:  
 46 NEW SUBPARAGRAPH SUBDIVISION PART. (viii) Sexual  
 47 exploitation by a school employee.

48 Sec. \_\_\_\_ . Section 272.2, Code 2003, is amended by  
 49 adding the following new subsection:

50 NEW SUBSECTION. 17. Adopt criteria for

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1 administrative endorsements that allow a person to  
 2 achieve the endorsement authorizing the person to  
 3 serve as an elementary or secondary principal without  
 4 regard to the grade level at which the person accrued  
 5 teaching experience.

6 Sec. \_\_\_\_ . NEW SECTION. 272.15 SCHOOL REPORTING  
 7 REQUIREMENT.

8 The board of directors of a school district or area  
 9 education agency, the superintendent of a school  
 10 district or the chief administrator of an area  
 11 education agency, and the authorities in charge of a  
 12 nonpublic school shall report to the board the  
 13 nonrenewal or termination, for reasons of alleged or  
 14 actual misconduct, of a person's contract executed  
 15 under sections 279.12, 279.13, 279.15 through 279.21,  
 16 279.23, and 279.24, and the resignation of a person  
 17 who holds a license, certificate, or authorization  
 18 issued by the board as a result of or following an  
 19 incident or allegation of misconduct that, if proven,  
 20 would constitute a violation of the rules adopted by  
 21 the board to implement section 272.2, subsection 14,  
 22 paragraph "b", subparagraph (1), when the board or  
 23 reporting official has a good faith belief that the  
 24 incident occurred or the allegation is true.  
 25 Information reported to the board in accordance with  
 26 this section is privileged and confidential, and,  
 27 except as provided in section 272.13, is not subject  
 28 to discovery, subpoena, or other means of legal  
 29 compulsion for its release to a person other than the  
 30 respondent and the board and its employees and agents  
 31 involved in licensee discipline, and is not admissible

32 in evidence in a judicial or administrative proceeding  
33 other than the proceeding involving licensee  
34 discipline. The board shall review the information  
35 reported to determine whether a complaint should be  
36 initiated. In making that determination, the board  
37 shall consider the factors enumerated in section  
38 272.2, subsection 14, paragraph “a”. For purposes of  
39 this section, unless the context otherwise requires,  
40 “misconduct” means an action disqualifying an  
41 applicant for a license or causing the license of a  
42 person to be revoked or suspended in accordance with  
43 the rules adopted by the board to implement section  
44 272.2, subsection 14, paragraph “b”, subparagraph  
45 (1).”

46 3. Page 3, line 15, by striking the word  
47 “ordinary” and inserting the following: “certified”.

48 4. By striking page 10, line 10, through page 11,  
49 line 1.

50 5. Page 11, by striking lines 2 through 15.

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1 6. Page 11, by inserting before line 16, the  
2 following:  
3 “Sec. \_\_\_\_ Section 279.13, Code 2003, is amended  
4 by adding the following new subsection:  
5 NEW SUBSECTION. 4. Notwithstanding the other  
6 provisions of this section, a temporary contract may  
7 be issued to a teacher to fill a vacancy created by a  
8 leave of absence in accordance with the provisions of  
9 section 29A.28, which contract shall automatically  
10 terminate upon return from military leave of the  
11 former incumbent of the teaching position and which  
12 contract shall not be subject to the provisions of  
13 sections 279.15 through 279.19, or section 279.27. A  
14 separate extracurricular contract issued pursuant to  
15 section 279.19A to a person issued a temporary  
16 contract under this section shall automatically  
17 terminate with the termination of the temporary  
18 contract as required under section 279.19A, subsection  
19 8.

20 Sec. \_\_\_\_ Section 279.23, Code 2003, is amended by  
21 adding the following new unnumbered paragraph:  
22 NEW UNNUMBERED PARAGRAPH. Notwithstanding the  
23 other provisions of this section, a temporary contract  
24 may be issued to an administrator to fill a vacancy  
25 created by a leave of absence in accordance with the  
26 provisions of section 29A.28, which contract shall  
27 automatically terminate upon return from military  
28 leave of the former incumbent of the administrator  
29 position and which contract shall not be subject to  
30 the provisions of sections 279.24 and section 279.25.”

31 7. Page 12, by inserting after line 20 the  
 32 following:  
 33 “Sec. 103. Section 282.18, subsection 3, Code  
 34 2003, is amended to read as follows:  
 35 3. In all districts involved with voluntary or  
 36 court-ordered desegregation, minority and nonminority  
 37 pupil ratios shall be maintained according to the  
 38 desegregation plan or order. The superintendent of a  
 39 district subject to voluntary or court-ordered  
 40 desegregation may deny a request for transfer under  
 41 this section if the superintendent finds that  
 42 enrollment or release of a pupil will adversely affect  
 43 the district’s implementation of the desegregation  
 44 order or plan, unless the transfer is requested by a  
 45 pupil whose sibling is already participating in open  
 46 enrollment to another district, or unless the request  
 47 for transfer is submitted to the district in a timely  
 48 manner as required under subsection 2 prior to the  
 49 adoption of a desegregation plan by the district. If  
 50 a transfer request would facilitate a voluntary or

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1 court-ordered desegregation plan, the district shall  
 2 give priority to granting the request over other  
 3 requests.  
 4 A parent or guardian, whose request has been denied  
 5 because of a desegregation order or plan, may appeal  
 6 the decision of the superintendent to the board of the  
 7 district in which the request was denied. The board  
 8 may either uphold or overturn the superintendent’s  
 9 decision. A decision of the board to uphold the  
 10 denial of the request is subject to appeal to the  
 11 district court in the county in which the primary  
 12 business office of the district is located. By July  
 13 1, 2004, the state board of education shall adopt  
 14 rules establishing guidelines and a review process for  
 15 school districts that adopt voluntary desegregation  
 16 plans. The guidelines shall include criteria and  
 17 standards that school districts must follow when  
 18 developing a voluntary desegregation plan. The  
 19 department of education shall provide technical  
 20 assistance to a school district that is seeking to  
 21 adopt a voluntary desegregation plan. A school  
 22 district implementing a voluntary desegregation plan  
 23 prior to July 1, 2004, shall have until July 1, 2006,  
 24 to comply with guidelines adopted by the state board  
 25 pursuant to this section.  
 26 Sec. \_\_\_\_ Section 282.18, subsection 7, Code 2003,  
 27 is amended to read as follows:  
 28 7. A pupil participating in open enrollment shall  
 29 be counted, for state school foundation aid purposes,

30 in the pupil's district of residence. A pupil's  
 31 residence, for purposes of this section, means a  
 32 residence under section 282.1. The board of directors  
 33 of the district of residence shall pay to the  
 34 receiving district the state cost per pupil for the  
 35 previous school year, plus any moneys received for the  
 36 pupil as a result of the non-English speaking  
 37 weighting under section 280.4, subsection 3, for the  
 38 previous school year multiplied by the state cost per  
 39 pupil for the previous year. ~~The district of~~  
 40 ~~residence shall also transmit the phase III moneys~~  
 41 ~~allocated to the district for the previous year for~~  
 42 ~~the full time equivalent attendance of the pupil, who~~  
 43 ~~is the subject of the request, to the receiving~~  
 44 ~~district specified in the request for transfer.~~ If  
 45 the pupil participating in open enrollment is also an  
 46 eligible pupil under chapter 261C, the receiving  
 47 district shall pay the tuition reimbursement amount to  
 48 an eligible postsecondary institution as provided in  
 49 section 261C.6.”  
 50 8. Page 16, line 1, by striking the words

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1 “teacher’s supervisor” and inserting the following:  
 2 “teachers’s supervisor and the”.  
 3 9. Page 18, by striking lines 25 and 26 and  
 4 inserting the following:  
 5 “Sec. \_\_\_\_ Section 284.11, subsections 1 and 6,  
 6 Code 2003, are amended to read as follows:  
 7 1. It is the intent of the general assembly to  
 8 create a statewide team-based variable pay program to  
 9 reward individual attendance centers for improvement  
 10 in student achievement. A pilot program is  
 11 established to give Iowa school districts with one or  
 12 more participating attendance centers the opportunity  
 13 to explore and demonstrate successful methods to  
 14 implement team-based variable pay and to compare  
 15 student achievement gains in school districts  
 16 participating in the program with gains in school  
 17 districts similar in nature that are not participating  
 18 in the program. The department shall develop and  
 19 administer the pilot program and shall provide  
 20 technical assistance in the areas of goal setting and  
 21 student assessments to school districts approved to  
 22 participate in the pilot program. Preference shall be  
 23 given to school districts that were previously  
 24 approved to participate in a pilot program  
 25 administered by the department in accordance with this  
 26 section. Each school district approved by the  
 27 department to participate in the pilot program shall  
 28 administer valid and reliable standardized assessments

29 at the beginning and end of the school year to  
 30 demonstrate growth in student achievement.  
 31 6. A district electing to initiate a team-based  
 32 variable pay plan according to this section during the  
 33 school year beginning July 1, ~~2001~~ 2003, shall notify  
 34 the department of its election in writing no later  
 35 than August 1, ~~2001~~ 2003. The department shall  
 36 certify the school district plan by October 1, ~~2001~~  
 37 2003.”  
 38 10. Page 18, by inserting before line 27 the  
 39 following:  
 40 “Sec. \_\_. Section 285.5, subsection 9, Code 2003,  
 41 is amended to read as follows:  
 42 9. All bus drivers, except substitute and part-  
 43 time bus drivers, for school-owned equipment shall be  
 44 under contract with the board. The director of the  
 45 department of education shall prepare a uniform  
 46 contract containing provision not in conflict with  
 47 this chapter which shall be used by all school boards  
 48 in contracting with drivers of school-owned vehicles.”  
 49 11. Page 19, by inserting after line 7 the  
 50 following:

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1 “Sec. \_\_. Section 294A.1, unnumbered paragraph 1,  
 2 Code 2003, is amended to read as follows:  
 3 The purpose of this chapter is to promote  
 4 excellence in education. In order to maintain and  
 5 advance the educational excellence in the state of  
 6 Iowa, this chapter establishes the Iowa educational  
 7 excellence program. The program shall consist of  
 8 ~~three two~~ major phases addressing the following:  
 9 Sec. \_\_. Section 294A.1, subsection 3, Code 2003,  
 10 is amended by striking the subsection.  
 11 Sec. \_\_. Section 294A.3, unnumbered paragraph 2,  
 12 Code 2003, is amended by striking the unnumbered  
 13 paragraph.  
 14 Sec. \_\_. Section 294A.22, unnumbered paragraph 3,  
 15 Code 2003, is amended to read as follows:  
 16 Payments made to a teacher by a school district or  
 17 area education agency under this chapter are wages for  
 18 the purposes of chapter 91A ~~except for payments made~~  
 19 ~~under an approved phase III plan where a modified~~  
 20 ~~payment plan has either been mutually agreed upon by~~  
 21 ~~the board of directors and the certified bargaining~~  
 22 ~~representative for certificated employees or for a~~  
 23 ~~district that is not organized for collective~~  
 24 ~~bargaining purposes where a modified payment plan is~~  
 25 ~~adopted by the board.”~~  
 26 12. Page 19, by striking lines 8 through 32.  
 27 13. Page 19, by inserting before line 33 the

28 following:

29 “Sec. \_\_\_\_ Section 321.375, subsection 2,  
30 unnumbered paragraph 1, Code 2003, is amended to read  
31 as follows:

32 Any of the following shall constitute grounds for a  
33 school bus driver’s immediate suspension from duties,  
34 pending a termination hearing by the board of  
35 directors of a public school district or the  
36 authorities in charge in a nonpublic school if the bus  
37 driver is under contract, pending confirmation of the  
38 grounds by the school district or accredited nonpublic  
39 school if the bus driver is a part-time or substitute  
40 bus driver who is not under contract, or pending  
41 confirmation of the grounds by the employer of the  
42 school bus driver if the employer is not a school  
43 district or accredited nonpublic school by the board:

44 Sec. \_\_\_\_ Section 321.375, subsection 2, Code  
45 2003, is amended by adding the following new  
46 paragraph:

47 NEW PARAGRAPH. e. A change in circumstances  
48 indicating that the driver is no longer physically or  
49 mentally competent. For the purpose of an insulin-  
50 dependent diabetic, a change in circumstances includes

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1 the following:

2 (1) Results of a glycosylated hemoglobin test  
3 indicating values less than 6.0 percent or greater  
4 than 9.5 percent unless accompanied by the required  
5 medical opinion that the event was incidental and not  
6 an indication of failure to control glucose levels.

7 (2) Results of self-monitoring indicate glucose  
8 levels less than one hundred milligrams per deciliter  
9 or greater than three hundred milligrams per  
10 deciliter, until self-monitoring indicates compliance  
11 with specifications.

12 (3) Experiencing a loss of consciousness or  
13 control relating to diabetes.

14 (4) Failing to maintain or falsifying the required  
15 reports.

16 Sec. \_\_\_\_ Section 321.375, Code 2003, is amended  
17 by adding the following new subsection:

18 NEW SUBSECTION. 3. a. Notwithstanding any  
19 provision to the contrary, an insulin-dependent  
20 diabetic may qualify under subsection 1, paragraph  
21 “d”, for purposes of operating a school bus under this  
22 section if a person identified by federal or state law  
23 as authorized to perform physical examinations  
24 annually provides a signed statement indicating that  
25 based upon an annual physical examination the  
26 individual is physically able to perform the required

27 functions despite insulin dependency. The insulin-  
 28 dependent diabetic shall not qualify to operate a  
 29 school bus if, at minimum, the individual results of a  
 30 glycosylated hemoglobin test indicate values less than  
 31 6.0 percent or greater than 9.5 percent on other than  
 32 an incidental basis and not as a result of failure to  
 33 control glucose levels. The statement shall also  
 34 indicate that within the past three years the insulin-  
 35 dependent diabetic has completed instruction to  
 36 address diabetes management and driving safety, signs  
 37 and symptoms of hypoglycemia and hyperglycemia, and  
 38 what procedures must be followed if complications  
 39 arise.

40 b. A school district or authorities in charge of  
 41 the nonpublic school that employs or otherwise secures  
 42 the services of an individual with an authorization  
 43 who is an insulin-dependent diabetic shall monitor the  
 44 insulin-dependent diabetic to determine that they are  
 45 in compliance with all of the following:

46 (1) Self-monitoring blood glucose and  
 47 demonstrating conformance with requirements, more than  
 48 one hundred milligrams per deciliter and less than  
 49 three hundred milligrams per deciliter, within one  
 50 hour before driving a school bus and approximately

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1 every four hours while on duty using a United States  
 2 food and drug administration approved device.

3 (2) Reporting immediately to the school district  
 4 or school any failure to comply with specific glucose  
 5 level requirements as listed in subparagraph (1) or  
 6 loss of consciousness or control.

7 (3) Carrying a source of readily absorbable, fast-  
 8 acting glucose while on duty.

9 (4) Maintaining a daily log of all glucose test  
 10 results for the previous six-month period and  
 11 providing copies to the school district or school, the  
 12 examining physician, and the department of education  
 13 upon request.

14 (5) Submitting all required department of  
 15 education forms within the prescribed timelines.”

16 14. Page 20, by inserting after line 7 the  
 17 following:

18 “Sec. \_\_\_\_ Section 331.909, subsection 2, Code  
 19 2003, is amended to read as follows:

20 2. The activities of a multidisciplinary community  
 21 services team shall not duplicate the activities of a  
 22 multidisciplinary team for child abuse under section  
 23 235A.13, dependent adult abuse activities under  
 24 section 235B.6, ~~area education agency activities under~~  
 25 ~~section 204A.14~~, or child victim services provided

26 under section 915.35.

27 Sec. \_\_\_\_ Section 614.1, subsection 12, Code 2003,  
28 is amended to read as follows:

29 12. SEXUAL ABUSE OR SEXUAL EXPLOITATION BY A  
30 COUNSELOR, ~~OR THERAPIST, OR SCHOOL EMPLOYEE.~~ An  
31 action for damages for injury suffered as a result of  
32 sexual abuse, as defined in section 709.1, by a  
33 counselor, ~~or~~ therapist, or school employee, as  
34 defined in section 709.15, or as a result of sexual  
35 exploitation by a counselor, ~~or~~ therapist, or school  
36 employee shall be brought within five years of the  
37 date the victim was last treated by the counselor or  
38 therapist, or within five years of the date the victim  
39 was last enrolled in or attended the school.

40 Sec. \_\_\_\_ Section 692A.1, subsection 10, Code  
41 2003, is amended to read as follows:

42 10. "Sexual exploitation" means sexual  
43 exploitation by a counselor, ~~or~~ therapist, or school  
44 employee under section 709.15.

45 Sec. \_\_\_\_ Section 702.11, subsection 2, paragraph  
46 d, Code 2003, is amended to read as follows:

47 d. Sexual exploitation by a counselor, ~~or~~  
48 therapist, or school employee in violation of section  
49 709.15.

50 Sec. \_\_\_\_ Section 709.15, Code 2003, is amended to

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1 read as follows:

2 709.15 SEXUAL EXPLOITATION BY A COUNSELOR, ~~OR~~  
3 THERAPIST, OR SCHOOL EMPLOYEE.

4 1. As used in this section:

5 a. "Counselor or therapist" means a physician,  
6 psychologist, nurse, professional counselor, social  
7 worker, marriage or family therapist, alcohol or drug  
8 counselor, member of the clergy, or any other person,  
9 whether or not licensed or registered by the state,  
10 who provides or purports to provide mental health  
11 services.

12 b. "Emotionally dependent" means that the nature  
13 of the patient's or client's or former patient's or  
14 client's emotional condition or the nature of the  
15 treatment provided by the counselor or therapist is  
16 such that the counselor or therapist knows or has  
17 reason to know that the patient or client or former  
18 patient or client is significantly impaired in the  
19 ability to withhold consent to sexual conduct, as  
20 described in ~~paragraph "f"~~ subsection 2, by the  
21 counselor or therapist.

22 For the purposes of ~~paragraph "f"~~ subsection 2, a  
23 former patient or client is presumed to be emotionally  
24 dependent for one year following the termination of

25 the provision of mental health services.  
 26 c. "Former patient or client" means a person who  
 27 received mental health services from the counselor or  
 28 therapist.  
 29 d. "Mental health service" means the treatment,  
 30 assessment, or counseling of another person for a  
 31 cognitive, behavioral, emotional, mental, or social  
 32 dysfunction, including an intrapersonal or  
 33 interpersonal dysfunction.  
 34 e. "Patient or client" means a person who receives  
 35 mental health services from the counselor or  
 36 therapist.  
 37 f. "School employee" means a practitioner as  
 38 defined in section 272.1.  
 39 g. "Student" means a person who is currently  
 40 enrolled in or attending a public or nonpublic  
 41 elementary or secondary school, or who was a student  
 42 enrolled in or attended a public or nonpublic  
 43 elementary or secondary school within thirty days of  
 44 any violation of subsection 3.  
 45 ~~f. 2.~~ "Sexual Sexual exploitation by a counselor  
 46 ~~or therapist" therapist~~ occurs when any of the  
 47 following are found:  
 48 ~~(1)~~ a. A pattern or practice or scheme of conduct  
 49 to engage in any of the conduct described in  
 50 ~~subparagraph (2) or (3)~~ paragraph "b" or "c."

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1 ~~(2)~~ b. Any sexual conduct, with an emotionally  
 2 dependent patient or client or emotionally dependent  
 3 former patient or client for the purpose of arousing  
 4 or satisfying the sexual desires of the counselor or  
 5 therapist or the emotionally dependent patient or  
 6 client or emotionally dependent former patient or  
 7 client, which includes but is not limited to the  
 8 following: kissing; touching of the clothed or  
 9 unclothed inner thigh, breast, groin, buttock, anus,  
 10 pubes, or genitals; or a sex act as defined in section  
 11 702.17.  
 12 ~~(3)~~ c. Any sexual conduct with a patient or client  
 13 or former patient or client within one year of the  
 14 termination of the provision of mental health services  
 15 by the counselor or therapist for the purpose of  
 16 arousing or satisfying the sexual desires of the  
 17 counselor or therapist or the patient or client or  
 18 former patient or client which includes but is not  
 19 limited to the following: kissing; touching of the  
 20 clothed or unclothed inner thigh, breast, groin,  
 21 buttock, anus, pubes, or genitals; or a sex act as  
 22 defined in section 702.17.  
 23 ~~"Sexual Sexual~~ exploitation by a counselor or

24 ~~therapist~~ therapist does not include touching which  
 25 is part of a necessary examination or treatment  
 26 provided a patient or client by a counselor or  
 27 therapist acting within the scope of the practice or  
 28 employment in which the counselor or therapist is  
 29 engaged.

30 3. Sexual exploitation by a school employee occurs  
 31 when any of the following are found:

32 a. A pattern or practice or scheme of conduct to  
 33 engage in any of the conduct described in paragraph  
 34 "b".

35 b. Any sexual conduct with a student for the  
 36 purpose of arousing or satisfying the sexual desires  
 37 of the school employee or the student. Sexual conduct  
 38 includes but is not limited to the following:  
 39 kissing; touching of the clothed or unclothed inner  
 40 thigh, breast, groin, buttock, anus, pubes, or  
 41 genitals; or a sex act as defined in section 702.17.

42 Sexual exploitation by a school employee does not  
 43 include touching that is necessary in the performance  
 44 of the school employee's duties while acting within  
 45 the scope of employment.

46 ~~2. 4. a.~~ A counselor or therapist who commits  
 47 sexual exploitation in violation of subsection ~~4 2,~~  
 48 paragraph "~~f~~" "a", ~~subparagraph (1),~~ commits a class  
 49 "D" felony.

50 ~~3. b.~~ A counselor or therapist who commits sexual

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1 exploitation in violation of subsection ~~4 2,~~ paragraph  
 2 "~~f~~" "b", ~~subparagraph (2),~~ commits an aggravated  
 3 misdemeanor.

4 ~~4. c.~~ A counselor or therapist who commits sexual  
 5 exploitation in violation of subsection ~~4 2,~~ paragraph  
 6 "~~f~~" "c", ~~subparagraph (3),~~ commits a serious  
 7 misdemeanor. In lieu of the sentence provided for  
 8 under section 903.1, subsection 1, paragraph "b", the  
 9 offender may be required to attend a sexual abuser  
 10 treatment program.

11 5. a. A school employee who commits sexual  
 12 exploitation in violation of subsection 3, paragraph  
 13 "a", commits a class "D" felony.

14 b. A school employee who commits sexual  
 15 exploitation in violation of subsection 3, paragraph  
 16 "b", commits an aggravated misdemeanor.

17 Sec. \_\_\_\_ Section 802.2A, subsection 2, Code 2003,  
 18 is amended to read as follows:

19 2. An indictment or information for sexual  
 20 exploitation by a counselor, ~~or~~ therapist, or school  
 21 employee under section 709.15 committed on or with a  
 22 person who is under the age of eighteen shall be found

23 within ten years after the person upon whom the  
 24 offense is committed attains eighteen years of age.  
 25 An information or indictment for any other sexual  
 26 exploitation shall be found within ten years of the  
 27 date the victim was last treated by the counselor or  
 28 therapist, or within ten years of the date the victim  
 29 was enrolled in or attended the school.

30 Sec. \_\_\_\_ Section 903B.1, subsection 4, paragraph  
 31 h, Code 2003, is amended to read as follows:

32 h. Sexual exploitation ~~by a counselor~~ in violation  
 33 of section 709.15.”

34 15. Page 21, by inserting after line 25 the  
 35 following:

36 “Sec. 104. READING INSTRUCTION PILOT PROGRAM.

37 1. Recognizing the state’s goals of assisting  
 38 children to grow, develop, and learn to their fullest  
 39 extent, empowering students in grades kindergarten  
 40 through eight to become good readers, and supporting  
 41 student achievement and overall academic performance,  
 42 and recognizing the importance of instructional  
 43 methodologies and strategies for reading, a reading  
 44 instruction pilot program is established. The  
 45 objective of the program shall be to improve student  
 46 reading achievement and provide interventions needed  
 47 to assist struggling readers by increasing teacher  
 48 capacity to provide reading instruction.

49 2. The program shall be established for the school  
 50 year beginning July 1, 2003, in a school district with

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1 an enrollment of at least six hundred pupils in grades  
 2 kindergarten through twelve, or in two or more school  
 3 districts, each with enrollments of less than six  
 4 hundred pupils in grades kindergarten through twelve,  
 5 jointly participating in the program and with a  
 6 combined enrollment of at least six hundred pupils in  
 7 grades kindergarten through twelve. The program shall  
 8 involve the implementation of systematic intensive  
 9 phonics reading instruction and direct instruction for  
 10 students up to and including the eighth grade. The  
 11 program shall meet the standards set forth by the  
 12 United States department of education’s national  
 13 institute for literacy, which has identified the five  
 14 areas of successful reading instruction as phonemic  
 15 awareness, phonics, fluency, vocabulary, and text  
 16 comprehension.

17 3. The program shall offer training and ongoing  
 18 support for participating teachers and provide  
 19 continuous formal and informal student assessment to  
 20 demonstrate results. Teachers in the school district  
 21 or group of districts selected shall, prior to the

22 beginning of classes for the school year beginning  
23 July 1, 2003, participate in an in-service training  
24 program to prepare for implementation of the program.  
25 The in-service training shall include education and  
26 training in curriculum content and methods of  
27 instruction relating to systematic intensive phonics  
28 reading instruction and direct instruction, student  
29 assessment procedures and techniques, and effective  
30 interventions to address specific reading  
31 difficulties, and shall continue on an ongoing basis  
32 throughout the school year.  
33 4. The program shall be administered by the  
34 department of education. The department shall provide  
35 notice to school districts regarding the existence of  
36 the program, shall provide technical assistance  
37 regarding application submission and information  
38 regarding program objectives and operation, and shall  
39 provide program implementation assistance to the  
40 school district or group of districts selected. A  
41 school district or group of districts wishing to  
42 participate shall submit an application to the  
43 department and the department shall, before July 1,  
44 2003, select a school district or group of districts  
45 for participation in the pilot program. In the  
46 application the school district or group of districts  
47 shall propose a districtwide plan for effective  
48 reading interventions involving an approach to  
49 beginning reading instruction and boosting the reading  
50 levels of students using systematic intensive phonics

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1 instruction and direct instruction. A school district  
2 submitting an application shall also indicate a  
3 willingness to provide faculty committed to  
4 implementation of the program and participation in the  
5 in-service training, and shall include a plan for  
6 conducting pretesting and posttesting to demonstrate  
7 results. The department shall select for  
8 participation a school district or group of districts,  
9 after consultation with the chairpersons and ranking  
10 members of the senate and house standing committees on  
11 education, which demonstrates an ability to implement  
12 program requirements and adhere to the national  
13 institute for literacy standards.  
14 5. Upon completion of the pilot program, the  
15 school district shall submit a report to the  
16 department regarding the impact of the program on  
17 student academic achievement. The department shall  
18 prepare a report summarizing these results, and  
19 comparing them to student academic achievement gains  
20 in similar school districts that did not participate

21 in the program. The department report shall include  
 22 recommendations for statewide implementation of the  
 23 pilot program, and shall be submitted to the  
 24 chairpersons and ranking members of the senate and  
 25 house standing committees on education by December 15,  
 26 2004.

27 6. The establishment of the program pursuant to  
 28 this section shall be contingent upon an appropriation  
 29 for purposes of the program for the fiscal year  
 30 beginning July 1, 2003, and ending June 30, 2004.  
 31 Funds provided to the school district or group of  
 32 districts selected shall be used by the district or  
 33 group of districts to provide stipends and travel  
 34 expense payments during the summer teacher in-service  
 35 training, ongoing training and support during the  
 36 school year, expense payments relating to data  
 37 collection, and payments for the costs of reading  
 38 instruction relating to the program.”

39 16. Page 21, by striking line 26 and inserting  
 40 the following:

41 “Sec. \_\_\_\_ Sections 294A.12 through 294A.20, and  
 42 294A.23, Code 2003, are”.

43 17. Page 21, by inserting after line 27 the  
 44 following:

45 “Sec. \_\_\_\_ EFFECTIVE DATES.

46 1. Section 101 of this Act, relating to the repeal  
 47 of chapter 256D, being deemed of immediate importance  
 48 takes effect upon enactment.

49 2. Section 102 of this Act, relating to school  
 50 reorganization incentives, being deemed of immediate

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1 importance, takes effect upon enactment.

2 3. Section 104 of this Act, relating to a reading  
 3 instruction pilot program, being deemed of immediate  
 4 importance, takes effect upon enactment.

5 Sec. \_\_\_\_ EFFECTIVE AND RETROACTIVE APPLICABILITY  
 6 PROVISION. Section 103 of this Act, relating to a  
 7 request for open enrollment submitted to a district  
 8 prior to the district’s adoption of a desegregation  
 9 plan, being deemed of immediate importance, takes  
 10 effect upon enactment and applies retroactively to  
 11 July 1, 2002, for open enrollment transfer requests  
 12 received by a school district on or after July 1,  
 13 2002.”

14 18. Title page, by striking line 2, and inserting  
 15 the following: “education, the board of educational  
 16 examiners, the state board of regents and its  
 17 universities, and school boards, and to property tax  
 18 school reorganization incentives; requiring the  
 19 establishment of a reading instruction pilot program;

20 and including effective and retroactive applicability  
 21 date provisions.”  
 22 19. By renumbering, redesignating, and correcting  
 23 internal references as necessary.

NANCY BOETTGER

**S-3333**

HOUSE AMENDMENT TO  
 SENATE FILE 341

1 Amend Senate File 341, as passed by the Senate, as  
 2 follows:  
 3 1. Page 2, by inserting after line 6 the  
 4 following:  
 5 “Sec. \_\_\_\_ Section 9H.2, subsection 4, Code 2003,  
 6 is amended to read as follows:  
 7 4. A processor which was in compliance with this  
 8 section prior to April 5, 2000, and which was in  
 9 violation of this section as a result of 2000 Iowa  
 10 Acts, chapter 1048, shall have until June 30, ~~2004~~  
 11 2006, to comply with 2000 Iowa Acts, chapter 1048. A  
 12 processor shall not take action on or after April 5,  
 13 2000, which would be in violation of this section.”  
 14 2. Page 2, line 13, by striking the figure “2005”  
 15 and inserting the following: “2007”.  
 16 3. Page 2, by inserting after line 18, the  
 17 following:  
 18 “Sec. \_\_\_\_ Section 9H.2A, subsections 1 through 3,  
 19 Code 2003, are amended to read as follows:  
 20 1. A processor that was in compliance with section  
 21 9H.2, Code 2001, prior to January 1, 2002, and which  
 22 is in violation of section 9H.2, as amended by ~~this~~  
 23 ~~Act 2002 Acts, chapter 1095~~, shall have until June 30,  
 24 ~~2004 2006~~, to comply with section 9H.2, as amended by  
 25 ~~this Act 2002 Acts, chapter 1095~~.  
 26 2. Notwithstanding any provision of this section,  
 27 a processor shall not take an action on or after  
 28 January 1, 2002, that would be in violation of section  
 29 9H.2, as amended by ~~this Act 2002 Acts, chapter 1095~~.  
 30 3. The two-year period that a person who holds an  
 31 executive position in a processor or owes a processor  
 32 a fiduciary duty and thus is deemed to be a processor  
 33 as provided in section 9H.1, subsection 27, paragraph  
 34 “b”, shall not apply if the person held the position  
 35 or owed the duty on January 1, 2002, and relinquishes  
 36 the position or duty on or before June 30, ~~2004 2006~~.  
 37 Sec. \_\_\_\_ Section 9H.2A, subsection 4, Code 2003,  
 38 is amended by striking the subsection.”  
 39 4. Page 4, line 27, by inserting after the word  
 40 “section.” the following: “The Code editor shall

- 41 substitute the term “chapter” for “section” in the law  
 42 text.”  
 43 5. Page 4, line 29, by striking the figure “28,”.  
 44 6. Page 4, line 31, by inserting before the  
 45 figure “29” the following: “28,”.  
 46 7. By renumbering as necessary.

**S-3334**

HOUSE AMENDMENT TO  
 SENATE FILE 344

- 1 Amend Senate File 344, as amended, passed, and  
 2 reprinted by the Senate, as follows:  
 3 1. By striking everything after the enacting  
 4 clause and inserting the following:  
 5 “DIVISION I  
 6 LIABILITY REFORM  
 7 Section 1. Section 625A.9, Code 2003, is amended  
 8 to read as follows:  
 9 625A.9 EXECUTION ON UNSTAYED PART OF JUDGMENT --  
 10 SUPERSEDEAS BOND WAIVED.  
 11 1. The taking of the appeal from part of a  
 12 judgment or order, and the filing of a bond as above  
 13 directed, does not stay execution as to that part of  
 14 the judgment or order not appealed from.  
 15 2. If the judgment or order appealed from is for  
 16 money, such bond shall not exceed one hundred ten  
 17 percent of the amount of the money judgment.  
 18 3. Upon motion and for good cause shown, the  
 19 district court may stay all proceedings under the  
 20 order or judgment being appealed and permit the state  
 21 or any of its political subdivisions to appeal a  
 22 judgment or order to the supreme court without the  
 23 filing of a supersedeas bond.  
 24 Sec. 2. Section 668.12, Code 2003, is amended to  
 25 read as follows:  
 26 668.12 LIABILITY FOR PRODUCTS -- ~~STATE OF THE ART~~  
 27 ~~DEFENSE DEFENSES.~~  
 28 1. In any action brought pursuant to this chapter  
 29 against an assembler, designer, supplier of  
 30 specifications, distributor, manufacturer, or seller  
 31 for damages arising from an alleged defect in the  
 32 design, testing, manufacturing, formulation,  
 33 packaging, warning, or labeling of a product, a  
 34 percentage of fault shall not be assigned to such  
 35 persons if they plead and prove that the product  
 36 conformed to the state of the art in existence at the  
 37 time the product was designed, tested, manufactured,  
 38 formulated, packaged, provided with a warning, or  
 39 labeled.  
 40 2. Nothing contained in this section subsection 1

41 shall diminish the duty of an assembler, designer,  
42 supplier of specifications, distributor, manufacturer  
43 or seller to warn concerning subsequently acquired  
44 knowledge of a defect or dangerous condition that  
45 would render the product unreasonably dangerous for  
46 its foreseeable use or diminish the liability for  
47 failure to so warn.

48 3. An assembler, designer, supplier of  
49 specifications, distributor, manufacturer, or seller  
50 shall not be subject to liability under a theory of

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1 civil conspiracy unless the person knowingly and  
2 voluntarily entered into an agreement, express or  
3 implied, to participate in a common plan with the  
4 intent to commit a tortious act upon another. Mere  
5 membership in a trade or industrial association or  
6 group is not, in and of itself, evidence of such an  
7 agreement.

8 Sec. 3. Section 668A.1, subsection 1, Code 2003,  
9 is amended to read as follows:

10 1. In a trial of a claim involving the request for  
11 punitive or exemplary damages, the court shall  
12 instruct the jury to answer special interrogatories  
13 or, if there is no jury, shall make findings,  
14 indicating all of the following:

15 a. Whether, by a preponderance of clear, and  
16 convincing, and satisfactory evidence, the conduct of  
17 the defendant from which the claim arose constituted  
18 willful and wanton disregard for the rights or safety  
19 of another.

20 b. Whether the conduct of the defendant was  
21 directed specifically at the claimant, or at the  
22 person from which the claimant's claim is derived.

23 c. Whether, by a preponderance of clear and  
24 convincing evidence, the conduct of the defendant from  
25 which the claim arose constituted actual malice.

26 Sec. 4. NEW SECTION. 668A.2 DEFINITIONS.

27 As used in this chapter, the following terms shall  
28 have the following meanings:

29 1. "Clear and convincing evidence" means evidence  
30 which leaves no serious or substantial doubt about the  
31 correctness of the conclusions drawn from the  
32 evidence. It is more than a preponderance of  
33 evidence, but less than beyond a reasonable doubt.

34 2. "Malice" means either conduct which is  
35 specifically intended by the defendant to cause  
36 tangible or intangible serious injury to the plaintiff  
37 or conduct that is carried out by the defendant both  
38 with a flagrant indifference to the rights of the  
39 plaintiff and with a subjective awareness that such

40 conduct will result in tangible serious injury.  
 41 Sec. 5. NEW SECTION. 668A.3 AWARD OF PUNITIVE OR  
 42 EXEMPLARY DAMAGES -- PROOF -- STANDARD.  
 43 Punitive or exemplary damages shall only be awarded  
 44 where the plaintiff proves by clear and convincing  
 45 evidence that the plaintiff's harm was the result of  
 46 actual malice. This burden of proof shall not be  
 47 satisfied by proof of any degree of negligence,  
 48 including gross negligence.  
 49 Sec. 6. APPLICABILITY. This division of this Act,  
 50 relating to liability reform, applies to cases filed

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1 on or after July 1, 2003.  
 2 DIVISION II  
 3 WORKERS' COMPENSATION  
 4 Sec. 7. Section 85.34, subsection 2, unnumbered  
 5 paragraph 1, Code 2003, is amended to read as follows:  
 6 Compensation for permanent partial disability shall  
 7 begin at the termination of the healing period  
 8 provided in subsection 1. The compensation shall be  
 9 in addition to the benefits provided by sections 85.27  
 10 and 85.28. The compensation shall be based only upon  
 11 the extent of the disability related to the injury  
 12 received and upon the basis of eighty percent per week  
 13 of the employee's average spendable weekly earnings,  
 14 but not more than a weekly benefit amount, rounded to  
 15 the nearest dollar, equal to one hundred eighty-four  
 16 percent of the statewide average weekly wage paid  
 17 employees as determined by the department of workforce  
 18 development under section 96.19, subsection 36, and in  
 19 effect at the time of the injury. The minimum weekly  
 20 benefit amount shall be equal to the weekly benefit  
 21 amount of a person whose gross weekly earnings are  
 22 thirty-five percent of the statewide average weekly  
 23 wage. For all cases of permanent partial disability  
 24 compensation shall be paid as follows:  
 25 Sec. 8. Section 85.34, Code 2003, is amended by  
 26 adding the following new subsection:  
 27 NEW SUBSECTION. 7. APPORTIONMENT. When an  
 28 employee suffers successive work-related injuries or  
 29 illnesses, an employer is not liable for that portion  
 30 of an employee's disability that is caused by any  
 31 preexisting injury or illness that is separate and  
 32 discrete from the injury or illness for which  
 33 compensation is claimed. Evidence that an employee  
 34 has received a prior award for payment of benefits or  
 35 entered into a prior settlement of any claim arising  
 36 under this chapter or chapter 85A, 85B, or 86 creates  
 37 a presumption that the employee has suffered a  
 38 preexisting work-related injury or illness that is

39 separate and discrete from the injury or illness for  
40 which benefits are claimed and that the extent of  
41 disability caused by that preexisting injury or  
42 illness has been determined. An employee who suffers  
43 from a disability caused in part by a preexisting  
44 injury or illness that is separate and discrete from  
45 the injury or illness for which compensation is  
46 claimed, such that the employer is not liable for that  
47 portion of the employee's disability, shall receive  
48 compensation for the employee's disability at the  
49 employee's weekly benefit amount as provided in this  
50 section plus an additional ten percent.

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1 Sec. 9. APPLICABILITY. This division of this Act,  
2 relating to workers' compensation, applies to an  
3 injury occurring on or after July 1, 2003.

4 DIVISION III

5 FINANCIAL SERVICES

6 Sec. 10. Section 537.2502, subsections 3 and 6,  
7 Code 2003, are amended to read as follows:

8 3. A delinquency charge shall not be collected  
9 under subsection 1, paragraph "a", on an installment  
10 ~~which that~~ is paid in full within ten days after its  
11 scheduled or deferred installment due date even though  
12 an earlier maturing installment or a delinquency or  
13 deferral charge on an earlier installment may not have  
14 been paid in full. For purposes of this subsection,  
15 payments associated with a precomputed transaction are  
16 applied first to current installments and then to  
17 delinquent installments.

18 6. A delinquency charge shall not be collected  
19 under subsection 4 on a payment ~~which~~ associated with  
20 a precomputed transaction that is paid in full on or  
21 before its scheduled or deferred due date even though  
22 an earlier maturing payment or a delinquency or  
23 deferred charge on an earlier payment has not been  
24 paid in full. For purposes of this subsection,  
25 payments are applied first to amounts due for the  
26 current billing cycle and then to delinquent payments.

27 Sec. 11. Section 537.2601, subsection 1, Code  
28 2003, is amended to read as follows:

29 1. ~~Except as provided in subsection 2, with~~ With  
30 respect to a credit transaction other than a consumer  
31 credit transaction, the parties may contract for the  
32 payment by the debtor of any finance or other charge  
33 as permitted by law. ~~Except with respect to debt~~  
34 ~~obligations issued by a government, governmental~~  
35 ~~agency or instrumentality, in calculating any finance~~  
36 ~~charge contracted for, any month may be counted as~~  
37 ~~one twelfth of a year, but a day is to be counted as~~

38 ~~one three hundred sixty fifth of a year.~~

39 DIVISION IV

40 UNEMPLOYMENT COMPENSATION SURCHARGE

41 Sec. 12. Section 96.7, subsection 12, paragraph a,  
42 Code 2003, is amended to read as follows:

43 a. An employer other than a governmental entity or  
44 a nonprofit organization, subject to this chapter,  
45 shall pay an administrative contribution surcharge  
46 equal in amount to one-tenth of one percent of federal  
47 taxable wages, as defined in section 96.19, subsection  
48 37, paragraph “b”, subject to the surcharge formula to  
49 be developed by the department under this paragraph.  
50 The department shall develop a surcharge formula that

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1 provides a target revenue level of no greater than six  
2 million five hundred twenty-five thousand dollars  
3 ~~annually for calendar years 2003, 2004, and 2005 and a~~  
4 ~~target revenue level of no greater than three million~~  
5 ~~two hundred sixty-two thousand five hundred dollars~~  
6 ~~for calendar year 2006 and each subsequent calendar~~  
7 ~~year.~~ The department shall reduce the administrative  
8 contribution surcharge established for any calendar  
9 year proportionate to any federal government funding  
10 that provides an increased allocation of moneys for  
11 workforce development offices, under the federal  
12 employment services financing reform legislation. Any  
13 administrative contribution surcharge revenue that is  
14 collected in calendar year ~~2002 2003, 2004, or 2005~~ in  
15 excess of six million five hundred twenty-five  
16 thousand dollars ~~or in calendar year 2006 or a~~  
17 ~~subsequent calendar year in excess of three million~~  
18 ~~two hundred sixty-two thousand five hundred dollars~~  
19 shall be deducted from the amount to be collected in  
20 ~~the subsequent~~ calendar year 2003 before the  
21 department establishes the administrative contribution  
22 surcharge. The department shall recompute the amount  
23 as a percentage of taxable wages, as defined in  
24 section 96.19, subsection 37, and shall add the  
25 percentage surcharge to the employer’s contribution  
26 rate determined under this section. The percentage  
27 surcharge shall be capped at a maximum of seven  
28 dollars per employee. The department shall adopt  
29 rules prescribing the manner in which the surcharge  
30 will be collected. Interest shall accrue on all  
31 unpaid surcharges under this subsection at the same  
32 rate as on regular contributions and shall be  
33 collectible in the same manner. Interest accrued and  
34 collected under this paragraph and interest earned and  
35 credited to the fund under paragraph “b” shall be used  
36 by the department only for the purposes set forth in

37 paragraph “c”.

38 Sec. 13. Section 96.7, subsection 12, paragraph d,  
39 Code 2003, is amended to read as follows:

40 d. This subsection is repealed July 1, ~~2003~~ 2006,  
41 and the repeal is applicable to contribution rates for  
42 calendar year ~~2004~~ 2007 and subsequent calendar years.

43 Sec. 14. EFFECTIVE DATE. This division of this  
44 Act, concerning the unemployment compensation  
45 surcharge, being deemed of immediate importance, takes  
46 effect upon enactment.

#### 47 DIVISION V

#### 48 ECONOMIC DEVELOPMENT

49 Sec. 15. NEW SECTION. 15E.18 CITIES, COUNTIES,  
50 AND REGIONS -- SITE PREPARATION FOR TARGETED ECONOMIC

Page 6

#### 1 DEVELOPMENT.

2 1. For purposes of this section, “region” means a  
3 group of two or more contiguous counties that  
4 establishes a single, focused economic development  
5 effort.

6 2. A city, county, or region, subject to the  
7 approval of the property owner, may designate an area  
8 within the boundaries of the city, county, or region  
9 for a specific type of targeted economic development.  
10 The specific type of targeted economic development  
11 shall be one of the following:

- 12 a. Manufacturing.
- 13 b. Light industrial.
- 14 c. Warehouse and distribution.
- 15 d. Office parks.
- 16 e. Business and commerce parks.
- 17 f. Research and development.

18 3. A city, county, or region that designates an  
19 area for a specific type of targeted economic  
20 development may apply to the department for purposes  
21 of certifying the area as a preapproved development  
22 site. The department shall develop criteria for the  
23 certification process.

24 4. Prior to a specific project being developed, a  
25 city, county, or region designating the area for  
26 targeted economic development pursuant to this section  
27 may apply for and obtain appropriate licenses,  
28 permits, and approvals for the type of targeted  
29 economic development project desired for the area.

30 Sec. 16. NEW SECTION. 15E.19 REGULATORY  
31 ASSISTANCE.

32 1. The department of economic development shall  
33 coordinate all regulatory assistance for the state of  
34 Iowa. Each state agency with regulatory programs for  
35 business shall maintain a coordinator within the

36 office of the director or the administrative division  
 37 of the state agency. Each coordinator shall do all of  
 38 the following:  
 39 a. Serve as the department of economic  
 40 development's primary contact for regulatory affairs.  
 41 b. Provide regulatory requirements to businesses  
 42 and represent the agency in the private sector.  
 43 c. Monitor permit applications and provide timely  
 44 permit status information to the department of  
 45 economic development.  
 46 d. Have the ability to require regulatory staff  
 47 participation in negotiations and discussions with  
 48 businesses.  
 49 e. Notify the department of economic development  
 50 regarding proposed rulemaking activities that impact a

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1 regulatory program and any subsequent changes to a  
 2 regulatory program.  
 3 2. By January 15 of each year, the department of  
 4 economic development shall submit a written report to  
 5 the general assembly regarding the provision of  
 6 regulatory assistance by state agencies.”  
 7 2. Title page, by striking lines 2 through 7 and  
 8 inserting the following: “business relating to  
 9 liability reform, workers’ compensation, financial  
 10 services, unemployment compensation employer  
 11 surcharges, and economic development, and providing an  
 12 effective date.”

### S-3335

1 Amend House File 694, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 13, by striking lines 3 through 5, and  
 4 inserting the following: “a resident of the state.  
 5 Within three months of appointment the clerk of the  
 6 district court must establish residence and physically  
 7 reside in ~~the a~~ county where the person serves as  
 8 clerk. A clerk of the district”.

KEITH A. KREIMAN

### S-3336

1 Amend House File 694, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking page 12, line 26, through page 13,  
 4 line 9.  
 5 2. By renumbering as necessary.

KEITH A. KREIMAN

**S-3337**

- 1 Amend House File 694, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 32, line 18, by striking the figure  
4 “2003” and inserting the following: “2004”.  
5 2. Page 32, line 21, by striking the figure  
6 “2003” and inserting the following: “2004”.

KEITH A. KREIMAN

**S-3338**

- 1 Amend House File 694, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 15, by striking lines 6 through 16 and  
4 inserting the following: “court to the general  
5 assembly.”

KEITH A. KREIMAN

**S-3339**

- 1 Amend the House amendment, S-3324, to Senate File  
2 445, as amended, passed, and reprinted by the Senate,  
3 as follows:  
4 1. Page 1, by inserting after line 2 the  
5 following:  
6 “\_\_\_. Page 1, by inserting before line 1 the  
7 following:  
8 “Section 1. NEW SECTION. 298.2A PHYSICAL PLANT  
9 AND EQUIPMENT LEVY STATE FUND -- DISTRIBUTION.  
10 1. A physical plant and equipment levy state fund  
11 is created as a separate and distinct fund in the  
12 state treasury under the control of the department of  
13 education. Any moneys disbursed from the fund shall  
14 be used as provided in section 298.3.  
15 2. For the school budget year beginning July 1,  
16 2004, and for each succeeding budget year, the county  
17 treasurer shall remit to the department of education  
18 for deposit into the physical plant and equipment levy  
19 state fund the property tax revenues received from the  
20 collection during the school budget year of the  
21 regular physical plant and equipment levy.  
22 3. The amount deposited in the physical plant and  
23 equipment levy state fund in a budget year shall be  
24 distributed as follows:  
25 a. Each school district that has imposed the  
26 regular physical plant and equipment levy shall  
27 receive an amount per pupil equal to the amount in the  
28 state fund divided by the combined actual enrollment

29 of all school districts that impose such levy. The  
 30 actual enrollment figures for each such school  
 31 district reported by October 1 to the department of  
 32 education pursuant to section 257.6, subsection 1,  
 33 shall be used to determine the combined actual  
 34 enrollment.

35 b. Notwithstanding the computation of the amount  
 36 per pupil in paragraph “a”, if a school district has  
 37 incurred indebtedness or issued bonds which were  
 38 incurred or issued prior to April 1, 2003, and that  
 39 certifies that the amount to be received pursuant to  
 40 paragraph “a” plus any amount to be received from the  
 41 voter-approved physical plant and equipment levy is  
 42 insufficient to pay principal and interest on the  
 43 indebtedness or bonds, the school district may certify  
 44 such fact to the department of education and the  
 45 department shall provide the amount needed to pay  
 46 principal and interest but not to exceed the amount  
 47 collected from the school district’s regular physical  
 48 plant and equipment levy. The amounts paid under this  
 49 subject to all school districts shall be paid from the  
 50 state fund prior to determining the actual per pupil

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1 amount to be distributed to each district.  
 2 c. Distributions to school districts shall be made  
 3 approximately one-half by September 15 and the  
 4 remainder by March 15 of the budget year.  
 5 d. This section does not apply to the collection  
 6 and distribution of any voter-approved physical plant  
 7 and equipment levy.””  
 8 2. Page 1, by inserting after line 6 the  
 9 following:  
 10 “\_\_. Title page, line 4, by inserting after the  
 11 word “purposes” the following: “and the regular  
 12 physical plant and equipment levies”.”

STEVEN H. WARNSTADT

**S-3340**

HOUSE AMENDMENT TO  
 SENATE AMENDMENT TO  
 HOUSE FILE 685

1 Amend the Senate amendment, H-1495, to House File  
 2 685, as amended, passed, and reprinted by the House,  
 3 as follows:  
 4 1. Page 1, by striking lines 3 through 10.  
 5 2. Page 1, line 16, by striking the figure  
 6 “5,206,960” and inserting the following: “4,806,960”.

**S-3341**

1 Amend the amendment, S-3332, to House File 549, as  
2 amended, passed, and reprinted by the House, as  
3 follows:  
4 1. Page 6, by striking lines 30 through 32 and  
5 inserting the following: “students, faculty, and  
6 staff from harassing or intimidating a student or any  
7 other person on”.

NANCY BOETTGER

**S-3342**

1 Amend the amendment, S-3332, to House File 549, as  
2 amended, passed, and reprinted by the House, as  
3 follows:  
4 1. Page 2, line 34, by inserting after the figure  
5 “107-110.” the following: “The program shall include  
6 the assignment of a unique student identifier to each  
7 student attending kindergarten through grade twelve.”  
8 2. Page 2, line 45, by striking the word “chart”  
9 and inserting the following: “of student progress as  
10 specified in paragraph “c””.  
11 3. Page 2, line 48, by striking the word  
12 “expression,”.  
13 4. Page 3, by striking lines 6 through 14 and  
14 inserting the following: “norms, as well as measures  
15 of student progress as specified in paragraph “c.””  
16 5. Page 3, line 21, by inserting after the word  
17 “averages” the following: “and a longitudinal  
18 analysis of student progress as specified in paragraph  
19 “c””.  
20 6. Page 3, by inserting after line 30 the  
21 following:  
22 “c. The department shall approve the use of a  
23 single value-added system to calculate annually the  
24 amount of academic growth for each student, school,  
25 and school district in reading and mathematics, and  
26 other core academic areas where possible. The system  
27 shall at a minimum contain the following capabilities:  
28 (1) Use of a mixed-model statistical analysis that  
29 has the ability to use all achievement test data for  
30 each student, including the data for students with  
31 missing test scores, that does not adjust downward  
32 expectations for student progress based on race,  
33 poverty, or gender, and that will provide the best  
34 linear unbiased predictions of school or other  
35 educational entity effects to minimize the impact of  
36 fortuitous accumulation of random errors.  
37 (2) The ability to work with test data from a  
38 variety of sources, including data that are not

39 vertically scaled, and to provide a variety of  
 40 analyses of such data.  
 41 (3) The capacity to receive and report results  
 42 electronically and provide support for districts  
 43 utilizing the system.  
 44 (4) The ability to create for each school district  
 45 a chart that reports grade-equivalent scores for  
 46 grades three through eight and gains between  
 47 consecutive pairs of grades for each attendance center  
 48 and provides for a district-wide study of grade  
 49 equivalent scores. The system shall create a chart  
 50 for each district in accordance with this

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1 subparagraph.  
 2 d. Each school district shall have complete access  
 3 to and utilization of its own value-added assessment  
 4 reports generated by the system at the student level  
 5 for the purpose of measuring student achievement at  
 6 different educational entity levels.”  
 7 7. By renumbering, redesignating, and correcting  
 8 internal references as necessary.

NANCY BOETTGER

**S-3343**

1 Amend Senate File 458 as follows:  
 2 1. Page 1, by inserting after line 2, the  
 3 following:  
 4 “Section 1. Section 426B.5, subsection 2,  
 5 paragraph d, subparagraphs (1) and (6), Code 2003, are  
 6 amended to read as follows:  
 7 (1) A county must apply to the board for  
 8 assistance from the risk pool on or before ~~April 1~~  
 9 January 25 to cover an unanticipated net expenditure  
 10 amount in excess of the county’s current fiscal year  
 11 budgeted net expenditure amount for the county’s  
 12 services fund. The risk pool board shall make its  
 13 final decisions on or before February 25 regarding  
 14 acceptance or rejection of the applications for  
 15 assistance and the total amount accepted shall be  
 16 considered obligated. For purposes of applying for  
 17 risk pool assistance and for repaying unused risk pool  
 18 assistance, the current fiscal year budgeted net  
 19 expenditure amount shall be deemed to be the higher of  
 20 either the budgeted net expenditure amount in the  
 21 management plan approved under section 331.439 for the  
 22 fiscal year in which the application is made or the  
 23 prior fiscal year’s net expenditure amount.  
 24 (6) The total amount of risk pool assistance shall

25 be limited to the amount available in the risk pool  
 26 for a fiscal year. If the total amount of eligible  
 27 assistance exceeds the amount available in the risk  
 28 pool the amount of assistance paid shall be prorated  
 29 among the counties eligible for assistance. Moneys  
 30 remaining unexpended or unobligated in the risk pool  
 31 ~~at the close of a fiscal year shall remain available~~  
 32 ~~for distribution in the succeeding fiscal year~~  
 33 following the risk pool board's decisions made  
 34 pursuant to subparagraph (1) shall be distributed to  
 35 the counties eligible to receive funding from the  
 36 allowed growth factor adjustment appropriation for the  
 37 fiscal year using the distribution methodology  
 38 applicable to that appropriation.”

39 2. Page 1, by inserting after line 25 the  
 40 following:

41 “Sec. \_\_. 2002 Iowa Acts, chapter 1175, section  
 42 104, subsections 4 and 5, as amended by 2003 Iowa  
 43 Acts, House File 667, section 41, are amended to read  
 44 as follows:

45 4. After applying the applicable statutory  
 46 distribution formulas to the amounts indicated in  
 47 subsection 2 for purposes to produce preliminary  
 48 distribution totals, the department of human services  
 49 shall apply a withholding factor to adjust an eligible  
 50 individual county's preliminary distribution total.

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1 An ending balance percentage for each county shall be  
 2 determined by expressing the county's ending balance  
 3 on a modified accrual basis under generally accepted  
 4 accounting principles for the fiscal year beginning  
 5 July 1, 2002, in the county's mental health, mental  
 6 retardation, and developmental disabilities services  
 7 fund created under section 331.424A, as a percentage  
 8 of the county's gross expenditures from that fund for  
 9 that fiscal year. The withholding factor for a county  
 10 shall be the following applicable percent:

11 a. For an ending balance percentage of less than  
 12 10 percent, a withholding factor of 0 percent. In  
 13 addition to the county's adjusted distribution total,  
 14 a county that is subject to this paragraph “a” shall  
 15 receive an inflation adjustment equal to 2.6 percent  
 16 of the gross expenditures reported for the county's  
 17 services fund for that fiscal year.

18 b. For an ending balance percentage of 10 through  
 19 24 percent, a withholding factor of 25 percent.

20 c. For an ending balance percentage of 25 through  
 21 34 percent, a withholding factor of 60 percent.

22 ~~d. For an ending balance percentage of 35 through~~  
 23 ~~44 percent, a withholding factor of 85 percent.~~

24 e. d. For an ending balance percentage of ~~45~~ 35  
 25 percent or more, a withholding factor of 100 percent.  
 26 5. The total withholding amounts applied pursuant  
 27 to subsection 4 shall be equal to a withholding target  
 28 amount of ~~\$7,419,974~~ \$9,418,362 and the appropriation  
 29 enacted by the Eightieth General Assembly, 2003  
 30 Session, for the MH/DD community services fund shall  
 31 be reduced by the amount necessary to attain the  
 32 withholding target amount. If the department of human  
 33 services determines that the amount to be withheld in  
 34 accordance with subsection 4 is not equal to the  
 35 target withholding amount, the department shall adjust  
 36 the withholding factors listed in subsection 4 as  
 37 necessary to achieve the withholding target amount.  
 38 However, in making such adjustments to the withholding  
 39 factors, the department shall strive to minimize  
 40 changes to the withholding factors for those ending  
 41 balance percentage ranges that are lower than others  
 42 and shall not adjust the zero withholding factor or  
 43 the inflation adjustment percentage specified in  
 44 subsection 4, paragraph “a.”

HUBERT M. HOUSER

**S-3344**

1 Amend House File 679, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 4, line 31, by inserting after the word  
 4 “period” the following: “for any current or future  
 5 project which has not been completed”.

COMMITTEE ON WAYS AND MEANS  
 LARRY McKIBBEN, Chair

**S-3345**

1 Amend Senate File 458 as follows:  
 2 1. Page 3, line 1, by striking the word “fifty-  
 3 six” and inserting the following: “sixty-six”.

MIKE CONNOLLY  
 JOHN P. KIBBIE  
 ROBERT E. DVORSKY  
 ROGER STEWART  
 DARYL BEALL  
 KEITH A. KREIMAN  
 STEVEN H. WARNSTADT  
 JACK HATCH  
 AMANDA RAGAN  
 THOMAS G. COURTNEY  
 WILLIAM A. DOTZLER

JACK HOLVECK  
HERMAN C. QUIRMBACH  
DENNIS H. BLACK

**S-3346**

1 Amend Senate File 458 as follows:

2 1. Page 1, by inserting after line 2, the  
3 following:

4 “Section 1. Section 426B.5, subsection 2,  
5 paragraph d, subparagraphs (1) and (6), Code 2003, are  
6 amended to read as follows:

7 (1) A county must apply to the board for  
8 assistance from the risk pool on or before ~~April 1~~  
9 January 25 to cover an unanticipated net expenditure  
10 amount in excess of the county’s current fiscal year  
11 budgeted net expenditure amount for the county’s  
12 services fund. The risk pool board shall make its  
13 final decisions on or before February 25 regarding  
14 acceptance or rejection of the applications for  
15 assistance and the total amount accepted shall be  
16 considered obligated. For purposes of applying for  
17 risk pool assistance and for repaying unused risk pool  
18 assistance, the current fiscal year budgeted net  
19 expenditure amount shall be deemed to be the higher of  
20 either the budgeted net expenditure amount in the  
21 management plan approved under section 331.439 for the  
22 fiscal year in which the application is made or the  
23 prior fiscal year’s net expenditure amount.

24 (6) The total amount of risk pool assistance shall  
25 be limited to the amount available in the risk pool  
26 for a fiscal year. If the total amount of eligible  
27 assistance exceeds the amount available in the risk  
28 pool the amount of assistance paid shall be prorated  
29 among the counties eligible for assistance. Moneys  
30 remaining unexpended or unobligated in the risk pool  
31 ~~at the close of a fiscal year shall remain available~~  
32 ~~for distribution in the succeeding fiscal year~~  
33 following the risk pool board’s decisions made  
34 pursuant to subparagraph (1) shall be distributed to  
35 the counties eligible to receive funding from the  
36 allowed growth factor adjustment appropriation for the  
37 fiscal year using the distribution methodology  
38 applicable to that appropriation.”

39 2. Page 1, by inserting after line 25 the  
40 following:

41 “Sec. \_\_. 2002 Iowa Acts, chapter 1175, section  
42 104, subsections 4 and 5, as amended by 2003 Iowa  
43 Acts, House File 667, section 41, are amended to read  
44 as follows:

45 4. After applying the applicable statutory  
46 distribution formulas to the amounts indicated in  
47 subsection 2 for purposes to produce preliminary  
48 distribution totals, the department of human services  
49 shall apply a withholding factor to adjust an eligible  
50 individual county's preliminary distribution total.

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1 An ending balance percentage for each county shall be  
2 determined by expressing the county's ending balance  
3 on a modified accrual basis under generally accepted  
4 accounting principles for the fiscal year beginning  
5 July 1, 2002, in the county's mental health, mental  
6 retardation, and developmental disabilities services  
7 fund created under section 331.424A, as a percentage  
8 of the county's gross expenditures from that fund for  
9 that fiscal year. The withholding factor for a county  
10 shall be the following applicable percent:

11 a. For an ending balance percentage of less than  
12 10 percent, a withholding factor of 0 percent. In  
13 addition to the county's adjusted distribution total,  
14 a county that is subject to this paragraph "a" shall  
15 receive an inflation adjustment equal to 2.6 percent  
16 of the gross expenditures reported for the county's  
17 services fund for that fiscal year.

18 b. For an ending balance percentage of 10 through  
19 24 percent, a withholding factor of 25 percent.

20 c. For an ending balance percentage of 25 through  
21 34 percent, a withholding factor of 60 percent.

22 ~~d. For an ending balance percentage of 35 through~~  
23 ~~44 percent, a withholding factor of 85 percent.~~

24 ~~e. d.~~ For an ending balance percentage of ~~45~~ 35  
25 percent or more, a withholding factor of 100 percent.

26 5. The total withholding amounts applied pursuant  
27 to subsection 4 shall be equal to a withholding target  
28 amount of \$7,419,074 and the appropriation enacted by  
29 the Eightieth General Assembly, 2003 Session, for the  
30 MH/DD community services fund shall be reduced by the  
31 amount necessary to attain the withholding target  
32 amount. If the department of human services  
33 determines that the amount to be withheld in  
34 accordance with subsection 4 is not equal to the  
35 target withholding amount, the department shall adjust  
36 the withholding factors listed in subsection 4 as  
37 necessary to achieve the withholding target amount.  
38 However, in making such adjustments to the withholding  
39 factors, the department shall strive to minimize  
40 changes to the withholding factors for those ending  
41 balance percentage ranges that are lower than others

42 and shall not adjust the zero withholding factor or  
43 the inflation adjustment percentage specified in  
44 subsection 4, paragraph “a.”

HUBERT M. HOUSER  
MAGGIE TINSMAN

**S-3347**

HOUSE AMENDMENT TO  
SENATE FILE 452

1 Amend Senate File 452, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking lines 9 and 10 and  
4 inserting the following:

5 “1. For correction of deferred maintenance at the  
6 Iowa school for the deaf, notwithstanding section  
7 8.57, subsection 5, paragraph “c:.”

8 2. Page 1, by striking lines 12 through 14 and  
9 inserting the following:

10 “2. For correction of deferred maintenance at the  
11 Iowa braille and sight saving school, notwithstanding  
12 section 8.57, subsection 5, paragraph “c:.”

13 3. Page 5, by inserting after line 15 the  
14 following:

“NATIONAL PROGRAM FOR PLAYGROUND SAFETY

16 Sec. \_\_\_\_. There is appropriated from the rebuild  
17 Iowa infrastructure fund to the national program for  
18 playground safety at the university of northern Iowa  
19 for the fiscal year beginning July 1, 2003, and ending  
20 June 30, 2004, the following amount, or so much  
21 thereof as is necessary, to be used for the purpose  
22 designated:

23 For the Iowa safe surfacing initiative,  
24 notwithstanding section 8.57, subsection 5, paragraph  
25 “c:”

26 ..... \$ 500,000

27 No more than 2.5 percent of the funds appropriated  
28 in this section shall be used by the national program  
29 for playground safety for administrative costs  
30 associated with the Iowa safe surfacing initiative.

31 The crumb rubber playground tiles for the  
32 initiative shall be international play equipment  
33 manufacturers association (IPEMA)-certified to the  
34 American society for testing and materials (ASTM)  
35 F1292 standard.”

36 4. Page 6, by inserting after line 7 the  
37 following:

38 “\_\_. To the division of fire safety of the  
39 department for allocation to the fire service training  
40 bureau to establish a revolving loan program for

41 equipment purchases by local fire departments,  
 42 notwithstanding section 8.57, subsection 5, paragraph  
 43 “c”:  
 44 ..... \$ 500,000”  
 45 5. Page 15, line 31, by striking the figure  
 46 “1,000,000” and inserting the following: “2,000,000”.  
 47 6. Page 16, by inserting after line 8 the  
 48 following:  
 49 “\_\_\_ STATE BOARD OF REGENTS  
 50 For non-fire-related restoration of the Old Capitol

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1 on the University of Iowa campus in Iowa City,  
 2 including but not limited to capital and other  
 3 improvements related to exterior metal roofing,  
 4 masonry repointing, and window replacement; electrical  
 5 upgrades; asbestos abatement; elevator improvements;  
 6 interior painting and lighting and exhibit displays;  
 7 and site walkway and landscaping improvements:  
 8 ..... \$ 2,500,000”

9 7. Page 18, by inserting after line 30 the  
 10 following:  
 11 “DIVISION \_\_\_  
 12 CASH RESERVE FUND  
 13 Sec. \_\_\_. If House File 696 is enacted during the 2003  
 14 Regular Session of the Eightieth General Assembly, any additional  
 15 revenues from the state taxation of the adjusted gross revenues  
 16 from gambling games at racetrack enclosures which result from the  
 17 enactment of House File 696 and which are deposited into the  
 18 rebuild Iowa infrastructure fund shall be transferred to the cash  
 19 reserve fund in an amount not to exceed \$16,555,000.”

20 8. Page 20, by inserting after line 9 the following:  
 21 “DIVISION \_\_\_  
 22 CONTINGENT APPROPRIATIONS  
 23 Sec. \_\_\_. The appropriations made from the rebuild  
 24 Iowa infrastructure fund in division I of this Act and  
 25 from the environment first fund in division II of this  
 26 Act are contingent upon the occurrence of one or both  
 27 of the following:  
 28 1. The enactment of House File 696 during the 2003  
 29 Regular Session of the Eightieth General Assembly.  
 30 2. A final decision by the United States Supreme  
 31 Court in the litigation entitled Racing Association of  
 32 Central Iowa v. Fitzgerald, 648 N.W.2d 555 (Iowa 2002)  
 33 in favor of the state’s taxation pursuant to section  
 34 99F.11, Code 2003, of the adjusted gross revenues from  
 35 gambling games at racetrack enclosures.”  
 36 9. By renumbering, relettering, or redesignating  
 37 and correcting internal references as necessary.

**S-3348**

- 1 Amend House File 679, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 5, by inserting after line 3 the  
 4 following:  
 5 “Sec. \_\_\_\_ Section 15E.194, Code 2003, is amended  
 6 by adding the following new subsection:  
 7 NEW SUBSECTION. 5. In order to assure the  
 8 retention of existing jobs that would otherwise be  
 9 lost in connection with an employer currently  
 10 employing at one place of business at least one  
 11 thousand employees, the department of economic  
 12 development may, upon a finding that the employer has  
 13 made a commitment to invest at least fifteen million  
 14 dollars to retool or upgrade its facilities, authorize  
 15 incentives and assistance under section 15E.196 in an  
 16 amount equal to and on the same basis as if the  
 17 employer were an eligible business in an enterprise  
 18 zone.”  
 19 2. By renumbering as necessary.

JEFF ANGELO  
 DARYL BEALL  
 STEWART IVERSON, JR.

**S-3349**

- 1 Amend the House amendment, S-3334, to Senate File  
 2 344, as amended, passed, and reprinted by the Senate,  
 3 as follows:  
 4 1. Page 7, by inserting after line 6 the  
 5 following:  
 6  
 7 “DIVISION VI  
 8 PUBLIC WORKS CONTRACTS  
 9 Sec. \_\_\_\_ NEW SECTION. 72.6 PUBLIC WORKS  
 10 PROJECTS -- CONTRACTOR QUALIFICATIONS.  
 11 1. DEFINITIONS. As used in this section, unless  
 12 the context otherwise provides:  
 13 a. “Public owner” means a public body including  
 14 the state and a political subdivision of the state, an  
 15 officer, official, agency, authority, board, or  
 16 commission of the state or of a political subdivision  
 17 of the state, or an institution supported in whole or  
 18 in part by public funds.  
 19 b. “Public road project” means a project under the  
 20 control of a public owner for the construction,  
 21 maintenance, or repair of a road or street that is  
 22 funded, in whole or in part, by moneys from the road  
 23 use tax fund.  
 24 c. “Public works” means a building or other  
 construction work which is constructed under the

25 control of a public owner and is paid for in whole or  
26 in part with funds of a public owner. “Public works”  
27 does not include any work done by or on behalf of a  
28 drainage or levee district or any work funded by  
29 federal funds where federal procurement policy  
30 applicable to the use of the federal funds is  
31 inconsistent with the requirements of this section.  
32 d. “Public works project” or “project” means the  
33 construction, maintenance, or repair of public works.  
34 However, “public works project” does not mean a public  
35 road project.  
36 2. QUALIFICATIONS OF BIDDERS. Prior to awarding a  
37 contract to perform a public works project pursuant to  
38 a competitive bidding procedure, which contract  
39 authorizes the expenditure of twenty-five thousand  
40 dollars or more in public funds, a public owner shall  
41 tabulate all bids received and shall determine who is  
42 the lowest responsible bidder by considering, in  
43 addition to the amount of the bid, all of and only the  
44 following:  
45 a. The past experience of the bidder in the  
46 performance of similar projects.  
47 b. The qualifications of the bidder to perform the  
48 type of work required by the contract.  
49 c. The bidder’s record of reliability and timely  
50 completion of past projects.

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1 d. Proof of the financial responsibility of the  
2 bidder.  
3 3. PROHIBITED CRITERIA. In determining who is the  
4 lowest responsible bidder for purposes of awarding a  
5 contract to perform a public works project or a public  
6 road project, a public owner shall not do any of the  
7 following:  
8 a. Select a bidder based in whole or in part on a  
9 consideration of whether the bidder’s employees belong  
10 to or are represented by a labor union or a labor  
11 organization.  
12 b. Require that the bidder selected enter into an  
13 agreement that directly or indirectly limits or  
14 requires the bidder to recruit, train, or hire  
15 employees from a particular source to perform work on  
16 the public works project or the public road project.  
17 c. Require that the bidder selected enter into an  
18 agreement that directly or indirectly requires the  
19 bidder to offer particular types or amounts of health  
20 insurance, life insurance, or disability insurance  
21 coverage or retirement benefits to employees hired by  
22 the bidder to perform work on the public works project  
23 or the public road project.

24 4. BIDDING DOCUMENTS. The criteria described in  
 25 this section that are required to be considered by the  
 26 public owner in determining who is the lowest  
 27 responsible bidder shall be included in any document  
 28 requesting or inviting bids on public works projects  
 29 subject to this section.”

30 2. Page 7, line 11, by inserting after the word  
 31 “surcharges,” the following: “public works  
 32 projects.”

33 3. By renumbering as necessary.

RON WIECK  
 JERRY BEHN  
 HUBERT M. HOUSER  
 KITTY REHBERG  
 JAMES SEYMOUR  
 CHARLES W. LARSON, JR.

### S-3350

1 Amend Senate File 458 as follows:

2 1. Page 35, lines 33 and 34, by striking the  
 3 words “develop, implement, and maintain” and inserting  
 4 the following: “~~develop, implement, and maintain~~ hold  
 5 the fund for the development, implementation, and  
 6 maintenance of”.

BRYAN J. SIEVERS

### S-3351

1 Amend the House amendment, S-3324, to Senate File  
 2 445, as amended, passed, and reprinted by the Senate,  
 3 as follows:

4 1. Page 1, by inserting after line 2 the  
 5 following:

6 “\_\_. Page 1, line 13, by inserting after the  
 7 word “needs” the following: “teachers’ salaries.””

8 2. Page 1, by inserting after line 6 the  
 9 following:

10 “\_\_. Page 2, line 28, by inserting after the  
 11 word “for” the following: “teachers’ salaries,”.

12 \_\_. Page 3, line 24, by inserting after the word  
 13 “purpose” the following: “or salaries”.

14 \_\_. Page 6, line 27, by inserting after the word  
 15 “purposes” the following: “, teachers’ salaries,”.”

MIKE CONNOLLY

**S-3352**

- 1 Amend the House amendment, S-3347, to Senate File  
2 452, as amended, passed, and reprinted by the Senate,  
3 as follows:  
4 1. By striking page 1, line 45, through page 2,  
5 line 35.  
6 2. By renumbering, redesignating, and correcting  
7 internal references as necessary.

JEFF LAMBERTI  
LARRY MCKIBBEN

**S-3353**

- 1 Amend Senate File 458 as follows:  
2 1. Page 1, by inserting after line 2, the  
3 following:  
4 “Section 1. Section 426B.5, subsection 2,  
5 paragraph d, subparagraphs (1) and (6), Code 2003, are  
6 amended to read as follows:  
7 (1) A county must apply to the board for  
8 assistance from the risk pool on or before ~~April 1~~  
9 January 25 to cover an unanticipated net expenditure  
10 amount in excess of the county’s current fiscal year  
11 budgeted net expenditure amount for the county’s  
12 services fund. The risk pool board shall make its  
13 final decisions on or before February 25 regarding  
14 acceptance or rejection of the applications for  
15 assistance and the total amount accepted shall be  
16 considered obligated. For purposes of applying for  
17 risk pool assistance and for repaying unused risk pool  
18 assistance, the current fiscal year budgeted net  
19 expenditure amount shall be deemed to be the higher of  
20 either the budgeted net expenditure amount in the  
21 management plan approved under section 331.439 for the  
22 fiscal year in which the application is made or the  
23 prior fiscal year’s net expenditure amount.  
24 (6) The total amount of risk pool assistance shall  
25 be limited to the amount available in the risk pool  
26 for a fiscal year. If the total amount of eligible  
27 assistance exceeds the amount available in the risk  
28 pool the amount of assistance paid shall be prorated  
29 among the counties eligible for assistance. Moneys  
30 remaining unexpended or unobligated in the risk pool  
31 ~~at the close of a fiscal year shall remain available~~  
32 ~~for distribution in the succeeding fiscal year~~  
33 following the risk pool board’s decisions made  
34 pursuant to subparagraph (1) shall be distributed to  
35 the counties eligible to receive funding from the  
36 allowed growth factor adjustment appropriation for the  
37 fiscal year using the distribution methodology

38 applicable to that appropriation.”

39 2. Page 1, by inserting after line 25 the  
40 following:

41 “Sec. \_\_\_\_ 2002 Iowa Acts, chapter 1175, section  
42 104, subsections 2, 4 and 5, as amended by 2003 Iowa  
43 Acts, House File 667, section 41, are amended to read  
44 as follows:

45 2. The following formula amounts shall be utilized  
46 only to calculate preliminary distribution amounts for  
47 fiscal year 2003-2004 under this section by applying  
48 the indicated formula provisions to the formula  
49 amounts and producing a preliminary distribution total  
50 for each county:

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1	a. For calculation of an allowed growth factor		
2	adjustment amount for each county in accordance with		
3	the formula in section 331.438, subsection 2,		
4	paragraph “b”:		
5	.....	\$	12,000,000
6	b. For calculation of a distribution amount for		
7	eligible counties from the per capita expenditure		
8	target pool created in the property tax relief fund in		
9	accordance with the requirements in section 426B.5,		
10	subsection 1:		
11	.....	\$	<u>12,492,712</u>
12	.....		<u>14,492,000</u>
13	c. For calculation of a distribution amount for		
14	counties from the mental health and developmental		
15	disabilities (MH/DD) community services fund in		
16	accordance with the formula provided in the		
17	appropriation made for the MH/DD community services		
18	fund for the fiscal year beginning July 1, 2003:		
19	.....	\$	17,727,890
20	4. After applying the applicable statutory		
21	distribution formulas to the amounts indicated in		
22	subsection 2 for purposes to produce preliminary		
23	distribution totals, the department of human services		
24	shall apply a withholding factor to adjust an eligible		
25	individual county’s preliminary distribution total.		
26	An ending balance percentage for each county shall be		
27	determined by expressing the county’s ending balance		
28	on a modified accrual basis under generally accepted		
29	accounting principles for the fiscal year beginning		
30	July 1, 2002, in the county’s mental health, mental		
31	retardation, and developmental disabilities services		
32	fund created under section 331.424A, as a percentage		
33	of the county’s gross expenditures from that fund for		
34	that fiscal year. The withholding factor for a county		
35	shall be the following applicable percent:		
36	a. For an ending balance percentage of less than		

37 10 percent, a withholding factor of 0 percent. In  
 38 addition to the county's adjusted distribution total,  
 39 a county that is subject to this paragraph "a" shall  
 40 receive an inflation adjustment equal to 2.6 percent  
 41 of the gross expenditures reported for the county's  
 42 services fund for that fiscal year.  
 43 b. For an ending balance percentage of 10 through  
 44 24 percent, a withholding factor of 25 percent.  
 45 c. For an ending balance percentage of 25 through  
 46 34 percent, a withholding factor of 60 percent.  
 47 ~~d. For an ending balance percentage of 35 through~~  
 48 ~~44 percent, a withholding factor of 85 percent.~~  
 49 e. ~~d.~~ For an ending balance percentage of ~~45~~ 35  
 50 percent or more, a withholding factor of 100 percent.

Page 3

1 5. The total withholding amounts applied pursuant  
 2 to subsection 4 shall be equal to a withholding target  
 3 amount of ~~\$7,419,074 and the appropriation enacted by~~  
 4 ~~the Eightieth General Assembly, 2003 Session, for the~~  
 5 ~~MH/DD community services fund shall be reduced by the~~  
 6 ~~amount necessary to attain the withholding target~~  
 7 ~~amount \$9,418,362.~~ If the department of human  
 8 services determines that the amount to be withheld in  
 9 accordance with subsection 4 is not equal to the  
 10 target withholding amount, the department shall adjust  
 11 the withholding factors listed in subsection 4 as  
 12 necessary to achieve the withholding target amount.  
 13 However, in making such adjustments to the withholding  
 14 factors, the department shall strive to minimize  
 15 changes to the withholding factors for those ending  
 16 balance percentage ranges that are lower than others  
 17 and shall not adjust the zero withholding factor or  
 18 the inflation adjustment percentage specified in  
 19 subsection 4, paragraph "a."

HUBERT M. HOUSER  
 MAGGIE TINSMAN  
 ROBERT E. DVORSKY

### S-3354

- 1 Amend the amendment, S-3332, to House File 549, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:  
 4 1. By striking page 2, line 9, through page 3,  
 5 line 30.  
 6 2. By striking page 3, line 31, through page 4,  
 7 line 3.  
 8 3. Page 4, by inserting before line 4 the  
 9 following:

10 “Sec. \_\_\_\_ Section 256D.4, subsection 2,  
11 unnumbered paragraph 1, Code 2003, is amended to read  
12 as follows:

13 For each fiscal year in the fiscal period beginning  
14 July 1, 2001, and ending June 30, ~~2003~~ 2006, moneys  
15 appropriated pursuant to section 256D.5, subsection 3,  
16 shall be allocated to school districts as follows:

17 Sec. \_\_\_\_ Section 256D.5, subsection 3, Code 2003,  
18 is amended to read as follows:

19 3. For each fiscal year of the fiscal period  
20 beginning July 1, 2001, and ending June 30, ~~2003~~ 2006,  
21 the sum of thirty million dollars.”

22 4. Page 4, line 8, by striking the figure “2004”  
23 and inserting the following: “2006”.

24 5. Page 6, by striking lines 4 through 23.

25 6. Page 7, by striking lines 48 and 49.

26 7. Page 7, by striking line 50.

27 8. Page 8, by striking lines 31 and 32.

28 9. By striking page 8, line 33, through page 9,  
29 line 25.

30 10. Page 9, by striking lines 26 through 49.

31 11. By striking page 9, line 50, through page 10,  
32 line 2.

33 12. By striking page 10, line 49, through page  
34 11, line 25.

35 13. Page 11, by striking line 26.

36 14. Page 13, by striking lines 16 through 26.

37 15. By striking page 16, line 34, through page  
38 18, line 38.

39 16. Page 18, by striking lines 39 through 42 and  
40 inserting the following:

41 “\_\_\_\_. Page 21, line 26, by striking the words and  
42 figure “Sections 257.17 and 284.11, Code 2003, are”  
43 and inserting the following: “Section 257.17, Code  
44 2003, is”.

45 17. Page 19, by striking lines 2 through 4.

46 18. Page 19, by striking lines 5 through 13.

47 19. Page 19, line 18, by striking the words  
48 “requiring the”.

49 20. Page 19, by striking line 19.

50 21. Page 19, line 20, by striking the words “and

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1 retroactive applicability”.

2 22. By renumbering, redesignating, and correcting

3 internal references as necessary.

MIKE CONNOLLY

**S-3355**

1 Amend the amendment, S-3332, to House File 549, as  
2 amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 6, by inserting after line 3 the  
5 following:

6 “Sec. \_\_\_\_ Section 257.11, subsection 5, paragraph  
7 b, Code 2003, is amended to read as follows:

8 b. A school district which establishes a regional  
9 academy shall be eligible to assign its resident  
10 pupils attending classes at the academy a weighting of  
11 one-tenth of the percentage of the pupil’s school day  
12 during which the pupil attends classes at the regional  
13 academy. For the purposes of this subsection,  
14 “regional academy” means an educational institution  
15 established by a school district to which multiple  
16 schools send pupils in grades ~~seven~~ nine through  
17 twelve, and may include a virtual academy. A regional  
18 academy shall include in its curriculum advanced-level  
19 courses and may include in its curriculum vocational-  
20 technical ~~programs~~ courses. The maximum amount of  
21 additional weighting for which a school district  
22 establishing a regional academy shall be eligible is  
23 an amount corresponding to fifteen additional pupils.  
24 The minimum amount of additional weighting for which a  
25 school district establishing a regional academy shall  
26 be eligible is an amount corresponding to ten  
27 additional pupils if the academy provides both  
28 advanced-level courses and vocational technical  
29 courses.

30 Sec. \_\_\_\_ Section 257.11, Code 2003, is amended by  
31 adding the following new subsection:

32 NEW SUBSECTION. 7A. SHARED SUPPORT SERVICES. For  
33 the school budget years beginning July 1, 2003, July  
34 1, 2004, and July 1, 2005, a school district which  
35 shares with or purchases from an eligible entity a  
36 significant portion of one or more support services,  
37 student transportation services, or personnel or other  
38 operational types of services shall be eligible to  
39 assign its resident students an additional weighting.  
40 For purposes of this subsection, “significant portion”  
41 means that at least fifty percent of the services are  
42 shared or purchased. Eligible sharing and purchasing  
43 entities shall include other school districts, area  
44 education agencies, community colleges, cities, or  
45 counties. Eligible support services shall include but  
46 not be limited to budgeting, receiving and disbursing  
47 funds, financial and property accounting, payroll,  
48 planning research and evaluation, personnel services,  
49 and administrative technology services; and shall  
50 exclude cooperative purchasing programs and

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1 activities. A school district shall be eligible for  
2 additional weighting for services not previously  
3 shared or purchased prior to July 1, 2003, from other  
4 school districts, area education agencies, community  
5 colleges, cities, or counties. A school district that  
6 qualifies under this subsection shall assign to its  
7 resident pupils an additional weight of two-  
8 hundredths. The maximum additional weight shall be  
9 ten additional pupils. If the sum of the funding  
10 amount calculated for all districts under this  
11 subsection exceeds two million dollars for the school  
12 year beginning July 1, 2004, and each succeeding  
13 fiscal year, the director of the department of  
14 management shall prorate the amount calculated for  
15 each district. The proration shall be based upon the  
16 amount calculated for each district when compared to  
17 the sum of the amount for all districts.

18 Sec. \_\_\_\_ Section 257.11A, Code 2003, is amended  
19 by adding the following new subsection:

20 NEW SUBSECTION. 3A. SHARED SUPERINTENDENTS. For  
21 the school budget years beginning July 1, 2003, July  
22 1, 2004, and July 1, 2005, resident pupils enrolled in  
23 a school district in which the superintendent is  
24 employed jointly under section 273.7A or under section  
25 280.15, are assigned a weighting of five-hundredths  
26 for the superintendent who is jointly employed times  
27 the percent of the superintendent's time in which the  
28 superintendent is employed in the school district.  
29 However, the total additional weighting assigned under  
30 this subsection for a budget year for a school  
31 district shall not exceed five and the total  
32 additional weighting added cumulatively to the  
33 enrollment of school districts sharing a  
34 superintendent shall not exceed fifteen. If the  
35 school district has approved an action to bring about  
36 a reorganization to take effect on or before July 1,  
37 2006, the reorganized school district shall include,  
38 for a period of one year following the effective date  
39 of reorganization, additional pupils added by the  
40 application of the supplementary weighting plan, equal  
41 to the pupils added by the application of the  
42 supplementary weighting plan in the year preceding the  
43 effective date of reorganization. For purposes of  
44 this subsection, the weighted enrollment for the  
45 period of one year following the effective date of  
46 reorganization shall include the supplementary  
47 weighting in the base year used for determining the  
48 combined district cost for the first year of the  
49 reorganization. However, the weighting shall be  
50 reduced by the supplementary weighting added for a

Page 3

- 1 pupil whose residency is not within the reorganized
- 2 district.”
- 3 2. By renumbering as necessary.

MIKE CONNOLLY

**S-3356**

- 1 Amend Senate File 458 as follows:
- 2 1. Page 38, line 23, by striking the words “for
- 3 the purpose” and inserting the following: “that
- 4 produces electricity.”
- 5 2. Page 38, by striking lines 24 through 31.

JOE BOLKCOM

**S-3357**

- 1 Amend Senate File 458 as follows:
- 2 1. Page 8, by inserting after line 8 the
- 3 following:
- 4 “Sec. \_\_\_. Section 294A.25, subsection 10, Code
- 5 2003, is amended to read as follows:
- 6 10. For ~~the each~~ fiscal year ~~beginning July 1,~~
- 7 ~~2001, and ending June 30, 2002,~~ to the department of
- 8 education ~~from phase III moneys~~ the amount of forty-
- 9 seven thousand dollars for the Iowa mathematics and
- 10 science coalition.”
- 11 2. Page 31, by striking lines 22 and 23 and
- 12 inserting the following:
- 13 “Sec. \_\_\_. Section 294A.25, subsection 6, Code
- 14 2003, is amended by striking the subsection.”

DONALD B. REDFERN  
JEFF LAMBERTI

**S-3358**

- 1 Amend Senate File 458 as follows:
- 2 1. Page 9, line 34, by striking the figure
- 3 “25,000,000” and inserting the following:
- 4 “28,000,000”.
- 5 2. Page 10, by inserting after line 30 the
- 6 following:
- 7 “Of the amount appropriated in this section,
- 8 \$2,668,000 shall be allocated to the judicial branch
- 9 for the purpose of funding annual pay adjustments,
- 10 expense reimbursements, and related benefits
- 11 implemented for judicial branch employees. In
- 12 distributing the remainder of the amount appropriated

13 in this section, the department of management, in  
 14 order to address essential public protection functions  
 15 and recognizing the availability of funds appropriated  
 16 in other Acts of the general assembly and other  
 17 sources, shall give priority, in descending order, to  
 18 the department of corrections, department of human  
 19 services, and department of public safety, and then to  
 20 the remaining state departments, boards, commissions,  
 21 councils, and agencies to which the appropriation is  
 22 applicable.”

JEFF LAMBERTI

**S-3359**

1 Amend Senate File 458 as follows:  
 2 1. Page 6, by inserting after line 23 the  
 3 following:  
 4 “Sec. \_\_\_\_ Section 8.55, subsection 2, paragraph  
 5 d, Code 2003, is amended to read as follows:  
 6 d. Notwithstanding paragraph “a”, any moneys in  
 7 excess of the maximum balance in the economic  
 8 emergency fund after the distribution of the surplus  
 9 in the general fund of the state at the conclusion of  
 10 each fiscal year and after the appropriate amounts  
 11 have been transferred pursuant to paragraphs “b” and  
 12 “c” shall not be transferred to the general fund of  
 13 the state but shall be transferred to the endowment  
 14 for Iowa’s health account of the tobacco settlement  
 15 trust fund. The total amount transferred, in the  
 16 aggregate, under this paragraph for all fiscal years  
 17 shall not exceed the difference between ~~sixty one~~  
 18 hundred one million ~~five seven~~ hundred fifty-one  
 19 thousand dollars and the amounts transferred to the  
 20 endowment for Iowa’s health account to repay the  
 21 amounts transferred or appropriated from the endowment  
 22 for Iowa’s health account in 2002 Iowa Acts, chapter  
 23 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts,  
 24 chapter 1167, ~~and~~ 2002 Iowa Acts, Second Extraordinary  
 25 Session, chapter 1003, and 2003 Iowa Acts, House File  
 26 685.”  
 27 2. By renumbering as necessary.

JEFF LAMBERTI

**S-3360**

1 Amend Senate File 458 as follows:  
 2 1. Page 48, by inserting after line 28 the  
 3 following:  
 4 “DIVISION \_\_\_\_  
 5 Sec. 201. PURPOSE AND DEFINITIONS.

6 1. PURPOSE. The general assembly finds that the  
7 Iowa communications network is a valuable state asset  
8 that has served the people of the state well, but  
9 which requires significant ongoing financial support  
10 from the state in the form of annual appropriations.  
11 The operation of a telecommunications network is a  
12 function that can be and generally is conducted by  
13 private enterprise. It is in the public interest to  
14 sell the Iowa communications network to a qualified  
15 private business enterprise that will commit to  
16 provide the same secure low-cost high-quality service  
17 to state and federal agencies and military  
18 installations now provided by the network. Through  
19 such a sale, the state would eliminate the need for  
20 ongoing annual appropriations while preserving the key  
21 benefits enjoyed by the state under the present state  
22 ownership of the network. The state also expects to  
23 obtain sufficient proceeds from such a sale to cover  
24 existing obligations and to realize additional  
25 proceeds above the level of such obligations. Given  
26 the current depressed state of the telecommunications  
27 industry, the state can reasonably be expected to  
28 maximize sales proceeds by allowing a purchaser a  
29 period of time in which to assemble financing for its  
30 purchase. During the interim between enactment of  
31 this division of this Act and completion of a sale,  
32 the services of a private-enterprise manager with  
33 experience operating telecommunications networks can  
34 reasonably be expected to reduce the costs of  
35 operating the Iowa communications network, thereby  
36 lowering annual appropriations.

37 2. DEFINITIONS. As used in this division of this  
38 Act, unless the context otherwise requires:

39 a. "Board" means the state network privatization  
40 board.

41 b. "Commission" means the Iowa telecommunications  
42 and technology commission established in section 8D.3  
43 to oversee the operations of the network.

44 c. "Management contract" means an agreement  
45 between the board and the manager for services to  
46 oversee and operate the network on behalf of the  
47 state.

48 d. "Manager" means the private entity selected by  
49 the board to oversee and operate the network on behalf  
50 of the state.

Page 2

- 1 e. "Network" means the Iowa or state  
2 communications network as defined in section 8D.2.  
3 f. "Out-of-pocket expenses" means moneys paid to  
4 an unaffiliated third party for engineering, legal,

5 consulting, or other services or goods by a manager or  
6 purchaser.

7 g. "Purchaser" means the entity that is selected  
8 by the board to purchase the network from the state.

9 h. "Required third-party approval" means any  
10 consent, conveyance, approval, or waiver that must be  
11 granted by a private, governmental, or quasi-  
12 governmental third party in order for the purchaser to  
13 receive clear title to all network assets and the  
14 right to use the network assets free of adverse  
15 claims. Required third-party approvals include but  
16 are not limited to all of the following:

17 (1) Approvals of assignments to the purchaser of  
18 the state's rights under leases or contracts between  
19 the state and the third party.

20 (2) Conveyance to the purchaser of property that  
21 the third party currently leases to the state on a  
22 term with less than fifteen years remaining.

23 (3) Release of restrictions in contracts that  
24 require that the state operate the network.

25 i. "Sales contract" means the contract between the  
26 state as seller, represented by the board, and the  
27 purchaser, for sale of the network to the purchaser.

28 Sec. 202. STATE NETWORK PRIVATIZATION BOARD  
29 CREATED -- DUTIES.

30 1. A state network privatization board is created.  
31 The board shall consist of the following members:

32 a. A chairperson member appointed by the  
33 legislative council, subject to confirmation by the  
34 senate.

35 b. A member, who shall not be of the same  
36 political party as the chairperson, appointed by the  
37 governor subject to confirmation by the senate.

38 c. The adjutant general or the adjutant general's  
39 designee.

40 2. The board shall do all of the following:

41 a. Issue a request for proposals from qualified  
42 entities interested in serving as the manager of the  
43 network. This request for proposals shall be issued  
44 by July 1, 2004, and responses to the request for  
45 proposals shall be due by August 1, 2004.

46 b. Select a manager and enter into a management  
47 contract with the manager by October 1, 2004. The  
48 management contract shall provide for the continuation  
49 of all services currently being provided to state and  
50 federal agencies and military installations pursuant

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1 to chapter 8D, at the rates specified therein, for the  
2 duration of the contract. The contract shall also  
3 specify the manager's authority in relation to the

4 duties of the commission during the period between  
5 execution of the management contract and closing of  
6 the sale of the network. The commission shall  
7 establish a dispute resolution process regarding rate  
8 increases, quality of service issues, and other areas  
9 of dispute involving network subscribers. The  
10 commission shall also make recommendations regarding  
11 imposition of an ongoing dispute resolution and  
12 appeals process commencing with the closing of the  
13 sale of the network.

14 c. Issue a request for proposals from qualified  
15 entities for the purchase of the network. This  
16 request for proposals shall be issued by January 1,  
17 2005, and responses to the request for proposals shall  
18 be due by May 1, 2005.

19 d. Utilizing the criteria set forth in sections  
20 203 and 204 of this Act, select a purchaser and enter  
21 into a sales contract with the purchaser by October 1,  
22 2005.

23 e. Immediately upon execution of the management  
24 contract and the sales contract by the majority of the  
25 board, transmit the executed contract to the general  
26 assembly and to the governor. The board shall have  
27 full authority to enter into the management contract  
28 and the sales contract on behalf of the state,  
29 provided that the general assembly by legislation  
30 enacted regarding the specific purchase and approved  
31 by the governor, within thirty days after transmittal  
32 to the general assembly and the governor in the case  
33 of the management contract, and within sixty days  
34 after transmittal to the general assembly and the  
35 governor in the case of the sales contract, may  
36 disapprove the board's action, in which case the  
37 disapproved contract shall have no force and effect.  
38 In the event of such disapproval, the state shall pay  
39 the manager or the purchaser, as the case may be,  
40 reasonable out-of-pocket expenses incurred in  
41 preparing a proposal and performing prior to  
42 disapproval, but such expenses shall not exceed two  
43 hundred thousand dollars in the case of disapproval of  
44 the management contract and five hundred thousand  
45 dollars in the case of disapproval of the sales  
46 contract.

47 f. Cause the sales contract to require closing by  
48 October 1, 2007, allowing time for the state to obtain  
49 third-party approvals as required by section 206 of  
50 this Act, including the filing of any necessary

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1 eminent domain actions, and for the purchaser to  
2 secure financing.

3 g. Execute all necessary documents relating to the  
4 closing of the sale of the network. The board may  
5 direct any other applicable official to assist in the  
6 execution of necessary documents relating to the  
7 closing.

8 h. Require by written directive that all state  
9 officials provide information and records concerning  
10 the network to the board, to the manager, or to a  
11 person submitting a proposal to purchase the network,  
12 whenever the board requires such provision of such  
13 records and other information.

14 i. Take all other steps necessary and proper as  
15 needed to carry out its responsibilities enumerated in  
16 this subsection. The board may adopt necessary rules  
17 pursuant to chapter 17A to administer this division of  
18 this Act.

19 Sec. 203. MINIMUM QUALIFICATIONS OF PURCHASER.

20 The purchaser shall meet the following requirements:

21 1. The principal place of business of the  
22 purchaser and any parent of the purchaser shall be  
23 located in the state of Iowa.

24 2. For national security reasons, and because of  
25 the extensive military use of the network, the  
26 purchaser shall possess national security approval.

27 Sec. 204. CRITERIA FOR SELECTION OF PURCHASER.

28 After issuing a request for proposals for the purchase  
29 of the network and considering the proposals received,  
30 the board shall select the highest and best offer for  
31 purchase of the network from those persons submitting  
32 proposals which meet all of the following criteria:

33 1. Satisfy the minimum qualifications of this  
34 division of this Act.

35 2. Submit a proposal in compliance with the  
36 request for proposals.

37 3. Demonstrate a likelihood of being able to  
38 obtain any financing necessary to close the  
39 transaction. However, the board shall not require  
40 that the purchaser have a commitment for financing to  
41 award the contract, but shall allow the purchaser at  
42 least one year to obtain any necessary financing. The  
43 board may also in its discretion consider proposals  
44 involving financing of the sale by the state.

45 4. Agree to continue all services currently being  
46 provided to state and federal agencies and military  
47 installations for the next ten years, with any annual  
48 rate increase not to exceed five percent per year,  
49 provided that the purchaser shall not be required to  
50 supply at such restricted prices a quantity or quality

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1 of service greater than that provided by the network  
2 as of execution of the contract for sale of the  
3 network.  
4 Sec. 205. CLOSING OF SALE. Any debt of the state  
5 related to the network or other liens against network  
6 assets shall be discharged out of the state's proceeds  
7 of closing, so that the purchaser receives marketable  
8 title to the network. The purchaser shall receive  
9 bills of sale, in the case of personal property, and  
10 deeds, in the case of real property, transferring all  
11 network assets to the purchaser. The state shall also  
12 transfer its interest in right-of-way and leases and  
13 easements for uses of rights-of-way.  
14 Sec. 206. THIRD-PARTY APPROVALS.  
15 1. The state shall exercise all reasonable efforts  
16 to obtain each required third-party approval,  
17 including where necessary by use of eminent domain  
18 proceedings. To the extent feasible, the state may  
19 pay the costs of obtaining required third-party  
20 approvals out of the proceeds of sale rather than from  
21 the general fund of the state. In the event the state  
22 fails to obtain a required third-party approval, the  
23 purchaser may terminate the sales contract without  
24 penalty and shall be reimbursed by the state for  
25 reasonable out-of-pocket expenses incurred in  
26 preparing its proposal and fulfilling its obligations  
27 under the sales contract, not to exceed two million  
28 dollars.  
29 2. The board and the purchaser shall develop a  
30 list of required third-party approvals and persons who  
31 may have claims that would constitute required third-  
32 party approvals if valid. The board shall mail to  
33 each person on the list at their last known address a  
34 notice that provides a description of the sale and  
35 invites the recipient to submit a claim on a form  
36 developed by the board by a deadline set by the board.  
37 The claim or interest of any person who fails to  
38 timely file a claim shall be deemed discharged and  
39 forfeited, and such person shall be forever barred and  
40 estopped from taking any action against the state or  
41 purchaser that would in any way interfere with the  
42 purchaser's use of the network. In addition, the  
43 board shall publish the notice in newspapers of  
44 general circulation in the state of Iowa, and failure  
45 to file a timely claim shall bar all persons whose  
46 rights could constitutionally be affected by such  
47 notice, just as if such person had been mailed notice.  
48 3. Any eminent domain or other proceeding to  
49 obtain a required third-party approval shall be  
50 promptly filed by the attorney general at the request

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1 of the board and shall be added to the calendar of any  
2 trial or appellate court of this state so that the  
3 deadline in section 202 of this Act for closing the  
4 sale can be met.

5 Sec. \_\_\_\_ REMOVAL OF RESTRICTIONS -- REPEAL OF  
6 CHAPTER 8D. Chapter 8D is repealed, effective as of  
7 the date of the closing of the sale of the network  
8 under this division of this Act, as certified by the  
9 chairperson of the board to the governor.

10 Sec. \_\_\_\_ ASSISTANCE OF OTHER STATE AGENCIES.

11 1. The attorney general shall provide legal advice  
12 to the board.

13 2. All other state agencies shall provide whatever  
14 assistance may reasonably be required by the board in  
15 carrying out its duties under this division of this  
16 Act.”

17 2. By renumbering as necessary.

JEFF LAMBERTI

**S-3361**

1 Amend Senate File 458 as follows:

2 1. Page 6, by inserting after line 11 the  
3 following:

4 “Sec. \_\_\_\_ UNEMPLOYMENT TRUST FUND. There is  
5 appropriated from moneys transferred to the state on  
6 March 13, 2002, pursuant to section 903(d) of the  
7 federal Social Security Act, as amended, to the  
8 department of workforce development, the following  
9 amount, to be deposited, under the direction of the  
10 department of workforce development, in the  
11 unemployment compensation fund for the payment of  
12 unemployment benefits and for the establishment of the  
13 unemployment compensation reserve fund:

14 .....	\$	40,000,000
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15 Sec. \_\_\_\_ UNEMPLOYMENT TAX AND CLAIM SYSTEM.  
16 There is appropriated from moneys transferred to the  
17 state on March 13, 2002, pursuant to section 903(d) of  
18 the federal Social Security Act, as amended, to the  
19 department of workforce development, the following  
20 amount for purposes of automation and technology for  
21 the unemployment tax and claim system:

22 .....	\$	20,000,000
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23 Sec. \_\_\_\_ ENHANCED SERVICES TO CLAIMANTS. There  
24 is appropriated from moneys transferred to the state  
25 on March 13, 2002, pursuant to section 903(d) of the  
26 federal Social Security Act, as amended, to the  
27 department of workforce development the following  
28 amount for purposes of infrastructure improvements and

29 the administrative and technology costs associated  
 30 with enhanced services to unemployment benefit  
 31 claimants for workforce and labor exchange services:  
 32 ..... \$ 20,700,000”

33 2. Page 7, by inserting after line 2 the  
 34 following:

35 “Sec. \_\_\_\_ Section 96.9, Code 2003, is amended by  
 36 adding the following new subsection:  
 37 NEW SUBSECTION. 8. UNEMPLOYMENT COMPENSATION  
 38 RESERVE FUND.

39 a. A special fund to be known as the unemployment  
 40 compensation reserve fund is created in the state  
 41 treasury. The reserve fund is separate and distinct  
 42 from the unemployment compensation fund. All moneys  
 43 collected as reserve contributions, as defined in  
 44 paragraph “b”, shall be deposited in the reserve fund.  
 45 The moneys in the reserve fund may be used for the  
 46 payment of unemployment benefits and shall remain  
 47 available for expenditure in accordance with the  
 48 provisions of this subsection. The treasurer of state  
 49 shall be the custodian of the reserve fund and shall  
 50 disburse the moneys in the reserve fund in accordance

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1 with this subsection and the directions of the  
 2 director of the department of workforce development.  
 3 b. If the balance in the reserve fund on July 1 of  
 4 the preceding calendar year for calendar year 2004 and  
 5 each year thereafter is less than one hundred fifty  
 6 million dollars, a percentage of contributions, as  
 7 determined by the director, shall be deemed to be  
 8 reserve contributions for the following calendar year.  
 9 If the percentage of contributions, termed the reserve  
 10 contribution tax rate, is not zero percent as  
 11 determined pursuant to this subsection, the combined  
 12 tax rate of contributions to the unemployment  
 13 compensation fund and to the unemployment compensation  
 14 reserve fund shall be divided so that a minimum of  
 15 fifty percent of the combined tax rate equals the  
 16 unemployment contribution tax rate and a maximum of  
 17 fifty percent of the combined tax rate equals the  
 18 reserve contribution tax rate except for employers who  
 19 are assigned a combined tax rate of five and four-  
 20 tenths. For those employers, the reserve contribution  
 21 tax rate shall equal zero and their combined tax rate  
 22 shall equal their unemployment contribution rate.  
 23 When the reserve contribution tax rate is determined  
 24 to be zero percent, the unemployment contribution rate  
 25 for all employers shall equal one hundred percent of  
 26 the combined tax rate. The reserve contributions  
 27 collected in any calendar year shall not exceed fifty

28 million dollars. The provisions for collection of  
 29 contributions under section 96.14 are applicable to  
 30 the collection of reserve contributions. Reserve  
 31 contributions shall not be deducted in whole or in  
 32 part by any employer from the wages of individuals in  
 33 its employ. All moneys collected as reserve  
 34 contributions shall not become part of the  
 35 unemployment compensation fund but shall be deposited  
 36 in the reserve fund created in this subsection.  
 37 c. Moneys in the reserve fund shall only be used  
 38 to pay unemployment benefits to the extent moneys in  
 39 the unemployment compensation fund are insufficient to  
 40 pay benefits during a calendar quarter.  
 41 d. The interest earned on the moneys in the  
 42 reserve fund shall be deposited in and credited to the  
 43 reserve fund.  
 44 e. Moneys from interest earned on the unemployment  
 45 compensation reserve fund shall be used by the  
 46 department only upon appropriation by the general  
 47 assembly and only for purposes contained in section  
 48 96.7, subsection 12, for department of workforce  
 49 development rural satellite offices, and for  
 50 administrative costs to collect the reserve

Page 3

- 1 contributions.”
- 2 3. Page 9, by inserting after line 23 the
- 3 following:
- 4 “\_\_\_ . The amendment to section 96.9.”

NEAL SCHUERER

**S-3362**

- 1 Amend the House amendment, S-3347, to Senate File
- 2 452, as amended, passed, and reprinted by the Senate,
- 3 as follows:
- 4 1. Page 1, by striking lines 45 and 46.
- 5 2. Page 1, line 50, by inserting before the word
- 6 “For” the following: “a.”
- 7 3. Page 2, by striking line 8 and inserting the
- 8 following:
- 9 “..... \$ 250,000
- 10 b. For restoration work related to Morrill hall at
- 11 Iowa state university of science and technology:
- 12 ..... \$ 100,000”
- 13 4. Page 2, by striking lines 9 through 35.

JEFF LAMBERTI

**S-3363**

1 Amend the House amendment, S-3347, to Senate File  
2 452, as amended, passed, and reprinted by the Senate,  
3 as follows:

4 1. Page 1, by inserting after line 44 the  
5 following:

6 “\_\_\_ . Page 6, by inserting before line 8 the  
7 following:

8 “STATE COMMISSIONER OF ELECTIONS

9 Sec. \_\_\_. There is appropriated from the rebuild  
10 Iowa infrastructure fund to the state commissioner of  
11 elections for the fiscal year beginning July 1, 2003,  
12 and ending June 30, 2004, the following amount, or so  
13 much thereof as is necessary, to be used for the  
14 purpose designated:

15 For the purchase and installation of voting  
16 machines, notwithstanding section 8.57, subsection 5,  
17 paragraph “c”:

18 ..... \$ 1,263,000

19 The state commissioner of elections shall report to  
20 the general assembly regarding the expenditure of the  
21 moneys appropriated in this section by January 2,  
22 2004, and July 1, 2004.”

JEFF LAMBERTI

**S-3364**

1 Amend Senate File 458 as follows:

2 1. Page 5, by inserting after line 10 the  
3 following:

4 “Sec. \_\_\_. REDUCTION IN CREDITS NOT APPLICABLE.

5 The provision in section 25B.7 relating to the  
6 proration of the property tax credits does not apply  
7 with respect to the amount of state reimbursement for  
8 property tax credits under this division.”

9 2. Page 5, line 22, by inserting after the figure  
10 “8.62,” the following: “except for the balances of  
11 charter agencies, as defined in section 7J.1, if  
12 enacted by 2003 Iowa Acts, Senate File 453,”.

13 3. Page 6, by inserting after line 11 the  
14 following:

15 “Sec. \_\_\_. REBUILD IOWA INFRASTRUCTURE FUND.

16 Notwithstanding section 8.57, subsection 5, there is  
17 appropriated from the rebuild Iowa infrastructure fund  
18 created in section 8.57, subsection 5, to the general  
19 fund of the state during the fiscal year beginning  
20 July 1, 2003, and ending June 30, 2004, the following  
21 amount:

22 ..... \$ 10,000,000

23 Sec. \_\_\_. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa

24 Acts, Senate File 439, section 10, subsection 1,  
25 unnumbered paragraph 2, if enacted, is amended to read  
26 as follows:

27 For salaries, support, maintenance, miscellaneous  
28 purposes, including jailer training and technical  
29 assistance, and for not more than the following full-  
30 time equivalent positions:

31 .....	\$	<u>1,002,629</u>
32 .....		<u>1,047,629</u>
33 .....	FTEs	30.05

34 Sec. \_\_. MILITARY PAY DIFFERENTIAL. There is  
35 appropriated from the cash reserve fund to the  
36 department of revenue and finance or its successor  
37 agency for the period beginning March 19, 2003, and  
38 ending June 30, 2003, the following amount, or so much  
39 thereof as is necessary, for the purposes designated:

40 For a military pay differential program and health  
41 insurance retention program for individuals activated  
42 for the armed services of the United States, for  
43 employees on the central payroll system:

44 .....	\$	1,810,000
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45 Of the funds appropriated in this section, up to  
46 \$10,000 is transferred to the Iowa department of  
47 public health for allocation to community mental  
48 health centers to provide counseling services to  
49 persons who are members of the national guard and  
50 reservists activated but as yet not sent to combat

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1 zones and to the persons' family members. The  
2 sessions shall be provided on a first come, first  
3 served basis and shall be limited to three visits per  
4 family.

5 The department or agency receiving funds under this  
6 section shall report monthly to the fiscal committee  
7 of the legislative council on the use of the funds.

8 Notwithstanding section 8.33, unencumbered or  
9 unobligated funds remaining on June 30, 2003, from the  
10 appropriation made in this section shall not revert  
11 but shall remain available to be used for the purposes  
12 designated in the following fiscal year.

13 Sec. \_\_. ASSISTED LIVING PROGRAMS.

14 Notwithstanding section 231C.6, any fees remaining on  
15 June 30, 2003, in the assisted living program fund  
16 created pursuant to section 231C.6 are appropriated to  
17 the department of inspections and appeals for the  
18 fiscal year beginning July 1, 2003, and ending June  
19 30, 2004, to carry out the purposes of chapter 231C."

20 4. Page 6, by inserting after line 11 the  
21 following:

22 "Sec. \_\_. COUNTY HOSPITALS. There is

23 appropriated from the general fund of the state to the  
24 department of human services for the fiscal year  
25 beginning July 1, 2003, and ending June 30, 2004, the  
26 following amount, or so much thereof as is necessary,  
27 for the purpose designated:

28 For support of operational expenses of county  
29 hospitals in counties having a population of two  
30 hundred twenty-five thousand or more:  
31 ..... \$ 312,000

32 Sec. \_\_. WORKFORCE DEVELOPMENT. There is  
33 appropriated from the general fund of the state to the  
34 Iowa department of workforce development for the  
35 fiscal year beginning July 1, 2003, and ending June  
36 30, 2004, the following amount, or so much thereof as  
37 is necessary, for the purpose designated:

38 For salaries and support and for the following  
39 full-time equivalent positions.  
40 ..... \$ 250,000  
41 ..... FTEs 5.00

42 The appropriation in this section shall be used for  
43 four OSHA inspectors and one workers' compensation  
44 compliance officer. The appropriation in this section  
45 is contingent upon the enactment of 2003 Iowa Acts,  
46 Senate File 344, by the Eightieth General Assembly,  
47 2003 Regular Session.”

48 5. Page 7, by inserting after line 2 the  
49 following:  
50 “Sec. \_\_. Section 256D.4, subsection 2,

Page 3

1 unnumbered paragraph 1, Code 2003, is amended to read  
2 as follows:

3 ~~For each fiscal year in the fiscal period beginning~~  
4 ~~July 1, 2001, and ending June 30, 2003, moneys Moneys~~  
5 appropriated pursuant to section 256D.5, subsection 3,  
6 shall be allocated to school districts as follows:

7 Sec. \_\_. Section 256D.5, subsection 3, Code 2003,  
8 is amended to read as follows:

9 3. For each fiscal year of the fiscal period  
10 beginning July 1, 2001, and ending June 30, ~~2003~~ 2004,  
11 the sum of thirty million dollars.”

12 6. Page 8, by inserting after line 23 the  
13 following:

14 “Sec. \_\_. 2002 Iowa Acts, chapter 1173, section  
15 18, is amended to read as follows:

16 SEC. 18. POOLED TECHNOLOGY FUNDING -- PRIOR  
17 ALLOCATIONS -- NONREVERSION. Notwithstanding section  
18 8.33, moneys appropriated and allocated in 2001 Iowa  
19 Acts, chapter 189, section 5, subsection 1, which  
20 remain unobligated or unexpended at the close of the  
21 fiscal year for which they were appropriated shall not

22 revert, but shall remain available for expenditure for  
23 the purposes for which they were appropriated and  
24 allocated, for the fiscal year period beginning July  
25 1, 2002, and ending June 30, ~~2003~~ 2004.”

26 7. Page 9, by inserting after line 15 the  
27 following:

28 “Sec. \_\_\_\_ 2003 Iowa Acts, House File 655, section  
29 24, if enacted, is amended to read as follows:

30 SEC. 24. READY TO WORK PROGRAM COORDINATOR. There  
31 is appropriated from ~~the surplus funds in the long-~~  
32 ~~term disability reserve fund and~~ the workers’  
33 compensation trust fund to the department of personnel  
34 for the fiscal year beginning July 1, 2003, and ending  
35 June 30, 2004, the following amount, or so much  
36 thereof as is necessary, to be used for the purposes  
37 designated:

38 For the salary, support, and miscellaneous expenses  
39 for the ready to work program and coordinator:  
40 ..... \$ 89,416

41 ~~The moneys appropriated pursuant to this section  
42 shall be taken in equal proportions from the long term  
43 disability reserve fund and the workers’ compensation  
44 trust fund.~~

45 Sec. \_\_\_\_ 2003 Iowa Acts, House File 655, section  
46 34, if enacted, is amended to read as follows:

47 SEC. 34. READY TO WORK PROGRAM COORDINATOR. There  
48 is appropriated from ~~the surplus funds in the long-~~  
49 ~~term disability reserve fund and~~ the workers’  
50 compensation trust fund to the department of

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1 administrative services for the fiscal year beginning  
2 July 1, 2003, and ending June 30, 2004, the following  
3 amount, or so much thereof as is necessary, to be used  
4 for the purposes designated:

5 For the salary, support, and miscellaneous expenses  
6 for the ready to work program and coordinator:  
7 ..... \$ 89,416

8 ~~The moneys appropriated pursuant to this section  
9 shall be taken in equal proportions from the long term  
10 disability reserve fund and the workers’ compensation  
11 trust fund.~~

12 Sec. \_\_\_\_ CONTINGENT CASH RESERVE APPROPRIATION.

13 1. There is appropriated from the cash reserve  
14 fund to the general fund of the state for the fiscal  
15 year beginning July 1, 2002, and ending June 30, 2003,  
16 for the purposes of reducing or preventing any  
17 overdraft on or deficit in the general fund of the  
18 state, an amount not to exceed \$50,000,000.

19 2. The appropriation made in subsection 1 is  
20 contingent upon all of the following having occurred:

- 21 a. The revenue estimating conference estimate of  
 22 general fund receipts made during the last quarter of  
 23 the fiscal year was or the actual fiscal year receipts  
 24 and accruals were at least one-half of one percent  
 25 less than the comparable estimate made during the  
 26 third quarter of the fiscal year.
- 27 b. The governor has implemented the uniform  
 28 reductions in appropriations required in section 8.31  
 29 as a result of paragraph “a” and such reduction was  
 30 insufficient to prevent an overdraft on or deficit in  
 31 the general fund of the state or the governor did not  
 32 implement uniform reductions in appropriations because  
 33 of the lateness of the estimated or actual receipts  
 34 and accruals under paragraph “a”.
- 35 c. The balance of the general fund of the state at  
 36 the end of the fiscal year prior to the appropriation  
 37 made in subsection 1 was negative.
- 38 d. The governor has issued an official  
 39 proclamation and has notified the cochairpersons of  
 40 the fiscal committee of the legislative council and  
 41 the legislative services agency that the contingencies  
 42 in paragraphs “a” through “c” have occurred and the  
 43 reasons why the uniform reductions specified in  
 44 paragraph “b” were insufficient or were not  
 45 implemented to prevent an overdraft on or deficit in  
 46 the general fund of the state.
- 47 3. If an appropriation is made pursuant to  
 48 subsection 1 for a fiscal year, there is appropriated  
 49 from the general fund of the state to the cash reserve  
 50 fund for the following fiscal year, the amount of the

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- 1 appropriation made pursuant to subsection 1.”
- 2 8. Page 9, by inserting after line 20 the  
 3 following:  
 4 “\_\_\_ . The section amending 2002 Iowa Acts, chapter  
 5 1173, section 18, relating to the nonreversion of  
 6 pooled technology funding.  
 7 \_\_\_ . The section appropriating moneys from the  
 8 cash reserve fund for the military pay differential  
 9 program. This section applies retroactively to March  
 10 19, 2003.  
 11 \_\_\_ . The section appropriating moneys from the  
 12 assisted living program fund.  
 13 \_\_\_ . The section making the contingent  
 14 appropriation from the cash reserve fund.”
- 15 9. Page 10, by inserting after line 26 the  
 16 following:  
 17 “\_\_\_ . The collective bargaining agreement  
 18 negotiated pursuant to chapter 20 for employees in the  
 19 patient care bargaining unit.

20 \_\_\_\_\_. The collective bargaining agreement  
 21 negotiated pursuant to chapter 20 for employees in the  
 22 science bargaining unit.”

23 10. Page 21, by inserting after line 16 the  
 24 following:

25 “Sec. \_\_\_\_\_. Section 7J.1, subsection 1, if enacted  
 26 by 2003 Iowa Acts, Senate File 453, is amended to read  
 27 as follows:

28 7J.1 CHARTER AGENCIES.

29 1. DESIGNATION OF CHARTER AGENCIES -- PURPOSE.

30 The governor may, by executive order, designate ~~up to~~  
 31 ~~five~~ state departments or agencies, as described in  
 32 section 7E.5, other than the department of  
 33 administrative services, if the department is  
 34 established in law, or the department of management,  
 35 as a charter agency by July 1, 2003. The designation  
 36 of a charter agency shall be for a period of five  
 37 years which shall terminate as of June 30, 2008. The  
 38 purpose of designating a charter agency is to grant  
 39 the agency additional authority as provided by this  
 40 chapter while reducing the total appropriations to the  
 41 agency.

42 Sec. \_\_\_\_\_. Section 7J.1, subsection 3, paragraph a,  
 43 if enacted by 2003 Iowa Acts, Senate File 453, is  
 44 amended to read as follows:

45 a. It is the intent of the general assembly that  
 46 state general fund operating appropriations to a  
 47 charter agency for ~~any the~~ fiscal year beginning July  
 48 1, 2003, and ending June 30, 2004, shall be reduced;  
 49 ~~with a target reduction of ten percent for each~~  
 50 ~~charter agency,~~ from the appropriation that would

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1 otherwise have been enacted for that charter agency  
 2 which, along with any additional generated revenue to  
 3 the general fund of the state attributed to the  
 4 reinvention process as determined by the department of  
 5 management, over that already committed to the general  
 6 fund of the state by a charter agency, will achieve an  
 7 overall target of fifteen million dollars.

8 Sec. \_\_\_\_\_. Section 7J.2, if enacted by 2003 Iowa  
 9 Acts, Senate File 453, is amended to read as follows:

10 7J.2 CHARTER AGENCY ~~LOAN~~ GRANT FUND.

11 1. A charter agency ~~loan grant~~ fund is created in  
 12 the state treasury under the control of the department  
 13 of management for the purpose of providing funding to  
 14 support innovation by those state agencies designated  
 15 as charter agencies in accordance with section 7J.1.  
 16 Innovation purposes shall include but are not limited  
 17 to training, development of outcome measurement  
 18 systems, management system modifications, and other

19 modifications associated with transition of operations  
 20 to charter agency status. Moneys in the fund are  
 21 appropriated to the department of management for the  
 22 purposes described in this subsection.

23 2. A charter agency requesting a loan grant from  
 24 the fund shall complete an application process  
 25 designated by the director of the department of  
 26 management. ~~Minimum loan requirements for charter~~  
 27 ~~agency requests shall be determined by the director.~~

28 ~~3. In order for the fund to be self supporting,~~  
 29 ~~the director of the department of management shall~~  
 30 ~~establish repayment schedules for each loan awarded.~~  
 31 ~~An agency shall repay the loan over a period not to~~  
 32 ~~exceed five years with interest, at a rate to be~~  
 33 ~~determined by the director.~~

34 ~~4. 3.~~ Notwithstanding section 12C.7, subsection 2,  
 35 interest or earnings on moneys deposited in the  
 36 charter agency loan grant fund shall be credited to  
 37 the charter agency loan grant fund. Notwithstanding  
 38 section 8.33, moneys credited to the charter agency  
 39 loan grant fund shall not revert to the fund from  
 40 which appropriated at the close of a fiscal year.

41 Sec. \_\_. Section 8.23, subsection 1, paragraph a,  
 42 Code 2003, is amended by striking the paragraph.

43 Sec. \_\_. Section 8.31, Code 2003, is amended to  
 44 read as follows:

45 8.31 ~~QUARTERLY REQUISITIONS— ALLOTMENTS OF~~  
 46 ~~APPROPRIATIONS -- EXCEPTIONS -- MODIFICATIONS.~~

47 ~~1. a.~~ Before an appropriation ~~for administration,~~  
 48 ~~operation and maintenance~~ of any department or  
 49 establishment ~~shall become~~ becomes available, ~~there~~  
 50 ~~shall be submitted~~ the department or establishment

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1 shall submit to the director of the department of  
 2 management, ~~not less than twenty days before the~~  
 3 ~~beginning of each quarter of each fiscal year,~~ a  
 4 requisition for ~~an~~ allotment of the amount estimated  
 5 ~~to be necessary to carry on its work~~ appropriation  
 6 according to dates identified in the requisition  
 7 during the ensuing quarter fiscal year by which  
 8 portions of the appropriation will be needed. The  
 9 department or establishment shall submit the  
 10 requisition by June 1, prior to the start of a fiscal  
 11 year or by another date identified by the director.  
 12 The requisition shall contain details of proposed  
 13 expenditures as may be required by the director ~~of the~~  
 14 ~~department of management~~ subject to review by the  
 15 governor.

16 b. The director of the department of management  
 17 shall approve the allotments subject to review by the

18 governor, unless it is found that the estimated budget  
 19 resources during the fiscal year are insufficient to  
 20 pay all appropriations in full, in which event such  
 21 allotments may be modified to the extent the governor  
 22 may deem necessary in order that there shall be no  
 23 overdraft or deficit in the several funds of the state  
 24 at the end of the fiscal year, and the director shall  
 25 submit copies of the allotments thus approved or  
 26 modified to the head of the department or  
 27 establishment concerned, who shall set up such  
 28 allotments on the books and be governed accordingly in  
 29 the control of expenditures.

30 ~~Allotments of appropriations made for equipment,  
 31 land, permanent improvements, and other capital  
 32 projects may, however, be allotted in one amount by  
 33 major classes or projects for which they are  
 34 expendable without regard to quarterly periods. For  
 35 fiscal years beginning on or after July 1, 1989,  
 36 allotments of appropriations for equipment, land,  
 37 permanent improvements, and other capital projects,  
 38 except where contracts have been entered into with  
 39 regard to the acquisition of project prior to July 1,  
 40 1989, shall not be allotted in one amount but shall be  
 41 allotted at quarterly periods as provided in this  
 42 section.~~

43 2. Allotments ~~thus~~ made in accordance with  
 44 subsection 1 may be subsequently modified by the  
 45 director of the department of management at the  
 46 direction of the governor either upon the written  
 47 request of the head of the department or establishment  
 48 concerned, or in the event the governor finds that the  
 49 estimated budget resources during the fiscal year are  
 50 insufficient to pay all appropriations in full, upon

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1 the governor's own initiative to the extent the  
 2 governor may deem necessary in order that there shall  
 3 be no overdraft or deficit in the several funds of the  
 4 state at the end of the fiscal year; and the head of  
 5 the department or establishment shall be given notice  
 6 of a modification in the same way as in the case of  
 7 original allotments.

8 ~~3. Provided, however, that the~~ The allotment  
 9 requests of all departments and establishments  
 10 collecting governmental fees and other revenue which  
 11 supplement a state appropriation shall attach to the  
 12 summary of requests a statement showing how much of  
 13 the proposed allotments are to be financed from ~~(1)~~  
 14 state appropriations, ~~(2)~~ stores, and ~~(3)~~ repayment  
 15 receipts.

16 4. The procedure to be employed in controlling the

17 expenditures and receipts of the state fair board and  
 18 the institutions under the state board of regents,  
 19 whose collections are not deposited in the state  
 20 treasury, is that outlined in section 421.31,  
 21 subsection 6.

22 5. If the governor determines that the estimated  
 23 budget resources during the fiscal year are  
 24 insufficient to pay all appropriations in full, the  
 25 reductions shall be uniform and prorated between all  
 26 departments, agencies and establishments upon the  
 27 basis of their respective appropriations.

28 6. Allotments from appropriations for the foreign  
 29 trade offices of the department of economic  
 30 development, if the appropriations are described by  
 31 line item in the department's appropriation Act or  
 32 another Act, may be made ~~without regard to quarterly~~  
 33 ~~periods~~ as is necessary to take advantage of the most  
 34 favorable foreign currency exchange rates.

35 Sec. \_\_\_\_ Section 8.57, subsection 1, paragraph c,  
 36 Code 2003, is amended to read as follows:

37 c. The amount appropriated in this section is not  
 38 subject to the provisions of section 8.31, relating to  
 39 ~~quarterly~~ requisitions and allotment, or to section  
 40 8.32, relating to conditional availability of  
 41 appropriations."

42 11. Page 21, by inserting after line 26 the  
 43 following:

44 "Sec. \_\_\_\_ Section 12C.27, Code 2003, is amended  
 45 by striking the section and inserting in lieu thereof  
 46 the following:

47 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL.

48 If the treasurer of state determines that a bank  
 49 fails to comply with chapter 12C.22, subsections 2 and  
 50 3, the treasurer of state may restrict that bank from

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1 accepting uninsured public funds and shall notify the  
 2 office of thrift supervision, the office of the  
 3 comptroller of the currency, or the superintendent as  
 4 applicable, who may take such action against the bank,  
 5 its board of directors and officers as permitted by  
 6 law."

7 12. Page 22, by inserting after line 12 the  
 8 following:

9 "Sec. \_\_\_\_ Section 15E.42, subsection 3, Code  
 10 2003, is amended to read as follows:

11 3. "Investor" means an individual making a cash  
 12 investment in a qualifying business or an individual  
 13 taxed on income from a revocable trust's cash  
 14 investment in a qualifying business or a person making  
 15 a cash investment in a community-based seed capital

16 fund. “Investor” does not include a person which is a  
 17 current or previous owner, member, or shareholder in a  
 18 qualifying business.

19 Sec. \_\_\_\_ Section 15E.43, subsection 1, paragraph  
 20 a, Code 2003, is amended to read as follows:

21 a. For tax years beginning on or after January 1,  
 22 2002, a tax credit shall be allowed against the taxes  
 23 imposed in chapter 422, division II, for a portion of  
 24 an individual taxpayer’s equity investment, as  
 25 provided in subsection 2, in a qualifying business.  
 26 An individual shall not claim a tax credit under this  
 27 paragraph of a partnership, limited liability company,  
 28 S corporation, estate, or trust electing to have  
 29 income taxed directly to the individual. However, an  
 30 individual receiving income from a revocable trust’s  
 31 investment in a qualified business may claim a tax  
 32 credit under this paragraph against the taxes imposed  
 33 in chapter 422, division II, for a portion of the  
 34 revocable trust’s equity investment, as provided in  
 35 subsection 2, in a qualified business.

36 Sec. \_\_\_\_ Section 15E.43, subsection 1, Code 2003,  
 37 is amended by adding the following new paragraph:

38 NEW PARAGRAPH. d. In the case of a tax credit  
 39 allowed against the taxes imposed in chapter 422,  
 40 division II, where the taxpayer died prior to  
 41 redeeming the entire tax credit, the remaining credit  
 42 can be redeemed on the decedent’s final income tax  
 43 return.

44 Sec. \_\_\_\_ Section 15E.45, subsection 2, paragraph  
 45 c, Code 2003, is amended to read as follows:

46 c. The fund has no fewer than ten ~~individual~~  
 47 investors who are not affiliates, with no single  
 48 investor and affiliates of that investor together  
 49 owning a total of more than twenty-five percent of the  
 50 ownership interests outstanding in the fund.

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1 Sec. \_\_\_\_ Section 15E.51, subsection 4, Code 2003,  
 2 is amended to read as follows:

3 4. A taxpayer shall not claim a tax credit under  
 4 this section if the taxpayer is a venture capital  
 5 investment fund allocation manager for the Iowa fund  
 6 of funds created in section 15E.65 or an investor that  
 7 receives a tax credit for ~~an~~ the same investment in a  
 8 community-based seed capital fund as defined in 2002  
 9 Iowa Acts, House File 2271.

10 Sec. \_\_\_\_ Section 15E.66, Code 2003, is amended by  
 11 adding the following new subsection:

12 NEW SUBSECTION. 8. At such time that the Iowa  
 13 capital investment corporation requests the issuance  
 14 of tax credits with respect to an investment in the

15 Iowa fund of funds and prior to issuing such tax  
 16 credits, the board shall consider the terms of the  
 17 investment and the terms of the proposed tax credit  
 18 certificate and shall assess the level of risk that  
 19 the tax credits will be redeemed and the likelihood  
 20 that the investment will result in returns in excess  
 21 of amounts payable to designated investors which may  
 22 be reinvested in the Iowa fund of funds revolving fund  
 23 as provided in section 15E.65. In making this  
 24 determination, the board shall compare how alternative  
 25 investment structures would affect the level of risk  
 26 that the tax credits will be redeemed and the  
 27 likelihood that the investment will cause excess  
 28 returns to be generated in the Iowa fund of funds for  
 29 reinvestment in the revolving fund. The board may  
 30 issue tax credits with respect to a particular  
 31 investment in the Iowa fund of funds consistent with  
 32 the provisions hereof if it determines that the Iowa  
 33 capital investment corporation has structured the  
 34 investments in the Iowa fund of funds in an  
 35 appropriate manner to minimize the risk that the tax  
 36 credits will be redeemed and to maximize the amount  
 37 available to be reinvested in the Iowa fund of funds  
 38 revolving fund. A member of the board shall not incur  
 39 any liability with respect to any decision to issue  
 40 tax credits or to refuse to issue tax credits or with  
 41 respect to the performance of the investments in the  
 42 Iowa fund of funds.”

43 13. Page 27, line 3, by inserting after the  
 44 figure “29C.6” the following: “and disaster medical  
 45 assistance teams when acting under the provisions of  
 46 section 135.153”.

47 14. Page 28, by inserting after line 9 the  
 48 following:

49 “Sec. \_\_\_\_ Section 80B.5, Code 2003, is amended to  
 50 read as follows:

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1 80B.5 ADMINISTRATION.

2 The administration of the Iowa law enforcement  
 3 academy and council Act shall be vested in the office  
 4 of the governor. ~~A director of the academy and such~~  
 5 ~~staff~~ Staff as may be necessary for ~~it~~ the law  
 6 enforcement academy to function shall be employed  
 7 pursuant to the Iowa merit system.

8 Sec. \_\_\_\_ NEW SECTION. 80B.5A DIRECTOR.

9 The governor shall appoint the director of the Iowa  
 10 law enforcement academy, subject to senate  
 11 confirmation, to a four-year term beginning and ending  
 12 as provided in section 69.19.”

13 15. Page 28, by striking lines 10 through 34 and

14 inserting the following:

15 “Sec. \_\_\_\_ Section 99G.9, subsection 3, paragraph  
16 j, if enacted by 2003 Iowa Acts, Senate File 453, is  
17 amended by striking the paragraph.

18 Sec. \_\_\_\_ Section 99G.40, subsection 5, if enacted  
19 by 2003 Iowa Acts, Senate File 453, is amended to read  
20 as follows:

21 5. The authority shall adopt the same fiscal year  
22 as that used by state government and shall be audited  
23 annually by the auditor of state or a certified public  
24 accounting firm appointed by the auditor. The auditor  
25 of state or a designee conducting an audit under this  
26 chapter shall have access and authority to examine any  
27 and all records of licensees necessary to determine  
28 compliance with this chapter and the rules adopted  
29 pursuant to this chapter. The cost of audits and  
30 examinations conducted by the auditor of state or a  
31 designee shall be paid for by the authority.”

32 16. Page 28, by inserting before line 35 the  
33 following:

34 “Sec. \_\_\_\_ Section 257.11, subsection 5, paragraph  
35 b, Code 2003, is amended to read as follows:

36 b. A school district which establishes a regional  
37 academy shall be eligible to assign its resident  
38 pupils attending classes at the academy a weighting of  
39 one-tenth of the percentage of the pupil’s school day  
40 during which the pupil attends classes at the regional  
41 academy. For the purposes of this subsection,  
42 “regional academy” means an educational institution  
43 established by a school district to which multiple  
44 schools send pupils in grades ~~seven~~ nine through  
45 twelve, and may include a virtual academy. A regional  
46 academy shall include in its curriculum advanced-level  
47 courses and may include in its curriculum vocational-  
48 technical ~~programs~~ courses. The maximum amount of  
49 additional weighting for which a school district  
50 establishing a regional academy shall be eligible is

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1 an amount corresponding to fifteen additional pupils.  
2 The minimum amount of additional weighting for which a  
3 school district establishing a regional academy shall  
4 be eligible is an amount corresponding to ten  
5 additional pupils if the academy provides both  
6 advanced-level courses and vocational technical  
7 courses. However, if the sum of the funding amount  
8 calculated for all districts operating regional  
9 academies under this subsection exceeds one million  
10 dollars for the school year beginning July 1, 2004,  
11 and each succeeding fiscal year, the director of the  
12 department of management shall prorate the amount

13 calculated for each district. The proration shall be  
 14 based upon the amount calculated for each district  
 15 when compared to the sum of the amount for all  
 16 districts.

17 Sec. \_\_. NEW SECTION. 174.24 LIABILITY OF  
 18 COUNTY FAIR SOCIETY.

19 A society, as defined in section 174.1, shall be  
 20 immune from liability for any damages incurred at a  
 21 county fair held by the society if the damages were  
 22 incurred on or at an exhibit, leased facility,  
 23 amusement ride, or an activity not under the control  
 24 of the society, if the county fair requires the vendor  
 25 in control of the exhibit, leased facility, amusement  
 26 ride, or other activity to obtain liability insurance  
 27 of at least three hundred thousand dollars. An  
 28 officer or employee of a society, as defined in  
 29 section 174.1, shall not be held liable for punitive  
 30 damages as a result of acts in the performance of the  
 31 officer's or employee's duties, unless reckless  
 32 misconduct is proven."

33 17. Page 31, by inserting after line 21 the  
 34 following:

35 "Sec. \_\_. Section 284.13, subsection 1, paragraph  
 36 g, unnumbered paragraph 1, Code 2003, is amended to  
 37 read as follows:

38 For each fiscal year in which funds are  
 39 appropriated for purposes of this chapter, the moneys  
 40 remaining after distribution as provided in paragraphs  
 41 "a" through "f" and "h" shall be allocated to school  
 42 districts for salaries and career development in  
 43 accordance with the following formula:"

44 18. Page 35, by inserting after line 17 the  
 45 following:

46 "Sec. \_\_. Section 331.605C, subsections 1 and 2,  
 47 if enacted by 2003 Iowa Acts, Senate File 453, are  
 48 amended to read as follows:

49 1. For the fiscal year beginning July 1, 2003, and  
 50 ending June 30, 2004, the recorder shall collect a fee

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1 of five dollars for each recorded transaction,  
 2 regardless of the number of pages, for which a fee is  
 3 paid pursuant to section 331.604 to be used for the  
 4 purposes of planning and implementing electronic  
 5 recording and electronic transactions in each county  
 6 and developing county and statewide internet websites  
 7 to provide electronic access to records and  
 8 information.

9 2. Beginning July 1, 2004, the recorder shall  
 10 collect a fee of one dollar for each recorded  
 11 transaction, regardless of the number of pages, for

12 which a fee is paid pursuant to section 331.604 to be  
 13 used for the purpose of paying the county's ongoing  
 14 costs of maintaining the systems developed and  
 15 implemented under subsection 1."

16 19. Page 36, by inserting after line 15 the  
 17 following:

18 "Sec. \_\_\_\_\_. Section 423.4, Code 2003, is amended by  
 19 adding the following new subsection:

20 NEW SUBSECTION. 9A. Vehicles subject to  
 21 registration which are transferred from a corporation  
 22 that is primarily engaged in the business of leasing  
 23 vehicles subject to registration to a corporation that  
 24 is primarily engaged in the business of leasing  
 25 vehicles subject to registration when the transferor  
 26 and transferee corporations are part of the same  
 27 controlled group for federal income tax purposes."

28 20. Page 37, by striking line 5 and inserting the  
 29 following: "apply for a ~~bonded~~ certificate of title  
 30 under ~~chapter 321~~ section 321.42. If."

31 21. Page 37, by inserting after line 9 the  
 32 following:

33 "Sec. \_\_\_\_\_. Section 452A.2, Code 2003, is amended  
 34 by adding the following new subsection:

35 NEW SUBSECTION. 20A. "Nonterminal storage  
 36 facility" means a facility where motor fuel or special  
 37 fuel, other than liquefied petroleum gas, is stored  
 38 that is not supplied by a pipeline or a marine vessel.  
 39 "Nonterminal storage facility" includes a facility  
 40 that manufactures products such as alcohol, biofuel,  
 41 blend stocks, or additives which may be used as motor  
 42 fuel or special fuel, other than liquefied petroleum  
 43 gas, for operating motor vehicles or aircraft."

44 22. Page 37, line 22, by inserting after the word  
 45 "subsection." the following: "Notwithstanding section  
 46 8.33, any unexpended balance in the fund at the end of  
 47 the fiscal year shall be retained in the fund."

48 23. Page 39, by inserting after line 18 the  
 49 following:

50 "Sec. \_\_\_\_\_. Section 505.7, Code 2003, is amended by

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1 adding the following new subsection:  
 2 NEW SUBSECTION. 9. The commissioner may retain  
 3 funds collected during the fiscal year beginning July  
 4 1, 2003, pursuant to any settlement, enforcement  
 5 action, or other legal action authorized under federal  
 6 or state law for the purpose of reimbursing costs and  
 7 expenses of the division.

8 Sec. \_\_\_\_\_. Section 518.18, unnumbered paragraph 2,  
 9 Code 2003, is amended to read as follows:

10 1. Two ~~Two~~ The applicable percent of the gross amount

11 of premiums received during the preceding calendar  
 12 year, after deducting the amount returned upon the  
 13 canceled policies, certificates, and rejected  
 14 applications; and after deducting premiums paid for  
 15 windstorm or hail reinsurance on properties  
 16 specifically reinsured; ~~provided, however, that,~~  
 17 However, the reinsurer of such windstorm or hail risks  
 18 shall pay two the applicable percent of the gross  
 19 amount of reinsurance premiums received upon such  
 20 risks after deducting the amounts returned upon  
 21 canceled policies, certificates, and rejected  
 22 applications. For purposes of this section,  
 23 “applicable percent” means the same as specified in  
 24 section 432.1, subsection 4.

25 2. Except as provided in subsection 3, the premium  
 26 tax shall be paid on or before March 1 of the year  
 27 following the calendar year for which the tax is due.  
 28 The commissioner of insurance may suspend the  
 29 certificate of authority of a county mutual insurance  
 30 association that fails to pay its premium tax on or  
 31 before the due date.

32 3. a. Each county mutual insurance association  
 33 transacting business in this state whose Iowa premium  
 34 tax liability for the preceding calendar year was one  
 35 thousand dollars or more shall remit on or before June  
 36 1, on a prepayment basis, an amount equal to one-half  
 37 of the premium tax liability for the preceding  
 38 calendar year.

39 b. In addition to the prepayment amount in  
 40 paragraph “a”, each association shall remit on or  
 41 before June 30, on a prepayment basis, an additional  
 42 amount equal to the following percent of the premium  
 43 tax liability for the preceding calendar year as  
 44 follows:

45 (1) For prepayment in the 2003 and 2004 calendar  
 46 years, eleven percent.

47 (2) For prepayment in the 2005 calendar year,  
 48 twenty-six percent.

49 (3) For prepayment in the 2006 and subsequent  
 50 calendar years, fifty percent.

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1 c. The sums prepaid by a county mutual insurance  
 2 association under this subsection shall be allowed as  
 3 credits against its premium tax liability for the  
 4 calendar year during which the payments are made. If  
 5 a prepayment made under this subsection exceeds the  
 6 annual premium tax liability, the excess shall be  
 7 allowed as a credit against subsequent prepayment or  
 8 tax liabilities. The commissioner of insurance may  
 9 suspend the certificate of authority of an association

10 that fails to make a prepayment on or before the due  
 11 date.

12 Sec. \_\_\_\_ Section 518A.35, Code 2003, is amended  
 13 to read as follows:

14 518A.35 ANNUAL TAX.

15 1. A state mutual insurance association doing  
 16 business under this chapter shall on or before the  
 17 first day of March, each year, pay to the director of  
 18 revenue and finance, or a depository designated by the  
 19 director, a sum equivalent to ~~two~~ the applicable  
 20 percent of the gross receipts from premiums and fees  
 21 for business done within the state, including all  
 22 insurance upon property situated in the state without  
 23 including or deducting any amounts received or paid  
 24 for reinsurance. However, a company reinsuring  
 25 windstorm or hail risks written by county mutual  
 26 insurance associations is required to pay a ~~two~~ the  
 27 applicable percent tax on the gross amount of  
 28 reinsurance premiums received upon such risks, but  
 29 after deducting the amount returned upon canceled  
 30 policies and rejected applications covering property  
 31 situated within the state, and dividends returned to  
 32 policyholders on property situated within the state.  
 33 For purposes of this section, “applicable percent”  
 34 means the same as specified in section 432.1,  
 35 subsection 4.

36 2. Except as provided in subsection 3, the premium  
 37 tax shall be paid on or before March 1 of the year  
 38 following the calendar year for which the tax is due.  
 39 The commissioner of insurance may suspend the  
 40 certificate of authority of a state mutual insurance  
 41 association that fails to pay its premium tax on or  
 42 before the due date.

43 3. a. Each state mutual insurance association  
 44 transacting business in this state whose Iowa premium  
 45 tax liability for the preceding calendar year was one  
 46 thousand dollars or more shall remit on or before June  
 47 1, on a prepayment basis, an amount equal to one-half  
 48 of the premium tax liability for the preceding  
 49 calendar year.

50 b. In addition to the prepayment amount in

Page 16

1 paragraph “a”, each association shall remit on or  
 2 before June 30, on a prepayment basis, an additional  
 3 amount equal to the following percent of the premium  
 4 tax liability for the preceding calendar year as  
 5 follows:

6 (1) For prepayment in the 2003 and 2004 calendar  
 7 years, eleven percent.

8 (2) For prepayment in the 2005 calendar year,

9 twenty-six percent.  
 10 (3) For prepayment in the 2006 and subsequent  
 11 calendar years, fifty percent.  
 12 c. The sums prepaid by a state mutual insurance  
 13 association under this subsection shall be allowed as  
 14 credits against its premium tax liability for the  
 15 calendar year during which the payments are made. If  
 16 a prepayment made under this subsection exceeds the  
 17 annual premium tax liability, the excess shall be  
 18 allowed as a credit against subsequent prepayment or  
 19 tax liabilities. The commissioner of insurance may  
 20 suspend the certificate of authority of an association  
 21 that fails to make a prepayment on or before the due  
 22 date.

23 Sec. \_\_. 2003 Iowa Acts, Senate File 453, section  
 24 30, if enacted, is amended by striking the section and  
 25 inserting in lieu thereof the following:

26 SEC. 30. CHARGE FOR RENT. For the fiscal year  
 27 beginning July 1, 2003, and ending June 30, 2004, the  
 28 department of administrative services, if established  
 29 in 2003 Iowa Acts, House File 534, shall transfer  
 30 \$900,000 to the general fund of the state from the  
 31 rent fund if established under section 8A.123 in 2003  
 32 Iowa Acts, House File 534.

33 Sec. \_\_. 2003 Iowa Acts, Senate File 453, section  
 34 35, if enacted, is amended to read as follows:

35 SEC. 35. CHARTER AGENCY APPROPRIATIONS.

36 1. Notwithstanding any provision of law to the  
 37 contrary, the total operating appropriations  
 38 reductions as allowed under section 7J.1 from the  
 39 general fund of the state to those departments and  
 40 agencies designated as charter agencies and additional  
 41 revenue to the general fund of the state attributed to  
 42 the reinvention process as determined by the  
 43 department of management above that already committed  
 44 to the general fund of the state generated for the  
 45 fiscal year beginning July 1, 2003, and ending June  
 46 30, 2004, as provided by the appropriation to those  
 47 agencies as enacted by the Eightieth General Assembly,  
 48 2003 Regular Session, shall ~~be reduced by total~~  
 49 \$15,000,000. The department of management shall apply  
 50 the appropriation reductions, ~~with a target of a 10~~

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1 ~~percent reduction for each charter agency, as~~  
 2 ~~necessary to~~ which along with additional generated  
 3 revenue shall achieve the overall reduction amount and  
 4 shall make this information available to the  
 5 legislative fiscal committee and the legislative  
 6 fiscal bureau. ~~It is the intent of the general~~  
 7 ~~assembly that appropriations to a charter agency in~~

8 ~~subsequent fiscal years shall be similarly adjusted~~  
 9 ~~from the appropriation that would otherwise have been~~  
 10 ~~enacted.~~

11 2. There is appropriated from the general fund of  
 12 the state to the department of management for the  
 13 fiscal year beginning July 1, 2003, and ending June  
 14 30, 2004, the following amount, or so much thereof as  
 15 is necessary, to be used for the purposes designated:

16 For deposit in the charter agency ~~loan~~ grant fund  
 17 created in section 7J.2:  
 18 ..... \$ 3,000,000

19 ~~3. For the fiscal year beginning July 1, 2003, and~~  
 20 ~~ending June 30, 2004, if the actual amount of revenue~~  
 21 ~~received by a charter agency exceeds the revenue~~  
 22 ~~amount budgeted for that charter agency by the~~  
 23 ~~governor and the general assembly, the charter agency~~  
 24 ~~may consider the excess amount to be repayment~~  
 25 ~~receipts as defined in section 8.2.~~

26 Sec. \_\_\_\_ Notwithstanding section 8.33,  
 27 unencumbered and unobligated funds remaining from the  
 28 appropriation made in 1996 Iowa Acts, chapter 1218,  
 29 section 13, subsection 2, paragraph “a”, subparagraph  
 30 (2), as amended by 1997 Iowa Acts, chapter 215,  
 31 section 3, and from the appropriation made in 1997  
 32 Iowa Acts, chapter 215, section 4, subsection 1, shall  
 33 not revert but shall be available for the purposes  
 34 designated in those provisions until the close of the  
 35 fiscal year beginning July 1, 2003.”

36 24. Page 39, by inserting after line 27 the  
 37 following:

38 “Sec. \_\_\_\_ 2003 Iowa Acts, Senate File 453,  
 39 section 121, if enacted, is amended to read as  
 40 follows:

41 SEC. 121. EFFECTIVE DATE. This division of this  
 42 Act, creating the Iowa lottery authority, takes effect  
 43 ~~September~~ July 1, 2003.”

44 25. Page 42, by inserting after line 26 the  
 45 following:

46 “Sec. \_\_\_\_ USE OF TEAM-BASED VARIABLE PAY MONEYS  
 47 FOR FY 2003-2004. Notwithstanding section 284.13,  
 48 subsection 1, paragraph a, of the moneys reserved for  
 49 purposes of team-based variable pay for the fiscal  
 50 year beginning July 1, 2003, and ending June 30, 2004,

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1 the sum of two hundred thousand dollars shall be used  
 2 for purposes of the reading instruction pilot program  
 3 established pursuant to 2003 Iowa Acts, House File  
 4 549, if enacted.”

5 26. Page 42, by inserting after line 26 the  
 6 following:

7 “Sec. \_\_\_\_ FULL-SIZE OFF-HIGHWAY VEHICLE  
8 REGISTRATION PROGRAM -- PLAN. The department of  
9 natural resources and the state department of  
10 transportation, in consultation with the Iowa  
11 association of four wheel drive clubs, shall develop a  
12 plan for the establishment of a registration program  
13 for full-size off-highway vehicles for the purposes of  
14 regulating the recreational use of full-size off-  
15 highway vehicles and establishing a full-size off-  
16 highway vehicle recreation area in the state. The  
17 plan shall include an analysis of the number of full-  
18 size off-highway vehicles expected to be registered  
19 prior to the establishment of a full-size off-highway  
20 vehicle recreation area and the number of  
21 registrations expected after the establishment of such  
22 a facility. The plan shall also include optimum  
23 locations for a full-size off-highway vehicle  
24 recreation area, estimated costs, if any, for  
25 maintenance of the area, and any other issues the  
26 departments and the association deem to be of  
27 importance in the planning process. The plan, which  
28 shall include any proposed legislation for  
29 implementation of the plan, shall be submitted to the  
30 legislative services agency and the general assembly  
31 no later than January 1, 2004.

32 Sec. \_\_\_\_ ELIMINATION OF POSITION -- IOWA LAW  
33 ENFORCEMENT ACADEMY DIRECTOR. The merit position of  
34 director of the Iowa law enforcement academy referred  
35 to in section 80B.5, Code 2003, is eliminated  
36 effective April 30, 2004.”

37 27. Page 43, by inserting after line 19 the  
38 following:

39 “Sec. \_\_\_\_ SMALLPOX VACCINATIONS. It is the  
40 intent of the general assembly that public safety  
41 workers, smallpox response teams, and others who will  
42 be required to be vaccinated pursuant to the federal  
43 Homeland Security Act be protected from both health-  
44 related and other results of the federally required  
45 vaccination. The emergency management division of the  
46 Iowa department of public defense and local  
47 governments should work with employees in the public  
48 safety areas or response teams to achieve the  
49 following:

50 1. Vaccinations should be given only on a

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- 1 voluntary basis.
- 2 2. Extensive screening should be employed to
- 3 protect those workers who would be at risk from
- 4 current health conditions if vaccinated.
- 5 3. Reprisals or discrimination for workers not

6 voluntarily receiving vaccinations should be  
7 prohibited.

8 4. Public employers should protect employees from  
9 loss of income or seniority as a result of side  
10 effects from vaccinations. Homeland security moneys  
11 received by the emergency management division of the  
12 Iowa department of public defense from the federal  
13 government should include a set-aside to purchase  
14 supplemental insurance for public safety or response  
15 employees to cover those reactions not covered by  
16 traditional employer-provided health insurance.

17 5. Disability or long-term reactions from  
18 vaccinations should be considered a work-related  
19 injury and should be covered by local or state  
20 policies governing disability.

21 6. Vaccinations should be scheduled at staggered  
22 times to allow for normal loss of staff time because  
23 of vaccination-related illnesses without seriously  
24 hampering public safety service.

25 7. Vaccinations administered in Iowa should meet  
26 the requirements of the federal Needlestick Safety and  
27 Prevention Act of 2000 that requires safety features  
28 in the use of needles to administer medicine.

29 8. The emergency management division of the Iowa  
30 department of public defense should coordinate efforts  
31 to ensure adequate supplies of vaccinia immune  
32 globulin and cidofovir and other appropriate medical  
33 care and pharmaceuticals to protect those employees  
34 who suffer reactions to vaccinations.”

35 28. Page 43, by inserting after line 30 the  
36 following:  
37 “\_\_\_ The amendments to sections 8.23, 8.31, and  
38 8.57 which are first applicable to appropriations made  
39 for the fiscal year beginning July 1, 2003.”

40 29. Page 43, by inserting after line 31 the  
41 following:  
42 “\_\_\_ The amendments to sections 15E.42, 15E.43,  
43 15E.45, and 15E.51, which apply retroactively to  
44 January 1, 2002, for tax years beginning on or after  
45 that date.”

46 30. Page 44, by inserting after line 3 the  
47 following:  
48 “\_\_\_ The amendments to sections 518.18 and  
49 518A.35.”

50 31. Page 44, by inserting after line 8 the

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1 following:  
2 “The sections of this division of this Act amending  
3 section 80B.5 and enacting section 80B.5A are  
4 applicable to the appointment of the director of the

5 Iowa law enforcement academy for the term beginning  
 6 May 1, 2004.”  
 7 32. Title page, line 3, by inserting after the  
 8 word “appropriations,” the following: “modifying the  
 9 investment tax credits and premiums taxes on mutual  
 10 insurance associations.”  
 11 33. By renumbering, relettering, or redesignating  
 12 and correcting internal references as necessary.

JEFF LAMBERTI

### S-3365

1 Amend Senate File 458 as follows:  
 2 1. By striking page 39, line 30 through page 40,  
 3 line 2.  
 4 2. By renumbering as necessary.

MARK ZIEMAN

### S-3366

1 Amend Senate File 458 as follows:  
 2 1. Page 43, by inserting after line 27 the  
 3 following:  
 4 “Sec. \_\_\_\_ RECORDING AND TRANSACTION FEE REPORT.  
 5 The treasurer of state shall submit a report to the  
 6 governor and general assembly on or before December 1,  
 7 2003, detailing the amount of fees collected statewide  
 8 pursuant to section 331.604 in each fiscal year of the  
 9 period beginning July 1, 2000, and ending June 30,  
 10 2003, and the amount of electronic transaction fees  
 11 collected statewide for the period beginning July 1,  
 12 2003, and ending September 30, 2003, pursuant to  
 13 section 331.605C, if enacted by 2003 Iowa Acts, Senate  
 14 File 453, section 25.”  
 15 2. By renumbering as necessary.

BRYAN J. SIEVERS

### S-3367

1 Amend Senate File 458 as follows:  
 2 1. Page 6, by inserting after line 11 the  
 3 following:  
 4 “Sec. \_\_\_\_ FEDERAL FISCAL RELIEF FUNDING. If the  
 5 one hundred eighth United States Congress enacts an  
 6 economic stimulus package that includes the provision  
 7 of discretionary funding to the state to provide state  
 8 or local government fiscal relief, the funding shall  
 9 be deposited in the fund created by section 8.41.”  
 10 2. Page 15, by inserting after line 26 the

11 following:

12 “Sec. \_\_\_. 2003 Iowa Acts, House File 289, section  
13 1, is amended by striking the section and inserting in  
14 lieu thereof the following:

15 SECTION 1. Section 12C.1, subsection 2, paragraph  
16 e, Code 2003, as amended by 2003 Iowa Acts, Senate  
17 File 395, is amended by adding the following new  
18 subparagraph:

19 NEW SUBPARAGRAPH. (6) Moneys placed in a  
20 depository for the purpose of completing an electronic  
21 financial transaction pursuant to section 8A.222 or  
22 331.427.”

23 3. Page 16, by inserting after line 25 the  
24 following:

25 “Sec. \_\_\_. Section 99G.10, subsection 2, if  
26 enacted by 2003 Iowa Acts, Senate File 453, section  
27 72, is amended to read as follows:

28 2. Subject to the approval of the board, the chief  
29 executive officer shall have the sole power to  
30 designate particular employees as key personnel, but  
31 may take advice from the department of personnel in  
32 making any such designations. All key personnel shall  
33 be exempt from the merit system described in chapter  
34 ~~19A~~ 8A, article 4. The chief executive officer and  
35 the board shall have the sole power to employ,  
36 classify, and fix the compensation of key personnel.  
37 All other employees shall be employed, classified, and  
38 compensated in accordance with ~~chapters 19A~~ chapter  
39 8A, article 4, and chapter 20.

40 Sec. \_\_\_. Section 99G.22, subsection 1, if enacted  
41 by 2003 Iowa Acts, Senate File 453, is amended to read  
42 as follows:

43 1. The authority shall investigate the financial  
44 responsibility, security, and integrity of any lottery  
45 system vendor who is a finalist in submitting a bid,  
46 proposal, or offer as part of a major procurement  
47 contract. Before a major procurement contract is  
48 awarded, the division of criminal investigation of the  
49 department of public safety shall conduct a background  
50 investigation of the vendor to whom the contract is to

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1 be awarded. The chief executive officer and board  
2 shall consult with the division of criminal  
3 investigation and shall provide for the scope of the  
4 background investigation and due diligence to be  
5 conducted in connection with major procurement  
6 contracts. At the time of submitting a bid, proposal,  
7 or offer to the authority on a major procurement  
8 contract, the authority shall require that each vendor  
9 submit to the division of criminal investigation

10 appropriate investigation authorization to facilitate  
 11 this investigation, together with an advance of funds  
 12 to meet the anticipated investigation costs. If the  
 13 division of criminal investigation determines that  
 14 additional funds are required to complete an  
 15 investigation, the vendor will be so advised. The  
 16 background investigation by the division of criminal  
 17 investigation may include a national criminal history  
 18 ~~record~~ check through the federal bureau of  
 19 investigation. The screening of vendors or their  
 20 employees through the federal bureau of investigation  
 21 shall be conducted by submission of fingerprints  
 22 through the state criminal history ~~record~~ repository  
 23 to the federal bureau of investigation.

24 Sec. \_\_\_\_ Section 99G.37, subsection 2, if enacted  
 25 by 2003 Iowa Acts, Senate File 453, section 90, is  
 26 amended to read as follows:

27 2. In any bidding process, the authority may  
 28 administer its own bidding and procurement or may  
 29 utilize the services of the department of ~~general~~  
 30 administrative services, ~~or its successor~~, or other  
 31 state agency.

32 Sec. \_\_\_\_ Section 99G.38, subsection 3, if enacted  
 33 by 2003 Iowa Acts, Senate File 453, section 91, is  
 34 amended to read as follows:

35 3. The state of Iowa offset program, as provided  
 36 in section ~~421.17~~ 8A.504, shall be available to the  
 37 authority to facilitate receipt of funds owed to the  
 38 authority.”

39 4. Page 17, by inserting after line 16 the  
 40 following:

41 “Sec. \_\_\_\_ Section 231.56A, if enacted by 2003  
 42 Iowa Acts, Senate File 416, section 1, is amended to  
 43 read as follows:

44 231.56A ELDER ABUSE INITIATIVE, EMERGENCY SHELTER,  
 45 AND SUPPORT SERVICES PROJECTS.

46 1. Through the state’s service contract process  
 47 adopted pursuant to section 8.47, the department shall  
 48 identify area agencies on aging that have demonstrated  
 49 the ability to provide a collaborative response to the  
 50 immediate needs of elders in the area agency on aging

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1 service area for the purpose of implementing elder  
 2 abuse initiative, emergency shelter, and support  
 3 services projects. The projects shall be implemented  
 4 only in the counties within an area agency on aging  
 5 service area that have a multidisciplinary team  
 6 established pursuant to section 235B.1.

7 2. The target population of the projects shall be  
 8 any elder residing in the service area of an area

9 agency on aging who meets both of the following  
 10 conditions:

11 a. Is the subject of a report of suspected  
 12 dependent adult abuse pursuant to chapter 235B.

13 b. Is not receiving assistance under a county  
 14 management plan approved pursuant to section 331.439.

15 3. The area agencies on aging implementing the  
 16 projects shall identify allowable emergency shelter  
 17 and support services, state funding, outcomes,  
 18 reporting requirements, and approved community  
 19 resources from which services may be obtained under  
 20 the projects. The area agency on aging shall identify  
 21 at least one provider of case management services for  
 22 the project area.

23 4. The area agencies on aging shall implement the  
 24 projects and shall coordinate the provider network  
 25 through the use of referrals or other engagement of  
 26 community resources to provide services to elders.

27 5. The department shall award funds to the area  
 28 agencies on aging in accordance with the state's  
 29 service contract process. Receipt and expenditures of  
 30 moneys under the projects are subject to examination,  
 31 including audit, by the department.

32 6. This section shall not be construed and is not  
 33 intended as, and shall not imply, a grant of  
 34 entitlement for services to individuals who are not  
 35 otherwise eligible for the services or for utilization  
 36 of services that do not currently exist or are not  
 37 otherwise available.”

38 5. Page 18, by inserting after line 8 the  
 39 following:

40 “Sec. \_\_\_\_ Section 321.69, subsection 9, as  
 41 amended by 2003 Acts, House File 502, section 3, is  
 42 amended to read as follows:

43 9. ~~This~~ Except for subsection 9A, this section  
 44 does not apply to motor trucks and truck tractors with  
 45 a gross vehicle weight rating of sixteen thousand  
 46 pounds or more, vehicles more than nine model years  
 47 old, motorcycles, motorized bicycles, and special  
 48 mobile equipment. This section does apply to motor  
 49 homes. The requirement in subsection 1 that the new  
 50 certificate of title and registration receipt shall

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1 state on the face of the title the total cumulative  
 2 dollar amount of damage does not apply to a vehicle  
 3 with a certificate of title bearing a designation that  
 4 the vehicle was previously titled on a salvage  
 5 certificate of title pursuant to section 321.52,  
 6 subsection 4, paragraph “b”, or to a vehicle with a  
 7 certificate of title bearing a “REBUILT” or “SALVAGE”

8 designation pursuant to section 321.24, subsection 4  
 9 or 5. ~~This~~ Except for subsection 9A, this section  
 10 does not apply to new motor vehicles with a true  
 11 mileage, as defined in section 321.71, of one thousand  
 12 miles or less, unless such vehicle has incurred damage  
 13 as defined in subsection 2.”

14 6. Page 20, by inserting after line 13 the  
 15 following:

16 “Sec. \_\_\_\_ 2003 Iowa Acts, Senate File 453,  
 17 section 44, subsection 8, if enacted, is amended to  
 18 read as follows:

19 8. STATUTORY REQUIREMENTS. The requirements of  
 20 sections ~~48.6~~ 8A.311 and 72.3 and the administrative  
 21 rules implementing section 8.47 are not applicable to  
 22 the services procurement process used to implement the  
 23 outcomes-based service system redesign in accordance  
 24 with this section. The department of human services  
 25 may enter into competitive negotiations and proposal  
 26 modifications with each successful contractor as  
 27 necessary to implement the provisions of this  
 28 section.”

29 7. Page 21, by inserting after line 4 the  
 30 following:

31 “\_\_\_\_. The sections of this division of this Act  
 32 amending sections 12C.1, 99G.10, 99G.37, and 99G.38  
 33 take effect only if House File 534 is enacted by the  
 34 Eightieth General Assembly, 2003 Regular Session.”

35 8. Title page, line 3, by inserting after the  
 36 word “appropriations,” the following: “modifying  
 37 sales and use taxes.”

38 9. By renumbering as necessary.

JEFF LAMBERTI

### S-3368

1 Amend Senate File 458 as follows:

- 2 1. Page 11, line 11, by inserting after the word  
 3 “governor.” the following: “However, commencing July  
 4 1, 2003, the consumer advocate shall receive an annual  
 5 salary in the same salary range as the chairperson and  
 6 members of the utilities board.”
- 7 2. By renumbering as necessary.

MICHAEL E. GRONSTAL  
 JEFF LAMBERTI

### S-3369

1 Amend Senate File 458 as follows:

- 2 1. Page 3, line 1, by striking the word “fifty-  
 3 six” and inserting the following: “sixty-six”.

4 2. By striking page 31, line 23, through page 32,  
5 line 10, and inserting the following: “are amended to  
6 read as follows:

7 6. For the fiscal year beginning July 1, ~~2001~~  
8 2003, and ending June 30, ~~2002~~ 2004, to the department  
9 of education from phase III moneys, the amount of  
10 seventy-five thousand dollars to administer the  
11 ambassador to education position in accordance with  
12 section 256.45.

13 10. For the fiscal year beginning July 1, ~~2001~~  
14 2003, and ending June 30, ~~2002~~ 2004, to the department  
15 of education from phase III moneys the amount of  
16 forty-seven thousand dollars for the Iowa mathematics  
17 and science coalition.”

MIKE CONNOLLY  
MICHAEL E. GRONSTAL  
JOHN P. KIBBIE  
DENNIS H. BLACK  
JACK HATCH  
AMANDA RAGAN  
THOMAS G. COURTNEY  
HERMAN C. QUIRMBACH  
DR. JOE SENG  
WILLIAM A. DOTZLER  
JOE BOLKCOM  
STEVEN H. WARNSTADT  
KEITH A. KREIMAN  
JACK HOLVECK  
DARYL BEALL  
ROGER STEWART  
ROBERT E. DVORSKY

### S-3370

- 1 Amend Senate File 458 as follows:  
2 1. Page 42, by inserting after line 26 the  
3 following:  
4 “Sec. \_\_\_\_ . CLOSE-CLEARANCE CONDITIONS NEAR  
5 RAILROAD TRACKS -- RULES. The state department of  
6 transportation shall adopt rules regulating close-  
7 clearance conditions on or near railroad tracks. The  
8 rules shall include requirements and standards for the  
9 installation of close-clearance warning devices.”  
10 2. By renumbering as necessary.

STEVEN H. WARNSTADT  
JOE BOLKCOM  
WILLIAM A. DOTZLER  
DR. JOE SENG  
HERMAN C. QUIRMBACH  
THOMAS G. COURTNEY

AMANDA RAGAN  
JACK HATCH  
DENNIS H. BLACK  
JOHN P. KIBBIE  
MICHAEL E. GRONSTAL  
MIKE CONNOLLY

**S-3371**

1 Amend Senate File 458 as follows:  
2 1. Page 28, by inserting after line 34 the  
3 following:  
4 “Sec. \_\_\_\_\_. Section 256.7, subsection 7, unnumbered  
5 paragraph 5, Code 2003, is amended to read as follows:  
6 For the purpose of the rules adopted by the state  
7 board, telecommunications means narrowcast  
8 communications through systems that are directed  
9 toward a narrowly defined audience, ~~and~~ includes  
10 interactive live communications, and, until July 1,  
11 2005, includes internet web-based applications.  
12 Sec. \_\_\_\_\_. Section 256.7, Code 2003, is amended by  
13 adding the following new subsection:  
14 **NEW SUBSECTION.** 26. Adopt rules establishing a  
15 course catalog and a clearinghouse for courses offered  
16 through internet web-based and Iowa communications  
17 network applications. The rules shall establish  
18 quality standards for internet web-based courses and  
19 an approval process for nonprofit and private  
20 providers of internet web-based courses. School  
21 districts, accredited nonpublic schools, and area  
22 education agencies are encouraged to meet the quality  
23 standards. Nonprofit and private providers approved  
24 by the department shall meet the quality standards.  
25 Upon request and at no cost to the course provider,  
26 the department shall include in the course catalog  
27 those courses provided by a school district,  
28 accredited nonpublic school, area education agency,  
29 accredited higher education institution providing  
30 courses under section 261C.4 or section 257.11,  
31 subsection 3, accredited higher education institution  
32 providing internet web-based advanced placement  
33 courses, or any other provider approved by the  
34 department. In addition, the rules shall allow the  
35 department, if funds are available from a source other  
36 than the general fund of the state, to act as a  
37 clearinghouse to assist school districts and area  
38 education agencies in the development of courseware,  
39 provide preliminary information on the copyright of  
40 courses developed, recommend appropriate course fees,  
41 assist providers in securing appropriately licensed  
42 teachers, and assist school districts and accredited  
43 nonpublic schools in scheduling.”

44 2. Page 42, by inserting after line 26 the  
45 following  
46 “Sec. \_\_\_\_ . VIRTUAL ACADEMY STUDY.  
47 1. The department of education shall conduct a  
48 study regarding the feasibility of establishing a  
49 state-sponsored virtual academy for students in grades  
50 seven through twelve. The study shall address

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1 curriculum qualifications; scheduling; appropriate  
2 licensure of individuals, other than teachers licensed  
3 under chapter 272, to teach courses using internet  
4 web-based and Iowa communications network  
5 applications; responsibilities of the district or  
6 accredited nonpublic school seeking to access courses  
7 from the state-sponsored virtual academy; and the  
8 conditions under which the department may grant a  
9 waiver to permit a district to meet an accreditation  
10 standard for kindergarten through grade twelve through  
11 telecommunications. The study shall include a review  
12 of other private and publicly sponsored virtual  
13 academies. The study shall also include a five-year  
14 implementation and fiscal estimate. The fiscal  
15 estimate shall include operational costs of the  
16 prospective state-sponsored virtual academy and any  
17 potential impact on the general fund of the state  
18 through the state school foundation program.  
19 2. The director of the department shall convene a  
20 group of education stakeholders who may provide input  
21 into the study and its recommendations. The  
22 stakeholders group shall include, at minimum, a  
23 representative from a public and private accredited  
24 postsecondary institution providing courses under  
25 section 261C.4 or section 257.11, subsection 3; an  
26 accredited higher education institution providing  
27 internet web-based advanced placement courses; the  
28 Iowa association of school boards; the school  
29 administrators of Iowa; the Iowa state education  
30 association; area education agencies; accredited  
31 nonpublic schools; the board of educational examiners;  
32 and others deemed appropriate by the department.  
33 3. The department shall submit its findings and  
34 recommendations in a report to the chairpersons and  
35 ranking members of the senate and house standing  
36 committees on education and the joint appropriations  
37 subcommittee on education by December 15, 2003.”

ROBERT E. DVORSKY  
MIKE CONNOLLY  
KEITH A. KREIMAN

**S-3372**

1 Amend Senate File 458 as follows:

2 1. Page 5, by inserting after line 12 the  
3 following:

4 “Sec. \_\_\_\_ HOMESTEAD TAX CREDIT.

5 1. There is appropriated from the general fund of  
6 the state to the department of revenue and finance for  
7 the fiscal year beginning July 1, 2002, and ending  
8 June 30, 2003, the following amount for the purpose  
9 designated:

10 For reimbursing counties for granting homestead tax  
11 credits as provided in subsection 2:

12 ..... \$ 2,375,123

13 2. The appropriation made in subsection 1 shall be  
14 used to reimburse counties, to the extent not  
15 previously reimbursed, that granted to taxpayers the  
16 homestead credit pursuant to section 425.1 for taxes  
17 payable in the fiscal year beginning July 1, 2002. If  
18 the amount appropriated is insufficient to reimburse  
19 all credits granted, the department shall prorate the  
20 reimbursements. Payments made pursuant to this  
21 subsection shall not be made sooner than June 15,  
22 2003.

23 3. The appropriation in subsection 1 is in  
24 addition to the appropriation made in section 425.1 as  
25 limited by 2002 Iowa Acts, chapter 1171, section 175,  
26 subsection 10, as amended by 2002 Iowa Acts, Second  
27 Extraordinary Session, chapter 1003, section 181.

28 Sec. \_\_\_\_ ELDERLY AND DISABLED TAX CREDIT.

29 1. There is appropriated from the general fund of  
30 the state to the department of revenue and finance for  
31 the fiscal year beginning July 1, 2002, and ending  
32 June 30, 2003, the following amount for the purpose  
33 designated:

34 For reimbursing counties for granting elderly and  
35 disabled tax credits as provided in subsection 2:

36 ..... \$ 355,349

37 2. The appropriation made in subsection 1 shall be  
38 used to reimburse counties, to the extent not  
39 previously reimbursed, that granted to taxpayers the  
40 elderly and disabled tax credit pursuant to section  
41 425.23 for taxes payable in the fiscal year beginning  
42 July 1, 2002. If the amount appropriated is  
43 insufficient to reimburse all credits granted, the  
44 department shall prorate the reimbursements. Payments  
45 made pursuant to this subsection shall not be made  
46 sooner than June 15, 2003.

47 3. The appropriation in subsection 1 is in  
48 addition to the appropriation made in section 425.39  
49 as limited by 2002 Iowa Acts, chapter 1171, section  
50 176, as amended by 2002 Iowa Acts, Second

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1 Extraordinary Session, chapter 1003, section 182.

2 Sec. \_\_\_\_ AGRICULTURAL LAND TAX CREDIT.

3 1. There is appropriated from the general fund of  
4 the state to the department of revenue and finance for  
5 the fiscal year beginning July 1, 2002, and ending  
6 June 30, 2003, the following amount for the purpose  
7 designated:

8 For reimbursing counties for granting agricultural  
9 land tax credits as provided in subsection 2:

10 ..... \$ 798,515

11 2. The appropriation made in subsection 1 shall be  
12 used to reimburse counties, to the extent not  
13 previously reimbursed, that granted to taxpayers the  
14 agricultural land tax credit pursuant to section 426.7  
15 for taxes payable in the fiscal year beginning July 1,  
16 2002. If the amount appropriated is insufficient to  
17 reimburse all credits granted, the department shall  
18 prorate the reimbursements. Payments made pursuant to  
19 this subsection shall not be made sooner than June 15,  
20 2003.

21 3. The appropriation in subsection 1 is in  
22 addition to the appropriation made in section 426.1 as  
23 limited by 2002 Iowa Acts, chapter 1171, section 175,  
24 subsection 11, as amended by 2002 Iowa Acts, Second  
25 Extraordinary Session, chapter 1003, section 181.”

26 2. Page 9, by inserting after line 18 the  
27 following:

28 “\_\_\_\_. The sections appropriating moneys for the  
29 reimbursement for the homestead tax credit, elderly  
30 and disabled tax credit, and the agricultural land tax  
31 credit.”

JOHN P. KIBBIE  
DENNIS H. BLACK  
AMANDA RAGAN  
JACK HATCH  
THOMAS G. COURTNEY  
HERMAN C. QUIRMBACH  
DR. JOE SENG  
MIKE CONNOLLY  
MICHAEL E. GRONSTAL  
DICK L. DEARDEN  
ROGER STEWART  
WILLIAM A. DOTZLER  
JOE BOLKCOM  
EUGENE S. FRAISE  
STEVEN H. WARNSTADT

KEITH A. KREIMAN  
JACK HOLVECK  
DARYL BEALL  
WALLY E. HORN  
ROBERT E. DVORSKY

**S-3373**

1 Amend Senate File 458 as follows:

2 1. Page 11, by inserting after line 26 the  
3 following:

4 “Sec. \_\_\_\_ STATE COURTS -- JUSTICES, JUDGES, AND  
5 MAGISTRATES.

6 1. There is appropriated from the general fund of  
7 the state to the judicial branch for the fiscal year  
8 beginning July 1, 2003, and ending June 30, 2004, the  
9 following amount, or so much thereof as is necessary,  
10 to be used for the purposes designated:

11 For funding, along with the allocation made for the  
12 same purpose in this division of this Act, of pay  
13 adjustments, expense reimbursements, and related  
14 benefits for judicial branch employees:

15 ..... \$ 1,500,000

16 2. The salary rates specified in subsection 3 are  
17 for the fiscal year beginning July 1, 2003, effective  
18 for the pay period beginning June 20, 2003, and for  
19 subsequent fiscal years until otherwise provided by  
20 the general assembly. The salaries provided for in  
21 this section shall be paid from the funds appropriated  
22 to the judicial branch in this section and funds  
23 allocated to the judicial branch from the salary  
24 adjustment fund pursuant to this division of this Act,  
25 or if the appropriation and allocation are not  
26 sufficient, from the funds appropriated to the  
27 judicial branch pursuant to any Act of the general  
28 assembly.

29 3. The following annual salary rates shall be paid  
30 to the persons holding the judicial positions  
31 indicated during the fiscal year beginning July 1,  
32 2003, effective with the pay period beginning June 20,  
33 2003, and for subsequent pay periods.

34 a. Chief justice of the supreme court:  
35 ..... \$ 127,040

36 b. Each justice of the supreme court:  
37 ..... \$ 122,500

38 c. Chief judge of the court of appeals:  
39 ..... \$ 122,380

40 d. Each associate judge of the court of appeals:  
41 ..... \$ 117,850

42 e. Each chief judge of a judicial district:  
43 ..... \$ 116,760

44 f. Each district judge except the chief judge of a

45	judicial district:		
46	.....	\$	112,010
47	g. Each district associate judge:		
48	.....	\$	97,610
49	h. Each associate juvenile judge:		
50	.....	\$	97,610

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1	i. Each associate probate judge:		
2	.....	\$	97,610
3	j. Each judicial magistrate:		
4	.....	\$	29,100
5	k. Each senior judge:		
6	.....	\$	6,500
7	4. Persons receiving the salary rates established		
8	under this section shall not receive any additional		
9	salary adjustments provided by this Act.”		
10	2. By renumbering as necessary.		

JACK HOLVECK  
 WILLIAM A. DOTZLER  
 DARYL BEALL  
 DR. JOE SENG  
 KEITH A. KREIMAN  
 JOE BOLKCOM  
 HERMAN C. QUIRMBACH  
 THOMAS G. COURTNEY  
 AMANDA RAGAN  
 JACK HATCH  
 DENNIS H. BLACK  
 JOHN P. KIBBIE  
 MICHAEL E. GRONSTAL  
 MIKE CONNOLLY  
 WALLY E. HORN  
 EUGENE S. FRAISE

**S-3374**

1 Amend the House amendment, S-3347, to Senate File  
 2 452, as amended, passed, and reprinted by the Senate,  
 3 as follows:  
 4 1. Page 1, by inserting after line 44 the  
 5 following:  
 6 “\_\_\_ Page 6, by inserting before line 8 the  
 7 following:  
 8 “STATE COMMISSIONER OF ELECTIONS  
 9 Sec. \_\_\_. There is appropriated from the rebuild  
 10 Iowa infrastructure fund to the state commissioner of  
 11 elections for the fiscal year beginning July 1, 2003,  
 12 and ending June 30, 2004, the following amounts, or so  
 13 much thereof as is necessary, to be used for the

14 purposes designated:

15	1. For the purchase and installation of voting		
16	machines, notwithstanding section 8.57, subsection 5,		
17	paragraph “c”:		
18	.....	\$	1,263,000
19	2. To provide for the maintenance of effort		
20	requirements of the federal Help America Vote Act of		
21	2002, Pub. L. No. 107-252, notwithstanding section		
22	8.57, subsection 5, paragraph “c”:		
23	.....	\$	78,916
24	The state commissioner of elections shall report to		
25	the general assembly regarding the expenditure of the		
26	moneys appropriated in this section by January 2,		
27	2004, and July 1, 2004.”		

JOHN P. KIBBIE  
STEVEN H. WARNSTADT

**S-3375**

1 Amend Senate File 458 as follows:

2 1. Page 46, by inserting after line 22, the  
3 following:  
4 “Sec. \_\_\_\_ 2003 Iowa Acts, House File 619, section  
5 7, subsection 4, paragraph b, if enacted, is amended  
6 to read as follows:  
7 b. Pharmacies and providers that are enrolled in  
8 the medical assistance program shall make available  
9 drug acquisition cost information, product  
10 availability information, and other information deemed  
11 necessary by the department for the determination of  
12 reimbursement rates and the efficient operation of the  
13 pharmacy benefit. Pharmacies and providers shall  
14 produce and submit the requested information in the  
15 manner and format requested by the department or its  
16 designee at no cost to the department or designee.  
17 Pharmacies and providers shall submit information to  
18 the department or its designee within thirty days  
19 following receipt of a request for information unless  
20 the department or its designee grants an extension  
21 upon written request of the pharmacy or provider.  
22 Notwithstanding the required provision of information  
23 by pharmacies and providers under this paragraph, if  
24 the department is able to obtain any of the  
25 information required to be provided under this  
26 paragraph in an alternative manner, through which the  
27 department is ensured of the validity and accuracy of  
28 the information and of the timely submission of the  
29 information, the department may instead obtain the  
30 information in the alternative manner. Chapter 550

- 31 shall apply to the information provided by pharmacies  
 32 and providers under this paragraph.”  
 33 2. By renumbering as necessary.

MARY E. KRAMER  
 MAGGIE TINSMAN

### S-3376

- 1 Amend Senate File 458 as follows:  
 2 1. Page 38, by striking lines 19 through 31.  
 3 2. By renumbering as necessary.

MARY A. LUNDBY

### S-3377

- 1 Amend House File 686, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 7, line 11, by inserting after the word  
 4 “However,” the following: “taxes for an instructional  
 5 support program approved pursuant to section 257.18.”.

MIKE CONNOLLY

### S-3378

- 1 Amend House File 614, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 2, by inserting after line 19, the  
 4 following:  
 5 “Sec. \_\_\_\_ NEW SECTION. 47.9 STATE PLANNING AND  
 6 IMPLEMENTATION COMMITTEE.  
 7 1. A state planning and implementation committee  
 8 is created to carry out the provisions of this  
 9 section.  
 10 2. a. The state planning and implementation  
 11 committee shall consist of the following members  
 12 appointed by the governor, subject to confirmation by  
 13 the senate:  
 14 (1) The county auditors of the two most populous  
 15 counties in the state.  
 16 (2) The county auditor or deputy auditor of a  
 17 county with a population of twenty-five thousand or  
 18 more.  
 19 (3) The county auditor or deputy auditor of a  
 20 county with a population of less than twenty-five  
 21 thousand.  
 22 (4) The president of the Iowa state association of  
 23 county auditors.  
 24 (5) The president of the Iowa state association of  
 25 counties.

- 26 (6) A representative from the office of auditor of  
27 state.
- 28 (7) A representative of an organization  
29 representing persons with disabilities.
- 30 (8) An eligible elector who is a member of a  
31 racial minority.
- 32 (9) A person with expertise in information  
33 technology and who serves in an executive capacity in  
34 either the public or private sector.
- 35 (10) Two persons who are eligible electors.
- 36 b. The committee shall include the following ex  
37 officio members:
- 38 (1) The state commissioner of elections or the  
39 commissioner's designee.
- 40 (2) A member of the senate appointed by the  
41 majority leader of the senate.
- 42 (3) A member of the house of representatives  
43 appointed by the speaker of the house of  
44 representatives.
- 45 (4) A member of the senate appointed by the  
46 minority leader of the senate.
- 47 (5) A member of the house of representatives  
48 appointed by the minority leader of the house of  
49 representatives.
- 50 (6) The executive director of the state republican

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- 1 party.
- 2 (7) The executive director of the state democratic  
3 party.
- 4 (8) The executive director of the ethics and  
5 campaign disclosure board.
- 6 3. The membership of the committee listed in  
7 subsection 2, paragraph "a", shall comply with section  
8 69.16. The membership of the committee in subsection  
9 2 is not required to comply with section 69.16A. The  
10 members of the committee shall elect a chairperson at  
11 its organizational meeting.
- 12 4. The planning and implementation committee shall  
13 develop and adopt a plan for compliance with Pub. L.  
14 No. 107-252. The plan shall include the information  
15 required in section 254 of Pub. L. No. 107-252. The  
16 plan shall have as its priority assisting local  
17 elections officials in implementing the provisions of  
18 Pub. L. No. 107-252. The committee shall also study  
19 and make recommendations on the issue of requiring  
20 identification of all voters in elections conducted in  
21 this state.
- 22 5. The plan developed and adopted by the committee  
23 shall be transmitted to the governor who shall submit  
24 the plan to the appropriate federal agency. The state

25 commissioner of elections shall implement the plan  
26 developed and adopted by the committee and shall not  
27 implement Pub. L. No. 107-252, or spend state and  
28 federal funds appropriated for implementation of the  
29 plan or of the federal law, in a manner contrary to  
30 the provisions of such plan.

31 6. The planning and implementation committee shall  
32 periodically submit progress reports to the oversight  
33 committee of the legislative council. Once the plan  
34 is submitted to the appropriate federal agency, the  
35 oversight committee shall monitor implementation of  
36 the plan and expenditure of funds relating to  
37 implementation of the plan and of Pub. L. No. 107-  
38 252.”

39 2. Page 2, by inserting before line 20, the  
40 following:

41 “Sec. \_\_. Section 48A.8, Code 2003, is amended to  
42 read as follows:

43 48A.8 REGISTRATION BY MAIL.

44 1. An eligible elector may register to vote by  
45 completing a mail registration form. The form may be  
46 mailed or delivered by the registrant or the  
47 registrant’s designee to the commissioner in the  
48 county where the person resides. A separate  
49 registration form shall be signed by each individual  
50 registrant.

Page 3

1 2. An eligible elector who registers by mail and  
2 who has not previously voted in an election for  
3 federal office in the county of registration shall be  
4 required to provide identification documents when  
5 voting for the first time in the county, unless the  
6 registrant provided on the registration form the  
7 registrant’s Iowa driver’s license number or the last  
8 four numerals of the registrant’s social security  
9 number and the driver’s license or partial social  
10 security number matches an existing state or federal  
11 identification record with the same social security  
12 number or Iowa driver’s license number and name,  
13 including first name and any family forename or  
14 surname, and date of birth, including month, date, and  
15 year. If the registrant under this subsection votes  
16 in person at the polls, or by absentee ballot at the  
17 commissioner’s office or at a satellite voting  
18 station, the registrant shall provide a current and  
19 valid photo identification card, or shall present to  
20 the appropriate election official one of the following  
21 current documents that show the name and address of  
22 the registrant:  
23 a. Utility bill.

24 b. Bank statement.

25 c. Government check.

26 d. Other government document.

27 3. If the registrant under subsection 2 votes an  
 28 absentee ballot by mail, the registrant shall provide  
 29 a photocopy of one of the documents listed in  
 30 subsection 2 when returning the absentee ballot.

31 4. A registrant under subsection 2 who is required  
 32 to present identification when casting a ballot in  
 33 person shall be permitted to vote a provisional ballot  
 34 if the voter does not provide the required  
 35 identification documents. If a voter who is required  
 36 to present identification when casting a ballot votes  
 37 an absentee ballot by mail, the ballot returned by the  
 38 voter shall be considered a provisional ballot  
 39 pursuant to sections 49.81 and 53.31.”

40 3. By striking page 7, line 24 through page 9,  
 41 line 12, and inserting the following:

42 “Sec. \_\_\_\_ Section 49.81, Code 2003, is amended to  
 43 read as follows:

44 49.81 PROCEDURE FOR CHALLENGED VOTER TO CAST  
 45 PROVISIONAL BALLOT.

46 1. A prospective voter who is prohibited under  
 47 section 48A.8, subsection 4, section 49.77, subsection  
 48 4, or section 49.80 from voting except under this  
 49 section shall be ~~permitted to~~ notified by the  
 50 appropriate precinct election official that the voter

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1 may cast a ~~paper~~ provisional ballot. If a booth  
 2 meeting the requirement of section 49.25 is not  
 3 available at that polling place, the precinct election  
 4 officials shall make alternative arrangements to  
 5 insure the challenged voter the opportunity to vote in  
 6 secret. The marked ballot, folded as required by  
 7 section 49.84, shall be delivered to a precinct  
 8 election official who shall immediately seal it in an  
 9 envelope of the type prescribed by subsection 4. The  
 10 sealed envelope shall be deposited in a ~~special an~~  
 11 envelope marked “~~ballots for special precinct~~  
 12 “provisional ballots” and shall be considered as  
 13 having been cast in the special precinct established  
 14 by section 53.20 for purposes of the postelection  
 15 c canvass.”

16 4. By striking page 16, line 7 through page 17,  
 17 line 2.

18 5. By striking page 19, line 1, through page 29,  
 19 line 10.

20 6. Page 29, line 16, by striking the words “or  
 21 voted absentee ballot”.

22 7. Page 29, line 17, by inserting after the word

23 “not” the following: “the applicant or”.

24 8. Page 29, line 18, by striking the words “or  
25 voter”.

26 9. Page 29, line 20, by inserting after the  
27 figure “5” the following: “or returns a voted  
28 absentee ballot to the commissioner’s office and the  
29 person is not the voter, an immediate family member of  
30 the voter as that term is defined in section 53.1A, is  
31 not a registered voted absentee ballot courier under  
32 section 53.22A, or is not the designee of a voter  
33 described in section 53.22, subsection 5”.

34 10. Page 29, by inserting after line 20, the  
35 following:

36 “Sec. \_\_\_\_ Section 39A.5, subsection 1, paragraph  
37 b, Code 2003, is amended by adding the following new  
38 subparagraph:

39 NEW SUBPARAGRAPH. (4) As a voted absentee ballot  
40 courier, neglecting or refusing to fill out one or  
41 both receipts required under section 53.17.”

42 11. Page 29, by inserting before line 21, the  
43 following:

44 “Sec. \_\_\_\_ Section 49.124, Code 2003, is amended  
45 by adding the following new unnumbered paragraph:  
46 NEW UNNUMBERED PARAGRAPH. The commissioner shall  
47 also conduct training for persons who have applied to  
48 be voted absentee ballot couriers. The training may  
49 be combined with the training offered to precinct  
50 election officials or may be conducted separately.”

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1 12. Page 30, line 31, by striking the word  
2 “seven” and inserting the following: “five”.

3 13. Page 30, line 35, by striking the word  
4 “seven” and inserting the following: “five”.

5 14. Page 31, line 11, by inserting after the word  
6 “ballot.” the following: “There shall be printed on  
7 the reverse side of the carrier envelope a receipt to  
8 be completed by a voted absentee ballot courier. The  
9 receipt shall contain space for the courier to print  
10 and sign the courier’s name, indicate the courier’s  
11 identification number, and indicate the date the  
12 courier retrieved the ballot from the voter. The  
13 absentee ballot materials mailed to the voter shall  
14 include a receipt to be completed by a voted absentee  
15 ballot courier, if applicable, and retained by the  
16 voter.”

17 15. Page 31, line 19, by inserting after the word  
18 “family,” the following: “a voted absentee ballot  
19 courier.”

20 16. Page 31, by striking line 28, and inserting  
21 the following: “registered voter, a member of the

22 voter's immediate family, a voted absentee ballot  
 23 courier."  
 24 17. Page 32, by inserting after line 5 the  
 25 following:  
 26 "Sec. \_\_\_\_ Section 53.17, Code 2003, is amended by  
 27 adding the following new subsection:  
 28 NEW SUBSECTION. 3. The sealed carrier envelope  
 29 may be delivered to the commissioner's office by a  
 30 voted absentee ballot courier no later than the time  
 31 the polls are closed on election day or may be mailed  
 32 to the commissioner by a voted absentee ballot  
 33 courier. If a voted absentee ballot courier retrieves  
 34 a ballot from a voter, the courier shall fill out the  
 35 receipt to be retained by the voter and shall fill out  
 36 the receipt printed on the carrier envelope. Failure  
 37 to fill out either receipt is a simple misdemeanor  
 38 under section 39A.5, subsection 1, paragraph "b". A  
 39 voted absentee ballot courier shall mail or deliver  
 40 ballots to the commissioner's office within seventy-  
 41 two hours of retrieving the ballot from the voter.  
 42 Failure to do so is a violation under section 39A.2,  
 43 subsection 1, paragraph "b", subparagraph (1).  
 44 Sec. \_\_\_\_ NEW SECTION. 53.22A VOTED ABSENTEE  
 45 BALLOT COURIERS.  
 46 1. An eligible elector who complies with the  
 47 certification and registration provisions of this  
 48 section may be a voted absentee ballot courier.  
 49 2. An eligible elector who seeks to be a voted  
 50 absentee ballot courier shall apply to the office of

Page 6

1 commissioner where the person resides. After  
 2 completion of the training course provided by the  
 3 commissioner under section 49.124, the commissioner  
 4 shall certify the eligible elector as a voted absentee  
 5 ballot courier and shall register the person as such  
 6 for that county and assign the courier an  
 7 identification number. The certification shall  
 8 include the name, address, and telephone number of the  
 9 person certified, the person's signature, and the  
 10 signature of the commissioner issuing the certificate.  
 11 The person shall receive a copy of the certificate.  
 12 The original certificate shall be retained by the  
 13 commissioner. If an eligible elector seeks to be a  
 14 courier in a county other than the person's county of  
 15 residence, the person shall show proof of  
 16 certification and payment of the fee, to the  
 17 appropriate commissioner in order to be registered as  
 18 a courier for that county and shall be assigned an  
 19 identification number for that county.  
 20 3. Upon certification by the commissioner, the

21 voted absentee ballot courier shall pay a fee to the  
22 commissioner not to exceed two dollars. A person  
23 shall not be registered as a voted absentee ballot  
24 courier until the fee required by this subsection is  
25 paid.

26 4. A person required to file reports under chapter  
27 56, and a person acting as an actual or implied agent  
28 for a person required to file reports under chapter  
29 56, shall not be allowed to be a voted absentee ballot  
30 courier. This subsection does not apply to the  
31 commissioner or any person employed by the office of  
32 commissioner.

33 Sec. \_\_\_\_ EFFECTIVE DATE. This division of this  
34 Act, being deemed of immediate importance, takes  
35 effect upon enactment.”

36 18. Title page, line 2, by inserting after the  
37 word “law,” the following: “creating a planning and  
38 implementation committee.”

39 19. Title page, by striking lines 3 through 6,  
40 and inserting the following: “hours of the polls, and  
41 making changes”.

42 20. By renumbering as necessary.

MARK ZIEMAN

### S-3379

1 Amend Senate File 458 as follows:

2 1. Page 21, by inserting after line 26 the  
3 following:

4 “Sec. \_\_\_\_ Section 12D.1, unnumbered paragraph 1,  
5 Code 2003, is amended to read as follows:

6 The general assembly finds that the general welfare  
7 and well-being of the state are directly related to  
8 educational levels and skills of the citizens of the  
9 state, and that a vital and valid public purpose is  
10 served by the creation and implementation of programs  
11 which encourage and make possible the attainment of  
12 higher education by the greatest number of citizens of  
13 the state. The state has limited resources to provide  
14 additional programs for higher education funding and  
15 the continued operation and maintenance of the state’s  
16 public institutions of higher education and the  
17 general welfare of the citizens of the state will be  
18 enhanced by establishing a program which allows  
19 citizens of the state to invest money in a public  
20 trust for future application to the payment of higher  
21 education costs. The creation of the means of  
22 encouragement for citizens to invest in such a program  
23 represents the carrying out of a vital and valid  
24 public purpose. In order to make available to the  
25 citizens of the state an opportunity to fund future

26 higher education needs, it is necessary that a public  
 27 trust be established in which moneys may be invested  
 28 for future educational use. ~~It is also necessary to~~  
 29 ~~establish an endowment fund which may be funded with~~  
 30 ~~public funds, among other sources, the income from~~  
 31 ~~which will be made available to participants in the~~  
 32 ~~trust to enhance their savings invested for the~~  
 33 ~~payment of future higher education costs.~~

34 Sec. \_\_\_\_ Section 12D.1, subsections 5 and 13,  
 35 Code 2003, are amended by striking the subsections.

36 Sec. \_\_\_\_ Section 12D.2, subsections 4, 8, 10, 11,  
 37 and 12, Code 2003, are amended to read as follows:

38 4. Accept any grants, gifts, legislative  
 39 appropriations, and other moneys from the state, any  
 40 unit of federal, state, or local government, or any  
 41 other person, firm, partnership, or corporation which  
 42 the treasurer of state shall deposit into the  
 43 administrative fund, ~~the endowment fund,~~ or the  
 44 program fund.

45 ~~8. Solicit and accept for the benefit of the~~  
 46 ~~endowment fund gifts, grants, and other moneys,~~  
 47 ~~including legislative appropriations and grants from~~  
 48 ~~any federal, state, or local governmental agency.~~

49 10. Make payments to institutions of higher  
 50 education, participants, or beneficiaries pursuant to

Page 2

1 participation agreements on behalf of beneficiaries.

2 11. Make refunds to participants upon the  
 3 termination of participation agreements and partial  
 4 nonqualified distributions to participants pursuant to  
 5 the provisions, limitations, and restrictions set  
 6 forth in this chapter.

7 12. Invest moneys from ~~the endowment fund and the~~  
 8 program fund in any investments which are determined  
 9 by the treasurer of state to be appropriate.

10 Sec. \_\_\_\_ Section 12D.3, subsections 2 and 3, Code  
 11 2003, are amended to read as follows:

12 2. Beneficiaries designated in participation  
 13 agreements may be designated ~~from date of birth up to,~~  
 14 ~~but not including, their eighteenth birthday at any~~  
 15 age. A substitute beneficiary may be older than age  
 16 eighteen provided that the substitute beneficiary is  
 17 not older than the original beneficiary.

18 ~~3. A participant's account balance shall be~~  
 19 ~~refunded to the participant, less endowment fund~~  
 20 ~~earnings, and less a refund penalty levied by the~~  
 21 ~~trust against account balance earnings, if any, in the~~  
 22 ~~event an account balance remains in the account for a~~  
 23 ~~thirty day period following the beneficiary's~~  
 24 ~~thirtieth birthday.~~

25 Sec. \_\_\_\_ Section 12D.4, Code 2003, is amended by  
 26 striking the section and inserting in lieu thereof the  
 27 following:

28 12D.4 PROGRAM AND ADMINISTRATIVE FUNDS --  
 29 INVESTMENT AND PAYMENTS.

30 1. The treasurer of state shall segregate moneys  
 31 received by the trust into two funds: the program  
 32 fund and the administrative fund.

33 2. All moneys paid by participants in connection  
 34 with participation agreements shall be deposited as  
 35 received into separate accounts within the program  
 36 fund.

37 3. Contributions to the trust made by participants  
 38 may only be made in the form of cash.

39 4. A participant or beneficiary shall not provide  
 40 investment direction regarding program contributions  
 41 or earnings held by the trust.

42 5. Moneys accrued by participants in the program  
 43 fund of the trust may be used for payments to any  
 44 institution of higher education. Payments may be made  
 45 to the institution, the participant, or the  
 46 beneficiary.

47 Sec. \_\_\_\_ Section 12D.5, Code 2003, is amended by  
 48 striking the section and inserting in lieu thereof the  
 49 following:

50 12D.5 CANCELLATION OF AGREEMENTS.

Page 3

1 A participant may cancel a participation agreement  
 2 at will. Upon cancellation of a participation  
 3 agreement, a participant shall be entitled to the  
 4 return of the participant's account balance.

5 Sec. \_\_\_\_ Section 12D.6, subsection 3, Code 2003,  
 6 are amended by striking the subsection.

7 Sec. \_\_\_\_ Section 12D.9, subsection 1, paragraphs  
 8 c, d, and e, Code 2003, are amended to read as  
 9 follows:

10 c. Pursuant to section 12D.4, subsection ~~1~~,  
 11 ~~paragraph "b"~~ 2, a separate account is established for  
 12 each beneficiary.

13 d. Pursuant to section 12D.4, subsection ~~1~~,  
 14 ~~paragraph "f"~~ 3, contributions may only be made in the  
 15 form of cash.

16 e. Pursuant to section 12D.4, subsection ~~1~~,  
 17 ~~paragraph "g"~~ 4, a participant or beneficiary shall  
 18 not provide investment direction regarding program  
 19 contributions or earnings held by the trust.

20 Sec. \_\_\_\_ Section 12D.9, subsection 1, paragraph  
 21 f, Code 2003, is amended by striking the paragraph.

22 Sec. \_\_\_\_ Section 12D.9, subsection 2, Code 2003,  
 23 is amended to read as follows:

24 2. State income tax treatment of the Iowa  
 25 educational savings plan trust shall be as provided in  
 26 section 422.7, subsections 32, ~~and 33, and 34, and~~  
 27 ~~section 422.35, subsection 14.~~

28 Sec. \_\_\_\_ Section 12D.10, subsection 1, Code 2003,  
 29 is amended to read as follows:

30 1. The assets of the trust, including the program  
 31 fund ~~and the endowment fund~~, shall at all times be  
 32 preserved, invested, and expended solely and only for  
 33 the purposes of the trust and shall be held in trust  
 34 for the participants and beneficiaries.

35 Sec. \_\_\_\_ Section 422.7, subsection 34, Code 2003,  
 36 is amended by striking the subsection.

37 Sec. \_\_\_\_ Section 422.35, subsection 14, Code  
 38 2003, is amended by striking the subsection.”

39 2. Page 43, by inserting after line 30 the  
 40 following:

41 “\_\_\_\_. The amendments to sections 12D.1, 12D.2,  
 42 12D.3, 12D.4, 12D.5, 12D.6, 12D.9, 12D.10, 422.7, and  
 43 422.35, which shall apply retroactively to January 1,  
 44 2003, for tax years beginning on or after that date.”

MIKE CONNOLLY

### S-3380

1 Amend Senate File 458 as follows:

2 1. Page 8, by inserting after line 8 the  
 3 following:

4 “Sec. \_\_\_\_ Section 427B.19A, subsection 1, as  
 5 amended by 2003 Iowa Acts, Senate File 453, if  
 6 enacted, is amended to read as follows:

7 1. The industrial machinery, equipment and  
 8 computers property tax replacement fund is created.  
 9 For the fiscal year beginning July 1, 1996, through  
 10 the fiscal year ending June 30, 2004, there is  
 11 appropriated annually from the general fund of the  
 12 state to the department of revenue and finance to be  
 13 credited to the industrial machinery, equipment and  
 14 computers property tax replacement fund, an amount  
 15 sufficient to implement this division. However, for  
 16 the fiscal year beginning July 1, 2003, the amount  
 17 appropriated to the department of revenue and finance  
 18 to be credited to the industrial machinery, equipment  
 19 and computers tax replacement fund is ~~ten eleven~~  
 20 million ~~two hundred~~ eighty-one thousand six hundred  
 21 eight-five dollars.”

22 2. Page 8, by inserting after line 31 the  
 23 following:

24 “Sec. \_\_\_\_ FRANCHISE TAX REVENUE ALLOCATION.  
 25 There is appropriated from the franchise tax revenues  
 26 deposited in the general fund of the state to the

27 department of revenue and finance for the fiscal year  
 28 beginning July 1, 2003, and ending June 30, 2004,  
 29 \$8,800,000 to be allocated as follows:  
 30 1. Sixty percent to the general fund of the city  
 31 from which the tax is collected.  
 32 2. Forty percent to the county from which the tax  
 33 is collected.  
 34 If the financial institution maintains one or more  
 35 offices for the transaction of business, other than  
 36 its principal office, a portion of its franchise tax  
 37 shall be allocated to each office, based upon a  
 38 reasonable measure of the business activity of each  
 39 office. The director of revenue and finance shall  
 40 prescribe, for each type of financial institution, a  
 41 method of measuring the business activity of each  
 42 office. Financial institutions shall furnish all  
 43 necessary information for this purpose at the request  
 44 of the director. The allocation shall be distributed  
 45 quarterly.  
 46 Sec. \_\_\_. 2003 Iowa Acts, Senate File 453, section  
 47 28, if enacted, is repealed.”

JEFF LAMBERTI

**S-3381**

1 Amend Senate File 458 as follows:  
 2 1. Page 6, by inserting after line 11 the  
 3 following:  
 4 “Sec. \_\_\_. PERSONAL PROPERTY TAX REPLACEMENT. In  
 5 lieu of the appropriation made for deposit in the  
 6 local government innovation fund in 2003 Iowa Acts,  
 7 Senate File 453, section 28, if enacted, there is  
 8 appropriated from the general fund of the state to the  
 9 department of revenue and finance for the fiscal year  
 10 beginning July 1, 2003, and ending June 30, 2004,  
 11 \$10,000,000 to be allocated to local governments  
 12 utilizing the methodology for distribution of personal  
 13 property tax replacement moneys under chapter 405A,  
 14 Code 2003, by applying the amount appropriated in this  
 15 section in lieu of the appropriation amount specified  
 16 in section 405A.2, Code 2003, for determining the  
 17 general allocation.”  
 18 2. By renumbering as necessary.

ROBERT E. DVORSKY

**S-3382**

1 Amend Senate File 458 as follows:  
 2 1. Page 35, by inserting after line 17 the  
 3 following:

4 “Sec. \_\_\_\_ Section 331.264, subsection 1, if  
5 enacted by 2003 Iowa Acts, Senate File 390, section  
6 25, is amended to read as follows:  
7 1. A local government organization review  
8 committee may be created in a county having a  
9 population in excess of one hundred thousand. The  
10 committee shall be composed of the following members:  
11 a. Three city council members appointed by the  
12 city council of each participating city with a  
13 population of twenty-five thousand or more.  
14 b. Three county supervisors appointed by the  
15 county board of supervisors.  
16 c. One city council member appointed by each  
17 participating city with a population of less than  
18 twenty-five thousand.  
19 d. One member shall be appointed by each state  
20 legislator whose legislative district is located in  
21 the county if a majority of the constituents of that  
22 legislative district reside in the county. However,  
23 if a county does not have a state representative’s  
24 legislative district which has a majority of a state  
25 representative’s constituency residing in the county,  
26 the state representative having the largest plurality  
27 of constituents residing in the county shall appoint a  
28 member. The member appointed by each state legislator  
29 shall be a person who is not holding elected office  
30 and who is a resident of the legislative district of  
31 the state legislator. ~~If any portion more than one-~~  
32 ~~half of the population~~ of a legislative district is in  
33 the unincorporated area of the county, the member  
34 appointed by that legislator shall be a resident of  
35 the unincorporated area of the county.  
36 ~~Three members~~ One member appointed by the  
37 township trustees of all the townships in the county  
38 ~~and an additional member appointed by the township~~  
39 ~~trustees~~ for each five percent of the total population  
40 of the county residing in the unincorporated area of  
41 the county. The members shall be residents of the  
42 unincorporated area of the county and shall be persons  
43 who are not holding elected office other than that of  
44 township trustee. The county auditor shall determine  
45 the date and location for a meeting of the township  
46 trustees of all the townships in the county at which  
47 meeting the appointments shall be made and shall  
48 provide written notice of the meeting to the trustees.  
49 The meeting shall be held in accordance with chapter  
50 21.

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- 1 Organization and expenses of the committee are
- 2 subject to section 331.234 as if the committee were a

3 city-county consolidation or community commonwealth  
 4 commission. Sections 69.16 and 69.16A shall not apply  
 5 to the committee. However, a city allowed more than  
 6 one appointment shall balance its appointments in  
 7 accordance with sections 69.16 and 69.16A, when  
 8 possible.”

9 2. Page 44, by inserting after line 12 the  
 10 following:

11 “9. The section amending section 331.264, if  
 12 enacted by 2003 Iowa Acts, Senate File 390.”

13 3. By renumbering as necessary.

JEFF LAMBERTI

### S-3383

1 Amend Senate File 458 as follows:

2 1. Page 28, by inserting after line 9 the  
 3 following:

4 “Sec. \_\_\_\_ . Section 91D.1, subsection 1, paragraphs  
 5 a and d, Code 2003, are amended to read as follows:

6 a. The hourly wage stated in the federal minimum  
 7 wage law, pursuant to 29 U.S.C. } 206, shall be  
 8 increased to ~~\$3.85~~ \$5.15 on January 1 ~~of 1990, 2004,~~  
 9 ~~\$4.25 on January 1 of 1991,~~ and ~~\$4.65~~ to \$5.65 on  
 10 January 1 ~~of 1992, 2005.~~

11 d. An employer is not required to pay an employee  
 12 the applicable minimum wage provided in paragraph “a”  
 13 until the employee has completed ninety calendar days  
 14 of employment with the employer. An employee who has  
 15 completed ninety calendar days of employment with the  
 16 employer prior to January 1 ~~of 1990, 1991, 2004, or~~  
 17 ~~1992~~ January 1, 2005, shall earn the applicable hourly  
 18 minimum wage. An employer shall pay an employee who  
 19 has not completed ninety calendar days of employment  
 20 with the employer an hourly wage of at least ~~\$3.35~~  
 21 \$4.50 as of January 1 ~~of 1990, 2004,~~ ~~\$3.85 as of~~  
 22 ~~January 1 of 1991,~~ and ~~\$4.25~~ \$4.75 as of January 1 ~~of~~  
 23 ~~1992, 2005.”~~

THOMAS G. COURTNEY

### S-3384

1 Amend Senate File 458 as follows:

2 1. Page 28, by inserting after line 9 the  
 3 following:

4 “Sec. \_\_\_\_ . Section 96.7, subsection 12, paragraph  
 5 a, Code 2003, is amended to read as follows:

6 a. An employer other than a governmental entity or  
 7 a nonprofit organization, subject to this chapter,  
 8 shall pay an administrative contribution surcharge

9 equal in amount to one-tenth of one percent of federal  
 10 taxable wages, as defined in section 96.19, subsection  
 11 37, paragraph “b”, subject to the surcharge formula to  
 12 be developed by the department under this paragraph.  
 13 The department shall develop a surcharge formula that  
 14 provides a target revenue level of no greater than six  
 15 million five hundred twenty-five thousand dollars  
 16 annually for calendar years 2003, 2004, and 2005 and a  
 17 target revenue level of no greater than three million  
 18 two hundred sixty-two thousand five hundred dollars  
 19 for calendar year 2006 and each subsequent calendar  
 20 year. The department shall reduce the administrative  
 21 contribution surcharge established for any calendar  
 22 year proportionate to any federal government funding  
 23 that provides an increased allocation of moneys for  
 24 workforce development offices, under the federal  
 25 employment services financing reform legislation. Any  
 26 administrative contribution surcharge revenue that is  
 27 collected in calendar year ~~2002~~ 2003, 2004, or 2005 in  
 28 excess of six million five hundred twenty-five  
 29 thousand dollars or in calendar year 2006 or a  
 30 subsequent calendar year in excess of three million  
 31 two hundred sixty-two thousand five hundred dollars  
 32 shall be deducted from the amount to be collected in  
 33 the subsequent calendar year 2003 before the  
 34 department establishes the administrative contribution  
 35 surcharge. The department shall recompute the amount  
 36 as a percentage of taxable wages, as defined in  
 37 section 96.19, subsection 37, and shall add the  
 38 percentage surcharge to the employer’s contribution  
 39 rate determined under this section. The percentage  
 40 surcharge shall be capped at a maximum of seven  
 41 dollars per employee. The department shall adopt  
 42 rules prescribing the manner in which the surcharge  
 43 will be collected. Interest shall accrue on all  
 44 unpaid surcharges under this subsection at the same  
 45 rate as on regular contributions and shall be  
 46 collectible in the same manner. Interest accrued and  
 47 collected under this paragraph and interest earned and  
 48 credited to the fund under paragraph “b” shall be used  
 49 by the department only for the purposes set forth in  
 50 paragraph “c”.

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1 Sec. \_\_\_\_ Section 96.7, subsection 12, paragraph  
 2 d, Code 2003, is amended to read as follows:  
 3 d. This subsection is repealed July 1, ~~2003~~ 2006,  
 4 and the repeal is applicable to contribution rates for  
 5 calendar year ~~2004~~ 2007 and subsequent calendar  
 6 years.”

7 2. Page 43, by inserting after line 32 the  
 8 following:  
 9 “\_\_\_ . The amendments to section 96.7.”

WILLIAM A. DOTZLER

**S-3385**

1 Amend the amendment, S-3364, to Senate File 458 as  
 2 follows:  
 3 1. Page 10, by striking lines 10 through 42.

JEFF LAMBERTI

**S-3386**

1 Amend Senate File 434 as follows:  
 2 1. By striking everything after the enacting  
 3 clause and inserting the following:  
 4 “Section 1. Section 12D.5, subsection 2, paragraph  
 5 a, Code 2003, is amended by adding the following new  
 6 subparagraph:  
 7 NEW SUBPARAGRAPH. (4) Attendance of the  
 8 designated beneficiary at the United States military  
 9 academy, the United States naval academy, the United  
 10 States air force academy, the United States coast  
 11 guard academy, or the United States merchant marine  
 12 academy, to the extent that the amount of the payment  
 13 or distribution does not exceed the costs of advanced  
 14 education, as defined by 10 U.S.C. } 2005(e)(3), as in  
 15 effect on the date of the enactment of this  
 16 subparagraph, attributable to such attendance.  
 17 Sec. 2. Section 12D.9, subsection 1, paragraph f,  
 18 Code 2003, is amended to read as follows:  
 19 f. Pursuant to section 12D.5, subsection 1,  
 20 penalties are provided on refunds of earnings which  
 21 are not used for qualified higher education expenses  
 22 of the beneficiary, made on account of the death or  
 23 disability of the designated beneficiary, ~~or~~ made due  
 24 to scholarship, allowance, or payment receipt as  
 25 provided in section 529(b)(3) of the Internal Revenue  
 26 Code, or made in the amount of the costs for  
 27 attendance at the United States military, naval, air  
 28 force, coast guard, or merchant marine academy.  
 29 Sec. 3. Section 29A.28, Code 2003, is amended to  
 30 read as follows:  
 31 29A.28 LEAVE OF ABSENCE OF CIVIL EMPLOYEES.  
 32 1. All officers and employees of the state, or a  
 33 subdivision thereof, or a municipality other than  
 34 employees employed temporarily for six months or less,  
 35 who are members of the national guard, organized  
 36 reserves or any component part of the military, naval,

37 or air forces or nurse corps of this state or nation,  
38 or who are or may be otherwise inducted into the  
39 military service of this state or of the United  
40 States, shall, when ordered by proper authority to  
41 state active duty, active state service or federal  
42 service, be entitled to a leave of absence from such  
43 civil employment for the period of state active duty,  
44 active state service, or federal service, without loss  
45 of status or efficiency rating, and without loss of  
46 pay during the first thirty days of such leave of  
47 absence. Where state active duty, active state  
48 service, or federal service is for a period less than  
49 thirty days, a leave of absence under this section  
50 shall only be required for those days that the civil

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1 employee would normally perform services for the  
2 state, subdivision of the state, or a municipality.  
3 ~~2. The proper appointing authority may make a~~  
4 ~~temporary appointment to A state agency, subdivision~~  
5 ~~of the state, or municipality may hire a temporary~~  
6 ~~employee to fill any vacancy created by such leave of~~  
7 ~~absence. Temporary employees hired to fill a vacancy~~  
8 ~~created by a leave of absence under this section shall~~  
9 ~~not count against the number of full-time equivalent~~  
10 ~~positions authorized for the state agency, subdivision~~  
11 ~~of the state, or municipality.~~

12 3. Upon returning from a leave of absence under  
13 this section, an employee shall be entitled to return  
14 to the same position and classification held by the  
15 employee at the time of entry into state active duty,  
16 active state service, or federal service or to the  
17 position and classification that the employee would  
18 have been entitled to if the continuous civil service  
19 of the employee had not been interrupted by state  
20 active duty, active state service, or federal service.  
21 Under this subsection, "position" includes the  
22 geographical location of the position.

23 Sec. 4. Section 35.1, subsection 2, paragraph b,  
24 Code 2003, is amended by adding the following new  
25 subparagraph:

26 NEW SUBPARAGRAPH. (5) Former members of the armed  
27 forces of the United States if any portion of their  
28 term of enlistment would have occurred within the time  
29 period specified in paragraph "a", subparagraph (9),  
30 but who instead opted to serve five years in the  
31 reserve forces of the United States, as allowed by  
32 federal law, and who were discharged under honorable  
33 conditions.

34 Sec. 5. Section 422.7, Code 2003, is amended by  
35 adding the following new subsections:

36 NEW SUBSECTION. 39. Subtract, to the extent  
37 included, active duty pay received by a person in the  
38 national guard or armed forces military reserve for  
39 service performed on or after January 1, 2003,  
40 pursuant to military orders related to Operation Iraqi  
41 Freedom, Operation Noble Eagle, and Operation Enduring  
42 Freedom.

43 NEW SUBSECTION. 40. Subtract, not to exceed one  
44 thousand five hundred dollars, the overnight  
45 transportation, meals, and lodging expenses, to the  
46 extent not reimbursed, incurred by the taxpayer for  
47 travel away from home of more than one hundred miles  
48 for the performance of services by the taxpayer as a  
49 member of the national guard or armed forces military  
50 reserve.

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1 NEW SUBSECTION. 41. Subtract, to the extent  
2 included, military student loan repayments received by  
3 the taxpayer serving on active duty in the national  
4 guard or armed forces military reserve or on active  
5 duty status in the armed forces.

6 Sec. 6. Section 422.7, Code 2003, is amended by  
7 adding the following new subsection:

8 NEW SUBSECTION. 42. Subtract, to the extent not  
9 otherwise excluded, the amount of the death gratuity  
10 payable under 10 U.S.C. } 1475-1491 for deaths  
11 occurring after September 10, 2001.

12 Sec. 7. Section 422.9, subsection 2, Code 2003, is  
13 amended by adding the following new paragraph:

14 NEW PARAGRAPH. j. If the taxpayer has a deduction  
15 for miscellaneous expenses under section 67 of the  
16 Internal Revenue Code, the taxpayer shall recompute  
17 for the purposes of this subsection the amount of the  
18 deduction under section 67 by excluding from the  
19 expenses, the amount subtracted under section 422.7,  
20 subsection 40.

21 Sec. 8. Section 422.21, unnumbered paragraph 2,  
22 Code 2003, is amended to read as follows:

23 An individual in the armed forces of the United  
24 States serving in an area designated by the president  
25 of the United States or the United States Congress as  
26 a combat zone or as a qualified hazardous duty area,  
27 or deployed outside the United States away from the  
28 individual's permanent duty station while  
29 participating in an operation designated by the United  
30 States secretary of defense as a contingency operation  
31 as defined in 10 U.S.C. } 101(a)(13), or which became  
32 such a contingency operation by the operation of law,  
33 or an individual serving in support of those forces,  
34 is allowed the same additional time period after

35 leaving the combat zone or the qualified hazardous  
36 duty area, or ceasing to participate in such  
37 contingency operation, or after a period of continuous  
38 hospitalization, to file a state income tax return or  
39 perform other acts related to the department, as would  
40 constitute timely filing of the return or timely  
41 performance of other acts described in section 7508(a)  
42 of the Internal Revenue Code. For the purposes of  
43 this paragraph, “other acts related to the department”  
44 includes filing claims for refund for any tax  
45 administered by the department, making tax payments  
46 other than withholding payments, filing appeals on the  
47 tax matters, filing other tax returns, and performing  
48 other acts described in the department’s rules. The  
49 additional time period allowed applies to the spouse  
50 of the individual described in this paragraph to the

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1 extent the spouse files jointly or separately on the  
2 combined return form with the individual or when the  
3 spouse is a party with the individual to any matter  
4 for which the additional time period is allowed.  
5 Sec. 9. Section 422.34, subsection 2, Code 2003,  
6 is amended by adding the following new unnumbered  
7 paragraph:  
8 NEW UNNUMBERED PARAGRAPH. An organization that  
9 would have qualified as an organization exempt from  
10 federal income tax under section 501(c)(19) of the  
11 Internal Revenue Code but for the fact that the  
12 requirement that substantially all of the members who  
13 are not past or present members of the United States  
14 armed forces is not met because such members include  
15 ancestors or lineal descendants, shall be considered  
16 for purposes of the exemption from taxation under this  
17 division as an organization exempt from federal income  
18 tax under section 501(c)(19) of the Internal Revenue  
19 Code.  
20 Sec. 10. STATE FUNDING. The military service tax  
21 exemptions and credits provided pursuant to the  
22 amendment to section 35.1 of this Act shall be funded  
23 pursuant to chapter 426A and section 25B.7, subsection  
24 2.  
25 Sec. 11. EFFECTIVE AND APPLICABILITY DATES.  
26 1. Except as provided in subsections 2, 3, 4, 5,  
27 and 6, this Act, being deemed of immediate importance,  
28 takes effect upon enactment and applies retroactively  
29 to January 1, 2003, for tax years beginning on or  
30 after that date.  
31 2. Section 3 of this Act, being deemed of  
32 immediate importance, takes effect upon enactment and  
33 applies retroactively to January 1, 2003.

34 3. Section 4 of this Act amending section 35.1,  
35 being deemed of immediate importance, takes effect  
36 upon enactment.

37 4. Section 6 of this Act, amending section 422.7  
38 to allow for the subtraction of additional death  
39 gratuity benefits, being deemed of immediate  
40 importance, takes effect upon enactment and applies  
41 retroactively to tax years ending after September 10,  
42 2001.

43 5. Section 8 of this Act, amending section 422.21,  
44 being deemed of immediate importance, takes effect  
45 upon enactment and applies to any period for  
46 performing an act that has not expired before the  
47 effective date.

48 6. Section 9 of this Act, amending section 422.34,  
49 being deemed of immediate importance, takes effect  
50 upon enactment and applies to tax years beginning

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1 after the effective date.”

2 2. Title page, by striking lines 1 through 5 and  
3 inserting the following: “An Act relating to income  
4 tax deductions and exemptions for military service  
5 personnel and organizations, and including effective  
6 and applicability date provisions.”

STEVEN H. WARNSTADT

### S-3387

1 Amend the amendment, S-3362, to the House  
2 amendment, S-3347, to Senate File 452, as amended,  
3 passed, and reprinted by the Senate, as follows:

4 1. Page 1, by striking lines 5 and 6.

5 2. Page 1, line 9, by striking the figure  
6 “250,000” and inserting the following: “350,000”.

7 3. Page 1, by striking lines 10 through 12.

JEFF LAMBERTI

### S-3388

1 Amend Senate File 458 as follows:

2 1. Page 48, by inserting after line 28 the  
3 following:

4 “DIVISION \_\_\_\_  
5 GOVERNMENT ORGANIZATION REVIEW COMMITTEE  
6 Sec. \_\_\_\_ Section 331.264, subsection 1,  
7 unnumbered paragraph 1, and paragraphs a through d, if  
8 enacted by 2003 Iowa Acts, Senate File 390, section  
9 25, is amended to read as follows:

10 A local government organization review committee  
11 may be created in a county having a population in  
12 excess of one hundred thousand. The committee shall  
13 be composed of the following members:  
14 a. Three city council members appointed by the  
15 city council of each participating city with a  
16 population of twenty-five thousand or more.  
17 b. Three county supervisors appointed by the  
18 county board of supervisors.  
19 c. One city council member appointed by each  
20 participating city with a population of less than  
21 twenty-five thousand.  
22 d. One member shall be appointed by each state  
23 legislator whose legislative district is located in  
24 the county if a majority of the constituents of that  
25 legislative district reside in the county. However,  
26 if a county does not have a state representative's  
27 legislative district which has a majority of a state  
28 representative's constituency residing in the county,  
29 the state representative having the largest plurality  
30 of constituents residing in the county shall appoint a  
31 member. The member appointed by each state legislator  
32 shall be a person who is not holding elected office  
33 and who is a resident of the legislative district of  
34 the state legislator. ~~If any portion more than one-~~  
35 ~~half of the population~~ of a legislative district is in  
36 the unincorporated area of the county, the member  
37 appointed by that legislator shall be a resident of  
38 the unincorporated area of the county.  
39 Sec. \_\_\_\_ EFFECTIVE DATE. This division of this  
40 Act, being deemed of immediate importance, takes  
41 effect upon enactment.”

JEFF LAMBERTI

# AMENDMENTS FILED

## EIGHTIETH GENERAL ASSEMBLY 2003 EXTRAORDINARY SESSION

S-3389

1 Amend House File 614, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 19, the  
4 following:

5 “Sec. \_\_\_\_ NEW SECTION. 47.9 STATE PLANNING AND  
6 IMPLEMENTATION COMMITTEE.

7 1. A state planning and implementation committee  
8 is created to carry out the provisions of this  
9 section.

10 2. a. The state planning and implementation  
11 committee shall consist of the following members  
12 appointed by the governor, subject to confirmation by  
13 the senate:

14 (1) The county auditors of the two most populous  
15 counties in the state.

16 (2) The county auditor or deputy auditor of a  
17 county with a population of twenty-five thousand or  
18 more.

19 (3) The county auditor or deputy auditor of a  
20 county with a population of less than twenty-five  
21 thousand.

22 (4) The president of the Iowa state association of  
23 county auditors.

24 (5) The president of the Iowa state association of  
25 counties.

26 (6) A representative from the office of auditor of  
27 state.

28 (7) A representative of an organization  
29 representing persons with disabilities.

30 (8) An eligible elector who is a member of a  
31 racial minority.

32 (9) A person with expertise in information  
33 technology and who serves in an executive capacity in  
34 either the public or private sector.

35 (10) Two persons who are eligible electors.

36 b. The committee shall include the following ex  
37 officio members:

38 (1) The state commissioner of elections or the  
39 commissioner’s designee.

40 (2) A member of the senate appointed by the  
41 majority leader of the senate.

42 (3) A member of the house of representatives

- 43 appointed by the speaker of the house of  
44 representatives.
- 45 (4) A member of the senate appointed by the  
46 minority leader of the senate.
- 47 (5) A member of the house of representatives  
48 appointed by the minority leader of the house of  
49 representatives.
- 50 (6) The executive director of the state republican

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- 1 party.
- 2 (7) The executive director of the state democratic  
3 party.
- 4 (8) The executive director of the ethics and  
5 campaign disclosure board.
- 6 3. The membership of the committee listed in  
7 subsection 2, paragraph “a”, shall comply with section  
8 69.16. The membership of the committee in subsection  
9 2 is not required to comply with section 69.16A. The  
10 members of the committee shall elect a chairperson at  
11 its organizational meeting.
- 12 4. The planning and implementation committee shall  
13 develop and adopt a plan for compliance with Pub. L.  
14 No. 107-252. The plan shall include the information  
15 required in section 254 of Pub. L. No. 107-252. The  
16 plan shall have as its priority assisting local  
17 elections officials in implementing the provisions of  
18 Pub. L. No. 107-252. The committee shall also study  
19 and make recommendations on the issue of requiring  
20 identification of all voters in elections conducted in  
21 this state.
- 22 5. The plan developed and adopted by the committee  
23 shall be transmitted to the governor who shall submit  
24 the plan to the appropriate federal agency. The state  
25 commissioner of elections shall implement the plan  
26 developed and adopted by the committee and shall not  
27 implement Pub. L. No. 107-252, or spend state and  
28 federal funds appropriated for implementation of the  
29 plan or of the federal law, in a manner contrary to  
30 the provisions of such plan.
- 31 6. The planning and implementation committee shall  
32 periodically submit progress reports to the oversight  
33 committee of the legislative council. Once the plan  
34 is submitted to the appropriate federal agency, the  
35 oversight committee shall monitor implementation of  
36 the plan and expenditure of funds relating to  
37 implementation of the plan and of Pub. L. No. 107-  
38 252.”
- 39 2. Page 2, by inserting before line 20, the  
40 following:
- 41 “Sec. \_\_\_. Section 48A.8, Code 2003, is amended to

42 read as follows:

43 48A.8 REGISTRATION BY MAIL.

44 1. An eligible elector may register to vote by  
45 completing a mail registration form. The form may be  
46 mailed or delivered by the registrant or the  
47 registrant's designee to the commissioner in the  
48 county where the person resides. A separate  
49 registration form shall be signed by each individual  
50 registrant.

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1 2. An eligible elector who registers by mail and  
2 who has not previously voted in an election for  
3 federal office in the county of registration shall be  
4 required to provide identification documents when  
5 voting for the first time in the county, unless the  
6 registrant provided on the registration form the  
7 registrant's Iowa driver's license number or the last  
8 four numerals of the registrant's social security  
9 number and the driver's license or partial social  
10 security number matches an existing state or federal  
11 identification record with the same social security  
12 number or Iowa driver's license number and name,  
13 including first name and any family forename or  
14 surname, and date of birth, including month, date, and  
15 year. If the registrant under this subsection votes  
16 in person at the polls, or by absentee ballot at the  
17 commissioner's office or at a satellite voting  
18 station, the registrant shall provide a current and  
19 valid photo identification card, or shall present to  
20 the appropriate election official one of the following  
21 current documents that show the name and address of  
22 the registrant:

23 a. Utility bill.

24 b. Bank statement.

25 c. Government check.

26 d. Other government document.

27 3. If the registrant under subsection 2 votes an  
28 absentee ballot by mail, the registrant shall provide  
29 a photocopy of one of the documents listed in  
30 subsection 2 when returning the absentee ballot.

31 4. A registrant under subsection 2 who is required  
32 to present identification when casting a ballot in  
33 person shall be permitted to vote a provisional ballot  
34 if the voter does not provide the required  
35 identification documents. If a voter who is required  
36 to present identification when casting a ballot votes  
37 an absentee ballot by mail, the ballot returned by the  
38 voter shall be considered a provisional ballot  
39 pursuant to sections 49.81 and 53.31."

40 3. By striking page 7, line 24 through page 9,

41 line 12, and inserting the following:

42 “Sec. \_\_\_\_ Section 49.81, Code 2003, is amended to  
43 read as follows:

44 49.81 PROCEDURE FOR CHALLENGED VOTER TO CAST  
45 PROVISIONAL BALLOT.

46 1. A prospective voter who is prohibited under  
47 section 48A.8, subsection 4, section 49.77, subsection  
48 4, or section 49.80 from voting except under this  
49 section shall be ~~permitted to~~ notified by the  
50 appropriate precinct election official that the voter

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1 may cast a ~~paper~~ provisional ballot. If a booth  
2 meeting the requirement of section 49.25 is not  
3 available at that polling place, the precinct election  
4 officials shall make alternative arrangements to  
5 insure the challenged voter the opportunity to vote in  
6 secret. The marked ballot, folded as required by  
7 section 49.84, shall be delivered to a precinct  
8 election official who shall immediately seal it in an  
9 envelope of the type prescribed by subsection 4. The  
10 sealed envelope shall be deposited in ~~a special an~~  
11 envelope marked ~~“ballots for special precinct”~~  
12 “provisional ballots” and shall be considered as  
13 having been cast in the special precinct established  
14 by section 53.20 for purposes of the postelection  
15 canvass.”

16 4. By striking page 16, line 7 through page 17,  
17 line 2.

18 5. By striking page 19, line 1, through page 29,  
19 line 10.

20 6. Page 29, by striking lines 13 through 20, and  
21 inserting the following:

22 “Sec. \_\_\_\_ Section 39A.4, subsection 1, paragraph  
23 c, Code 2003, is amended by adding the following new  
24 subparagraphs:

25 NEW SUBPARAGRAPH. (11) Distributing an absentee  
26 ballot application in person to the applicant and the  
27 person is not the commissioner, an employee of the  
28 commissioner’s office, or an absentee ballot courier  
29 under section 53.22A.

30 NEW SUBPARAGRAPH. (12) Distributing an absentee  
31 ballot application more than sixty days before the  
32 election.

33 NEW SUBPARAGRAPH. (13) Returning an absentee  
34 ballot application to the commissioner’s office and  
35 the person is not the applicant or an immediate family  
36 member of the applicant as that term is defined in  
37 section 53.1A or is not the designee of a voter  
38 described in section 53.22, subsection 5.

39 NEW SUBPARAGRAPH. (14) Returning a voted absentee

40 ballot to the commissioner's office and the person is  
41 not the voter, an immediate family member of the voter  
42 as that term is defined in section 53.1A, an absentee  
43 ballot courier under section 53.22A, or the designee  
44 of a voter described in section 53.22, subsection 5.  
45 Sec. \_\_\_\_ Section 39A.5, subsection 1, paragraph  
46 b, Code 2003, is amended by adding the following new  
47 subparagraph:  
48 NEW SUBPARAGRAPH. (4) As an absentee ballot  
49 courier, neglecting or refusing to fill out one or  
50 both receipts required under section 53.17.”

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1 7. Page 29, line 30, by striking the words  
2 “~~seventy sixty~~” and inserting the following:  
3 “seventy”.  
4 8. By striking page 29, line 35 through page 30,  
5 line 5, and inserting the following: “be distributed  
6 by the commissioner's office, or by a person appointed  
7 and accredited to the commissioner by a political  
8 party as provided in section 53.22A, or by mail by a  
9 political party as that term is defined in section  
10 43.2. Absentee ballot applications shall not be  
11 distributed more than seventy days before the  
12 election. An absentee ballot courier shall sign a  
13 receipt for absentee ballot applications received from  
14 the commissioner's office.”  
15 9. Page 30, line 23, by striking the word “sixty”  
16 and inserting the following: “seventy”.  
17 10. Page 30, line 26, by striking the word  
18 “sixty” and inserting the following: “seventy”.  
19 11. Page 30, by striking lines 30 and 31, and  
20 inserting the following: “and immediately after the  
21 absentee ballots are printed, the commissioner”.  
22 12. By striking page 30, line 34 through page 31,  
23 line 1.  
24 13. Page 31, line 11, by inserting after the word  
25 “ballot.” the following: “There shall be printed on  
26 the reverse side of the carrier envelope a receipt to  
27 be completed by an absentee ballot courier. The  
28 receipt shall contain space for the courier to print  
29 and sign the courier's name, and indicate the date the  
30 courier retrieved the ballot from the voter. The  
31 absentee ballot materials mailed to the voter shall  
32 include a receipt to be completed by an absentee  
33 ballot courier, if applicable, and retained by the  
34 voter.”  
35 14. Page 31, line 19, by inserting after the word  
36 “family.” the following: “an absentee ballot  
37 courier.”  
38 15. Page 31, by striking line 28, and inserting

39 the following: “registered voter, a member of the  
40 voter’s immediate family, an absentee ballot  
41 courier.”

42 16. Page 32, by inserting after line 5 the  
43 following:

44 “Sec. \_\_\_\_ Section 53.17, Code 2003, is amended by  
45 adding the following new subsection:

46 NEW SUBSECTION. 3. The sealed carrier envelope  
47 may be delivered to the commissioner’s office by an  
48 absentee ballot courier no later than the time the  
49 polls are closed on election day or may be mailed to  
50 the commissioner by an absentee ballot courier. If an

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1 absentee ballot courier retrieves a ballot from a  
2 voter, the courier shall fill out the receipt to be  
3 retained by the voter and shall fill out the receipt  
4 printed on the carrier envelope. Failure to fill out  
5 either receipt is a simple misdemeanor under section  
6 39A.5, subsection 1, paragraph “b”. A voted absentee  
7 ballot courier shall mail or deliver ballots to the  
8 commissioner’s office within seventy-two hours of  
9 retrieving the ballot from the voter. Failure to do  
10 so is a violation under section 39A.2, subsection 1,  
11 paragraph “b”, subparagraph (1).

12 Sec. \_\_\_\_ NEW SECTION. 53.22A ABSENTEE BALLOT  
13 COURIERS.

14 Any number of persons from each political party  
15 having candidates to be voted for at an election who  
16 are appointed and accredited by the executive or  
17 central committee of such political party may serve as  
18 absentee ballot couriers. An absentee ballot courier  
19 is authorized to deliver absentee ballot applications  
20 to absentee ballot applicants and to return voted  
21 absentee ballots to the commissioner’s office. For  
22 purposes of this section, “political party” is the  
23 same as defined in section 43.2.

24 Sec. \_\_\_\_ EFFECTIVE DATE. This division of this  
25 Act, being deemed of immediate importance, takes  
26 effect upon enactment.”

27 17. Title page, line 2, by inserting after the  
28 word “law,” the following: “creating a planning and  
29 implementation committee.”

30 18. Title page, by striking lines 3 through 6,  
31 and inserting the following: “hours of the polls, and  
32 making changes”.

33 19. By renumbering as necessary.

**S-3390**

1 Amend House File 614, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 19, the  
4 following:

5 “Sec. \_\_\_. NEW SECTION. 47.9 STATE PLANNING AND  
6 IMPLEMENTATION COMMITTEE.

7 1. A state planning and implementation committee  
8 is created to carry out the provisions of this  
9 section.

10 2. a. The state planning and implementation  
11 committee shall consist of the following members  
12 appointed by the governor, subject to confirmation by  
13 the senate:

14 (1) The county auditors of the two most populous  
15 counties in the state.

16 (2) The county auditor or deputy auditor of a  
17 county with a population of twenty-five thousand or  
18 more.

19 (3) The county auditor or deputy auditor of a  
20 county with a population of less than twenty-five  
21 thousand.

22 (4) The president of the Iowa state association of  
23 county auditors.

24 (5) The president of the Iowa state association of  
25 counties.

26 (6) A representative from the office of auditor of  
27 state.

28 (7) A representative of an organization  
29 representing persons with disabilities.

30 (8) An eligible elector who is a member of a  
31 racial minority.

32 (9) A person with expertise in information  
33 technology and who serves in an executive capacity in  
34 either the public or private sector.

35 (10) Two persons who are eligible electors.

36 b. The committee shall include the following ex  
37 officio members:

38 (1) The state commissioner of elections or the  
39 commissioner’s designee.

40 (2) A member of the senate appointed by the  
41 majority leader of the senate.

42 (3) A member of the house of representatives  
43 appointed by the speaker of the house of  
44 representatives.

45 (4) A member of the senate appointed by the  
46 minority leader of the senate.

47 (5) A member of the house of representatives  
48 appointed by the minority leader of the house of  
49 representatives.

50 (6) The executive director of the state republican

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1 party.  
2 (7) The executive director of the state democratic  
3 party.  
4 (8) The executive director of the ethics and  
5 campaign disclosure board.  
6 3. The membership of the committee listed in  
7 subsection 2, paragraph “a”, shall comply with section  
8 69.16. The membership of the committee in subsection  
9 2 is not required to comply with section 69.16A. The  
10 members of the committee shall elect a chairperson at  
11 its organizational meeting.  
12 4. The planning and implementation committee shall  
13 develop and adopt a plan for compliance with Pub. L.  
14 No. 107-252. The plan shall include the information  
15 required in section 254 of Pub. L. No. 107-252. The  
16 plan shall have as its priority assisting local  
17 elections officials in implementing the provisions of  
18 Pub. L. No. 107-252. The committee shall also study  
19 and make recommendations on the issue of requiring  
20 identification of all voters in elections conducted in  
21 this state.  
22 5. The plan developed and adopted by the committee  
23 shall be transmitted to the governor who shall submit  
24 the plan to the appropriate federal agency. The state  
25 commissioner of elections shall implement the plan  
26 developed and adopted by the committee and shall not  
27 implement Pub. L. No. 107-252, or spend state and  
28 federal funds appropriated for implementation of the  
29 plan or of the federal law, in a manner contrary to  
30 the provisions of such plan.  
31 6. The planning and implementation committee shall  
32 periodically submit progress reports to the oversight  
33 committee of the legislative council. Once the plan  
34 is submitted to the appropriate federal agency, the  
35 oversight committee shall monitor implementation of  
36 the plan and expenditure of funds relating to  
37 implementation of the plan and of Pub. L. No. 107-  
38 252.”  
39 2. Page 2, by inserting before line 20, the  
40 following:  
41 “Sec. \_\_\_\_ . Section 48A.8, Code 2003, is amended to  
42 read as follows:  
43 48A.8 REGISTRATION BY MAIL.  
44 1. An eligible elector may register to vote by  
45 completing a mail registration form. The form may be  
46 mailed or delivered by the registrant or the  
47 registrant’s designee to the commissioner in the  
48 county where the person resides. A separate  
49 registration form shall be signed by each individual  
50 registrant.

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1 2. An eligible elector who registers by mail and  
2 who has not previously voted in an election for  
3 federal office in the county of registration shall be  
4 required to provide identification documents when  
5 voting for the first time in the county, unless the  
6 registrant provided on the registration form the  
7 registrant's Iowa driver's license number or the last  
8 four numerals of the registrant's social security  
9 number and the driver's license or partial social  
10 security number matches an existing state or federal  
11 identification record with the same social security  
12 number or Iowa driver's license number and name,  
13 including first name and any family forename or  
14 surname, and date of birth, including month, date, and  
15 year. If the registrant under this subsection votes  
16 in person at the polls, or by absentee ballot at the  
17 commissioner's office or at a satellite voting  
18 station, the registrant shall provide a current and  
19 valid photo identification card, or shall present to  
20 the appropriate election official one of the following  
21 current documents that show the name and address of  
22 the registrant:  
23 a. Utility bill.  
24 b. Bank statement.  
25 c. Government check.  
26 d. Other government document.  
27 3. If the registrant under subsection 2 votes an  
28 absentee ballot by mail, the registrant shall provide  
29 a photocopy of one of the documents listed in  
30 subsection 2 when returning the absentee ballot.  
31 4. A registrant under subsection 2 who is required  
32 to present identification when casting a ballot in  
33 person shall be permitted to vote a provisional ballot  
34 if the voter does not provide the required  
35 identification documents. If a voter who is required  
36 to present identification when casting a ballot votes  
37 an absentee ballot by mail, the ballot returned by the  
38 voter shall be considered a provisional ballot  
39 pursuant to sections 49.81 and 53.31.”  
40 3. By striking page 7, line 24 through page 9,  
41 line 12, and inserting the following:  
42 “Sec. \_\_\_\_ Section 49.81, Code 2003, is amended to  
43 read as follows:  
44 49.81 PROCEDURE FOR CHALLENGED VOTER TO CAST  
45 PROVISIONAL BALLOT.  
46 1. A prospective voter who is prohibited under  
47 section 48A.8, subsection 4, section 49.77, subsection  
48 4, or section 49.80 from voting except under this  
49 section shall be ~~permitted to~~ notified by the  
50 appropriate precinct election official that the voter

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1 may cast a ~~paper~~ provisional ballot. If a booth  
2 meeting the requirement of section 49.25 is not  
3 available at that polling place, the precinct election  
4 officials shall make alternative arrangements to  
5 insure the challenged voter the opportunity to vote in  
6 secret. The marked ballot, folded as required by  
7 section 49.84, shall be delivered to a precinct  
8 election official who shall immediately seal it in an  
9 envelope of the type prescribed by subsection 4. The  
10 sealed envelope shall be deposited in ~~a special an~~  
11 envelope marked ~~“ballots for special precinct”~~  
12 “provisional ballots” and shall be considered as  
13 having been cast in the special precinct established  
14 by section 53.20 for purposes of the postelection  
15 canvass.”

16 4. By striking page 16, line 7 through page 17,  
17 line 2.

18 5. By striking page 19, line 1, through page 29,  
19 line 10.

20 6. Page 29, by striking lines 13 through 20, and  
21 inserting the following:

22 “Sec. \_\_\_\_ Section 39A.4, subsection 1, paragraph  
23 c, Code 2003, is amended by adding the following new  
24 subparagraphs:

25 NEW SUBPARAGRAPH. (11) Distributing an absentee  
26 ballot application in person to the applicant and the  
27 person is not the commissioner, an employee of the  
28 commissioner’s office, or an absentee ballot courier  
29 under section 53.22A.

30 NEW SUBPARAGRAPH. (12) Distributing an absentee  
31 ballot application more than seventy days before the  
32 election.

33 NEW SUBPARAGRAPH. (13) Returning an absentee  
34 ballot application to the commissioner’s office and  
35 the person is not the applicant or an immediate family  
36 member of the applicant as that term is defined in  
37 section 53.1A or is not the designee of a voter  
38 described in section 53.22, subsection 5.

39 NEW SUBPARAGRAPH. (14) Returning a voted absentee  
40 ballot to the commissioner’s office and the person is  
41 not the voter, an immediate family member of the voter  
42 as that term is defined in section 53.1A, an absentee  
43 ballot courier under section 53.22A, or the designee  
44 of a voter described in section 53.22, subsection 5.

45 Sec. \_\_\_\_ Section 39A.5, subsection 1, paragraph  
46 b, Code 2003, is amended by adding the following new  
47 subparagraph:

48 NEW SUBPARAGRAPH. (4) As an absentee ballot  
49 courier, neglecting or refusing to fill out one or  
50 both receipts required under section 53.17.”

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- 1 7. Page 29, line 30, by striking the words  
2 “~~seventy sixty~~” and inserting the following:  
3 “seventy”.
- 4 8. By striking page 29, line 35 through page 30,  
5 line 5, and inserting the following: “be distributed  
6 by the commissioner’s office, or by a person appointed  
7 and accredited to the commissioner by a political  
8 party as provided in section 53.22A, or by mail by a  
9 political party as that term is defined in section  
10 43.2. Absentee ballot applications shall not be  
11 distributed more than seventy days before the  
12 election. An absentee ballot courier shall sign a  
13 receipt for absentee ballot applications received from  
14 the commissioner’s office.”
- 15 9. Page 30, line 23, by striking the word “sixty”  
16 and inserting the following: “seventy”.
- 17 10. Page 30, line 26, by striking the word  
18 “sixty” and inserting the following: “seventy”.
- 19 11. Page 30, by striking lines 30 and 31, and  
20 inserting the following: “and immediately after the  
21 absentee ballots are printed, the commissioner”.
- 22 12. By striking page 30, line 34 through page 31,  
23 line 1.
- 24 13. Page 31, line 11, by inserting after the word  
25 “ballot.” the following: “There shall be printed on  
26 the reverse side of the carrier envelope a receipt to  
27 be completed by an absentee ballot courier. The  
28 receipt shall contain space for the courier to print  
29 and sign the courier’s name, and indicate the date the  
30 courier retrieved the ballot from the voter. The  
31 absentee ballot materials mailed to the voter shall  
32 include a receipt to be completed by an absentee  
33 ballot courier, if applicable, and retained by the  
34 voter.”
- 35 14. Page 31, line 19, by inserting after the word  
36 “family,” the following: “an absentee ballot  
37 courier.”
- 38 15. Page 31, by striking line 28, and inserting  
39 the following: “registered voter, a member of the  
40 voter’s immediate family, an absentee ballot  
41 courier.”
- 42 16. Page 32, by inserting after line 5 the  
43 following:  
44 “Sec. \_\_. Section 53.17, Code 2003, is amended by  
45 adding the following new subsection:  
46 NEW SUBSECTION. 3. The sealed carrier envelope  
47 may be delivered to the commissioner’s office by an  
48 absentee ballot courier no later than the time the  
49 polls are closed on election day or may be mailed to  
50 the commissioner by an absentee ballot courier. If an

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- 1 absentee ballot courier retrieves a ballot from a  
 2 voter, the courier shall fill out the receipt to be  
 3 retained by the voter and shall fill out the receipt  
 4 printed on the carrier envelope. Failure to fill out  
 5 either receipt is a simple misdemeanor under section  
 6 39A.5, subsection 1, paragraph “b”. A voted absentee  
 7 ballot courier shall mail or deliver ballots to the  
 8 commissioner’s office within seventy-two hours of  
 9 retrieving the ballot from the voter. Failure to do  
 10 so is a violation under section 39A.2, subsection 1,  
 11 paragraph “b”, subparagraph (1).  
 12 Sec. \_\_\_\_ NEW SECTION. 53.22A ABSENTEE BALLOT  
 13 COURIERS.  
 14 Any number of persons from each political party  
 15 having candidates to be voted for at an election who  
 16 are appointed and accredited by the executive or  
 17 central committee of such political party may serve as  
 18 absentee ballot couriers. An absentee ballot courier  
 19 is authorized to deliver absentee ballot applications  
 20 to absentee ballot applicants and to return voted  
 21 absentee ballots to the commissioner’s office. For  
 22 purposes of this section, “political party” is the  
 23 same as defined in section 43.2.  
 24 Sec. \_\_\_\_ EFFECTIVE DATE. This division of this  
 25 Act, being deemed of immediate importance, takes  
 26 effect upon enactment.”  
 27 17. Title page, line 2, by inserting after the  
 28 word “law,” the following: “creating a planning and  
 29 implementation committee.”  
 30 18. Title page, by striking lines 3 through 6,  
 31 and inserting the following: “hours of the polls, and  
 32 making changes”.  
 33 19. By renumbering as necessary.

MARK ZIEMAN

### S-3391

- 1 Amend House File 692, as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. By striking everything after the enacting  
 4 clause and inserting the following:  
 5 “DIVISION I  
 6 PROPERTY TAXATION  
 7 Section 1. Section 441.19, subsections 1 and 2,  
 8 Code 2003, are amended to read as follows:  
 9 1. Supplemental and optional to the procedure for  
 10 the assessment of property by the assessor as provided  
 11 in this chapter, the assessor may require from all  
 12 persons required to list their property for taxation

13 as provided by sections 428.1 and 428.2, a  
14 supplemental return to be prescribed by the director  
15 of revenue and finance upon which the person shall  
16 list the person's property and any additions or  
17 modifications completed in the prior year to a  
18 structure located on the property. The supplemental  
19 return shall be in substantially the same form as now  
20 prescribed by law for the assessment rolls used in the  
21 listing of property by the assessors. Every person  
22 required to list property for taxation shall make a  
23 complete listing of the property upon supplemental  
24 forms and return the listing to the assessor ~~as~~  
25 promptly as possible within thirty days of receiving  
26 the assessment notice in section 441.23. The return  
27 shall be verified over the signature of the person  
28 making the return and section 441.25 applies to any  
29 person making such a return. The assessor shall make  
30 supplemental return forms available as soon as  
31 practicable after the first day of January of each  
32 year. The assessor shall make supplemental return  
33 forms available to the taxpayer by mail, or at a  
34 designated place within the taxing district.

35 2. Upon receipt of such supplemental return from  
36 any person the assessor shall prepare a roll assessing  
37 such person as hereinafter provided. In the  
38 preparation of such assessment roll the assessor shall  
39 be guided not only by the information contained in  
40 such supplemental roll, but by any other information  
41 the assessor may have or which may be obtained by the  
42 assessor as prescribed by the law relating to the  
43 assessment of property. The assessor shall not be  
44 bound by any values or square footage determinations  
45 or purchase prices as listed in such supplemental  
46 return, and may include in the assessment roll any  
47 property omitted from the supplemental return which in  
48 the knowledge and belief of the assessor should be  
49 listed as required by law by the person making the  
50 supplemental return. Upon completion of such roll the

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1 assessor shall deliver to the person submitting such  
2 supplemental return a copy of the assessment roll,  
3 either personally or by mail.  
4 Sec. 2. **NEW SECTION. 441.20 LEGISLATIVE INTENT.**  
5 It is the intent of the general assembly that there  
6 be transparency in the property tax system. It is  
7 further the intent of the general assembly that  
8 property assessments for purposes of property taxation  
9 be equal and uniform within classes of property. It  
10 is further the intent of the general assembly to  
11 minimize the impact that maintenance and upkeep by the

12 owner of property has on the assessment of that  
13 property and that there be predictability in increases  
14 of property assessments and that such predictability  
15 be based primarily on the actions of the property  
16 owner. It is further the intent of the general  
17 assembly to minimize the impact that increases in  
18 assessed value of property will have on property taxes  
19 paid and that any increases will be primarily the  
20 result of direct action taken by the local taxing  
21 authority in setting budget amounts rather than by  
22 increases in market value of property.

23 Sec. 3. Section 441.21, Code 2003, is amended by  
24 striking the section and inserting in lieu thereof the  
25 following:

26 441.21 ASSESSMENT OF STRUCTURES.

27 1. All real property, except land, subject to  
28 taxation shall be assessed on a value per square foot  
29 basis according to the provisions of this section.

30 2. a. Subject to paragraph "b", for valuations  
31 established as of January 1, 2006, and for subsequent  
32 assessment years, the assessed value per square foot  
33 of a residential structure shall be an amount equal to  
34 the valuation of the structure as determined for the  
35 assessment year beginning January 1, 2005, prior to  
36 application of the assessment limitation for that  
37 year, divided by the total number of square feet of  
38 the structure as of January 1, 2005.

39 b. (1) The assessed value per square foot of an  
40 existing residential structure purchased after January  
41 1, 2005, shall be the purchase price of the structure  
42 divided by the cumulative inflation factor established  
43 for the assessment year following the year of  
44 purchase, divided by the total number of square feet  
45 of the structure as of January 1 of the assessment  
46 year. The assessed value per square foot of a  
47 residential structure newly constructed after January  
48 1, 2005, shall be the market value of the structure,  
49 as determined by the assessor, divided by the  
50 cumulative inflation factor established for the

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1 assessment year following the year construction was  
2 completed, divided by the total number of square feet  
3 of the structure as of January 1 of the assessment  
4 year. However, when valuing an addition that  
5 substantially increases the square footage of a  
6 structure, only that portion of the structure  
7 comprising the addition shall be valued by the  
8 assessor under this subparagraph.

9 (2) If additions or modifications to an existing  
10 structure do not constitute a newly constructed

11 structure, the valuation of the structure shall only  
12 increase if the square footage of the structure  
13 increases. The increased valuation, if any, equals  
14 the amount of increased square feet times the value  
15 per square foot of the structure prior to the  
16 additions or modifications.

17 3. a. Subject to paragraph “b” for valuations  
18 established as of January 1, 2006, and for subsequent  
19 assessment years, the assessed value per square foot  
20 of a commercial or industrial structure shall be an  
21 amount equal to the valuation of the structure as  
22 determined for the assessment year beginning January  
23 1, 2005, prior to application of the assessment  
24 limitation for that year, divided by the total number  
25 of square feet of the structure as of January 1, 2005.

26 b. (1) The assessed value per square foot of an  
27 existing commercial or industrial structure purchased  
28 after January 1, 2005, shall be the purchase price of  
29 the structure divided by the cumulative inflation  
30 factor established for the assessment year following  
31 the year of purchase, divided by the total number of  
32 square feet of the structure as of January 1 of the  
33 assessment year. The assessed value per square foot  
34 of a commercial or industrial structure newly  
35 constructed after January 1, 2005, shall be the market  
36 value of the structure, as determined by the assessor,  
37 divided by the cumulative inflation factor established  
38 for the assessment year following the year  
39 construction was completed, divided by the total  
40 number of square feet of the structure as of January 1  
41 of the assessment year. However, when valuing an  
42 addition that substantially increases the square  
43 footage of a structure, only that portion of the  
44 structure comprising the addition shall be valued by  
45 the assessor under this subparagraph.

46 (2) If additions or modifications to an existing  
47 structure do not constitute a newly constructed  
48 structure, the valuation of the structure shall only  
49 increase if the square footage of the structure  
50 increases. The increased valuation, if any, equals

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1 the amount of increased square feet times the value  
2 per square foot of the structure prior to the  
3 additions or modifications.

4 4. a. Subject to paragraph “b” for valuations  
5 established as of January 1, 2006, and for subsequent  
6 assessment years, the assessed value per square foot  
7 of an agricultural structure that is not an  
8 agricultural dwelling shall be an amount equal to the  
9 valuation of the structure as determined for the

10 assessment year beginning January 1, 2005, prior to  
11 application of the assessment limitation for that  
12 year, divided by the total number of square feet of  
13 the structure as of January 1, 2005.

14 b. (1) The assessed value per square foot of an  
15 existing agricultural structure purchased after  
16 January 1, 2005, shall be the productivity value of  
17 the structure divided by the cumulative inflation  
18 factor established for the assessment year following  
19 the year of purchase, divided by the total number of  
20 square feet of the structure as of January 1 of the  
21 assessment year. The assessed value per square foot  
22 of an agricultural structure newly constructed after  
23 January 1, 2005, shall be the productivity value of  
24 the structure for the assessment year following the  
25 year construction was completed, as determined by the  
26 assessor, divided by the cumulative inflation factor  
27 established for the assessment year following the year  
28 construction was completed, divided by the total  
29 number of square feet of the structure as of January 1  
30 of the assessment year. However, when valuing an  
31 addition that substantially increases the square  
32 footage of a structure, only that portion of the  
33 structure comprising the addition shall be valued by  
34 the assessor under this subparagraph.

35 (2) If additions or modifications to an existing  
36 structure do not constitute a newly constructed  
37 structure, the valuation of the structure shall only  
38 increase if the square footage of the structure  
39 increases. The increased valuation, if any, equals  
40 the amount of increased square feet times the value  
41 per square foot of the structure prior to the  
42 additions or modifications.

43 5. a. In determining the market value of newly  
44 constructed property, except agricultural structures,  
45 the assessor may determine the value of the property  
46 using uniform and recognized appraisal methods  
47 including its productive and earning capacity, if any,  
48 industrial conditions, its cost, physical and  
49 functional depreciation and obsolescence and  
50 replacement cost, and all other factors which would

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1 assist in determining the fair and reasonable market  
2 value of the property but the actual value shall not  
3 be determined by use of only one such factor. The  
4 following shall not be taken into consideration:  
5 special value or use value of the property to its  
6 present owner, and the goodwill or value of a business  
7 that uses the property as distinguished from the value  
8 of the property as property. However, in assessing

9 property that is rented or leased to low-income  
10 individuals and families as authorized by section 42  
11 of the Internal Revenue Code, as amended, and which  
12 section limits the amount that the individual or  
13 family pays for the rental or lease of units in the  
14 property, the assessor shall use the productive and  
15 earning capacity from the actual rents received as a  
16 method of appraisal and shall take into account the  
17 extent to which that use and limitation reduces the  
18 market value of the property. The assessor shall not  
19 consider any tax credit equity or other subsidized  
20 financing as income provided to the property in  
21 determining the market value. Upon adoption of  
22 uniform rules by the department of revenue and finance  
23 or covering assessments and valuations of such  
24 properties, the valuation on such properties shall be  
25 determined in accordance with such values for  
26 assessment purposes to assure uniformity, but such  
27 rules shall not be inconsistent with or change the  
28 foregoing means of determining the market value.

29 b. The actual value of special purpose tooling,  
30 which is subject to assessment and taxation as real  
31 property under section 427A.1, subsection 1, paragraph  
32 “e”, but which can be used only to manufacture  
33 property which is protected by one or more United  
34 States or foreign patents, shall not exceed the fair  
35 and reasonable exchange value between a willing buyer  
36 and a willing seller, assuming that the willing buyer  
37 is purchasing only the special purpose tooling and not  
38 the patent covering the property which the special  
39 purpose tooling is designed to manufacture nor the  
40 rights to manufacture the patented property. For  
41 purposes of this paragraph, special purpose tooling  
42 includes dies, jigs, fixtures, molds, patterns, and  
43 similar property. The assessor shall not take into  
44 consideration the special value or use value to the  
45 present owner of the special purpose tooling which is  
46 designed and intended solely for the manufacture of  
47 property protected by a patent in arriving at the  
48 actual value of the special purpose tooling.

49 c. In determining the purchase price of a  
50 structure, the assessor shall consider whether the

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1 sale was a fair and reasonable exchange in the year in  
2 which the property was listed and valued between a  
3 willing buyer and a willing seller, neither being  
4 under any compulsion to buy or sell and each being  
5 familiar with all the facts relating to the particular  
6 property. Sale prices of the property or comparable  
7 property in normal transactions reflecting market

8 value, and the probable availability or unavailability  
9 of persons interested in purchasing the property,  
10 shall be taken into consideration in determining  
11 purchase price. In determining purchase price, sale  
12 prices of property in abnormal transactions not  
13 reflecting market value shall not be taken into  
14 account, or shall be adjusted to eliminate the effect  
15 of factors which distort market value, including but  
16 not limited to sales to immediate family of the  
17 seller, foreclosure or other forced sales, contract  
18 sales, or discounted purchase transactions.

19 d. If a county enters into a contract before May  
20 1, 2003, for a comprehensive revaluation by a private  
21 appraiser and such revaluation is for the assessment  
22 year beginning January 1, 2006, the valuations  
23 determined under the comprehensive revaluation for  
24 that assessment year shall be divided by the  
25 cumulative inflation factor for the assessment year  
26 beginning January 1, 2006, and that quotient shall be  
27 considered the valuation of the property for the  
28 assessment year beginning January 1, 2005.

29 6. Notwithstanding any other provision of this  
30 section, the assessed value per square foot of a  
31 structure times the total number of square feet of the  
32 structure shall not exceed its fair and reasonable  
33 market value for the assessment year, except for  
34 agricultural structures which shall be valued  
35 exclusively as provided in subsection 4.

36 7. For purposes of this section:

37 a. "Annual inflation factor" means an index,  
38 expressed as a percentage, determined by the  
39 department by January 15 of the assessment year for  
40 which the factor is determined, which reflects the  
41 purchasing power of the dollar as a result of  
42 inflation during the twelve-month period ending  
43 September 30 of the calendar year preceding the  
44 assessment year for which the factor is determined.  
45 In determining the annual inflation factor, the  
46 department shall use the annual percent change, but  
47 not less than zero percent, in the gross domestic  
48 product price deflator computed for the calendar year  
49 by the bureau of economic analysis of the United  
50 States department of commerce and shall add all of

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1 that percent change to one hundred percent. The  
2 annual inflation factor and the cumulative inflation  
3 factor shall each be expressed as a percentage rounded  
4 to the nearest one-tenth of one percent. The annual  
5 inflation factor shall not be less than one hundred  
6 percent. The annual inflation factor for the 2005

- 7 calendar year is one hundred percent.
- 8 b. “Cumulative inflation factor” means the product  
9 of the annual inflation factor for the 2005 calendar  
10 year and all annual inflation factors for subsequent  
11 calendar years as determined pursuant to this  
12 subsection. The cumulative inflation factor applies  
13 to the assessment year beginning on January 1 of the  
14 calendar year for which the latest annual inflation  
15 factor has been determined.
- 16 c. “Newly constructed” includes, but is not  
17 limited to, structural replacement, additions that  
18 substantially increase the square footage, conversion  
19 into another class of property, and conversion from  
20 exempt property under section 427.1 to taxable  
21 property. For commercial and industrial property,  
22 “newly constructed” also includes an addition or  
23 removal to a structure of personal property taxed as  
24 real estate under chapter 427A.
- 25 d. “Structure” means any part of that which is  
26 built or constructed, an edifice or building of any  
27 kind, or any piece of work artificially built up or  
28 composed of parts joined together in some definite  
29 manner. For residential structures, structure  
30 includes only those parts of the structure, including  
31 basements and attics, that are or could be used as  
32 living space. “Structure” does not include the land  
33 beneath, or horizontal improvements relating to the  
34 structure, such as sidewalks, sewers, or retaining  
35 walls.
- 36 8. For the purpose of computing the debt  
37 limitations for municipalities, political  
38 subdivisions, and school districts, the term “actual  
39 value” means the “actual value” as determined under  
40 this section without application of any percentage  
41 reduction and entered opposite each item, and as  
42 listed on the tax list as provided in section 443.2,  
43 as “actual value”.
- 44 Whenever any board of review or other tribunal  
45 changes the assessed value of property, all applicable  
46 records of assessment shall be adjusted to reflect  
47 such change in both assessed value and actual value of  
48 such property.
- 49 9. The provisions of this chapter and chapters  
50 443, 443A, and 444 shall be subject to legislative

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- 1 review at least once every five years. The review  
2 shall be based upon a property tax status report  
3 containing the recommendations of a property tax  
4 implementation committee appointed to conduct a review  
5 of the land tax, square footage tax, the baseline

6 assessment for the square footage tax, and other  
 7 related provisions, to be prepared with the assistance  
 8 of the departments of management and revenue and  
 9 finance. The report shall include recommendations for  
 10 changes or revisions based upon demographic changes  
 11 and property tax valuation fluctuations observed  
 12 during the preceding five-year interval, and a summary  
 13 of issues that have arisen since the previous review  
 14 and potential approaches for their resolution. The  
 15 first such report shall be submitted to the general  
 16 assembly no later than January 1, 2010, with  
 17 subsequent reports developed and submitted by January  
 18 1 at least every fifth year thereafter.

19 Sec. 4. NEW SECTION. 441.21a PROPERTY  
 20 CLASSIFICATIONS.

21 1. a. Agricultural land shall be valued at its  
 22 productivity value. The productivity value of  
 23 agricultural land shall be determined on the basis of  
 24 productivity and net earning capacity of the land  
 25 determined on the basis of its use for agricultural  
 26 purposes capitalized at a rate of seven percent and  
 27 applied uniformly among counties and among classes of  
 28 property. Any formula or method employed to determine  
 29 productivity and net earning capacity of land shall be  
 30 adopted in full by rule.

31 b. In counties or townships in which field work on  
 32 a modern soil survey has been completed since January  
 33 1, 1949, the assessor shall place emphasis upon the  
 34 results of the survey in spreading the valuation among  
 35 individual parcels of such agricultural land.

36 c. "Agricultural land" includes the land of a  
 37 vineyard.

38 2. a. "Residential property" includes all lands  
 39 and buildings which are primarily used or intended for  
 40 human habitation, including those buildings located on  
 41 agricultural land. Buildings used primarily or  
 42 intended for human habitation shall include the  
 43 dwelling as well as structures and improvements used  
 44 primarily as a part of, or in conjunction with, the  
 45 dwelling. This includes but is not limited to  
 46 garages, whether attached or detached, tennis courts,  
 47 swimming pools, guest cottages, and storage sheds for  
 48 household goods. Residential property located on  
 49 agricultural land shall include only buildings.

50 b. "Residential property" includes all land and

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1 buildings of multiple housing cooperatives organized  
 2 under chapter 499a and includes land and buildings  
 3 used primarily for human habitation which land and  
 4 buildings are owned and operated by organizations that

5 have received tax-exempt status under section  
6 501(c)(3) of the Internal Revenue Code and rental  
7 income from the property is not taxed as unrelated  
8 business income under section 422.33, subsection 1A.  
9 c. “Residential property” includes an apartment in  
10 a horizontal property regime referred to in chapter  
11 499B which is used or intended for use for human  
12 habitation regardless of who occupies the apartment.  
13 Existing structures shall not be converted to a  
14 horizontal property regime unless applicable building  
15 code requirements have been met.

16 d. Buildings for human habitation that are used as  
17 commercial ventures, including but not limited to  
18 hotels, motels, rest homes, and structures containing  
19 three or more separate living quarters shall not be  
20 considered residential property.

21 Sec. 5. Section 441.23, Code 2003, is amended to  
22 read as follows:

23 441.23 NOTICE OF VALUATION.

24 If there has been an increase or decrease in the  
25 valuation of the property, or upon the written request  
26 of the person assessed, the assessor shall, at the  
27 time of making the assessment, inform the person  
28 assessed, in writing, of the valuation put upon the  
29 taxpayer’s property, and notify the person, if the  
30 person feels aggrieved, to appear before the board of  
31 review and show why the assessment should be changed.  
32 However, if the valuation of ~~a class of agricultural~~  
33 property is uniformly decreased, the assessor may  
34 notify the affected property owners by publication in  
35 the official newspapers of the county. The owners of  
36 real property shall be notified not later than April  
37 15 of any adjustment of the real property assessment.  
38 The notification shall include a supplemental return  
39 form for the person to list the person’s property and  
40 any additions or modifications completed in the prior  
41 year to a structure located on the property, as  
42 required in section 441.19.

43 Sec. 6. Section 441.24, Code 2003, is amended to  
44 read as follows:

45 441.24 REFUSAL TO FURNISH STATEMENT.

46 1. If a person refuses to furnish the verified  
47 statements required in connection with the assessment  
48 of property by the assessor, or to list the  
49 corporation’s or person’s property, the director of  
50 revenue and finance, or assessor, as the case may be,

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- 1 shall proceed to list and assess the property
- 2 according to the best information obtainable, and
- 3 shall add to the ~~taxable~~ agricultural land and square

4 footage valuation one hundred percent thereof, which  
 5 valuation and penalty shall be separately shown, and  
 6 shall constitute the assessment; and if the  
 7 agricultural land or square footage valuation of the  
 8 property is changed by a board of review, or on appeal  
 9 from a board of review, a like penalty shall be added  
 10 to the valuation thus fixed.

11 2. However, all or part of the penalty imposed  
 12 under this section may be waived by the board of  
 13 review upon application to the board by the assessor  
 14 or the property owner. The waiver or reduction in the  
 15 penalty shall be allowed only on the agricultural land  
 16 or the square footage valuation of ~~real property~~ the  
 17 structure against which the penalty has been imposed.

18 Sec. 7. Section 441.26, unnumbered paragraph 3,  
 19 Code 2003, is amended to read as follows:

20 The notice in ~~1984~~ 2007 and each odd-numbered year  
 21 thereafter shall contain a statement that ~~the~~  
 22 agricultural property assessments and property  
 23 assessed pursuant to section 441.21, subsection 2,  
 24 paragraph "b", subparagraph (1), and subsection 3,  
 25 paragraph "b", subparagraph (1), are subject to  
 26 equalization pursuant to an order issued by the  
 27 director of revenue and finance, that the county  
 28 auditor shall give notice on or before October 15 by  
 29 publication in an official newspaper of general  
 30 circulation to any ~~class of~~ agricultural property  
 31 affected by the equalization order, and that the board  
 32 of review shall be in session from October 15 to  
 33 November 15 to hear protests of affected property  
 34 owners or taxpayers whose valuations have been  
 35 adjusted by the equalization order.

36 Sec. 8. Section 441.26, unnumbered paragraphs 4  
 37 and 5, Code 2003, are amended to read as follows:

38 The assessment rolls shall be used in listing the  
 39 property, the number of structures, and the total  
 40 square footage of the structures by class of property,  
 41 and showing the values affixed to agricultural land  
 42 and the assessed value per square foot affixed to ~~the~~  
 43 ~~property~~ the structures by class of property of all  
 44 persons assessed. The rolls shall be made in  
 45 duplicate. The duplicate roll shall be signed by the  
 46 assessor, detached from the original and delivered to  
 47 the person assessed if there has been an increase or  
 48 decrease in the valuation of the property. If there  
 49 has been no change in the evaluation, the information  
 50 on the roll may be printed on computer stock paper and

- 1 preserved as required by this chapter. If the person
- 2 assessed requests in writing a copy of the roll, the

3 copy shall be provided to the person. The pages of  
4 the assessor's assessment book shall contain columns  
5 ruled and headed for the information required by this  
6 chapter and that which the director of revenue and  
7 finance deems essential in the equalization work of  
8 the director. The assessor shall return all  
9 assessment rolls and schedules to the county auditor,  
10 along with the completed assessment book, as provided  
11 in this chapter, and the county auditor shall  
12 carefully keep and preserve the rolls, schedules and  
13 book for a period of five years from the time of its  
14 filing in the county auditor's office.

15 Beginning with valuations for January 1, ~~1977~~ 2006,  
16 and each succeeding year, for each parcel of  
17 agricultural property and for each structure entered  
18 in the assessment book, the assessor shall list the  
19 classification of the property.

20 Sec. 9. Section 441.35, subsection 1, Code 2003,  
21 is amended by striking the subsection.

22 Sec. 10. Section 441.35, unnumbered paragraph 2,  
23 Code 2003, is amended by striking the unnumbered  
24 paragraph.

25 Sec. 11. Section 441.36, Code 2003, is amended to  
26 read as follows:

27 441.36 CHANGE OF ASSESSMENT -- NOTICE.

28 All changes in assessments authorized by the board  
29 of review, and reasons therefor, shall be entered in  
30 the minute book kept by ~~said the~~ board and on the  
31 assessment roll. ~~Said~~ The minute book shall be filed  
32 with the assessor after the adjournment of the board  
33 of review and shall at all times be open to public  
34 inspection. In case the value of any specific  
35 property or structure or the entire assessment of any  
36 person, partnership, or association is increased, or  
37 new property or a new structure is added by the board,  
38 the clerk shall give immediate notice thereof by mail  
39 to each at the post-office address shown on the  
40 assessment rolls, and at the conclusion of the action  
41 of the board therein the clerk shall post an  
42 alphabetical list of those whose assessments are thus  
43 raised and added, in a conspicuous place in the office  
44 or place of meeting of the board, and enter upon the  
45 records a statement that such posting has been made,  
46 which entry shall be conclusive evidence of the giving  
47 of the notice required. The board shall hold an  
48 adjourned meeting, with at least five days intervening  
49 after the posting of ~~said the~~ notices, before final  
50 action with reference to the raising of assessments or

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1 the adding of property or structures to the rolls is  
2 taken, and the posted notices shall state the time and  
3 place of holding such adjourned meeting, which time  
4 and place shall also be stated in the proceedings of  
5 the board.

6 Sec. 12. Section 441.37, subsection 1, paragraphs  
7 a and b, Code 2003, are amended to read as follows:

8 a. That ~~said the~~ assessment is not equitable as  
9 compared with assessments of other like property or  
10 structures in the taxing district. When this ground  
11 is relied upon as the basis of a protest the legal  
12 description and assessments of a representative number  
13 of comparable ~~properties~~ structures, as described by  
14 the aggrieved taxpayer shall be listed on the protest,  
15 otherwise ~~said the~~ protest shall not be considered on  
16 this ground.

17 b. That the property or structure is assessed for  
18 more than the value authorized by law, stating the  
19 specific amount which the protesting party believes  
20 the property or structure to be overassessed, and the  
21 amount which the party considers to be its actual  
22 value and the amount the party considers a fair  
23 assessment.

24 Sec. 13. Section 441.39, Code 2003, is amended to  
25 read as follows:

26 441.39 TRIAL ON APPEAL.

27 The court shall hear the appeal in equity and  
28 determine anew all questions arising before the board  
29 which relate to the liability of the property or  
30 structure to assessment or the amount thereof. The  
31 court shall consider all of the evidence and there  
32 shall be no presumption as to the correctness of the  
33 ~~valuation of~~ assessment appealed from. Its decision  
34 shall be certified by the clerk of the court to the  
35 county auditor, and the assessor, who shall correct  
36 the assessment books accordingly.

37 Sec. 14. Section 441.42, Code 2003, is amended to  
38 read as follows:

39 441.42 APPEAL ON BEHALF OF PUBLIC.

40 Any officer of a county, city, township, drainage  
41 district, levee district, or school district  
42 interested or a taxpayer thereof may in like manner  
43 make complaint before ~~said the~~ board of review in  
44 respect to the assessment of any property or structure  
45 in the township, drainage district, levee district or  
46 city and an appeal from the action of the board of  
47 review in fixing the amount of assessment on any  
48 property or structure concerning which such complaint  
49 is made, may be taken by any of such aforementioned  
50 officers.

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1 Such appeal is in addition to the appeal allowed to  
2 the person whose property or structure is assessed and  
3 shall be taken in the name of the county, city,  
4 township, drainage district, levee district, or school  
5 district interested, and tried in the same manner,  
6 except that the notice of appeal shall also be served  
7 upon the owner of the property or structure concerning  
8 which the complaint is made and affected thereby or  
9 person required to return said property or structure  
10 for assessment.

11 Sec. 15. Section 441.43, Code 2003, is amended to  
12 read as follows:

13 441.43 POWER OF COURT.

14 Upon trial of any appeal from the action of the  
15 board of review fixing the amount of assessment upon  
16 any property or structure concerning which complaint  
17 is made, the court may increase, decrease, or affirm  
18 the amount of the assessment appealed from.

19 Sec. 16. Section 441.45, subsections 1 and 2, Code  
20 2003, are amended to read as follows:

21 1. The number of acres of land and the aggregate  
22 taxable values of the agricultural land, ~~exclusive of~~  
23 ~~city lots,~~ returned by the assessors, as corrected by  
24 the board of review.

25 2. The aggregate values of structures and the  
26 taxable square footage values of ~~real estate~~  
27 structures by class in each township and city in the  
28 county and the aggregate value of agricultural land in  
29 each township and city in the county, returned as  
30 corrected by the board of review.

31 Sec. 17. Section 441.47, Code 2003, is amended by  
32 adding the following new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. For the assessment year  
34 beginning January 1, 2007, and for all subsequent  
35 assessment years, only property classified as  
36 agricultural property and property assessed pursuant  
37 to section 441.21, subsection 2, paragraph “b”,  
38 subparagraph (1), and subsection 3, paragraph “b”,  
39 subparagraph (1), shall be subject to equalization by  
40 the director of revenue and finance under this section  
41 and sections 441.48 and 441.49.

42 Sec. 18. NEW SECTION. 441.47a EQUALIZATION OF  
43 INFLATION FACTORS.

44 The director of revenue and finance on or about  
45 August 15, 2007, and every two years thereafter, shall  
46 order the equalization of the assessed value per  
47 square foot resulting from the application of the  
48 cumulative inflation factor in the several assessing  
49 jurisdictions in each case as may be necessary to  
50 bring such values as fixed by the assessor in cases of

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1 purchases of property and newly constructed property  
2 to the values determined for the assessment year  
3 beginning January 1, 2005. In equalizing the effects  
4 of the application of the cumulative inflation factor,  
5 the department shall make use of reports issued by  
6 Iowa state university of science and technology which  
7 reports shall more precisely indicate, on a county-by-  
8 county basis, annual and cumulative inflation factors  
9 for each county. If the cumulative inflation factor  
10 for an assessing jurisdiction as reported by Iowa  
11 state university of science and technology is five  
12 percent above or below the cumulative inflation factor  
13 as defined in section 441.21, subsection 7, the  
14 director shall notify the assessor by mail of the  
15 equalization of the effects of the cumulative  
16 inflation factor for the assessing jurisdiction. The  
17 assessor shall recompute the assessments made pursuant  
18 to section 441.21, subsection 2, paragraph “b”,  
19 subparagraph (1), subsection 3, paragraph “b”,  
20 subparagraph (1), and subsection 4, paragraph “b”,  
21 subparagraph (1), by applying the equalized inflation  
22 factor. The assessor shall send notice of the  
23 equalized assessments to all affected property owners.

24 Sec. 19. Section 441.50, Code 2003, is amended to  
25 read as follows:

26 441.50 APPRAISERS EMPLOYED.

27 The conference board shall have power to employ  
28 appraisers or other technical or expert help to assist  
29 in the ~~valuation~~ assessment of property as provided in  
30 section 441.21, the cost thereof to be paid in the  
31 same manner as other expenses of the assessor’s  
32 office. The conference board may certify for levy  
33 annually an amount not to exceed forty and one-half  
34 cents per thousand dollars of assessed value of  
35 taxable property for the purpose of establishing a  
36 special appraiser’s fund, to be used only for such  
37 purposes. From time to time the conference board may  
38 direct the transfer of any unexpended balance in the  
39 special appraiser’s fund to the assessment expense  
40 fund.

41 Sec. 20. Section 443.1, Code 2003, is amended to  
42 read as follows:

43 443.1 CONSOLIDATED TAX.

44 All square footage taxes which are uniform  
45 throughout any township or school district shall be  
46 formed into a single tax and entered upon the tax list  
47 in a single column, to be known as a consolidated tax,  
48 and each receipt shall show the percentage levied for  
49 each separate fund. The land tax shall be separately  
50 stated and each receipt shall show the percentage

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1 levied for each separate fund.

2 Sec. 21. Section 443.2, Code 2003, is amended to  
3 read as follows:

4 443.2 TAX LIST.

5 Before the first day of July in each year, the  
6 county auditor shall transcribe the assessments of the  
7 townships and cities into a book or record, to be  
8 known as the tax list, properly ruled and headed, with  
9 separate columns, in which shall be entered the names  
10 of the taxpayers, descriptions of lands, number of  
11 acres and value, numbers of city lots, their size in  
12 acres, and value, and each description of the square  
13 footage tax and the land tax, with a column for polls  
14 and one for payments, and shall complete it by  
15 entering the amount due on each installment,  
16 separately, and carrying out the total of both  
17 installments. The total of all columns of each page  
18 of each book or other record shall balance with the  
19 tax totals. After computing the amount of land tax  
20 and square footage tax due and payable on each  
21 property, the county auditor shall round the total  
22 amount of ~~tax~~ taxes due and payable on the property to  
23 the nearest even whole dollar.

24 The county auditor shall list the aggregate actual  
25 value and the aggregate taxable value of all taxable  
26 property within the county and each political  
27 subdivision including property subject to the  
28 statewide property tax imposed under section 437A.18  
29 on the tax list in order that the actual value of the  
30 taxable property within the county or a political  
31 subdivision may be ascertained and shown by the tax  
32 list for the purpose of computing the debt-incurring  
33 capacity of the county or political subdivision. As  
34 used in this section, "actual value" is the value  
35 determined under section 441.21, subsections 1 to 3,  
36 Code 2005, prior to the reduction to a percentage of  
37 actual value as otherwise provided in section 441.21,  
38 Code 2005. "Actual value" of property subject to  
39 statewide property tax is the assessed value under  
40 section 437A.18.

41 Sec. 22. Section 443.3, Code 2003, is amended to  
42 read as follows:

43 443.3 CORRECTION -- TAX APPORTIONED.

44 At the time of transcribing ~~said the~~ assessments  
45 into the tax list, the county auditor shall correct  
46 all transfers up to date and place the legal  
47 descriptions of all real estate in the name of the  
48 owner at ~~said that~~ date as shown by the transfer book  
49 in the auditor's office. At the end of the list for  
50 each township or city the auditor shall make an

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1 abstract thereof, and apportion the consolidated tax  
2 among the respective funds to which it belongs,  
3 according to the amounts levied for each. The auditor  
4 shall apportion the land tax as prescribed in section  
5 443A.2.

6 Sec. 23. Section 443.6, Code 2003, is amended to  
7 read as follows:

8 443.6 CORRECTIONS BY AUDITOR.

9 The auditor may correct any error in the assessment  
10 or tax list, and the assessor or auditor may list for  
11 taxation any omitted land and may assess and list for  
12 taxation any omitted ~~property~~ structure.

13 Sec. 24. Section 443.7, Code 2003, is amended to  
14 read as follows:

15 443.7 NOTICE.

16 Before listing for taxation any omitted land and  
17 before assessing and listing for taxation any omitted  
18 ~~property~~ structure, the assessor or auditor shall  
19 notify by mail the person in whose name the ~~property~~  
20 land or structure is taxed, to appear before the  
21 assessor or auditor at the assessor's or auditor's  
22 office within ten days from the date of the notice and  
23 show cause, if any, why the correction or assessment  
24 should not be made.

25 Sec. 25. Section 443.9, Code 2003, is amended to  
26 read as follows:

27 443.9 ADJUSTMENT OF ACCOUNTS.

28 If such correction or assessment is made after the  
29 books or other records approved by the ~~state~~ auditor  
30 of state have passed into the hands of the treasurer,  
31 the treasurer shall be charged or credited thereof as  
32 the case may be. In the event such listing of omitted  
33 land or listing and assessment of omitted ~~property~~  
34 structure is made by the assessor after the tax  
35 records have passed into the hands of the auditor or  
36 treasurer, such correction or assessment shall be  
37 entered on the records by the auditor or treasurer.

38 Sec. 26. Section 443.12, Code 2003, is amended to  
39 read as follows:

40 443.12 CORRECTIONS BY TREASURER.

41 When ~~property~~ land or a structure subject to  
42 taxation is withheld, overlooked, or from any other  
43 cause is not listed, or is not listed and assessed,  
44 the county treasurer shall, when apprised thereof, at  
45 any time within two years from the date at which such  
46 listing and assessment should have been made, demand  
47 of the person, firm, corporation, or other party by  
48 whom the same should have been listed, or to whom it  
49 should have been listed and assessed, or of the  
50 administrator thereof, the amount the ~~property~~ land or

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1 structure should have been taxed in each year the same  
2 was so withheld or overlooked and not listed or not  
3 listed and assessed, together with six percent  
4 interest thereon from the time the taxes would have  
5 become due and payable had such property land been  
6 listed or such structure been listed and assessed.

7 Sec. 27. Section 443.13, Code 2003, is amended to  
8 read as follows:

9 443.13 ACTION BY TREASURER -- APPORTIONMENT.

10 Upon failure to pay such sum within thirty days,  
11 with all accrued interest, the treasurer shall cause  
12 an action to be brought in the name of the treasurer  
13 for the use of the proper county, to be prosecuted by  
14 the county attorney, or such other person as the board  
15 of supervisors may appoint, and when such property  
16 land has been fraudulently withheld from listing or  
17 such structure fraudulently withheld from listing and  
18 assessment, there shall be added to the sum found to  
19 be due a penalty of fifty percent upon the amount,  
20 which shall be included in the judgment. The amount  
21 thus recovered shall be by the treasurer apportioned  
22 ratably as the taxes would have been if they had been  
23 paid according to law.

24 Sec. 28. Section 443.14, Code 2003, is amended to  
25 read as follows:

26 443.14 DUTY OF TREASURER.

27 The treasurer shall assess any ~~real property~~  
28 structure and shall list the acreage of any land  
29 subject to taxation which may have been omitted by the  
30 assessor, board of review, or county auditor, and  
31 collect taxes thereon, and in such cases shall note,  
32 opposite the tract or lot assessed, the words "by  
33 treasurer".

34 Sec. 29. Section 443.15, Code 2003, is amended to  
35 read as follows:

36 443.15 TIME LIMIT.

37 The assessment shall be made within two years after  
38 the tax list shall have been delivered to the  
39 treasurer for collection, and not afterwards, if the  
40 property land or structure is then owned by the person  
41 who should have paid the tax.

42 Sec. 30. Section 443.17, Code 2003, is amended to  
43 read as follows:

44 443.17 PRESUMPTION OF TWO-YEAR OWNERSHIP.

45 In any action or proceeding, now pending or  
46 hereafter brought, to recover taxes upon property land  
47 not listed or agricultural land or a structure not  
48 listed and assessed for taxation during the lifetime  
49 of any decedent, it shall be presumed that any  
50 property, any evidence of ownership of property, and

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1 any evidence of a promise to pay, owned by a decedent  
2 at the date of the decedent's death, had been acquired  
3 and owned by such decedent more than two years before  
4 the date of the decedent's death; and the burden of  
5 proving that any such property had been acquired by  
6 such decedent less than two years before the date of  
7 the decedent's death shall be upon the heirs,  
8 legatees, and legal representatives of any such  
9 decedent.

10 Sec. 31. Section 443.18, Code 2003, is amended to  
11 read as follows:

12 443.18 REAL ESTATE -- DUTY OF OWNER.

13 In all cases where ~~real estate land~~ subject to  
14 taxation has not been listed or agricultural land or a  
15 structure subject to taxation has not been listed and  
16 assessed, the owner, or an agent of the owner, shall  
17 have the same done by the treasurer, and pay the taxes  
18 thereon; and if the owner fails to do so the treasurer  
19 shall list or list and assess the same and collect the  
20 tax assessed as the treasurer does other taxes.

21 Sec. 32. Section 443.19, Code 2003, is amended to  
22 read as follows:

23 443.19 IRREGULARITIES, ERRORS AND OMISSIONS --  
24 EFFECT.

25 ~~No a~~ failure of the owner to have such ~~property~~  
26 land listed or agricultural land or structure listed  
27 and assessed or to have the errors in the listing or  
28 assessment corrected, and ~~no an~~ irregularity, error or  
29 omission in the listing of such land or listing and  
30 assessment of such ~~property~~ agricultural land or  
31 structure, shall not affect in any manner the legality  
32 of the taxes levied thereon, or affect any right or  
33 title to such ~~real estate property~~ which would have  
34 accrued to any party claiming or holding under and by  
35 virtue of a deed executed by the treasurer as provided  
36 by this title, had the listing and assessment of such  
37 property been in all respects regular and valid.

38 Sec. 33. Section 443.21, Code 2003, is amended to  
39 read as follows:

40 443.21 ASSESSMENTS CERTIFIED TO COUNTY AUDITOR.

41 All assessors and assessing bodies, including the  
42 department of revenue and finance having authority  
43 over the listing of land or listing and assessment of  
44 ~~property~~ agricultural land and structures for tax  
45 purposes shall certify to the county auditor of each  
46 county the number of acres of land and the assessed  
47 values of agricultural land and structures for all the  
48 taxable property in such county as finally equalized  
49 ~~and~~ determined, and the same shall be transcribed onto  
50 the tax lists as required by section 443.2.

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1 Sec. 34. Section 443.22, Code 2003, is amended to  
2 read as follows:

3 443.22 UNIFORM ASSESSMENTS MANDATORY.

4 All assessors and assessing bodies, including the  
5 department of revenue and finance having authority  
6 over the listing of land and listing and assessment of  
7 ~~property~~ agricultural land and structures for tax  
8 purposes, shall comply with sections 428.4, 428.29,  
9 434.15, 438.13, 441.21, and 441.45. The department of  
10 revenue and finance, having authority over the listing  
11 and assessments, shall exercise its powers and perform  
12 its duties under section 421.17 and other applicable  
13 laws so as to require the uniform and consistent  
14 application of ~~said that~~ section.

15 Sec. 35. NEW SECTION. 443A.1 LAND TAX.

16 Effective for the fiscal year beginning July 1,  
17 2007, and all subsequent fiscal years, a land tax  
18 shall be imposed against each acre or portion of an  
19 acre of land in a county.

20 Sec. 36. NEW SECTION. 443A.2 APPORTIONMENT OF  
21 LAND TAX.

22 1. The land tax for each county shall be  
23 apportioned as follows:

24 In the unincorporated area of the county, the land  
25 tax shall be distributed to the county, the school  
26 district located in the unincorporated area of the  
27 county, and other taxing entities located in the  
28 unincorporated area of the county in the same  
29 proportion that property taxes levied in the  
30 unincorporated area of the county for the fiscal year  
31 beginning July 1, 2006, were allocated to those  
32 entities.

33 In the incorporated areas of the county, the land  
34 tax shall be distributed to the city, the county, each  
35 school district located within the city, and other  
36 taxing entities located within the city in the same  
37 proportion that property taxes levied in the city for  
38 the fiscal year beginning July 1, 2006, were allocated  
39 to those entities.

40 2. The city finance committee and the county  
41 finance committee shall jointly determine the  
42 adjustments to be made to the allocation of the land  
43 tax in the case of boundary adjustments made to a  
44 taxing district on or after January 1, 2006.

45 3. After the auditor has computed the amount of  
46 land tax to be distributed to each taxing district,  
47 the auditor shall compute the rate of tax to be levied  
48 upon the square footage valuation of structures  
49 pursuant to chapter 444.

50 Sec. 37. Section 444.1, Code 2003, is amended to

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1 read as follows:

2 444.1 BASIS FOR AMOUNT OF TAX.

3 In all taxing districts in the state, including  
4 townships, school districts, cities and counties, when  
5 by law then existing the people are authorized to  
6 determine by vote, or officers are authorized to  
7 estimate or determine, a rate of taxation required for  
8 any public purpose, such rate shall in all cases be  
9 estimated and based upon the amount of land tax  
10 available to the district and the adjusted taxable  
11 square footage valuation of such taxing district for  
12 the preceding calendar year.

13 Sec. 38. Section 444.2, Code 2003, is amended to  
14 read as follows:

15 444.2 AMOUNTS CERTIFIED IN DOLLARS.

16 When an authorized square footage tax rate within a  
17 taxing district, including townships, school  
18 districts, cities and counties, has been thus  
19 determined as provided by law, the officer or officers  
20 charged with the duty of certifying the authorized  
21 rate to the county auditor or board of supervisors  
22 shall, before certifying the rate, compute upon the  
23 adjusted taxable square footage valuation of the  
24 taxing district for the preceding fiscal year, the  
25 amount of tax the rate will raise, stated in dollars,  
26 and shall certify the computed amount in dollars and  
27 not by rate, to the county auditor and board of  
28 supervisors and shall further certify the percentage  
29 of such amount to be levied against each class of  
30 property.

31 Sec. 39. Section 444.3, Code 2003, is amended to  
32 read as follows:

33 444.3 COMPUTATION OF SQUARE FOOTAGE RATE.

34 When the square footage valuations for the several  
35 taxing districts shall have been adjusted by the  
36 several boards for the current year, and the amount of  
37 land tax to be distributed to each taxing district has  
38 been deducted from the dollar amounts certified in  
39 section 444.2 for each taxing district, the county  
40 auditor shall thereupon apply such a rate, ~~not~~  
41 ~~exceeding the rate authorized by law, or rates~~ as will  
42 raise the amount required for such taxing district,  
43 and when combined with the land tax amount will raise  
44 an amount not exceeding the dollar amount authorized  
45 by law for the taxing district, and ~~no~~ will not raise  
46 a larger amount. For purposes of computing the square  
47 footage rate under this section, the adjusted taxable  
48 square footage valuation of the property of a taxing  
49 district does not include the valuation of property of  
50 a railway corporation or its trustee which corporation

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1 has been declared bankrupt or is in bankruptcy  
2 proceedings. Nothing in the preceding sentence  
3 exempts the property of such railway corporation or  
4 its trustee from taxation and the rate computed under  
5 this section shall be levied on the taxable property  
6 of such railway corporation or its trustee.

7 The square footage tax rate shall be expressed in  
8 dollars and cents per one hundred dollars of valuation  
9 per square foot.

10 Sec. 40. NEW SECTION. 444.9 COMPUTATION OF TAX.

11 The amount of tax imposed on any taxable property  
12 is the sum of the amounts computed in subsections 1  
13 and 2.

14 1. LAND TAX. The product of the land tax rate  
15 times the number of acres or portion of an acre of the  
16 taxable property.

17 2. SQUARE FOOTAGE TAX. The product of the square  
18 footage tax rate times the valuation per square foot  
19 of the taxable structure times the number of square  
20 feet of the taxable structure. The square footage tax  
21 shall be computed separately for each structure  
22 located on the land.

23 Sec. 41. PROPERTY TAX IMPLEMENTATION COMMITTEE.

24 1. On or before July 1, 2003, the department of  
25 revenue and finance, in consultation with the  
26 department of management, shall initiate and  
27 coordinate the establishment of a property tax  
28 implementation committee and provide staffing  
29 assistance to the committee. The property tax  
30 implementation committee shall include four members of  
31 the general assembly, one each appointed by the  
32 majority leader of the senate, the speaker of the  
33 house of representatives, the minority leader of the  
34 senate, and the minority leader of the house of  
35 representatives. The committee shall also include  
36 members appointed by the department of revenue and  
37 finance representing the department of revenue and  
38 finance, the department of management, counties,  
39 cities, school districts, local assessors, commercial  
40 property taxpayers, residential property taxpayers,  
41 and agricultural property taxpayers, and other  
42 appropriate stakeholders. The department may consider  
43 participation on the committee of former state  
44 officials with expertise in budget and tax policy.  
45 The chairpersons of the committee shall be those  
46 members of the general assembly appointed by the  
47 majority leader of the senate and the speaker of the  
48 house of representatives.

49 2. The committee shall study and make  
50 recommendations relating to the land tax, square

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1 footage tax, the baseline assessment for the square  
2 footage tax, and other related provisions. The  
3 committee shall also study and make recommendations on  
4 issues relating to implementation of a land tax and  
5 square footage tax, including, but not limited to,  
6 whether or not maximum square footage rates and land  
7 tax rates should be imposed and, if such rates are  
8 recommended, the imposition of rates that have a  
9 revenue neutral impact on classes of property, the  
10 property tax financing portion of the school funding  
11 formula, treatment of current property tax credits and  
12 exemptions under a land tax and square footage tax and  
13 continued state reimbursement of any credits or  
14 exemptions, implementation of urban revitalization and  
15 urban renewal programs under the land tax and square  
16 footage tax, implementation of a payment in lieu of  
17 taxes program for local government services, and  
18 maintenance of equity among classes of taxpayers and  
19 among taxpayers within the same class. The property  
20 tax implementation committee shall also study the role  
21 of property taxes in funding local government services  
22 and the types of services currently funded by property  
23 taxes.

24 3. The property tax implementation committee shall  
25 direct three counties and cities within those counties  
26 to submit data as prescribed by the committee. The  
27 department of revenue and finance, in consultation  
28 with the department of management, shall select the  
29 three counties and the cities within those counties  
30 that will be required to provide data to the  
31 committee. The committee shall devise a system for  
32 testing the data, including the necessary computer  
33 hardware and software to allow the selected counties  
34 and cities to prepare projected budgets, to determine  
35 the rates for the land tax and the square footage tax  
36 for those projected budgets, and to provide a sampling  
37 of the effect on the various classes of property in  
38 those jurisdictions. The committee shall use the data  
39 and the results of the projections to resolve, and  
40 make recommendations relating to, the issues described  
41 in subsection 2, and related issues, in a revenue  
42 neutral manner that will not result in a shift of  
43 property tax burden between classes of property. The  
44 committee shall submit to the general assembly by  
45 October 31, 2003, October 31, 2004, and October 31,  
46 2005, a report for each of those years resolving the  
47 issues in subsection 2 and other related issues for  
48 implementation of this Act. The reports shall include  
49 detailed estimates of the cost to the counties and  
50 cities of providing the data and an estimate of the

1 cost of statewide implementation of this Act.  
 2 Sec. 42. EFFECTIVE AND APPLICABILITY DATES.  
 3 1. The section of this division of this Act  
 4 establishing the property tax implementation  
 5 committee, being deemed of immediate importance, takes  
 6 effect upon enactment.  
 7 2. The remainder of this division of this Act  
 8 takes effect July 1, 2005, and applies to assessment  
 9 years beginning on or after January 1, 2006, and  
 10 applies to tax collections for fiscal years beginning  
 11 on or after July 1, 2007.  
 12 Sec. 43. FUTURE REPEAL. This division of this Act  
 13 is repealed effective June 30, 2005.

14 DIVISION II  
 15 INDIVIDUAL INCOME TAX  
 16 2004-2006 TAX YEARS

17 Sec. 44. Section 422.5, subsection 1, paragraphs a  
 18 through i, Code 2003, are amended to read as follows:

<u>For tax years beginning</u>		
<u>in the calendar year:</u>		
<u>2004</u>	<u>2005</u>	<u>2006</u>

22 a. On all taxable income from			
23 zero through one thousand dollars,			
24 <del>thirty six hundredths of one</del>			
25 <del>percent</del> .....	.35%	.34%	.33%
26 b. On all taxable income exceeding			
27 one thousand dollars but not			
28 exceeding two thousand dollars,			
29 <del>seventy two hundredths of one</del>			
30 <del>percent</del> .....	.71%	.68%	.65%
31 c. On all taxable income exceeding			
32 two thousand dollars but not			
33 exceeding four thousand dollars,			
34 <del>two and forty three hundredths</del>			
35 <del>percent</del> .....	2.39%	2.30%	2.21%
36 d. On all taxable income exceeding			
37 four thousand dollars but not			
38 exceeding nine thousand dollars,			
39 <del>four and one half percent</del> .....	4.42%	4.25%	4.09%
40 e. On all taxable income exceeding			
41 nine thousand dollars but not			
42 exceeding fifteen thousand			
43 dollars, <del>six and twelve hundredths</del>			
44 <del>percent</del> .....	6.01%	5.78%	5.56%
45 f. On all taxable income exceeding			
46 fifteen thousand dollars but not			
47 exceeding twenty thousand			
48 dollars, <del>six and forty eight hundredths</del>			
49 <del>percent</del> .....	6.36%	6.12%	5.88%
50 g. On all taxable income exceeding			

1	twenty thousand dollars but not			
2	exceeding thirty thousand			
3	dollars, <del>six and eight tenths</del>			
4	<del>percent</del> .....	6.68%	6.42%	6.17%
5	h. On all taxable income exceeding			
6	thirty thousand dollars but not			
7	exceeding forty-five thousand			
8	dollars, <del>seven and ninety two hundredths</del>			
9	<del>percent</del> .....	7.78%	7.48%	7.19%
10	i. On all taxable income exceeding			
11	forty-five thousand dollars, <del>eight</del>			
12	<del>and ninety eight hundredths</del>			
13	<del>percent</del> .....	8.82%	8.48%	8.15%
14	Sec. 45. EFFECTIVE AND APPLICABILITY DATE			
15	PROVISIONS. This division of this Act takes effect			
16	January 1, 2004, for tax years beginning on or after			
17	January 1, 2004, but before January 1, 2007.			
18	DIVISION III			
19	INDIVIDUAL INCOME TAX			
20	2007 AND SUBSEQUENT TAX YEARS			
21	Sec. 46. Section 422.5, subsection 1, paragraphs a			
22	through i, Code 2003, are amended to read as follows:			
23				
24				
25				
26				
27	a. On all taxable income from			
28	zero through one thousand dollars,			
29	<del>thirty six hundredths of one</del>			
30	<del>percent</del> .....			.31%
31	b. On all taxable income exceeding			
32	one thousand dollars but not			
33	exceeding two thousand dollars,			
34	<del>seventy two hundredths of one</del>			
35	<del>percent</del> .....			.61%
36	c. On all taxable income exceeding			
37	two thousand dollars but not			
38	exceeding four thousand dollars,			
39	<del>two and forty three hundredths</del>			
40	<del>percent</del> .....			2.06%
41	d. On all taxable income exceeding			
42	four thousand dollars but not			
43	exceeding nine thousand dollars,			
44	<del>four and one half percent</del> .....			3.81%
45	e. On all taxable income exceeding			
46	nine thousand dollars but not			
47	exceeding fifteen thousand			
48	dollars, <del>six and twelve hundredths</del>			
49	<del>percent</del> .....			5.19%
50	f. On all taxable income exceeding			

For tax years beginning  
in the calendar year:  
2007 and subsequent  
calendar years

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- 1 fifteen thousand dollars but not
- 2 exceeding twenty thousand
- 3 dollars, ~~six and forty eight hundredths~~
- 4 ~~percent~~..... 5.49%
- 5 g. On all taxable income exceeding
- 6 twenty thousand dollars but not
- 7 exceeding thirty thousand
- 8 dollars, ~~six and eight tenths~~
- 9 ~~percent~~..... 5.76%
- 10 h. On all taxable income exceeding
- 11 thirty thousand dollars but not
- 12 exceeding forty-five thousand
- 13 dollars, ~~seven and ninety two hundredths~~
- 14 ~~percent~~..... 6.71%
- 15 i. On all taxable income exceeding
- 16 forty-five thousand dollars, ~~eight~~
- 17 ~~and ninety eight hundredths~~
- 18 ~~percent~~..... 7.61%

19 Sec. 47. EFFECTIVE AND APPLICABILITY DATE  
 20 PROVISIONS. This division of this Act takes effect  
 21 January 1, 2007, for tax years beginning on or after  
 22 January 1, 2007.

23 DIVISION IV  
 24 INDIVIDUAL INCOME TAX  
 25 2007 AND SUBSEQUENT TAX YEARS

- 26 Sec. 48. Section 422.4, subsection 1, paragraphs b
- 27 and c, Code 2003, are amended to read as follows:
- 28 b. “Cumulative inflation factor” means the product
- 29 of the annual inflation factor for the ~~1988~~ 2007
- 30 calendar year and all annual inflation factors for
- 31 subsequent calendar years as determined pursuant to
- 32 this subsection. The cumulative inflation factor
- 33 applies to all tax years beginning on or after January
- 34 1 of the calendar year for which the latest annual
- 35 inflation factor has been determined.
- 36 c. The annual inflation factor for the ~~1988~~ 2007
- 37 calendar year is one hundred percent.
- 38 Sec. 49. Section 422.4, subsection 2, paragraph b,
- 39 Code 2003, is amended to read as follows:
- 40 b. “Cumulative standard deduction factor” means
- 41 the product of the annual standard deduction factor
- 42 for the ~~1989~~ 2007 calendar year and all annual
- 43 standard deduction factors for subsequent calendar
- 44 years as determined pursuant to this subsection. The
- 45 cumulative standard deduction factor applies to all
- 46 tax years beginning on or after January 1 of the
- 47 calendar year for which the latest annual standard
- 48 deduction factor has been determined.
- 49 Sec. 50. Section 422.4, subsection 16, Code 2003,
- 50 is amended to read as follows:

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1 16. ~~The words “taxable~~ “Taxable income” mean means  
 2 the net income as defined in section 422.7 minus the  
 3 deductions allowed by section 422.9, in the case of  
 4 individuals; ~~in. In~~ in the case of estates or trusts,  
 5 ~~the words “taxable income” mean means the taxable~~  
 6 ~~income, (without a deduction for personal exemption),~~  
 7 as computed for federal income tax purposes under the  
 8 Internal Revenue Code, but with the adjustments  
 9 specified in section 422.7 ~~plus the Iowa income tax~~  
 10 ~~deducted in computing the federal taxable income and~~  
 11 ~~minus federal income taxes as provided in section~~  
 12 ~~422.9.~~

13 Sec. 51. Section 422.5, subsection 1, Code 2003,  
 14 as amended by 2003 Iowa Acts, Senate File 442, section  
 15 4, is amended by striking the subsection and inserting  
 16 in lieu thereof the following:

17 1. A. a tax is imposed upon every resident and  
 18 nonresident of the state which tax shall be levied,  
 19 collected, and paid annually upon and with respect to  
 20 the entire taxable income at rates as follows:

21 (1) On all taxable income from zero through eight  
 22 thousand dollars, two and five hundredths percent.

23 (2) On all taxable income exceeding eight thousand  
 24 dollars but not exceeding one hundred thousand  
 25 dollars, four and sixty-five hundredths percent.

26 (3) On all taxable income exceeding one hundred  
 27 thousand dollars, four and nine-tenths percent.

28 b. (1) The tax imposed upon the taxable income of  
 29 a nonresident shall be computed by reducing the amount  
 30 determined pursuant to paragraph “a” by the amounts of  
 31 nonrefundable credits under this division and by  
 32 multiplying this resulting amount by a fraction of  
 33 which the nonresident’s net income allocated to Iowa,  
 34 as determined in section 422.8, subsection 2,  
 35 paragraph “a”, is the numerator and the nonresident’s  
 36 total net income computed under section 422.7 is the  
 37 denominator. This provision also applies to  
 38 individuals who are residents of Iowa for less than  
 39 the entire tax year.

40 (2) The tax imposed upon the taxable income of a  
 41 resident shareholder in an S corporation which has in  
 42 effect for the tax year an election under subchapter S  
 43 of the Internal Revenue Code and carries on business  
 44 within and without the state may be computed by  
 45 reducing the amount determined pursuant to paragraph  
 46 “a” by the amounts of nonrefundable credits under this  
 47 division and by multiplying this resulting amount by a  
 48 fraction of which the resident’s net income allocated  
 49 to Iowa, as determined in section 422.8, subsection 2,  
 50 paragraph “b”, is the numerator and the resident’s

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1 total net income computed under section 422.7 is the  
2 denominator. If a resident shareholder has elected to  
3 take advantage of this subparagraph, and for the next  
4 tax year elects not to take advantage of this  
5 subparagraph, the resident shareholder shall not  
6 reelect to take advantage of this subparagraph for the  
7 three tax years immediately following the first tax  
8 year for which the shareholder elected not to take  
9 advantage of this subparagraph, unless the director  
10 consents to the reelection. This subparagraph also  
11 applies to individuals who are residents of Iowa for  
12 less than the entire tax year.

13 Sec. 52. Section 422.5, subsection 2, Code 2003,  
14 is amended by striking the subsection and inserting in  
15 lieu thereof the following:

16 2. a. However, if the married persons' filing  
17 jointly or separately on a combined return, unmarried  
18 head of household's, or surviving spouse's net income  
19 exceeds thirteen thousand five hundred dollars or nine  
20 thousand dollars in the case of all other persons, the  
21 regular tax imposed under this division shall be the  
22 lesser of the product of eight percent times the  
23 portion of the net income in excess of thirteen  
24 thousand five hundred dollars or nine thousand  
25 dollars, as applicable, or the regular tax liability  
26 computed without regard to this paragraph.

27 b. Paragraph "a" does not apply to estates and  
28 trusts. Married taxpayers electing to file separately  
29 shall compute the alternate tax described in paragraph  
30 "a" using the total net income of the husband and  
31 wife. The alternate tax described in paragraph "a"  
32 does not apply if one spouse elects to carry back or  
33 carry forward the loss as provided in section 422.9,  
34 subsection 3. A person who is claimed as a dependent  
35 by another person as defined in section 422.12 shall  
36 not receive the benefit of paragraph "a" if the person  
37 claiming the dependent has net income exceeding  
38 thirteen thousand five hundred dollars or nine  
39 thousand dollars as applicable or the person claiming  
40 the dependent and the person's spouse have combined  
41 net income exceeding thirteen thousand five hundred  
42 dollars or nine thousand dollars as applicable.

43 Sec. 53. Section 422.5, subsection 5, Code 2003,  
44 is amended to read as follows:

45 5. Upon determination of the latest cumulative  
46 inflation factor, the director shall multiply each  
47 dollar amount set forth in subsection 1, ~~paragraphs~~  
48 ~~"a" through "i" of this section~~ paragraph "a", by this  
49 cumulative inflation factor, shall round off the  
50 resulting product to the nearest one dollar, and shall

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1 incorporate the result into the income tax forms and  
2 instructions for each tax year.

3 Sec. 54. Section 422.5, subsection 7, Code 2003,  
4 is amended by striking the subsection.

5 Sec. 55. Section 422.7, Code 2003, as amended by  
6 2003 Iowa Acts, Senate File 442, section 5, and House  
7 File 674, sections 5 and 6, is amended by striking the  
8 section and inserting in lieu thereof the following:  
9 422.7 “NET INCOME” -- HOW COMPUTED.

10 The term “net income” means the adjusted gross  
11 income before the net operating loss deduction as  
12 properly computed for federal income tax purposes  
13 under the Internal Revenue Code, with the following  
14 adjustments:

15 1. The adjusted gross income is adjusted by adding  
16 the sum of the following:

17 a. Add the amount of federal income tax refunds  
18 received in a tax year beginning on or after January  
19 1, 2007, but before January 1, 2010, to the extent  
20 that the federal income tax was deducted on an Iowa  
21 individual income tax return for a tax year beginning  
22 prior to January 1, 2007.

23 b. Add interest and dividends from foreign  
24 securities and from securities of state and other  
25 political subdivisions exempt from federal income tax  
26 under the Internal Revenue Code.

27 c. Add interest and dividends from regulated  
28 investment companies exempt from federal income tax  
29 under the Internal Revenue Code.

30 d. Add, to the extent not already included, income  
31 from the sale of obligations of the state and its  
32 political subdivisions. Income from the sale of these  
33 obligations is exempt from the taxes imposed by this  
34 division only if the law authorizing these obligations  
35 specifically exempts the income from the sale from the  
36 state individual income tax.

37 e. Add the amount resulting from the cancellation  
38 of a participation agreement refunded to the taxpayer  
39 as a participant in the Iowa educational savings plan  
40 trust under chapter 12D to the extent previously  
41 deducted as a contribution to the trust.

42 2. The adjusted gross income is adjusted by  
43 subtracting the sum of the following:

44 a. Subtract the amount of federal income taxes  
45 paid or accrued, as the case may be, in a tax year  
46 beginning on or after January 1, 2007, but before  
47 January 1, 2010, to the extent the federal tax payment  
48 is for a tax year beginning prior to January 1, 2007.

49 b. Subtract interest and dividends from federal  
50 securities.

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1 c. Subtract the loss on the sale or exchange of a  
2 share of a regulated investment company held for six  
3 months or less to the extent the loss was disallowed  
4 under section 852(b)(4)(B) of the Internal Revenue  
5 Code.

6 d. (1) Subtract, to the extent included, the  
7 amount of additional social security benefits taxable  
8 under the Internal Revenue Code for tax years  
9 beginning on or after January 1, 1994. The amount of  
10 social security benefits taxable as provided in  
11 section 86 of the Internal Revenue Code, as amended up  
12 to and including January 1, 1993, continues to apply  
13 for state income tax purposes for tax years beginning  
14 on or after January 1, 1994.

15 (2) Married taxpayers, who file a joint federal  
16 income tax return and who elect to file separate  
17 returns or who elect separate filing on a combined  
18 return for state income tax purposes, shall allocate  
19 between the spouses the amount of benefits subtracted  
20 under subparagraph (1) from net income in the ratio of  
21 the social security benefits received by each spouse  
22 to the total of these benefits received by both  
23 spouses.

24 e. (1) For a person who is disabled, or is fifty-  
25 five years of age or older, or is the surviving spouse  
26 of an individual or a survivor having an insurable  
27 interest in an individual who would have qualified for  
28 the exemption under this paragraph for the tax year,  
29 subtract, to the extent included, the total amount of  
30 a governmental or other pension or retirement pay,  
31 including, but not limited to, defined benefit or  
32 defined contribution plans, annuities, individual  
33 retirement accounts, plans maintained or contributed  
34 to by an employer, or maintained or contributed to by  
35 a self-employed person as an employer, and deferred  
36 compensation plans or any earnings attributable to the  
37 deferred compensation plans, up to a maximum of six  
38 thousand dollars for a person, other than a husband or  
39 wife, who files a separate state income tax return and  
40 up to a maximum of twelve thousand dollars for a  
41 husband and wife who file a joint state income tax  
42 return.

43 (2) However, a surviving spouse who is not  
44 disabled or fifty-five years of age or older can only  
45 exclude the amount of pension or retirement pay  
46 received as a result of the death of the other spouse.  
47 a husband and wife filing separate state income tax  
48 returns or separately on a combined return are allowed  
49 a combined maximum exclusion under this paragraph “e”  
50 of up to the amount allowed for a husband and wife who

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1 file a joint state income tax return. The exclusion  
2 shall be allocated to the husband or wife in the  
3 proportion that each spouse's respective pension and  
4 retirement pay received bears to total combined  
5 pension and retirement pay received.  
6 f. Notwithstanding the method for computing income  
7 from an installment sale under section 453 of the  
8 Internal Revenue Code, as defined in section 422.3,  
9 the method to be used in computing income from an  
10 installment sale shall be the method under section 453  
11 of the Internal Revenue Code, as amended up to and  
12 including January 1, 2000. a taxpayer affected by  
13 this paragraph shall make adjustments in the adjusted  
14 gross income pursuant to rules adopted by the  
15 director.  
16 The adjustment to net income provided in this  
17 paragraph "f" is repealed for tax years beginning on  
18 or after January 1, 2002. However, to the extent that  
19 a taxpayer using the accrual method of accounting  
20 reported the entire capital gain from the sale or  
21 exchange of property on the Iowa return for the tax  
22 year beginning in the 2001 calendar year and the  
23 capital gain was reported on the installment method on  
24 the federal income tax return, any additional  
25 installment from the capital gain reported for federal  
26 income tax purposes is not to be included in net  
27 income in tax years beginning on or after January 1,  
28 2002.  
29 g. Subtract, if the taxpayer is the owner of an  
30 individual development account certified under chapter  
31 541a at any time during the tax year, all of the  
32 following:  
33 (1) Contributions made to the account by persons  
34 and entities, other than the taxpayer, as authorized  
35 in chapter 541A.  
36 (2) The amount of any savings refund authorized  
37 under section 541A.3, subsection 1.  
38 (3) Earnings from the account.  
39 h. (1) Subtract the maximum contribution that may  
40 be deducted for income tax purposes as a participant  
41 in the Iowa educational savings plan trust pursuant to  
42 section 12D.3, subsection 1, paragraph "a".  
43 (2) Subtract, to the extent included, income from  
44 interest and earnings received from the Iowa  
45 educational savings plan trust created in chapter 12D.  
46 (3) Subtract, to the extent not deducted for  
47 federal income tax purposes, the amount of any gift,  
48 grant, or donation made to the Iowa educational  
49 savings plan trust for deposit in the endowment fund  
50 of that trust.

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- 1 i. Subtract, to the extent included, active duty  
2 pay received by a person in the national guard or  
3 armed forces military reserve for services performed  
4 on or after August 2, 1990, pursuant to military  
5 orders related to the Persian Gulf Conflict.
- 6 j. Subtract, to the extent included, active duty  
7 pay received by a person in the national guard or  
8 armed forces military reserve for service performed on  
9 or after November 21, 1995, pursuant to military  
10 orders related to peacekeeping in Bosnia-Herzegovina.
- 11 k. Subtract, to the extent included, the  
12 following:
- 13 (1) Payments made to the taxpayer because of the  
14 taxpayer's status as a victim of persecution for  
15 racial, ethnic, or religious reasons by Nazi Germany  
16 or any other Axis regime or as an heir of such victim.
- 17 (2) Items of income attributable to, derived from,  
18 or in any way related to assets stolen from, hidden  
19 from, or otherwise lost to a victim of persecution for  
20 racial, ethnic, or religious reasons by Nazi Germany  
21 or any other Axis regime immediately prior to, during,  
22 and immediately after World War II, including, but not  
23 limited to, interest on the proceeds receivable as  
24 insurance under policies issued to a victim of  
25 persecution for racial, ethnic, or religious reasons  
26 by Nazi Germany or any other Axis regime by European  
27 insurance companies immediately prior to and during  
28 World War II. However, income from assets acquired  
29 with such assets or with the proceeds from the sale of  
30 such assets shall not be subtracted. This  
31 subparagraph shall only apply to a taxpayer who was  
32 the first recipient of such assets after recovery of  
33 the assets and who is a victim of persecution for  
34 racial, ethnic, or religious reasons by Nazi Germany  
35 or any other Axis regime or is an heir of such victim.
- 36 l. Subtract, to the extent included, active duty  
37 pay received by a person in the national guard or  
38 armed forces military reserve for service performed on  
39 or after January 1, 2003, pursuant to military orders  
40 related to Operation Iraqi Freedom, Operation Noble  
41 Eagle, and Operation Enduring Freedom.
- 42 m. Subtract, not to exceed one thousand five  
43 hundred dollars, the overnight transportation, meals,  
44 and lodging expenses, to the extent not reimbursed,  
45 incurred by the taxpayer for travel away from home of  
46 more than one hundred miles for the performance of  
47 services by the taxpayer as a member of the national  
48 guard or armed forces military reserve.
- 49 n. Subtract, to the extent included, military  
50 student loan repayments received by the taxpayer

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1 serving on active duty in the national guard or armed  
2 forces military reserve or on active duty status in  
3 the armed forces.

4 o. Subtract, to the extent not otherwise excluded,  
5 the amount of the death gratuity payable under 10  
6 U.S.C. } 1475-1491 for deaths occurring after  
7 September 10, 2001.

8 3. a. In determining the amount of federal income  
9 tax refunds or taxes paid or accrued under subsection  
10 1 or 2, for tax years beginning in the 2001 calendar  
11 year, the amount shall not be adjusted by the amount  
12 received during the tax year of the advanced refund of  
13 the rate reduction tax credit provided pursuant to the  
14 federal Economic Growth and Tax Relief Reconciliation  
15 Act of 2001, Pub. L. No. 107-16, and the advanced  
16 refund of such credit shall not be subject to taxation  
17 under this division.

18 b. In determining the amount of federal income tax  
19 refunds or taxes paid or accrued under subsection 1 or  
20 2, for tax years beginning in the 2002 calendar year,  
21 the amount shall not be adjusted by the amount of the  
22 rate reduction credit received during the tax year to  
23 the extent that the credit is attributable to the rate  
24 reduction credit provided pursuant to the federal  
25 Economic Growth and Tax Relief Reconciliation Act of  
26 2001, Pub. L. No. 107-16, and the amount of such  
27 credit shall not be taxable under this division.

28 4. The additional first-year depreciation allowance  
29 authorized in section 168(k) of the Internal Revenue  
30 Code, as enacted by Pub. L. No. 107-147, section 101,  
31 does not apply in computing net income for state tax  
32 purposes. If the taxpayer has taken such deduction in  
33 computing federal adjusted gross income, the following  
34 adjustments shall be made:

35 a. Add the total amount of depreciation taken on  
36 all property for which the election under section  
37 168(k) of the Internal Revenue Code was made for the  
38 tax year.

39 b. Subtract an amount equal to depreciation taken  
40 on such property for the tax year using the modified  
41 accelerated cost recovery system depreciation method  
42 applicable under section 168 of the Internal Revenue  
43 Code without regard to section 168(k).

44 c. Any other adjustments to gains or losses to  
45 reflect the adjustments made in paragraphs "a" and "b"  
46 pursuant to rules adopted by the director.

47 Sec. 56. Section 422.8, subsection 2, paragraph a,  
48 Code 2003, is amended to read as follows:

49 a. Nonresident's net income allocated to Iowa is  
50 the net income, or portion of net income, which is

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1 derived from a business, trade, profession, or  
2 occupation carried on within this state or income from  
3 any property, trust, estate, or other source within  
4 Iowa. However, income derived from a business, trade,  
5 profession, or occupation carried on within this state  
6 and income from any property, trust, estate, or other  
7 source within Iowa shall not include distributions  
8 from pensions, including defined benefit or defined  
9 contribution plans, annuities, individual retirement  
10 accounts, and deferred compensation plans or any  
11 earnings attributable thereto so long as the  
12 distribution is directly related to an individual's  
13 documented retirement and received while the  
14 individual is a nonresident of this state. If a  
15 business, trade, profession, or occupation is carried  
16 on partly within and partly without the state, only  
17 the portion of the net income which is fairly and  
18 equitably attributable to that part of the business,  
19 trade, profession, or occupation carried on within the  
20 state is allocated to Iowa for purposes of section  
21 422.5, subsection 1, paragraph ~~“a”~~ “b”, and section  
22 422.13 and income from any property, trust, estate, or  
23 other source partly within and partly without the  
24 state is allocated to Iowa in the same manner, except  
25 that annuities, interest on bank deposits and  
26 interest-bearing obligations, and dividends are  
27 allocated to Iowa only to the extent to which they are  
28 derived from a business, trade, profession, or  
29 occupation carried on within the state.

30 Sec. 57. Section 422.8, subsection 4, Code 2003,  
31 is amended by striking the subsection.

32 Sec. 58. Section 422.9, subsection 1, Code 2003,  
33 is amended to read as follows:

34 1. An optional standard deduction, ~~after deduction~~  
35 ~~of federal income tax~~, equal to one thousand two  
36 hundred thirty dollars for a married person who files  
37 separately or a single person or equal to three  
38 thousand thirty dollars for a husband and wife who  
39 file a joint return, a surviving spouse, or an  
40 unmarried head of household. ~~The optional standard~~  
41 ~~deduction shall not exceed the amount remaining after~~  
42 ~~deduction of the federal income tax.~~

43 Sec. 59. Section 422.9, subsection 2, paragraph b,  
44 Code 2003, is amended by striking the paragraph.

45 Sec. 60. Section 422.9, subsections 6 and 7, Code  
46 2003, are amended by striking the subsections.

47 Sec. 61. Section 422.11B, subsection 1, Code 2003,  
48 is amended to read as follows:

49 1. There is allowed as a credit against the tax  
50 determined in section 422.5, subsection 1, paragraphs

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1 “a” through “j” for a tax year an amount equal to the  
2 minimum tax credit for that tax year.

3 The minimum tax credit for a tax year is the  
4 excess, if any, of the adjusted net minimum tax  
5 imposed for all prior tax years beginning on or after  
6 January 1, 1987, but before January 1, 2007, over the  
7 amount allowable as a credit under this section for  
8 those prior tax years.

9 If a minimum tax credit is available to a tax  
10 period beginning on or after January 1, 2007, the  
11 credit can be carried over to tax years beginning on  
12 or after January 1, 2007, but before January 1, 2010.  
13 The minimum tax credit is limited to the tax  
14 determined in section 422.5, subsection 1, paragraphs  
15 “a” and “b”.

16 Sec. 62. Section 422.13, subsection 1, paragraph  
17 c, and subsection 1A, Code 2003, are amended to read  
18 as follows:

19 c. However, if that part of the net income of a  
20 nonresident which is allocated to Iowa pursuant to  
21 section 422.8, subsection 2, is less than one thousand  
22 dollars the nonresident is not required to make and  
23 sign a return ~~except when the nonresident is subject~~  
24 ~~to the state alternative minimum tax imposed pursuant~~  
25 ~~to section 422.5, subsection 1, paragraph “k”.~~

26 1A. Notwithstanding any other provision in this  
27 section, a resident of this state is not required to  
28 make and file a return if the person’s net income is  
29 equal to or less than the appropriate dollar amount  
30 listed in section 422.5, subsection 2, upon which tax  
31 is not imposed. a nonresident of this state is not  
32 required to make and file a return if the person’s  
33 total net income in section 422.5, subsection 1,  
34 paragraph ~~“j”~~, “b” is equal to or less than the  
35 appropriate dollar amount provided in section 422.5,  
36 subsection 2, upon which tax is not imposed. For  
37 purposes of this subsection, the amount of a lump sum  
38 distribution subject to separate federal tax shall be  
39 included in net income for purposes of determining if  
40 a resident is required to file a return and the  
41 portion of the lump sum distribution that is allocable  
42 to Iowa is included in total net income for purposes  
43 of determining if a nonresident is required to make  
44 and file a return.

45 Sec. 63. Section 422.21, unnumbered paragraph 5,  
46 Code 2003, is amended to read as follows:

47 The director shall determine for the ~~1989~~ 2008 and  
48 each subsequent calendar year the annual and  
49 cumulative inflation factors for each calendar year to  
50 be applied to tax years beginning on or after January

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1 1 of that calendar year. The director shall compute  
2 the new dollar amounts as specified to be adjusted in  
3 section 422.5 by the latest cumulative inflation  
4 factor and round off the result to the nearest one  
5 dollar. The annual and cumulative inflation factors  
6 determined by the director are not rules as defined in  
7 section 17A.2, subsection 11. The director shall  
8 determine for the ~~1990~~ 2008 calendar year and each  
9 subsequent calendar year the annual and cumulative  
10 standard deduction factors to be applied to tax years  
11 beginning on or after January 1 of that calendar year.  
12 The director shall compute the new dollar amounts of  
13 the standard deductions specified in section 422.9,  
14 subsection 1, by the latest cumulative standard  
15 deduction factor and round off the result to the  
16 nearest ten dollars. The annual and cumulative  
17 standard deduction factors determined by the director  
18 are not rules as defined in section 17A.2, subsection  
19 11.

20 Sec. 64. Section 422.11B, Code 2003, is repealed.

#### COORDINATING AMENDMENTS

21 Sec. 65. Section 12D.9, subsection 2, Code 2003,  
22 is amended to read as follows:

23 2. State income tax treatment of the Iowa  
24 educational savings plan trust shall be as provided in  
25 section 422.7, ~~subsections 32, 33, and 34~~ subsection  
26 1, paragraph "e", and subsection 2, paragraph "h", and  
27 section 422.35, subsection 14.

28 Sec. 66. Section 217.39, Code 2003, is amended to  
29 read as follows:

30 217.39 PERSECUTED VICTIMS OF WORLD WAR II --  
31 REPARATIONS -- HEIRS.

32 Notwithstanding any other law of this state,  
33 payments paid to and income from lost property of a  
34 victim of persecution for racial, ethnic, or religious  
35 reasons by Nazi Germany or any other Axis regime or as  
36 an heir of such victim which is exempt from state  
37 income tax as provided in section 422.7, subsection ~~35~~  
38 2, paragraph "k", shall not be considered as income or  
39 an asset for determining the eligibility for state or  
40 local government benefit or entitlement programs. The  
41 proceeds are not subject to recoupment for the receipt  
42 of governmental benefits or entitlements, and liens,  
43 except liens for child support, are not enforceable  
44 against these sums for any reason.

45 Sec. 67. Section 422.120, subsection 1, paragraph  
46 b, subparagraph (3), Code 2003, is amended to read as  
47 follows:

48 (3) The annual index factor for the 1997 calendar  
49 year is one hundred percent. For ~~each subsequent~~ the  
50

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1 1998 through 2006 calendar year years, the annual  
 2 index factor equals the annual inflation factor for  
 3 that calendar year as computed in section 422.4 for  
 4 purposes of the individual income tax. For the 2007  
 5 calendar year and each subsequent calendar year the  
 6 annual index factor shall be determined by the  
 7 department by October 15 of the calendar year  
 8 preceding the calendar year for which the factor is  
 9 determined, which reflects the purchasing power of the  
 10 dollar as a result of inflation during the fiscal year  
 11 ending in the calendar year preceding the calendar  
 12 year for which the factor is determined. In  
 13 determining the annual index factor, the department  
 14 shall use the annual percent change, but not less than  
 15 zero percent, in the gross domestic product price  
 16 deflator computed for the second quarter of the  
 17 calendar year by the bureau of economic analysis of  
 18 the United States department of commerce and shall add  
 19 all of that percent change to one hundred percent.  
 20 The annual index factor and the cumulative index  
 21 factor shall each be expressed as a percentage rounded  
 22 to the nearest one-tenth of one percent. The annual  
 23 index factor shall not be less than one hundred  
 24 percent.

25 Sec. 68. Section 425.23, subsection 4, paragraph  
 26 b, Code 2003, is amended to read as follows:  
 27 b. The annual adjustment factor for the 1998 base  
 28 year is one hundred percent. For each subsequent the  
 29 1999 through 2006 base year years, the annual  
 30 adjustment factor equals the annual inflation factor  
 31 for the calendar year, in which the base year begins,  
 32 as computed in section 422.4 for purposes of the  
 33 individual income tax. For the 2007 base year and  
 34 each subsequent base year, the annual adjustment  
 35 factor equals the annual index factor, in which the  
 36 base year begins, as computed in section 422.120,  
 37 subsection 1, for purposes of the livestock production  
 38 tax credit.

39 Sec. 69. Section 450.4, subsection 8, Code 2003,  
 40 is amended to read as follows:  
 41 8. On the value of that portion of any lump sum or  
 42 installment payments which are received by a  
 43 beneficiary under an annuity which was purchased under  
 44 an employee's pension or retirement plan which was  
 45 excluded from net income ~~as set forth in~~ under section  
 46 ~~422.7, subsection 31.~~

47 Sec. 70. Section 541A.2, subsection 7, unnumbered  
 48 paragraph 1, Code 2003, is amended to read as follows:  
 49 An individual development account closed in  
 50 accordance with this subsection is not subject to the

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1 limitations and benefits provided by this chapter but  
2 is subject to state tax in accordance with the  
3 provisions of section 422.7, subsection ~~28~~ 2,  
4 paragraph “g”, and section 450.4, subsection 6. An  
5 individual development account may be closed for any  
6 of the following reasons:

7 Sec. 71. Section 541A.3, subsection 2, Code 2003,  
8 is amended to read as follows:

9 2. Income earned by an individual development  
10 account is not subject to state tax, in accordance  
11 with the provisions of section 422.7, subsection ~~28~~ 2,  
12 paragraph “g”.

13 Sec. 72. Division III of this Act is repealed.

#### 14 CONTINGENT EFFECTIVE AND APPLICABILITY DATE PROVISION

15 Sec. 73.

16 1. This division of this Act takes effect upon  
17 ratification prior to January 1, 2007, of an amendment  
18 to the Constitution of the State of Iowa requiring a  
19 three-fifths majority vote of each house of the  
20 general assembly in order to pass a bill that amends  
21 the state individual income tax by raising the rate or  
22 rates of the individual income tax or of an amendment  
23 to the Constitution of the State of Iowa requiring a  
24 statewide referendum in order to approve a bill that  
25 amends the state individual income tax by raising the  
26 rate or rates of the individual income tax.

27 2. If this division of this Act takes effect as  
28 provided in subsection 1, this division of this Act,  
29 except as provided in subsection 3, applies to tax  
30 years beginning on or after January 1, 2007.

31 3. The section of this division of this Act  
32 repealing section 422.11B applies to tax years  
33 beginning on or after January 1, 2010.

#### 34 DIVISION V

#### 35 SALES AND USE TAX STUDIES

36 Sec. 74. INDUSTRIAL PROCESSING EXEMPTION STUDY  
37 COMMITTEE. On or before July 1, 2003, the department  
38 of revenue and finance shall initiate and coordinate  
39 the establishment of an industrial processing  
40 exemption study committee and provide staffing  
41 assistance to the committee. It is the intent of the  
42 general assembly that the committee shall include  
43 representatives of the department of revenue and  
44 finance, department of management, industrial  
45 producers including manufacturers, fabricators,  
46 printers and publishers, and an association that  
47 specifically represents business tax issues, and other  
48 stakeholders.

49 The industrial processing exemption under the sales  
50 and use tax is a significant exemption for business.

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1 The committee shall study and make legislative and  
2 administrative recommendations relating to Iowa's  
3 processing exemption to ensure maximum utilization by  
4 Iowa's industries.

5 The committee shall study and make recommendations  
6 regarding all of the following:

7 1. The current sales and use tax industrial  
8 processing exemption.

9 2. The corresponding administrative rules,  
10 including a review and recommendation of an  
11 administrative rules process relating to the  
12 industrial processing exemption prior to filing with  
13 the administrative rules review committee.

14 3. Other states' industrial processing exemptions.

15 4. Recommendations for change for issues including  
16 effectiveness and competitiveness.

17 5. Development of additional publications to  
18 improve compliance.

19 The committee shall annually report to the general  
20 assembly by January 1 of each year through January 1,  
21 2013.

22 Sec. 75. IOWA SALES, SERVICES, AND USE TAX STUDY  
23 COMMITTEE. On or before July 1, 2003, the department  
24 of revenue and finance shall initiate and coordinate  
25 the establishment of a state sales, services, and use  
26 tax study committee and provide staffing assistance to  
27 the committee. It is the intent of the general  
28 assembly that the committee shall include  
29 representatives of the department of revenue and  
30 finance, department of management, an association of  
31 Iowa farmers and other agricultural interests, retail  
32 associations, contractors, taxpayers, an association  
33 that specifically represents business tax issues, and  
34 other stakeholders, two members of the general  
35 assembly, and a representative of the governor's  
36 office.

37 The committee shall study the current sales,  
38 services, and use tax law. Programs funded through  
39 special features of the tax code often escape regular  
40 review. It is intended that the study committee shall  
41 review the current sales, services, and use tax  
42 exemptions to improve government accountability.

43 The committee shall study and make recommendations  
44 regarding all of the following:

45 1. Retaining or eliminating current sales,  
46 services, and use tax exemptions or providing new  
47 exemptions. Such decisions shall be based at least  
48 partially on the issues of effectiveness and  
49 competitiveness and their impact on economic behavior.

50 2. Tax simplification and consistency issues in

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1 applying the tax, including recordkeeping burdens on  
2 retailers and application by the department of revenue  
3 and finance.

4 3. Streamline sales tax implementation in Iowa.

5 4. The tax rate.

6 5. Comparison of Iowa sales, services, and use tax  
7 structure with other states.

8 The committee shall report to the general assembly  
9 by January 1, 2004. The report shall provide  
10 rationale for each decision made by the study  
11 committee.

12 Sec. 76. EFFECTIVE DATE. This division of this  
13 Act, being deemed of immediate importance, takes  
14 effect July 1, 2003.

#### 15 DIVISION VI

#### 16 GROW IOWA BOARD AND FUND

17 Sec. 77. Section 15.108, subsection 9, Code 2003,  
18 is amended by adding the following new paragraph:  
19 NEW PARAGRAPH. g. Administer the marketing  
20 strategy selected pursuant to section 15G.108.

21 Sec. 78. NEW SECTION. 15G.101 DEFINITIONS.

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

24 1. "Board" means the grow Iowa board established  
25 in section 15G.102.

26 2. "Department" means the Iowa department of  
27 economic development created in section 15.105.

28 3. "Director" means the director of the department  
29 of economic development.

30 4. "Fund" means the grow Iowa fund created in  
31 section 15G.107.

32 5. "Grow Iowa geographic regions" means the  
33 geographic regions defined in section 15G.105.

34 Sec. 79. NEW SECTION. 15G.102 GROW IOWA BOARD.

35 1. The grow Iowa board is established consisting  
36 of nine voting members. The grow Iowa board shall be  
37 located for administrative purposes within the  
38 department and the director shall provide office  
39 space, staff assistance, and necessary supplies and  
40 equipment for the board. The director shall budget  
41 moneys to pay the compensation and expenses of the  
42 board. In performing its functions, the board is  
43 performing a public function on behalf of the state  
44 and is a public instrumentality of the state.

45 2. a. The members of the board shall be appointed  
46 as follows:

47 (1) Five individuals appointed by the governor,  
48 subject to confirmation by the senate.

49 (2) Four individuals appointed by the legislative  
50 council.

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- 1 b. All appointments shall comply with sections  
2 69.16 and 69.16A.
- 3 c. At least one member of the board shall be from  
4 each grow Iowa geographic region.
- 5 d. Each of the following areas of expertise shall  
6 be represented by at least one member of the board who  
7 has professional experience in that area of expertise:  
8 (1) Accounting and finance.  
9 (2) Business development for employers with less  
10 than two hundred employees and sales of less than ten  
11 million dollars per year.  
12 (3) Insurance.  
13 (4) Economics.  
14 (5) Personnel.
- 15 e. All members of the board shall be actively  
16 employed in the private, for-profit sector of the  
17 economy.
- 18 f. The board membership shall be balanced between  
19 representation by employers with less than two hundred  
20 employees and employers with two hundred or more  
21 employees.
- 22 3. The chairperson and vice chairperson shall be  
23 elected by the members of the board from the  
24 membership of the board. In the case of the absence  
25 or disability of the chairperson and vice chairperson,  
26 the members of the board shall elect a temporary  
27 chairperson by a majority vote of those members who  
28 are present and voting, provided a quorum is present.
- 29 4. The members of the board shall be appointed to  
30 three-year staggered terms and the terms shall  
31 commence and end as provided in section 69.19. If a  
32 vacancy occurs, a successor shall be appointed in the  
33 same manner and subject to the same qualifications as  
34 the original appointment to serve the unexpired term.
- 35 5. A majority of the board constitutes a quorum.
- 36 6. A member of the board shall abstain from voting  
37 on the provision of financial assistance to a project  
38 which is located in the county in which the member of  
39 the board resides.
- 40 7. The members of the board are entitled to  
41 receive reimbursement for actual expenses incurred  
42 while engaged in the performance of official duties.  
43 a board member may also be eligible to receive  
44 compensation as provided in section 7E.6.
- 45 Sec. 80. NEW SECTION. 15G.103 BOARD DUTIES.  
46 The board shall do all of the following:  
47 1. Organize.  
48 2. Receive advice and recommendations from the  
49 grow Iowa investment board, the economic development  
50 marketing board, and the grow Iowa review commission.

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1 3. Provide advice and recommendations to the  
2 department and the Iowa economic development board for  
3 making appropriations from and administering the grow  
4 Iowa fund. a recommendation made by the grow Iowa  
5 board to the department or the Iowa economic  
6 development board shall be either approved or denied  
7 by the department or the Iowa economic development  
8 board.

9 4. Assist the department in implementing programs  
10 and activities in a manner designed to achieve the  
11 goals set out in section 15G.106.

12 5. By December 15 of each year, submit a written  
13 report to the general assembly reviewing the  
14 activities of the board during the calendar year. The  
15 report shall include information necessary for the  
16 review of the goals and performance measures set out  
17 in section 15G.106. State agencies and other entities  
18 receiving moneys from the fund shall cooperate with  
19 and assist the board in compilation of the report.

20 6. Adopt administrative rules pursuant to chapter  
21 17a necessary to administer this chapter.

22 Sec. 81. NEW SECTION. 15G.104 GROW IOWA  
23 INVESTMENT BOARD.

24 1. A grow Iowa investment board is established  
25 consisting of three members and is located for  
26 administrative purposes within the department. The  
27 director of the department shall provide office space,  
28 staff assistance, and necessary supplies and equipment  
29 for the board. The director shall budget moneys to  
30 pay the compensation and expenses of the board. In  
31 performing its functions, the board is performing a  
32 public function on behalf of the state and is a public  
33 instrumentality of the state.

34 2. a. Membership of the grow Iowa investment  
35 board shall include all of the following:

36 (1) One member appointed by the governor from a  
37 list of three banking representatives provided by the  
38 superintendent of banking. This member shall serve a  
39 three-year term.

40 (2) One member appointed by the governor from a  
41 list of entrepreneurs provided jointly by the Iowa  
42 association of business and industry and the national  
43 federation of independent business. This member shall  
44 serve a three-year term.

45 (3) The entrepreneur of the year as selected by  
46 the Iowa small business development centers shall be  
47 offered a one-year membership on the investment board.  
48 If the entrepreneur of the year declines to serve on  
49 the investment board, a member shall be appointed by  
50 the governor from the list provided pursuant to

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1 subparagraph (2) for the one-year term.

2 b. The chairperson and vice chairperson of the  
3 grow Iowa investment board shall be elected by and  
4 from the investment board members. The terms of the  
5 members shall commence and end as provided by section  
6 69.19. If a vacancy occurs, a successor shall be  
7 appointed in the same manner and subject to the same  
8 qualifications as the original appointment to serve  
9 the unexpired term. a majority of the investment  
10 board constitutes a quorum.

11 3. The grow Iowa investment board shall provide  
12 recommendations to the grow Iowa board regarding any  
13 moneys proposed to be expended from the grow Iowa  
14 fund, with the exception of moneys appropriated for  
15 purposes of the loan and credit guarantee program.  
16 The recommendations shall be based on whether the  
17 expenditure would make the achievement of the goals in  
18 accordance with the performance measures set out in  
19 section 15G.106 more likely. The grow Iowa board  
20 shall consider the recommendations of the grow Iowa  
21 investment board and shall make an independent  
22 recommendation to the department and the Iowa economic  
23 development board regarding the expenditure. The  
24 recommendations of the grow Iowa board shall include  
25 the recommendations made by the grow Iowa investment  
26 board.

27 4. The members of the board are entitled to  
28 receive reimbursement for actual expenses incurred  
29 while engaged in the performance of official duties.  
30 a board member may also be eligible to receive  
31 compensation as provided in section 7E.6.

32 Sec. 82. NEW SECTION. 15G.104a GROW IOWA REVIEW  
33 COMMISSION.

34 1. A grow Iowa review commission is established  
35 consisting of three members and is located for  
36 administrative purposes within the department. The  
37 director of the department shall provide office space,  
38 staff assistance, and necessary supplies and equipment  
39 for the review commission. The director shall budget  
40 moneys to pay the compensation and expenses of the  
41 commission. In performing its functions, the review  
42 commission is performing a public function on behalf  
43 of the state and is a public instrumentality of the  
44 state.

45 2. Membership of the review commission shall  
46 include the auditor of state, an economist for the  
47 Iowa state university cooperative extension service in  
48 agriculture and home economics appointed by the  
49 president of the senate after consultation with the  
50 minority leader of the senate, and a private sector

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1 economist with broad experience reviewing and  
2 analyzing the Iowa economy and the economy of the  
3 upper midwest appointed by the speaker of the house of  
4 representatives after consultation with the minority  
5 leader of the house of representatives. The  
6 appointments shall comply with sections 69.16 and  
7 69.16A. The chairperson of the review commission  
8 shall be the auditor of state. The members shall be  
9 appointed to three-year staggered terms and the terms  
10 shall commence and end as provided by section 69.19.  
11 If a vacancy occurs, a successor shall be appointed in  
12 the same manner and subject to the same qualifications  
13 as the original appointment to serve the unexpired  
14 term. a majority of the review commission constitutes  
15 a quorum. For purposes of this subsection, “upper  
16 midwest” includes the states of Iowa, Kansas,  
17 Minnesota, Missouri, Nebraska, North Dakota, and South  
18 Dakota.

19 3. The review commission shall analyze all annual  
20 reports of the grow Iowa board for purposes of  
21 determining if the goals and performance measures set  
22 out in section 15G.106 have been met. By January 1,  
23 2007, the review commission shall submit a report to  
24 the grow Iowa board, the department, and the general  
25 assembly. The report shall include findings, itemized  
26 by grow Iowa geographic regions, regarding whether the  
27 goals and performance measures were met. The report  
28 shall also include recommendations regarding the  
29 continuation, elimination, or modification of any  
30 programs receiving moneys from the grow Iowa fund and  
31 whether moneys should continue to be appropriated to  
32 and from the grow Iowa fund. The recommendations  
33 shall be based on whether the goals in accordance with  
34 the performance measures are being achieved.

35 4. The members of the commission are entitled to  
36 receive reimbursement for actual expenses incurred  
37 while engaged in the performance of official duties.  
38 a commission member may also be eligible to receive  
39 compensation as provided in section 7E.6.

40 Sec. 83. **NEW SECTION.** 15G.105 GROW IOWA  
41 GEOGRAPHIC REGIONS.

42 For purposes of applying the goals and performance  
43 measurements, the state shall be divided into five  
44 grow Iowa geographic regions. The regions shall be  
45 the following:

46 1. The northwest region shall include the counties  
47 of Lyon, Osceola, Dickinson, Emmet, Kossuth,  
48 Winnebago, Sioux, O'Brien, Clay, Palo Alto, Hancock,  
49 Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt,  
50 Wright, Woodbury, Ida, Sac, Calhoun, Webster, and

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- 1 Hamilton.
- 2 2. The northeast region shall include the counties  
3 of Worth, Mitchell, Howard, Winneshiek, Allamakee,  
4 Cerro Gordo, Floyd, Chickasaw, Fayette, Clayton,  
5 Franklin, Butler, Bremer, Hardin, Grundy, Black Hawk,  
6 Buchanan, Delaware, Dubuque, Tama, Benton, Linn,  
7 Jones, and Jackson.
- 8 3. The southeast region shall include the counties  
9 of Poweshiek, Iowa, Johnson, Cedar, Clinton, Scott,  
10 Muscatine, Mahaska, Keokuk, Washington, Louisa,  
11 Monroe, Wapello, Jefferson, Henry, Des Moines,  
12 Appanoose, Davis, Van Buren, and Lee.
- 13 4. The southwest region shall include the counties  
14 of Monona, Crawford, Carroll, Greene, Harrison,  
15 Shelby, Audubon, Guthrie, Pottawattamie, Cass, Adair,  
16 Mills, Montgomery, Adams, Union, Clarke, Lucas,  
17 Fremont, Page, Taylor, Ringgold, Decatur, and Wayne.
- 18 5. The central region shall include the counties  
19 of Boone, Story, Marshall, Dallas, Polk, Jasper,  
20 Madison, Warren, and Marion.
- 21 Sec. 84. NEW SECTION. 15G.106 GOALS --  
22 PERFORMANCE MEASURES.
- 23 1. In performing the duties provided in this  
24 chapter, chapter 15, and chapter 15E, the grow Iowa  
25 board, the grow Iowa investment board, the economic  
26 development marketing board, the grow Iowa review  
27 commission, and the department shall achieve the goals  
28 of expanding and stimulating the state economy,  
29 increasing the wealth of Iowans, and increasing the  
30 population of the state. For purposes of this  
31 section, “upper midwest region” includes the states of  
32 Iowa, Kansas, Minnesota, Missouri, Nebraska, North  
33 Dakota, and South Dakota.
- 34 2. Goal achievement shall be examined on a  
35 regional basis using the grow Iowa geographic regions  
36 and not on a statewide basis. The performance of the  
37 grow Iowa geographic regions shall be compared to the  
38 performance of the state, the upper midwest region,  
39 and the United States. The baseline year shall be the  
40 calendar year 2000. In each grow Iowa geographic  
41 region, the goal shall be to increase the baseline  
42 performance measures listed in subsections 3 and 4,  
43 with the exception of subsection 3, paragraph “c”, by  
44 thirty percent.
- 45 3. a. In determining whether the goal of  
46 expanding and stimulating the state economy has been  
47 met, the following performance measures shall be  
48 considered:
- 49 (1) An increase in Iowa’s gross domestic product.  
50 (2) A net increase in business start-ups.

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1 (3) A net increase in business expansion.  
2 (4) A net increase in business modernization.  
3 (5) A net increase in attracting new businesses to  
4 the state.  
5 (6) A net increase in business retention.  
6 (7) A net increase in job creation and retention.  
7 (8) A decrease in Iowa of the ratio of the  
8 government wage earnings as a percentage share of the  
9 earnings of private industry in Iowa at a rate at  
10 least equal to the ratio of the upper midwest region.  
11 b. By December 15 of each year the department  
12 shall submit a report to the grow Iowa review  
13 commission and the grow Iowa board that identifies  
14 information pertinent to the performance measures in  
15 paragraph “a”, subparagraphs (3), (4), and (6), that  
16 the department gains through interviews with  
17 businesses in the state that close all or a portion of  
18 operations in the state.  
19 c. By December 15 of each year the department  
20 shall submit a report to the grow Iowa review  
21 commission and the grow Iowa board that identifies  
22 lost sale reports information pertinent to the  
23 performance measures in paragraph “a”, subparagraphs  
24 (2) and (5), which indicate that the state has not  
25 been successful in the performance measures in  
26 paragraph “a”, subparagraphs (2) and (5).  
27 d. For purposes of the performance measure in  
28 paragraph “a”, subparagraph (7), the department of  
29 economic development, in consultation with the  
30 department of workforce development and the auditor of  
31 state, shall determine an average annual job creation  
32 and retention rate based on the ten years prior to  
33 2003. During the fiscal years beginning July 1, 2003,  
34 July 1, 2004, and July 1, 2005, the department of  
35 economic development shall report the job creation and  
36 retention rate of those businesses that receive moneys  
37 originating from the grow Iowa fund and the job  
38 creation and retention rate of those businesses that  
39 do not receive moneys originating from the grow Iowa  
40 fund. The ten-year average annual job creation and  
41 retention rate shall be compared to the job creation  
42 and retention rates determined under this paragraph  
43 for the fiscal years beginning July 1, 2003, July 1,  
44 2004, and July 1, 2005. The department of economic  
45 development shall assist the department of workforce  
46 development in maintaining detailed employment  
47 statistics on businesses that receive moneys  
48 originating from the grow Iowa fund, on businesses  
49 that do not receive moneys originating from the grow  
50 Iowa fund, and on industries in Iowa that those

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1 businesses represent. The auditor of state shall  
2 audit the accuracy of the statistics compiled pursuant  
3 to this paragraph.

4 4. In determining whether the goal of increasing  
5 the wealth of Iowans has been met, the following  
6 performance measures shall be considered:

7 a. The per capita personal income in Iowa shall  
8 equal or exceed the average per capita personal income  
9 for the upper midwest region.

10 b. The average earnings per job in Iowa shall  
11 equal or exceed the average earnings per job in the  
12 upper midwest region.

13 c. The average manufacturing earnings per employee  
14 in Iowa shall equal or exceed the average  
15 manufacturing earnings per employee in the upper  
16 midwest region.

17 d. The average service earnings per employee in  
18 Iowa shall equal or exceed the average service  
19 earnings per employee in the upper midwest region.

20 e. The average earnings per employee in the  
21 financial, insurance, and real estate industries in  
22 Iowa shall equal or exceed the average earnings per  
23 employee in the financial, insurance, and real estate  
24 industries in the upper midwest region.

25 5. In determining whether the goal of increasing  
26 the population of the state has been met, the  
27 following performance measures shall be considered:

28 a. The net increase in new residents in the state  
29 gained through attracting new businesses to the state.

30 b. The increase in the retention of high school  
31 graduates and college graduates from private and  
32 public colleges and universities in the state after  
33 graduation.

34 c. The ability to retain fifty percent of all  
35 undergraduate graduates of universities under the  
36 control of the state board of regents in the state  
37 after graduation.

38 Sec. 85. NEW SECTION. 15G.107 GROW IOWA FUND.

39 A grow Iowa fund is created in the state treasury  
40 under the control of the grow Iowa board consisting of  
41 moneys appropriated to the grow Iowa board. Moneys in  
42 the fund are not subject to section 8.33.

43 Notwithstanding section 12C.7, interest or earnings on  
44 moneys in the fund shall be credited to the fund. The  
45 fund shall be administered by the grow Iowa board,  
46 which shall make expenditures from the fund consistent  
47 with this chapter and pertinent Acts of the general  
48 assembly.

49 Sec. 86. NEW SECTION. 15G.108 ECONOMIC

50 DEVELOPMENT MARKETING BOARD -- MARKETING STRATEGIES --

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1 APPROPRIATIONS.

2 1. a. An economic development marketing board is  
3 established consisting of seven members and is located  
4 for administrative purposes within the department.

5 The director of the department shall provide office  
6 space, staff assistance, and necessary supplies and  
7 equipment for the board. The director shall budget  
8 moneys to pay the compensation and expenses of the  
9 board. In performing its functions, the board is  
10 performing a public function on behalf of the state  
11 and is a public instrumentality of the state.

12 b. The membership of the board shall be as  
13 follows:

14 (1) Three members with significant demonstrated  
15 experience in marketing or advertising appointed by  
16 the governor.

17 (2) Four members with significant demonstrated  
18 experience in marketing or advertising appointed by  
19 the legislative council.

20 c. The appointments made by the governor shall  
21 comply with sections 69.16 and 69.16a and shall be  
22 subject to confirmation by the senate.

23 d. The chairperson and vice chairperson of the  
24 board shall be elected by and from the board members  
25 listed in paragraph "b". In case of the absence or  
26 disability of the chairperson and vice chairperson,  
27 the members of the board shall elect a temporary  
28 chairperson by a majority vote of those members who  
29 are present and voting.

30 e. The members shall be appointed to three-year  
31 staggered terms and the terms shall commence and end  
32 as provided by section 69.19. If a vacancy occurs, a  
33 successor shall be appointed to serve the unexpired  
34 term. A successor shall be appointed in the same  
35 manner and subject to the same qualifications as the  
36 original appointment to serve the unexpired term.

37 f. A majority of the board constitutes a quorum.

38 2. The board shall administer the approval process  
39 provided in subsection 3.

40 3. The economic development marketing board shall  
41 accept proposals for marketing strategies for purposes  
42 of selecting a strategy for the department to  
43 administer. The marketing strategies shall be  
44 designed to market Iowa as a lifestyle, increase the  
45 population of the state, increase the wealth of  
46 Iowans, and expand and stimulate the state economy.  
47 The economic development marketing board shall submit  
48 a recommendation regarding the proposal to the grow  
49 Iowa board. In selecting a marketing strategy for  
50 recommendation, the economic development marketing

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1 board shall base the selection on the goals and  
 2 performance measures provided in section 15G.106. The  
 3 grow Iowa board shall either approve or deny the  
 4 recommendation.

5 4. The department shall implement and administer  
 6 the marketing strategy approved by the grow Iowa board  
 7 as provided in subsection 3. The department shall  
 8 provide the economic development marketing board with  
 9 assistance in implementing administrative functions of  
 10 the board and provide technical assistance to the  
 11 board.

12 5. The members of the board are entitled to  
 13 receive reimbursement for actual expenses incurred  
 14 while engaged in the performance of official duties.  
 15 a board member may also be eligible to receive  
 16 compensation as provided in section 7E.6.

17 Sec. 87. NEW SECTION. 15G.109 FUTURE  
 18 CONSIDERATION.

19 Not later than February 1, 2007, the legislative  
 20 services agency shall prepare and deliver to the  
 21 secretary of the senate and the chief clerk of the  
 22 house of representatives identical bills that repeal  
 23 the provisions of this chapter. It is the intent of  
 24 this section that the general assembly shall bring the  
 25 bill to a vote in either the senate or the house of  
 26 representatives expeditiously. It is further the  
 27 intent of this chapter that if the bill is approved by  
 28 the first house in which it is considered, it shall  
 29 expeditiously be brought to a vote in the second  
 30 house.

#### 31 DIVISION VII

#### 32 VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES 33 FINANCIAL ASSISTANCE PROGRAM

34 Sec. 88. Section 15E.111, subsection 1, Code 2003,  
 35 is amended to read as follows:

36 1. a. The department shall establish a value-  
 37 added agricultural products and processes financial  
 38 assistance program. The department shall consult with  
 39 ~~the Iowa corn growers association and the Iowa soybean~~  
 40 ~~association~~ Iowa commodity groups. The purpose of the  
 41 program is to encourage the increased utilization of  
 42 agricultural commodities produced in this state. The  
 43 program shall assist in efforts to revitalize rural  
 44 regions of this state, by committing resources to  
 45 provide financial assistance to new or existing value-  
 46 added production facilities. The department of  
 47 economic development may consult with other state  
 48 agencies regarding any possible future environmental,  
 49 health, or safety issues linked to technology related  
 50 to the biotechnology industry. In awarding financial

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1 assistance, the department shall prefer producer-  
2 owned, value-added businesses and commit resources to  
3 assist the following:

4 ~~a.~~ (1) Facilities which are involved in the  
5 development of new innovative products and processes  
6 related to agriculture. The facility must do either  
7 of the following: produce a good derived from an  
8 agricultural commodity, if the good is not commonly  
9 produced from an agricultural commodity; or use a  
10 process to produce a good derived from an agricultural  
11 process, if the process is not commonly used to  
12 produce the good.

13 ~~b.~~ (2) Renewable fuel production facilities. As  
14 used in this section, “renewable fuel” means an energy  
15 source which is derived from an organic compound  
16 capable of powering machinery, including an engine or  
17 power plant.

18 (3) Agricultural business facilities in the  
19 agricultural biotechnology industry, agricultural  
20 biomass industry, and alternative energy industry.  
21 For purposes of this subsection:

22 (a) “Agricultural biomass industry” means  
23 businesses that utilize agricultural commodity crops,  
24 agricultural by-products, or animal feedstock in the  
25 production of chemicals, protein products, or other  
26 high-value products.

27 (b) “Agricultural biotechnology industry” means  
28 businesses that utilize scientifically enhanced plants  
29 or animals that can be raised by producers and used in  
30 the production of high-value products.

31 (c) “Alternative energy industry” includes  
32 businesses involved in the production of ethanol,  
33 biodiesel, biomass, or in the production of wind  
34 energy.

35 (4) Facilities that add value to Iowa agricultural  
36 commodities through further processing and development  
37 of organic products and emerging markets.

38 (5) Producer-owned, value-added businesses,  
39 education of producers and management boards in value-  
40 added businesses, and other activities that would  
41 support the infrastructure in the development of  
42 value-added agriculture. For purposes of this  
43 subsection, “producer-owned, valued-added business”  
44 means a person who holds an equity interest in the  
45 agricultural business and is personally involved in  
46 the production of crops or livestock on a regular,  
47 continuous, and substantial basis.

48 ~~b.~~ Financial assistance awarded under this section  
49 may be in the form of a loan, loan guarantee, grant,  
50 production incentive payment, or a combination of

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1 financial assistance. The department shall not award  
 2 more than twenty-five percent of the amount allocated  
 3 to the value-added agricultural products and processes  
 4 financial assistance fund during any fiscal year to  
 5 support a single person. The department may finance  
 6 any size of facility. However, the department ~~shall~~  
 7 may reserve up to fifty percent of the total amount  
 8 allocated to the fund, for purposes of assisting  
 9 persons requiring ~~one~~ five hundred thousand dollars or  
 10 less in financial assistance. The amount shall be  
 11 reserved until the end of the third quarter of the  
 12 fiscal year. The department shall not provide  
 13 financial assistance to support a value-added  
 14 production facility if the facility or a person owning  
 15 a controlling interest in the facility has  
 16 demonstrated a continuous and flagrant disregard for  
 17 the health and safety of its employees or the quality  
 18 of the environment. Evidence of such disregard shall  
 19 include a history of serious or uncorrected violations  
 20 of state or federal law protecting occupational health  
 21 and safety or the environment, including but not  
 22 limited to serious or uncorrected violations of  
 23 occupational safety and health standards enforced by  
 24 the division of labor services of the department of  
 25 workforce development pursuant to chapter 84A, or  
 26 rules enforced by the department of natural resources  
 27 pursuant to chapter 455B or 459, subchapters II and  
 28 III.

#### DIVISION VIII

#### ENDOW IOWA GRANTS

31 Sec. 89. NEW SECTION. 15E.301 SHORT TITLE.  
 32 This division shall be known as and may be cited as  
 33 the "Endow Iowa Program Act".

34 Sec. 90. NEW SECTION. 15E.302 PURPOSE.  
 35 The purpose of this division is to enhance the  
 36 quality of life for citizens of this state through  
 37 increased philanthropic activity by providing capital  
 38 to new and existing citizen groups of this state  
 39 organized to establish endowment funds that will  
 40 address community needs. The purpose of this division  
 41 is also to encourage individuals, businesses, and  
 42 organizations to invest in community foundations.

43 Sec. 91. NEW SECTION. 15E.303 DEFINITIONS.

44 As used in this division, unless the context  
 45 otherwise requires:

- 46 1. "Board" means the governing board of the lead  
 47 philanthropic entity identified by the department  
 48 pursuant to section 15E.304.
- 49 2. "Business" means a business operating within  
 50 the state and includes individuals operating a sole

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- 1 proprietorship or having rental, royalty, or farm  
2 income in this state and includes a consortium of  
3 businesses.
- 4 3. “Community affiliate organization” means a  
5 group of five or more community leaders or advocates  
6 organized for the purpose of increasing philanthropic  
7 activity in an identified community or geographic area  
8 in this state with the intention of establishing a  
9 community affiliate endowment fund.
- 10 4. “Endowment gift” means an irrevocable  
11 contribution to a permanent endowment held by a  
12 qualified community foundation.
- 13 5. “Lead philanthropic entity” means the entity  
14 identified by the department pursuant to section  
15 15E.304.
- 16 6. “Qualified community foundation” means a  
17 community foundation organized or operating in this  
18 state that meets or exceeds the national standards  
19 established by the national council on foundations.
- 20 Sec. 92. NEW SECTION. 15E.304 ENDOW IOWA GRANTS.
- 21 1. The department shall identify a lead  
22 philanthropic entity for purposes of encouraging the  
23 development of qualified community foundations in this  
24 state. A lead philanthropic entity shall meet all of  
25 the following qualifications:
- 26 a. The entity shall be a nonprofit entity which is  
27 exempt from federal income taxation pursuant to  
28 section 501(c)(3) of the Internal Revenue Code.
- 29 b. The entity shall be a statewide organization  
30 with membership consisting of organizations, such as  
31 community, corporate, and private foundations, whose  
32 principal function is the making of grants within the  
33 state of Iowa.
- 34 c. The entity shall have a minimum of forty  
35 members and that membership shall include qualified  
36 community foundations.
- 37 2. A lead philanthropic entity may receive a grant  
38 from the department. The board shall use the grant  
39 moneys to award endow Iowa grants to new and existing  
40 qualified community foundations and to community  
41 affiliate organizations that do all of the following:
- 42 a. Provide the board with all information required  
43 by the board.
- 44 b. Demonstrate a dollar-for-dollar funding match  
45 in a form approved by the board.
- 46 c. Identify a qualified community foundation to  
47 hold all funds. A qualified community foundation  
48 shall not be required to meet this requirement.
- 49 d. Provide a plan to the board demonstrating the  
50 method for distributing grant moneys received from the

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1 board to organizations within the community or  
 2 geographic area as defined by the qualified community  
 3 foundation or the community affiliate organization.  
 4 3. Endow Iowa grants awarded to new and existing  
 5 qualified community foundations and to community  
 6 affiliate organizations shall not exceed twenty-five  
 7 thousand dollars per foundation or organization unless  
 8 a foundation or organization demonstrates a multiple  
 9 county or regional approach. Endow Iowa grants may be  
 10 awarded on an annual basis with not more than three  
 11 grants going to one county in a fiscal year.

12 4. In ranking applications for grants, the board  
 13 shall consider a variety of factors including the  
 14 following:

15 a. The demonstrated need for financial assistance.

16 b. The potential for future philanthropic activity  
 17 in the area represented by or being considered for  
 18 assistance.

19 c. The proportion of the funding match being  
 20 provided.

21 d. For community affiliate organizations, the  
 22 demonstrated need for the creation of a community  
 23 affiliate endowment fund in the applicant's geographic  
 24 area.

25 e. The identification of community needs and the  
 26 manner in which additional funding will address those  
 27 needs.

28 f. The geographic diversity of awards.

29 5. Of any moneys received by a lead philanthropic  
 30 entity from the state, not more than five percent of  
 31 such moneys shall be used by the entity for  
 32 administrative purposes.

33 Sec. 93. NEW SECTION. 15E.306 REPORTS -- AUDITS.

34 By January 31 of each year, the lead philanthropic  
 35 entity, in cooperation with the department, shall  
 36 publish an annual report of the activities conducted  
 37 pursuant to this division during the previous calendar  
 38 year and shall submit the report to the governor and  
 39 the general assembly. The annual report shall include  
 40 a listing of endowment funds and the amount of tax  
 41 credits authorized by the department.

42 Sec. 94. EFFECTIVE AND RETROACTIVE APPLICABILITY  
 43 DATES. This division of this Act, being deemed of  
 44 immediate importance, takes effect upon enactment and  
 45 is retroactively applicable to January 1, 2003, for  
 46 tax years beginning on or after that date.

#### DIVISION IX

#### TECHNOLOGY TRANSFER ADVISORS

49 Sec. 95. NEW SECTION. 7.23 TECHNOLOGY TRANSFER  
 50 ADVISOR.

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1 Two technology transfer advisors shall be appointed  
2 by the governor, serve at the pleasure of the  
3 governor, and be located at offices at the university  
4 of Iowa and Iowa state university of science and  
5 technology. A technology transfer advisor is not a  
6 state agency and is not subject to chapter 17A. A  
7 technology transfer advisor shall do all of the  
8 following:

9 1. Facilitate the transfer of technology developed  
10 at the university of Iowa, the university of northern  
11 Iowa, Iowa state university of science and technology,  
12 community colleges, and private colleges and  
13 universities.

14 2. Coordinate the technology transfer activities  
15 at each of the public and private universities to  
16 encourage the implementation of best practices in  
17 technology transfer, establish measures of  
18 performance, and design programs of continuous quality  
19 improvement for each technology transfer office.

20 3. Establish technology transfer goals for the  
21 state.

22 4. Provide technical assistance to Iowa-based  
23 entrepreneurs associated with or unrelated to the  
24 universities under the control of the state board of  
25 regents regarding technology transfer-related issues.  
26 The technical assistance shall include assistance in  
27 the areas of patents and licensing, business  
28 development and management, finance, production,  
29 sales, and marketing.

30 5. Receive the technology transfer-related report  
31 submitted by the state board of regents pursuant to  
32 section 262.9, subsection 31.

33 6. To ensure economic growth, serve as a  
34 coordinator between Iowa-based businesses and  
35 businesses intending to locate in Iowa.

36 Sec. 96. Section 15.108, Code 2003, is amended by  
37 adding the following new subsection:

38 NEW SUBSECTION. 12. TECHNOLOGY TRANSFER ADVISORS.

39 The department shall cooperate with and provide  
40 staffing support to the technology transfer advisors  
41 appointed pursuant to section 7.23.

42 Sec. 97. Section 262.9, Code 2003, is amended by  
43 adding the following new subsections:

44 NEW SUBSECTION. 29. Actively encourage and  
45 promote the transfer of technology and research at  
46 universities under the control of the board to  
47 commercial application, including the start-up of  
48 business entities.

49 NEW SUBSECTION. 30. Give preference and technical  
50 support to those faculty members and staff members

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1 desiring to obtain licenses for intellectual property  
2 rights created in whole or in part by the faculty  
3 member or staff member. However, such preference  
4 shall not be construed to be a right accruing to that  
5 faculty member or staff member.  
6 NEW SUBSECTION. 31. By January 15 of each year,  
7 submit a report to the governor, through the  
8 technology transfer advisors, and the general assembly  
9 containing information from the previous calendar year  
10 regarding all of the following:  
11 a. Patents secured or applied for by each  
12 university under the control of the board delineated  
13 by university and by faculty member and staff member  
14 responsible for the research or activity that resulted  
15 in the patent. In the initial report filed by January  
16 15, 2004, the board shall include an inventory of  
17 patent portfolios with details concerning which  
18 patents are creating financial benefit and the amount  
19 of financial benefit and which patents are not  
20 creating financial benefit and the amount invested in  
21 those patents.  
22 b. Research grants secured by each university  
23 under the control of the board from both public and  
24 private sources delineated by university and by  
25 faculty member and staff member. The board shall also  
26 include the same information for grant applications  
27 that are denied.  
28 c. The number of faculty members and staff members  
29 at each university under the control of the board  
30 involved in a start-up company.  
31 d. The number of grant applications for research  
32 received by each university under the control of the  
33 board for start-up companies, the number of  
34 applications approved, and the number of applications  
35 denied.  
36 e. The number of agreements entered into by  
37 faculty members and staff members at each university  
38 under the control of the board with foundations  
39 affiliated with the universities relating to business  
40 start-ups.  
41 f. An accounting of the financial gain received by  
42 each university under the control of the board  
43 relating to patents sold, royalties received,  
44 licensing fees, and any other remuneration received by  
45 the university related to technology transfer.  
46 g. The number of professional employees at each  
47 university under the control of the board who assist  
48 in the transfer of technology and research to  
49 commercial application.  
50 Sec. 98. This division of this Act is repealed

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1 July 1, 2008.

2 DIVISION X

3 IOWA ECONOMIC DEVELOPMENT

4 LOAN AND CREDIT GUARANTEE FUND

5 Sec. 99. NEW SECTION. 15E.221 SHORT TITLE.

6 This division shall be known and may be cited as  
7 the “Iowa Economic Development Loan and Credit  
8 Guarantee Fund Act”.

9 Sec. 100. NEW SECTION. 15E.222 LEGISLATIVE  
10 FINDING -- PURPOSES.

11 1. The general assembly finds all of the  
12 following:

13 a. That small and medium-sized businesses, in  
14 general, and certain targeted industry businesses and  
15 other qualified businesses, in particular, may not  
16 qualify for conventional financing.

17 b. That the limited availability of credit for  
18 export transactions limits the ability of small and  
19 medium-sized businesses in this state to compete in  
20 international markets.

21 c. That, to enhance competitiveness and foster  
22 economic development, this state must focus on growth  
23 in certain specific targeted industry businesses and  
24 other qualified businesses, especially during a time  
25 of war.

26 d. That the challenge for the public economic  
27 sector is to create an atmosphere conducive to  
28 economic growth, in conjunction with financial  
29 institutions in the private sector, which fill the  
30 gaps in credit availability and export finance, and  
31 that allow the private sector to identify the lending  
32 opportunities and foster decision making at the local  
33 level.

34 2. The general assembly declares the purposes of  
35 this division to be all of the following:

36 a. To create incentives and assistance to increase  
37 the flow of private capital to targeted industry  
38 businesses and other qualified businesses.

39 b. To promote industrial modernization and  
40 technology adoption.

41 c. To encourage the retention and creation of  
42 jobs.

43 d. To encourage the export of goods and services  
44 sold by Iowa businesses in national and international  
45 markets.

46 Sec. 101. NEW SECTION. 15E.223 DEFINITIONS.

47 As used in this division, unless the context  
48 otherwise requires:

49 1. “Financial institution” means an institution  
50 listed in section 422.61, subsection 1, or such other

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1 financial institution as defined by the department for  
2 purposes of this division.

3 2. "Program" means the loan and credit guarantee  
4 program established in this division.

5 3. "Qualified business" means an existing or  
6 proposed business entity with an annual average number  
7 of employees not exceeding two hundred employees.

8 "Qualified business" does not include businesses  
9 engaged primarily in retail sales, real estate, or the  
10 provision of health care or other professional  
11 services. "Qualified business" includes professional  
12 services businesses that provide services to targeted  
13 industry businesses or other entities within and  
14 outside of this state.

15 4. "Targeted industry business" means an existing  
16 or proposed business entity, including an emerging  
17 small business or qualified business which is operated  
18 for profit and which has a primary business purpose of  
19 doing business in at least one of the targeted  
20 industries designated by the department which include  
21 life sciences, software and information technology,  
22 advanced manufacturing, value-added agriculture, and  
23 any other industry designated as a targeted industry  
24 by the loan and credit guarantee advisory board.

25 Sec. 102. NEW SECTION. 15E.224 LOAN AND CREDIT  
26 GUARANTEE PROGRAM.

27 1. The department shall, with the advice of the  
28 loan and credit guarantee advisory board, establish  
29 and administer a loan and credit guarantee program.  
30 The department, pursuant to agreements with financial  
31 institutions, shall provide loan and credit  
32 guarantees, or other forms of credit guarantees for  
33 qualified businesses and targeted industry businesses  
34 for eligible project costs. A loan or credit  
35 guarantee provided under the program may stand alone  
36 or may be used in conjunction with or to enhance other  
37 loans or credit guarantees, offered by private, state,  
38 or federal entities. However, the department shall  
39 not in any manner directly or indirectly pledge the  
40 credit of the state. Eligible project costs include  
41 expenditures for productive equipment and machinery,  
42 working capital for operations and export  
43 transactions, research and development, marketing, and  
44 such other costs as the department may so designate.

45 2. A loan or credit guarantee or other form of  
46 credit guarantee provided under the program to a  
47 participating financial institution for a single  
48 qualified business or targeted industry business shall  
49 not exceed one million dollars in value. Loan or  
50 credit guarantees or other forms of credit guarantees

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1 provided under the program to more than one  
2 participating financial institution for a single  
3 qualified business or targeted industry business shall  
4 not exceed ten million dollars in value.

5 3. In administering the program, the department  
6 shall consult and cooperate with financial  
7 institutions in this state and with the loan and  
8 credit guarantee advisory board. Administrative  
9 procedures and application procedures, as practicable,  
10 shall be responsive to the needs of qualified  
11 businesses, targeted industry businesses, and  
12 financial institutions, and shall be consistent with  
13 prudent investment and lending practices and criteria.

14 4. Each participating financial institution shall  
15 identify and underwrite potential lending  
16 opportunities with qualified businesses and targeted  
17 industry businesses. Upon a determination by a  
18 participating financial institution that a qualified  
19 business or targeted industry business meets the  
20 underwriting standards of the financial institution,  
21 subject to the approval of a loan or credit guarantee,  
22 the financial institution shall submit the  
23 underwriting information and a loan or credit  
24 guarantee application to the department.

25 5. The department, with the advice of the loan and  
26 credit guarantee advisory board, shall adopt a loan or  
27 credit guarantee application procedure for a financial  
28 institution on behalf of a qualified business or  
29 targeted industry business.

30 6. Upon approval of a loan or credit guarantee,  
31 the department shall enter into a loan or credit  
32 guarantee agreement with the participating financial  
33 institution. The agreement shall specify all of the  
34 following:

35 a. The fee to be charged to the financial  
36 institution.

37 b. The evidence of debt assurance of, and security  
38 for, the loan or credit guarantee.

39 c. A loan or credit guarantee that does not exceed  
40 fifteen years.

41 d. Any other terms and conditions considered  
42 necessary or desirable by the department.

43 7. The department, with the advice of the loan and  
44 credit guarantee advisory board, may adopt loan and  
45 credit guarantee application procedures that allow a  
46 qualified business or targeted industry business to  
47 apply directly to the department for a preliminary  
48 guarantee commitment. A preliminary guarantee  
49 commitment may be issued by the department subject to  
50 the qualified business or targeted industry business

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1 securing a commitment for financing from a financial  
2 institution. The application procedures shall specify  
3 the process by which a financial institution may  
4 obtain a final loan and credit guarantee.

5 Sec. 103. NEW SECTION. 15E.225 TERMS -- FEES.

6 1. When entering into a loan or credit guarantee  
7 agreement, the department, with the advice of the loan  
8 and credit guarantee advisory board, shall establish  
9 fees and other terms for participation in the program  
10 by qualified businesses and targeted industry  
11 businesses.

12 2. The department, with due regard for the  
13 possibility of losses and administrative costs and  
14 with the advice of the loan and credit guarantee  
15 advisory board, shall set fees and other terms at  
16 levels sufficient to assure that the program is self-  
17 financing.

18 3. For a preliminary guarantee commitment, the  
19 department may charge a qualified business or targeted  
20 industry business a preliminary guarantee commitment  
21 fee. The application fee shall be in addition to any  
22 other fees charged by the department under this  
23 section and shall not exceed one thousand dollars for  
24 an application.

25 Sec. 104. NEW SECTION. 15E.226 LOAN AND CREDIT  
26 GUARANTEE ADVISORY BOARD.

27 The department, in consultation with the  
28 superintendent of banking, shall establish a loan and  
29 credit guarantee advisory board. The advisory board  
30 shall provide the department with technical advice  
31 regarding the administration of the program, including  
32 the adoption of administrative rules pursuant to  
33 chapter 17A. The advisory board shall review and  
34 provide recommendations regarding all applications  
35 under the program. Members of the advisory board are  
36 entitled to receive reimbursement for actual expenses  
37 incurred while engaged in the performance of official  
38 duties. Advisory board members may also be eligible  
39 to receive compensation as provided in section 7E.6.  
40 The director of the department shall budget moneys to  
41 pay the compensation and expenses of the advisory  
42 board.

43 Sec. 105. This division of this Act is repealed  
44 July 1, 2008.

#### 45 DIVISION XI

#### 46 ECONOMIC DEVELOPMENT ASSISTANCE AND DATA COLLECTION

47 Sec. 106. NEW SECTION. 15E.118 BUSINESS START-UP  
48 INFORMATION -- INTERNET WEB SITE.

49 The department shall provide information through an  
50 internet web site and a toll-free telephone service to

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1 assist persons interested in establishing a commercial  
2 facility or engaging in a commercial activity. The  
3 information shall include all of the following:

4 1. Assistance, information, and guidance for  
5 start-up businesses.

6 2. Information gathered by the department pursuant  
7 to section 15E.17, subsection 2.

8 3. Personal and corporate income tax information.

9 4. Information regarding financial assistance and  
10 incentives available to businesses.

11 5. Workforce availability in the state presented  
12 in a regional format.

13 Sec. 107. NEW SECTION. 15E.119 ECONOMIC  
14 DEVELOPMENT-RELATED DATA COLLECTION.

15 1. The department shall interview any business  
16 that considered locating in Iowa but decided to locate  
17 elsewhere. The department shall attempt to determine  
18 factors that affected the location decision of the  
19 business.

20 2. The department shall interview any business  
21 that closes major operations in the state or dissolves  
22 the business's corporate status in an effort to  
23 identify factors that led to the closure or  
24 dissolution.

25 3. By January 15 of each year, the department  
26 shall submit a written report to the general assembly  
27 that summarizes the information collected pursuant to  
28 this section.

29 Sec. 108. INTERNET WEB SITE DEVELOPMENT. In  
30 developing the internet web site required in section  
31 15E.118, the department of economic development shall  
32 examine similar efforts in other states and  
33 incorporate the best practices.

#### 34 DIVISION XII

#### 35 CULTURAL AND ENTERTAINMENT DISTRICTS

36 Sec. 109. NEW SECTION. 303.3B CULTURAL AND  
37 ENTERTAINMENT DISTRICTS.

38 1. The department of cultural affairs shall  
39 establish and administer a cultural and entertainment  
40 district certification program. The program shall  
41 encourage the growth of communities through the  
42 development of areas within a city or county for  
43 public and private uses related to cultural and  
44 entertainment purposes.

45 2. A city or county may create and designate a  
46 cultural and entertainment district subject to  
47 certification by the department of cultural affairs,  
48 in consultation with the department of economic  
49 development. A cultural and entertainment district  
50 shall consist of a geographic area not exceeding one

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1 square mile in size. A cultural and entertainment  
 2 district certification shall remain in effect for ten  
 3 years following the date of certification. Two or  
 4 more cities or counties may apply jointly for  
 5 certification of a district that extends across a  
 6 common boundary. Through the adoption of  
 7 administrative rules, the department of cultural  
 8 affairs shall develop a certification application for  
 9 use in the certification process.

10 3. The department of cultural affairs shall  
 11 encourage development projects and activities located  
 12 in certified cultural and entertainment districts  
 13 through incentives under cultural grant programs  
 14 pursuant to section 303.3, chapter 303A, and any other  
 15 grant programs.

#### DIVISION XIII

#### WORKFORCE ISSUES

18 Sec. 110. NEW SECTION. 15A.10 JOB RETENTION --  
 19 INCENTIVES.

20 1. In order to assure the retention of existing  
 21 jobs that would otherwise be lost, the director of the  
 22 department of economic development may authorize  
 23 incentives and assistance provided to a business under  
 24 this section for a period not to exceed ten years upon  
 25 finding the following:

26 a. The business currently employing, at one place  
 27 of business, at least one thousand employees is likely  
 28 to close or substantially reduce employment.

29 b. The business agrees to remain in the state for  
 30 at least ten years and invest at least fifteen million  
 31 dollars to retool or upgrade facilities.

32 2. Incentives and assistance that may be  
 33 authorized by the director include any of the  
 34 following:

35 a. New jobs credit from withholding, as provided  
 36 in section 15.331.

37 b. Sales, services, and use tax refund, as  
 38 provided in section 15.331A.

39 c. Investment tax credit, as provided in section  
 40 15.333.

41 d. Research activities tax credit, as provided in  
 42 section 15.335.

43 3. A business shall enter into an agreement with  
 44 the department and the city or county specifying the  
 45 terms and conditions that must be met in exchange for  
 46 the incentives and assistance authorized in this  
 47 section. The agreement shall specify how the  
 48 incentives will be repaid in the event the business  
 49 fails to meet or maintain the terms and conditions of  
 50 the agreement.

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1 DIVISION XIV

2 UNIVERSITY-BASED RESEARCH UTILIZATION PROGRAM

3 Sec. 111. NEW SECTION. 262B.11 UNIVERSITY-BASED  
4 RESEARCH UTILIZATION PROGRAM.

5 1. The department of economic development shall  
6 establish and administer a university-based research  
7 utilization program for purposes of encouraging the  
8 utilization of university-based research, primarily in  
9 the area of high technology, in new or existing  
10 businesses. The program shall include the three  
11 universities under the control of the state board of  
12 regents and all accredited private universities  
13 located in the state.

14 2. A new or existing business that utilizes a  
15 technology developed by an employee at a university  
16 under the control of the state board of regents may  
17 apply to the department of economic development for  
18 approval to participate in the university-based  
19 research utilization program. The department shall  
20 approve an applicant if the applicant meets all of the  
21 following criteria:

22 a. The applicant utilizes a technology developed  
23 by an employee at a university under the control of  
24 the state board of regents, provided that the  
25 technology has received a patent after the effective  
26 date of this Act. If the applicant has been in  
27 existence more than one year prior to applying, the  
28 applicant shall organize a separate company to utilize  
29 the technology. For purposes of this section, the  
30 separate company shall be considered the applicant  
31 and, if approved, the approved business.

32 b. The applicant develops a five-year business  
33 plan approved by the department. The plan shall  
34 include information concerning the applicant's Iowa  
35 employment goals and projected impact on the Iowa  
36 economy. The department shall only approve plans  
37 showing sufficient potential impact on Iowa employment  
38 and economic development.

39 c. The applicant meets a minimum-size business  
40 standard determined by the department.

41 d. The applicant provides annual reports to the  
42 department that include employment statistics for the  
43 applicant and the total taxable wages paid to Iowa  
44 employees and reported to the department of revenue  
45 and finance pursuant to section 422.16.

46 3. A business approved under the program and the  
47 university employee responsible for the development of  
48 the technology utilized by the approved business shall  
49 be eligible for a tax credit. The credit shall be  
50 allowed against the taxes imposed in chapter 422,

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1 divisions II and III. An individual may claim a tax  
2 credit under this section of a partnership, limited  
3 liability company, S corporation, estate, or trust  
4 electing to have income taxed directly to the  
5 individual. The amount claimed by the individual  
6 shall be based upon the pro rata share of the  
7 individual's earnings from the partnership, limited  
8 liability company, S corporation, estate, or trust. A  
9 tax credit shall not be claimed under this subsection  
10 unless a tax credit certificate issued by the  
11 department of economic development is attached to the  
12 taxpayer's tax return for the tax year for which the  
13 tax credit is claimed. The amount of a tax credit  
14 allowed under this subsection shall equal the amount  
15 listed on a tax credit certificate issued by the  
16 department of economic development pursuant to  
17 subsection 4. A tax credit certificate shall not be  
18 transferable. Any tax credit in excess of the  
19 taxpayer's liability for the tax year may be credited  
20 to the taxpayer's tax liability for the following five  
21 years or until depleted, whichever occurs first. A  
22 tax credit shall not be carried back to a tax year  
23 prior to the tax year in which the taxpayer redeems  
24 the tax credit.

25 4. For the five tax years following the tax year  
26 in which a business is approved under the program, the  
27 department of revenue and finance shall provide the  
28 department of economic development with information  
29 required by the department of economic development  
30 from each tax return filed by the approved business.  
31 Upon receiving the tax return-related information, the  
32 department of economic development shall do all of the  
33 following:

34 a. Review the information provided by the  
35 department of revenue and finance pursuant to this  
36 subsection and the annual report submitted by the  
37 applicant pursuant to subsection 2, paragraph "d". If  
38 the department determines that the business activities  
39 of the applicant are not providing the benefits to  
40 Iowa employment and economic development projected in  
41 the applicant's approved five-year business plan, the  
42 department shall not issue tax credit certificates for  
43 that year to the applicant or university employee and  
44 shall determine any related university share to be  
45 equal to zero for that year.

46 b. Effective for the fiscal year beginning July 1,  
47 2004, and for subsequent fiscal years, issue a tax  
48 credit certificate to the approved business and the  
49 university employee responsible for the development of  
50 the technology utilized by the approved business in an

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1 amount determined pursuant to subsection 5. A tax  
2 credit certificate shall contain the taxpayer's name,  
3 address, tax identification number, the amount of the  
4 tax credit, and other information required by the  
5 department of revenue and finance.

6 c. (1) Determine the university share which is  
7 equal to the value of thirty percent of the tax  
8 liability of the approved business for purposes of  
9 making an appropriation pursuant to section 262B.12,  
10 if enacted by 2003 Iowa Acts, House File 683 or  
11 another Act, to the university where the technology  
12 utilized by the approved business was developed. A  
13 university share shall not exceed two hundred twenty-  
14 five thousand dollars per year per technology  
15 utilized. For each technology utilized, the aggregate  
16 university share over a five-year period shall not  
17 exceed six hundred thousand dollars.

18 (2) The department shall maintain records for each  
19 university during each fiscal year regarding the  
20 university share each university is entitled to  
21 receive through the appropriation in section 262B.12,  
22 if enacted by 2003 Iowa Acts, House File 683 or  
23 another Act. A university shall be entitled to  
24 receive the total university share for that particular  
25 university during the previous fiscal year.

26 d. For the fiscal year beginning July 1, 2004, not  
27 more than two million dollars worth of certificates  
28 shall be issued pursuant to paragraph "b". For the  
29 fiscal year beginning July 1, 2005, and every fiscal  
30 year thereafter, not more than ten million dollars  
31 worth of certificates shall be issued pursuant to  
32 paragraph "b".

33 5. The tax credit certificates issued by the  
34 department for each of the five years following the  
35 tax year in which the business is approved under the  
36 program shall be for the following amounts:

37 a. For the approved business, the value of the tax  
38 credit certificate shall equal thirty percent of the  
39 tax liability of the approved business. The value of  
40 a certificate issued to an approved business shall not  
41 exceed two hundred twenty-five thousand dollars. The  
42 total aggregate value of certificates issued over a  
43 five-year period to an approved business shall not  
44 exceed six hundred thousand dollars.

45 b. For the university employee responsible for the  
46 development of the technology utilized by the approved  
47 business, the value of the tax credit certificate  
48 shall equal ten percent of the tax liability of the  
49 approved business. If more than one employee is  
50 responsible for the development of the technology, the

1 value equal to ten percent of the tax liability of the  
 2 approved business shall be divided equally and  
 3 individual tax credit certificates shall be issued to  
 4 each employee responsible for the development of the  
 5 technology. Each year, the total value of a  
 6 certificate or certificates issued for a utilized  
 7 technology shall not exceed seventy-five thousand  
 8 dollars. For each technology utilized, the total  
 9 aggregate value of certificates issued over a five-  
 10 year period to the university employee responsible for  
 11 the development of the technology shall not exceed two  
 12 hundred thousand dollars.

13 6. The department of economic development shall  
 14 notify the department of revenue and finance when a  
 15 tax credit certificate is issued pursuant to  
 16 subsection 4. The notification shall include the name  
 17 and tax identification number appearing on any tax  
 18 credit certificate.

19 Sec. 112. NEW SECTION. 422.11H UNIVERSITY-BASED  
 20 RESEARCH UTILIZATION PROGRAM TAX CREDIT.

21 The taxes imposed under this division, less the  
 22 credits allowed under sections 422.12 and 422.12B,  
 23 shall be reduced by a university-based research  
 24 utilization program tax credit authorized pursuant to  
 25 section 262B.11.

26 Sec. 113. Section 422.33, Code 2003, is amended by  
 27 adding the following new subsection:

28 NEW SUBSECTION. 14. The taxes imposed under this  
 29 division shall be reduced by a university-based  
 30 research utilization program tax credit authorized  
 31 pursuant to section 262B.11.

32 DIVISION XV  
 33 FUTURE REPEAL

34 Sec. 114. The divisions of this Act designated the  
 35 grow Iowa board and fund, the value-added agricultural  
 36 products and processes financial assistance program,  
 37 the endow Iowa grants, the technology transfer  
 38 advisors, the Iowa economic development loan and  
 39 credit guarantee fund, the economic development  
 40 assistance and data collection, the cultural and  
 41 entertainment districts, the workforce issues, and the  
 42 university-based research utilization program, are  
 43 repealed effective June 30, 2010.

44 DIVISION XVI  
 45 LIABILITY REFORM

46 Sec. 115. Section 668.12, Code 2003, is amended to  
 47 read as follows:

48 668.12 LIABILITY FOR PRODUCTS -- ~~STATE OF THE ART~~  
 49 ~~DEFENSE DEFENSES.~~

50 1. In any action brought pursuant to this chapter

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1 against an assembler, designer, supplier of  
2 specifications, distributor, manufacturer, or seller  
3 for damages arising from an alleged defect in the  
4 design, testing, manufacturing, formulation,  
5 packaging, warning, or labeling of a product, a  
6 percentage of fault shall not be assigned to such  
7 persons if they plead and prove that the product  
8 conformed to the state of the art in existence at the  
9 time the product was designed, tested, manufactured,  
10 formulated, packaged, provided with a warning, or  
11 labeled.

12 2. Nothing contained in this section subsection 1  
13 shall diminish the duty of an assembler, designer,  
14 supplier of specifications, distributor, manufacturer  
15 or seller to warn concerning subsequently acquired  
16 knowledge of a defect or dangerous condition that  
17 would render the product unreasonably dangerous for  
18 its foreseeable use or diminish the liability for  
19 failure to so warn.

20 3. An assembler, designer, supplier of  
21 specifications, distributor, manufacturer, or seller  
22 shall not be subject to liability under a theory of  
23 civil conspiracy unless the person knowingly and  
24 voluntarily entered into an agreement, express or  
25 implied, to participate in a common plan with the  
26 intent to commit a tortious act upon another. Mere  
27 membership in a trade or industrial association or  
28 group is not, in and of itself, evidence of such an  
29 agreement.

30 Sec. 116. Section 668A.1, subsection 1, Code 2003,  
31 is amended to read as follows:

32 1. In a trial of a claim involving the request for  
33 punitive or exemplary damages, the court shall  
34 instruct the jury to answer special interrogatories  
35 or, if there is no jury, shall make findings,  
36 indicating all of the following:

37 ~~a. Whether, by a preponderance of clear,~~  
38 ~~convincing, and satisfactory evidence, the conduct of~~  
39 ~~the defendant from which the claim arose constituted~~  
40 ~~willful and wanton disregard for the rights or safety~~  
41 ~~of another.~~

42 ~~b. Whether the conduct of the defendant was~~  
43 ~~directed specifically at the claimant, or at the~~  
44 ~~person from which the claimant's claim is derived.~~

45 b. Whether, by a preponderance of clear and  
46 convincing evidence, the conduct of the defendant from  
47 which the claim arose constituted actual malice.

48 Sec. 117. **NEW SECTION.** 668A.2 DEFINITIONS.

49 As used in this chapter, the following terms shall  
50 have the following meanings:

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1 1. "Clear and convincing evidence" means evidence  
2 which leaves no serious or substantial doubt about the  
3 correctness of the conclusions drawn from the  
4 evidence. It is more than a preponderance of  
5 evidence, but less than beyond a reasonable doubt.

6 2. "Malice" means either conduct which is  
7 specifically intended by the defendant to cause  
8 tangible or intangible serious injury to the plaintiff  
9 or conduct that is carried out by the defendant both  
10 with a flagrant indifference to the rights of the  
11 plaintiff and with a subjective awareness that such  
12 conduct will result in tangible serious injury.

13 Sec. 118. NEW SECTION. 668A.3 AWARD OF PUNITIVE  
14 OR EXEMPLARY DAMAGES -- PROOF -- STANDARD.

15 Punitive or exemplary damages shall only be awarded  
16 where the plaintiff proves by clear and convincing  
17 evidence that the plaintiff's harm was the result of  
18 actual malice. This burden of proof shall not be  
19 satisfied by proof of any degree of negligence,  
20 including gross negligence.

21 Sec. 119. APPLICABILITY. This division of this  
22 Act, relating to liability reform, applies to cases  
23 filed on or after July 1, 2003.

24 DIVISION XVII

25 WORKERS' COMPENSATION

26 Sec. 120. Section 85.34, subsection 2, unnumbered  
27 paragraph 1, Code 2003, is amended to read as follows:

28 Compensation for permanent partial disability shall  
29 begin at the termination of the healing period  
30 provided in subsection 1. The compensation shall be  
31 in addition to the benefits provided by sections 85.27  
32 and 85.28. The compensation shall be based only upon  
33 the extent of the disability related to the injury  
34 received and upon the basis of eighty percent per week  
35 of the employee's average spendable weekly earnings,  
36 but not more than a weekly benefit amount, rounded to  
37 the nearest dollar, equal to one hundred eighty-four  
38 percent of the statewide average weekly wage paid  
39 employees as determined by the department of workforce  
40 development under section 96.19, subsection 36, and in  
41 effect at the time of the injury. The minimum weekly  
42 benefit amount shall be equal to the weekly benefit  
43 amount of a person whose gross weekly earnings are  
44 thirty-five percent of the statewide average weekly  
45 wage. For all cases of permanent partial disability  
46 compensation shall be paid as follows:

47 Sec. 121. Section 85.34, subsection 2, paragraph  
48 u, Code 2003, is amended by adding the following new  
49 unnumbered paragraph after unnumbered paragraph 2 as  
50 follows:

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1 NEW UNNUMBERED PARAGRAPH. When an employee makes a  
2 claim for benefits under this subsection, the employer  
3 is not liable for that portion of the employee's  
4 present disability caused by a prior work-related  
5 injury or illness that was sustained by the employee  
6 while the employee was employed by a different  
7 employer. When an employee's present disability  
8 includes disability caused by a prior work-related  
9 injury or illness that was sustained by the employee  
10 while in the employ of the same employer, the employer  
11 is liable for compensating all of the employee's work-  
12 related disability sustained by the employee while in  
13 the employ of the employer, except that any portion of  
14 the disability that was previously compensated by the  
15 employer shall be deducted from the employer's  
16 obligation to pay benefits for the employee's present  
17 disability. If an employee's present disability is  
18 reduced by a portion of disability sustained from  
19 prior work-related injuries or illnesses for which the  
20 employee has already been compensated by the same  
21 employer, then the employee shall receive compensation  
22 for the remaining disability caused by the present  
23 work-related injury or illness plus an additional ten  
24 percent of the amount of the increase in disability.  
25 Sec. 122. APPLICABILITY. This division of this  
26 Act, relating to workers' compensation, applies to an  
27 injury occurring on or after July 1, 2003.

28 DIVISION XVIII

29 FINANCIAL SERVICES

30 Sec. 123. Section 537.2502, subsections 3 and 6,  
31 Code 2003, are amended to read as follows:  
32 3. A delinquency charge shall not be collected  
33 under subsection 1, paragraph "a", on an installment  
34 ~~which that~~ is paid in full within ten days after its  
35 scheduled or deferred installment due date even though  
36 an earlier maturing installment or a delinquency or  
37 deferral charge on an earlier installment may not have  
38 been paid in full. For purposes of this subsection,  
39 payments associated with a precomputed transaction are  
40 applied first to current installments and then to  
41 delinquent installments.  
42 6. A delinquency charge shall not be collected  
43 under subsection 4 on a payment which associated with  
44 a precomputed transaction that is paid in full on or  
45 before its scheduled or deferred due date even though  
46 an earlier maturing payment or a delinquency or  
47 deferred charge on an earlier payment has not been  
48 paid in full. For purposes of this subsection,  
49 payments are applied first to amounts due for the  
50 current billing cycle and then to delinquent payments.

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1 Sec. 124. Section 537.2601, subsection 1, Code  
 2 2003, is amended to read as follows:  
 3 1. ~~Except as provided in subsection 2, with~~ With  
 4 respect to a credit transaction other than a consumer  
 5 credit transaction, the parties may contract for the  
 6 payment by the debtor of any finance or other charge  
 7 as permitted by law. ~~Except with respect to debt~~  
 8 ~~obligations issued by a government, governmental~~  
 9 ~~agency or instrumentality, in calculating any finance~~  
 10 ~~charge contracted for, any month may be counted as~~  
 11 ~~one twelfth of a year, but a day is to be counted as~~  
 12 ~~one three hundred sixty fifth of a year.~~

#### 13 DIVISION XIX

#### 14 UNEMPLOYMENT COMPENSATION SURCHARGE

15 Sec. 125. Section 96.7, subsection 12, paragraph  
 16 a, Code 2003, is amended to read as follows:  
 17 a. An employer other than a governmental entity or  
 18 a nonprofit organization, subject to this chapter,  
 19 shall pay an administrative contribution surcharge  
 20 equal in amount to one-tenth of one percent of federal  
 21 taxable wages, as defined in section 96.19, subsection  
 22 37, paragraph “b”, subject to the surcharge formula to  
 23 be developed by the department under this paragraph.  
 24 The department shall develop a surcharge formula that  
 25 provides a target revenue level of no greater than six  
 26 million five hundred twenty-five thousand dollars  
 27 ~~annually for calendar years 2003, 2004, and 2005 and a~~  
 28 ~~target revenue level of no greater than three million~~  
 29 ~~two hundred sixty-two thousand five hundred dollars~~  
 30 ~~for calendar year 2006 and each subsequent calendar~~  
 31 ~~year.~~ The department shall reduce the administrative  
 32 contribution surcharge established for any calendar  
 33 year proportionate to any federal government funding  
 34 that provides an increased allocation of moneys for  
 35 workforce development offices, under the federal  
 36 employment services financing reform legislation. Any  
 37 administrative contribution surcharge revenue that is  
 38 collected in calendar year ~~2002~~ 2003, 2004, or 2005 in  
 39 excess of six million five hundred twenty-five  
 40 thousand dollars ~~or in calendar year 2006 or a~~  
 41 ~~subsequent calendar year in excess of three million~~  
 42 ~~two hundred sixty-two thousand five hundred dollars~~  
 43 shall be deducted from the amount to be collected in  
 44 ~~the subsequent~~ calendar year 2003 before the  
 45 department establishes the administrative contribution  
 46 surcharge. The department shall recompute the amount  
 47 as a percentage of taxable wages, as defined in  
 48 section 96.19, subsection 37, and shall add the  
 49 percentage surcharge to the employer’s contribution  
 50 rate determined under this section. The percentage

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1 surcharge shall be capped at a maximum of seven  
2 dollars per employee. The department shall adopt  
3 rules prescribing the manner in which the surcharge  
4 will be collected. Interest shall accrue on all  
5 unpaid surcharges under this subsection at the same  
6 rate as on regular contributions and shall be  
7 collectible in the same manner. Interest accrued and  
8 collected under this paragraph and interest earned and  
9 credited to the fund under paragraph “b” shall be used  
10 by the department only for the purposes set forth in  
11 paragraph “c”.

12 Sec. 126. Section 96.7, subsection 12, paragraph  
13 d, Code 2003, is amended to read as follows:

14 d. This subsection is repealed July 1, ~~2003~~ 2006,  
15 and the repeal is applicable to contribution rates for  
16 calendar year ~~2004~~ 2007 and subsequent calendar years.

17 Sec. 127. EFFECTIVE DATE. This division of this  
18 Act, concerning the unemployment compensation  
19 surcharge, being deemed of immediate importance, takes  
20 effect upon enactment.

#### 21 DIVISION XX

#### 22 ECONOMIC DEVELOPMENT

23 Sec. 128. NEW SECTION. 15E.18 CITIES, COUNTIES,  
24 AND REGIONS -- SITE PREPARATION FOR TARGETED ECONOMIC  
25 DEVELOPMENT.

26 1. For purposes of this section, “region” means a  
27 group of two or more contiguous counties that  
28 establishes a single, focused economic development  
29 effort.

30 2. A city, county, or region, subject to the  
31 approval of the property owner, may designate an area  
32 within the boundaries of the city, county, or region  
33 for a specific type of targeted economic development.  
34 The specific type of targeted economic development  
35 shall be one of the following:

- 36 a. Manufacturing.
- 37 b. Light industrial.
- 38 c. Warehouse and distribution.
- 39 d. Office parks.
- 40 e. Business and commerce parks.
- 41 f. Research and development.

42 3. A city, county, or region that designates an  
43 area for a specific type of targeted economic  
44 development may apply to the department for purposes  
45 of certifying the area as a preapproved development  
46 site. The department shall develop criteria for the  
47 certification process.

48 4. Prior to a specific project being developed, a  
49 city, county, or region designating the area for  
50 targeted economic development pursuant to this section

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1 may apply for and obtain appropriate licenses,  
2 permits, and approvals for the type of targeted  
3 economic development project desired for the area.  
4 Sec. 129. NEW SECTION. 15E.19 REGULATORY  
5 ASSISTANCE.

6 1. The department of economic development shall  
7 coordinate all regulatory assistance for the state of  
8 Iowa. Each state agency with regulatory programs for  
9 business shall maintain a coordinator within the  
10 office of the director or the administrative division  
11 of the state agency. Each coordinator shall do all of  
12 the following:

13 a. Serve as the department of economic  
14 development's primary contact for regulatory affairs.

15 b. Provide regulatory requirements to businesses  
16 and represent the agency in the private sector.

17 c. Monitor permit applications and provide timely  
18 permit status information to the department of  
19 economic development.

20 d. Have the ability to require regulatory staff  
21 participation in negotiations and discussions with  
22 businesses.

23 e. Notify the department of economic development  
24 regarding proposed rulemaking activities that impact a  
25 regulatory program and any subsequent changes to a  
26 regulatory program.

27 2. The department of economic development shall,  
28 in consultation with the coordinators described in  
29 this section, examine, and to the extent permissible,  
30 assist in the implementation of methods, including the  
31 possible establishment of an electronic database, to  
32 streamline the process for issuing permits to  
33 business.

34 3. By January 15 of each year, the department of  
35 economic development shall submit a written report to  
36 the general assembly regarding the provision of  
37 regulatory assistance by state agencies, including the  
38 department's efforts, and its recommendations and  
39 proposed solutions, to streamline the process of  
40 issuing permits to business.

41 Sec. 130. NEW SECTION. 15E.20 PERMIT APPROVAL  
42 REQUIREMENTS.

43 A state agency which requires a permit, license, or  
44 other regulatory approval shall issue or deny the  
45 permit, license, or other regulatory approval within  
46 ninety days of the receipt by the state agency of an  
47 application. Unless such a state agency communicates  
48 any concerns to or requests additional information  
49 from an applicant within ten days of the receipt of  
50 the application, the application shall be considered

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1 complete. A permit, license, or other regulatory  
2 approval not issued or denied within the ninety days  
3 shall be deemed to be issued and valid.

## 4 DIVISION XXI

## 5 UTILITY SALES TAX EXEMPTION

6 Sec. 131. Section 422.45, subsection 61, paragraph  
7 b, subparagraphs (2), (3), (4), and (5), Code 2003,  
8 are amended to read as follows:

9 (2) If the date of the utility billing or meter  
10 reading cycle of the residential customer for the  
11 sale, furnishing, or service of metered gas and  
12 electricity is on or after January 1, 2003, through  
13 ~~December 31, 2003~~ June 30, 2008, or if the sale,  
14 furnishing, or service of fuel for purposes of  
15 residential energy and the delivery of the fuel occurs  
16 on or after January 1, 2003, through ~~December 31, 2003~~  
17 June 30, 2008, the rate of tax is three percent of the  
18 gross receipts.

19 (3) If the date of the utility billing or meter  
20 reading cycle of the residential customer for the  
21 sale, furnishing, or service of metered gas and  
22 electricity is on or after ~~January 1, 2004~~ July 1,  
23 2008, through ~~December 31, 2004~~ June 30, 2009, or if  
24 the sale, furnishing, or service of fuel for purposes  
25 of residential energy and the delivery of the fuel  
26 occurs on or after ~~January 1, 2004~~ July 1, 2008,  
27 through ~~December 31, 2004~~ June 30, 2009, the rate of  
28 tax is two percent of the gross receipts.

29 (4) If the date of the utility billing or meter  
30 reading cycle of the residential customer for the  
31 sale, furnishing, or service of metered gas and  
32 electricity is on or after ~~January 1, 2005~~ July 1,  
33 2009, through ~~December 31, 2005~~ June 30, 2010, or if  
34 the sale, furnishing, or service of fuel for purposes  
35 of residential energy and the delivery of the fuel  
36 occurs on or after ~~January 1, 2005~~ July 1, 2009,  
37 through ~~December 31, 2005~~ June 30, 2010, the rate of  
38 tax is one percent of the gross receipts.

39 (5) If the date of the utility billing or meter  
40 reading cycle of the residential customer for the  
41 sale, furnishing, or service of metered gas and  
42 electricity is on or after ~~January 1, 2006~~ July 1,  
43 2010, or if the sale, furnishing, or service of fuel  
44 for purposes of residential energy and the delivery of  
45 the fuel occurs on or after ~~January 1, 2006~~ July 1,  
46 2010, the rate of tax is zero percent of the gross  
47 receipts.

## 48 DIVISION XXII

## 49 STREAMLINED SALES AND USE TAXES

## 50 SUBCHAPTER I



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- 1 including, but not limited to, transportation,  
2 shipping, postage, handling, crating, and packing  
3 charges.
- 4 12. “Department” means the department of revenue  
5 and finance.
- 6 13. “Direct mail” means printed material delivered  
7 or distributed by United States mail or other delivery  
8 service to a mass audience or to addressees on a  
9 mailing list provided by the purchaser or at the  
10 direction of the purchaser when the cost of the items  
11 is not billed directly to the recipients. “Direct  
12 mail” includes tangible personal property supplied  
13 directly or indirectly by the purchaser to the direct  
14 mail seller for inclusion in the package containing  
15 the printed material. “Direct mail” does not include  
16 multiple items of printed material delivered to a  
17 single address.
- 18 14. “Director” means the director of revenue and  
19 finance.
- 20 15. “Electronic” means relating to technology  
21 having electrical, digital, magnetic, wireless,  
22 optical, electromagnetic, or similar capabilities.
- 23 16. “Farm deer” means the same as defined in  
24 section 189A.2.
- 25 17. “Farm machinery and equipment” means machinery  
26 and equipment used in agricultural production.
- 27 18. “First use of a service”. A “first use of a  
28 service” occurs, for the purposes of this chapter,  
29 when a service is rendered, furnished, or performed in  
30 Iowa or if rendered, furnished, or performed outside  
31 of Iowa, when the product or result of the service is  
32 used in Iowa.
- 33 19. “Goods, wares, or merchandise” means the same  
34 as tangible personal property.
- 35 20. “Governing board” means the group comprised of  
36 representatives of the member states of the agreement  
37 which is created by the agreement to be responsible  
38 for the agreement’s administration and operation.
- 39 21. “Installed purchase price” is the amount  
40 charged, valued in money whether paid in money or  
41 otherwise, by a building contractor to convert  
42 manufactured housing from tangible personal property  
43 into realty. “Installed purchase price” includes, but  
44 is not limited to, amounts charged for installing a  
45 foundation and electrical and plumbing hookups.  
46 “Installed purchase price” excludes any amount charged  
47 for landscaping in connection with the conversion.
- 48 22. “Lease or rental”.
- 49 a. “Lease or rental” means any transfer of  
50 possession or control of tangible personal property

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1 for a fixed or indeterminate term for consideration.  
2 a “lease or rental” may include future options to  
3 purchase or extend.

4 b. “Lease or rental” includes agreements covering  
5 motor vehicles and trailers when the amount of  
6 consideration may be increased or decreased by  
7 reference to the amount realized upon sale or  
8 disposition of the property as defined in 26 U.S.C. }  
9 7701(h)(1).

10 c. “Lease or rental” does not include any of the  
11 following:

12 (1) A transfer of possession or control of  
13 property under a security agreement or deferred  
14 payment plan that requires the transfer of title upon  
15 completion of the required payments.

16 (2) A transfer of possession or control of  
17 property under an agreement that requires the transfer  
18 of title upon completion of required payments, and  
19 payment of any option price does not exceed the  
20 greater of one hundred dollars or one percent of the  
21 total required payments.

22 (3) Providing tangible personal property along  
23 with an operator for a fixed or indeterminate period  
24 of time. a condition of this exclusion is that the  
25 operator is necessary for the equipment to perform as  
26 designed. For the purpose of this subparagraph, an  
27 operator must do more than maintain, inspect, or set  
28 up the tangible personal property.

29 d. This definition shall be used for sales and use  
30 tax purposes regardless of whether a transaction is  
31 characterized as a lease or rental under generally  
32 accepted accounting principles, the Internal Revenue  
33 Code, the Uniform Commercial Code, or other provisions  
34 of federal, state, or local law.

35 23. “Livestock” includes but is not limited to an  
36 animal classified as an ostrich, rhea, emu, bison, or  
37 farm deer.

38 24. “Manufactured housing” means “manufactured  
39 home” as defined in section 321.1.

40 25. “Member state” is any state which has signed  
41 the agreement.

42 26. “Mobile home” means “manufactured or mobile  
43 home” as defined in section 321.1.

44 27. “Model 1 seller” is a seller that has selected  
45 a certified service provider as its agent to perform  
46 all the seller’s sales and use tax functions, other  
47 than the seller’s obligation to remit tax on its own  
48 purchases.

49 28. “Model 2 seller” is a seller that has selected  
50 a certified automated system to perform part of its

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1 sales and use tax functions, but retains  
2 responsibility for remitting the tax.

3 29. “Model 3 seller” is a seller that has sales in  
4 at least five member states, has total annual sales  
5 revenue of at least five hundred million dollars, has  
6 a proprietary system that calculates the amount of tax  
7 due each jurisdiction, and has entered into a  
8 performance agreement with the member states that  
9 establishes a tax performance standard for the seller.  
10 As used in this definition, a “seller” includes an  
11 affiliated group of sellers using the same proprietary  
12 system.

13 30. “Nonresidential commercial operations” means  
14 industrial, commercial, mining, or agricultural  
15 operations, whether for profit or not, but does not  
16 include apartment complexes or mobile home parks.

17 31. “Not registered under the agreement” means  
18 lack of registration by a seller with the member  
19 states under the central registration system  
20 referenced in section 423.11, subsection 4.

21 32. “Person” means an individual, trust, estate,  
22 fiduciary, partnership, limited liability company,  
23 limited liability partnership, corporation, or any  
24 other legal entity.

25 33. “Place of business” means any warehouse,  
26 store, place, office, building, or structure where  
27 goods, wares, or merchandise are offered for sale at  
28 retail or where any taxable amusement is conducted, or  
29 each office where gas, water, heat, communication, or  
30 electric services are offered for sale at retail.

31 When a retailer or amusement operator sells  
32 merchandise by means of vending machines or operates  
33 music or amusement devices by coin-operated machines  
34 at more than one location within the state, the  
35 office, building, or place where the books, papers,  
36 and records of the taxpayer are kept shall be deemed  
37 to be the taxpayer’s place of business.

38 34. “Prewritten computer software” includes  
39 software designed and developed by the author or other  
40 creator to the specifications of a specific purchaser  
41 when it is sold to a person other than the purchaser.  
42 The combining of two or more prewritten computer  
43 software programs or prewritten portions of prewritten  
44 programs does not cause the combination to be other  
45 than prewritten computer software. “Prewritten  
46 computer software” also means computer software,  
47 including prewritten upgrades, which is not designed  
48 and developed by the author or other creator to the  
49 specifications of a specific purchaser.

50 When a person modifies or enhances computer

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1 software of which the person is not the author or  
2 creator, the person shall be deemed to be the author  
3 or creator only of such person's modifications or  
4 enhancements. Prewritten computer software or a  
5 prewritten portion of the prewritten software that is  
6 modified or enhanced to any degree, when such  
7 modification or enhancement is designed and developed  
8 to the specifications of a specific purchaser, remains  
9 prewritten computer software. However, when there is  
10 a reasonable, separately stated charge or an invoice  
11 or other statement of the price given to the purchaser  
12 for such modification or enhancement, such  
13 modification or enhancement shall not constitute  
14 prewritten computer software.

15 35. "Property purchased for resale in connection  
16 with the performance of a service" means property  
17 which is purchased for resale in connection with the  
18 rendition, furnishing, or performance of a service by  
19 a person who renders, furnishes, or performs the  
20 service if all of the following occur:

21 a. The provider and user of the service intend  
22 that a sale of the property will occur.

23 b. The property is transferred to the user of the  
24 service in connection with the performance of the  
25 service in a form or quantity capable of a fixed or  
26 definite price value.

27 c. The sale is evidenced by a separate charge for  
28 the identifiable piece of property.

29 36. "Purchase" means any transfer, exchange, or  
30 barter, conditional or otherwise, in any manner or by  
31 any means whatsoever, for a consideration.

32 37. "Purchase price" means the same as "sales  
33 price" as defined in this section.

34 38. "Purchaser" is a person to whom a sale of  
35 personal property is made or to whom a service is  
36 furnished.

37 39. "Receive" and "receipt" mean any of the  
38 following:

39 a. Taking possession of tangible personal  
40 property.

41 b. Making first use of a service.

42 c. Taking possession or making first use of  
43 digital goods, whichever comes first.

44 "Receive" and "receipt" do not include possession  
45 by a shipping company on behalf of a purchaser.

46 40. "Registered under the agreement" means  
47 registration by a seller under the central  
48 registration system referenced in section 423.11,  
49 subsection 4.

50 41. "Relief agency" means the state, any county,

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1 city and county, city, or district thereof, or any  
2 agency engaged in actual relief work.

3 42. "Retailer" means and includes every person  
4 engaged in the business of selling tangible personal  
5 property or taxable services at retail, or the  
6 furnishing of gas, electricity, water, or  
7 communication service, and tickets or admissions to  
8 places of amusement and athletic events or operating  
9 amusement devices or other forms of commercial  
10 amusement from which revenues are derived. However,  
11 when in the opinion of the director it is necessary  
12 for the efficient administration of this chapter to  
13 regard any salespersons, representatives, truckers,  
14 peddlers, or canvassers as agents of the dealers,  
15 distributors, supervisors, employers, or persons under  
16 whom they operate or from whom they obtain tangible  
17 personal property sold by them irrespective of whether  
18 or not they are making sales on their own behalf or on  
19 behalf of such dealers, distributors, supervisors,  
20 employers, or persons, the director may so regard  
21 them, and may regard such dealers, distributors,  
22 supervisors, employers, or persons as retailers for  
23 the purposes of this chapter. "Retailer" includes a  
24 seller obligated to collect sales or use tax.

25 43. "Retailer maintaining a place of business in  
26 this state" or any like term includes any retailer  
27 having or maintaining within this state, directly or  
28 by a subsidiary, an office, distribution house, sales  
29 house, warehouse, or other place of business, or any  
30 representative operating within this state under the  
31 authority of the retailer or its subsidiary,  
32 irrespective of whether that place of business or  
33 representative is located here permanently or  
34 temporarily, or whether the retailer or subsidiary is  
35 admitted to do business within this state pursuant to  
36 chapter 490.

37 44. "Retailers who are not model sellers" means  
38 all retailers other than model 1, model 2, or model 3  
39 sellers.

40 45. "Retail sale" or "sale at retail" means any  
41 sale, lease, or rental for any purpose other than  
42 resale, sublease, or subrent.

43 46. "Sales" or "sale" means any transfer,  
44 exchange, or barter, conditional or otherwise, in any  
45 manner or by any means whatsoever, for consideration.

46 47. "Sales price" applies to the measure subject  
47 to sales tax.

48 a. "Sales price" means the total amount of  
49 consideration, including cash, credit, property, and  
50 services, for which personal property or services are

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1 sold, leased, or rented, valued in money, whether  
2 received in money or otherwise, without any deduction  
3 for any of the following:

4 (1) The seller's cost of the property sold.

5 (2) The cost of materials used, labor or service  
6 cost, interest, losses, all costs of transportation to  
7 the seller, all taxes imposed on the seller, and any  
8 other expenses of the seller.

9 (3) Charges by the seller for any services  
10 necessary to complete the sale, other than delivery  
11 and installation charges.

12 (4) Delivery charges.

13 (5) Installation charges.

14 (6) The value of exempt personal property given to  
15 the purchaser where taxable and exempt personal  
16 property have been bundled together and sold by the  
17 seller as a single product or piece of merchandise.

18 (7) Credit for any trade-in authorized by section  
19 423.3, subsection 58.

20 b. "Sales price" does not include:

21 (1) Discounts, including cash, term, or coupons  
22 that are not reimbursed by a third party that are  
23 allowed by a seller and taken by a purchaser on a  
24 sale.

25 (2) Interest, financing, and carrying charges from  
26 credit extended on the sale of personal property or  
27 services, if the amount is separately stated on the  
28 invoice, bill of sale, or similar document given to  
29 the purchaser.

30 (3) Any taxes legally imposed directly on the  
31 consumer that are separately stated on the invoice,  
32 bill of sale, or similar document given to the  
33 purchaser.

34 (4) The amounts received for charges included in  
35 paragraph "a", subparagraphs (3) through (7), if they  
36 are separately contracted for and separately stated on  
37 the invoice, billing, or similar document given to the  
38 purchaser.

39 48. "Sales tax" means the tax levied under  
40 subchapter II of this chapter.

41 49. "Seller" means any person making sales,  
42 leases, or rentals of personal property or services.

43 50. "Services" means all acts or services  
44 rendered, furnished, or performed, other than services  
45 used in processing of tangible personal property for  
46 use in retail sales or services, for an employer, as  
47 defined in section 422.4, subsection 3, for a valuable  
48 consideration by any person engaged in any business or  
49 occupation specifically enumerated in section 423.2.

50 The tax shall be due and collectible when the service

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1 is rendered, furnished, or performed for the ultimate  
2 user of the service.

3 51. “Services used in the processing of tangible  
4 personal property” includes the reconditioning or  
5 repairing of tangible personal property of the type  
6 normally sold in the regular course of the retailer’s  
7 business and which is held for sale.

8 52. “State” means any state of the United States  
9 and the District of Columbia.

10 53. “System” means the central electronic  
11 registration system maintained by Iowa and other  
12 states which are signatories to the agreement.

13 54. “Tangible personal property” means personal  
14 property that can be seen, weighed, measured, felt, or  
15 touched, or that is in any other manner perceptible to  
16 the senses. “Tangible personal property” includes  
17 electricity, water, gas, steam, and prewritten  
18 computer software.

19 55. “Taxpayer” includes any person who is subject  
20 to a tax imposed by this chapter, whether acting on  
21 the person’s own behalf or as a fiduciary.

22 56. “Trailer” shall mean every trailer, as is now  
23 or may be hereafter so defined by chapter 321, which  
24 is required to be registered or is subject only to the  
25 issuance of a certificate of title under chapter 321.

26 57. “Use” means and includes the exercise by any  
27 person of any right or power over tangible personal  
28 property incident to the ownership of that property.  
29 a retailer’s or building contractor’s sale of  
30 manufactured housing for use in this state, whether in  
31 the form of tangible personal property or of realty,  
32 is a use of that property for the purposes of this  
33 chapter.

34 58. “Use tax” means the tax levied under  
35 subchapter III of this chapter for which the retailer  
36 collects and remits tax to the department.

37 59. “User” means the immediate recipient of the  
38 services who is entitled to exercise a right of power  
39 over the product of such services.

40 60. “Value of services” means the price to the  
41 user exclusive of any direct tax imposed by the  
42 federal government or by this chapter.

43 61. “Vehicles subject to registration” means any  
44 vehicle subject to registration pursuant to section  
45 321.18.

46 SUBCHAPTER II  
47 SALES TAX

48 Sec. 133. NEW SECTION. 423.2 TAX IMPOSED.

49 1. There is imposed a tax of five percent upon the  
50 sales price of all sales of tangible personal

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1 property, consisting of goods, wares, or merchandise,  
2 sold at retail in the state to consumers or users  
3 except as otherwise provided in this subchapter.  
4 a. For the purposes of this subchapter, sales of  
5 the following services are treated as if they were  
6 sales of tangible personal property:

7 (1) Sales of engraving, photography, retouching,  
8 printing, and binding services.

9 (2) Sales of vulcanizing, recapping, and  
10 retreading services.

11 (3) Sales of prepaid telephone calling cards and  
12 prepaid authorization numbers.

13 (4) Sales of optional service or warranty  
14 contracts, except residential service contracts  
15 regulated under chapter 523C, which provide for the  
16 furnishing of labor and materials and require the  
17 furnishing of any taxable service enumerated under  
18 this section. The sales price is subject to tax even  
19 if some of the services furnished are not enumerated  
20 under this section. Additional sales, services, or  
21 use taxes shall not be levied on services, parts, or  
22 labor provided under optional service or warranty  
23 contracts which are subject to tax under this  
24 subsection.

25 If the optional service or warranty contract is a  
26 computer software maintenance or support service  
27 contract and there is no separately stated fee for the  
28 taxable personal property or for the nontaxable  
29 service, the tax imposed by this subsection shall be  
30 imposed on fifty percent of the sales price from the  
31 sale of such contract. If the contract provides for  
32 technical support services only, no tax shall be  
33 imposed under this subsection. The provisions of this  
34 subparagraph (4) also apply to the use tax.

35 (5) Renting of rooms, apartments, or sleeping  
36 quarters in a hotel, motel, inn, public lodging house,  
37 rooming house, mobile home which is tangible personal  
38 property, or tourist court, or in any place where  
39 sleeping accommodations are furnished to transient  
40 guests for rent, whether with or without meals.  
41 “Renting” and “rent” include any kind of direct or  
42 indirect charge for such rooms, apartments, or  
43 sleeping quarters, or their use. However, the tax  
44 does not apply to the sales price from the renting of  
45 a room, apartment, or sleeping quarters while rented  
46 by the same person for a period of more than thirty-  
47 one consecutive days.

48 b. Sales of building materials, supplies, and  
49 equipment to owners, contractors, subcontractors, or  
50 builders for the erection of buildings or the

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1 alteration, repair, or improvement of real property  
2 are retail sales of tangible personal property in  
3 whatever quantity sold. Where the owner, contractor,  
4 subcontractor, or builder is also a retailer holding a  
5 retail sales tax permit and transacting retail sales  
6 of building materials, supplies, and equipment, the  
7 person shall purchase such items of tangible personal  
8 property without liability for the tax if such  
9 property will be subject to the tax at the time of  
10 resale or at the time it is withdrawn from inventory  
11 for construction purposes. The sales tax shall be due  
12 in the reporting period when the materials, supplies,  
13 and equipment are withdrawn from inventory for  
14 construction purposes or when sold at retail. The tax  
15 shall not be due when materials are withdrawn from  
16 inventory for use in construction outside of Iowa and  
17 the tax shall not apply to tangible personal property  
18 purchased and consumed by the manufacturer as building  
19 materials in the performance by the manufacturer or  
20 its subcontractor of construction outside of Iowa.  
21 The sale of carpeting is not a sale of building  
22 materials. The sale of carpeting to owners,  
23 contractors, subcontractors, or builders shall be  
24 treated as the sale of ordinary tangible personal  
25 property and subject to the tax imposed under this  
26 subsection and the use tax.

27 c. The use within this state of tangible personal  
28 property by the manufacturer thereof, as building  
29 materials, supplies, or equipment, in the performance  
30 of construction contracts in Iowa, shall, for the  
31 purpose of this subchapter, be construed as a sale at  
32 retail of tangible personal property by the  
33 manufacturer who shall be deemed to be the consumer of  
34 such tangible personal property. The tax shall be  
35 computed upon the cost to the manufacturer of the  
36 fabrication or production of the tangible personal  
37 property.

38 2. A tax of five percent is imposed upon the sales  
39 price of the sale or furnishing of gas, electricity,  
40 water, heat, pay television service, and communication  
41 service, including the sales price from such sales by  
42 any municipal corporation or joint water utility  
43 furnishing gas, electricity, water, heat, pay  
44 television service, and communication service to the  
45 public in its proprietary capacity, except as  
46 otherwise provided in this subchapter, when sold at  
47 retail in the state to consumers or users.

48 3. A tax of five percent is imposed upon the sales  
49 price of all sales of tickets or admissions to places  
50 of amusement, fairs, and athletic events except those

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1 of elementary and secondary educational institutions.  
2 a tax of five percent is imposed on the sales price of  
3 an entry fee or like charge imposed solely for the  
4 privilege of participating in an activity at a place  
5 of amusement, fair, or athletic event unless the sales  
6 price of tickets or admissions charges for observing  
7 the same activity are taxable under this subchapter.  
8 a tax of five percent is imposed upon that part of  
9 private club membership fees or charges paid for the  
10 privilege of participating in any athletic sports  
11 provided club members.

12 4. A tax of five percent is imposed upon the sales  
13 price derived from the operation of all forms of  
14 amusement devices and games of skill, games of chance,  
15 raffles, and bingo games as defined in chapter 99B,  
16 operated or conducted within the state, the tax to be  
17 collected from the operator in the same manner as for  
18 the collection of taxes upon the sales price of  
19 tickets or admission as provided in this section.  
20 Nothing in this subsection shall legalize any games of  
21 skill or chance or slot-operated devices which are now  
22 prohibited by law.

23 The tax imposed under this subsection covers the  
24 total amount from the operation of games of skill,  
25 games of chance, raffles, and bingo games as defined  
26 in chapter 99B, and musical devices, weighing  
27 machines, shooting galleries, billiard and pool  
28 tables, bowling alleys, pinball machines, slot-  
29 operated devices selling merchandise not subject to  
30 the general sales taxes and on the total amount from  
31 devices or systems where prizes are in any manner  
32 awarded to patrons and upon the receipts from fees  
33 charged for participation in any game or other form of  
34 amusement, and generally upon the sales price from any  
35 source of amusement operated for profit, not specified  
36 in this section, and upon the sales price from which  
37 tax is not collected for tickets or admission, but tax  
38 shall not be imposed upon any activity exempt from  
39 sales tax under section 423.3, subsection 78. Every  
40 person receiving any sales price from the sources  
41 described in this section is subject to all provisions  
42 of this subchapter relating to retail sales tax and  
43 other provisions of this chapter as applicable.

44 5. There is imposed a tax of five percent upon the  
45 sales price from the furnishing of services as defined  
46 in section 423.1.

47 6. The sales price of any of the following  
48 enumerated services is subject to the tax imposed by  
49 subsection 5: alteration and garment repair; armored  
50 car; vehicle repair; battery, tire, and allied;

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1 investment counseling; service charges of all  
2 financial institutions; barber and beauty; boat  
3 repair; vehicle wash and wax; campgrounds; carpentry;  
4 roof, shingle, and glass repair; dance schools and  
5 dance studios; dating services; dry cleaning,  
6 pressing, dyeing, and laundering; electrical and  
7 electronic repair and installation; excavating and  
8 grading; farm implement repair of all kinds; flying  
9 service; furniture, rug, carpet, and upholstery repair  
10 and cleaning; fur storage and repair; golf and country  
11 clubs and all commercial recreation; gun and camera  
12 repair; house and building moving; household  
13 appliance, television, and radio repair; janitorial  
14 and building maintenance or cleaning; jewelry and  
15 watch repair; lawn care, landscaping, and tree  
16 trimming and removal; limousine service, including  
17 driver; machine operator; machine repair of all kinds;  
18 motor repair; motorcycle, scooter, and bicycle repair;  
19 oilers and lubricators; office and business machine  
20 repair; painting, papering, and interior decorating;  
21 parking facilities; pay television; pet grooming; pipe  
22 fitting and plumbing; wood preparation; executive  
23 search agencies; private employment agencies,  
24 excluding services for placing a person in employment  
25 where the principal place of employment of that person  
26 is to be located outside of the state; reflexology;  
27 security and detective services; sewage services for  
28 nonresidential commercial operations; sewing and  
29 stitching; shoe repair and shoeshine; sign  
30 construction and installation; storage of household  
31 goods, mini-storage, and warehousing of raw  
32 agricultural products; swimming pool cleaning and  
33 maintenance; tanning beds or salons; taxidermy  
34 services; telephone answering service; test  
35 laboratories, including mobile testing laboratories  
36 and field testing by testing laboratories, and  
37 excluding tests on humans or animals; termite, bug,  
38 roach, and pest eradicators; tin and sheet metal  
39 repair; Turkish baths, massage, and reducing salons,  
40 excluding services provided by massage therapists  
41 licensed under chapter 152C; water conditioning and  
42 softening; weighing; welding; well drilling; wrapping,  
43 packing, and packaging of merchandise other than  
44 processed meat, fish, fowl, and vegetables; wrecking  
45 service; wrecker and towing.

46 For the purposes of this subsection, the sales  
47 price of a lease or rental includes rents, royalties,  
48 and copyright and license fees. For the purposes of  
49 this subsection, “financial institutions” means all  
50 national banks, federally chartered savings and loan

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1 associations, federally chartered savings banks,  
2 federally chartered credit unions, banks organized  
3 under chapter 524, savings and loan associations and  
4 savings banks organized under chapter 534, and credit  
5 unions organized under chapter 533.

6 7. a. A tax of five percent is imposed upon the  
7 sales price from the sales, furnishing, or service of  
8 solid waste collection and disposal service.

9 For purposes of this subsection, “solid waste”  
10 means garbage, refuse, sludge from a water supply  
11 treatment plant or air contaminant treatment facility,  
12 and other discarded waste materials and sludges, in  
13 solid, semisolid, liquid, or contained gaseous form,  
14 resulting from nonresidential commercial operations,  
15 but does not include auto hulks; street sweepings;  
16 ash; construction debris; mining waste; trees; tires;  
17 lead acid batteries; used oil; hazardous waste; animal  
18 waste used as fertilizer; earthen fill, boulders, or  
19 rock; foundry sand used for daily cover at a sanitary  
20 landfill; sewage sludge; solid or dissolved material  
21 in domestic sewage or other common pollutants in water  
22 resources, such as silt, dissolved or suspended solids  
23 in industrial waste water effluents or discharges  
24 which are point sources subject to permits under  
25 section 402 of the federal Water Pollution Control  
26 Act, or dissolved materials in irrigation return  
27 flows; or source, special nuclear, or by-product  
28 material defined by the federal Atomic Energy Act of  
29 1954.

30 A recycling facility that separates or processes  
31 recyclable materials and that reduces the volume of  
32 the waste by at least eighty-five percent is exempt  
33 from the tax imposed by this subsection if the waste  
34 exempted is collected and disposed of separately from  
35 other solid waste.

36 b. A person who transports solid waste generated  
37 by that person or another person without compensation  
38 shall pay the tax imposed by this subsection at the  
39 collection or disposal facility based on the disposal  
40 charge or tipping fee. However, the costs of a  
41 service or portion of a service to collect and manage  
42 recyclable materials separated from solid waste by the  
43 waste generator are exempt from the tax imposed by  
44 this subsection.

45 8. a. A tax of five percent is imposed upon the  
46 sales price from sales of bundled services contracts.  
47 For purposes of this subsection, a “bundled services  
48 contract” means an agreement providing for a  
49 retailer’s performance of services, one or more of  
50 which is a taxable service enumerated in this section

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1 and one or more of which is not, in return for a  
2 consumer's or user's single payment for the  
3 performance of the services, with no separate  
4 statement to the consumer or user of what portion of  
5 that payment is attributable to any one service which  
6 is a part of the contract.

7 b. For purposes of the administration of the tax  
8 on bundled services contracts, the director may enter  
9 into agreements of limited duration with individual  
10 retailers, groups of retailers, or organizations  
11 representing retailers of bundled services contracts.  
12 Such an agreement shall impose the tax rate only upon  
13 that portion of the sales price from a bundled  
14 services contract which is attributable to taxable  
15 services provided under the contract.

16 9. A tax of five percent is imposed upon the sales  
17 price from any mobile telecommunications service which  
18 this state is allowed to tax by the provisions of the  
19 federal Mobile Telecommunications Sourcing Act, Pub.  
20 L. No. 106-252, 4 U.S.C. } 116 et seq. For purposes  
21 of this subsection, taxes on mobile telecommunications  
22 service, as defined under the federal Mobile  
23 Telecommunications Sourcing Act that are deemed to be  
24 provided by the customer's home service provider,  
25 shall be paid to the taxing jurisdiction whose  
26 territorial limits encompass the customer's place of  
27 primary use, regardless of where the mobile  
28 telecommunications service originates, terminates, or  
29 passes through and shall in all other respects be  
30 taxed in conformity with the federal Mobile  
31 Telecommunications Sourcing Act. All other provisions  
32 of the federal Mobile Telecommunications Sourcing Act  
33 are adopted by the state of Iowa and incorporated into  
34 this subsection by reference. With respect to mobile  
35 telecommunications service under the federal Mobile  
36 Telecommunications Sourcing Act, the director shall,  
37 if requested, enter into agreements consistent with  
38 the provisions of the federal Act.

39 10. All revenues arising under the operation of  
40 the provisions of this section shall be deposited into  
41 the general fund of the state.

42 Sec. 134. NEW SECTION. 423.3 EXEMPTIONS.

43 There is exempted from the provisions of this  
44 subchapter and from the computation of the amount of  
45 tax imposed by it the following:

46 1. The sales price from sales of tangible personal  
47 property and services furnished which this state is  
48 prohibited from taxing under the Constitution or laws  
49 of the United States or under the Constitution of this  
50 state.

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- 1 2. The sales price of sales for resale of tangible  
2 personal property or taxable services, or for resale  
3 of tangible personal property in connection with the  
4 furnishing of taxable services.
- 5 3. The sales price of agricultural breeding  
6 livestock and domesticated fowl.
- 7 4. The sales price of commercial fertilizer.
- 8 5. The sales price of agricultural limestone,  
9 herbicide, pesticide, insecticide, including  
10 adjuvants, surfactants, and other products directly  
11 related to the application enhancement of those  
12 products, food, medication, or agricultural drain  
13 tile, including installation of agricultural drain  
14 tile, any of which are to be used in disease control,  
15 weed control, insect control, or health promotion of  
16 plants or livestock produced as part of agricultural  
17 production for market.
- 18 6. The sales price of tangible personal property  
19 which will be consumed as fuel in creating heat,  
20 power, or steam for grain drying, or for providing  
21 heat or cooling for livestock buildings or for  
22 greenhouses or buildings or parts of buildings  
23 dedicated to the production of flowering, ornamental,  
24 or vegetable plants intended for sale in the ordinary  
25 course of business, or for use in cultivation of  
26 agricultural products by aquaculture, or in implements  
27 of husbandry engaged in agricultural production.
- 28 7. The sales price of services furnished by  
29 specialized flying implements of husbandry used for  
30 agricultural aerial spraying.
- 31 8. The sales price exclusive of services of farm  
32 machinery and equipment, including auxiliary  
33 attachments which improve the performance, safety,  
34 operation, or efficiency of the machinery and  
35 equipment and replacement parts, if the following  
36 conditions are met:
  - 37 a. The farm machinery and equipment shall be  
38 directly and primarily used in production of  
39 agricultural products.
  - 40 b. The farm machinery and equipment shall  
41 constitute self-propelled implements or implements  
42 customarily drawn or attached to self-propelled  
43 implements or the farm machinery or equipment is a  
44 grain dryer.
  - 45 c. The replacement part is essential to any repair  
46 or reconstruction necessary to the farm machinery's or  
47 equipment's exempt use in the production of  
48 agricultural products.
- 49 Vehicles subject to registration, as defined in  
50 section 423.1, or replacement parts for such vehicles,

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- 1 are not eligible for this exemption.
- 2 9. The sales price of wood chips, sawdust, hay,  
3 straw, paper, or other materials used for bedding in  
4 the production of agricultural livestock or fowl.
- 5 10. The sales price of gas, electricity, water, or  
6 heat to be used in implements of husbandry engaged in  
7 agricultural production.
- 8 11. The sales price exclusive of services of farm  
9 machinery and equipment, including auxiliary  
10 attachments which improve the performance, safety,  
11 operation, or efficiency of the machinery and  
12 equipment and replacement parts, if all of the  
13 following conditions are met:
- 14 a. The implement, machinery, or equipment is  
15 directly and primarily used in livestock or dairy  
16 production, aquaculture production, or the production  
17 of flowering, ornamental, or vegetable plants.
- 18 b. The implement is not a self-propelled implement  
19 or implement customarily drawn or attached to self-  
20 propelled implements.
- 21 c. The replacement part is essential to any repair  
22 or reconstruction necessary to the farm machinery's or  
23 equipment's exempt use in livestock or dairy  
24 production, aquaculture production, or the production  
25 of flowering, ornamental, or vegetable plants.
- 26 12. The sales price, exclusive of services, from  
27 sales of irrigation equipment used in farming  
28 operations.
- 29 13. The sales price from the sale or rental of  
30 irrigation equipment, whether installed above or below  
31 ground, to a contractor or farmer if the equipment  
32 will be primarily used in agricultural operations.
- 33 14. The sales price from the sales of horses,  
34 commonly known as draft horses, when purchased for use  
35 and so used as draft horses.
- 36 15. The sales price from the sale of property  
37 which is a container, label, carton, pallet, packing  
38 case, wrapping, baling wire, twine, bag, bottle,  
39 shipping case, or other similar article or receptacle  
40 sold for use in agricultural, livestock, or dairy  
41 production.
- 42 16. The sales price from the sale of feed and feed  
43 supplements and additives when used for consumption by  
44 farm deer or bison.
- 45 17. The sales price of all goods, wares, or  
46 merchandise, or services, used for educational  
47 purposes sold to any private nonprofit educational  
48 institution in this state. For the purpose of this  
49 subsection, "educational institution" means an  
50 institution which primarily functions as a school,

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1 college, or university with students, faculty, and an  
2 established curriculum. The faculty of an educational  
3 institution must be associated with the institution  
4 and the curriculum must include basic courses which  
5 are offered every year. “Educational institution”  
6 includes an institution primarily functioning as a  
7 library.

8 18. The sales price of tangible personal property  
9 sold, or of services furnished, to the following  
10 nonprofit corporations:

11 a. Residential care facilities and intermediate  
12 care facilities for persons with mental retardation  
13 and residential care facilities for persons with  
14 mental illness licensed by the department of  
15 inspections and appeals under chapter 135C.

16 b. Residential facilities licensed by the  
17 department of human services pursuant to chapter 237,  
18 other than those maintained by individuals as defined  
19 in section 237.1, subsection 7.

20 c. Rehabilitation facilities that provide  
21 accredited rehabilitation services to persons with  
22 disabilities which are accredited by the commission on  
23 accreditation of rehabilitation facilities or the  
24 accreditation council for services for persons with  
25 mental retardation and other persons with  
26 developmental disabilities and adult day care services  
27 approved for reimbursement by the state department of  
28 human services.

29 d. Community mental health centers accredited by  
30 the department of human services pursuant to chapter  
31 225C.

32 e. Community health centers as defined in 42  
33 U.S.C. } 254(c) and migrant health centers as defined  
34 in 42 U.S.C. } 254(b).

35 19. The sales price of tangible personal property  
36 sold to a nonprofit organization which was organized  
37 for the purpose of lending the tangible personal  
38 property to the general public for use by them for  
39 nonprofit purposes.

40 20. The sales price of tangible personal property  
41 sold, or of services furnished, to nonprofit legal aid  
42 organizations.

43 21. The sales price of goods, wares, or  
44 merchandise, or of services, used for educational,  
45 scientific, historic preservation, or aesthetic  
46 purpose sold to a nonprofit private museum.

47 22. The sales price from sales of goods, wares, or  
48 merchandise, or from services furnished, to a  
49 nonprofit private art center to be used in the  
50 operation of the art center.

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- 1 23. The sales price of tangible personal property  
2 sold, or of services furnished, by a fair society  
3 organized under chapter 174.
- 4 24. The sales price from services furnished by the  
5 notification center established pursuant to section  
6 480.3, and the vendor selected pursuant to section  
7 480.3 to provide the notification service.
- 8 25. The sales price of food and beverages sold for  
9 human consumption by a nonprofit organization which  
10 principally promotes a food or beverage product for  
11 human consumption produced, grown, or raised in this  
12 state and whose income is exempt from federal taxation  
13 under section 501(c) of the Internal Revenue Code.
- 14 26. The sales price of tangible personal property  
15 sold, or of services furnished, to a statewide  
16 nonprofit organ procurement organization, as defined  
17 in section 142C.2.
- 18 27. The sales price of tangible personal property  
19 sold, or of services furnished, to a nonprofit  
20 hospital licensed pursuant to chapter 135B to be used  
21 in the operation of the hospital.
- 22 28. The sales price of tangible personal property  
23 sold, or of services furnished, to a freestanding  
24 nonprofit hospice facility which operates a hospice  
25 program as defined in 42 C.F.R., ch. IV, } 418.3,  
26 which property or services are to be used in the  
27 hospice program.
- 28 29. The sales price of all goods, wares, or  
29 merchandise sold, or of services furnished, which are  
30 used in the fulfillment of a written construction  
31 contract with a nonprofit hospital licensed pursuant  
32 to chapter 135B if all of the following apply:
- 33 a. The sales and delivery of the goods, wares, or  
34 merchandise, or the services furnished occurred  
35 between July 1, 1998, and December 31, 2001.
- 36 b. The written construction contract was entered  
37 into prior to December 31, 1999, or bonds to fund the  
38 construction were issued prior to December 31, 1999.
- 39 c. The sales or services were purchased by a  
40 contractor as the agent for the hospital or were  
41 purchased directly by the hospital.
- 42 30. The sales price of livestock ear tags sold by  
43 a nonprofit organization whose income is exempt from  
44 federal taxation under section 501(c)(6) of the  
45 Internal Revenue Code where the proceeds are used in  
46 bovine research programs selected or approved by such  
47 organization.
- 48 31. The sales price of goods, wares, or  
49 merchandise sold to and of services furnished, and  
50 used for public purposes sold to a tax-certifying or

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1 tax-levying body of the state or a governmental  
2 subdivision of the state, including regional transit  
3 systems, as defined in section 324A.1, the state board  
4 of regents, department of human services, state  
5 department of transportation, any municipally owned  
6 solid waste facility which sells all or part of its  
7 processed waste as fuel to a municipally owned public  
8 utility, and all divisions, boards, commissions,  
9 agencies, or instrumentalities of state, federal,  
10 county, or municipal government which have no earnings  
11 going to the benefit of an equity investor or  
12 stockholder, except any of the following:  
13 a. The sales price of goods, wares, or merchandise  
14 sold to, or of services furnished, and used by or in  
15 connection with the operation of any municipally owned  
16 public utility engaged in selling gas, electricity,  
17 heat, or pay television service to the general public.  
18 b. The sales price of furnishing of sewage  
19 services to a county or municipality on behalf of  
20 nonresidential commercial operations.  
21 c. The furnishing of solid waste collection and  
22 disposal service to a county or municipality on behalf  
23 of nonresidential commercial operations located within  
24 the county or municipality.  
25 The exemption provided by this subsection shall  
26 also apply to all such sales of goods, wares, or  
27 merchandise or of services furnished and subject to  
28 use tax.  
29 32. The sales price of tangible personal property  
30 sold, or of services furnished, by a county or city.  
31 This exemption does not apply to any of the following:  
32 a. The tax specifically imposed under section  
33 423.2 on the sales price from sales or furnishing of  
34 gas, electricity, water, heat, pay television service,  
35 or communication service to the public by a municipal  
36 corporation in its proprietary capacity.  
37 b. The sale or furnishing of solid waste  
38 collection and disposal service to nonresidential  
39 commercial operations.  
40 c. The sale or furnishing of sewage service for  
41 nonresidential commercial operations.  
42 d. Fees paid to cities and counties for the  
43 privilege of participating in any athletic sports.  
44 33. The sales price of mementos and other items  
45 relating to Iowa history and historic sites, the  
46 general assembly, and the state capitol, sold by the  
47 legislative service bureau and its legislative  
48 information office on the premises of property under  
49 the control of the legislative council, at the state  
50 capitol, and on other state property.

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- 1 34. The sales price from sales of mementos and  
2 other items relating to Iowa history and historic  
3 sites by the department of cultural affairs on the  
4 premises of property under its control and at the  
5 state capitol.
- 6 35. The sales price from sales or services  
7 furnished by the state fair organized under chapter  
8 173.
- 9 36. The sales price from sales of tangible  
10 personal property or of the sale or furnishing of  
11 electrical energy, natural or artificial gas, or  
12 communication service to another state or political  
13 subdivision of another state if the other state  
14 provides a similar reciprocal exemption for this state  
15 and political subdivision of this state.
- 16 37. The sales price of services on or connected  
17 with new construction, reconstruction, alteration,  
18 expansion, remodeling, or the services of a general  
19 building contractor, architect, or engineer.
- 20 38. The sales price from the sale of building  
21 materials, supplies, or equipment sold to rural water  
22 districts organized under chapter 504a as provided in  
23 chapter 357a and used for the construction of  
24 facilities of a rural water district.
- 25 39. The sales price from “casual sales”.
- 26 “Casual sales” means:
- 27 a. Sales of tangible personal property, or the  
28 furnishing of services, of a nonrecurring nature, by  
29 the owner, if the seller, at the time of the sale, is  
30 not engaged for profit in the business of selling  
31 tangible personal property or services taxed under  
32 section 423.2.
- 33 b. The sale of all or substantially all of the  
34 tangible personal property or services held or used by  
35 a seller in the course of the seller’s trade or  
36 business for which the seller is required to hold a  
37 sales tax permit when the seller sells or otherwise  
38 transfers the trade or business to another person who  
39 shall engage in a similar trade or business.
- 40 40. The sales price from the sale of automotive  
41 fluids to a retailer to be used either in providing a  
42 service which includes the installation or application  
43 of the fluids in or on a motor vehicle, which service  
44 is subject to section 423.2, subsection 6, or to be  
45 installed in or applied to a motor vehicle which the  
46 retailer intends to sell, which sale is subject to  
47 section 423.26. For purposes of this subsection,  
48 automotive fluids are all those which are refined,  
49 manufactured, or otherwise processed and packaged for  
50 sale prior to their installation in or application to

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- 1 a motor vehicle. They include but are not limited to  
2 motor oil and other lubricants, hydraulic fluids,  
3 brake fluid, transmission fluid, sealants,  
4 undercoatings, antifreeze, and gasoline additives.
- 5 41. The sales price from the rental of motion  
6 picture films, video and audio tapes, video and audio  
7 discs, records, photos, copy, scripts, or other media  
8 used for the purpose of transmitting that which can be  
9 seen, heard, or read, if either of the following  
10 conditions are met:
- 11 a. The lessee imposes a charge for the viewing of  
12 such media and the charge for the viewing is subject  
13 to taxation under this subchapter or is subject to use  
14 tax.
- 15 b. The lessee broadcasts the contents of such  
16 media for public viewing or listening.
- 17 42. The sales price from the sale of tangible  
18 personal property consisting of advertising material  
19 including paper to a person in Iowa if that person or  
20 that person's agent will, subsequent to the sale, send  
21 that advertising material outside this state and the  
22 material is subsequently used solely outside of Iowa.  
23 For the purpose of this subsection, "advertising  
24 material" means any brochure, catalog, leaflet, flyer,  
25 order form, return envelope, or similar item used to  
26 promote sales of property or services.
- 27 43. The sales price from the sale of property or  
28 of services performed on property which the retailer  
29 transfers to a carrier for shipment to a point outside  
30 of Iowa, places in the United States mail or parcel  
31 post directed to a point outside of Iowa, or  
32 transports to a point outside of Iowa by means of the  
33 retailer's own vehicles, and which is not thereafter  
34 returned to a point within Iowa, except solely in the  
35 course of interstate commerce or transportation. This  
36 exemption shall not apply if the purchaser, consumer,  
37 or their agent, other than a carrier, takes physical  
38 possession of the property in Iowa.
- 39 44. The sales price from the sale of property  
40 which is a container, label, carton, pallet, packing  
41 case, wrapping paper, twine, bag, bottle, shipping  
42 case, or other similar article or receptacle sold to  
43 retailers or manufacturers for the purpose of  
44 packaging or facilitating the transportation of  
45 tangible personal property sold at retail or  
46 transferred in association with the maintenance or  
47 repair of fabric or clothing.
- 48 45. The sales price from sales or rentals to a  
49 printer or publisher of the following: acetate; anti-  
50 halation backing; antistatic spray; back lining; base

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1 material used as a carrier for light sensitive  
2 emulsions; blankets; blow-ups; bronze powder; carbon  
3 tissue; codas; color filters; color separations;  
4 contacts; continuous tone separations; creative art;  
5 custom dies and die cutting materials; dampener  
6 sleeves; dampening solution; design and styling; diazo  
7 coating; dot etching; dot etching solutions; drawings;  
8 drawsheets; driers; duplicate films or prints;  
9 electronically digitized images; electrotypes; end  
10 product of image modulation; engravings; etch  
11 solutions; film; finished art or final art; fix;  
12 fixative spray; flats; flying pasters; foils;  
13 goldenrod paper; gum; halftones; illustrations; ink;  
14 ink paste; keylines; lacquer; lasering images;  
15 layouts; lettering; line negatives and positives;  
16 linotypes; lithographic offset plates; magnesium and  
17 zinc etchings; masking paper; masks; masters; mats;  
18 mat service; metal toner; models and modeling; mylar;  
19 negatives; nonoffset spray; opaque film process paper;  
20 opaquing; padding compound; paper stock; photographic  
21 materials: acids, plastic film, desensitizer  
22 emulsion, exposure chemicals, fix, developers, and  
23 paper; photography, day rate; photopolymer coating;  
24 photographs; photostats; photo-display tape;  
25 phototypesetter materials; ph-indicator sticks;  
26 positives; press pack; printing cylinders; printing  
27 plates, all types; process lettering; proof paper;  
28 proofs and proof processes, all types; pumice powder;  
29 purchased author alterations; purchased composition;  
30 purchased phototypesetting; purchased stripping and  
31 pasteups; red litho tape; reducers; roller covering;  
32 screen tints; sketches; stepped plates; stereotypes;  
33 strip types; substrate; tints; tissue overlays;  
34 toners; transparencies; tympan; typesetting;  
35 typography; varnishes; veloxes; wood mounts; and any  
36 other items used in a like capacity to any of the  
37 above enumerated items by the printer or publisher to  
38 complete a finished product for sale at retail.  
39 Expendable tools and supplies which are not enumerated  
40 in this subsection are excluded from the exemption.  
41 “Printer” means that portion of a person’s business  
42 engaged in printing that completes a finished product  
43 for ultimate sale at retail or means that portion of a  
44 person’s business used to complete a finished printed  
45 packaging material used to package a product for  
46 ultimate sale at retail. “Printer” does not mean an  
47 in-house printer who prints or copyrights its own  
48 materials.  
49 46. a. The sales price from the sale or rental of  
50 computers, machinery, and equipment, including

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1 replacement parts, and materials used to construct or  
2 self-construct computers, machinery, and equipment if  
3 such items are any of the following:

4 (1) Directly and primarily used in processing by a  
5 manufacturer.

6 (2) Directly and primarily used to maintain the  
7 integrity of the product or to maintain unique  
8 environmental conditions required for either the  
9 product or the computers, machinery, and equipment  
10 used in processing by a manufacturer, including test  
11 equipment used to control quality and specifications  
12 of the product.

13 (3) Directly and primarily used in research and  
14 development of new products or processes of  
15 processing.

16 (4) Computers used in processing or storage of  
17 data or information by an insurance company, financial  
18 institution, or commercial enterprise.

19 (5) Directly and primarily used in recycling or  
20 reprocessing of waste products.

21 (6) Pollution-control equipment used by a  
22 manufacturer, including but not limited to that  
23 required or certified by an agency of this state or of  
24 the United States government.

25 b. The sales price from the sale of fuel used in  
26 creating heat, power, steam, or for generating  
27 electrical current, or from the sale of electricity,  
28 consumed by computers, machinery, or equipment used in  
29 an exempt manner described in paragraph “a”,  
30 subparagraph (1), (2), (3), (5), or (6).

31 c. The sales price from the sale or rental of the  
32 following shall not be exempt from the tax imposed by  
33 this subchapter:

34 (1) Hand tools.

35 (2) Point-of-sale equipment and computers.

36 (3) Industrial machinery, equipment, and  
37 computers, including pollution-control equipment  
38 within the scope of section 427A.1, subsection 1,  
39 paragraphs “h” and “i”.

40 (4) Vehicles subject to registration, except  
41 vehicles subject to registration which are directly  
42 and primarily used in recycling or reprocessing of  
43 waste products.

44 d. As used in this subsection:

45 (1) “Commercial enterprise” includes businesses  
46 and manufacturers conducted for profit and centers for  
47 data processing services to insurance companies,  
48 financial institutions, businesses, and manufacturers,  
49 but excludes professions and occupations and nonprofit  
50 organizations.

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1 (2) “Financial institution” means as defined in  
2 section 527.2.

3 (3) “Insurance company” means an insurer organized  
4 or operating under chapter 508, 514, 515, 518, 518A,  
5 519, or 520, or authorized to do business in Iowa as  
6 an insurer or an insurance producer under chapter  
7 522B.

8 (4) “Manufacturer” means as defined in section  
9 428.20, but also includes contract manufacturers. A  
10 contract manufacturer is a manufacturer that otherwise  
11 falls within the definition of manufacturer under  
12 section 428.20, except that a contract manufacturer  
13 does not sell the tangible personal property the  
14 contract manufacturer processes on behalf of other  
15 manufacturers. A business engaged in activities  
16 subsequent to the extractive process of quarrying or  
17 mining, such as crushing, washing, sizing, or blending  
18 of aggregate materials, is a manufacturer with respect  
19 to these activities.

20 (5) “Processing” means a series of operations in  
21 which materials are manufactured, refined, purified,  
22 created, combined, or transformed by a manufacturer,  
23 ultimately into tangible personal property.  
24 Processing encompasses all activities commencing with  
25 the receipt or producing of raw materials by the  
26 manufacturer and ending at the point products are  
27 delivered for shipment or transferred from the  
28 manufacturer. Processing includes but is not limited  
29 to refinement or purification of materials; treatment  
30 of materials to change their form, context, or  
31 condition; maintenance of the quality or integrity of  
32 materials, components, or products; maintenance of  
33 environmental conditions necessary for materials,  
34 components, or products; quality control activities;  
35 and construction of packaging and shipping devices,  
36 placement into shipping containers or any type of  
37 shipping devices or medium, and the movement of  
38 materials, components, or products until shipment from  
39 the processor.

40 (6) “Receipt or producing of raw materials” means  
41 activities performed upon tangible personal property  
42 only. With respect to raw materials produced from or  
43 upon real estate, the receipt or producing of raw  
44 materials is deemed to occur immediately following the  
45 severance of the raw materials from the real estate.

46 47. The sales price from the furnishing of the  
47 design and installation of new industrial machinery or  
48 equipment, including electrical and electronic  
49 installation.

50 48. The sales price from the sale of carbon

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1 dioxide in a liquid, solid, or gaseous form,  
2 electricity, steam, and other taxable services when  
3 used by a manufacturer of food products to produce  
4 marketable food products for human consumption,  
5 including but not limited to treatment of material to  
6 change its form, context, or condition, in order to  
7 produce the food product, maintenance of quality or  
8 integrity of the food product, changing or maintenance  
9 of temperature levels necessary to avoid spoilage or  
10 to hold the food product in marketable condition,  
11 maintenance of environmental conditions necessary for  
12 the safe or efficient use of machinery and material  
13 used to produce the food product, sanitation and  
14 quality control activities, formation of packaging,  
15 placement into shipping containers, and movement of  
16 the material or food product until shipment from the  
17 building of manufacture.

18 49. The sales price of sales of electricity,  
19 steam, or any taxable service when purchased and used  
20 in the processing of tangible personal property  
21 intended to be sold ultimately at retail.

22 50. The sales price of tangible personal property  
23 sold for processing. Tangible personal property is  
24 sold for processing within the meaning of this  
25 subsection only when it is intended that the property  
26 will, by means of fabrication, compounding,  
27 manufacturing, or germination, become an integral part  
28 of other tangible personal property intended to be  
29 sold ultimately at retail; or for generating electric  
30 current; or the property is a chemical, solvent,  
31 sorbent, or reagent, which is directly used and is  
32 consumed, dissipated, or depleted, in processing  
33 tangible personal property which is intended to be  
34 sold ultimately at retail or consumed in the  
35 maintenance or repair of fabric or clothing, and which  
36 may not become a component or integral part of the  
37 finished product. The distribution to the public of  
38 free newspapers or shoppers guides is a retail sale  
39 for purposes of the processing exemption set out in  
40 this subsection and in subsection 49.

41 51. The sales price from the sale of argon and  
42 other similar gases to be used in the manufacturing  
43 process.

44 52. The sales price from the sale of electricity  
45 to water companies assessed for property tax pursuant  
46 to sections 428.24, 428.26, and 428.28 which is used  
47 solely for the purpose of pumping water from a river  
48 or well.

49 53. The sales price from the sale of wind energy  
50 conversion property to be used as an electric power

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1 source and the sale of the materials used to  
2 manufacture, install, or construct wind energy  
3 conversion property used or to be used as an electric  
4 power source.

5 For purposes of this subsection, “wind energy  
6 conversion property” means any device, including, but  
7 not limited to, a wind charger, windmill, wind  
8 turbine, tower and electrical equipment, pad mount  
9 transformers, power lines, and substation, which  
10 converts wind energy to a form of usable energy.

11 54. The sales price from the sales of newspapers,  
12 free newspapers, or shoppers guides and the printing  
13 and publishing of such newspapers and shoppers guides,  
14 and envelopes for advertising.

15 55. The sales price from the sale of motor fuel  
16 and special fuel consumed for highway use or in  
17 watercraft or aircraft where the fuel tax has been  
18 imposed and paid and no refund has been or will be  
19 allowed and the sales price from the sales of ethanol  
20 blended gasoline, as defined in section 452A.2.

21 56. The sales price from all sales of food and  
22 food ingredients. However, as used in this  
23 subsection, “food” does not include alcoholic  
24 beverages, candy, dietary supplements, food sold  
25 through vending machines, prepared food, soft drinks,  
26 and tobacco.

27 For the purposes of this subsection:

28 a. “Alcoholic beverages” means beverages that are  
29 suitable for human consumption and contain one-half of  
30 one percent or more of alcohol by volume.

31 b. “Candy” means a preparation of sugar, honey, or  
32 other natural or artificial sweeteners in combination  
33 with chocolate, fruits, nuts, or other ingredients or  
34 flavorings in the form of bars, drops, or pieces.  
35 Candy shall not include any preparation containing  
36 flour and shall require no refrigeration.

37 c. “Dietary supplement” means any product, other  
38 than tobacco, intended to supplement the diet that  
39 contains one or more of the following dietary  
40 ingredients:

41 (1) A vitamin.

42 (2) A mineral.

43 (3) An herb or other botanical.

44 (4) An amino acid.

45 (5) A dietary substance for use by humans to  
46 supplement the diet by increasing the total dietary  
47 intake.

48 (6) A concentrate, metabolite, constituent,  
49 extract, or combination of any of the ingredients in  
50 subparagraphs (1) through (5) that is intended for

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1 ingestion in tablet, capsule, powder, softgel, gelcap,  
2 or liquid form, or if not intended for ingestion in  
3 such a form, is not represented as conventional food  
4 and is not represented for use as a sole item of a  
5 meal or of the diet; and is required to be labeled as  
6 a dietary supplement, identifiable by the “supplement  
7 facts” box found on the label and as required pursuant  
8 to 21 C.F.R. } 101.36.

9 d. “Food and food ingredients” means substances,  
10 whether in liquid, concentrated, solid, frozen, dried,  
11 or dehydrated form, that are sold for ingestion or  
12 chewing by humans and are consumed for their taste or  
13 nutritional value.

14 e. “Food sold through vending machines” means food  
15 dispensed from a machine or other mechanical device  
16 that accepts payment, other than food which would be  
17 qualified for exemption under subsection 57 if  
18 purchased with a coupon described in subsection 57.

19 f. “Prepared food” means any of following:

20 (1) Food sold in a heated state or heated by the  
21 seller, including food sold by a caterer.

22 (2) Two or more food ingredients mixed or combined  
23 by the seller for sale as a single item.

24 (3) “Prepared food”, for the purposes of this  
25 paragraph, does not include food that is any of the  
26 following:

27 (a) Only cut, repackaged, or pasteurized by the  
28 seller.

29 (b) Eggs, fish, meat, poultry, and foods  
30 containing these raw animal foods requiring cooking by  
31 the consumer as recommended by the United States food  
32 and drug administration in chapter 3, part 401.11 of  
33 its food code, so as to prevent food borne illnesses.

34 (c) Bakery items sold by the seller which baked  
35 them. The words “bakery items” includes but is not  
36 limited to breads, rolls, buns, biscuits, bagels,  
37 croissants, pastries, donuts, Danish, cakes, tortes,  
38 pies, tarts, muffins, bars, cookies, and tortillas.

39 (d) Food sold without eating utensils provided by  
40 the seller in an unheated state as a single item which  
41 is priced by weight or volume.

42 (4) Food sold with eating utensils provided by the  
43 seller, including plates, knives, forks, spoons,  
44 glasses, cups, napkins, or straws. A plate does not  
45 include a container or packaging used to transport  
46 food.

47 g. “Soft drinks” means nonalcoholic beverages that  
48 contain natural or artificial sweeteners. “Soft  
49 drinks” does not include beverages that contain milk  
50 or milk products; soy, rice, or similar milk

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- 1 substitutes; or greater than fifty percent of  
2 vegetable or fruit juice by volume.
- 3 f. “Tobacco” means cigarettes, cigars, chewing or  
4 pipe tobacco, or any other item that contains tobacco.
- 5 57. The sales price from the sale of items  
6 purchased with coupons issued under the federal Food  
7 Stamp Act of 1977, 7 U.S.C. } 2011 et seq.
- 8 58. In transactions in which tangible personal  
9 property is traded toward the sales price of other  
10 tangible personal property, that portion of the sales  
11 price which is not payable in money to the retailer is  
12 exempted from the taxable amount if the following  
13 conditions are met:
- 14 a. The tangible personal property traded to the  
15 retailer is the type of property normally sold in the  
16 regular course of the retailer’s business.
- 17 b. The tangible personal property traded to the  
18 retailer is intended by the retailer to be ultimately  
19 sold at retail or is intended to be used by the  
20 retailer or another in the remanufacturing of a like  
21 item.
- 22 59. The sales price from the sale or rental of  
23 prescription drugs or medical devices intended for  
24 human use or consumption.
- 25 For the purposes of this subsection:
- 26 a. “Drug” means a compound, substance, or  
27 preparation, and any component of a compound,  
28 substance, or preparation, other than food and food  
29 ingredients, dietary supplements, or alcoholic  
30 beverages which is any of the following:
- 31 (1) Recognized in the official United States  
32 pharmacopoeia, official homeopathic pharmacopoeia of  
33 the United States, or official national formulary, and  
34 supplement to any of them.
- 35 (2) Intended for use in the diagnosis, cure,  
36 mitigation, treatment, or prevention of disease.
- 37 (3) Intended to affect the structure or any  
38 function of the body.
- 39 b. “Medical device” means equipment or a supply,  
40 intended to be prescribed by a practitioner, including  
41 orthopedic or orthotic devices. However, “medical  
42 device” also includes prosthetic devices, ostomy,  
43 urological, and tracheostomy equipment and supplies,  
44 and diabetic testing materials, hypodermic syringes  
45 and needles, anesthesia trays, biopsy trays and biopsy  
46 needles, cannula systems, catheter trays and invasive  
47 catheters, dialyzers, drug infusion devices, fistula  
48 sets, hemodialysis devices, insulin infusion devices,  
49 intraocular lenses, irrigation solutions, intravenous  
50 administering sets, solutions and stopcocks, myelogram

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1 trays, nebulizers, small vein infusion kits, spinal  
2 puncture trays, transfusion sets, venous blood sets,  
3 and oxygen equipment, intended to be dispensed for  
4 human use with or without a prescription to an  
5 ultimate user.

6 c. "Practitioner" means a practitioner as defined  
7 in section 155A.3, or a person licensed to prescribe  
8 drugs.

9 d. "Prescription drug" means a drug intended to be  
10 dispensed to an ultimate user pursuant to a  
11 prescription drug order, formula, or recipe issued in  
12 any form of oral, written, electronic, or other means  
13 of transmission by a duly licensed practitioner, or  
14 oxygen or insulin dispensed for human consumption with  
15 or without a prescription drug order or medication  
16 order.

17 e. "Prosthetic device" means a replacement,  
18 corrective, or supportive device including repair and  
19 replacement parts for the same worn on or in the body  
20 to do any of the following:

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

23 (2) Prevent or correct physical deformity or  
24 malfunction.

25 (3) Support a weak or deformed portion of the  
26 body.

27 f. "Ultimate user" means an individual who has  
28 lawfully obtained and possesses a prescription drug or  
29 medical device for the individual's own use or for the  
30 use of a member of the individual's household, or an  
31 individual to whom a prescription drug or medical  
32 device has been lawfully supplied, administered,  
33 dispensed, or prescribed.

34 60. The sales price from services furnished by  
35 aerial commercial and charter transportation services.

36 61. The sales price from the sale of raffle  
37 tickets for a raffle licensed pursuant to section  
38 99B.5.

39 62. The sales price from the sale of tangible  
40 personal property which will be given as prizes to  
41 players in games of skill, games of chance, raffles,  
42 and bingo games as defined in chapter 99B.

43 63. The sales price from the sale of a modular  
44 home, as defined in section 435.1, to the extent of  
45 the portion of the purchase price of the modular home  
46 which is not attributable to the cost of the tangible  
47 personal property used in the processing of the  
48 modular home. For purposes of this exemption, the  
49 portion of the purchase price which is not  
50 attributable to the cost of the tangible personal

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1 property used in the processing of the modular home is  
2 forty percent.

3 64. The sales price from charges paid to a  
4 provider for access to on-line computer services. For  
5 purposes of this subsection, “on-line computer  
6 service” means a service that provides or enables  
7 computer access by multiple users to the internet or  
8 to other information made available through a computer  
9 server.

10 65. The sales price from the sale or rental of  
11 information services. “Information services” means  
12 every business activity, process, or function by which  
13 a seller or its agent accumulates, prepares,  
14 organizes, or conveys data, facts, knowledge,  
15 procedures, and like services to a buyer or its agent  
16 of such information through any tangible or intangible  
17 medium. Information accumulated, prepared, or  
18 organized for a buyer or its agent is an information  
19 service even though it may incorporate preexisting  
20 components of data or other information. “Information  
21 services” includes, but is not limited to, database  
22 files, mailing lists, subscription files, market  
23 research, credit reports, surveys, real estate  
24 listings, bond rating reports, abstracts of title, bad  
25 check lists, broadcasting rating services, wire  
26 services, and scouting reports, or other similar  
27 items.

28 66. The sales price of a sale at retail if the  
29 substance of the transaction is delivered to the  
30 purchaser digitally, electronically, or utilizing  
31 cable, or by radio waves, microwaves, satellites, or  
32 fiber optics.

33 67. a. The sales price from the sale of an  
34 article of clothing designed to be worn on or about  
35 the human body if all of the following apply:

36 (1) The sales price of the article is less than  
37 one hundred dollars.

38 (2) The sale takes place during a period beginning  
39 at 12:01 a.m. on the first Friday in August and ending  
40 at midnight on the following Saturday.

41 b. This subsection does not apply to any of the  
42 following:

43 (1) Sport or recreational equipment and protective  
44 equipment.

45 (2) Clothing accessories or equipment.

46 (3) The rental of clothing.

47 c. For purposes of this subsection:

48 (1) “Clothing” means all human wearing apparel  
49 suitable for general use. “Clothing” includes, but is  
50 not limited to the following: aprons, household and

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1 shop; athletic supporters; baby receiving blankets;  
2 bathing suits and caps; beach capes and coats; belts  
3 and suspenders; boots; coats and jackets; costumes;  
4 diapers (children and adults, including disposable  
5 diapers); earmuffs; footlets; formal wear; garters and  
6 garter belts; girdles; gloves and mittens for general  
7 use; hats and caps; hosiery; insoles for shoes; lab  
8 coats; neckties; overshoes; pantyhose; rainwear;  
9 rubber pants; sandals; scarves; shoes and shoelaces;  
10 slippers; sneakers; socks and stockings; steel-toed  
11 shoes; underwear; uniforms, athletic and nonathletic;  
12 and wedding apparel.

13 “Clothing” does not include the following: belt  
14 buckles sold separately; costume masks sold  
15 separately; patches and emblems sold separately;  
16 sewing equipment and supplies (including, but not  
17 limited to, knitting needles, patterns, pins,  
18 scissors, sewing machines, sewing needles, tape  
19 measures, and thimbles); and sewing materials that  
20 become part of clothing (including, but not limited  
21 to, buttons, fabric, lace, thread, yarn, and zippers).

22 (2) “Clothing accessories or equipment” means  
23 incidental items worn on the person or in conjunction  
24 with clothing. “Clothing accessories or equipment”  
25 includes, but is not limited to, the following:  
26 briefcases; cosmetics; hair notions (including, but  
27 not limited to, barrettes, hair bows, and hair nets);  
28 handbags; handkerchiefs; jewelry; sunglasses,  
29 nonprescription; umbrellas; wallets; watches; and wigs  
30 and hairpieces.

31 (3) “Protective equipment” means items for human  
32 wear and designed as protection for the wearer against  
33 injury or disease or as protection against damage or  
34 injury of other persons or property but not suitable  
35 for general use. “Protective equipment” includes, but  
36 is not limited to, the following: breathing masks;  
37 clean room apparel and equipment; ear and hearing  
38 protectors; face shields; hard hats; helmets; paint or  
39 dust respirators; protective gloves; safety glasses  
40 and goggles; safety belts; tool belts; and welders  
41 gloves and masks.

42 (4) “Sport or recreational equipment” means items  
43 designed for human use and worn in conjunction with an  
44 athletic or recreational activity that are not  
45 suitable for general use. “Sport or recreational  
46 equipment” includes, but is not limited to, the  
47 following: ballet and tap shoes; cleated or spiked  
48 athletic shoes; gloves (including, but not limited to,  
49 baseball, bowling, boxing, hockey, and golf); goggles;  
50 hand and elbow guards; life preservers and vests;

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- 1 mouth guards; roller and ice skates; shin guards;  
2 shoulder pads; ski boots; waders; and wetsuits and  
3 fins.
- 4 68. a. Subject to paragraph “b”, the sales price  
5 from the sale or furnishing of metered gas,  
6 electricity, and fuel, including propane and heating  
7 oil, to residential customers which is used to provide  
8 energy for residential dwellings and units of  
9 apartment and condominium complexes used for human  
10 occupancy.
- 11 b. The exemption in this subsection shall be  
12 phased in by means of a reduction in the tax rate as  
13 follows:
- 14 (1) If the date of the utility billing or meter  
15 reading cycle of the residential customer for the sale  
16 or furnishing of metered gas and electricity is on or  
17 after January 1, 2002, through December 31, 2002, or  
18 if the sale or furnishing of fuel for purposes of  
19 residential energy and the delivery of the fuel occurs  
20 on or after January 1, 2002, through December 31,  
21 2002, the rate of tax is four percent of the sales  
22 price.
- 23 (2) If the date of the utility billing or meter  
24 reading cycle of the residential customer for the sale  
25 or furnishing of metered gas and electricity is on or  
26 after January 1, 2003, through June 30, 2008, or if  
27 the sale or furnishing of fuel for purposes of  
28 residential energy and the delivery of the fuel occurs  
29 on or after January 1, 2003, through June 30, 2008,  
30 the rate of tax is three percent of the sales price.
- 31 (3) If the date of the utility billing or meter  
32 reading cycle of the residential customer for the sale  
33 or furnishing of metered gas and electricity is on or  
34 after July 1, 2008, through June 30, 2009, or if the  
35 sale or furnishing of fuel for purposes of residential  
36 energy and the delivery of the fuel occurs on or after  
37 July 1, 2008, through June 30, 2009, the rate of tax  
38 is two percent of the sales price.
- 39 (4) If the date of the utility billing or meter  
40 reading cycle of the residential customer for the sale  
41 or furnishing of metered gas and electricity is on or  
42 after July 1, 2009, through June 30, 2010, or if the  
43 sale or furnishing of fuel for purposes of residential  
44 energy and the delivery of the fuel occurs on or after  
45 July 1, 2009, through June 30, 2010, the rate of tax  
46 is one percent of the sales price.
- 47 (5) If the date of the utility billing or meter  
48 reading cycle of the residential customer for the sale  
49 or furnishing of metered gas and electricity is on or  
50 after July 1, 2010, or if the sale, furnishing, or

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1 service of fuel for purposes of residential energy and  
2 the delivery of the fuel occurs on or after July 1,  
3 2010, the rate of tax is zero percent of the sales  
4 price.

5 c. The exemption in this subsection does not apply  
6 to local option sales and services tax imposed  
7 pursuant to chapters 423B and 423E.

8 69. The sales price from charges paid for the  
9 delivery of electricity or natural gas if the sale or  
10 furnishing of the electricity or natural gas or its  
11 use is exempt from the tax on sales prices imposed  
12 under this subchapter or from the use tax imposed  
13 under subchapter III.

14 70. The sales price from the sales, furnishing, or  
15 service of transportation service except the rental of  
16 recreational vehicles or recreational boats, except  
17 the rental of motor vehicles subject to registration  
18 which are registered for a gross weight of thirteen  
19 tons or less for a period of sixty days or less, and  
20 except the rental of aircraft for a period of sixty  
21 days or less. This exemption does not apply to the  
22 transportation of electric energy or natural gas.

23 71. The sales price from sales of tangible  
24 personal property used or to be used as railroad  
25 rolling stock for transporting persons or property, or  
26 as materials or parts therefor.

27 72. The sales price from the sales of special fuel  
28 for diesel engines consumed or used in the operation  
29 of ships, barges, or waterborne vessels which are used  
30 primarily in or for the transportation of property or  
31 cargo, or the conveyance of persons for hire on rivers  
32 bordering on the state if the fuel is delivered by the  
33 seller to the purchaser's barge, ship, or waterborne  
34 vessel while it is afloat upon such a river.

35 73. The sales price from sales of vehicles subject  
36 to registration or subject only to the issuance of a  
37 certificate of title and sales of aircraft subject to  
38 registration under section 328.20.

39 74. The sales price from the sale of aircraft for  
40 use in a scheduled interstate federal aviation  
41 administration certificated air carrier operation.

42 75. The sales price from the sale or rental of  
43 aircraft; the sale or rental of tangible personal  
44 property permanently affixed or attached as a  
45 component part of the aircraft, including but not  
46 limited to repair or replacement materials or parts;  
47 and the sales price of all services used for aircraft  
48 repair, remodeling, and maintenance services when such  
49 services are performed on aircraft, aircraft engines,  
50 or aircraft component materials or parts. For the

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1 purposes of this exemption, “aircraft” means aircraft  
2 used in a scheduled interstate federal aviation  
3 administration certificated air carrier operation.  
4 76. The sales price from the sale or rental of  
5 tangible personal property permanently affixed or  
6 attached as a component part of the aircraft,  
7 including but not limited to repair or replacement  
8 materials or parts; and the sales price of all  
9 services used for aircraft repair, remodeling, and  
10 maintenance services when such services are performed  
11 on aircraft, aircraft engines, or aircraft component  
12 materials or parts. For the purposes of this  
13 exemption, “aircraft” means aircraft used in  
14 nonscheduled interstate federal aviation  
15 administration certificated air carrier operation  
16 operating under 14 C.F.R. ch. 1, pt. 135.  
17 77. The sales price from the sale of aircraft to  
18 an aircraft dealer who in turn rents or leases the  
19 aircraft if all of the following apply:  
20 a. The aircraft is kept in the inventory of the  
21 dealer for sale at all times.  
22 b. The dealer reserves the right to immediately  
23 take the aircraft from the renter or lessee when a  
24 buyer is found.  
25 c. The renter or lessee is aware that the dealer  
26 will immediately take the aircraft when a buyer is  
27 found.  
28 If an aircraft exempt under this subsection is used  
29 for any purpose other than leasing or renting, or the  
30 conditions in paragraphs “a”, “b”, and “c” are not  
31 continuously met, the dealer claiming the exemption  
32 under this subsection is liable for the tax that would  
33 have been due except for this subsection. The tax  
34 shall be computed upon the original purchase price.  
35 78. The sales price from sales or rental of  
36 tangible personal property, or services rendered by  
37 any entity where the profits from the sales or rental  
38 of the tangible personal property, or services  
39 rendered are used by or donated to a nonprofit entity  
40 which is exempt from federal income taxation pursuant  
41 to section 501(c)(3) of the Internal Revenue Code, a  
42 government entity, or a nonprofit private educational  
43 institution, and where the entire proceeds from the  
44 sales, rental, or services are expended for any of the  
45 following purposes:  
46 a. Educational.  
47 b. Religious.  
48 c. Charitable. a charitable act is an act done  
49 out of goodwill, benevolence, and a desire to add to  
50 or to improve the good of humankind in general or any

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1 class or portion of humankind, with no pecuniary  
2 profit inuring to the person performing the service or  
3 giving the gift.

4 This exemption does not apply to the sales price  
5 from games of skill, games of chance, raffles, and  
6 bingo games as defined in chapter 99B. This exemption  
7 is disallowed on the amount of the sales price only to  
8 the extent the profits from the sales, rental, or  
9 services are not used by or donated to the appropriate  
10 entity and expended for educational, religious, or  
11 charitable purposes.

12 79. The sales price from the sale or rental of  
13 tangible personal property or from services furnished  
14 to a recognized community action agency as provided in  
15 section 216A.93 to be used for the purposes of the  
16 agency.

17 80. a. For purposes of this subsection,  
18 “designated exempt entity” means an entity which is  
19 designated in section 423.4, subsection 1.

20 b. If a contractor, subcontractor, or builder is  
21 to use building materials, supplies, and equipment in  
22 the performance of a construction contract with a  
23 designated exempt entity, the person shall purchase  
24 such items of tangible personal property without  
25 liability for the tax if such property will be used in  
26 the performance of the construction contract and a  
27 purchasing agent authorization letter and an exemption  
28 certificate, issued by the designated exempt entity,  
29 are presented to the retailer.

30 c. Where the owner, contractor, subcontractor, or  
31 builder is also a retailer holding a retail sales tax  
32 permit and transacting retail sales of building  
33 materials, supplies, and equipment, the tax shall not  
34 be due when materials are withdrawn from inventory for  
35 use in construction performed for a designated exempt  
36 entity if an exemption certificate is received from  
37 such entity.

38 d. Tax shall not apply to tangible personal  
39 property purchased and consumed by a manufacturer as  
40 building materials, supplies, or equipment in the  
41 performance of a construction contract for a  
42 designated exempt entity, if a purchasing agent  
43 authorization letter and an exemption certificate are  
44 received from such entity and presented to a retailer.

45 81. The sales price from the sales of lottery  
46 tickets or shares pursuant to chapter 99G.

47 82. The sales price from the sale or rental of  
48 core and mold making equipment and sand handling  
49 equipment directly and primarily used in the handling  
50 equipment directly and primarily used in the mold

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1 making process by a foundry.

2 83. The sales price from noncustomer point of sale  
3 or noncustomer automated teller machine access or  
4 service charges assessed by a financial institution.  
5 For purposes of this subsection, “financial  
6 institution” means the same as defined in section  
7 527.2.

8 Sec. 135. NEW SECTION. 423.4 REFUNDS.

9 1. A private nonprofit educational institution in  
10 this state, nonprofit private museum in this state,  
11 tax-certifying or tax-levying body or governmental  
12 subdivision of the state, including the state board of  
13 regents, state department of human services, state  
14 department of transportation, a municipally owned  
15 solid waste facility which sells all or part of its  
16 processed waste as fuel to a municipally owned public  
17 utility, and all divisions, boards, commissions,  
18 agencies, or instrumentalities of state, federal,  
19 county, or municipal government which do not have  
20 earnings going to the benefit of an equity investor or  
21 stockholder, may make application to the department  
22 for the refund of the sales or use tax upon the sales  
23 price of all sales of goods, wares, or merchandise, or  
24 from services furnished to a contractor, used in the  
25 fulfillment of a written contract with the state of  
26 Iowa, any political subdivision of the state, or a  
27 division, board, commission, agency, or  
28 instrumentality of the state or a political  
29 subdivision, a private nonprofit educational  
30 institution in this state, or a nonprofit private  
31 museum in this state if the property becomes an  
32 integral part of the project under contract and at the  
33 completion of the project becomes public property, is  
34 devoted to educational uses, or becomes a nonprofit  
35 private museum; except goods, wares, or merchandise,  
36 or services furnished which are used in the  
37 performance of any contract in connection with the  
38 operation of any municipal utility engaged in selling  
39 gas, electricity, or heat to the general public or in  
40 connection with the operation of a municipal pay  
41 television system; and except goods, wares, and  
42 merchandise used in the performance of a contract for  
43 a “project” under chapter 419 as defined in that  
44 chapter other than goods, wares, or merchandise used  
45 in the performance of a contract for a “project” under  
46 chapter 419 for which a bond issue was approved by a  
47 municipality prior to July 1, 1968, or for which the  
48 goods, wares, or merchandise becomes an integral part  
49 of the project under contract and at the completion of  
50 the project becomes public property or is devoted to

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1 educational uses.  
2 a. Such contractor shall state under oath, on  
3 forms provided by the department, the amount of such  
4 sales of goods, wares, or merchandise, or services  
5 furnished and used in the performance of such  
6 contract, and upon which sales or use tax has been  
7 paid, and shall file such forms with the governmental  
8 unit, private nonprofit educational institution, or  
9 nonprofit private museum which has made any written  
10 contract for performance by the contractor. The forms  
11 shall be filed by the contractor with the governmental  
12 unit, educational institution, or nonprofit private  
13 museum before final settlement is made.

14 b. Such governmental unit, educational  
15 institution, or nonprofit private museum shall, not  
16 more than one year after the final settlement has been  
17 made, make application to the department for any  
18 refund of the amount of the sales or use tax which  
19 shall have been paid upon any goods, wares, or  
20 merchandise, or services furnished, the application to  
21 be made in the manner and upon forms to be provided by  
22 the department, and the department shall forthwith  
23 audit the claim and, if approved, issue a warrant to  
24 the governmental unit, educational institution, or  
25 nonprofit private museum in the amount of the sales or  
26 use tax which has been paid to the state of Iowa under  
27 the contract.

28 Refunds authorized under this subsection shall  
29 accrue interest at the rate in effect under section  
30 421.7 from the first day of the second calendar month  
31 following the date the refund claim is received by the  
32 department.

33 c. Any contractor who willfully makes a false  
34 report of tax paid under the provisions of this  
35 subsection is guilty of a simple misdemeanor and in  
36 addition shall be liable for the payment of the tax  
37 and any applicable penalty and interest.

38 2. The refund of sales and use tax paid on  
39 transportation construction projects let by the state  
40 department of transportation is subject to the special  
41 provisions of this subsection.

42 a. A contractor awarded a contract for a  
43 transportation construction project is considered the  
44 consumer of all building materials, building supplies,  
45 and equipment and shall pay sales tax to the supplier  
46 or remit consumer use tax directly to the department.

47 b. The contractor is not required to file  
48 information with the state department of  
49 transportation stating the amount of goods, wares, or  
50 merchandise, or services rendered, furnished, or

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1 performed and used in the performance of the contract  
2 or the amount of sales or use tax paid.

3 c. The state department of transportation shall  
4 file a refund claim based on a formula that considers  
5 the following:

6 (1) The quantity of material to complete the  
7 contract, and quantities of items of work.

8 (2) The estimated cost of these materials included  
9 in the items of work, and the state sales or use tax  
10 to be paid on the tax rate in effect in section 423.2.

11 The quantity of materials shall be determined after  
12 each letting based on the contract quantities of all  
13 items of work let to contract. The quantity of  
14 individual component materials required for each item  
15 shall be determined and maintained in a database. The  
16 total quantities of materials shall be determined by  
17 multiplying the quantities of component materials for  
18 each contract item of work by the total quantities of  
19 each contract item for each letting. Where variances  
20 exist in the cost of materials, the lowest cost shall  
21 be used as the base cost.

22 d. Only the state sales or use tax is refundable.  
23 Local option taxes paid by the contractor are not  
24 refundable.

25 3. A relief agency may apply to the director for  
26 refund of the amount of sales or use tax imposed and  
27 paid upon sales to it of any goods, wares,  
28 merchandise, or services furnished, used for free  
29 distribution to the poor and needy.

30 a. The refunds may be obtained only in the  
31 following amounts and manner and only under the  
32 following conditions:

33 (1) On forms furnished by the department, and  
34 filed within the time as the director shall provide by  
35 rule, the relief agency shall report to the department  
36 the total amount or amounts, valued in money, expended  
37 directly or indirectly for goods, wares, merchandise,  
38 or services furnished, used for free distribution to  
39 the poor and needy.

40 (2) On these forms the relief agency shall  
41 separately list the persons making the sales to it or  
42 to its order, together with the dates of the sales,  
43 and the total amount so expended by the relief agency.

44 (3) The relief agency must prove to the  
45 satisfaction of the director that the person making  
46 the sales has included the amount thereof in the  
47 computation of the sales price of such person and that  
48 such person has paid the tax levied by this subchapter  
49 or subchapter III, based upon such computation of the  
50 sales price.

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1 b. If satisfied that the foregoing conditions and  
2 requirements have been complied with, the director  
3 shall refund the amount claimed by the relief agency.

4 SUBCHAPTER III

5 USE TAX

6 Sec. 136. NEW SECTION. 423.5 IMPOSITION OF TAX.

7 An excise tax at the rate of five percent of the  
8 purchase price or installed purchase price is imposed  
9 on the following:

10 1. The use in this state of tangible personal  
11 property as defined in section 423.1, including  
12 aircraft subject to registration under section 328.20,  
13 purchased for use in this state. For the purposes of  
14 this subchapter, the furnishing or use of the  
15 following services is also treated as the use of  
16 tangible personal property: optional service or  
17 warranty contracts, except residential service  
18 contracts regulated under chapter 523C, vulcanizing,  
19 recapping, or retreading services, engraving,  
20 photography, retouching, printing, or binding  
21 services, and communication service when furnished or  
22 delivered to consumers or users within this state.

23 2. The use of manufactured housing in this state,  
24 on the purchase price if the manufactured housing is  
25 sold in the form of tangible personal property or on  
26 the installed purchase price if the manufactured  
27 housing is sold in the form of realty.

28 3. The use of leased vehicles, on the amount  
29 subject to tax as calculated pursuant to section  
30 423.27.

31 4. Purchases of tangible personal property made  
32 from the government of the United States or any of its  
33 agencies by ultimate consumers shall be subject to the  
34 tax imposed by this section. Services purchased from  
35 the same source or sources shall be subject to the  
36 service tax imposed by this subchapter and apply to  
37 the user of the services.

38 5. The use in this state of services enumerated in  
39 section 423.2. This tax is applicable where services  
40 are furnished in this state or where the product or  
41 result of the service is used in this state.

42 6. The excise tax is imposed upon every person  
43 using the property within this state until the tax has  
44 been paid directly to the county treasurer, the state  
45 department of transportation, a retailer, or the  
46 department. This tax is imposed on every person using  
47 the services or the product of the services in this  
48 state until the user has paid the tax either to an  
49 Iowa use tax permit holder or to the department.

50 7. For the purpose of the proper administration of

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1 the use tax and to prevent its evasion, evidence that  
2 tangible personal property was sold by any person for  
3 delivery in this state shall be prima facie evidence  
4 that such tangible personal property was sold for use  
5 in this state.

6 Sec. 137. NEW SECTION. 423.6 EXEMPTIONS.

7 The use in this state of the following tangible  
8 personal property and services is exempted from the  
9 tax imposed by this subchapter:

10 1. Tangible personal property and enumerated  
11 services, the sales price from the sale of which are  
12 required to be included in the measure of the sales  
13 tax, if that tax has been paid to the department or  
14 the retailer. This exemption does not include  
15 vehicles subject to registration or subject only to  
16 the issuance of a certificate of title.

17 2. The sale of tangible personal property or the  
18 furnishing of services in the regular course of  
19 business.

20 3. Property used in processing. The use of  
21 property in processing within the meaning of this  
22 subsection shall mean and include any of the  
23 following:

24 a. Any tangible personal property including  
25 containers which it is intended shall, by means of  
26 fabrication, compounding, manufacturing, or  
27 germination, become an integral part of other tangible  
28 personal property intended to be sold ultimately at  
29 retail, and containers used in the collection,  
30 recovery, or return of empty beverage containers  
31 subject to chapter 455C.

32 b. Fuel which is consumed in creating power, heat,  
33 or steam for processing or for generating electric  
34 current.

35 c. Chemicals, solvents, sorbents, or reagents,  
36 which are directly used and are consumed, dissipated,  
37 or depleted in processing tangible personal property  
38 which is intended to be sold ultimately at retail, and  
39 which may not become a component or integral part of  
40 the finished product.

41 d. The distribution to the public of free  
42 newspapers or shoppers guides shall be deemed a retail  
43 sale for purposes of the processing exemption in this  
44 subsection.

45 4. All articles of tangible personal property  
46 brought into the state of Iowa by a nonresident  
47 individual for the individual's use or enjoyment while  
48 within the state.

49 5. Services exempt from taxation by the provisions  
50 of section 423.3.

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1 6. Tangible personal property or services the  
2 sales price of which is exempt from the sales tax  
3 under section 423.3, except subsections 39 and 73, as  
4 it relates to the sale, but not the lease or rental,  
5 of vehicles subject to registration or subject only to  
6 the issuance of a certificate of title and as it  
7 relates to aircraft subject to registration under  
8 section 328.20.

9 7. Advertisement and promotional material and  
10 matter, seed catalogs, envelopes for same, and other  
11 similar material temporarily stored in this state  
12 which are acquired outside of Iowa and which,  
13 subsequent to being brought into this state, are sent  
14 outside of Iowa, either singly or physically attached  
15 to other tangible personal property sent outside of  
16 Iowa.

17 8. Vehicles, as defined in section 321.1,  
18 subsections 41, 64A, 71, 85, and 88, except such  
19 vehicles subject to registration which are designed  
20 primarily for carrying persons, when purchased for  
21 lease and actually leased to a lessee for use outside  
22 the state of Iowa and the subsequent sole use in Iowa  
23 is in interstate commerce or interstate  
24 transportation.

25 9. Tangible personal property which, by means of  
26 fabrication, compounding, or manufacturing, becomes an  
27 integral part of vehicles, as defined in section  
28 321.1, subsections 41, 64A, 71, 85, and 88,  
29 manufactured for lease and actually leased to a lessee  
30 for use outside the state of Iowa and the subsequent  
31 sole use in Iowa is in interstate commerce or  
32 interstate transportation. Vehicles subject to  
33 registration which are designed primarily for carrying  
34 persons are excluded from this subsection.

35 10. Vehicles subject to registration which are  
36 transferred from a business or individual conducting a  
37 business within this state as a sole proprietorship,  
38 partnership, or limited liability company to a  
39 corporation formed by the sole proprietorship,  
40 partnership, or limited liability company for the  
41 purpose of continuing the business when all of the  
42 stock of the corporation so formed is owned by the  
43 sole proprietor and the sole proprietor's spouse, by  
44 all the partners in the case of a partnership, or by  
45 all the members in the case of a limited liability  
46 company. This exemption is equally available where  
47 the vehicles subject to registration are transferred  
48 from a corporation to a sole proprietorship,  
49 partnership, or limited liability company formed by  
50 that corporation for the purpose of continuing the

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1 business when all of the incidents of ownership are  
2 owned by the same person or persons who were  
3 stockholders of the corporation.

4 This exemption also applies where the vehicles  
5 subject to registration are transferred from a  
6 corporation as part of the liquidation of the  
7 corporation to its stockholders if within three months  
8 of such transfer the stockholders retransfer those  
9 vehicles subject to registration to a sole  
10 proprietorship, partnership, or limited liability  
11 company for the purpose of continuing the business of  
12 the corporation when all of the incidents of ownership  
13 are owned by the same person or persons who were  
14 stockholders of the corporation.

15 10A. Vehicles subject to registration which are  
16 transferred from a corporation that is primarily  
17 engaged in the business of leasing vehicles subject to  
18 registration to a corporation that is primarily  
19 engaged in the business of leasing vehicles subject to  
20 registration when the transferor and transferee  
21 corporations are part of the same controlled group for  
22 federal income tax purposes.

23 11. Vehicles registered or operated under chapter  
24 326 and used substantially in interstate commerce,  
25 section 423.5, subsection 7, notwithstanding. For  
26 purposes of this subsection, “substantially in  
27 interstate commerce” means that a minimum of twenty-  
28 five percent of the miles operated by the vehicle  
29 accrues in states other than Iowa. This subsection  
30 applies only to vehicles which are registered for a  
31 gross weight of thirteen tons or more.

32 For purposes of this subsection, trailers and  
33 semitrailers registered or operated under chapter 326  
34 are deemed to be used substantially in interstate  
35 commerce and to be registered for a gross weight of  
36 thirteen tons or more.

37 For the purposes of this subsection, if a vehicle  
38 meets the requirement that twenty-five percent of the  
39 miles operated accrues in states other than Iowa in  
40 each year of the first four-year period of operation,  
41 the exemption from use tax shall continue until the  
42 vehicle is sold or transferred. If the vehicle is  
43 found to have not met the exemption requirements or  
44 the exemption was revoked, the value of the vehicle  
45 upon which the use tax shall be imposed is the book or  
46 market value, whichever is less, at the time the  
47 exemption requirements were not met or the exemption  
48 was revoked.

49 12. Mobile homes and manufactured housing the use  
50 of which has previously been subject to the tax

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1 imposed under this subchapter and for which that tax  
2 has been paid.

3 13. Mobile homes to the extent of the portion of  
4 the purchase price of the mobile home which is not  
5 attributable to the cost of the tangible personal  
6 property used in the processing of the mobile home,  
7 and manufactured housing to the extent of the purchase  
8 price or the installed purchase price of the  
9 manufactured housing which is not attributable to the  
10 cost of the tangible personal property used in the  
11 processing of the manufactured housing. For purposes  
12 of this exemption, the portion of the purchase price  
13 which is not attributable to the cost of the tangible  
14 personal property used in the processing of the mobile  
15 home is forty percent and the portion of the purchase  
16 price or installed purchase price which is not  
17 attributable to the cost of the tangible personal  
18 property used in the processing of the manufactured  
19 housing is forty percent.

20 14. Tangible personal property used or to be used  
21 as a ship, barge, or waterborne vessel which is used  
22 or to be used primarily in or for the transportation  
23 of property or cargo for hire on the rivers bordering  
24 the state or as materials or parts of such ship,  
25 barge, or waterborne vessel.

26 15. Vehicles subject to registration in any state  
27 when purchased for rental or registered and titled by  
28 a motor vehicle dealer licensed pursuant to chapter  
29 322 for rental use, and held for rental for a period  
30 of one hundred twenty days or more and actually rented  
31 for periods of sixty days or less by a person  
32 regularly engaged in the business of renting vehicles  
33 including, but not limited to, motor vehicle dealers  
34 licensed pursuant to chapter 322 who rent automobiles  
35 to users, if the rental of the vehicles is subject to  
36 taxation under chapter 423C.

37 16. Motor vehicles subject to registration which  
38 were registered and titled between July 1, 1982, and  
39 July 1, 1992, to a motor vehicle dealer licensed under  
40 chapter 322 and which were rented to a user as defined  
41 in section 423C.2 if the following occurred:

42 a. The dealer kept the vehicle on the inventory of  
43 vehicles for sale at all times.

44 b. The vehicle was to be immediately taken from  
45 the user of the vehicle when a buyer was found.

46 c. The user was aware of this situation.

47 17. Vehicles subject to registration under chapter  
48 321, with a gross vehicle weight rating of less than  
49 sixteen thousand pounds, excluding motorcycles and  
50 motorized bicycles, when purchased for lease and

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1 titled by the lessor licensed pursuant to chapter 321F  
2 and actually leased for a period of twelve months or  
3 more if the lease of the vehicle is subject to  
4 taxation under section 423.27.

5 A lessor may maintain the exemption from use tax  
6 under this subsection for a qualifying lease that  
7 terminates at the conclusion or prior to the  
8 contracted expiration date, if the lessor does not use  
9 the vehicle for any purpose other than for lease.

10 Once the vehicle is used by the lessor for a purpose  
11 other than for lease, the exemption from use tax under  
12 this subsection no longer applies and, unless there is  
13 an exemption from the use tax, use tax is due on the  
14 fair market value of the vehicle determined at the  
15 time the lessor uses the vehicle for a purpose other  
16 than for lease, payable to the department. If the  
17 lessor holds the vehicle exclusively for sale, use tax  
18 is due and payable on the purchase price of the  
19 vehicle at the time of purchase pursuant to this  
20 subchapter.

21 18. Aircraft for use in a scheduled interstate  
22 federal aviation administration certificated air  
23 carrier operation.

24 19. Aircraft; tangible personal property  
25 permanently affixed or attached as a component part of  
26 the aircraft, including but not limited to repair or  
27 replacement materials or parts; and all services used  
28 for aircraft repair, remodeling, and maintenance  
29 services when such services are performed on aircraft,  
30 aircraft engines, or aircraft component materials or  
31 parts. For the purposes of this exemption, “aircraft”  
32 means aircraft used in a scheduled interstate federal  
33 aviation administration certificated air carrier  
34 operation.

35 20. Tangible personal property permanently affixed  
36 or attached as a component part of the aircraft,  
37 including but not limited to repair or replacement  
38 materials or parts; and all services used for aircraft  
39 repair, remodeling, and maintenance services when such  
40 services are performed on aircraft, aircraft engines,  
41 or aircraft component materials or parts. For the  
42 purposes of this exemption, “aircraft” means aircraft  
43 used in a nonscheduled interstate federal aviation  
44 administration certificated air carrier operation  
45 operating under 14 C.F.R., ch. 1, pt. 135.

46 21. Aircraft sold to an aircraft dealer who in  
47 turn rents or leases the aircraft if all of the  
48 following apply:

49 a. The aircraft is kept in the inventory of the  
50 dealer for sale at all times.

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1 b. The dealer reserves the right to immediately  
2 take the aircraft from the renter or lessee when a  
3 buyer is found.

4 c. The renter or lessee is aware that the dealer  
5 will immediately take the aircraft when a buyer is  
6 found.

7 If an aircraft exempt under this subsection is used  
8 for any purpose other than leasing or renting, or the  
9 conditions in paragraphs “a”, “b”, and “c” are not  
10 continuously met, the dealer claiming the exemption  
11 under this subsection is liable for the tax that would  
12 have been due except for this subsection. The tax  
13 shall be computed upon the original purchase price.

14 22. The use in this state of building materials,  
15 supplies, or equipment, the sale or use of which is  
16 not treated as a retail sale or a sale at retail under  
17 section 423.2, subsection 1.

18 23. Exempted from the purchase price of any  
19 vehicle subject to registration is:

20 a. The amount of any cash rebate which is provided  
21 by a motor vehicle manufacturer to the purchaser of  
22 the vehicle subject to registration so long as the  
23 rebate is applied to the purchase price of the  
24 vehicle.

25 b. That in transactions, except those subject to  
26 paragraph “c”, in which tangible personal property is  
27 traded toward the purchase price of other tangible  
28 personal property the purchase price is only that  
29 portion of the purchase price which is payable in  
30 money to the retailer if the following conditions are  
31 met:

32 (1) The tangible personal property traded to the  
33 retailer is the type of property normally sold in the  
34 regular course of the retailer’s business.

35 (2) The tangible personal property traded to the  
36 retailer is intended by the retailer to be ultimately  
37 sold at retail or is intended to be used by the  
38 retailer or another in the remanufacturing of a like  
39 item.

40 c. In a transaction between persons, neither of  
41 which is a retailer of vehicles subject to  
42 registration, in which a vehicle subject to  
43 registration is traded toward the purchase price of  
44 another vehicle subject to registration, the amount of  
45 the trade-in value allowed on the vehicle subject to  
46 registration traded.

#### 47 SUBCHAPTER IV

#### 48 UNIFORM SALES AND USE TAX ADMINISTRATION ACT

49 Sec. 138. NEW SECTION. 423.7 TITLE.

50 This subchapter shall be known and may be cited as

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1 the “Uniform Sales and Use Tax Administration Act”.  
2 Sec. 139. NEW SECTION. 423.8 LEGISLATIVE FINDING  
3 AND INTENT.

4 The general assembly finds that Iowa should enter  
5 into an agreement with one or more states to simplify  
6 and modernize sales and use tax administration in  
7 order to substantially reduce the burden of tax  
8 compliance for all sellers and for all types of  
9 commerce. It is the intent of the general assembly  
10 that entering into this agreement will lead to  
11 simplification and modernization of the sales and use  
12 tax law and not to the imposition of new taxes or an  
13 increase or decrease in the existing number of  
14 exemptions, unless such a result is unavoidable under  
15 the terms of the agreement.

16 Sec. 140. NEW SECTION. 423.9 AUTHORITY TO ENTER  
17 AGREEMENT AND TO REPRESENT THE STATE.

18 The director is authorized and directed to enter  
19 into the streamlined sales and use tax agreement with  
20 one or more states to simplify and modernize sales and  
21 use tax administration in order to substantially  
22 reduce the burden of tax compliance for all sellers  
23 and for all types of commerce.

24 The director is further authorized to take other  
25 actions reasonably required to implement the  
26 provisions set forth in this chapter. Other actions  
27 authorized by this section include, but are not  
28 limited to, the adoption of rules and the joint  
29 procurement, with other member states, of goods and  
30 services in furtherance of the cooperative agreement.

31 The director or the director’s designee is  
32 authorized to be a member of the governing board  
33 established pursuant to the agreement and to represent  
34 Iowa before that body.

35 Sec. 141. NEW SECTION. 423.10 RELATIONSHIP TO  
36 STATE LAW.

37 Entry into the agreement by the director does not  
38 amend or modify any law of this state. Implementation  
39 of any condition of the agreement in this state,  
40 whether adopted before, at, or after membership of  
41 this state in the agreement, shall be by action of the  
42 general assembly.

43 Sec. 142. NEW SECTION. 423.11 AGREEMENT  
44 REQUIREMENTS.

45 The director shall not enter into the agreement  
46 unless the agreement requires each state to abide by  
47 the following requirements:

48 1. UNIFORM STATE RATE. The agreement must set  
49 restrictions to achieve more uniform state rates  
50 through the following:

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- 1 a. Limiting the number of state rates.
- 2 b. Limiting the application of maximums on the
- 3 amount of state tax that is due on a transaction.
- 4 c. Limiting the application of thresholds on the
- 5 application of state tax.
- 6 2. UNIFORM STANDARDS. The agreement must
- 7 establish uniform standards for the following:
- 8 a. The sourcing of transactions to taxing
- 9 jurisdictions.
- 10 b. The administration of exempt sales.
- 11 c. The allowances a seller can take for bad debts.
- 12 d. Sales and use tax returns and remittances.
- 13 3. UNIFORM DEFINITIONS. The agreement must
- 14 require states to develop and adopt uniform
- 15 definitions of sales and use tax terms. The
- 16 definitions must enable a state to preserve its
- 17 ability to make policy choices not inconsistent with
- 18 the uniform definitions.
- 19 4. CENTRAL REGISTRATION. The agreement must
- 20 provide a central, electronic registration system that
- 21 allows a seller to register to collect and remit sales
- 22 and use taxes for all member states.
- 23 5. NO NEXUS ATTRIBUTION. The agreement must
- 24 provide that registration with the central
- 25 registration system and the collection of sales and
- 26 use taxes in the member states must not be used as a
- 27 factor in determining whether the seller has nexus
- 28 with a state for any tax.
- 29 6. LOCAL SALES AND USE TAXES. The agreement must
- 30 provide for reduction of the burdens of complying with
- 31 local sales and use taxes through the following:
- 32 a. Restricting variances between the state and
- 33 local tax bases.
- 34 b. Requiring states to administer any sales and
- 35 use taxes levied by local jurisdictions within the
- 36 state so that sellers collecting and remitting these
- 37 taxes must not have to register or file returns with,
- 38 remit funds to, or be subject to independent audits
- 39 from local taxing jurisdictions.
- 40 c. Restricting the frequency of changes in the
- 41 local sales and use tax rates and setting effective
- 42 dates for the application of local jurisdictional
- 43 boundary changes to local sales and use taxes.
- 44 d. Providing notice of changes in local sales and
- 45 use tax rates and of changes in the boundaries of
- 46 local taxing jurisdictions.
- 47 7. MONETARY ALLOWANCES. The agreement must
- 48 outline any monetary allowances that are to be
- 49 provided by the states to sellers or certified service
- 50 providers.

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1 8. STATE COMPLIANCE. The agreement must require  
2 each state to certify compliance with the terms of the  
3 agreement prior to joining and to maintain compliance,  
4 under the laws of the member state, with all  
5 provisions of the agreement while a member.

6 9. CONSUMER PRIVACY. The agreement must require  
7 each state to adopt a uniform policy for certified  
8 service providers that protects the privacy of  
9 consumers and maintains the confidentiality of tax  
10 information.

11 10. ADVISORY COUNCILS. The agreement must provide  
12 for the appointment of an advisory council of private  
13 sector representatives and an advisory council of  
14 nonmember state representatives to consult with in the  
15 administration of the agreement.

16 Sec. 143. NEW SECTION. 423.12 LIMITED BINDING  
17 AND BENEFICIAL EFFECT.

18 1. The agreement binds and inures only to the  
19 benefit of Iowa and the other member states. A  
20 person, other than a member state, is not an intended  
21 beneficiary of the agreement. Any benefit to a person  
22 other than a member state is established by the law of  
23 Iowa and not by the terms of the agreement.

24 2. A person shall not have any cause of action or  
25 defense under the agreement or by virtue of this  
26 state's entry into the agreement. a person may not  
27 challenge, in any action brought under any provision  
28 of law, any action or inaction by any department,  
29 agency, or other instrumentality of this state, or any  
30 political subdivision of this state on the ground that  
31 the action or inaction is inconsistent with the  
32 agreement.

33 3. A law of this state, or the application of it,  
34 shall not be declared invalid as to any such person or  
35 circumstance on the ground that the provision or  
36 application is inconsistent with the agreement.

#### 37 SUBCHAPTER V

### 38 SALES AND USE TAX ACT -- ADMINISTRATION OF 39 RETAILERS NOT REGISTERED UNDER THE AGREEMENT AND OF 40 CONSUMERS OBLIGATED TO PAY USE TAX DIRECTLY

41 Sec. 144. NEW SECTION. 423.13 PURPOSE OF THIS  
42 SUBCHAPTER.

43 The purpose of this subchapter is to provide for  
44 the administration and collection of sales or use tax  
45 on the part of retailers who are not registered under  
46 the agreement and for the collection of use tax on the  
47 part of consumers who are obligated to pay that tax  
48 directly. Any application of the sections of this  
49 subchapter to retailers registered under the agreement  
50 is only by way of incorporation by reference into

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- 1 subchapter VI of this chapter.  
2 Sec. 145. NEW SECTION. 423.14 SALES AND USE TAX  
3 COLLECTION.
- 4 1. a. Sales tax, other than that described in  
5 paragraph “c”, shall be collected by sellers who are  
6 retailers or by their agents. Sellers or their agents  
7 shall, as far as practicable, add the sales tax, or  
8 the average equivalent thereof, to the sales price or  
9 charge, less trade-ins allowed and taken and when  
10 added such tax shall constitute a part of the sales  
11 price or charge, shall be a debt from consumer or user  
12 to seller or agent until paid, and shall be  
13 recoverable at law in the same manner as other debts.
- 14 b. In computing the tax to be collected as the  
15 result of any transaction, the tax computation must be  
16 carried to the third decimal place. Whenever the  
17 third decimal place is greater than four, the tax must  
18 be rounded up to the next whole cent; whenever the  
19 third decimal place is four or less, the tax must be  
20 rounded downward to a whole cent. Sellers may elect  
21 to compute the tax due on transactions on an item or  
22 invoice basis. Sellers are not required to use a  
23 bracket system.
- 24 c. The tax imposed upon those sales of motor  
25 vehicle fuel which are subject to tax and refund under  
26 chapter 452a shall be collected by the state treasurer  
27 by way of deduction from refunds otherwise allowable  
28 under that chapter. The treasurer shall transfer the  
29 amount of such deductions from the motor vehicle fuel  
30 tax fund to the special tax fund.
- 31 2. Use tax shall be collected in the following  
32 manner:
- 33 a. The tax upon the use of all vehicles subject to  
34 registration or subject only to the issuance of a  
35 certificate of title or the tax upon the use of  
36 manufactured housing shall be collected by the county  
37 treasurer or the state department of transportation  
38 pursuant to sections 423.26 and 423.27. The county  
39 treasurer shall retain one dollar from each tax  
40 payment collected, to be credited to the county  
41 general fund.
- 42 b. The tax upon the use of all tangible personal  
43 property other than that enumerated in paragraph “a”,  
44 which is sold by a seller who is a retailer  
45 maintaining a place of business in this state, or by  
46 such other retailer or agent as the director shall  
47 authorize pursuant to section 423.30, shall be  
48 collected by the retailer or agent and remitted to the  
49 department, pursuant to the provisions of paragraph  
50 “e”, and sections 423.24, 423.29, 423.30, 423.32, and

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1 423.33.

2 c. The tax upon the use of all tangible personal  
3 property not paid pursuant to paragraphs “a” and “b”  
4 shall be paid to the department directly by any person  
5 using the property within this state, pursuant to the  
6 provisions of section 423.34.

7 d. The tax imposed on the use of services  
8 enumerated in section 423.5 shall be collected,  
9 remitted, and paid to the department of revenue and  
10 finance in the same manner as use tax on tangible  
11 personal property is collected, remitted, and paid  
12 under this subchapter.

13 e. All persons obligated by paragraph “a”, “b”, or  
14 “d”, to collect use tax shall, as far as practicable,  
15 add that tax, or the average equivalent thereof, to  
16 the purchase price, less trade-ins allowed and taken,  
17 and when added the tax shall constitute a part of the  
18 purchase price. Use tax which this section requires  
19 to be collected by a retailer and any tax collected  
20 pursuant to this section by a retailer shall  
21 constitute a debt owed by the retailer to this state.  
22 Tax which must be paid directly to the department,  
23 pursuant to paragraph “c” or “d”, is to be computed  
24 and added by the consumer or user to the purchase  
25 price in the same manner as this paragraph requires a  
26 seller to compute and add the tax. The tax shall be a  
27 debt from the consumer or user to the department until  
28 paid, and shall be recoverable at law in the same  
29 manner as other debts.

30 Sec. 146. NEW SECTION. 423.15 GENERAL SOURCING  
31 RULES.

32 All sellers obligated to collect Iowa sales or use  
33 tax shall use the standards set out in this section to  
34 determine where sales of products occur, excluding  
35 sales enumerated in section 423.16. These provisions  
36 apply regardless of the characterization of a product  
37 as tangible personal property, a digital good, or a  
38 service, excluding telecommunications services. This  
39 section only applies to determine a seller’s  
40 obligation to pay or collect and remit a sales or use  
41 tax with respect to the seller’s sale of a product.  
42 This section does not affect the obligation of a  
43 purchaser or lessee to remit tax on the use of the  
44 product to the taxing jurisdictions in which the use  
45 occurs. a seller’s obligation to collect Iowa sales  
46 tax or Iowa use tax only occurs if the sale is sourced  
47 to this state. The application of whether Iowa sales  
48 tax applies to sales sourced to Iowa depends upon  
49 where the sale is consummated by delivery.

50 1. Sales, excluding leases or rentals other than

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1 leases or rentals set out in subsection 2, of products  
2 shall be sourced as follows.  
3 a. When the product is received by the purchaser  
4 at a business location of the seller, the sale is  
5 sourced to that business location.  
6 b. When the product is not received by the  
7 purchaser at a business location of the seller, the  
8 sale is sourced to the location where receipt by the  
9 purchaser or the purchaser's donee, designated as such  
10 by the purchaser, occurs, including the location  
11 indicated by instructions for delivery to the  
12 purchaser or donee, known to the seller.  
13 c. When paragraphs "a" and "b" do not apply, the  
14 sale is sourced to the location indicated by an  
15 address for the purchaser that is available from the  
16 business records of the seller that are maintained in  
17 the ordinary course of the seller's business when use  
18 of this address does not constitute bad faith.  
19 d. When paragraphs "a", "b", and "c" do not apply,  
20 the sale is sourced to the location indicated by an  
21 address for the purchaser obtained during the  
22 consummation of the sale, including the address of a  
23 purchaser's payment instrument, if no other address is  
24 available, when use of this address does not  
25 constitute bad faith.  
26 e. When paragraphs "a", "b", "c", and "d" do not  
27 apply, including the circumstance where the seller is  
28 without sufficient information to apply the previous  
29 rules, then the location will be determined by the  
30 address from which tangible personal property was  
31 shipped, from which the digital good or the computer  
32 software delivered electronically was first available  
33 for transmission by the seller, or from which the  
34 service was provided disregarding for these purposes  
35 any location that merely provided the digital transfer  
36 of the product sold.  
37 2. The lease or rental of tangible personal  
38 property, other than property identified in subsection  
39 3 or section 423.16, shall be sourced as follows:  
40 a. For a lease or rental that requires recurring  
41 periodic payments, the first periodic payment is  
42 sourced the same as a retail sale in accordance with  
43 the provisions of subsection 1. Periodic payments  
44 made subsequent to the first payment are sourced to  
45 the primary property location for each period covered  
46 by the payment. The primary property location shall  
47 be as indicated by an address for the property  
48 provided by the lessee that is available to the lessor  
49 from its records maintained in the ordinary course of  
50 business, when use of this address does not constitute

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1 bad faith. The property location shall not be altered  
2 by intermittent use at different locations, such as  
3 use of business property that accompanies employees on  
4 business trips and service calls.

5 b. For a lease or rental that does not require  
6 recurring periodic payments, the payment is sourced  
7 the same as a retail sale in accordance with the  
8 provisions of subsection 1.

9 c. This subsection does not affect the imposition  
10 or computation of sales or use tax on leases or  
11 rentals based on a lump sum or accelerated basis, or  
12 on the acquisition of property for lease.

13 3. The retail sale, including lease or rental, of  
14 transportation equipment shall be sourced the same as  
15 a retail sale in accordance with the provisions of  
16 subsection 1, notwithstanding the exclusion of lease  
17 or rental in that subsection. "Transportation  
18 equipment" means any of the following:

19 a. Locomotives or railcars that are utilized for  
20 the carriage of persons or property in interstate  
21 commerce.

22 b. Trucks and truck-tractors with a gross vehicle  
23 weight rating of ten thousand one pounds or greater,  
24 trailers, semitrailers, or passenger buses that meet  
25 both of the following requirements:

26 (1) Are registered through the international  
27 registration plan.

28 (2) Are operated under authority of a carrier  
29 authorized and certificated by the United States  
30 department of transportation or another federal  
31 authority to engage in the carriage of persons or  
32 property in interstate commerce.

33 c. Aircraft that are operated by air carriers  
34 authorized and certificated by the United States  
35 department of transportation or another federal or a  
36 foreign authority to engage in the carriage of persons  
37 or property in interstate or foreign commerce.

38 d. Containers designed for use on and component  
39 parts attached or secured on the items set forth in  
40 paragraphs "a" through "c".

41 Sec. 147. NEW SECTION. 423.16 TRANSACTIONS TO  
42 WHICH THE GENERAL SOURCING RULES DO NOT APPLY.

43 Section 423.15 does not apply to sales or use taxes  
44 levied on the following:

45 1. The retail sale or transfer of watercraft,  
46 modular homes, manufactured housing, or mobile homes,  
47 and the retail sale, excluding lease or rental, of  
48 motor vehicles, trailers, semitrailers, or aircraft  
49 that do not qualify as transportation equipment, as  
50 defined in section 423.15, subsection 3.

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1 2. The lease or rental of motor vehicles,  
2 trailers, semitrailers, or aircraft that do not  
3 qualify as transportation equipment, as defined in  
4 section 423.15, subsection 3, which shall be sourced  
5 in accordance with section 423.17.

6 3. Transactions to which the multiple points use  
7 exemption is applicable, which shall be sourced in  
8 accordance with section 423.18.

9 4. Transactions to which direct mail sourcing is  
10 applicable, which shall be sourced in accordance with  
11 section 423.19.

12 5. Telecommunications services, as set out in  
13 section 423.20, which shall be sourced in accordance  
14 with section 423.20, subsection 2.

15 Sec. 148. NEW SECTION. 423.17 SOURCING RULES FOR  
16 VARIOUS TYPES OF LEASED OR RENTED EQUIPMENT WHICH IS  
17 NOT TRANSPORTATION EQUIPMENT.

18 The lease or rental of motor vehicles, trailers,  
19 semitrailers, or aircraft that do not qualify as  
20 transportation equipment, as defined in section  
21 423.15, subsection 3, shall be sourced as follows:

22 1. For a lease or rental that requires recurring  
23 periodic payments, each periodic payment is sourced to  
24 the primary property location. The primary property  
25 location shall be as indicated by an address for the  
26 property provided by the lessee that is available to  
27 the lessor from its records maintained in the ordinary  
28 course of business, when use of this address does not  
29 constitute bad faith. This location shall not be  
30 altered by intermittent use at different locations.

31 2. For a lease or rental that does not require  
32 recurring periodic payments, the payment is sourced  
33 the same as a retail sale in accordance with the  
34 provisions of section 423.15, subsection 1.

35 3. This section does not affect the imposition or  
36 computation of sales or use tax on leases or rentals  
37 based on a lump sum or accelerated basis, or on the  
38 acquisition of property for lease.

39 Sec. 149. NEW SECTION. 423.18 MULTIPLE POINTS OF  
40 USE EXEMPTION FORMS.

41 A business purchaser that is not a holder of a  
42 direct pay tax permit pursuant to section 423.36 that  
43 knows at the time of its purchase of a digital good,  
44 computer software delivered electronically, or a  
45 service that the digital good, computer software  
46 delivered electronically, or service will be  
47 concurrently available for use in more than one  
48 jurisdiction shall deliver to the seller in  
49 conjunction with its purchase a “multiple points of  
50 use” or “MPU” exemption form disclosing this fact.

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1 1. Upon receipt of the MPU exemption form, the  
2 seller is relieved of all obligation to collect, pay,  
3 or remit the applicable tax and the purchaser shall be  
4 obligated to collect, pay, or remit the applicable tax  
5 on a direct pay basis.

6 2. A purchaser delivering the MPU exemption form  
7 may use any reasonable, but consistent and uniform,  
8 method of apportionment that is supported by the  
9 purchaser's business records as they exist at the time  
10 of the consummation of the sale.

11 3. The MPU exemption form will remain in effect  
12 for all future sales by the seller to the purchaser  
13 except as to the subsequent sale's specific  
14 apportionment that is governed by the principle of  
15 subsection 2 and the facts existing at the time of the  
16 sale until it is revoked in writing.

17 4. A holder of a direct pay tax permit under  
18 section 423.36 shall not be required to deliver an MPU  
19 exemption form to the seller. A direct pay tax permit  
20 holder shall follow the provisions of subsection 2 in  
21 apportioning the tax due on a digital good, computer  
22 software delivered electronically, or service that  
23 will be concurrently available for use in more than  
24 one jurisdiction.

25 Sec. 150. NEW SECTION. 423.19 DIRECT MAIL  
26 SOURCING.

27 1. Notwithstanding section 423.15, a purchaser of  
28 direct mail that is not a holder of a direct pay tax  
29 permit pursuant to section 423.36 shall provide to the  
30 seller in conjunction with the purchase either a  
31 direct mail form or information to show the  
32 jurisdictions to which the direct mail is delivered to  
33 recipients.

34 a. Upon receipt of the direct mail form, the  
35 seller is relieved of all obligations to collect, pay,  
36 or remit the applicable tax and the purchaser is  
37 obligated to pay or remit the applicable tax on a  
38 direct pay basis. A direct mail form shall remain in  
39 effect for all future sales of direct mail by the  
40 seller to the purchaser until it is revoked in  
41 writing.

42 b. Upon receipt of information from the purchaser  
43 showing the jurisdictions to which the direct mail is  
44 delivered to recipients, the seller shall collect the  
45 tax according to the delivery information provided by  
46 the purchaser. In the absence of bad faith, the  
47 seller is relieved of any further obligation to  
48 collect tax on any transaction where the seller has  
49 collected tax pursuant to the delivery information  
50 provided by the purchaser.

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2. If the purchaser of direct mail does not have a direct pay tax permit and does not provide the seller with either a direct mail form or delivery information, as required by subsection 1, the seller shall collect the tax according to section 423.15, subsection 1, paragraph “e”. Nothing in this subsection shall limit a purchaser’s obligation for sales or use tax to any state to which the direct mail is delivered.

3. If a purchaser of direct mail provides the seller with documentation of direct pay authority, the purchaser shall not be required to provide a direct mail form or delivery information to the seller.

Sec. 151. NEW SECTION. 423.20 TELECOMMUNICATIONS SERVICE SOURCING.

1. As used in this section:

a. “Air-to-ground radiotelephone service” means a radio service, as that term is used in 47 C.F.R. } 22.99, in which common carriers are authorized to offer and provide radio telecommunications service for hire to subscribers in aircraft.

b. “Call-by-call basis” means any method of charging for the telecommunications service where the price is measured by individual calls.

c. “Communications channel” means a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points.

d. “Customer” means the person or entity that contracts with the seller of the telecommunications service. If the end user of the telecommunications service is not the contracting party, the end user of the telecommunications service is the customer of the telecommunications service, but this sentence only applies for the purpose of sourcing sales of the telecommunications service under this section.

“Customer” does not include a reseller of a telecommunications service or for mobile telecommunications service of a serving carrier under an agreement to serve the customer outside the home service provider’s licensed service area.

e. “Customer channel termination point” means the location where the customer either inputs or receives the communications.

f. “End user” means the person who utilizes the telecommunications service. In the case of an entity, “end user” means the individual who utilizes the service on behalf of the entity.

g. “Home service provider” means the same as that term is defined in the federal Mobile

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- 1 Telecommunications Sourcing Act, Pub. L. No. 106-252,  
2 4 U.S.C. } 124(5).
- 3 h. “Mobile telecommunications service” means the  
4 same as that term is defined in federal Mobile  
5 Telecommunications Sourcing Act, Pub. L. No. 106-252,  
6 4 U.S.C. } 124(7).
- 7 i. “Place of primary use” means the street address  
8 representative of where the customer’s use of the  
9 telecommunications service primarily occurs, which  
10 must be the residential street address or the primary  
11 business street address of the customer. In the case  
12 of mobile telecommunications service, “place of  
13 primary use” must be within the licensed service area  
14 of the home service provider.
- 15 j. “Postpaid calling service” means the  
16 telecommunications service obtained by making a  
17 payment on a call-by-call basis either through the use  
18 of a credit card or payment mechanism such as a bank  
19 card, travel card, credit card, or debit card, or by  
20 charge made to a telephone number which is not  
21 associated with the origination or termination of the  
22 telecommunications service. A “postpaid calling  
23 service” includes a telecommunications service that  
24 would be a prepaid calling service except it is not  
25 exclusively a telecommunications service.
- 26 k. “Prepaid calling service” means the right to  
27 access exclusively telecommunications services, which  
28 must be paid for in advance and which enables the  
29 origination of calls using an access number or  
30 authorization code, whether manually or electronically  
31 dialed, and that is sold in predetermined units or  
32 dollars of which the amount declines with use in a  
33 known amount.
- 34 l. “Private communication service” means a  
35 telecommunications service that entitles the customer  
36 to exclusive or priority use of a communications  
37 channel or group of channels between or among  
38 termination points, regardless of the manner in which  
39 such channel or channels are connected, and includes  
40 switching capacity, extension lines, stations, and any  
41 other associated services that are provided in  
42 connection with the use of such channel or channels.
- 43 m. “Service address” means one of the following:
- 44 (1) The location of the telecommunications  
45 equipment to which a customer’s call is charged and  
46 from which the call originates or terminates,  
47 regardless of where the call is billed or paid.
- 48 (2) If the location in subparagraph (1) is not  
49 known, “service address” means the origination point  
50 of the signal of the telecommunications service first

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- 1 identified by either the seller's telecommunications  
2 system or in information received by the seller from  
3 its service provider, where the system used to  
4 transport such signals is not that of the seller.
- 5 (3) If the locations in subparagraphs (1) and (2)  
6 are not known, the "service address" means the  
7 location of the customer's place of primary use.
- 8 2. Sales of telecommunications services shall be  
9 sourced in the following manner:
- 10 a. Except for the defined telecommunications  
11 services in paragraph "c", the sale of  
12 telecommunications services sold on a call-by-call  
13 basis shall be sourced to one of the following:
- 14 (1) Each level of taxing jurisdiction where the  
15 call originates and terminates in that jurisdiction.
- 16 (2) Each level of taxing jurisdiction where the  
17 call either originates or terminates and in which the  
18 service address is also located.
- 19 b. Except for the defined telecommunications  
20 services in paragraph "c", a sale of  
21 telecommunications services sold on a basis other than  
22 a call-by-call basis is sourced to the customer's  
23 place of primary use.
- 24 c. Sale of the following telecommunications  
25 services shall be sourced to each level of taxing  
26 jurisdiction as follows:
- 27 (1) A sale of mobile telecommunications services  
28 other than air-to-ground radiotelephone service or  
29 prepaid calling service is sourced to the customer's  
30 place of primary use as required by the federal Mobile  
31 Telecommunications Sourcing Act.
- 32 (2) A sale of postpaid calling service is sourced  
33 to the origination point of the telecommunications  
34 signal as first identified by either of the following:
- 35 (a) The seller's telecommunications system.
- 36 (b) Information received by the seller from its  
37 service provider, where the system used to transport  
38 such signals is not that of the seller.
- 39 (3) A sale of prepaid calling service is sourced  
40 in accordance with section 423.15. However, in the  
41 case of a sale of mobile telecommunications services  
42 that is a prepaid telecommunications service, the rule  
43 provided in section 423.15, subsection 1, paragraph  
44 "e", shall include as an option the location  
45 associated with the mobile telephone number.
- 46 (4) A sale of a private telecommunications service  
47 is sourced as follows:
- 48 (a) Service for a separate charge related to a  
49 customer channel termination point is sourced to each  
50 level of jurisdiction in which such customer channel

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1 termination point is located.

2 (b) Service where all customer termination points  
3 are located entirely within one jurisdiction or level  
4 of jurisdiction is sourced in such jurisdiction in  
5 which the customer channel termination points are  
6 located.

7 (c) Service for segments of a channel between two  
8 customer channel termination points located in  
9 different jurisdictions and which segments of a  
10 channel are separately charged is sourced fifty  
11 percent in each level of jurisdiction in which the  
12 customer channel termination points are located.

13 (d) Service for segments of a channel located in  
14 more than one jurisdiction or levels of jurisdiction  
15 and which segments are not separately billed is  
16 sourced in each jurisdiction based on the percentage  
17 determined by dividing the number of customer channel  
18 termination points in such jurisdiction by the total  
19 number of customer channel termination points.

20 Sec. 152. NEW SECTION. 423.21 BAD DEBT  
21 DEDUCTIONS.

22 1. For the purposes of this section, "bad debt"  
23 means an amount properly calculated pursuant to  
24 section 166 of the Internal Revenue Code then adjusted  
25 to exclude financing charges or interest, sales or use  
26 taxes charged on the purchase price, uncollectible  
27 amounts on property that remain in the possession of  
28 the seller until the full purchase price is paid,  
29 expenses incurred in attempting to collect any debt,  
30 and repossessed property.

31 2. In computing the amount of tax due, a seller  
32 may deduct bad debts from the total amount upon which  
33 the tax is calculated for any return. Any deduction  
34 taken or refund paid which is attributed to bad debts  
35 shall not include interest.

36 3. A seller may deduct bad debts on the return for  
37 the period during which the bad debt is written off as  
38 uncollectible in the seller's books and records and is  
39 eligible to be deducted for federal income tax  
40 purposes. For purposes of this subsection, a seller  
41 who is not required to file federal income tax returns  
42 may deduct a bad debt on a return filed for the period  
43 in which the bad debt is written off as uncollectible  
44 in the seller's books and records and would be  
45 eligible for a bad debt deduction for federal income  
46 tax purposes if the seller were required to file a  
47 federal income tax return.

48 4. If a deduction is taken for a bad debt and the  
49 seller subsequently collects the debt in whole or in  
50 part, the tax on the amount so collected must be paid

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1 and reported on the return filed for the period in  
2 which the collection is made.

3 5. A seller may obtain a refund of tax on any  
4 amount of bad debt that exceeds the amount of taxable  
5 sales within the period allowed for refund claims by  
6 section 423.47. However, the period allowed for  
7 refund claims shall be measured from the due date of  
8 the return on which the bad debt could first be  
9 claimed.

10 6. For the purposes of computing a bad debt  
11 deduction or reporting a payment received on a  
12 previously claimed bad debt, any payments made on a  
13 debt or account shall be applied first to the price of  
14 the property or service and tax thereon,  
15 proportionally, and secondly to interest, service  
16 charges, and any other charges.

17 Sec. 153. NEW SECTION. 423.22 TAXATION IN  
18 ANOTHER STATE.

19 If any person who causes tangible personal property  
20 to be brought into this state or who uses in this  
21 state services enumerated in section 423.2 has already  
22 paid a tax in another state in respect to the sale or  
23 use of the property or the performance of the service,  
24 or an occupation tax in respect to the property or  
25 service, in an amount less than the tax imposed by  
26 subchapter II or III, the provisions of those  
27 subchapters shall apply, but at a rate measured by the  
28 difference only between the rate fixed by subchapter  
29 II or III and the rate by which the previous tax on  
30 the sale or use, or the occupation tax, was computed.  
31 If the tax imposed and paid in the other state is  
32 equal to or more than the tax imposed by those  
33 subchapters, then a tax is not due in this state on  
34 the personal property or service.

35 Sec. 154. NEW SECTION. 423.23 SELLERS'  
36 AGREEMENTS.

37 Agreements between competing sellers, or the  
38 adoption of appropriate rules and regulations by  
39 organizations or associations of sellers to provide  
40 uniform methods for adding sales or use tax or the  
41 average equivalent thereof, and which do not involve  
42 price-fixing agreements otherwise unlawful, are  
43 expressly authorized and shall be held not in  
44 violation of chapter 553 or other antitrust laws of  
45 this state. The director shall cooperate with  
46 sellers, organizations, or associations in formulating  
47 agreements and rules.

48 Sec. 155. NEW SECTION. 423.24 ABSORBING TAX  
49 PROHIBITED.

50 A seller shall not advertise or hold out or state

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1 to the public or to any purchaser, consumer, or user,  
2 directly or indirectly, that the taxes or any parts  
3 thereof imposed by subchapter II or III will be  
4 assumed or absorbed by the seller or the taxes will  
5 not be added to the sales price of the property sold,  
6 or if added that the taxes or any part thereof will be  
7 refunded. Any person violating any of the provisions  
8 of this section within this state is guilty of a  
9 simple misdemeanor.

10 Sec. 156. NEW SECTION. 423.25 DIRECTOR'S POWER  
11 TO ADOPT RULES.

12 The director shall have the power to adopt rules  
13 for adding the taxes imposed by subchapters II and  
14 III, or the average equivalents thereof, by providing  
15 different methods applying uniformly to retailers  
16 within the same general classification for the purpose  
17 of enabling the retailers to add and collect, as far  
18 as practicable, the amounts of those taxes.

19 Sec. 157. NEW SECTION. 423.26 VEHICLES SUBJECT  
20 TO REGISTRATION OR ONLY TO THE ISSUANCE OF TITLE --  
21 MANUFACTURED HOUSING.

22 The use tax imposed upon the use of vehicles  
23 subject to registration or subject only to the  
24 issuance of a certificate of title or imposed upon the  
25 use of manufactured housing shall be paid by the owner  
26 of the vehicle or of the manufactured housing to the  
27 county treasurer or the state department of  
28 transportation from whom the registration receipt or  
29 certificate of title is obtained. A registration  
30 receipt for a vehicle subject to registration or  
31 certificate of title shall not be issued until the tax  
32 has been paid. The county treasurer or the state  
33 department of transportation shall require every  
34 applicant for a registration receipt for a vehicle  
35 subject to registration or certificate of title to  
36 supply information as the county treasurer or the  
37 director deems necessary as to the time of purchase,  
38 the purchase price, installed purchase price, and  
39 other information relative to the purchase of the  
40 vehicle or manufactured housing. On or before the  
41 tenth day of each month, the county treasurer or the  
42 state department of transportation shall remit to the  
43 department the amount of the taxes collected during  
44 the preceding month.

45 A person who willfully makes a false statement in  
46 regard to the purchase price of a vehicle subject to  
47 taxation under this section is guilty of a fraudulent  
48 practice. A person who willfully makes a false  
49 statement in regard to the purchase price of such a  
50 vehicle with the intent to evade the payment of tax

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1 shall be assessed a penalty of seventy-five percent of  
2 the amount of tax unpaid and required to be paid on  
3 the actual purchase price less trade-in allowance.

4 Sec. 158. NEW SECTION. 423.27 MOTOR VEHICLE  
5 LEASE TAX.

6 1. The use tax imposed upon the use of leased  
7 vehicles subject to registration under chapter 321,  
8 with gross vehicle weight ratings of less than sixteen  
9 thousand pounds, excluding motorcycles and motorized  
10 bicycles, which are leased by a lessor licensed  
11 pursuant to chapter 321F for a period of twelve months  
12 or more shall be paid by the owner of the vehicle to  
13 the county treasurer or state department of  
14 transportation from whom the registration receipt or  
15 certificate of title is obtained. A registration  
16 receipt for a vehicle subject to registration or  
17 issuance of a certificate of title shall not be issued  
18 until the tax is paid in the initial instance. Tax on  
19 the lease transaction that does not require titling or  
20 registration of the vehicle shall be remitted to the  
21 department. Tax and the reporting of tax due to the  
22 department shall be remitted on or before fifteen days  
23 from the last day of the month that the vehicle lease  
24 tax becomes due. Failure to timely report or remit  
25 any of the tax when due shall result in a penalty and  
26 interest being imposed on the tax due pursuant to  
27 section 423.40, subsection 1, and section 423.42,  
28 subsection 1.

29 2. The amount subject to tax shall be computed on  
30 each separate lease transaction by taking the total of  
31 the lease payments, plus the down payment, and  
32 excluding all of the following:

- 33 a. Title fee.
- 34 b. Registration fees.
- 35 c. Vehicle lease tax pursuant to this section.
- 36 d. Federal excise taxes attributable to the sale  
37 of the vehicle to the owner or to the lease of the  
38 vehicle by the owner.
- 39 e. Optional service or warranty contracts subject  
40 to tax pursuant to section 423.2, subsection 1.
- 41 f. Insurance.
- 42 g. Manufacturer's rebate.
- 43 h. Refundable deposit.
- 44 i. Finance charges, if any, on items listed in  
45 paragraphs "a" through "h".

46 If any or all of the items in paragraphs "a"  
47 through "i" are excluded from the taxable lease price,  
48 the owner shall maintain adequate records of the  
49 amounts of those items. If the parties to a lease  
50 enter into an agreement providing that the tax imposed

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1 under this statute is to be paid by the lessee or  
2 included in the monthly lease payments to be paid by  
3 the lessee, the total cost of the tax shall not be  
4 included in the computation of lease price for the  
5 purpose of taxation under this section. The county  
6 treasurer, the state department of transportation, or  
7 the department of revenue and finance shall require  
8 every applicant for a registration receipt for a  
9 vehicle subject to tax under this section to supply  
10 information as the county treasurer or director deems  
11 necessary as to the date of the lease transaction, the  
12 lease price, and other information relative to the  
13 lease of the vehicle.

14 3. On or before the tenth day of each month, the  
15 county treasurer or the state department of  
16 transportation shall remit to the department the  
17 amount of the taxes collected during the preceding  
18 month.

19 4. If the lease is terminated prior to the  
20 termination date contained in the lease agreement, no  
21 refund shall be allowed for tax previously paid under  
22 this section, except as provided in section 322G.4.

23 Sec. 159. NEW SECTION. 423.28 SALES TAX REPORT  
24 -- DEDUCTION.

25 Motor vehicle or trailer dealers, in making their  
26 reports and returns to the department for the purpose  
27 of paying the sales tax, shall be permitted to deduct  
28 all sales prices from retail sales of vehicles subject  
29 to registration or subject only to the issuance of a  
30 certificate of title. Sales prices from sales of  
31 vehicles subject to registration or subject only to  
32 the issuance of a certificate of title are exempted  
33 from the sales tax, but, if required by the director,  
34 the sales prices shall be included in the returns made  
35 by motor vehicle or trailer dealers under subchapter  
36 II, and proper deductions taken pursuant to this  
37 section.

38 Sec. 160. NEW SECTION. 423.29 COLLECTIONS BY  
39 SELLERS.

40 Every seller who is a retailer and who is making  
41 taxable sales of tangible personal property in Iowa  
42 shall, at the time of selling the property, collect  
43 the sales tax. Every seller who is a retailer  
44 maintaining a place of business in this state and  
45 selling tangible personal property for use in Iowa  
46 shall, at the time of making the sale, whether within  
47 or without the state, collect the use tax. Sellers  
48 required to collect sales or use tax shall give to any  
49 purchaser a receipt for the tax collected in the  
50 manner and form prescribed by the director.

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1 Every seller who is a retailer furnishing taxable  
2 services in Iowa and every seller who is a retailer  
3 maintaining a place of business in this state and  
4 furnishing taxable services in Iowa or services  
5 outside Iowa if the product or result of the service  
6 is used in Iowa shall be subject to the provisions of  
7 the preceding paragraph.

8 Sec. 161. NEW SECTION. 423.30 FOREIGN SELLERS  
9 NOT REGISTERED UNDER THE AGREEMENT.

10 The director may, upon application, authorize the  
11 collection of the use tax by any seller who is a  
12 retailer not maintaining a place of business within  
13 this state and not registered under the agreement,  
14 who, to the satisfaction of the director, furnishes  
15 adequate security to ensure collection and payment of  
16 the tax. Such sellers shall be issued, without  
17 charge, permits to collect tax subject to any  
18 regulations which the director shall prescribe. When  
19 so authorized, it shall be the duty of foreign sellers  
20 to collect the tax upon all tangible personal property  
21 sold, to the retailer's knowledge, for use within this  
22 state, in the same manner and subject to the same  
23 requirements as a retailer maintaining a place of  
24 business within this state. The authority and permit  
25 may be canceled when, at any time, the director  
26 considers the security inadequate, or that tax can  
27 more effectively be collected from the person using  
28 property in this state.

29 The discretionary power granted in this section is  
30 extended to apply in the case of foreign retailers  
31 furnishing services enumerated in section 423.2.

32 Sec. 162. NEW SECTION. 423.31 FILING OF SALES  
33 TAX RETURNS AND PAYMENT OF SALES TAX.

34 1. Each person subject to this section and section  
35 423.36 and in accordance with the provisions of this  
36 section and section 423.36 shall, on or before the  
37 last day of the month following the close of each  
38 calendar quarter during which such person is or has  
39 become or ceased being subject to the provisions of  
40 this section and section 423.36, make, sign, and file  
41 a return for the calendar quarter in the form as may  
42 be required. Returns shall show information relating  
43 to sales prices including goods, wares, and services  
44 converted to the use of such person, the amounts of  
45 sales prices excluded and exempt from the tax, the  
46 amounts of sales prices subject to tax, a calculation  
47 of tax due, and any other information for the period  
48 covered by the return as may be required. Returns  
49 shall be signed by the retailer or the retailer's  
50 authorized agent and must be certified by the retailer

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1 to be correct in accordance with forms and rules  
2 prescribed by the director.

3 2. Persons required to file, or committed to file  
4 by reason of voluntary action or by order of the  
5 department, deposits of taxes due under this  
6 subchapter shall be entitled to take credit against  
7 the total quarterly amount of tax due such amount as  
8 shall have been deposited by such persons during that  
9 calendar quarter. The balance remaining due after  
10 such credit for deposits shall be entered on the  
11 return. However, such person may be granted an  
12 extension of time not exceeding thirty days for filing  
13 the quarterly return, upon a proper showing of  
14 necessity. If an extension is granted, such person  
15 shall have paid by the twentieth day of the month  
16 following the close of such quarter ninety percent of  
17 the estimated tax due.

18 3. The sales tax forms prescribed by the director  
19 shall be referred to as “retailers tax deposit”.  
20 Deposit forms shall be signed by the retailer or the  
21 retailer’s duly authorized agent, and shall be duly  
22 certified by the retailer or agent to be correct. The  
23 director may authorize incorporated banks and trust  
24 companies or other depositories authorized by law  
25 which are depositories or financial agents of the  
26 United States, or of this state, to receive any sales  
27 tax imposed under this chapter, in the manner, at the  
28 times, and under the conditions the director  
29 prescribes. The director shall prescribe the manner,  
30 times, and conditions under which the receipt of the  
31 tax by those depositories is to be treated as payment  
32 of the tax to the department.

33 4. Every retailer at the time of making any return  
34 required by this section shall compute and pay to the  
35 department the tax due for the preceding period. The  
36 tax on sales prices from the sale or rental of  
37 tangible personal property under a consumer rental  
38 purchase agreement as defined in section 537.3604,  
39 subsection 8, is payable in the tax period of receipt.

40 5. Upon making application and receiving approval  
41 from the director, a parent corporation and its  
42 affiliated corporations that make retail sales of  
43 tangible personal property or taxable enumerated  
44 services may make deposits and file a consolidated  
45 sales tax return for the affiliated group, pursuant to  
46 rules adopted by the director. A parent corporation  
47 and each affiliate corporation that files a  
48 consolidated return are jointly and severally liable  
49 for all tax, penalty, and interest found due for the  
50 tax period for which a consolidated return is filed or

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1 required to be filed.  
2 A business required to file a consolidated sales  
3 tax return shall file a form entitled “schedule of  
4 consolidated business locations” with its quarterly  
5 sales tax return that shows the taxpayer’s  
6 consolidated permit number, the permit number for each  
7 Iowa business location, the state sales tax amount by  
8 business location, and the amount of state sales tax  
9 due on goods consumed that are not assigned to a  
10 specific business location. Consolidated quarterly  
11 sales tax returns that are not accompanied by the  
12 schedule of consolidated business locations form are  
13 considered incomplete and are subject to penalty under  
14 section 421.27.

15 6. If necessary or advisable in order to insure  
16 the payment of the tax, the director may require  
17 returns and payment of the tax to be made for other  
18 than quarterly periods, the provisions of this  
19 section, or other provision to the contrary  
20 notwithstanding.

21 Sec. 163. NEW SECTION. 423.32 FILING OF USE TAX  
22 RETURNS AND PAYMENT OF USE TAX.

23 1. A retailer maintaining a place of business in  
24 this state who is required to collect or a user who is  
25 required to pay the use tax or a foreign retailer  
26 authorized, pursuant to section 423.30, to collect the  
27 use tax, shall remit to the department the amount of  
28 tax on or before the last day of the month following  
29 each calendar quarterly period. However, a retailer  
30 who collects or owes more than fifteen hundred dollars  
31 in use taxes in a month shall deposit with the  
32 department or in a depository authorized by law and  
33 designated by the director, the amount collected or  
34 owed, with a deposit form for the month as prescribed  
35 by the director.

36 a. The deposit form is due on or before the  
37 twentieth day of the month following the month of  
38 collection, except a deposit is not required for the  
39 third month of the calendar quarter, and the total  
40 quarterly amount, less the amounts deposited for the  
41 first two months of the quarter, is due with the  
42 quarterly report on the last day of the month  
43 following the month of collection. At that time, the  
44 retailer shall file with the department a return for  
45 the preceding quarterly period in the form prescribed  
46 by the director showing the purchase price of the  
47 tangible personal property sold by the retailer during  
48 the preceding quarterly period, the use of which is  
49 subject to the use tax imposed by this chapter, and  
50 other information the director deems necessary for the

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1 proper administration of the use tax.  
2 b. The return shall be accompanied by a remittance  
3 of the use tax for the period covered by the return.  
4 If necessary in order to ensure payment to the state  
5 of the tax, the director may in any or all cases  
6 require returns and payments to be made for other than  
7 quarterly periods. The director, upon request and a  
8 proper showing of necessity, may grant an extension of  
9 time not to exceed thirty days for making any return  
10 and payment. Returns shall be signed, in accordance  
11 with forms and rules prescribed by the director, by  
12 the retailer or the retailer's authorized agent, and  
13 shall be certified by the retailer or agent to be  
14 correct.

15 2. If it is reasonably expected, as determined by  
16 rules prescribed by the director, that a retailer's  
17 annual sales or use tax liability will not exceed one  
18 hundred twenty dollars for a calendar year, the  
19 retailer may request and the director may grant  
20 permission to the retailer, in lieu of the quarterly  
21 filing and remitting requirements set out elsewhere in  
22 this section, to file the return required by and remit  
23 the sales or use tax due under this section on a  
24 calendar-year basis. The return and tax are due and  
25 payable no later than January 31 following each  
26 calendar year in which the retailer carries on  
27 business.

28 3. The director, in cooperation with the  
29 department of management, may periodically change the  
30 filing and remittance thresholds by administrative  
31 rule if in the best interests of the state and  
32 taxpayer to do so.

33 Sec. 164. NEW SECTION. 423.33 LIABILITY OF  
34 PERSONS OTHER THAN RETAILERS FOR PAYMENT OF SALES OR  
35 USE TAX.

36 1. LIABILITY OF PURCHASER FOR SALES TAX. If a  
37 purchaser fails to pay sales tax to the retailer  
38 required to collect the tax, then in addition to all  
39 of the rights, obligations, and remedies provided, the  
40 tax is payable by the purchaser directly to the  
41 department, and sections 423.31, 423.32, 423.37,  
42 423.38, 423.39, 423.40, 423.41, and 423.42 apply to  
43 the purchaser. For failure to pay, the retailer and  
44 purchaser are liable, unless the circumstances  
45 described in section 421.60, subsection 2, paragraph  
46 "m", or section 423.45, subsection 4, paragraph "b" or  
47 "e", or subsection 5, paragraph "c" or "e", are  
48 applicable.

49 2. IMMEDIATE SUCCESSOR LIABILITY FOR SALES OR USE  
50 TAX. If a retailer sells the retailer's business or

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1 stock of goods or quits the business, the retailer  
2 shall prepare a final return and pay all sales or use  
3 tax due within the time required by law. The  
4 immediate successor to the retailer, if any, shall  
5 withhold a sufficient portion of the purchase price,  
6 in money or money's worth, to pay the amount of  
7 delinquent tax, interest, or penalty due and unpaid.  
8 If the immediate successor of the business or stock of  
9 goods intentionally fails to withhold the amount due  
10 from the purchase price as provided in this  
11 subsection, the immediate successor is personally  
12 liable for the payment of delinquent taxes, interest,  
13 and penalty accrued and unpaid on account of the  
14 operation of the business by the immediate former  
15 retailer, except when the purchase is made in good  
16 faith as provided in section 421.28. However, a  
17 person foreclosing on a valid security interest or  
18 retaking possession of premises under a valid lease is  
19 not an "immediate successor" for purposes of this  
20 section. The department may waive the liability of  
21 the immediate successor under this subsection if the  
22 immediate successor exercised good faith in  
23 establishing the amount of the previous liability.

24 3. EVENT SPONSOR'S LIABILITY FOR SALES TAX. A

25 person sponsoring a flea market or a craft, antique,  
26 coin, or stamp show or similar event shall obtain from  
27 every retailer selling tangible personal property or  
28 taxable services at the event proof that the retailer  
29 possesses a valid sales tax permit or secure from the  
30 retailer a statement, taken in good faith, that  
31 property or services offered for sale are not subject  
32 to sales tax. Failure to do so renders a sponsor of  
33 the event liable for payment of any sales tax,  
34 interest, and penalty due and owing from any retailer  
35 selling property or services at the event. Sections  
36 423.31, 423.32, 423.37, 423.38, 423.39, 423.40,  
37 423.41, and 423.42 apply to the sponsors. For  
38 purposes of this subsection, a person sponsoring a  
39 flea market or a craft, antique, coin, or stamp show  
40 or similar event does not include an organization  
41 which sponsors an event less than three times a year  
42 or a state, county, or district agricultural fair.

43 Sec. 165. NEW SECTION. 423.34 LIABILITY OF USER.

44 Any person who uses any property or services  
45 enumerated in section 423.2 upon which the use tax has  
46 not been paid, either to the county treasurer or to a  
47 retailer or direct to the department as required by  
48 this subchapter, shall be liable for the payment of  
49 tax, and shall on or before the last day of the month  
50 next succeeding each quarterly period pay the use tax

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1 upon all property or services used by the person  
2 during the preceding quarterly period in the manner  
3 and accompanied by such returns as the director shall  
4 prescribe. All of the provisions of sections 423.32  
5 and 423.33 with reference to the returns and payments  
6 shall be applicable to the returns and payments  
7 required by this section.

8 Sec. 166. NEW SECTION. 423.35 POSTING OF BOND TO  
9 SECURE PAYMENT.

10 The director may, when necessary and advisable in  
11 order to secure the collection of the sales or use  
12 tax, authorize any person subject to either tax, and  
13 any retailer required or authorized to collect those  
14 taxes pursuant to the provisions of section 423.14, to  
15 file with the department a bond, issued by a surety  
16 company authorized to transact business in this state  
17 and approved by the insurance commissioner as the  
18 solvency and responsibility, in an amount as the  
19 director may fix, to secure the payment of any tax,  
20 interest, or penalties due or which may become due  
21 from such person. In lieu of a bond, securities  
22 approved by the director, in an amount which the  
23 director may prescribe, may be deposited with the  
24 department, which securities shall be kept in the  
25 custody of the department and may be sold by the  
26 director at public or private sale, without notice to  
27 the depositor, if it becomes necessary to do so in  
28 order to recover any tax, interest, or penalties due.  
29 Upon the sale, the surplus, if any, above the amounts  
30 due under this chapter shall be returned to the person  
31 who deposited the securities.

32 Sec. 167. NEW SECTION. 423.36 PERMITS REQUIRED  
33 TO COLLECT SALES OR USE TAX -- APPLICATIONS --  
34 REVOCATION.

35 1. A person shall not engage in or transact  
36 business as a retailer making taxable sales of  
37 tangible personal property or furnishing services  
38 within this state or as a retailer making taxable  
39 sales of tangible personal property or furnishing  
40 services for use within this state, unless a permit  
41 has been issued to the retailer under this section,  
42 except as provided in subsection 6. Every person  
43 desiring to engage in or transact business as a  
44 retailer shall file with the department an application  
45 for a permit to collect sales or use tax. Every  
46 application for a sales or use tax permit shall be  
47 made upon a form prescribed by the director and shall  
48 set forth any information the director may require.  
49 The application shall be signed by an owner of the  
50 business if a natural person; in the case of a

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1 retailer which is an association or partnership, by a  
2 member or partner; and in the case of a retailer which  
3 is a corporation, by an executive officer or some  
4 person specifically authorized by the corporation to  
5 sign the application, to which shall be attached the  
6 written evidence of the person's authority.

7 2. To collect sales or use tax, the applicant must  
8 have a permit for each place of business in the state  
9 of Iowa. The department may deny a permit to an  
10 applicant who is substantially delinquent in paying a  
11 tax due, or the interest or penalty on the tax,  
12 administered by the department at the time of  
13 application. If the applicant is a partnership, a  
14 permit may be denied if a partner is substantially  
15 delinquent in paying any delinquent tax, penalty, or  
16 interest. If the applicant is a corporation, a permit  
17 may be denied if any officer having a substantial  
18 legal or equitable interest in the ownership of the  
19 corporation owes any delinquent tax, penalty, or  
20 interest.

21 3. The department shall grant and issue to each  
22 applicant a permit for each place of business in this  
23 state where sales or use tax is collected. A permit  
24 is not assignable and is valid only for the person in  
25 whose name it is issued and for the transaction of  
26 business at the place designated or at a place of  
27 relocation within the state if the ownership remains  
28 the same.

29 If an applicant is making sales outside Iowa for  
30 use in this state or furnishing services outside Iowa,  
31 the product or result of which will be used in this  
32 state, that applicant shall be issued one use tax  
33 permit by the department applicable to these out-of-  
34 state sales or services.

35 4. Permits issued under this section are valid and  
36 effective until revoked by the department.

37 5. If the holder of a permit fails to comply with  
38 any of the provisions of this subchapter or of  
39 subchapter II or III or any order or rule of the  
40 department adopted under those subchapters or is  
41 substantially delinquent in the payment of a tax  
42 administered by the department or the interest or  
43 penalty on the tax, or if the person is a corporation  
44 and if any officer having a substantial legal or  
45 equitable interest in the ownership of the corporation  
46 owes any delinquent tax of the permit-holding  
47 corporation, or interest or penalty on the tax,  
48 administered by the department, the director may  
49 revoke the permit. The director shall send notice by  
50 mail to a permit holder informing that person of the

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1 director's intent to revoke the permit and of the  
2 permit holder's right to a hearing on the matter. If  
3 the permit holder petitions the director for a hearing  
4 on the proposed revocation, after giving ten days'  
5 notice of the time and place of the hearing in  
6 accordance with section 17A.18, subsection 3, the  
7 matter may be heard and a decision rendered. The  
8 director may restore permits after revocation. The  
9 director shall adopt rules setting forth the period of  
10 time a retailer must wait before a permit may be  
11 restored or a new permit may be issued. The waiting  
12 period shall not exceed ninety days from the date of  
13 the revocation of the permit.

14 6. Sellers who are not regularly engaged in  
15 selling at retail and do not have a permanent place of  
16 business, but who are temporarily engaged in selling  
17 from trucks, portable roadside stands, concessionaires  
18 at state, county, district, or local fairs, carnivals,  
19 or the like, shall report and remit the sales tax on a  
20 temporary basis, under rules the director shall  
21 provide for the efficient collection of the sales tax.  
22 This subsection applies to sellers who are temporarily  
23 engaged in furnishing services.

24 Persons engaged in selling tangible personal  
25 property or furnishing services shall not be required  
26 to obtain or retain a sales tax permit for a place of  
27 business at which taxable sales of tangible personal  
28 property or taxable performance of services will not  
29 occur.

30 7. The provisions of subsection 1, dealing with  
31 the lawful right of a retailer to transact business,  
32 as applicable, apply to persons having receipts from  
33 furnishing services enumerated in section 423.2,  
34 except that a person holding a permit pursuant to  
35 subsection 1 shall not be required to obtain any  
36 separate sales tax permit for the purpose of engaging  
37 in business involving the services.

38 8. a. Except as provided in paragraph "b",  
39 purchasers, users, and consumers of tangible personal  
40 property or enumerated services taxed pursuant to  
41 subchapter II or III of this chapter or chapters 423B  
42 and 423E may be authorized, pursuant to rules adopted  
43 by the director, to remit tax owed directly to the  
44 department instead of the tax being collected and paid  
45 by the seller. To qualify for a direct pay tax  
46 permit, the purchaser, user, or consumer must accrue a  
47 tax liability of more than four thousand dollars in  
48 tax under subchapters II and III in a semimonthly  
49 period and make deposits and file returns pursuant to  
50 section 423.31. This authority shall not be granted

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1 or exercised except upon application to the director  
2 and then only after issuance by the director of a  
3 direct pay tax permit.  
4 b. The granting of a direct pay tax permit is not  
5 authorized for any of the following:  
6 (1) Taxes imposed on the sales, furnishing, or  
7 service of gas, electricity, water, heat, pay  
8 television service, and communication service.  
9 (2) Taxes imposed under sections 423.26 and 423.27  
10 and chapter 423C.  
11 Sec. 168. NEW SECTION. 423.37 FAILURE TO FILE  
12 SALES OR USE TAX RETURNS -- INCORRECT RETURNS.  
13 1. As soon as practicable after a return is filed  
14 and in any event within three years after the return  
15 is filed, the department shall examine it, assess and  
16 determine the tax due if the return is found to be  
17 incorrect, and give notice to the person liable for  
18 the tax of the assessment and determination as  
19 provided in subsection 2. The period for the  
20 examination and determination of the correct amount of  
21 tax is unlimited in the case of a false or fraudulent  
22 return made with the intent to evade tax or in the  
23 case of a failure to file a return.  
24 2. If a return required by this subchapter is not  
25 filed, or if a return when filed is incorrect or  
26 insufficient and the maker fails to file a corrected  
27 or sufficient return within twenty days after the same  
28 is required by notice from the department, the  
29 department shall determine the amount of tax due from  
30 information as the department may be able to obtain  
31 and, if necessary, may estimate the tax on the basis  
32 of external indices, such as number of employees of  
33 the person concerned, rentals paid by the person,  
34 stock on hand, or other factors. The department shall  
35 give notice of the determination to the person liable  
36 for the tax. The determination shall fix the tax  
37 unless the person against whom it is assessed shall,  
38 within sixty days after the giving of notice of the  
39 determination, apply to the director for a hearing or  
40 unless the taxpayer contests the determination by  
41 paying the tax, interest, and penalty and timely  
42 filing a claim for refund. At the hearing evidence  
43 may be offered to support the determination or to  
44 prove that it is incorrect. After the hearing the  
45 director shall give notice of the decision to the  
46 person liable for the tax.  
47 3. The three-year period of limitation provided in  
48 subsection 1 may be extended by a taxpayer by signing  
49 a waiver agreement form to be provided by the  
50 department. The agreement shall stipulate the period

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1 of extension and the tax period to which the extension  
2 applies. The agreement shall also provide that a  
3 claim for refund may be filed by the taxpayer at any  
4 time during the period of extension.

5 Sec. 169. NEW SECTION. 423.38 JUDICIAL REVIEW.

6 1. Judicial review of actions of the director may  
7 be sought in accordance with the terms of the Iowa  
8 administrative procedure Act.

9 2. For cause and upon a showing by the director  
10 that collection of the tax in dispute is in doubt, the  
11 court may order the petitioner to file with the clerk  
12 a bond for the use of the respondent, with sureties  
13 approved by the clerk, in the amount of tax appealed  
14 from, conditioned that the petitioner shall perform  
15 the orders of the court.

16 3. An appeal may be taken by the taxpayer or the  
17 director to the supreme court of this state  
18 irrespective of the amount involved.

19 Sec. 170. NEW SECTION. 423.39 SERVICE OF  
20 NOTICES.

21 1. A notice authorized or required under this  
22 subchapter may be given by mailing the notice to the  
23 person for whom it is intended, addressed to that  
24 person at the address given in the last return filed  
25 by the person pursuant to this subchapter, or if no  
26 return has been filed, then to any address obtainable.  
27 The mailing of the notice is presumptive evidence of  
28 the receipt of the notice by the person to whom  
29 addressed. Any period of time which is determined  
30 according to this subchapter by the giving of notice  
31 commences to run from the date of mailing of the  
32 notice.

33 2. The provisions of the Code relative to the  
34 limitation of time for the enforcement of a civil  
35 remedy shall not apply to any proceeding or action  
36 taken to levy, appraise, assess, determine, or enforce  
37 the collection of any tax or penalty provided by this  
38 chapter.

39 Sec. 171. NEW SECTION. 423.40 PENALTIES --  
40 OFFENSES -- LIMITATION.

41 1. In addition to the sales or use tax or  
42 additional sales or use tax, the taxpayer shall pay a  
43 penalty as provided in section 421.27. The taxpayer  
44 shall also pay interest on the sales or use tax or  
45 additional sales or use tax at the rate in effect  
46 under section 421.7 for each month counting each  
47 fraction of a month as an entire month, computed from  
48 the date the semimonthly or monthly tax deposit form  
49 or return was required to be filed. The penalty and  
50 interest shall be paid to the department and disposed

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1 of in the same manner as other receipts under this  
2 subchapter. Unpaid penalties and interest may be  
3 enforced in the same manner as the taxes imposed by  
4 this chapter.

5 2. a. Any person who knowingly sells tangible  
6 personal property, tickets or admissions to places of  
7 amusement and athletic events, or gas, water,  
8 electricity, or communication service at retail, or  
9 engages in the furnishing of services enumerated in  
10 section 423.2, in this state without procuring a  
11 permit to collect tax, as provided in section 423.36,  
12 or who violates section 423.24 and the officers of any  
13 corporation who so act are guilty of a serious  
14 misdemeanor.

15 b. A person who knowingly sells tangible personal  
16 property, tickets or admissions to places of amusement  
17 and athletic events, or gas, water, electricity, or  
18 communication service at retail, or engages in the  
19 furnishing of services enumerated in section 423.2, in  
20 this state after the person's sales tax permit has  
21 been revoked and before it has been restored as  
22 provided in section 423.36, subsection 5, and the  
23 officers of any corporation who so act are guilty of  
24 an aggravated misdemeanor.

25 3. A person who willfully attempts in any manner  
26 to evade any tax imposed by this chapter or the  
27 payment of the tax or a person who makes or causes to  
28 be made a false or fraudulent semimonthly or monthly  
29 tax deposit form or return with intent to evade any  
30 tax imposed by subchapter II or III or the payment of  
31 the tax is guilty of a class "D" felony.

32 4. The certificate of the director to the effect  
33 that a tax has not been paid, that a return has not  
34 been filed, or that information has not been supplied  
35 pursuant to the provisions of this subchapter shall be  
36 prima facie evidence thereof.

37 5. A person required to pay sales or use tax, or  
38 to make, sign, or file a tax deposit form or return or  
39 supplemental return, who willfully makes a false or  
40 fraudulent tax deposit form or return, or willfully  
41 fails to pay at least ninety percent of the tax or  
42 willfully fails to make, sign, or file the tax deposit  
43 form or return, at the time required by law, is guilty  
44 of a fraudulent practice.

45 6. A prosecution for an offense specified in this  
46 section shall be commenced within six years after its  
47 commission.

48 Sec. 172. NEW SECTION. 423.41 BOOKS --  
49 EXAMINATION.

50 Every retailer required or authorized to collect

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1 taxes imposed by this chapter and every person using  
2 in this state tangible personal property, services, or  
3 the product of services shall keep records, receipts,  
4 invoices, and other pertinent papers as the director  
5 shall require, in the form that the director shall  
6 require, for as long as the director has the authority  
7 to examine and determine tax due. The director or any  
8 duly authorized agent of the department may examine  
9 the books, papers, records, and equipment of any  
10 person either selling tangible personal property or  
11 services or liable for the tax imposed by this  
12 chapter, and investigate the character of the business  
13 of any person in order to verify the accuracy of any  
14 return made, or if a return was not made by the  
15 person, ascertain and determine the amount due under  
16 this chapter. These books, papers, and records shall  
17 be made available within this state for examination  
18 upon reasonable notice when the director deems it  
19 advisable and so orders. The preceding requirements  
20 shall likewise apply to users and persons furnishing  
21 services enumerated in section 423.2.

22 Sec. 173. NEW SECTION. 423.42 STATUTES  
23 APPLICABLE.

24 1. The director shall administer the taxes imposed  
25 by subchapters II and III in the same manner and  
26 subject to all the provisions of, and all of the  
27 powers, duties, authority, and restrictions contained  
28 in, section 422.25, subsection 4, section 422.30, and  
29 sections 422.67 through 422.75.

30 2. All the provisions of section 422.26 shall  
31 apply in respect to the taxes and penalties imposed by  
32 subchapters II and III and this subchapter, except  
33 that, as applied to any tax imposed by subchapters II  
34 and III, the lien provided in section 422.26 shall be  
35 prior and paramount over all subsequent liens upon any  
36 personal property within this state, or right to such  
37 personal property, belonging to the taxpayer without  
38 the necessity of recording as provided in section  
39 422.26. The requirements for recording shall, as  
40 applied to the taxes imposed by subchapters II and  
41 III, apply only to the liens upon real property. When  
42 requested to do so by any person from whom a taxpayer  
43 is seeking credit, or with whom the taxpayer is  
44 negotiating the sale of any personal property, or by  
45 any other person having a legitimate interest in such  
46 information, the director shall, upon being satisfied  
47 that such a situation exists, inform that person as to  
48 the amount of unpaid taxes due by such taxpayer under  
49 the provisions of subchapters II and III. The giving  
50 of this information under these circumstances shall

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1 not be deemed a violation of section 422.72 as applied  
2 to subchapters II and III.

3 Sec. 174. NEW SECTION. 423.43 DEPOSIT OF REVENUE  
4 -- APPROPRIATIONS.

5 Except as otherwise provided in section 312.2,  
6 subsection 15, all revenues derived from the use tax  
7 on motor vehicles, trailers, and motor vehicle  
8 accessories and equipment as collected pursuant to  
9 sections 423.26 and 423.27 shall be deposited and  
10 credited to the road use tax fund and shall be used  
11 exclusively for the construction, maintenance, and  
12 supervision of public highways.

13 1. Notwithstanding any provision of this section  
14 which provides that all revenues derived from the use  
15 tax on motor vehicles, trailers, and motor vehicle  
16 accessories and equipment as collected pursuant to  
17 sections 423.26 and 423.27 shall be deposited and  
18 credited to the road use tax fund, eighty percent of  
19 the revenues shall be deposited and credited as  
20 follows:

21 a. Twenty-five percent of all such revenue, up to  
22 a maximum of four million two hundred fifty thousand  
23 dollars per quarter, shall be deposited into and  
24 credited to the Iowa comprehensive petroleum  
25 underground storage tank fund created in section  
26 455G.3, and the moneys so deposited are a continuing  
27 appropriation for expenditure under chapter 455G, and  
28 moneys so appropriated shall not be used for other  
29 purposes.

30 b. Any such revenues remaining shall be credited  
31 to the road use tax fund.

32 2. Notwithstanding any other provision of this  
33 section that provides that all revenue derived from  
34 the use tax on motor vehicles, trailers, and motor  
35 vehicle accessories and equipment as collected  
36 pursuant to section 423.26 shall be deposited and  
37 credited to the road use tax fund, twenty percent of  
38 the revenues shall be credited and deposited as  
39 follows: one-half to the road use tax fund and one-  
40 half to the primary road fund to be used for the  
41 commercial and industrial highway network.

42 3. For the fiscal year beginning July 1, 2004, and  
43 each subsequent fiscal year, revenues arising under  
44 the operation of this chapter which are derived from  
45 the tax imposed on remote sales shall be deposited  
46 into the remote sales tax fund created in section  
47 423.60 in an amount equal to the excess of the  
48 revenues derived from the tax imposed on remote sales  
49 during the fiscal year over the revenues derived from  
50 the tax imposed on remote sales during the fiscal year

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1 beginning July 1, 2003.

2 4. All other revenue arising under the operation  
3 of this chapter shall be credited to the general fund  
4 of the state.

5 Sec. 175. NEW SECTION. 423.44 REIMBURSEMENT FOR  
6 PRIMARY ROAD FUND.

7 From moneys deposited into the road use tax fund,  
8 the department may credit to the primary road fund any  
9 amount of revenues derived from the use tax on motor  
10 vehicles, trailers, and motor vehicle accessories and  
11 equipment as collected pursuant to sections 423.26 and  
12 423.27 to the extent necessary to reimburse that fund  
13 for the expenditures not otherwise eligible to be made  
14 from the primary road fund, which are made for  
15 repairing, improving, and maintaining bridges over the  
16 rivers bordering the state. Expenditures for those  
17 portions of bridges within adjacent states may be  
18 included when they are made pursuant to an agreement  
19 entered into under section 313.63, 313A.34, or 314.10.

20 Sec. 176. NEW SECTION. 423.45 REFUNDS --  
21 EXEMPTION CERTIFICATES.

22 1. If an amount of tax represented by a retailer  
23 to a consumer or user as constituting tax due is  
24 computed upon a sales price that is not taxable or the  
25 amount represented is in excess of the actual taxable  
26 amount and the amount represented is actually paid by  
27 the consumer or user to the retailer, the excess  
28 amount of tax paid shall be returned to the consumer  
29 or user upon notification to the retailer by the  
30 department that an excess payment exists.

31 2. If an amount of tax represented by a retailer  
32 to a consumer or user as constituting tax due is  
33 computed upon a sales price that is not taxable or the  
34 amount represented is in excess of the actual taxable  
35 amount and the amount represented is actually paid by  
36 the consumer or user to the retailer, the excess  
37 amount of tax paid shall be returned to the consumer  
38 or user upon proper notification to the retailer by  
39 the consumer or user that an excess payment exists.  
40 "Proper" notification is written notification which  
41 allows a retailer at least sixty days to respond and  
42 which contains enough information to allow a retailer  
43 to determine the validity of a consumer's or user's  
44 claim that an excess amount of tax has been paid. No  
45 cause of action shall accrue against a retailer for  
46 excess tax paid until sixty days after proper notice  
47 has been given the retailer by the consumer or user.

48 3. In the circumstances described in subsections 1  
49 and 2, a retailer has the option to either return any  
50 excess amount of tax paid to a consumer or user, or to

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1 remit the amount which a consumer or user has paid to  
2 the retailer to the department.

3 4. a. The department shall issue or the seller  
4 may separately provide exemption certificates in the  
5 form prescribed by the director, including  
6 certificates not made of paper, which conform to the  
7 requirements of paragraph “c”, to assist retailers in  
8 properly accounting for nontaxable sales of tangible  
9 personal property or services to purchasers for a  
10 nontaxable purpose. The department shall also allow  
11 the use of exemption certificates for those  
12 circumstances in which a sale is taxable but the  
13 seller is not obligated to collect tax from the buyer.

14 b. The sales tax liability for all sales of  
15 tangible personal property and all sales of services  
16 is upon the seller and the purchaser unless the seller  
17 takes in good faith from the purchaser a valid  
18 exemption certificate stating under penalty of perjury  
19 that the purchase is for a nontaxable purpose and is  
20 not a retail sale as defined in section 423.1, or the  
21 seller is not obligated to collect tax due, or unless  
22 the seller takes a fuel exemption certificate pursuant  
23 to subsection 5. If the tangible personal property or  
24 services are purchased tax free pursuant to a valid  
25 exemption certificate which is taken in good faith by  
26 the seller, and the tangible personal property or  
27 services are used or disposed of by the purchaser in a  
28 nonexempt manner, the purchaser is solely liable for  
29 the taxes and shall remit the taxes directly to the  
30 department and sections 423.31, 423.32, 423.37,  
31 423.38, 423.39, 423.40, 423.41, and 423.42 shall apply  
32 to the purchaser.

33 c. A valid exemption certificate is an exemption  
34 certificate which is complete and correct according to  
35 the requirements of the director.

36 d. A valid exemption certificate is taken in good  
37 faith by the seller when the seller has exercised that  
38 caution and diligence which honest persons of ordinary  
39 prudence would exercise in handling their own business  
40 affairs, and includes an honesty of intention and  
41 freedom from knowledge of circumstances which ought to  
42 put one upon inquiry as to the facts. In order for a  
43 seller to take a valid exemption certificate in good  
44 faith, the seller must exercise reasonable prudence to  
45 determine the facts supporting the valid exemption  
46 certificate, and if any facts upon such certificate  
47 would lead a reasonable person to further inquiry,  
48 such inquiry must be made with an honest intent to  
49 discover the facts.

50 e. If the circumstances change and as a result the

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1 tangible personal property or services are used or  
2 disposed of by the purchaser in a nonexempt manner or  
3 the purchaser becomes obligated to pay the tax, the  
4 purchaser is liable solely for the taxes and shall  
5 remit the taxes directly to the department in  
6 accordance with this subsection.

7 5. a. The department shall issue or the seller  
8 may separately provide fuel exemption certificates in  
9 the form prescribed by the director.

10 b. For purposes of this subsection:

11 (1) "Fuel" includes gas, electricity, water, heat,  
12 steam, and any other tangible personal property  
13 consumed in creating heat, power, or steam.

14 (2) "Fuel consumed in processing" means fuel used  
15 or consumed for processing including grain drying, for  
16 providing heat or cooling for livestock buildings or  
17 for greenhouses or buildings or parts of buildings  
18 dedicated to the production of flowering, ornamental,  
19 or vegetable plants intended for sale in the ordinary  
20 course of business, for use in aquaculture production,  
21 or for generating electric current, or in implements  
22 of husbandry engaged in agricultural production.

23 (3) "Fuel exemption certificate" means an  
24 exemption certificate given by the purchaser under  
25 penalty of perjury to assist retailers in properly  
26 accounting for nontaxable sales of fuel consumed in  
27 processing.

28 (4) "Substantial change" means a change in the use  
29 or disposition of tangible personal property and  
30 services by the purchaser such that the purchaser pays  
31 less than ninety percent of the purchaser's actual  
32 sales tax liability. A change includes a misstatement  
33 of facts in an application made pursuant to paragraph  
34 "d" or in a fuel exemption certificate.

35 c. The seller may accept a completed fuel  
36 exemption certificate, as prepared by the purchaser,  
37 for three years unless the purchaser files a new  
38 completed exemption certificate. If the fuel is  
39 purchased tax free pursuant to a fuel exemption  
40 certificate which is taken by the seller, and the fuel  
41 is used or disposed of by the purchaser in a nonexempt  
42 manner, the purchaser is solely liable for the taxes,  
43 and shall remit the taxes directly to the department  
44 and sections 423.31, 423.32, 423.37, 423.38, 423.39,  
45 423.40, 423.41, and 423.42 shall apply to the  
46 purchaser.

47 d. The purchaser may apply to the department for  
48 its review of the fuel exemption certificate. In this  
49 event, the department shall review the fuel exemption  
50 certificate within twelve months from the date of

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1 application and determine the correct amount of the  
2 exemption. If the amount determined by the department  
3 is different than the amount that the purchaser claims  
4 is exempt, the department shall promptly notify the  
5 purchaser of the determination. Failure of the  
6 department to make a determination within twelve  
7 months from the date of application shall constitute a  
8 determination that the fuel exemption certificate is  
9 correct as submitted. A determination of exemption by  
10 the department is final unless the purchaser appeals  
11 to the director for a revision of the determination  
12 within sixty days after the date of the notice of  
13 determination. The director shall grant a hearing,  
14 and upon the hearing, the director shall determine the  
15 correct exemption and notify the purchaser of the  
16 decision by mail. The decision of the director is  
17 final unless the purchaser seeks judicial review of  
18 the director's decision under section 423.38 within  
19 sixty days after the date of the notice of the  
20 director's decision. Unless there is a substantial  
21 change, the department shall not impose penalties  
22 pursuant to section 423.40 both retroactively to  
23 purchases made after the date of application and  
24 prospectively until the department gives notice to the  
25 purchaser that a tax or additional tax is due, for  
26 failure to remit any tax due which is in excess of a  
27 determination made under this section. A  
28 determination made by the department pursuant to this  
29 subsection does not constitute an audit for purposes  
30 of section 423.37.

31 e. If the circumstances change and the fuel is  
32 used or disposed of by the purchaser in a nonexempt  
33 manner, the purchaser is solely liable for the taxes  
34 and shall remit the taxes directly to the department  
35 in accordance with paragraph "c".

36 f. The purchaser shall attach documentation to the  
37 fuel exemption certificate which is reasonably  
38 necessary to support the exemption for fuel consumed  
39 in processing. If the purchaser files a new exemption  
40 certificate with the seller, documentation shall not  
41 be required if the purchaser previously furnished the  
42 seller with this documentation and substantial change  
43 has not occurred since that documentation was  
44 furnished or if fuel consumed in processing is  
45 separately metered and billed by the seller.

46 6. Nothing in this section authorizes any cause of  
47 action by any person to recover sales or use taxes  
48 directly from the state or extends any person's time  
49 to seek a refund of sales or use taxes which have been  
50 collected and remitted to the state.

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1 Sec. 177. NEW SECTION. 423.46 RATE AND BASE  
2 CHANGES.

3 The department shall make a reasonable effort to  
4 provide sellers with as much advance notice as  
5 practicable of a rate change and to notify sellers of  
6 legislative changes in the tax base and amendments to  
7 sales and use tax rules. Failure of a seller to  
8 receive notice or failure of this state to provide  
9 notice or limit the effective date of a rate change  
10 shall not relieve the seller of its obligation to  
11 collect sales or use taxes for this state.

12 Sec. 178. NEW SECTION. 423.47 REFUNDS AND  
13 CREDITS.

14 If it shall appear that, as a result of mistake, an  
15 amount of tax, penalty, or interest has been paid  
16 which was not due under the provisions of this  
17 chapter, such amount shall be credited against any tax  
18 due, or to become due, on the books of the department  
19 from the person who made the erroneous payment, or  
20 such amount shall be refunded to such person by the  
21 department. A claim for refund or credit that has not  
22 been filed with the department within three years  
23 after the tax payment for which a refund or credit is  
24 claimed became due, or one year after such tax payment  
25 was made, whichever time is the later, shall not be  
26 allowed by the director.

#### 27 SUBCHAPTER VI

#### 28 SALES AND USE TAX ACT -- ADMINISTRATION OF 29 RETAILERS REGISTERED VOLUNTARILY UNDER THE 30 AGREEMENT

31 Sec. 179. NEW SECTION. 423.48 RESPONSIBILITIES  
32 AND RIGHTS OF SELLERS REGISTERED UNDER THE AGREEMENT.

33 1. By registering under the agreement, the seller  
34 agrees to collect and remit sales and use taxes for  
35 all its taxable Iowa sales. Iowa's withdrawal from  
36 the agreement or revocation of its membership in the  
37 agreement shall not relieve a seller from its  
38 responsibility to remit taxes previously collected on  
39 behalf of this state.

40 2. The following provisions apply to any seller  
41 who registers under the agreement:

42 a. The seller may register on-line.

43 b. Registration under the agreement and the  
44 collection of Iowa sales and use taxes shall not be  
45 used as factors in determining whether the seller has  
46 nexus with Iowa for any tax.

47 c. If registered under the agreement with any  
48 other member state, the seller is considered to be  
49 registered in Iowa.

50 d. The seller is not required to pay registration

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- 1 fees or other charges.
- 2 e. A written signature from the seller is not  
3 required.
- 4 f. The seller may register by way of an agent.  
5 The agent's appointment shall be in writing and  
6 submitted to the department if requested by the  
7 department.
- 8 g. The seller may cancel its registration at any  
9 time under procedures adopted by the governing board  
10 established pursuant to the agreement. Cancellation  
11 does not relieve the seller of its liability for  
12 remitting any Iowa taxes collected.
- 13 3. The following additional responsibilities and  
14 rights apply to model sellers:
- 15 a. A model 1 seller's obligation to calculate,  
16 collect, and remit sales and use taxes shall be  
17 performed by its certified service provider, except  
18 for the seller's obligation to remit tax on its own  
19 purchases. As the seller's agent, the certified  
20 service provider is liable for its model 1 seller's  
21 sales and use tax due Iowa on all sales transactions  
22 it processes for the seller except as set out in this  
23 section. A seller that contracts with a certified  
24 service provider is not liable to the state for sales  
25 or use tax due on transactions processed by the  
26 certified service provider unless the seller  
27 misrepresents the types of items or services it sells  
28 or commits fraud. In the absence of probable cause to  
29 believe that the seller has committed fraud or made a  
30 material misrepresentation, the seller is not subject  
31 to audit on the transactions processed by the  
32 certified service provider. A model 1 seller is  
33 subject to audit for transactions not processed by the  
34 certified service provider. The director is  
35 authorized to perform a system check of the model 1  
36 seller and review the seller's procedures to determine  
37 if the certified service provider's system is  
38 functioning properly and the extent to which the  
39 seller's transactions are being processed by the  
40 certified service provider.
- 41 b. A model 2 seller shall calculate the amount of  
42 tax due on a transaction by the use of a certified  
43 automated system, but shall collect and remit tax on  
44 its own sales. A person that provides a certified  
45 automated system is responsible for the proper  
46 functioning of that system and is liable to this state  
47 for underpayments of tax attributable to errors in the  
48 functioning of the certified automated system. A  
49 seller that uses a certified automated system remains  
50 responsible and is liable to the state for reporting

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1 and remitting tax.

2 c. A model 3 seller shall use its own proprietary  
3 automated system to calculate tax due and collect and  
4 remit tax on its own sales. A model 3 seller is  
5 liable for the failure of its proprietary automated  
6 system to meet the applicable performance standard.

7 Sec. 180. NEW SECTION. 423.49 RETURNS.

8 1. All model 1, 2, or 3 sellers are subject to all  
9 of the following return requirements:

10 a. The seller is required to file only one return  
11 per month for this state and for all taxing  
12 jurisdictions within this state.

13 b. The date for filing returns shall be determined  
14 under rules adopted by the director. However, in no  
15 case shall the return be due earlier than the  
16 twentieth day of the following month.

17 c. The director shall request additional  
18 information returns. These returns shall not be  
19 required more frequently than every six months.

20 2. Any registered seller which does not have a  
21 legal obligation to register in this state and is not  
22 a model 1, 2, or 3 seller is subject to all of the  
23 following return requirements:

24 a. The seller is required to file a return within  
25 one year of the month of initial registration and  
26 shall file a return on an annual basis in succeeding  
27 years.

28 b. In addition to the return required in paragraph  
29 "a", if the seller accumulates more than one thousand  
30 dollars in total state and local tax, the seller is  
31 required to file a return in the following month.

32 c. The format of the return and the due date of  
33 the initial return and the annual return shall be  
34 determined under rules adopted by the department.

35 Sec. 181. NEW SECTION. 423.50 REMITTANCE OF  
36 FUNDS.

37 1. Only one remittance of tax per return is  
38 required except as provided in this subsection.  
39 Sellers that collect more than thirty thousand dollars  
40 in sales and use taxes for this state during the  
41 preceding calendar year shall be required to make  
42 additional remittances as required under rules adopted  
43 by the director. The filing of a return is not  
44 required with an additional remittance.

45 2. All remittances shall be remitted  
46 electronically.

47 3. Electronic payments may be made either by  
48 automated clearinghouse credit or automated  
49 clearinghouse debit. Any data accompanying a  
50 remittance must be formatted using uniform tax type

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1 and payment codes approved by the governing board  
2 established pursuant to the agreement. An alternative  
3 method for making same-day payments shall be  
4 determined under rules adopted by the director.

5 4. If a due date falls on a legal banking holiday  
6 in this state, the taxes are due on the succeeding  
7 business day.

8 Sec. 182. NEW SECTION. 423.51 ADMINISTRATION OF  
9 EXEMPTIONS.

10 1. The following provisions shall apply when a  
11 purchaser claims an exemption:

12 a. The seller shall obtain identifying information  
13 of the purchaser and the reason for claiming a tax  
14 exemption at the time of the purchase as determined by  
15 the member states acting jointly.

16 b. A purchaser is not required to provide a  
17 signature to claim an exemption from tax unless a  
18 paper certificate is used.

19 c. The seller shall use the standard form for  
20 claiming an exemption electronically as adopted  
21 jointly by the member states.

22 d. The seller shall obtain the same information  
23 for proof of a claimed exemption regardless of the  
24 medium in which the transaction occurred.

25 e. The department may authorize a system wherein  
26 the purchaser exempt from the payment of the tax is  
27 issued an identification number which shall be  
28 presented to the seller at the time of the sale.

29 f. The seller shall maintain proper records of  
30 exempt transactions and provide them to the department  
31 when requested.

32 g. The department shall administer entity-based  
33 and use-based exemptions when practicable through a  
34 direct pay tax permit, an exemption certificate, or  
35 another means that does not burden sellers. For the  
36 purposes of this paragraph:

37 (1) An “entity-based exemption” is an exemption  
38 based on who purchases the product or who sells the  
39 product.

40 (2) A “use-based exemption” is an exemption based  
41 on the purchaser’s use of the product.

42 2. Sellers that follow the requirements of this  
43 section are relieved from any tax otherwise applicable  
44 if it is determined that the purchaser improperly  
45 claimed an exemption and that the purchaser is liable  
46 for the nonpayment of tax. This relief from liability  
47 does not apply to a seller who fraudulently fails to  
48 collect the tax or solicits purchasers to participate  
49 in the unlawful claim of an exemption.

50 Sec. 183. NEW SECTION. 423.52 RELIEF FROM

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1 LIABILITY FOR SELLERS AND CERTIFIED SERVICE PROVIDERS.

2 Sellers and certified service providers are  
3 relieved from liability to this state or its local  
4 taxing jurisdictions for having charged and collected  
5 the incorrect amount of sales or use tax resulting  
6 from the seller or certified service provider relying  
7 on erroneous data provided by this state on tax rates,  
8 boundaries, or taxing jurisdiction assignments. If  
9 this state provides an address-based system for  
10 assigning taxing jurisdictions whether or not pursuant  
11 to the federal Mobile Telecommunications Sourcing Act,  
12 the director is not required to provide liability  
13 relief for errors resulting from reliance on the  
14 information provided by this state.

15 Sec. 184. NEW SECTION. 423.53 BAD DEBTS AND  
16 MODEL 1 SELLERS.

17 A certified service provider may claim, on behalf  
18 of a model 1 seller, any bad debt deduction as  
19 provided in section 423.21. The certified service  
20 provider must credit or refund the full amount of any  
21 bad debt deduction or refund received to the seller.

22 Sec. 185. NEW SECTION. 423.54 AMNESTY FOR  
23 REGISTERED SELLERS.

24 1. Subject to the limitations in subsections 2  
25 through 6, the following provisions apply:

26 a. Amnesty is provided for uncollected or unpaid  
27 sales or use tax to a seller who registers to pay or  
28 to collect and remit applicable sales or use tax on  
29 sales made to purchasers in this state in accordance  
30 with the terms of the agreement, provided the seller  
31 was not so registered in this state in the twelve-  
32 month period preceding the commencement of Iowa's  
33 participation in the agreement.

34 b. Amnesty precludes assessment of the seller for  
35 uncollected or unpaid sales or use tax together with  
36 penalty or interest for sales made during the period  
37 the seller was not registered in this state, provided  
38 registration occurs within twelve months of the  
39 commencement of Iowa's participation in the agreement.

40 c. Amnesty shall be provided to any seller  
41 lawfully registered under the agreement by any other  
42 member state prior to the date of the commencement of  
43 Iowa's participation in the agreement.

44 2. Amnesty is not available to a seller with  
45 respect to any matter or matters for which the seller  
46 received notice of the commencement of an audit and  
47 which audit is not yet finally resolved, including any  
48 related administrative and judicial processes.

49 3. Amnesty is not available for sales or use taxes  
50 already paid or remitted or to taxes collected by the

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1 seller.  
2 4. Amnesty is fully effective absent the seller's  
3 fraud or intentional misrepresentation of a material  
4 fact as long as the seller continues registration and  
5 continues payment or collection and remittance of  
6 applicable sales or use taxes for a period of at least  
7 thirty-six months. The statute of limitations  
8 applicable to asserting a tax liability is tolled  
9 during this thirty-six month period.  
10 5. Amnesty is applicable only to sales or use  
11 taxes due from a seller in its capacity as a seller  
12 and not to sales or use taxes due from a seller in its  
13 capacity as a buyer.  
14 6. The director may allow amnesty on terms and  
15 conditions more favorable to a seller than the terms  
16 required by this section.  
17 Sec. 186. NEW SECTION. 423.55 DATABASES.  
18 The department shall provide and maintain databases  
19 required by the agreement for the benefit of sellers  
20 registered under the agreement.  
21 Sec. 187. NEW SECTION. 423.56 CONFIDENTIALITY  
22 AND PRIVACY PROTECTIONS UNDER MODEL 1.  
23 1. As used in this section:  
24 a. "Anonymous data" means information that does  
25 not identify a person.  
26 b. "Confidential taxpayer information" means all  
27 information that is protected under this state's laws,  
28 rules, and privileges.  
29 c. "Personally identifiable information" means  
30 information that identifies a person.  
31 2. With very limited exceptions, a certified  
32 service provider shall perform its tax calculation,  
33 remittance, and reporting functions without retaining  
34 the personally identifiable information of consumers.  
35 3. A certified service provider may perform its  
36 services in this state only if the certified service  
37 provider certifies that:  
38 a. Its system has been designed and tested to  
39 ensure that the fundamental precept of anonymity is  
40 respected.  
41 b. Personally identifiable information is only  
42 used and retained to the extent necessary for the  
43 administration of model 1 sellers with respect to  
44 exempt purchasers.  
45 c. It provides consumers clear and conspicuous  
46 notice of its information practices, including what  
47 information it collects, how it collects the  
48 information, how it uses the information, how long, if  
49 at all, it retains the information, and whether it  
50 discloses the information to member states. This

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- 1 notice shall be satisfied by a written privacy policy  
2 statement accessible by the public on the official web  
3 site of the certified service provider.
- 4 d. Its collection, use, and retention of  
5 personally identifiable information is limited to that  
6 required by the member states to ensure the validity  
7 of exemptions from taxation that are claimed by reason  
8 of a consumer's status or the intended use of the  
9 goods or services purchased.
- 10 e. It provides adequate technical, physical, and  
11 administrative safeguards so as to protect personally  
12 identifiable information from unauthorized access and  
13 disclosure.
- 14 4. The department shall provide public  
15 notification of its practices relating to the  
16 collection, use, and retention of personally  
17 identifiable information.
- 18 5. When any personally identifiable information  
19 that has been collected and retained by the department  
20 or certified service provider is no longer required  
21 for the purposes set forth in subsection 3, paragraph  
22 "d", that information shall no longer be retained by  
23 the department or certified service provider.
- 24 6. When personally identifiable information  
25 regarding an individual is retained by or on behalf of  
26 this state, this state shall provide reasonable access  
27 by such individual to his or her own information in  
28 the state's possession and a right to correct any  
29 inaccurately recorded information.
- 30 7. This privacy policy is subject to enforcement  
31 by the department and the attorney general.
- 32 8. This state's laws and rules regarding the  
33 collection, use, and maintenance of confidential  
34 taxpayer information remain fully applicable and  
35 binding. Without limitation, the agreement does not  
36 enlarge or limit the state's or department's authority  
37 to:
- 38 a. Conduct audits or other review as provided  
39 under the agreement and state law.
- 40 b. Provide records pursuant to its examination of  
41 public records law, disclosure laws of individual  
42 governmental agencies, or other regulations.
- 43 c. Prevent, consistent with state law, disclosures  
44 of confidential taxpayer information.
- 45 d. Prevent, consistent with federal law,  
46 disclosures or misuse of federal return information  
47 obtained under a disclosure agreement with the  
48 internal revenue service.
- 49 e. Collect, disclose, disseminate, or otherwise  
50 use anonymous data for governmental purposes.

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1 9. This privacy policy does not preclude the  
2 certification of a certified service provider whose  
3 privacy policy is more protective of confidential  
4 taxpayer information or personally identifiable  
5 information than is required by the agreement.

6 Sec. 188. NEW SECTION. 423.57 STATUTES  
7 APPLICABLE.

8 The director shall administer this subchapter as it  
9 relates to the taxes imposed in this chapter in the  
10 same manner and subject to all the provisions of, and  
11 all of the powers, duties, authority, and restrictions  
12 contained in sections 423.14, 423.15, 423.16, 423.17,  
13 423.18, 423.19, 423.20, 423.21, 423.22, 423.23,  
14 423.24, 423.25, 423.28, 423.29, 423.31, 423.32,  
15 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,  
16 423.40, 423.41, and 423.42, section 423.43, subsection  
17 3, and sections 423.45, 423.46, and 423.47.

18 Sec. 189. NEW SECTION. 423.60 REMOTE SALES TAX  
19 FUND -- APPROPRIATIONS.

20 1. A remote sales tax fund is created as a  
21 separate fund in the state treasury under the control  
22 of the department of revenue and finance consisting of  
23 the state sales and use tax revenues collected from  
24 remote sales and deposited as provided in section  
25 423.43, subsection 3.

26 2. There is appropriated from the remote sales tax  
27 fund for the fiscal year beginning July 1, 2005, and  
28 each succeeding fiscal year to the general fund of the  
29 state the following:

30 a. The first sixty million dollars deposited into  
31 the fund during each fiscal year.

32 b. An amount to offset the projected loss during  
33 the fiscal year to the general fund of the state  
34 resulting from a state tax relief Act enacted during  
35 the period beginning four and one-half years prior to  
36 the start of the fiscal year. However, any state tax  
37 relief Act enacted prior to July 1, 2004, shall not be  
38 covered under this subsection.

39 3. For purposes of subsection 2, "state tax relief  
40 Act" means an Act that was projected by the  
41 legislative fiscal bureau to result in a loss in  
42 revenue to the general fund of the state of at least  
43 five million dollars in the first full fiscal year  
44 during which the Act is effective and that contains  
45 any of the following:

46 a. A state sales or use tax exemption.

47 b. A deduction for any state tax.

48 c. A reduction in any state tax rate.

49 Sec. 190.

50 1. Sections 422.42 through 422.59, Code 2003, are

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1 repealed.

2 2. Chapter 423, Code 2003, is repealed.

3 COORDINATING AMENDMENTS

4 Sec. 191. Section 15.331A, Code 2003, is amended

5 to read as follows:

6 15.331A SALES, SERVICES, AND USE TAX REFUND --

7 CONTRACTOR OR SUBCONTRACTOR.

8 The eligible business or a supporting business  
9 shall be entitled to a refund of the sales and use  
10 taxes paid under ~~chapters 422 and~~ chapter 423 for gas,  
11 electricity, water, or sewer utility services, goods,  
12 wares, or merchandise, or on services rendered,  
13 furnished, or performed to or for a contractor or  
14 subcontractor and used in the fulfillment of a written  
15 contract relating to the construction or equipping of  
16 a facility within the economic development area of the  
17 eligible business or a supporting business. Taxes  
18 attributable to intangible property and furniture and  
19 furnishings shall not be refunded.

20 To receive the refund a claim shall be filed by the  
21 eligible business or a supporting business with the  
22 department of revenue and finance as follows:

23 1. The contractor or subcontractor shall state  
24 under oath, on forms provided by the department, the  
25 amount of the sales of goods, wares, or merchandise or  
26 services rendered, furnished, or performed including  
27 water, sewer, gas, and electric utility services for  
28 use in the economic development area upon which sales  
29 or use tax has been paid prior to the project  
30 completion, and shall file the forms with the eligible  
31 business or supporting business before final  
32 settlement is made.

33 2. The eligible business or a supporting business  
34 shall, not more than one year after project  
35 completion, make application to the department for any  
36 refund of the amount of the sales and use taxes paid  
37 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,  
38 or merchandise, or services rendered, furnished, or  
39 performed, including water, sewer, gas, and electric  
40 utility services. The application shall be made in  
41 the manner and upon forms to be provided by the  
42 department, and the department shall audit the claim  
43 and, if approved, issue a warrant to the eligible  
44 business or supporting business in the amount of the  
45 sales or use tax which has been paid to the state of  
46 Iowa under a contract. a claim filed by the eligible  
47 business or a supporting business in accordance with  
48 this section shall not be denied by reason of a  
49 limitation provision set forth in chapter 421, ~~422~~, or  
50 423.

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1 3. A contractor or subcontractor who willfully  
2 makes a false report of tax paid under the provisions  
3 of this section is guilty of a simple misdemeanor and  
4 in addition is liable for the payment of the tax and  
5 any applicable penalty and interest.

6 Sec. 192. Section 15.334A, Code 2003, is amended  
7 to read as follows:

8 15.334A SALES AND USE TAX EXEMPTION.

9 An eligible business may claim an exemption from  
10 sales and use taxation under section ~~422.45~~ 423.3,  
11 subsection ~~27~~ 46, for property which is exempt from  
12 taxation under section 15.334, notwithstanding the  
13 requirements of section ~~422.45~~ 423.3, subsection ~~27~~  
14 46, or any other provision of the Code to the  
15 contrary.

16 Sec. 193. Section 15A.9, subsections 5, 6, and 7,  
17 Code 2003, are amended to read as follows:

18 5. PROPERTY TAX EXEMPTION.

19 a. All property, as defined in section 427A.1,  
20 subsection 1, paragraphs “e” and “j”, Code 1993, used  
21 by the primary business or a supporting business and  
22 located within the zone, shall be exempt from property  
23 taxation for a period of twenty years beginning with  
24 the year it is first assessed for taxation. In order  
25 to be eligible for this exemption, the property shall  
26 be acquired or leased by the primary business or a  
27 supporting business or relocated by the primary  
28 business or a supporting business to the zone from  
29 outside the state prior to project completion.

30 b. Property which is exempt for property tax  
31 purposes under this subsection is eligible for the  
32 sales and use tax exemption under section ~~422.45~~  
33 423.3, subsection ~~27~~ 46, notwithstanding that  
34 subsection or any other provision of the Code to the  
35 contrary.

36 6. SALES, SERVICES, AND USE TAX REFUND. Taxes  
37 paid pursuant to chapter ~~422~~ 423 on the ~~gross~~  
38 ~~receipts~~ sales price or rental price of property  
39 purchased or rented by the primary business or a  
40 supporting business for use by the primary business or  
41 a supporting business within the zone or on gas,  
42 electricity, water, and sewer utility services prior  
43 to project completion shall be refunded to the primary  
44 business or supporting business if the item was  
45 purchased or the service was performed or received  
46 prior to project completion. Claims under this  
47 section shall be submitted on forms provided by the  
48 department of revenue and finance not later than six  
49 months after project completion. The refund in this  
50 subsection shall not apply to furniture or

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1 furnishings, or intangible property.  
2 7. SALES, SERVICES, AND USE TAX REFUND --  
3 CONTRACTOR OR SUBCONTRACTOR. The primary business or  
4 a supporting business shall be entitled to a refund of  
5 the ~~sales and use taxes paid under chapters 422 and~~  
6 ~~chapter~~ 423 for gas, electricity, water, or sewer  
7 utility services, goods, wares, or merchandise, or on  
8 services rendered, furnished, or performed to or for a  
9 contractor or subcontractor and used in the  
10 fulfillment of a written contract relating to the  
11 construction or equipping of a facility within the  
12 zone of the primary business or a supporting business.  
13 Taxes attributable to intangible property and  
14 furniture and furnishings shall not be refunded.  
15 To receive the refund a claim shall be filed by the  
16 primary business or a supporting business with the  
17 department of revenue and finance as follows:  
18 a. The contractor or subcontractor shall state  
19 under oath, on forms provided by the department, the  
20 amount of the sales of goods, wares, or merchandise or  
21 services rendered, furnished, or performed including  
22 water, sewer, gas, and electric utility services for  
23 use in the zone upon which sales or use tax has been  
24 paid prior to the project completion, and shall file  
25 the forms with the primary business or supporting  
26 business before final settlement is made.  
27 b. The primary business or a supporting business  
28 shall, not more than six months after project  
29 completion, make application to the department for any  
30 refund of the amount of the ~~sales and use~~ taxes paid  
31 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,  
32 or merchandise, or services rendered, furnished, or  
33 performed, including water, sewer, gas, and electric  
34 utility services. The application shall be made in  
35 the manner and upon forms to be provided by the  
36 department, and the department shall audit the claim  
37 and, if approved, issue a warrant to the primary  
38 business or supporting business in the amount of the  
39 sales or use tax which has been paid to the state of  
40 Iowa under a contract. A claim filed by the primary  
41 business or a supporting business in accordance with  
42 this subsection shall not be denied by reason of a  
43 limitation provision set forth in chapter 421, 422, or  
44 423.  
45 c. A contractor or subcontractor who willfully  
46 makes a false report of tax paid under the provisions  
47 of this subsection is guilty of a simple misdemeanor  
48 and in addition is liable for the payment of the tax  
49 and any applicable penalty and interest.  
50 Sec. 194. Section 28A.17, unnumbered paragraph 1,

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1 Code 2003, is amended to read as follows:

2 If an authority is established as provided in  
3 section 28A.6 and after approval of a referendum by a  
4 simple majority of votes cast in each metropolitan  
5 area in favor of the sales and services tax, the  
6 governing board of a county in this state within a  
7 metropolitan area which is part of the authority shall  
8 impose, at the request of the authority, a local sales  
9 and services tax at the rate of one-fourth of one  
10 percent on ~~gross receipts~~ the sales price taxed by  
11 this state under ~~chapter 422, division IV section~~  
12 423.2, within the metropolitan area located in this  
13 state. The referendum shall be called by resolution  
14 of the board and shall be held as provided in section  
15 28A.6 to the extent applicable. The ballot  
16 proposition shall contain a statement as to the  
17 specific purpose or purposes for which the revenues  
18 shall be expended and the date of expiration of the  
19 tax. The local sales and services tax shall be  
20 imposed on the same basis, with the same exceptions,  
21 and following the same administrative procedures as  
22 provided for a county under sections 422B.8 and  
23 422B.9. The amount of the sale, for the purposes of  
24 determining the amount of the local sales and services  
25 tax under this section, does not include the amount of  
26 any local sales and services tax imposed under  
27 sections 422B.8 and 422B.9.

28 Sec. 195. Section 29C.15, Code 2003, is amended to  
29 read as follows:

30 29C.15 TAX-EXEMPT PURCHASES.

31 All purchases under the provisions of this chapter  
32 shall be exempt from the taxes imposed by sections  
33 ~~422.43 423.2~~ and ~~423.2 423.5~~.

34 Sec. 196. Section 99E.10, subsection 1, paragraph  
35 b, Code 2003, is amended to read as follows:

36 b. An amount equal to the product of the state  
37 sales tax rate under section ~~422.43 423.2~~ multiplied  
38 by the gross sales price of each ticket or share sold  
39 shall be deducted as the sales tax on the sale of that  
40 ticket or share, remitted to the treasurer of state  
41 and deposited into the state general fund.

42 Sec. 197. Section 123.187, subsection 2, Code  
43 2003, is amended to read as follows:

44 2. A winery licensed or permitted pursuant to laws  
45 regulating alcoholic beverages in a state which  
46 affords this state an equal reciprocal shipping  
47 privilege may ship into this state by private common  
48 carrier, to a person twenty-one years of age or older,  
49 not more than eighteen liters of wine per month, for  
50 consumption or use by the person. Such wine shall not

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1 be resold. Shipment of wine pursuant to this  
2 subsection is not subject to sales tax under section  
3 ~~422.43~~ 423.2, use tax under section ~~423.2~~ 423.5, or  
4 the wine gallonage tax under section 123.183, and does  
5 not require a refund value for beverage container  
6 control purposes under chapter 455C.

7 Sec. 198. Section 262.54, Code 2003, is amended to  
8 read as follows:

9 262.54 COMPUTER SALES.

10 Sales, by an institution under the control of the  
11 board of regents, of computer equipment, computer  
12 software, and computer supplies to students and  
13 faculty at the institution are retail sales under  
14 chapter ~~422, division IV~~ 423.

15 Sec. 199. Section 303.9, subsection 2, Code 2003,  
16 is amended to read as follows:

17 2. The department may sell mementos and other  
18 items relating to Iowa history and historic sites on  
19 the premises of property under control of the  
20 department and at the state capitol. Notwithstanding  
21 sections 18.12 and 18.16, the department may directly  
22 and independently enter into rental and lease  
23 agreements with private vendors for the purpose of  
24 selling mementos. All fees and income produced by the  
25 sales and rental or lease agreements shall be credited  
26 to the account of the department. The mementos and  
27 other items sold by the department or vendors under  
28 this subsection are exempt from section 18.6. ~~The~~  
29 ~~department is not a retailer under chapter 422 and the~~  
30 ~~sale of such mementos and other items by the~~  
31 ~~department is not a retail sale under chapter 422 and~~  
32 ~~is exempt from the sales tax.~~

33 Sec. 200. Section 312.1, subsection 4, Code 2003,  
34 is amended to read as follows:

35 4. To the extent provided in section ~~423.24~~  
36 423.43, subsection 1, paragraph “b”, from revenue  
37 derived from the use tax, under chapter 423 on motor  
38 vehicles, trailers, and motor vehicle accessories and  
39 equipment.

40 Sec. 201. Section 312.2, subsections 14 and 16,  
41 Code 2003, are amended to read as follows:

42 14. The treasurer of state, before making the  
43 allotments provided for in this section, shall credit  
44 monthly from the road use tax fund to the general fund  
45 of the state from revenue credited to the road use tax  
46 fund under section ~~423.24~~ 423.43, subsection 1,  
47 paragraph “b”, an amount equal to one-twentieth of  
48 eighty percent of the revenue from the operation of  
49 section ~~423.7~~ 423.26.

50 There is appropriated from the general fund of the

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1 state for each fiscal year to the state department of  
2 transportation the amount of revenues credited to the  
3 general fund of the state during the fiscal year under  
4 this subsection to be used for purposes of public  
5 transit assistance under chapter 324A.

6 16. The treasurer of state, before making the  
7 allotments provided for in this section, shall credit  
8 monthly from the road use tax fund to the motorcycle  
9 rider education fund established in section 321.180B,  
10 an amount equal to one dollar per year of license  
11 validity for each issued or renewed driver's license  
12 which is valid for the operation of a motorcycle.  
13 Moneys credited to the motorcycle rider education fund  
14 under this subsection shall be taken from moneys  
15 credited to the road use tax fund under section ~~423.24~~  
16 423.43.

17 Sec. 202. Section 321.20, subsection 5, Code 2003,  
18 is amended to read as follows:

19 5. The amount of tax to be paid under section  
20 ~~423.7~~ 423.26.

21 Sec. 203. Section 321.24, subsections 1 and 3,  
22 Code 2003, are amended to read as follows:

23 1. Upon receipt of the application for title and  
24 payment of the required fees for a motor vehicle,  
25 trailer, or semitrailer, the county treasurer or the  
26 department shall, when satisfied as to the  
27 application's genuineness and regularity, and, in the  
28 case of a mobile home or manufactured home, that taxes  
29 are not owing under chapter 435, issue a certificate  
30 of title and, except for a mobile home or manufactured  
31 home, a registration receipt, and shall file the  
32 application, the manufacturer's or importer's  
33 certificate, the certificate of title, or other  
34 evidence of ownership, as prescribed by the  
35 department. The registration receipt shall be  
36 delivered to the owner and shall contain upon its face  
37 the date issued, the name and address of the owner,  
38 the registration number assigned to the vehicle, the  
39 amount of the fee paid, the amount of tax paid  
40 pursuant to section ~~423.7~~ 423.26, the type of fuel  
41 used, and a description of the vehicle as determined  
42 by the department, and upon the reverse side a form  
43 for notice of transfer of the vehicle. The name and  
44 address of any lessee of the vehicle shall not be  
45 printed on the registration receipt or certificate of  
46 title. Up to three owners may be listed on the  
47 registration receipt and certificate of title.

48 3. The certificate of title shall contain upon its  
49 face the identical information required upon the face  
50 of the registration receipt. In addition, the

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1 certificate of title shall contain a statement of the  
2 owner's title, the title number assigned to the owner  
3 or owners of the vehicle, the amount of tax paid  
4 pursuant to section ~~423.7~~ 423.26, the name and address  
5 of the previous owner, and a statement of all security  
6 interests and encumbrances as shown in the  
7 application, upon the vehicle described, including the  
8 nature of the security interest, date of notation, and  
9 name and address of the secured party.

10 Sec. 204. Section 321.34, subsection 7, paragraph  
11 c, Code 2003, is amended to read as follows:

12 c. The fees for a collegiate registration plate  
13 are as follows:

14 (1) A registration fee of twenty-five dollars.

15 (2) A special collegiate registration fee of  
16 twenty-five dollars.

17 These fees are in addition to the regular annual  
18 registration fee. The fees collected by the director  
19 under this subsection shall be paid monthly to the  
20 treasurer of state and credited by the treasurer of  
21 state to the road use tax fund. Notwithstanding  
22 section ~~423.24~~ 423.43 and prior to the revenues being  
23 credited to the road use tax fund under section ~~423.24~~  
24 423.43, subsection 1, paragraph "b", the treasurer of  
25 state shall credit monthly from those revenues  
26 respectively, to Iowa state university of science and  
27 technology, the university of northern Iowa, and the  
28 state university of Iowa, the amount of the special  
29 collegiate registration fees collected in the previous  
30 month for collegiate registration plates designed for  
31 the university. The moneys credited are appropriated  
32 to the respective universities to be used for  
33 scholarships for students attending the universities.

34 Sec. 205. Section 321.34, subsection 11, paragraph  
35 c, Code 2003, is amended to read as follows:

36 c. The special natural resources fee for letter  
37 number designated natural resources plates is thirty-  
38 five dollars. The fee for personalized natural  
39 resources plates is forty-five dollars which shall be  
40 paid in addition to the special natural resources fee  
41 of thirty-five dollars. The fees collected by the  
42 director under this subsection shall be paid monthly  
43 to the treasurer of state and credited to the road use  
44 tax fund. Notwithstanding section ~~423.24~~ 423.43, and  
45 prior to the crediting of revenues to the road use tax  
46 fund under section ~~423.24~~ 423.43, subsection 1,  
47 paragraph "b", the treasurer of state shall credit  
48 monthly from those revenues to the Iowa resources  
49 enhancement and protection fund created pursuant to  
50 section 455A.18, the amount of the special natural

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1 resources fees collected in the previous month for the  
2 natural resources plates.

3 Sec. 206. Section 321.34, subsection 11A,  
4 paragraph c, Code 2003, is amended to read as follows:

5 c. The special fee for letter number designated  
6 love our kids plates is thirty-five dollars. The fee  
7 for personalized love our kids plates is twenty-five  
8 dollars, which shall be paid in addition to the  
9 special love our kids fee of thirty-five dollars. The  
10 fees collected by the director under this subsection  
11 shall be paid monthly to the treasurer of state and  
12 credited to the road use tax fund. Notwithstanding  
13 section ~~423.24~~ 423.43, and prior to the crediting of  
14 revenues to the road use tax fund under section ~~423.24~~  
15 423.43, subsection 1, paragraph “b”, the treasurer of  
16 state shall transfer monthly from those revenues to  
17 the Iowa department of public health the amount of the  
18 special fees collected in the previous month for the  
19 love our kids plates. Notwithstanding section 8.33,  
20 moneys transferred under this subsection shall not  
21 revert to the general fund of the state.

22 Sec. 207. Section 321.34, subsection 11B,  
23 paragraph c, Code 2003, is amended to read as follows:

24 c. The special fee for letter number designated  
25 motorcycle rider education plates is thirty-five  
26 dollars. The fee for personalized motorcycle rider  
27 education plates is twenty-five dollars, which shall  
28 be paid in addition to the special motorcycle rider  
29 education fee of thirty-five dollars. The fees  
30 collected by the director under this subsection shall  
31 be paid monthly to the treasurer of state and credited  
32 to the road use tax fund. Notwithstanding section  
33 ~~423.24~~ 423.43, and prior to the crediting of revenues  
34 to the road use tax fund under section ~~423.24~~ 423.43,  
35 subsection 1, paragraph “b”, the treasurer of state  
36 shall transfer monthly from those revenues to the  
37 department for use in accordance with section  
38 321.180B, subsection 6, the amount of the special fees  
39 collected in the previous month for the motorcycle  
40 rider education plates.

41 Sec. 208. Section 321.34, subsection 13, paragraph  
42 d, Code 2003, is amended to read as follows:

43 d. A state agency may submit a request to the  
44 department recommending a special registration plate.  
45 The alternate fee for letter number designated plates  
46 is thirty-five dollars with a ten dollar annual  
47 special renewal fee. The fee for personalized plates  
48 is twenty-five dollars which is in addition to the  
49 alternative fee of thirty-five dollars with an annual  
50 personalized plate renewal fee of five dollars which

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1 is in addition to the special renewal fee of ten  
2 dollars. The alternate fees are in addition to the  
3 regular annual registration fee. The alternate fees  
4 collected under this paragraph shall be paid monthly  
5 to the treasurer of state and credited to the road use  
6 tax fund. Notwithstanding section ~~423.24~~ 423.43, and  
7 prior to the crediting of the revenues to the road use  
8 tax fund under section ~~423.24~~ 423.43, subsection 1,  
9 paragraph “b”, the treasurer of state shall credit  
10 monthly the amount of the alternate fees collected in  
11 the previous month to the state agency that  
12 recommended the special registration plate.

13 Sec. 209. Section 321.34, subsection 21, paragraph  
14 c, Code 2003, is amended to read as follows:

15 c. The special fees collected by the director  
16 under this subsection shall be paid monthly to the  
17 treasurer of state and credited to the road use tax  
18 fund. Notwithstanding section ~~423.24~~ 423.43, and  
19 prior to the crediting of revenues to the road use tax  
20 fund under section ~~423.24~~ 423.43, subsection 1,  
21 paragraph “b”, the treasurer of state shall credit  
22 monthly to the Iowa heritage fund created under  
23 section 303.9a the amount of the special fees  
24 collected in the previous month for the Iowa heritage  
25 plates.

26 Sec. 210. Section 321.34, subsection 22, paragraph  
27 b, Code 2003, is amended to read as follows:

28 b. The special school transportation fee for  
29 letter number designated education plates is thirty-  
30 five dollars. The fee for personalized education  
31 plates is twenty-five dollars, which shall be paid in  
32 addition to the special school transportation fee of  
33 thirty-five dollars. The annual special school  
34 transportation fee is ten dollars for letter number  
35 designated registration plates and is fifteen dollars  
36 for personalized registration plates which shall be  
37 paid in addition to the regular annual registration  
38 fee. The fees collected by the director under this  
39 subsection shall be paid monthly to the treasurer of  
40 state and credited to the road use tax fund.  
41 Notwithstanding section ~~423.24~~ 423.43, and prior to  
42 the crediting of revenues to the road use tax fund  
43 under section ~~423.24~~ 423.43, subsection 1, paragraph  
44 “b”, the treasurer of state shall transfer monthly  
45 from those revenues to the school budget review  
46 committee in accordance with section 257.31,  
47 subsection 17, the amount of the special school  
48 transportation fees collected in the previous month  
49 for the education plates.

50 Sec. 211. Section 321F.9, Code 2003, is amended to

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1 read as follows:

2 321F.9 OPTION TO PURCHASE -- DEALER'S LICENSE.

3 Any person engaged in business in this state shall  
4 not enter into any agreement for the use of a motor  
5 vehicle under the terms of which ~~such that~~ person  
6 grants to another an option to purchase ~~such the~~ motor  
7 vehicle without first having obtained a motor vehicle  
8 dealer's license under the provisions of chapter 322,  
9 and all sales of motor vehicles under such options  
10 shall be subject to sales or use taxes imposed under  
11 the provisions of ~~chapters 422 and chapter~~ 423.  
12 Nothing contained in this section shall require such  
13 person to have a place of business as provided by  
14 section 322.6, subsection 8.

15 Sec. 212. Section 327I.26, Code 2003, is amended  
16 to read as follows:

17 327I.26 APPROPRIATION TO AUTHORITY.

18 Notwithstanding section ~~423.24~~ 423.43, and prior to  
19 the application of section ~~423.24~~ 423.43, subsection  
20 1, paragraph "b", there shall be deposited into the  
21 general fund of the state and is appropriated to the  
22 authority from eighty percent of the revenues derived  
23 from the operation of section ~~423.7~~ 423.26, the  
24 amounts certified by the authority under section  
25 327I.25. However, the total amount deposited into the  
26 general fund and appropriated to the Iowa railway  
27 finance authority under this section shall not exceed  
28 two million dollars annually. Moneys appropriated to  
29 the Iowa railway finance authority under this section  
30 are appropriated only for the payment of principal and  
31 interest on obligations or the payment of leases  
32 guaranteed by the authority as provided under section  
33 327I.25.

34 Sec. 213. Section 328.26, unnumbered paragraph 2,  
35 Code 2003, is amended to read as follows:

36 When an aircraft is registered to a person for the  
37 first time the fee submitted to the department shall  
38 include the tax imposed by section ~~422.43~~ 423.2 or  
39 section ~~423.2~~ 423.5 or evidence of the exemption of  
40 the aircraft from the tax imposed under section ~~422.43~~  
41 423.2 or ~~423.2~~ 423.5.

42 Sec. 214. Section 331.557, subsection 3, Code  
43 2003, is amended to read as follows:

44 3. Collect the use tax on vehicles subject to  
45 registration as provided in sections ~~423.6, 423.7, and~~  
46 ~~423.7A~~ 423.14, 423.26, and 423.27.

47 Sec. 215. Section 357A.15, unnumbered paragraph 2,  
48 Code 2003, is amended to read as follows:

49 A rural water district organized under chapter 504A  
50 shall receive a refund of sales or use taxes upon

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1 submitting an application to the department of revenue  
2 and finance for ~~such the~~ refund of taxes imposed upon  
3 the ~~gross receipts~~ sales price of all sales of  
4 building materials, supplies, or equipment sold to a  
5 contractor or used in the fulfillment of a written  
6 contract for the construction of facilities for ~~such~~  
7 the rural water district to the same extent as a rural  
8 water district organized under this chapter may obtain  
9 a refund under section ~~422.45~~ 423.4, subsection ~~7 1.~~

10 Sec. 216. Section 421.10, Code 2003, is amended to  
11 read as follows:

12 421.10 APPEAL PERIOD -- APPLICABILITY.

13 The appeal period for revision of assessment of  
14 tax, interest, and penalties set out under section  
15 ~~422.28, 422.54~~ 423.37, 437A.9, 437A.22, 452A.64,  
16 453A.29, or 453A.46 applies to appeals to notices from  
17 the department denying changes in filing methods,  
18 denying refund claims, and denying portions of refund  
19 claims for the tax covered by that section, and  
20 notices of any department action directed to a  
21 specific taxpayer, other than licensing, which  
22 involves a calculation.

23 Sec. 217. Section 421.17, subsection 22B, Code  
24 2003, is amended to read as follows:

25 22B. ~~Enter~~ To enter into agreements or compacts  
26 with remote sellers, retailers, or third-party  
27 providers for the voluntary collection of Iowa sales  
28 or use taxes attributable to sales into Iowa ~~and to~~  
29 ~~enter~~. The director has the authority to enter into  
30 and perform all duties required of the office of  
31 director by multistate agreements or compacts that  
32 provide for the ~~voluntary~~ collection of sales and use  
33 taxes, including joint audits with other states or  
34 audits on behalf of other states. The agreements or  
35 compacts shall generally conform to the provisions of  
36 Iowa sales and use tax statutes. All fees for  
37 services, reimbursements, remuneration, incentives,  
38 and costs incurred by the department associated with  
39 these agreements or compacts may be paid or reimbursed  
40 from the additional revenue generated. An amount is  
41 appropriated from amounts generated to pay or  
42 reimburse all costs associated with this subsection.  
43 Persons entering into an agreement or compact with the  
44 department pursuant to this subsection are subject to  
45 the requirements and penalties of the confidentiality  
46 laws of this state regarding tax information.  
47 Notwithstanding any other provisions of law, the  
48 contract, agreement, or compact shall provide for the  
49 registration, collection, report, and verification of  
50 amounts subject to this subsection.

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1 Sec. 218. Section 421.17, subsection 29, paragraph  
2 j, Code 2003, is amended to read as follows:  
3 j. The department's existing right to credit  
4 against tax due or to become due under section 422.73  
5 or 423.47 is not to be impaired by a right granted to  
6 or a duty imposed upon the department or other state  
7 agency by this subsection. This subsection is not  
8 intended to impose upon the department any additional  
9 requirement of notice, hearing, or appeal concerning  
10 the right to credit against tax due under section  
11 422.73 or 423.47.

12 Sec. 219. Section 421.17, subsection 34, paragraph  
13 i, Code 2003, is amended to read as follows:  
14 i. The director may distribute to credit reporting  
15 entities and for publication the names, addresses, and  
16 amounts of indebtedness owed to or being collected by  
17 the state if the indebtedness is subject to the  
18 centralized debt collection procedure established in  
19 this subsection. The director shall adopt rules to  
20 administer this paragraph, and the rules shall provide  
21 guidelines by which the director shall determine which  
22 names, addresses, and amounts of indebtedness may be  
23 distributed for publication. The director may  
24 distribute information for publication pursuant to  
25 this paragraph, notwithstanding sections 422.20,  
26 422.72, and ~~423.23~~ 423.42, or any other provision of  
27 state law to the contrary pertaining to  
28 confidentiality of information.

29 Sec. 220. Section 421.26, Code 2003, is amended to  
30 read as follows:  
31 421.26 PERSONAL LIABILITY FOR TAX DUE.  
32 If a licensee or other person under section  
33 452A.65, a retailer or purchaser under chapter 422a or  
34 422B, or section ~~422.52~~ 423.31 or 423.33, or a  
35 retailer or purchaser under section ~~423.13~~ 423.32 or a  
36 user under section ~~423.14~~ 423.34 fails to pay a tax  
37 under those sections when due, an officer of a  
38 corporation or association, notwithstanding sections  
39 490A.601 and 490A.602, a member or manager of a  
40 limited liability company, or a partner of a  
41 partnership, having control or supervision of or the  
42 authority for remitting the tax payments and having a  
43 substantial legal or equitable interest in the  
44 ownership of the corporation, association, limited  
45 liability company, or partnership, who has  
46 intentionally failed to pay the tax is personally  
47 liable for the payment of the tax, interest, and  
48 penalty due and unpaid. However, this section shall  
49 not apply to taxes on accounts receivable. The  
50 dissolution of a corporation, association, limited

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1 liability company, or partnership shall not discharge  
2 a person's liability for failure to remit the tax due.

3 Sec. 221. Section 421.28, Code 2003, is amended to  
4 read as follows:

5 421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.

6 The immediate successor to a licensee's or  
7 retailer's business or stock of goods under chapter  
8 422a or 422B, or section ~~422.52, 423.13, 423.14,~~  
9 ~~423.33~~ or 452A.65, is not personally liable for the  
10 amount of delinquent tax, interest, or penalty due and  
11 unpaid if the immediate successor shows that the  
12 purchase of the business or stock of goods was made in  
13 good faith that no delinquent tax, interest, or  
14 penalty was due and unpaid. For purposes of this  
15 section the immediate successor shows good faith by  
16 evidence that the department had provided the  
17 immediate successor with a certified statement that no  
18 delinquent tax, interest, or penalty is unpaid, or  
19 that the immediate successor had taken in good faith a  
20 certified statement from the licensee, retailer, or  
21 seller that no delinquent tax, interest, or penalty is  
22 unpaid. When requested to do so by a person with whom  
23 the licensee or retailer is negotiating the sale of  
24 the business or stock of goods, the director of  
25 revenue and finance shall, upon being satisfied that  
26 such a situation exists, inform that person as to the  
27 amount of unpaid delinquent tax, interest, or penalty  
28 due by the licensee or the retailer. The giving of  
29 the information under this circumstance is not a  
30 violation of section 422.20, 422.72, or 452A.63.

31 Sec. 222. Section 421B.11, unnumbered paragraph 3,  
32 Code 2003, is amended to read as follows:

33 Judicial review of the actions of the director may  
34 be sought in accordance with the terms of the Iowa  
35 administrative procedure Act, and section ~~422.55~~  
36 ~~423.38~~.

37 Sec. 223. Section 422.7, subsection 21, paragraph  
38 a, subparagraph (1), unnumbered paragraph 1, Code  
39 2003, is amended to read as follows:

40 Net capital gain from the sale of real property  
41 used in a business, in which the taxpayer materially  
42 participated for ten years, as defined in section  
43 469(h) of the Internal Revenue Code, and which has  
44 been held for a minimum of ten years, or from the sale  
45 of a business, as defined in section ~~422.42~~ ~~423.1~~, in  
46 which the taxpayer was employed or in which the  
47 taxpayer materially participated for ten years, as  
48 defined in section 469(h) of the Internal Revenue  
49 Code, and which has been held for a minimum of ten  
50 years. The sale of a business means the sale of all

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1 or substantially all of the tangible personal property  
2 or service of the business.

3 Sec. 224. Section 422.73, subsection 1, Code 2003,  
4 is amended by striking the subsection.

5 Sec. 225. Section 422A.1, unnumbered paragraphs 1,  
6 3, 7, and 8, Code 2003, are amended to read as  
7 follows:

8 A city or county may impose by ordinance of the  
9 city council or by resolution of the board of  
10 supervisors a hotel and motel tax, at a rate not to  
11 exceed seven percent, which shall be imposed in  
12 increments of one or more full percentage points upon  
13 the ~~gross receipts~~ sales price from the renting of  
14 sleeping rooms, apartments, or sleeping quarters in a  
15 hotel, motel, inn, public lodging house, rooming  
16 house, manufactured or mobile home which is tangible  
17 personal property, or tourist court, or in any place  
18 where sleeping accommodations are furnished to  
19 transient guests for rent, whether with or without  
20 meals; except the ~~gross receipts~~ sales price from the  
21 renting of sleeping rooms in dormitories and in  
22 memorial unions at all universities and colleges  
23 located in the state of Iowa and the guests of a  
24 religious institution if the property is exempt under  
25 section 427.1, subsection 8, and the purpose of  
26 renting is to provide a place for a religious retreat  
27 or function and not a place for transient guests  
28 generally. The tax when imposed by a city shall apply  
29 only within the corporate boundaries of that city and  
30 when imposed by a county shall apply only outside  
31 incorporated areas within that county. "Renting" and  
32 "rent" include any kind of direct or indirect charge  
33 for such sleeping rooms, apartments, or sleeping  
34 quarters, or their use. However, the tax does not  
35 apply to the ~~gross receipts~~ sales price from the  
36 renting of a sleeping room, apartment, or sleeping  
37 quarters while rented by the same person for a period  
38 of more than thirty-one consecutive days.

39 A local hotel and motel tax shall be imposed on  
40 January 1, April 1, July 1, or October 1, following  
41 the notification of the director of revenue and  
42 finance. Once imposed, the tax shall remain in effect  
43 at the rate imposed for a minimum of one year. A  
44 local hotel and motel tax shall terminate only on  
45 March 31, June 30, September 30, or December 31. At  
46 least ~~forty five~~ sixty days prior to the tax being  
47 effective or prior to a revision in the tax rate, or  
48 prior to the repeal of the tax, a city or county shall  
49 provide notice by mail of such action to the director  
50 of revenue and finance.

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1 No tax permit other than the state sales tax permit  
2 required under section ~~422.53~~ 423.36 may be required  
3 by local authorities.

4 The tax levied shall be in addition to any state  
5 sales tax imposed under section ~~422.43~~ 423.2. Section  
6 422.25, subsection 4, sections 422.30, ~~422.48 to~~  
7 ~~422.52, 422.54 to 422.58,~~ 422.67, and 422.68, section  
8 422.69, subsection 1, and sections 422.70 to 422.75,  
9 section 423.14, subsection 1, and sections 423.23,  
10 423.24, 423.25, 423.31, 423.33, 423.35, 423.37 to  
11 423.42, and 423.47, consistent with the provisions of  
12 this chapter, apply with respect to the taxes  
13 authorized under this chapter, in the same manner and  
14 with the same effect as if the hotel and motel taxes  
15 were retail sales taxes within the meaning of those  
16 statutes. Notwithstanding this paragraph, the  
17 director shall provide for quarterly filing of returns  
18 ~~as prescribed in section 422.51~~ and for other than  
19 quarterly filing of returns both as prescribed in  
20 section ~~422.51, subsection 2~~ 423.31. The director may  
21 require all persons, as defined in section ~~422.42~~  
22 423.1, who are engaged in the business of deriving  
23 ~~gross receipts~~ any sales price subject to tax under  
24 this chapter, to register with the department.

25 Sec. 226. Section 422B.8, Code 2003, is amended to  
26 read as follows:

27 422B.8 LOCAL SALES AND SERVICES TAX.

28 A local sales and services tax at the rate of not  
29 more than one percent may be imposed by a county on  
30 the ~~gross receipts~~ sales price taxed by the state  
31 under chapter ~~422~~ 423, division IV subchapter II. A  
32 local sales and services tax shall be imposed on the  
33 same basis as the state sales and services tax or in  
34 the case of the use of natural gas, natural gas  
35 service, electricity, or electric service on the same  
36 basis as the state use tax and shall not be imposed on  
37 the sale of any property or on any service not taxed  
38 by the state, except the tax shall not be imposed on  
39 the ~~gross receipts~~ sales price from the sale of motor  
40 fuel or special fuel as defined in chapter 452a which  
41 is consumed for highway use or in watercraft or  
42 aircraft if the fuel tax is paid on the transaction  
43 and a refund has not or will not be allowed, on the  
44 ~~gross receipts~~ sales price from the rental of rooms,  
45 apartments, or sleeping quarters which are taxed under  
46 chapter 422a during the period the hotel and motel tax  
47 is imposed, on the ~~gross receipts~~ sales price from the  
48 sale of equipment by the state department of  
49 transportation, on the ~~gross receipts~~ sales price from  
50 the sale of self-propelled building equipment, pile

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1 drivers, motorized scaffolding, or attachments  
2 customarily drawn or attached to self-propelled  
3 building equipment, pile drivers, and motorized  
4 scaffolding, including auxiliary attachments which  
5 improve the performance, safety, operation, or  
6 efficiency of the equipment and replacement parts and  
7 are directly and primarily used by contractors,  
8 subcontractors, and builders for new construction,  
9 reconstruction, alterations, expansion, or remodeling  
10 of real property or structures, and on the ~~gross~~  
11 ~~receipts sales price~~ from the sale of a lottery ticket  
12 or share in a lottery game conducted pursuant to  
13 chapter 99E and except the tax shall not be imposed on  
14 the ~~gross receipts sales price~~ from the sale or use of  
15 natural gas, natural gas service, electricity, or  
16 electric service in a city or county where the ~~gross~~  
17 ~~receipts sales price~~ from the sale of natural gas or  
18 electric energy are subject to a franchise fee or user  
19 fee during the period the franchise or user fee is  
20 imposed. a local sales and services tax is applicable  
21 to transactions within those incorporated and  
22 unincorporated areas of the county where it is imposed  
23 and shall be collected by all persons required to  
24 collect state ~~gross receipts sales~~ taxes. However, a  
25 person required to collect state retail sales tax  
26 under chapter ~~422.423, division IV subchapter V or VI,~~  
27 is not required to collect local sales and services  
28 tax on transactions delivered within the area where  
29 the local sales and services tax is imposed unless the  
30 person has physical presence in that taxing area. All  
31 cities contiguous to each other shall be treated as  
32 part of one incorporated area and the tax would be  
33 imposed in each of those contiguous cities only if the  
34 majority of those voting in the total area covered by  
35 the contiguous cities favor its imposition.

36 The amount of the sale, for purposes of determining  
37 the amount of the local sales and services tax, does  
38 not include the amount of any state ~~gross receipts~~  
39 ~~taxes sales tax.~~

40 A tax permit other than the state ~~sales tax~~ permit  
41 required under section ~~422.53 or 423.10~~ 423.36 shall  
42 not be required by local authorities.

43 If a local sales and services tax is imposed by a  
44 county pursuant to this chapter, a local excise tax at  
45 the same rate shall be imposed by the county on the  
46 purchase price of natural gas, natural gas service,  
47 electricity, or electric service subject to tax under  
48 chapter 423, ~~subchapter III,~~ and not exempted from tax  
49 by any provision of chapter 423, ~~subchapter III.~~ The  
50 local excise tax is applicable only to the use of

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1 natural gas, natural gas service, electricity, or  
2 electric service within those incorporated and  
3 unincorporated areas of the county where it is imposed  
4 and, except as otherwise provided in this chapter,  
5 shall be collected and administered in the same manner  
6 as the local sales and services tax. For purposes of  
7 this chapter, “local sales and services tax” shall  
8 also include the local excise tax.

9 Sec. 227. Section 422B.9, subsections 1 and 2,  
10 Code 2003, are amended to read as follows:

11 1. a. A local sales and services tax shall be  
12 imposed either January 1 or July 1 following the  
13 notification of the director of revenue and finance  
14 but not sooner than ninety days following the  
15 favorable election and not sooner than sixty days  
16 following notice to sellers, as defined in section  
17 423.1. However, a jurisdiction which has voted to  
18 continue imposition of the tax may impose that tax  
19 without repeal of the prior tax.

20 b. A local sales and services tax shall be  
21 repealed only on June 30 or December 31 but not sooner  
22 than ninety days following the favorable election if  
23 one is held. However, a local sales and services tax  
24 shall not be repealed before the tax has been in  
25 effect for one year. At least forty days before the  
26 imposition or repeal of the tax, a county shall  
27 provide notice of the action by certified mail to the  
28 director of revenue and finance.

29 c. The imposition of or a rate change for a local  
30 sales and service tax shall not be applied to  
31 purchases from a printed catalog wherein a purchaser  
32 computes the local tax based on rates published in the  
33 catalog unless a minimum of one hundred twenty days’  
34 notice of the imposition or rate change has been given  
35 to the seller from the catalog and the first day of a  
36 calendar quarter has occurred on or after the one  
37 hundred twentieth day.

38 e. d. If a local sales and services tax has been  
39 imposed prior to April 1, 2000, and at the time of the  
40 election a date for repeal was specified on the  
41 ballot, the local sales and services tax may be  
42 repealed on that date, notwithstanding paragraph “b”.

43 2. a. The director of revenue and finance shall  
44 administer a local sales and services tax as nearly as  
45 possible in conjunction with the administration of  
46 state ~~gross receipts sales~~ tax laws. The director  
47 shall provide appropriate forms or provide on the  
48 regular state tax forms for reporting local sales and  
49 services tax liability.

50 b. The ordinance of a county board of supervisors

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1 imposing a local sales and services tax shall adopt by  
 2 reference the applicable provisions of the appropriate  
 3 sections of ~~chapter 422, division IV, and chapter 423.~~  
 4 All powers and requirements of the director to  
 5 administer the state ~~gross receipts~~ sales tax law and  
 6 use tax law are applicable to the administration of a  
 7 local sales and services tax law and the local excise  
 8 tax, including but not limited to, the provisions of  
 9 section 422.25, subsection 4, sections 422.30, ~~422.48~~  
 10 ~~to 422.52, 422.54 to 422.58,~~ 422.67, and 422.68,  
 11 section 422.69, subsection 1, sections 422.70 to  
 12 422.75, 423.6, subsections 2 to 4, and sections 423.11  
 13 to 423.18, and 423.21 section 423.14, subsection 1 and  
 14 subsection 2, paragraphs “b” through “e”, and sections  
 15 423.15, 423.23, 423.24, 423.25, 423.31 to 423.35,  
 16 423.37 to 423.42, 423.46, and 423.47. Local officials  
 17 shall confer with the director of revenue and finance  
 18 for assistance in drafting the ordinance imposing a  
 19 local sales and services tax. A certified copy of the  
 20 ordinance shall be filed with the director as soon as  
 21 possible after passage.

22 c. Frequency of deposits and quarterly reports of  
 23 a local sales and services tax with the department of  
 24 revenue and finance are governed by the tax provisions  
 25 in section ~~422.52~~ 423.31. Local tax collections shall  
 26 not be included in computation of the total tax to  
 27 determine frequency of filing under section ~~422.52~~  
 28 423.31.

29 d. The director shall apply a boundary change of a  
 30 county or city imposing or collecting the local sales  
 31 and service tax to the imposition or collection of  
 32 that tax only on the first day of a calendar quarter  
 33 which occurs sixty days or more after the director has  
 34 given notice of the boundary change to sellers.

35 Sec. 228. Section 422C.2, subsections 4 and 6,  
 36 Code 2003, are amended to read as follows:

37 4. “Person” means person as defined in section  
 38 ~~422.42~~ 423.1.

39 6. “Rental price” means the consideration for  
 40 renting an automobile valued in money, and means the  
 41 same as ~~“gross taxable services”~~ “sales price” as  
 42 defined in section ~~422.42~~ 423.1.

43 Sec. 229. Section 422C.3, Code 2003, is amended to  
 44 read as follows:

45 422C.3 TAX ON RENTAL OF AUTOMOBILES.

46 1. A tax of five percent is imposed upon the  
 47 rental price of an automobile if the rental  
 48 transaction is subject to the sales and services tax  
 49 under chapter ~~422~~ 423, division IV subchapter II, or  
 50 the use tax under chapter 423, subchapter III. The

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1 tax shall not be imposed on any rental transaction not  
2 taxable under the state sales and services tax, as  
3 provided in section ~~422.45~~ 423.3, or the state use  
4 tax, as provided in section ~~423.4~~ 423.6, on automobile  
5 rental receipts.

6 2. The lessor shall collect the tax by adding the  
7 tax to the rental price of the automobile.

8 3. The tax, when collected, shall be stated as a  
9 distinct item separate and apart from the rental price  
10 of the automobile and the sales and services tax  
11 imposed under chapter ~~422~~ 423, ~~division IV subchapter~~  
12 II, or the use tax imposed under chapter 423,  
13 subchapter III.

14 Sec. 230. Section 422C.4, Code 2003, is amended to  
15 read as follows:

16 422C.4 ADMINISTRATION AND ENFORCEMENT.

17 All powers and requirements of the director of  
18 revenue and finance to administer the state ~~gross~~  
19 ~~receipts sales~~ tax law under chapter ~~422~~, ~~division IV~~,  
20 423 are applicable to the administration of the tax  
21 imposed under section 422C.3, including but not  
22 limited to section 422.25, subsection 4, sections  
23 ~~422.30, 422.48 through 422.52, 422.54 through 422.58,~~  
24 ~~422.67, and 422.68,~~ section 422.69, subsection 1, ~~and~~  
25 sections 422.70 through 422.75, section 423.14,  
26 subsection 1, and sections 423.15, 423.23, 423.24,  
27 423.25, 423.31, 423.33, 423.35 and 423.37 through  
28 423.42, 423.45, 423.46, and 423.47. However, as an  
29 exception to the powers specified in section ~~422.52,~~  
30 ~~subsection 1~~ 423.31, the director shall only require  
31 the filing of quarterly reports.

32 Sec. 231. Section 422E.1, subsection 1, is amended  
33 to read as follows:

34 1. A local sales and services tax for school  
35 infrastructure purposes may be imposed by a county on  
36 behalf of school districts as provided in this  
37 chapter.

38 If a local sales and services tax for school  
39 infrastructure is imposed by a county pursuant to this  
40 chapter, a local excise tax for school infrastructure  
41 at the same rate shall be imposed by the county on the  
42 purchase price of natural gas, natural gas service,  
43 electricity, or electric service subject to tax under  
44 chapter 423, subchapter III, and not exempted from tax  
45 by any provision of chapter 423, subchapter III. The  
46 local excise tax for school infrastructure is  
47 applicable only to the use of natural gas, natural gas  
48 service, electricity, or electric service within those  
49 incorporated and unincorporated areas of the county  
50 where it is imposed and, except as otherwise provided

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1 in this chapter, shall be collected and administered  
2 in the same manner as the local sales and services tax  
3 for school infrastructure. For purposes of this  
4 chapter, “local sales and services tax for school  
5 infrastructure” shall also include the local excise  
6 tax for school infrastructure.

7 Sec. 232. Section 422E.3, subsections 1, 2, and 3,  
8 Code 2003, are amended to read as follows:

9 1. If a majority of those voting on the question  
10 of imposition of a local sales and services tax for  
11 school infrastructure purposes favors imposition of  
12 the tax, the tax shall be imposed by the county board  
13 of supervisors within the county pursuant to section  
14 422E.2, at the rate specified for a ten-year duration  
15 on the ~~gross receipts~~ sales price taxed by the state  
16 under chapter ~~422 423~~, division IV subchapter II.

17 2. The tax shall be imposed on the same basis as  
18 the state sales and services tax or in the case of the  
19 use of natural gas, natural gas service, electricity,  
20 or electric service on the same basis as the state use  
21 tax and shall not be imposed on the sale of any  
22 property or on any service not taxed by the state,  
23 except the tax shall not be imposed on the ~~gross~~  
24 ~~receipts~~ sales price from the sale of motor fuel or  
25 special fuel as defined in chapter 452a which is  
26 consumed for highway use or in watercraft or aircraft  
27 if the fuel tax is paid on the transaction and a  
28 refund has not or will not be allowed, on the ~~gross~~  
29 ~~receipts~~ sales price from the rental of rooms,  
30 apartments, or sleeping quarters which are taxed under  
31 chapter 422a during the period the hotel and motel tax  
32 is imposed, on the ~~gross receipts~~ sales price from the  
33 sale of equipment by the state department of  
34 transportation, on the ~~gross receipts~~ sales price from  
35 the sale of self-propelled building equipment, pile  
36 drivers, motorized scaffolding, or attachments  
37 customarily drawn or attached to self-propelled  
38 building equipment, pile drivers, and motorized  
39 scaffolding, including auxiliary attachments which  
40 improve the performance, safety, operation, or  
41 efficiency of the equipment, and replacement parts and  
42 are directly and primarily used by contractors,  
43 subcontractors, and builders for new construction,  
44 reconstruction, alterations, expansion, or remodeling  
45 of real property or structures, and on the ~~gross~~  
46 ~~receipts~~ sales price from the sale of a lottery ticket  
47 or share in a lottery game conducted pursuant to  
48 chapter 99E and except the tax shall not be imposed on  
49 the ~~gross receipts~~ sales price from the sale or use of  
50 natural gas, natural gas service, electricity, or

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1 electric service in a city or county where the ~~gross~~  
2 ~~receipts sales price~~ from the sale of natural gas or  
3 electric energy are subject to a franchise fee or user  
4 fee during the period the franchise or user fee is  
5 imposed.

6 3. The tax is applicable to transactions within  
7 the county where it is imposed and shall be collected  
8 by all persons required to collect state ~~gross~~  
9 ~~receipts sales~~ or local excise taxes. However, a  
10 person required to collect state ~~retail~~ sales tax  
11 under chapter ~~422, division IV, 423~~ is not required to  
12 collect local sales and services tax on transactions  
13 delivered within the area where the local sales and  
14 services tax is imposed unless the person has physical  
15 presence in that taxing area. The amount of the sale,  
16 for purposes of determining the amount of the tax,  
17 does not include the amount of any state ~~gross~~  
18 ~~receipts sales taxes~~ or excise taxes or other local  
19 option sales or excise taxes. A tax permit other than  
20 the state tax permit required under section ~~422.53 or~~  
21 ~~423.10 423.36~~ shall not be required by local  
22 authorities.

23 Sec. 233. Section 425.30, Code 2003, is amended to  
24 read as follows:

25 425.30 NOTICES.

26 Section ~~422.57 423.39~~, subsection 1, shall apply to  
27 all notices under this division.

28 Sec. 234. Section 425.31, Code 2003, is amended to  
29 read as follows:

30 425.31 APPEALS.

31 Any person aggrieved by an act or decision of the  
32 director of revenue and finance or the department of  
33 revenue and finance under this division shall have the  
34 same rights of appeal and review as provided in  
35 sections 421.1 and ~~422.55 423.38~~ and the rules of the  
36 department of revenue and finance.

37 Sec. 235. Section 452A.66, unnumbered paragraph 1,  
38 Code 2003, is amended to read as follows:

39 The appropriate state agency shall administer the  
40 taxes imposed by this chapter in the same manner as  
41 and subject to section 422.25, subsection 4 and  
42 section ~~422.52, subsection 3 423.35~~.

43 Sec. 236. Section 455B.455, Code 2003, is amended  
44 to read as follows:

45 455B.455 SURCHARGE IMPOSED.

46 A land burial surcharge tax of two percent is  
47 imposed on the fee for land burial of a hazardous  
48 waste. The owner of the land burial facility shall  
49 remit the tax collected to the director of revenue and  
50 finance after consultation with the director according

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1 to rules that the director shall adopt. The director  
2 shall forward a copy of the site license to the  
3 director of revenue and finance which shall be the  
4 appropriate license for the collection of the land  
5 burial surcharge tax and shall be subject to  
6 suspension or revocation if the site license holder  
7 fails to collect or remit the tax collected under this  
8 section. The provisions of ~~sections~~ section 422.25,  
9 subsection 4, sections 422.30, 422.48 to 422.52,  
10 422.54 to 422.58, 422.67, and 422.68, section 422.69,  
11 subsection 1, and sections 422.70 to 422.75, section  
12 423.14, subsection 1, and sections 423.23, 423.24,  
13 423.25, 423.31, 423.33, 423.35, 423.37 to 423.42, and  
14 423.47, consistent with the provisions of this part 6  
15 of division IV, shall apply with respect to the taxes  
16 authorized under this part, in the same manner and  
17 with the same effect as if the land burial surcharge  
18 tax were ~~retail~~ sales taxes within the meaning of  
19 those statutes. Notwithstanding the provisions of  
20 this ~~paragraph~~ section, the director shall provide for  
21 only quarterly filing of returns as prescribed in  
22 section ~~422.51~~ 423.31. Taxes collected by the  
23 director of revenue and finance under this section  
24 shall be deposited in the general fund of the state.  
25 Sec. 237. Section 455G.3, subsection 1, Code 2003,  
26 is amended to read as follows:

27 1. The Iowa comprehensive petroleum underground  
28 storage tank fund is created as a separate fund in the  
29 state treasury, and any funds remaining in the fund at  
30 the end of each fiscal year shall not revert to the  
31 general fund but shall remain in the Iowa  
32 comprehensive petroleum underground storage tank fund.  
33 Interest or other income earned by the fund shall be  
34 deposited in the fund. The fund shall include moneys  
35 credited to the fund under this section, section  
36 ~~423.24~~ 423.43, subsection 1, paragraph "a", and  
37 sections 455G.8, 455G.9, and 455G.11, and other funds  
38 which by law may be credited to the fund. The moneys  
39 in the fund are appropriated to and for the purposes  
40 of the board as provided in this chapter. Amounts in  
41 the fund shall not be subject to appropriation for any  
42 other purpose by the general assembly, but shall be  
43 used only for the purposes set forth in this chapter.  
44 The treasurer of state shall act as custodian of the  
45 fund and disburse amounts contained in it as directed  
46 by the board including automatic disbursements of  
47 funds as received pursuant to the terms of bond  
48 indentures and documents and security provisions to  
49 trustees and custodians. The treasurer of state is  
50 authorized to invest the funds deposited in the fund

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1 at the direction of the board and subject to any  
2 limitations contained in any applicable bond  
3 proceedings. The income from such investment shall be  
4 credited to and deposited in the fund. The fund shall  
5 be administered by the board which shall make  
6 expenditures from the fund consistent with the  
7 purposes of the programs set out in this chapter  
8 without further appropriation. The fund may be  
9 divided into different accounts with different  
10 depositories as determined by the board and to fulfill  
11 the purposes of this chapter.

12 Sec. 238. Section 455G.6, subsection 4, Code 2003,  
13 is amended to read as follows:

14 4. Grant a mortgage, lien, pledge, assignment, or  
15 other encumbrance on one or more improvements,  
16 revenues, asset of right, accounts, or funds  
17 established or received in connection with the fund,  
18 including revenues derived from the use tax under  
19 section ~~423.24~~ 423.43, subsection 1, paragraph “a”,  
20 and deposited in the fund or an account of the fund.

21 Sec. 239. Section 455G.8, subsection 2, Code 2003,  
22 is amended to read as follows:

23 2. USE TAX. The revenues derived from the use tax  
24 imposed under chapter 423, subchapter III. The  
25 proceeds of the use tax under section ~~423.24~~ 423.43,  
26 subsection 1, paragraph “a”, shall be allocated,  
27 consistent with this chapter, among the fund’s  
28 accounts, for debt service and other fund expenses,  
29 according to the fund budget, resolution, trust  
30 agreement, or other instrument prepared or entered  
31 into by the board or authority under direction of the  
32 board.

33 Sec. 240. Section 455G.9, subsection 2, Code 2003,  
34 is amended to read as follows:

35 2. REMEDIAL ACCOUNT FUNDING. The remedial account  
36 shall be funded by that portion of the proceeds of the  
37 use tax imposed under chapter 423, subchapter III, and  
38 other moneys and revenues budgeted to the remedial  
39 account by the board.

40 Sec. 241. Section 2.67, Code 2003, is repealed.

41 Sec. 242. CODE EDITOR DIRECTIVE. The Code editor  
42 is directed to transfer Code chapter 423A to Code  
43 chapter 421A and to transfer Code chapters 422A, 422B,  
44 422C, and 422E to Code chapters 423A, 423B, 423C, and  
45 423E, respectively. The Code editor is directed to  
46 correct Code references as required due to the changes  
47 made in this Act.

48 SALES TAX ADVISORY COUNCIL

49 Sec. 243. IOWA STREAMLINED SALES TAX ADVISORY  
50 COUNCIL.

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- 1 1. An Iowa streamlined sales tax advisory council  
2 is created. The advisory council shall review, study,  
3 and submit recommendations to the Iowa streamlined  
4 sales and use tax delegation regarding the proposed  
5 streamlined sales and use tax agreement formalized by  
6 the project's implementing sales on November 12, 2002,  
7 the proposed language conforming Iowa's sales and use  
8 tax to the national agreement, and the following  
9 issues:
  - 10 a. Uniform definitions proposed in the current  
11 streamlined sales and use tax agreement and future  
12 proposals.
  - 13 b. Effects upon taxability of items newly defined  
14 in Iowa.
  - 15 c. Impacts upon business as a result of the  
16 streamlined sales and use tax.
  - 17 d. Technology implementation issues.
  - 18 e. Any other issues that are brought before the  
19 streamlined sales and use tax implementing state or  
20 the streamlined sales and use tax governing board.
- 21 2. The department shall provide administrative  
22 support to the Iowa streamlined sales tax advisory  
23 council. The advisory council shall be representative  
24 of Iowa's business community and economy when  
25 reviewing and recommending solutions to streamlined  
26 sales and use tax issues. The advisory council shall  
27 provide the general assembly and the governor with  
28 final recommendations made to the Iowa streamlined  
29 sales and use tax delegation upon the conclusion of  
30 each calendar year.
- 31 3. The director of revenue, in consultation with  
32 the Iowa taxpayers association and the Iowa  
33 association of business and industry, shall appoint  
34 members to the Iowa streamlined sales tax advisory  
35 council, which shall consist of the following members:
  - 36 a. One member from the department of revenue and  
37 finance.
  - 38 b. Three members representing small Iowa  
39 businesses, at least one of whom must be a retailer,  
40 and at least one of whom shall be a supplier.
  - 41 c. Three members representing medium Iowa  
42 businesses, at least one of whom shall be a retailer,  
43 and at least one of whom shall be a supplier.
  - 44 d. Three members representing large Iowa  
45 businesses, at least one of whom shall be a retailer,  
46 and at least one of whom shall be a supplier.
  - 47 e. One member representing taxpayers as a whole.
  - 48 f. One member representing the retail community as  
49 a whole.
  - 50 g. Any other member the director of revenue and

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1 finance deems appropriate.

2 Sec. 244. EFFECTIVE DATE. Except for the section  
3 creating the Iowa streamlined sales tax advisory  
4 council, this division of this Act takes effect July  
5 1, 2004.

#### 6 DIVISION XXIII

#### 7 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE

8 Sec. 245. NEW SECTION. 292A.1 DEFINITIONS.

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

11 1. "Capacity per pupil" means the sum of a school  
12 district's property tax infrastructure capacity per  
13 pupil and the sales tax capacity per pupil.

14 2. "Committee" means the school budget review  
15 committee established in section 257.30.

16 3. "Department" means the department of education  
17 established in section 256.1.

18 4. "Fund" means the state assistance for  
19 educational infrastructure fund created in section  
20 292A.3.

21 5. "Local match percentage" means a percentage  
22 equivalent to either of the following, whichever is  
23 less:

24 a. Fifty percent.

25 b. The quotient of a school district's capacity  
26 per pupil divided by the capacity per pupil of the  
27 school district at the fortieth percentile, multiplied  
28 by fifty percent, except that the percentage in this  
29 paragraph shall not be less than twenty percent.

30 6. "Program" means the state assistance for  
31 educational infrastructure program established in  
32 section 292A.2.

33 7. "Property tax infrastructure capacity per  
34 pupil" means the sum of a school district's levies  
35 under sections 298.2 and 298.18 when the levies are  
36 imposed to the maximum extent allowable under law in  
37 the budget year divided by the school district's basic  
38 enrollment for the budget year.

39 8. "Sales tax capacity per pupil" means the  
40 estimated amount of revenues that a school district  
41 receives or would receive if a local sales and  
42 services tax for school infrastructure is imposed at  
43 one percent pursuant to section 422E.2, divided by the  
44 school district's basic enrollment for the budget  
45 year.

46 9. "School infrastructure" means activities  
47 initiated on or after July 1, 2003, for which a school  
48 district is authorized to contract indebtedness and  
49 issue general obligation bonds under section 296.1,  
50 except those activities related to a teacher's or

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1 superintendent's home or homes, to stadiums, to the  
2 improving of a site for an athletic field, or to the  
3 improving of a site already owned for an athletic  
4 field. These activities include the construction,  
5 reconstruction, repair, demolition work, purchasing,  
6 or remodeling of schoolhouses and bus garages and the  
7 procurement of schoolhouse construction sites and the  
8 making of site improvements and those activities for  
9 which revenues under section 298.3 or 300.2 may be  
10 spent.

11 Sec. 246. NEW SECTION. 292A.2 STATE ASSISTANCE  
12 FOR EDUCATIONAL INFRASTRUCTURE PROGRAM.

13 1. a. The department shall establish and  
14 administer a state assistance for educational  
15 infrastructure program to provide financial assistance  
16 in the form of grants to school districts with school  
17 infrastructure needs.

18 b. The department of education, in consultation  
19 with the department of management, shall annually  
20 compute the property tax infrastructure capacity per  
21 pupil for each school district in the state.

22 c. The department of education, in consultation  
23 with the department of revenue and the legislative  
24 services agency, shall annually calculate the  
25 estimated sales and services tax for school  
26 infrastructure, if imposed at one percent, that is or  
27 would be received by each school district in the state  
28 pursuant to section 422E.3. These calculations shall  
29 be made on a total tax and on a tax per pupil basis  
30 for each school district.

31 d. The department of education, in consultation  
32 with the department of revenue and the department of  
33 management, shall annually compute capacity per pupil  
34 and the local match percentage for each school  
35 district in the state. The calculations shall be  
36 released not later than September 1 of each year.

37 2. a. A school district's local match requirement  
38 is equivalent to the total investment of a project  
39 multiplied by the school district's local match  
40 percentage. A school district may submit an  
41 application to the department for financial assistance  
42 under the program if the school district meets the  
43 district's local match requirement through one or more  
44 of the following sources:

45 (1) The issuance of bonds pursuant to section  
46 298.18.

47 (2) Local sales and services tax moneys received  
48 pursuant to section 422E.3.

49 (3) A physical plant and equipment levy under  
50 chapter 298.

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- 1 (4) Other moneys locally obtained by the school  
2 district excluding other state or federal grant  
3 moneys.
- 4 b. If the project is in collaboration with other  
5 public or private entities, the school district shall  
6 be eligible to apply for only the school district's  
7 portion of the project. As such, state or federal  
8 grants received by the other entities cannot be used  
9 toward the local match requirement under paragraph  
10 "a", subparagraph (4).
- 11 c. A school district may submit an application for  
12 a project which includes activities at more than one  
13 attendance center. However, if the activities relate  
14 to new construction, the project shall only relate to  
15 one attendance center.
- 16 d. A school district may submit an application for  
17 conditional approval to the department for financial  
18 assistance under the program if the school district  
19 submits a plan for securing the school district's  
20 local match requirement under paragraph "a". If a  
21 school district does not meet the local match  
22 requirement of paragraph "a" within nine months of  
23 receiving conditional approval from the department,  
24 the application for financial assistance shall be  
25 denied by the department and the financial assistance  
26 shall be carried forward to be made available under  
27 the allocation provided under subsection 4, paragraph  
28 "d", for the next available grant cycle.
- 29 e. For the fiscal year beginning July 1, 2003, and  
30 every fiscal year thereafter, applications shall be  
31 submitted to the department by October 15 of each  
32 year.
- 33 f. For the fiscal year beginning July 1, 2003, and  
34 every fiscal year thereafter, the department shall  
35 notify all approved applicants by December 15 of each  
36 year regarding the approval of the application.
- 37 g. An applicant which is not successful in  
38 obtaining financial assistance under the program may  
39 reapply for financial assistance in succeeding years.
- 40 3. The application shall include, but shall not be  
41 limited to, the following information:
- 42 a. The total capital investment of the project.  
43 b. The amount and percentage of moneys which the  
44 school district will be providing for the project.  
45 c. The infrastructure needs of the school  
46 district, especially the fire and health safety needs  
47 of the school district, and including the extent to  
48 which the project would allow the school district to  
49 meet the infrastructure needs of the school district  
50 on a long-term basis.

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- 1 d. The financial assistance needed by the school
- 2 district based upon the capacity per pupil.
- 3 e. Any previous efforts by the school district to
- 4 secure infrastructure funding from federal, state, or
- 5 local resources, including any funding received for
- 6 any project under the school infrastructure program
- 7 provided in chapter 292. The previous efforts shall
- 8 be evaluated on a case-by-case basis.
- 9 f. Evidence that the school district meets or will
- 10 meet the local match requirement in subsection 2,
- 11 paragraph “a”.
- 12 g. The nature of the proposed project and its
- 13 relationship to improving educational opportunities
- 14 for the students.
- 15 h. Evidence that the school district has
- 16 reorganized on or after July 1, 2002, or that the
- 17 school district has initiated a resolution to
- 18 reorganize by July 1, 2005, or entered into an
- 19 innovative collaboration with another school district
- 20 or school districts.
- 21 i. Evidence that the school district receives
- 22 sales and services tax for school infrastructure
- 23 funding under section 422E.3.
- 24 4. A school district with less than two hundred
- 25 fifty actual enrollment or less than one hundred
- 26 actual enrollment in the high school that submits an
- 27 application for assistance for new construction or for
- 28 payments for bonds issued for new construction shall
- 29 include on the application, in addition to that in
- 30 subsection 3, all of the following:
  - 31 a. Enrollment trends in the grades that will be
  - 32 served at the new construction site.
  - 33 b. The infeasibility of remodeling,
  - 34 reconstructing, or repairing existing buildings.
  - 35 c. The fire and health safety needs of the school
  - 36 district.
  - 37 d. The distance, convenience, cost of
  - 38 transportation, and accessibility of the new
  - 39 construction site to the students to be served at the
  - 40 new construction site.
  - 41 e. Availability of alternative, less costly, or
  - 42 more effective means of serving the needs of the
  - 43 students.
  - 44 f. The financial condition of the district,
  - 45 including the effect of the decline of the budget
  - 46 guarantee and unspent balance.
  - 47 g. Broad and long-term ability of the district to
  - 48 support the facility and the quality of the academic
  - 49 program.
  - 50 h. Cooperation with other educational entities

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1 including other school districts, area education  
2 agencies, postsecondary institutions, and local  
3 communities.  
4 5. A school district shall not receive more than  
5 one grant under the program. The financial assistance  
6 shall be in the form of grants and shall be allocated  
7 in the following manner:  
8 a. Twenty-five percent of the financial assistance  
9 each year shall be awarded to school districts with an  
10 enrollment of one thousand one hundred ninety-nine  
11 students or less.  
12 b. Twenty-five percent of the financial assistance  
13 each year shall be awarded to school districts with an  
14 enrollment of more than one thousand one hundred  
15 ninety-nine students but not more than four thousand  
16 seven hundred fifty students.  
17 c. Twenty-five percent of the financial assistance  
18 each year shall be awarded to school districts with an  
19 enrollment of more than four thousand seven hundred  
20 fifty students.  
21 d. Twenty-five percent of the financial assistance  
22 each year, any financial assistance not awarded under  
23 paragraphs “a” through “c”, and financial assistance  
24 not awarded in previous fiscal years shall be awarded  
25 to school districts with any size enrollment.  
26 6. A district shall receive the lesser of one  
27 million dollars of financial assistance under the  
28 program, or the total capital investment of the  
29 project minus the local match requirement. If the  
30 amount of grants awarded in a fiscal year is less than  
31 the maximum amount provided for grants for that fiscal  
32 year, the amount of the difference shall be carried  
33 forward to subsequent fiscal years for purposes of  
34 providing grants under the program and the maximum  
35 amount of grants for each fiscal year shall be  
36 adjusted accordingly.  
37 7. The school budget review committee shall review  
38 all applications for financial assistance under the  
39 program and make recommendations regarding the  
40 applications to the department. The department shall  
41 make the final determination on grant awards. The  
42 school budget review committee shall base the  
43 recommendations on the criteria established pursuant  
44 to subsections 3 and 8 and subsection 4, if  
45 applicable.  
46 8. The department shall form a task force to  
47 review applications for financial assistance and  
48 provide recommendations to the school budget review  
49 committee. The task force shall include, at a  
50 minimum, representatives from the kindergarten through

1 grade twelve education community, the state fire  
 2 marshal, and individuals knowledgeable in school  
 3 infrastructure and construction issues. The  
 4 department, in consultation with the task force, shall  
 5 establish the parameters and the details of the  
 6 criteria for awarding grants based on the information  
 7 listed in subsection 3, including greater priority to  
 8 the following:

- 9 a. A school district with a lower capacity per  
 10 pupil.
- 11 b. A school district whose plans address specific  
 12 occupant safety issues.
- 13 c. A school district reorganizing or collaborating  
 14 as described in subsection 3, paragraph “h”.
- 15 d. A school district for which a sales and  
 16 services tax for school infrastructure has not been  
 17 imposed pursuant to section 422E.2 or a school  
 18 district receiving minimal revenues under section  
 19 422E.3 when the total enrollment of the school  
 20 district is considered.

21 9. An applicant receiving financial assistance  
 22 under the program shall submit a progress report to  
 23 the department as requested by the department which  
 24 shall include a description of the activities under  
 25 the project, the status of the implementation of the  
 26 project, and any other information required by the  
 27 department.

28 10. A school district located in whole or in part  
 29 in a county which has imposed the maximum rate of  
 30 sales and services tax for school infrastructure  
 31 pursuant to section 422E.2 and has sales and services  
 32 tax for school infrastructure revenue of more than the  
 33 statewide average of sales tax capacity per pupil, as  
 34 defined in section 292.1, subsection 8, shall not be  
 35 eligible for financial assistance under the program.  
 36 For purposes of this subsection, an individual school  
 37 district’s sales tax capacity per pupil is the  
 38 estimated total sales and services tax for  
 39 infrastructure revenue to be actually received by the  
 40 school district divided by the school district’s  
 41 enrollment as specified in section 292.1, subsection  
 42 8.

43 Sec. 247. NEW SECTION. 292A.3 STATE ASSISTANCE  
 44 FOR EDUCATIONAL INFRASTRUCTURE FUND.

45 A state assistance for educational infrastructure  
 46 fund is created as a separate and distinct fund in the  
 47 state treasury under the control of the department.  
 48 Moneys in the fund include revenues credited to the  
 49 fund pursuant to this chapter, appropriations made to  
 50 the fund, and other moneys deposited into the fund.

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1 Any amounts disbursed from the fund shall be utilized  
2 for school infrastructure purposes as provided in this  
3 chapter.

4 Sec. 248. NEW SECTION. 292A.4 RULES.

5 The department shall adopt rules, pursuant to  
6 chapter 17A, necessary for administering the state  
7 assistance for educational infrastructure program and  
8 fund.”

9 2. Title page, by striking lines 1 and 2 and  
10 inserting the following: “An Act concerning  
11 regulatory, taxation, and statutory requirements  
12 affecting individuals and business relating to  
13 taxation of property, income and sales and use,  
14 liability reform, workers’ compensation, financial  
15 services, unemployment compensation employer  
16 surcharges, economic development, and school  
17 infrastructure assistance, and including effective  
18 date, applicability, and retroactive applicability  
19 provisions.”

20 3. By renumbering as necessary.

COMMITTEE ON WAYS AND MEANS  
LARRY McKIBBEN, Chair

### S-3392

1 Amend House File 683, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting  
4 clause and inserting the following:

5 “DIVISION I  
6 STATE EMPLOYEE SALARIES

7 Section 1. 2003 Iowa Acts, Senate File 458,  
8 section 48, unnumbered paragraphs 1 and 2, if enacted,  
9 are amended to read as follows:

10 There is appropriated from the general fund of the  
11 state to the salary adjustment fund for distribution  
12 by the department of management to the various state  
13 departments, boards, commissions, councils, and  
14 agencies, and to the state board of regents for those  
15 persons employed at the state school for the deaf and  
16 the Iowa braille and sight saving school, for the  
17 fiscal year beginning July 1, 2003, and ending June  
18 30, 2004, the amount of ~~\$28,000,000~~ \$30,000,000, or so  
19 much thereof as may be necessary, to fully fund annual  
20 pay adjustments, expense reimbursements, and related  
21 benefits implemented pursuant to the following:

22 Of the amount appropriated in this section,  
23 ~~\$2,668,000~~ \$2,818,000 shall be allocated to the  
24 judicial branch for the purpose of funding annual pay

25 adjustments, expense reimbursements, and related  
 26 benefits implemented for judicial branch employees.  
 27 In distributing the remainder of the amount  
 28 appropriated in this section, the department of  
 29 management, in order to address essential public  
 30 protection functions and recognizing the availability  
 31 of funds appropriated in other Acts of the general  
 32 assembly and other sources, shall give priority, in  
 33 descending order, to the department of corrections,  
 34 department of human services, and department of public  
 35 safety, and then to the remaining state departments,  
 36 boards, commissions, councils, and agencies to which  
 37 the appropriation is applicable.

38 Sec. 2. STATE COURTS -- JUSTICES, JUDGES, AND  
 39 MAGISTRATES.

40 1. Of the amount allocated for the judicial branch  
 41 in 2003 Iowa Acts, Senate File 458, section 48, if  
 42 enacted, \$150,000 is allocated to fund the changes in  
 43 this section to the salaries of justices, judges, and  
 44 magistrates.

45 2. The following annual salary rates shall be paid  
 46 to the persons holding the judicial positions  
 47 indicated during the fiscal year beginning July 1,  
 48 2003, effective with the pay period beginning December  
 49 19, 2003, and for subsequent pay periods:

50 a. Chief justice of the supreme court:

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1	.....	\$	127,040
2	b. Each justice of the supreme court:		
3	.....	\$	122,500
4	c. Chief judge of the court of appeals:		
5	.....	\$	122,380
6	d. Each associate judge of the court of appeals:		
7	.....	\$	117,850
8	e. Each chief judge of a judicial district:		
9	.....	\$	116,760
10	f. Each district judge except the chief judge of a		
11	judicial district:		
12	.....	\$	112,010
13	g. Each district associate judge:		
14	.....	\$	97,610
15	h. Each associate juvenile judge:		
16	.....	\$	97,610
17	i. Each associate probate judge:		
18	.....	\$	97,610
19	j. Each judicial magistrate:		
20	.....	\$	29,100
21	k. Each senior judge:		
22	.....	\$	6,500
23	3. Persons receiving the salary rates established		

24 under subsection 2 shall not receive any additional  
25 salary adjustments provided by 2003 Iowa Acts, Senate  
26 File 458, division V.

27 DIVISION II

28 APPROPRIATIONS AND APPROPRIATIONS REVISIONS

29 INSURANCE DIVISION

30 Sec. 3. INSURANCE STUDY. There is appropriated  
31 from the general fund of the state to the department  
32 of commerce for the fiscal year beginning July 1,  
33 2003, and ending June 30, 2004, the following amount,  
34 or so much thereof as is necessary, to be used for the  
35 purpose designated:

36 For the insurance division to implement the school  
37 health insurance reform team study in accordance with  
38 2003 Iowa Acts, Senate File 386:

39 ..... \$ 15,000

40 DEPARTMENT OF MANAGEMENT

41 Sec. 4. LOCAL GOVERNMENT INNOVATION FUND  
42 APPROPRIATION. There is appropriated from the general  
43 fund of the state to the department of management for  
44 the fiscal year beginning July 1, 2003, and ending  
45 June 30, 2004, the following amount, or so much  
46 thereof as is necessary, to be used for the purpose  
47 designated:

48 For deposit in the local government innovation fund  
49 created in section 8.64:

50 ..... \$ 1,000,000

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1 Notwithstanding section 8.64, subsection 4, if  
2 enacted by 2003 Iowa Acts, Senate File 453, section  
3 27, the local government innovation fund committee may  
4 provide up to 20 percent of the amount appropriated in  
5 this section in the form of forgivable loans or as  
6 grants for those projects that propose a new and  
7 innovative sharing initiative that would serve as an  
8 important model for cities and counties.

9 DEPARTMENT OF CORRECTIONS

10 Sec. 5. There is appropriated from the rebuild  
11 Iowa infrastructure fund to the department of  
12 corrections for the fiscal year beginning July 1,  
13 2003, and ending June 30, 2004, the following amounts,  
14 or so much thereof as is necessary, to be used for the  
15 purposes designated:

16 1. For expansion of the Luster Heights facility  
17 into a community-based corrections facility and an  
18 institutional work and substance abuse treatment  
19 center:

20 ..... \$ 92,000

21 2. For conversion of the Clarinda lodge into  
22 minimum security bed space:

23	.....	\$	730,000
24	Sec. 6. 2003 Iowa Acts, Senate File 439, section		
25	4, subsection 1, paragraphs b and g, as enacted, are		
26	amended to read as follows:		
27	b. For the operation of the Anamosa correctional		
28	facility, including salaries, support, maintenance,		
29	employment of correctional officers and a part-time		
30	chaplain to provide religious counseling to inmates of		
31	a minority race, miscellaneous purposes, and for not		
32	more than the following full-time equivalent		
33	positions:		
34	.....	\$	<u>24,531,917</u>
35	.....		<u>25,196,085</u>
36	.....	FTEs	375.75
37	Moneys are provided within this appropriation for		
38	one full-time substance abuse counselor for the Luster		
39	Heights facility, for the purpose of certification of		
40	a substance abuse program at that facility. <u>Of the</u>		
41	<u>funds appropriated in this paragraph “b”, \$664,000 is</u>		
42	<u>allocated for implementation costs associated with</u>		
43	<u>expansion of the Luster Heights facility.</u>		
44	g. For the operation of the Clarinda correctional		
45	facility, including salaries, support, maintenance,		
46	employment of correctional officers, miscellaneous		
47	purposes, and for not more than the following full-		
48	time equivalent positions:		
49	.....	\$	<u>18,595,788</u>
50	.....		<u>19,389,220</u>

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1	.....	FTEs	291.76
2	Moneys received by the department of corrections as		
3	reimbursement for services provided to the Clarinda		
4	youth corporation are appropriated to the department		
5	and shall be used for the purpose of operating the		
6	Clarinda correctional facility.		
7	<u>Of the funds appropriated in this paragraph “g”,</u>		
8	<u>\$793,432 is allocated for implementation costs</u>		
9	<u>associated with expansion of the conversion of the</u>		
10	<u>Clarinda lodge, with \$277,500 of the allocation for</u>		
11	<u>one-time costs and \$515,932 for ongoing costs.</u>		
12	PUBLIC TRANSIT		
13	Sec. 7. 2003 Iowa Acts, Senate File 458, section		
14	8, if enacted, is amended to read as follows:		
15	SEC. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.		
16	Notwithstanding section 312.2, subsection 14, the		
17	amount appropriated from the general fund of the state		
18	under section 312.2, subsection 14, to the state		
19	department of transportation for public transit		
20	assistance under chapter 324A for the fiscal year		
21	beginning July 1, 2003, and ending June 30, 2004, is		

22 reduced by the following amount:

23 .....	\$	<u>1,208,675</u>
24 .....		<u>2,582,800</u>

25 OFFICE OF THE GOVERNOR

26 Sec. 8. 2003 Iowa Acts, House File 655, section 5,  
27 subsection 1, if enacted, is amended to read as  
28 follows:

29 1. GENERAL OFFICE

30 For salaries, support, maintenance, and  
31 miscellaneous purposes for the general office of the  
32 governor and the general office of the lieutenant  
33 governor, and for not more than the following full-  
34 time equivalent positions:

35 .....	\$	<u>1,243,643</u>
36 .....		<u>1,493,643</u>
37 .....	FTEs	<u>17.25</u>
38 .....		<u>19.25</u>

39 Of the amount appropriated in this section,  
40 \$250,000 is allocated for two full-time equivalent  
41 positions in the office of the governor that were  
42 previously funded by other state departments and  
43 agencies.

44 DEPARTMENT OF REVENUE

45 Sec. 9. 2003 Iowa Acts, House File 655, section  
46 31, if enacted, is amended to read as follows:

47 SEC. 31. DEPARTMENT OF REVENUE. There is  
48 appropriated from the general fund of the state to the  
49 department of revenue for the fiscal year beginning  
50 July 1, 2003, and ending June 30, 2004, the following

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1 amounts, or so much thereof as is necessary, to be  
2 used for the purposes designated, and for not more  
3 than the following full-time equivalent positions used  
4 for the purposes designated in subsection 1:

5 .....	FTEs	<u>378.87</u>
6 .....		<u>380.87</u>

7 Of the full-time equivalent positions authorized in  
8 this section, two full-time equivalent positions are  
9 allocated for new positions to assist in preparation  
10 of information for the revenue estimating conference  
11 and in improving the turnaround time for processing  
12 corporate tax filings.

13 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT --  
14 STATE FINANCIAL MANAGEMENT -- STATEWIDE PROPERTY TAX  
15 ADMINISTRATION

16 For salaries, support, maintenance, and  
17 miscellaneous purposes:

18 .....	\$	<u>23,259,111</u>
19 .....		<u>23,359,111</u>

20 Of the funds appropriated pursuant to this

21 subsection, \$400,000 shall be used to pay the direct  
22 costs of compliance related to the collection and  
23 distribution of local sales and services taxes imposed  
24 pursuant to chapters 422B and 422E.

25 The director of revenue shall prepare and issue a  
26 state appraisal manual and the revisions to the state  
27 appraisal manual as provided in section 421.17,  
28 subsection 18, without cost to a city or county.

29 2. COLLECTION COSTS AND FEES

30 For payment of collection costs and fees pursuant  
31 to section 422.26:

32 ..... \$ 28,166

33 DEPARTMENT OF PUBLIC HEALTH

34 Sec. 10. 2003 Iowa Acts, House File 667, section  
35 2, subsection 8, as enacted, is amended to read as  
36 follows:

37 8. INFECTIOUS DISEASES

38 For reducing the incidence and prevalence of  
39 communicable diseases, and for not more than the  
40 following full-time equivalent positions:

41 ..... \$ 977,340

42 ..... 1,074,888

43 ..... FTEs 36.90

44 DIVISION III

45 MISCELLANEOUS PROVISIONS

46 Sec. 11. GOVERNMENT OVERSIGHT COMMITTEE -- REVIEW  
47 OF CONTINUING CARE RETIREMENT COMMUNITIES -- ASSISTED  
48 LIVING PROGRAM APPLICABILITY. The government  
49 oversight committees shall review the application of  
50 chapter 231C, relating to assisted living programs, to

1 continuing care retirement communities, as defined in  
2 section 523D.1. The committees shall submit  
3 recommendations for any legislation deemed necessary  
4 for consideration during the 2004 regular legislative  
5 session.

6 Sec. 12. Section 15E.193B, subsection 4, Code  
7 2003, as amended by 2003 Iowa Acts, Senate File 458,  
8 section 100, if enacted, is amended to read as  
9 follows:

10 4. The eligible housing business shall complete  
11 its building or rehabilitation within two years from  
12 the time the business begins construction on the  
13 single-family homes and dwelling units. The failure  
14 to complete construction or rehabilitation within two  
15 years shall result in the eligible housing business  
16 becoming ineligible and subject to the repayment  
17 requirements and penalties enumerated in subsection 7.  
18 The department may extend the prescribed two-year  
19 completion period for any current or future project

20 which has not been completed if the department  
21 determines that completion within the two-year period  
22 is impossible or impractical as a result of a  
23 substantial loss caused by flood, fire, earthquake,  
24 storm, or other catastrophe. For purposes of this  
25 subsection, “substantial loss” means damage or  
26 destruction in an amount in excess of thirty percent  
27 of the project’s expected eligible basis as set forth  
28 in the eligible housing business’s application.

29 Sec. 13. Section 215.14, Code 2003, is amended to  
30 read as follows:

31 215.14 APPROVAL BY DEPARTMENT.

32 A commercial weighing and measuring device shall  
33 not be installed in this state unless approved by the  
34 department. ~~All livestock scales and~~

35 1. A pit type scales scale or any other scale  
36 installed in a pit, regardless of capacity, that is  
37 installed on or after July 1, 1990, shall have a  
38 clearance of not less than four feet from the finished  
39 floor line of the scale to the bottom of the “I” beam  
40 of the scale bridge. Livestock shall not be weighed  
41 on any scale other than a livestock scale or pit type  
42 scale.

43 2. An electronic pitless scale shall be placed on  
44 concrete footings with concrete floor. The concrete  
45 floor shall allow for adequate drainage away from the  
46 scale as required by the department. There shall be a  
47 clearance of not less than eight inches between the  
48 weigh bridge and the concrete floor to facilitate  
49 inspection and cleaning.

50 3. After approval by the department, the

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1 specifications for a commercial weighing and measuring  
2 device shall be furnished to the purchaser of the  
3 device by the manufacturer. The approval shall be  
4 based upon the recommendation of the United States  
5 national institute of standards and technology.

6 Sec. 14. Section 231C.17, subsection 4, if enacted  
7 by 2003 Iowa Acts, House File 675, section 24, is  
8 amended by striking the subsection and inserting in  
9 lieu thereof the following:

10 4. A continuing care retirement community that is  
11 in compliance with chapter 523D shall not be held in  
12 violation of this chapter if the continuing care  
13 retirement community provides personal care services  
14 to its independent living tenants if all of the  
15 following conditions are met:

16 a. The independent living tenants being provided  
17 personal care services under this subsection do not  
18 require staff supervision during the period when such

19 services are not being provided.

20 b. The portions of the continuing care retirement  
21 community in which tenants reside who do require staff  
22 supervision beyond the period in which personal care  
23 services are being provided are certified in  
24 accordance with this chapter or other applicable  
25 chapter.

26 c. Independent living tenants are provided the  
27 option of retaining personal care services from a  
28 person other than the continuing care retirement  
29 community.

30 For the purposes of this subsection, “continuing  
31 care retirement community” means as defined in section  
32 523D.1.

33 Sec. 15. Section 384.84, Code 2003, is amended by  
34 adding the following new subsection:

35 NEW SUBSECTION. 9. Notwithstanding subsection 3,  
36 a lien shall not be filed against the land if the  
37 premises are located on leased land. If the premises  
38 are located on leased land, a lien may be filed  
39 against the premises only.

40 Sec. 16. Section 422E.3A, subsection 2, paragraph  
41 a, if enacted by 2003 Iowa Acts, Senate File 445,  
42 section 8, is amended to read as follows:

43 a. A school district that is located in whole or  
44 in part in a county that voted on and approved prior  
45 to April 1, 2003, the local sales and services tax for  
46 school infrastructure purposes and that has a sales  
47 tax capacity per student above the guaranteed school  
48 infrastructure amount shall receive for the remainder  
49 of the term of the tax an amount equal to its pro rata  
50 share of the local sales and services tax receipts as

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1 provided in section 422E.3, subsection 5, paragraph  
2 “d”, unless the school board passes a resolution by  
3 October 1, 2003, agreeing to receive a distribution  
4 pursuant to paragraph “b”, subparagraph (1).

5 Sec. 17. Section 422E.3A, subsection 2, paragraph  
6 b, subparagraph (1), if enacted by 2003 Iowa Acts,  
7 Senate File 445, section 8, is amended to read as  
8 follows:

9 (1) A school district that is located in whole or  
10 in part in a county that voted on and approved prior  
11 to April 1, 2003, the local sales and services tax for  
12 school infrastructure purposes and that has a sales  
13 tax capacity per student below its guaranteed school  
14 infrastructure amount shall receive for the remainder  
15 of the term of the tax an amount equal to its pro rata  
16 share of the local sales and services tax receipts as  
17 provided in section 422E.3, subsection 5, paragraph

18 “d”, plus an amount equal to its supplemental school  
 19 infrastructure amount, unless the school district  
 20 passes a resolution by October 1, 2003, agreeing to  
 21 receive only an amount equal to its pro rata share as  
 22 provided in section 422E.3, subsection 5, paragraph  
 23 “d”, in all subsequent years.

24 Sec. 18. Section 435.26A, subsection 5, as enacted  
 25 by 2003 Iowa Acts, Senate File 134, section 7, and as  
 26 amended by 2003 Iowa Acts, Senate File 458, section  
 27 128, if enacted, is amended to read as follows:

28 5. An owner of a manufactured home who has  
 29 surrendered a certificate of title under this section  
 30 and requires another certificate of title for the  
 31 manufactured home is required to apply for a  
 32 certificate of title under ~~section 321.42~~ chapter 321.  
 33 If supporting documents for the reissuance of a title  
 34 are not available or sufficient, the procedure for the  
 35 reissuance of a title specified in the rules of the  
 36 department of transportation shall be used.

37 Sec. 19. Section 508.31A, subsection 2, paragraph  
 38 a, subparagraph (4), as enacted by 2003 Iowa Acts,  
 39 House File 647, section 7, is amended to read as  
 40 follows:

41 (4) A person other than a natural person for the  
 42 purpose of providing collateral security for  
 43 securities ~~issued by such person and~~ registered with  
 44 the federal securities and exchange commission.

45 Sec. 20. 2003 Iowa Acts, Senate File 401, section  
 46 5, subsection 1, is amended by striking the subsection  
 47 and inserting in lieu thereof the following:

48 1. Notwithstanding any provision of law to the  
 49 contrary, violations of section 453A.2, subsection 1,  
 50 pending on April 11, 2003, for which a county health

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1 department, a city health department, or a city has  
 2 not assessed a penalty under section 453A.22,  
 3 subsection 2, by June 30, 2003, shall be transferred  
 4 in accordance with section 453A.2, subsection 5A, as  
 5 enacted by this Act, on July 1, 2003.

6 Sec. 21. 2003 Iowa Acts, Senate File 453, section  
 7 31, subsection 1, if enacted, is amended to read as  
 8 follows:

9 1. In lieu of applying a charge for capital assets  
 10 to the institutions under the control of the state  
 11 board of regents as otherwise provided in this  
 12 division for executive branch agencies, the  
 13 appropriations made from the general fund of the state  
 14 to the state board of regents for the ~~general~~  
 15 ~~university~~ operating budgets at the state university  
 16 of Iowa, Iowa state university of science and

17 technology, and university of northern Iowa, in 2003  
 18 Iowa Acts, House File 662, section 9, subsections 2,  
 19 3, and 4, are reduced by \$17,880,000. ~~The state board~~  
 20 ~~of regents shall apply the reduction as follows: state~~  
 21 ~~university of Iowa, 46.7 percent, Iowa state~~  
 22 ~~university of science and technology, 36.8 percent,~~  
 23 ~~and university of northern Iowa, 16.5 percent.~~  
 24 Sec. 22. 2003 Iowa Acts, Senate File 458, section  
 25 171, subsection 1, if enacted, is amended to read as  
 26 follows:

27 1. PURPOSE. The general assembly finds that the  
 28 Iowa communications network is a valuable state asset  
 29 that has served the people of the state well, but  
 30 which requires significant ongoing financial support  
 31 from the state in the form of annual appropriations.  
 32 The operation of a telecommunications network is a  
 33 function that can be and generally is conducted by  
 34 private enterprise. It is in the public interest to  
 35 sell the Iowa communications network to a qualified  
 36 private business enterprise that will commit to  
 37 provide the same secure low-cost high-quality service  
 38 to ~~state and federal public and private agencies and~~  
 39 ~~military installations, as defined in chapter 8D,~~ now  
 40 provided by the network. Through such a sale, the  
 41 state would eliminate the need for ongoing annual  
 42 appropriations while preserving the key benefits  
 43 enjoyed by the state under the present state ownership  
 44 of the network. The state also expects to obtain  
 45 sufficient proceeds from such a sale to cover existing  
 46 obligations and to realize additional proceeds above  
 47 the level of such obligations. Given the current  
 48 depressed state of the telecommunications industry,  
 49 the state can reasonably be expected to maximize sales  
 50 proceeds by allowing a purchaser a period of time in

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1 which to assemble financing for its purchase. During  
 2 the interim between enactment of this division of this  
 3 Act and completion of a sale, the services of a  
 4 private-enterprise manager with experience operating  
 5 telecommunications networks can reasonably be expected  
 6 to reduce the costs of operating the Iowa  
 7 communications network, thereby lowering annual  
 8 appropriations.

9 Sec. 23. 2003 Iowa Acts, Senate File 458, section  
 10 172, subsection 2, paragraph b, if enacted, is amended  
 11 to read as follows:

12 b. Select a manager and enter into a management  
 13 contract with the manager by October 1, 2004. The  
 14 management contract shall provide for the continuation  
 15 of all services currently being provided to ~~state and~~

16 ~~federal public and private agencies and military~~  
 17 ~~installations~~ pursuant to chapter 8D, at the rates  
 18 specified therein, for the duration of the contract.  
 19 The contract shall also specify the manager's  
 20 authority in relation to the duties of the commission  
 21 during the period between execution of the management  
 22 contract and closing of the sale of the network. The  
 23 commission shall establish a dispute resolution  
 24 process regarding rate increases, quality of service  
 25 issues, and other areas of dispute involving network  
 26 subscribers. The commission shall also make  
 27 recommendations regarding imposition of an ongoing  
 28 dispute resolution and appeals process commencing with  
 29 the closing of the sale of the network.

30 Sec. 24. 2003 Iowa Acts, Senate File 458, section  
 31 173, subsection 1, if enacted, is amended to read as  
 32 follows:

33 1. The ~~principal place of business of the~~  
 34 purchaser and any parent of the purchaser shall be  
 35 ~~located~~ operating in the state of Iowa.

36 Sec. 25. 2003 Iowa Acts, section 174, subsection  
 37 4, if enacted, is amended to read as follows:

38 4. Agree to continue all services currently being  
 39 provided to ~~state and federal~~ public and private  
 40 ~~agencies and military installations, as defined in~~  
 41 chapter 8D, for the next ten years, with any annual  
 42 rate increase not to exceed five percent per year,  
 43 provided that the purchaser shall not be required to  
 44 supply at such restricted prices a quantity or quality  
 45 of service greater than that provided by the network  
 46 as of execution of the contract for sale of the  
 47 network.

48 Sec. 26. EFFECTIVE DATE -- RETROACTIVE  
 49 APPLICABILITY.

50 1. The section of this division of this Act

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1 amending section 231C.17, being deemed of immediate  
 2 importance, takes effect upon enactment.

3 2. The section of this division of this Act  
 4 amending 2003 Iowa Acts, Senate File 401, being deemed  
 5 of immediate importance, takes effect upon enactment  
 6 and is retroactively applicable to April 11, 2003.

7 DIVISION IV  
 8 CORRECTIVE PROVISIONS

9 Sec. 27. Section 8A.505, as enacted by 2003 Iowa  
 10 Acts, House File 534, section 87, is amended by adding  
 11 the following new unnumbered paragraph:  
 12 NEW UNNUMBERED PARAGRAPH. There is appropriated  
 13 annually from the increase in indirect cost  
 14 reimbursements over the amount of indirect cost

15 reimbursements received during the fiscal year  
16 beginning July 1, 2002, to the office of grants  
17 enterprise management of the department of management  
18 the sum of up to one hundred twenty-five thousand  
19 dollars. The director shall transfer the funds  
20 appropriated to the department of management as  
21 provided in this paragraph and shall make the funds  
22 resulting from the increase in reimbursements  
23 available during the fiscal year to the department of  
24 management on a monthly basis. If the amount of the  
25 increase in indirect cost reimbursements is  
26 insufficient to pay the maximum appropriation provided  
27 for in this paragraph, the amount appropriated is  
28 equal to the amount of such increase.

29 Sec. 28. Section 12C.4, Code 2003, as amended by  
30 2003 Iowa Acts, House File 289, section 2, is amended  
31 to read as follows:

32 12C.4 LOCATION OF DEPOSITORIES.

33 Deposits by the treasurer of state shall be in  
34 depositories located in this state; by a county  
35 officer or county public hospital officer or merged  
36 area hospital officer, in depositories located in the  
37 county or in an adjoining county within this state; by  
38 a memorial hospital treasurer, in a depository located  
39 within this state which shall be selected by the  
40 memorial hospital treasurer and approved by the  
41 memorial hospital commission; by a city treasurer or  
42 other city financial officer, in depositories located  
43 in the county in which the city is located or in an  
44 adjoining county, but if there is no depository in the  
45 county in which the city is located or in an adjoining  
46 county then in any other depository located in this  
47 state which shall be selected as a depository by the  
48 city council; by a school treasurer or by a school  
49 secretary in a depository within this state which  
50 shall be selected by the board of directors or the

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1 trustees of the school district; by a township clerk  
2 in a depository located within this state which shall  
3 be selected by the township clerk and approved by the  
4 trustees of the township. However, deposits may be  
5 made in depositories outside of Iowa for the purpose  
6 of paying principal and interest on bonded  
7 indebtedness of any municipality when the deposit is  
8 made not more than ten days before the date the  
9 principal or interest becomes due. Further, the  
10 treasurer of state may maintain an account or accounts  
11 outside the state of Iowa for the purpose of providing  
12 custodial services for the state and state retirement  
13 fund accounts. Deposits made for the purpose of

14 completing an electronic financial transaction  
15 pursuant to section ~~44B.203~~ 8A.222 or 331.427 may be  
16 made in any depository located in this state.

17 Sec. 29. Section 29A.28, subsection 3, as enacted  
18 by 2003 Iowa Acts, House File 674, section 3, is  
19 amended to read as follows:

20 3. Upon returning from a leave of absence under  
21 this section, an employee shall be entitled to return  
22 to the same position and classification held by the  
23 employee at the time of entry ~~onto~~ into state active  
24 duty, active state service, or federal service or to  
25 the position and classification that the employee  
26 would have been entitled to if the continuous civil  
27 service of the employee had not been interrupted by  
28 state active duty, active state service, or federal  
29 service. Under this subsection, “position” includes  
30 the geographical location of the position.

31 Sec. 30. Section 70A.39, subsection 1, paragraph  
32 b, as enacted by 2003 Iowa Acts, House File 381,  
33 section 1, is amended to read as follows:

34 b. ~~“Vascularized~~ “Vascular organ” means a heart,  
35 lung, liver, pancreas, kidney, intestine, or other  
36 organ that requires the continuous circulation of  
37 blood to remain useful for purposes of  
38 transplantation.

39 Sec. 31. Section 99B.7, subsection 1, paragraph 1,  
40 subparagraph (1), Code 2003, as amended by 2003 Iowa  
41 Acts, Senate File 453, section 104, if enacted, is  
42 amended to read as follows:

43 (1) No other gambling is engaged in at the same  
44 location, except that lottery tickets or shares issued  
45 by the Iowa lottery ~~division of the department of~~  
46 ~~revenue and finance~~ authority may be sold pursuant to  
47 chapter 99G.

48 Sec. 32. Section 507A.4, subsection 9, paragraph  
49 e, as enacted by 2003 Iowa Acts, House File 647,  
50 section 4, is amended to read as follows:

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1 e. When not otherwise provided, a foreign or  
2 domestic multiple ~~employee~~ employer welfare  
3 arrangement doing business in this state shall pay to  
4 the commissioner of insurance the fees as required in  
5 section 511.24.

6 Sec. 33. Section 556.11, subsection 5, Code 2003,  
7 as amended by 2003 Iowa Acts, Senate File 180, section  
8 2, is amended to read as follows:

9 5. If the holder of property presumed abandoned  
10 under this chapter knows the whereabouts of the owner  
11 and if the owner’s claim has not been barred by the  
12 statute of limitations, the holder shall, before

13 filing the annual report, communicate with the owner  
 14 and take necessary steps to prevent abandonment from  
 15 being presumed. The holder shall exercise due  
 16 diligence to ascertain the whereabouts of the owner. A  
 17 holder is not required to make a due diligence mailing  
 18 to owners whose property has an aggregate value of  
 19 less than fifty dollars. The treasurer of state may  
 20 charge a holder that fails to timely exercise due  
 21 diligence, as required in this subsection, five  
 22 dollars for each name and address account reported if  
 23 thirty-five percent ~~of~~ or more of the accounts are  
 24 claimed within the twenty-four months immediately  
 25 following the filing of the holder report.

26 Sec. 34. 2003 Iowa Acts, Senate File 438, section  
 27 3, is repealed.

28 Sec. 35. 2003 Iowa Acts, Senate File 453, section  
 29 11, if enacted, is amended to read as follows:

30 SEC. 11. Sections ~~405A.1, 405A.2, 405A.3,~~  
 31 405A.4, 405A.5, 405A.6, 405A.7, 405A.8, 405A.9,  
 32 405A.10, 422.65, 427A.12, and 427B.19B, Code 2003, are  
 33 repealed.

34 Sec. 36. 2003 Iowa Acts, Senate File 458, section  
 35 13, if enacted, is amended to read as follows:

36 SEC. 13. REDUCTION IN CREDITS NOT APPLICABLE. The  
 37 ~~provision~~ provisions in section 25B.7 relating to the  
 38 proration of the property tax credits ~~does~~ and the  
 39 estimation of the portion of the credit or exemption  
 40 which will be funded do not apply with respect to the  
 41 amount of state reimbursement for property tax credits  
 42 under this division.

43 Sec. 37. 2003 Iowa Acts, Senate File 458, section  
 44 159, if enacted, is amended to read as follows:

45 SEC. 159. EFFECTIVE DATES. The following  
 46 provisions of this division of this Act, being deemed  
 47 of immediate importance, take effect upon enactment:

48 1. The amendments to sections 8.23, 8.31, and 8.57  
 49 which are first applicable to appropriations made for  
 50 the fiscal year beginning July 1, 2003.

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- 1 2. The amendment to section 12E.12.
- 2 3. The amendments to sections 15E.42, 15E.43,
- 3 15E.45, and 15E.51, which apply retroactively to
- 4 January 1, 2002, for tax years beginning on or after
- 5 that date.
- 6 4. The amendment to section 15E.193B.
- 7 5. The amendment to section 435.26A.
- 8 6. The amendment to section 453A.2, which shall
- 9 only take effect if 2003 Iowa Acts, Senate File 401,
- 10 is enacted by the Eightieth General Assembly, 2003
- 11 Regular Session.

12 7. The amendments to sections 453C.1 and 453C.2  
13 and the related severability provision.

14 8. The amendments to sections 518.18 and 518A.35.

15 9. The section directing the department of  
16 corrections to develop a plan for selling certain  
17 land.

18 10. The section relating to the sales and use tax  
19 refund.

20 11. The section relating to the school district  
21 reimbursement claim.

22 The sections of this division of this Act amending  
23 section 80B.5 and enacting section 80B.5A are  
24 applicable to the appointment of the director of the  
25 Iowa law enforcement academy for the term beginning  
26 May 1, 2004.

27 ~~Section 29C.8, subsection 3, paragraph “f”, as~~  
28 ~~enacted in this division of this Act, and the~~  
29 ~~amendment to section 29C.20, subsection 1, as enacted~~  
30 ~~in this division of this Act, take effect July 1,~~  
31 ~~2004.~~

32 Sec. 38. 2003 Iowa Acts, House File 171, section  
33 112, the bill section amending clause, is amended to  
34 read as follows:

35 Section 656.2, subsection 2, paragraph a,  
36 unnumbered paragraph ~~1~~ 3, Code 2003, is amended to  
37 read as follows:

38 Sec. 39. 2003 Iowa Acts, House File 662, section  
39 5, subsection 8, paragraphs a and b, if enacted, are  
40 amended to read as follows:

41 a. Of the amount appropriated in this ~~section~~  
42 subsection, \$347,371 shall be allocated to the public  
43 broadcasting division for purposes of providing  
44 support for functions related to the Iowa  
45 communications network, including but not limited to  
46 the following functions: development of distance  
47 learning applications; development of a central  
48 information source on the internet relating to  
49 educational uses of the network; second-line technical  
50 support for network sites; testing and initializing

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1 sites onto the network; and coordinating the work of  
2 the education telecommunications council.

3 b. Of the amount appropriated in this ~~section~~  
4 subsection, \$1,272,285 shall be allocated to the  
5 regional telecommunications councils established in  
6 section 8D.5. The regional telecommunications  
7 councils shall use the funds to provide technical  
8 assistance for network classrooms, planning and  
9 troubleshooting for local area networks, scheduling of  
10 video sites, and other related support activities.

11 Sec. 40. 2003 Iowa Acts, House File 662, section  
12 6, unnumbered paragraph 2, if enacted, is amended to  
13 read as follows:

14 The funds allocated in this ~~subsection~~ section  
15 shall be distributed as follows:

16 Sec. 41. 2003 Iowa Acts, House File 662, section  
17 18, if enacted, is repealed.

18 Sec. 42. EFFECTIVE AND APPLICABILITY DATES.

19 1. The section of this division of this Act  
20 amending section 29A.28, subsection 3, being deemed of  
21 immediate importance, takes effect upon enactment and  
22 applies retroactively to January 1, 2003.

23 2. The section of this division of this Act  
24 amending 2003 Iowa Acts, Senate File 458, section 159,  
25 being deemed of immediate importance, takes effect  
26 upon enactment.

27 3. 2003 Iowa Acts, Senate File 458, section 140,  
28 relating to nonreversion of funds appropriated in 1996  
29 Iowa Acts, chapter 1218, and 1997 Iowa Acts, chapter  
30 215, if enacted, being deemed of immediate importance,  
31 takes effect upon enactment of this Act.

32 DIVISION V

33 ALTERNATIVE FORMS OF LOCAL GOVERNMENT

34 Sec. 43. Section 331.234, subsections 3 and 4,  
35 Code 2003, as amended by 2003 Iowa Acts, Senate File  
36 390, section 4, if enacted, are amended to read as  
37 follows:

38 3. The board shall make available to the  
39 commission in-kind services such as office space,  
40 printing, supplies, and equipment. ~~The county and~~  
41 ~~shall pay from the segregated account established in~~  
42 ~~subsection 4,~~ the other necessary expenses of the  
43 commission including compensation for secretarial,  
44 clerical, professional, and consultant services. The  
45 total annual expenses, not including the value of in-  
46 kind expenses, to be paid from public funds shall not  
47 exceed one hundred thousand dollars or an amount equal  
48 to thirty cents times the population of the commission  
49 area, according to the most recent certified federal  
50 census. The commission may employ staff as necessary.

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1 4. ~~The~~ Except as otherwise provided in subsection  
2 5, the expenses of the commission shall be paid by  
3 each city and county participating in the charter  
4 process or may be paid from the general fund of the  
5 county. Expenses of the commission may also be paid  
6 from any combination of public or private funds  
7 available for that purpose. Each city's share shall  
8 be its pro rata share of the expenses based upon the  
9 ratio that the population of the city bears to the

10 ~~total population in the county. The county's share~~  
11 ~~shall be its pro rata share of expenses based upon the~~  
12 ~~ratio that the population of the unincorporated area~~  
13 ~~of the county bears to the total population of the~~  
14 ~~county. The amount paid by each city and county~~  
15 ~~participating in the charter process shall be~~  
16 ~~deposited in a segregated account maintained by the~~  
17 ~~county. The commission's annual expenses may exceed~~  
18 the amount in subsection 3 only if the excess is paid  
19 from private funds. If a proposed charter is  
20 submitted to the electorate, private funds donated to  
21 the commission may be used to promote passage of the  
22 proposed charter.

23 Sec. 44. Section 331.234, Code 2003, is amended by  
24 adding the following new subsection:

25 NEW SUBSECTION. 5. In the case of a city-county  
26 consolidation charter commission or a community  
27 commonwealth charter commission, the expenses of the  
28 commission shall be paid by each city and county  
29 participating in the charter process pursuant to  
30 section 331.233A. Each participating city's share  
31 shall be its pro rata share of the expenses based upon  
32 the ratio that the population of the city bears to the  
33 total population in the county. The remainder shall  
34 be paid from the general fund of the county. The  
35 amount paid by each city and county participating in  
36 the charter process shall be deposited in a segregated  
37 account maintained by the county.

38 Sec. 45. Section 331.235, subsection 3, Code 2003,  
39 as amended by 2003 Iowa Acts, Senate File 390, section  
40 5, if enacted, is amended to read as follows:

41 3. Within twenty months after organization, the  
42 commission shall submit the final report to the board.  
43 If the commission is created pursuant to section  
44 331.264, subsection 4, the commission shall submit the  
45 final report to the board within five months after  
46 submission of the preliminary report to the board  
47 pursuant to section 331.264, subsection 3. A  
48 commission created pursuant to section 331.264,  
49 subsection 4, may adopt a motion granting itself a  
50 sixty-day extension of time for submission of its

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1 final report. If the commission recommends a charter  
2 including a form of government other than the existing  
3 form of government, the final report shall include the  
4 full text and an explanation of the proposed charter,  
5 ~~a statement of whether the elected officers shall be~~  
6 ~~elected on a partisan or nonpartisan basis, an~~  
7 analysis of the fiscal impact of the proposed charter,  
8 any comments deemed desirable by the commission, and

9 any minority reports. The final report may recommend  
 10 no change to the existing form of government and that  
 11 no charter be submitted to the electorate, in which  
 12 case, the report shall state the reasons for and  
 13 against a change in the existing form of government.  
 14 The final report shall be made available to the  
 15 residents of the county upon request. A summary of  
 16 the final report shall be published in the official  
 17 newspapers of the county and in a newspaper of general  
 18 circulation in each participating city.

19 Sec. 46. Section 331.238, subsection 4, if enacted  
 20 by 2003 Iowa Acts, Senate File 390, section 9, is  
 21 amended to read as follows:

22 4. ~~Subsections 1 and 2 do~~ This section does not  
 23 apply to the city-county consolidated form of  
 24 government or the community commonwealth form of  
 25 government.

26 Sec. 47. Section 331.247, subsection 4, Code 2003,  
 27 as amended by 2003 Iowa Acts, Senate File 390, section  
 28 11, if enacted, is amended to read as follows:

29 4. If an alternative form of government for a  
 30 consolidated unit of local government is proposed,  
 31 approval of the consolidation charter shall be  
 32 separate from approval of the alternative form of  
 33 government in those cities proposed to be included in  
 34 the consolidation. The question of whether the  
 35 election of officers of the consolidated unit of local  
 36 government shall be with regard to political  
 37 affiliation shall be a separate question on the  
 38 ballot. Adoption of the consolidation charter  
 39 requires the approval of a majority of the votes cast  
 40 in the entire county. A city named on the ballot is  
 41 included in the consolidation if the proposed charter  
 42 is approved by a majority of the votes cast in the  
 43 city. The consolidation charter shall be effective in  
 44 regard to a city government only if a majority of the  
 45 voters of the city voting on the question voted for  
 46 participation in the consolidation charter.

47 Sec. 48. Section 331.248, subsection 2, paragraph  
 48 j, if enacted by 2003 Iowa Acts, Senate File 390,  
 49 section 13, is amended by striking the paragraph and  
 50 inserting in lieu thereof the following:

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1 j. Provide for the effective date of the adopted  
 2 charter.

3 Sec. 49. Section 331.252, Code 2003, as amended by  
 4 2003 Iowa Acts, Senate File 390, section 18, if  
 5 enacted, is amended by adding the following new  
 6 unnumbered paragraph after unnumbered paragraph 2:

7 NEW UNNUMBERED PARAGRAPH. If the charter described

8 on this ballot is adopted, should officers of the new  
9 government be elected with regard to political  
10 affiliation?

11 Sec. 50. Section 331.254, subsection 7, Code 2003,  
12 as amended by 2003 Iowa Acts, Senate File 390, section  
13 19, if enacted, is amended to read as follows:

14 7. The merger of the elective offices of each  
15 consolidating county with the election of new officers  
16 within sixty days after the effective date of the  
17 charter ~~which shall specifically provide whether the~~  
18 ~~election of new officers shall be on a partisan or~~  
19 ~~nonpartisan basis, notwithstanding section 331.238,~~  
20 ~~subsection 3.~~ The elections shall be conducted by the  
21 county commissioner of elections of each county. No  
22 primary election shall be held. Nominations shall be  
23 made pursuant to section 43.78 and chapters 44 and 45,  
24 as applicable, except that the filing deadline shall  
25 be forty days before the election.

26 Sec. 51. Section 331.261, subsection 11, Code  
27 2003, as amended by 2003 Iowa Acts, Senate File 390,  
28 section 22, if enacted, is amended by striking the  
29 subsection and inserting in lieu thereof the  
30 following:

31 11. The effective date of the adopted charter.

32 Sec. 52. Section 331.264, subsection 4, if enacted  
33 by 2003 Iowa Acts, Senate File 390, section 25, is  
34 amended to read as follows:

35 4. If the committee report recommends a city-  
36 county consolidation or community commonwealth, the  
37 committee shall continue its existence and be  
38 designated, and operate with the powers and duties of,  
39 a commission created pursuant to section 331.233A. If  
40 the committee report recommends a multicounty  
41 consolidation, the committee shall continue its  
42 existence and be designated, and operate with the  
43 powers and duties of, a commission created pursuant to  
44 section 331.233. ~~If the committee recommends an~~  
45 ~~alternative form of government, that recommendation~~  
46 ~~shall state whether elections conducted under that~~  
47 ~~form of government shall be partisan or nonpartisan.~~

48 Sec. 53. EFFECTIVE AND APPLICABILITY DATES. This  
49 division of this Act, being deemed of immediate  
50 importance, takes effect upon enactment and applies to

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1 charter commissions in existence on that date.

2 DIVISION VI

3 ECONOMIC DEVELOPMENT APPROPRIATIONS

4 Sec. 54. MARKETING APPROPRIATION.

5 1. There is appropriated from the grow Iowa fund  
6 created in section 15G.107, if enacted by 2003 Iowa

7 Acts, House File 692 or another Act, to the department  
 8 of economic development, for the fiscal period  
 9 beginning July 1, 2003, and ending June 30, 2010, the  
 10 following amounts, or so much thereof as is necessary,  
 11 to be used for the purpose designated:

12 For implementing and administering the marketing  
 13 strategy approved under section 15G.108, if enacted by  
 14 2003 Iowa Acts, House File 692 or another Act:

15 FY 2003–2004 .....	\$ 7,500,000
16 FY 2004–2005 .....	\$ 7,500,000
17 FY 2005–2006 .....	\$ 5,000,000
18 FY 2006–2007 .....	\$ 5,000,000
19 FY 2007–2008 .....	\$ 5,000,000
20 FY 2008–2009 .....	\$ 5,000,000
21 FY 2009–2010 .....	\$ 2,500,000

22 2. Notwithstanding section 8.33, moneys that  
 23 remain unexpended at the end of a fiscal year shall  
 24 not revert to any fund but shall remain available for  
 25 expenditure for the designated purposes during the  
 26 succeeding fiscal year.

27 Sec. 55. DEPARTMENT OF ECONOMIC DEVELOPMENT  
 28 APPROPRIATION.

29 1. There is appropriated from the grow Iowa fund  
 30 created in section 15G.107, if enacted by 2003 Iowa  
 31 Acts, House File 692 or another Act, to the department  
 32 of economic development for the fiscal period  
 33 beginning July 1, 2003, and ending June 30, 2010, the  
 34 following amounts, or so much thereof as is necessary,  
 35 to be used for the purpose designated:

36 For programs administered by the department of  
 37 economic development:

38 FY 2003–2004 .....	\$ 41,575,000
39 FY 2004–2005 .....	\$ 31,575,000
40 FY 2005–2006 .....	\$ 35,000,000
41 FY 2006–2007 .....	\$ 32,500,000
42 FY 2007–2008 .....	\$ 30,500,000
43 FY 2008–2009 .....	\$ 13,500,000
44 FY 2009–2010 .....	\$ 13,500,000

45 2. Notwithstanding section 8.33, moneys that  
 46 remain unexpended at the end of a fiscal year shall  
 47 not revert to any fund but shall remain available for  
 48 expenditure for the designated purposes during the  
 49 succeeding fiscal year.

50 3. Each year that moneys are appropriated under

1 this section, the grow Iowa board shall allocate a  
 2 percentage of the moneys for each of the following  
 3 types of activities:  
 4 a. Business start-ups.  
 5 b. Business expansion.

6 c. Business modernization.  
7 d. Business attraction.  
8 e. Business retention.  
9 f. Marketing.

10 4. An applicant for moneys appropriated under this  
11 section shall be required by the department to include  
12 in the application a statement regarding the intended  
13 return on investment. A recipient of moneys  
14 appropriated under this section shall annually submit  
15 a statement to the department regarding the progress  
16 achieved on the intended return on investment stated  
17 in the application. The department, in cooperation  
18 with the department of revenue and finance, shall  
19 develop a method of identifying and tracking each new  
20 job created through financial assistance from moneys  
21 appropriated under this section.

22 5. The department may use moneys appropriated  
23 under this section to procure technical assistance  
24 from either the public or private sector, for  
25 information technology purposes, and for rail, air, or  
26 river port transportation-related purposes. The use  
27 of moneys appropriated for rail, air, or river port  
28 transportation-related purposes must be directly  
29 related to an economic development project and the  
30 moneys must be used to leverage other financial  
31 assistance moneys.

32 6. Of the moneys appropriated under this section,  
33 the department may use one-quarter of one percent for  
34 administrative purposes.

35 7. The grow Iowa board is required to approve or  
36 deny applications for financial assistance from moneys  
37 appropriated under this section.

38 Sec. 56. UNIVERSITY AND COLLEGE FINANCIAL  
39 ASSISTANCE APPROPRIATION.

40 1. There is appropriated from the grow Iowa fund  
41 created in section 15G.107, if enacted by 2003 Iowa  
42 Acts, House File 692 or another Act, to the grow Iowa  
43 board for the fiscal period beginning July 1, 2003,  
44 and ending June 30, 2010, the following amounts, or so  
45 much thereof as is necessary, to be used for the  
46 purposes designated:

47 For financial assistance for institutions of higher  
48 learning under the control of the state board of  
49 regents and for accredited private institutions as  
50 defined in section 261.9 for multiuse, goods

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1 manufacturing processes approved by the food and drug  
2 administration of the United States department of  
3 health and human services, protein purification  
4 facilities for plant, animal, and chemical

5 manufactured proteins; upgrading food and drug  
6 administration drug approval laboratories in Iowa City  
7 to a larger multiclient, goods manufacturing processes  
8 facility; crop and animal livestock facilities for the  
9 growing of transgenic crops and livestock; and  
10 advanced laboratory space:

11 FY 2003–2004 .....	\$ 5,325,000
12 FY 2004–2005 .....	\$ 5,325,000
13 FY 2005–2006 .....	\$ 5,325,000
14 FY 2006–2007 .....	\$ 5,325,000
15 FY 2007–2008 .....	\$ 5,325,000
16 FY 2008–2009 .....	\$ 5,325,000
17 FY 2009–2010 .....	\$ 5,325,000

18 2. Notwithstanding section 8.33, moneys that  
19 remain unexpended at the end of a fiscal year shall  
20 not revert to any fund but shall remain available for  
21 expenditure for the designated purposes during the  
22 succeeding fiscal year.

23 3. In the distribution of moneys appropriated  
24 pursuant to this section, the grow Iowa board shall  
25 examine the potential for using moneys appropriated  
26 pursuant to this section to leverage other moneys for  
27 financial assistance to accredited private  
28 institutions.

29 4. In awarding moneys appropriated pursuant to  
30 this section, the grow Iowa board shall consider  
31 whether the purchase of suitable existing  
32 infrastructure is more cost-efficient than building  
33 new infrastructure.

34 5. An institution of higher learning under the  
35 control of the state board of regents may apply to use  
36 financial assistance moneys under this section for  
37 purposes of a public and private joint venture to  
38 acquire infrastructure assets or research facilities  
39 or to leverage moneys in a manner consistent with  
40 meeting the goals and performance measures provided in  
41 section 15G.106, if enacted by 2003 Iowa Acts, House  
42 File 692 or another Act.

43 **Sec. 57. REHABILITATION PROJECT TAX CREDITS**  
44 **APPROPRIATION.**

45 1. There is appropriated from the grow Iowa fund  
46 created in section 15G.107, if enacted by 2003 Iowa  
47 Acts, House File 692 or another Act, to the general  
48 fund of the state, for the fiscal period beginning  
49 July 1, 2003, and ending June 30, 2010, the following  
50 amounts, or so much thereof as is necessary, to be

- 1 used for the purpose designated:
- 2 For payment of tax credits approved pursuant to
- 3 section 404A.4 for projects located in certified

4 cultural and entertainment districts:

5 FY 2003–2004 .....	\$ 700,000
6 FY 2004–2005 .....	\$ 700,000
7 FY 2005–2006 .....	\$ 700,000
8 FY 2006–2007 .....	\$ 700,000
9 FY 2007–2008 .....	\$ 700,000
10 FY 2008–2009 .....	\$ 700,000
11 FY 2009–2010 .....	\$ 700,000

12 2. Notwithstanding section 8.33, moneys that  
 13 remain unexpended at the end of a fiscal year shall  
 14 not revert to any fund but shall remain available for  
 15 expenditure for the designated purposes during the  
 16 succeeding fiscal year.

17 Sec. 58. LOAN AND CREDIT GUARANTEE FUND  
 18 APPROPRIATION.

19 1. There is appropriated from the grow Iowa fund  
 20 created in section 15G.107, if enacted by 2003 Iowa  
 21 Acts, House File 692 or another Act, to the department  
 22 of economic development for the fiscal period  
 23 beginning July 1, 2003, and ending June 30, 2010, the  
 24 following amounts, or so much thereof as is necessary,  
 25 to be used for the purpose designated:

26 For deposit in the loan and credit guarantee fund  
 27 created in section 15E.227:

28 FY 2003–2004 .....	\$ 2,500,000
29 FY 2004–2005 .....	\$ 7,500,000
30 FY 2005–2006 .....	\$ 8,575,000
31 FY 2006–2007 .....	\$ 11,075,000
32 FY 2007–2008 .....	\$ 13,075,000
33 FY 2008–2009 .....	\$ 35,075,000
34 FY 2009–2010 .....	\$ 37,575,000

35 2. Notwithstanding section 8.33, moneys that  
 36 remain unexpended at the end of a fiscal year shall  
 37 not revert to any fund but shall remain available for  
 38 expenditure for the designated purpose during the  
 39 succeeding fiscal year.

40 Sec. 59. ENDOW IOWA TAX CREDITS.

41 1. There is appropriated from the grow Iowa fund  
 42 created in section 15G.107, if enacted by 2003 Iowa  
 43 Acts, House File 692 or another Act, to the general  
 44 fund of the state, for the fiscal period beginning  
 45 July 1, 2003, and ending June 30, 2010, the following  
 46 amounts, or so much thereof as is necessary, to be  
 47 used for the purpose designated:

48 For payment of endow Iowa tax credits authorized  
 49 pursuant to section 15E.305:

50 FY 2003–2004 .....	\$ 200,000
-----------------------	------------

1 FY 2004–2005 .....	\$ 200,000
2 FY 2005–2006 .....	\$ 200,000

3	FY 2006–2007 .....	\$	200,000
4	FY 2007–2008 .....	\$	200,000
5	FY 2008–2009 .....	\$	200,000
6	FY 2009–2010 .....	\$	200,000

7 2. Notwithstanding section 8.33, moneys that  
8 remain unexpended at the end of a fiscal year shall  
9 not revert to any fund but shall remain available for  
10 expenditure for the designated purposes during the  
11 succeeding fiscal year.

12 Sec. 60. ENDOW IOWA GRANTS APPROPRIATION.

13 1. There is appropriated from the grow Iowa fund  
14 created in section 15G.107, if enacted by 2003 Iowa  
15 Acts, House File 692 or another Act, to the department  
16 of economic development for the fiscal period  
17 beginning July 1, 2003, and ending June 30, 2010, the  
18 following amounts, or so much thereof as is necessary,  
19 to be used for the purpose designated:

20 For endow Iowa grants to lead philanthropic  
21 entities pursuant to section 15E.304:

22	FY 2003–2004 .....	\$	200,000
23	FY 2004–2005 .....	\$	200,000
24	FY 2005–2006 .....	\$	200,000
25	FY 2006–2007 .....	\$	200,000
26	FY 2007–2008 .....	\$	200,000
27	FY 2008–2009 .....	\$	200,000
28	FY 2009–2010 .....	\$	200,000

29 2. Notwithstanding section 8.33, moneys that  
30 remain unexpended at the end of a fiscal year shall  
31 not revert to any fund but shall remain available for  
32 expenditure for the designated purposes during the  
33 succeeding fiscal year.

34 Sec. 61. ANTICIPATED FEDERAL MONEYS --  
35 APPROPRIATION.

36 1. There is appropriated from the fund created by  
37 section 8.41, for the fiscal period beginning July 1,  
38 2003, and ending June 30, 2005, the following amounts  
39 to be used for the purpose designated:

40 For deposit in the grow Iowa fund created in  
41 section 15G.107, if enacted by 2003 Iowa Acts, House  
42 File 692 or another Act:

43	FY 2003–2004 .....	\$	59,000,000
44	FY 2004–2005 .....	\$	41,000,000

45 2. Moneys appropriated in this section are moneys  
46 anticipated to be received from the federal government  
47 for state and local government fiscal relief under the  
48 federal Jobs and Growth Tax Relief Reconciliation Act  
49 of 2003 and shall be expended as provided in the  
50 federal law making the moneys available and in

1 conformance with chapter 17A.

2 3. Notwithstanding section 8.33, moneys that  
3 remain unexpended at the end of a fiscal year shall  
4 not revert to any fund but shall remain available for  
5 expenditure for the designated purposes during the  
6 succeeding fiscal year.

7 Sec. 62. STREAMLINED SALES AND USE TAX REVENUE --  
8 APPROPRIATION.

9 1. There is appropriated from the general fund  
10 from moneys credited to the general fund as a result  
11 of entering into the streamlined sales and use tax  
12 agreement, for the fiscal period beginning July 1,  
13 2005, and ending June 30, 2010, the following amounts  
14 to be used for the purpose designated:

15 For deposit in the grow Iowa fund created in  
16 section 15G.107, if enacted by 2003 Iowa Acts, House  
17 File 692 or another Act:

18 FY 2005–2006 .....	\$ 70,000,000
19 FY 2006–2007 .....	\$ 70,000,000
20 FY 2007–2008 .....	\$ 70,000,000
21 FY 2008–2009 .....	\$ 70,000,000
22 FY 2009–2010 .....	\$ 70,000,000

23 2. Notwithstanding section 8.33, moneys that  
24 remain unexpended at the end of a fiscal year shall  
25 not revert to any fund but shall remain available for  
26 expenditure for the designated purposes during the  
27 succeeding fiscal year.

28 DIVISION VII

29 WORKFORCE-RELATED ISSUES

30 Sec. 63. NEW SECTION. 260C.18A WORKFORCE  
31 TRAINING AND ECONOMIC DEVELOPMENT FUNDS.

32 1. a. A workforce training and economic  
33 development fund is created for each community  
34 college. Moneys shall be deposited and expended from  
35 a fund as provided under this section.

36 b. Moneys in the funds shall consist of any moneys  
37 appropriated by the general assembly and any other  
38 moneys available to and obtained or accepted by the  
39 department of economic development from federal  
40 sources or private sources for placement in the funds.  
41 Notwithstanding section 8.33, moneys in the funds at  
42 the end of each fiscal year shall not revert to any  
43 other fund but shall remain in the funds for  
44 expenditure in subsequent fiscal years.

45 2. On July 1 of each year for the fiscal year  
46 beginning July 1, 2003, and for every fiscal year  
47 thereafter, moneys from the grow Iowa fund created in  
48 section 15G.107, if enacted by 2003 Iowa Acts, House  
49 File 692 or another Act, are appropriated to the  
50 department of economic development for deposit in the

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1 workforce training and economic development funds in  
2 amounts determined pursuant to subsection 3. Moneys  
3 deposited in the funds and disbursed to community  
4 colleges for a fiscal year shall be expended for the  
5 following purposes:

6 a. Projects in which an agreement between a  
7 community college and an employer located within the  
8 community college's merged area meet all of the  
9 requirements of the accelerated career education  
10 program under chapter 260G. However, moneys used by  
11 the community colleges from the workforce training and  
12 economic development fund for these projects shall be  
13 in lieu of the program job credits provided under  
14 chapter 260G. Projects using moneys from the  
15 workforce training and economic development fund under  
16 this paragraph shall be in accordance with rules  
17 adopted by the department of economic development  
18 under chapter 260G.

19 b. Projects in which an agreement between a  
20 community college and a business meet all the  
21 requirements of the Iowa jobs training Act under  
22 chapter 260F. However, when moneys are provided  
23 through the grow Iowa fund for such projects, section  
24 260F.6, subsections 1 and 2, and section 260F.8 shall  
25 not apply. Projects using moneys from the workforce  
26 training and economic development fund under this  
27 paragraph shall be in accordance with rules adopted by  
28 the department of economic development under chapter  
29 260F.

30 c. For the development and implementation of  
31 career academies designed to provide new career  
32 preparation opportunities for high school students  
33 that are formally linked with postsecondary career and  
34 technical education programs. Moneys from workforce  
35 training and economic development funds that are  
36 expended for purposes of this paragraph shall be in  
37 accordance with the plan submitted to the department  
38 of economic development and the grow Iowa board under  
39 subsection 5. For purposes of this section, "career  
40 academy" means a program of study that combines a  
41 minimum of two years of secondary education with an  
42 associate degree, or the equivalent, career  
43 preparatory program in a nonduplicative, sequential  
44 course of study that is standards based, integrates  
45 academic and technical instruction, utilizes work-  
46 based and worksite learning where appropriate and  
47 available, utilizes an individual career planning  
48 process with parent involvement, and leads to an  
49 associate degree or postsecondary diploma or  
50 certificate in a career field that prepares an

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1 individual for entry and advancement in a high-skill  
2 and reward career field and further education. The  
3 state board of education, in conjunction with the  
4 division of community colleges and workforce  
5 preparation of the department of education, and in  
6 consultation with the department of economic  
7 development, shall adopt administrative rules for the  
8 development and implementation of such career  
9 academies pursuant to section 256.11, subsection 5,  
10 paragraph “h”, section 260C.1, and Title II of Pub. L.  
11 No. 105-332, Carl D. Perkins Vocational and Technical  
12 Education Act of 1998.

13 d. Programs and courses that provide vocational  
14 and technical training, and programs for in-service  
15 training and retraining under section 260C.1,  
16 subsections 2 and 3.

17 3. Moneys from the workforce training and economic  
18 development fund that are expended for purposes of  
19 this subsection shall be in accordance with the plan  
20 submitted to the department of economic development  
21 and the grow Iowa board under subsection 5. The  
22 maximum cumulative total amount of moneys that may be  
23 deposited in all the workforce training and economic  
24 development funds for distribution to community  
25 colleges in a fiscal year shall be determined as  
26 follows:

27 a. Six million dollars for the fiscal year  
28 beginning July 1, 2003.

29 b. Eleven million dollars for the fiscal year  
30 beginning July 1, 2004.

31 c. Twenty million dollars for the fiscal year  
32 beginning July 1, 2005.

33 d. Twenty million dollars for the fiscal year  
34 beginning July 1, 2006.

35 e. Twenty million dollars for the fiscal year  
36 beginning July 1, 2007.

37 f. Fifteen million dollars for the fiscal year  
38 beginning July 1, 2008.

39 g. Fifteen million dollars for the fiscal year  
40 beginning July 1, 2009.

41 4. The department of economic development shall  
42 allocate the moneys appropriated pursuant to this  
43 section to the community college workforce training  
44 and economic development funds utilizing the same  
45 distribution formula used for the allocation of state  
46 general aid to the community colleges.

47 5. Each community college shall do all of the  
48 following:

49 a. Adopt a two-year workforce training and  
50 economic development fund plan outlining the community

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1 college's proposed use of moneys appropriated under  
2 subsection 2.  
3 b. Update the two-year plan annually.  
4 c. Prepare an annual progress report on the two-  
5 year plan's implementation.  
6 d. Annually submit the two-year plan and progress  
7 report to the department of economic development in a  
8 manner prescribed by rules adopted by the department  
9 pursuant to chapter 17A and annually file a copy of  
10 the plan and progress report with the grow Iowa board.  
11 6. Any individual project using over one million  
12 dollars of moneys from a workforce training and  
13 economic development fund shall require prior approval  
14 from the grow Iowa board.  
15 Sec. 64. NEW SECTION. 260F.9 JOB RETENTION  
16 PROGRAM AND FUND.  
17 1. A job retention fund is created in the state  
18 treasury under the control of the department of  
19 economic development to encourage the retention of  
20 existing jobs and income that would otherwise be lost  
21 and encourage large businesses to remain in the state.  
22 Moneys shall be deposited and expended from the fund  
23 as provided in this section.  
24 2. There is appropriated from the grow Iowa fund  
25 created in section 15G.107, if enacted by 2003 Iowa  
26 Acts, House File 692 or another Act, to the department  
27 of economic development for the fiscal period  
28 beginning July 1, 2003, and ending June 30, 2006, the  
29 following amounts to be used for funding of job  
30 retention programs and agreements authorized by the  
31 department and participating community colleges as  
32 provided in this section:  
33 a. One million dollars for the fiscal year  
34 beginning July 1, 2003.  
35 b. One million dollars for the fiscal year  
36 beginning July 1, 2004.  
37 c. One million dollars for the fiscal year  
38 beginning July 1, 2005.  
39 3. Notwithstanding section 8.33, moneys that  
40 remain unexpended at the end of a fiscal year shall  
41 not revert to any fund but shall remain available for  
42 expenditure for the designated purposes during the  
43 succeeding fiscal year.  
44 4. The department of economic development shall  
45 administer the allocation of moneys in the job  
46 retention fund and shall administer the job retention  
47 program. The department shall adopt rules pursuant to  
48 chapter 17A necessary for the administration of this  
49 section. By January 15 of each year, the department  
50 shall submit a written report to the general assembly

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1 and the governor regarding the activities of the job  
2 retention program during the previous calendar year.  
3 5. A community college and the department may  
4 enter into an agreement to establish a job retention  
5 project. A job retention project agreement shall  
6 include, but not be limited to, the following:  
7 a. The date of the agreement.  
8 b. The anticipated number of employees to be  
9 trained.  
10 c. The estimated cost of training.  
11 d. A statement regarding the number of employees  
12 employed by the participating business on the date of  
13 the agreement which must equal at least the lesser of  
14 one thousand employees or four percent or more of the  
15 county's resident labor force based on the most recent  
16 annual labor force statistics from the department of  
17 workforce development.  
18 e. A commitment that the participating business  
19 shall invest at least fifteen million dollars to  
20 retool the workplace and upgrade the facilities of the  
21 participating business.  
22 f. A commitment that the participating business  
23 shall not move the business operation out of this  
24 state or close the business operation for at least  
25 five years following the date of the agreement.  
26 g. Other criteria established by the department of  
27 economic development.  
28 6. A job retention project agreement entered into  
29 pursuant to this section must be approved by the board  
30 of trustees of the applicable community college, the  
31 department of economic development, and the  
32 participating business.  
33 Sec. 65. NEW SECTION. 260F.101 REPORTING.  
34 A community college entering into an agreement  
35 pursuant to this chapter shall submit an annual  
36 written report by the end of each calendar year with  
37 the grow Iowa board created in section 15G.102, if  
38 enacted by 2003 Iowa Acts, House File 692 or another  
39 Act. The report shall provide information regarding  
40 how the agreement affects the achievement of the goals  
41 and performance measures provided in section 15G.106,  
42 if enacted by 2003 Iowa Acts, House File 692 or  
43 another Act.  
44 Sec. 66. Section 260G.3, subsection 2, Code 2003,  
45 is amended to read as follows:  
46 2. An agreement may include reasonable and  
47 necessary provisions to implement the accelerated  
48 career education program. If an agreement that  
49 utilizes program job credits is entered into, the  
50 community college and the employer shall notify the

1 department of revenue and finance as soon as possible.  
 2 The community college shall also file a copy of the  
 3 agreement with the department of economic development  
 4 as required in section 260G.4B. The agreement shall  
 5 provide for program costs, including deferred costs,  
 6 which may be paid from any of the following sources:  
 7 a. Program job credits which the employer receives  
 8 based on the number of program job positions agreed to  
 9 by the employer to be available under the agreement.  
 10 b. Cash or in-kind contributions by the employer  
 11 toward the program cost. At a minimum, the employer  
 12 contribution shall be twenty percent of the program  
 13 costs.  
 14 c. Tuition, student fees, or special charges fixed  
 15 by the board of directors to defray program costs.  
 16 d. Guarantee by the employer of payments to be  
 17 received under paragraphs “a” and “b”.  
 18 e. Moneys from a workforce training and economic  
 19 development fund created in section 260C.18A, based on  
 20 the number of program job positions agreed to by the  
 21 employer to be available under the agreement, the  
 22 amount of which shall be calculated in the same manner  
 23 as the program job credits provided for in section  
 24 260G.4A.

25 Sec. 67. NEW SECTION. 260G.101 REPORTING.  
 26 A community college entering into an agreement  
 27 pursuant to this chapter shall submit an annual  
 28 written report by the end of each calendar year with  
 29 the grow Iowa board created in section 15G.102, if  
 30 enacted by 2003 Iowa Acts, House File 692 or another  
 31 Act. The report shall provide information regarding  
 32 how the agreement affects the achievement of the goals  
 33 and performance measures provided in section 15G.106,  
 34 if enacted by 2003 Iowa Acts, House File 692 or  
 35 another Act.

DIVISION VIII

LOAN AND CREDIT GUARANTEE FUND

37 Sec. 68. NEW SECTION. 15E.227 LOAN AND CREDIT  
 38 GUARANTEE FUND.  
 39

40 1. A loan and credit guarantee fund is created and  
 41 established as a separate and distinct fund in the  
 42 state treasury. Moneys in the fund shall only be used  
 43 for purposes provided in this section. The moneys in  
 44 the fund are appropriated to the department to be used  
 45 for all of the following purposes:  
 46 a. Payment of claims pursuant to loan and credit  
 47 guarantee agreements entered into under this division.  
 48 b. Payment of administrative costs of the  
 49 department for actual and necessary administrative  
 50 expenses incurred by the department in administering

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- 1 the program.
- 2 c. Purchase or buyout of superior or prior liens,  
3 mortgages, or security interests.
- 4 2. Moneys in the loan and credit guarantee fund  
5 shall consist of all of the following:
- 6 a. Moneys appropriated by the general assembly for  
7 that purpose and any other moneys available to and  
8 obtained or accepted by the department for placement  
9 in the fund.
- 10 b. Proceeds from collateral assigned to the  
11 department, fees for guarantees, gifts, and moneys  
12 from any grant made to the fund by any federal agency.
- 13 c. Moneys appropriated from the grow Iowa fund  
14 created in section 15G.107, if enacted by 2003 Iowa  
15 Acts, House File 692 or another Act.
- 16 3. Moneys in the fund are not subject to section  
17 8.33. Notwithstanding section 12C.7, interest or  
18 earnings on the moneys in the fund shall be credited  
19 to the fund.
- 20 4. a. The department shall only pledge moneys in  
21 the loan and credit guarantee fund and not any other  
22 moneys of the department. The department may pledge  
23 an amount not to exceed a total of any of the  
24 following amounts of moneys in the fund to assure the  
25 repayment of loan and credit guarantees or other  
26 extensions of credit made to or on behalf of qualified  
27 businesses or targeted industry businesses for  
28 eligible project costs.
- 29 (1) Two million five hundred thousand dollars for  
30 the fiscal year beginning July 1, 2003.
- 31 (2) Seven million five hundred thousand dollars  
32 for the fiscal year beginning July 1, 2004.
- 33 (3) Eight million five hundred seventy-five  
34 thousand dollars for the fiscal year beginning July 1,  
35 2005.
- 36 (4) Eleven million seventy-five thousand dollars  
37 for the fiscal year beginning July 1, 2006.
- 38 (5) Thirteen million seventy-five thousand dollars  
39 for the fiscal year beginning July 1, 2007.
- 40 (6) Thirty-five million seventy-five thousand  
41 dollars for the fiscal year beginning July 1, 2008.
- 42 (7) Thirty-seven million five hundred seventy-five  
43 thousand dollars for the fiscal year beginning July 1,  
44 2009.
- 45 b. The department shall not pledge the credit or  
46 taxing power of this state or any political  
47 subdivision of this state or make debts payable out of  
48 any moneys except for those in the loan and credit  
49 guarantee fund.
- 50 Sec. 69. This division of this Act is repealed

1 July 1, 2008.

2 DIVISION IX  
3 UNIVERSITY-BASED RESEARCH UTILIZATION  
4 PROGRAM APPROPRIATION

5 Sec. 70. NEW SECTION. 262B.12 APPROPRIATION.

6 On July 1 of each year there is appropriated from  
7 the general fund of the state to each university under  
8 the control of the state board of regents, an amount  
9 equal to the amount determined by the department of  
10 economic development pursuant to section 262B.11,  
11 subsection 4, paragraph “c”, subparagraph (2), if  
12 enacted by 2003 Iowa Acts, House File 692 or another  
13 Act.

14 DIVISION X  
15 ENDOW IOWA TAX CREDIT

16 Sec. 71. NEW SECTION. 15E.305 ENDOW IOWA TAX  
17 CREDIT.

18 1. For tax years beginning on or after January 1,  
19 2003, a tax credit shall be allowed against the taxes  
20 imposed in chapter 422, divisions II, III, and V, and  
21 in chapter 432, and against the moneys and credits tax  
22 imposed in section 533.24 equal to twenty percent of a  
23 taxpayer’s endowment gift to a qualified community  
24 foundation. An individual may claim a tax credit  
25 under this section of a partnership, limited liability  
26 company, S corporation, estate, or trust electing to  
27 have income taxed directly to the individual. The  
28 amount claimed by the individual shall be based upon  
29 the pro rata share of the individual’s earnings from  
30 the partnership, limited liability company, S  
31 corporation, estate, or trust. A tax credit shall be  
32 allowed only for an endowment gift made to a qualified  
33 community foundation for a permanent endowment fund  
34 established to benefit a charitable cause in this  
35 state. Any tax credit in excess of the taxpayer’s tax  
36 liability for the tax year may be credited to the tax  
37 liability for the following five years or until  
38 depleted, whichever occurs first. A tax credit shall  
39 not be carried back to a tax year prior to the tax  
40 year in which the taxpayer claims the tax credit.

41 2. The aggregate amount of tax credits authorized  
42 pursuant to this section shall not exceed a total of  
43 two million dollars. The maximum amount of tax  
44 credits granted to a taxpayer shall not exceed five  
45 percent of the aggregate amount of tax credits  
46 authorized.

47 3. A tax credit shall not be transferable to any  
48 other taxpayer.

49 4. A tax credit shall not be authorized pursuant  
50 to this section after December 31, 2005.

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1 5. The department shall develop a system for  
2 registration and authorization of tax credits under  
3 this section and shall control the distribution of all  
4 tax credits to taxpayers providing an endowment gift  
5 subject to this section. The department shall adopt  
6 administrative rules pursuant to chapter 17A for the  
7 qualification and administration of endowment gifts.  
8 Sec. 72. NEW SECTION. 422.11H ENDOW IOWA TAX  
9 CREDIT.

10 The tax imposed under this division, less the  
11 credits allowed under sections 422.12 and 422.12B,  
12 shall be reduced by an endow Iowa tax credit  
13 authorized pursuant to section 15E.305.

14 Sec. 73. Section 422.33, Code 2003, is amended by  
15 adding the following new subsection:

16 NEW SUBSECTION. 14. The taxes imposed under this  
17 division shall be reduced by an endow Iowa tax credit  
18 authorized pursuant to section 15E.305.

19 Sec. 74. Section 422.60, Code 2003, is amended by  
20 adding the following new subsection:

21 NEW SUBSECTION. 7. The taxes imposed under this  
22 division shall be reduced by an endow Iowa tax credit  
23 authorized pursuant to section 15E.305.

24 Sec. 75. NEW SECTION. 432.12D ENDOW IOWA TAX  
25 CREDIT.

26 The tax imposed under this chapter shall be reduced  
27 by an endow Iowa tax credit authorized pursuant to  
28 section 15E.305.

29 Sec. 76. Section 533.24, Code 2003, is amended by  
30 adding the following new unnumbered paragraph:

31 NEW UNNUMBERED PARAGRAPH. The moneys and credits  
32 tax imposed under this section shall be reduced by an  
33 endow Iowa tax credit authorized pursuant to section  
34 15E.305.

35 Sec. 77. EFFECTIVE AND RETROACTIVE APPLICABILITY  
36 DATES. This division of this Act, being deemed of  
37 immediate importance, takes effect upon enactment and  
38 is retroactively applicable to January 1, 2003, for  
39 tax years beginning on or after that date.

#### 40 DIVISION XI

#### 41 REHABILITATION PROJECT TAX CREDITS

42 Sec. 78. Section 404A.4, subsection 4, Code 2003,  
43 is amended to read as follows:

44 4. The total amount of tax credits that may be  
45 approved for a fiscal year under this chapter shall  
46 not exceed two million four hundred thousand dollars.  
47 For the fiscal years beginning July 1, 2003, and July  
48 1, 2004, an additional two million dollars of tax  
49 credits may be approved each fiscal year for purposes  
50 of projects located in cultural and entertainment

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1 districts certified pursuant to section 303.3B, if  
 2 enacted by 2003 Iowa Acts, House File 692 or another  
 3 Act. Any of the additional tax credits allocated for  
 4 projects located in certified cultural and  
 5 entertainment districts that are not approved during a  
 6 fiscal year may be carried over to the succeeding  
 7 fiscal year. Tax credit certificates shall be issued  
 8 on the basis of the earliest awarding of  
 9 certifications of completion as provided in subsection  
 10 1. The departments of economic development and  
 11 revenue and finance shall each adopt rules to jointly  
 12 administer this subsection and shall provide by rule  
 13 for the method to be used to determine for which  
 14 fiscal year the tax credits are approved.

#### 15 DIVISION XII

#### 16 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE FUND

17 Sec. 79. Section 8.57, subsection 5, Code 2003, is  
 18 amended by adding the following new paragraph:  
 19 NEW PARAGRAPH. f. There is appropriated from the  
 20 rebuild Iowa infrastructure fund to the state  
 21 assistance for educational infrastructure fund created  
 22 in 2003 Iowa Acts, House File 692 or another Act, for  
 23 each fiscal year of the fiscal period beginning July  
 24 1, 2004, and ending June 30, 2014, the sum of ten  
 25 million dollars. The appropriation in this paragraph  
 26 shall be made after the appropriation to the  
 27 environment first fund pursuant to section 8.57A,  
 28 subsection 4.

29 Sec. 80. NEW SECTION. 292A.3A APPROPRIATION.

30 There is appropriated from the general fund of the  
 31 state from the revenue collected as a result of the  
 32 state entering into the streamlined sales and use tax  
 33 agreement to the state assistance for educational  
 34 infrastructure fund created in 2003 Iowa Acts, House  
 35 File 692 or another Act, the sum of five million  
 36 dollars for each fiscal year of the fiscal period  
 37 beginning July 1, 2004, and ending June 30, 2014. The  
 38 appropriation in this section shall be made after the  
 39 appropriation from the same source to the grow Iowa  
 40 fund created in 2003 Iowa Acts, House File 692 or  
 41 another Act.

#### 42 DIVISION XIII

#### 43 REPEALS

44 Sec. 81. The divisions of this Act designated  
 45 economic development appropriations, workforce-related  
 46 issues, loan and credit guarantee fund, university-  
 47 based research utilization program appropriation,  
 48 endow Iowa tax credit, and rehabilitation project tax  
 49 credits are repealed effective June 30, 2010.

#### 50 DIVISION XIV

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1                                   EFFECTIVE DATE

2    Sec. 82. EFFECTIVE DATE. Unless otherwise  
3 provided in this Act, this Act takes effect July 1,  
4 2003.”

5    2. Title page, by striking lines 1 through 15 and  
6 inserting the following: “An Act relating to economic  
7 development, financial, taxation, and regulatory  
8 matters, making and revising appropriations, and  
9 including effective, applicability, and retroactive  
10 applicability provisions.”

COMMITTEE ON APPROPRIATIONS  
JEFF LAMBERTI, Chair

**S-3393**

1    Amend the Committee amendment, S-3391, to House  
2 File 692, as amended, passed, and reprinted by the  
3 House, as follows:

4    1. Page 71, by striking lines 4 through 47.

5    2. Page 103, line 26, by striking the word and  
6 figures “June 30, 2008” and inserting the following:  
7 “December 31, 2003”.

8    3. Page 103, line 29, by striking the word and  
9 figures “June 30, 2008” and inserting the following:  
10 “December 31, 2003”.

11   4. Page 103, line 34, by striking the words and  
12 figures “July 1, 2008, through June 30, 2009” and  
13 inserting the following: “January 1, 2004, through  
14 December 31, 2004”.

15   5. Page 103, line 37, by striking the words and  
16 figures “July 1, 2008, through June 30, 2009” and  
17 inserting the following: “January 1, 2004, through  
18 December 31, 2004”.

19   6. Page 103, line 42, by striking the words and  
20 figures “July 1, 2009, through June 30, 2010” and  
21 inserting the following: “January 1, 2005, through  
22 December 31, 2005”.

23   7. Page 103, line 45, by striking the words and  
24 figures “July 1, 2009, through June 30, 2010” and  
25 inserting the following: “January 1, 2005, through  
26 December 31, 2005”.

27   8. Page 103, line 50, by striking the word and  
28 figures “July 1, 2010” and inserting the following:  
29 “January 1, 2006”.

30   9. Page 104, lines 2 and 3, by striking the word  
31 and figures “July 1, 2010” and inserting the  
32 following: “January 1, 2006”.

MIKE CONNOLLY

**S-3394**

- 1 Amend the committee amendment, S-3391, to House
- 2 File 692, as amended, passed, and reprinted by the
- 3 House, as follows:
- 4 1. By striking page 64, line 44 through page 66,
- 5 line 23.
- 6 2. Page 189, line 14, by striking the words
- 7 “liability reform,”.

JOE BOLKCOM  
 JACK HOLVECK  
 KEITH A. KREIMAN

**S-3395**

- 1 Amend the Committee amendment, S-3391, to House
- 2 File 692, as amended, passed, and reprinted by the
- 3 House, as follows:
- 4 1. Page 66, by striking lines 26 through 46.
- 5 2. Page 67, by striking lines 7 through 24 and
- 6 inserting the following: “employer.”

WILLIAM A. DOTZLER  
 JACK HOLVECK  
 KEITH A. KREIMAN

**S-3396**

- 1 Amend House File 614, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. By striking everything after the enacting
- 4 clause and inserting the following:
- 5 “Section 1. Section 47.1, Code 2003, is amended by
- 6 adding the following new unnumbered paragraph:
- 7 NEW UNNUMBERED PARAGRAPH. The state commissioner
- 8 shall adopt rules pursuant to chapter 17A, for the
- 9 implementation of uniform and nondiscriminatory
- 10 administrative complaint procedures for resolution of
- 11 grievances relating to violations of Title III of Pub.
- 12 L. No. 107-252.
- 13 Sec. 2. Section 47.7, subsections 2, 3, and 4,
- 14 Code 2003, are amended by striking the subsections and
- 15 inserting in lieu thereof the following:
- 16 2. a. On or before January 1, 2004, or on or
- 17 before January 1, 2006, if a waiver is granted
- 18 pursuant to section 303(d) of Pub. L. No. 107-252, the
- 19 state registrar of voters shall implement in a uniform
- 20 and nondiscriminatory manner, a single, uniform,
- 21 official, centralized, interactive computerized
- 22 statewide voter registration file defined, maintained,
- 23 and administered at the state level that contains the

24 name and registration information of every legally  
25 registered voter in the state and assigns a unique  
26 identifier to each legally registered voter in the  
27 state. The state voter registration system shall be  
28 coordinated with other agency databases within the  
29 state, including, but not limited to, the department  
30 of transportation driver's license records, judicial  
31 records of convicted felons and persons declared  
32 incompetent to vote, and department of public health  
33 records of deceased persons.

34 b. On or after the deadline established in  
35 paragraph "a", a county shall not establish or  
36 maintain a voter registration system separate from the  
37 state voter registration system. Each county shall  
38 provide to the state registrar the names, voter  
39 registration information, and voting history of each  
40 registered voter in the county in the form required by  
41 the state registrar.

42 c. A state or local election official may obtain  
43 immediate electronic access to the information  
44 contained in the computerized voter registration file.  
45 All voter registration information obtained by a local  
46 election official shall be electronically entered into  
47 the computerized voter registration file on an  
48 expedited basis at the time the information is  
49 provided to the local election official. The state  
50 registrar shall provide such support as may be

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1 required to enable local election officials to  
2 electronically enter the information into the  
3 computerized voter registration file on an expedited  
4 basis. The list generated from the computerized file  
5 shall serve as the official voter registration list  
6 for the conduct of all elections for federal office in  
7 the state.

8 d. The state registrar shall prescribe by rule the  
9 procedures for access to the state voter registration  
10 file, security requirements, and access protocols for  
11 adding, changing, or deleting information from the  
12 state voter registration file.

13 Sec. 3. Section 48A.8, Code 2003, is amended to  
14 read as follows:

15 48A.8 REGISTRATION BY MAIL.

16 1. An eligible elector may register to vote by  
17 completing a mail registration form. The form may be  
18 mailed or delivered by the registrant or the  
19 registrant's designee to the commissioner in the  
20 county where the person resides. A separate  
21 registration form shall be signed by each individual  
22 registrant.

23 2. An eligible elector who registers by mail and  
24 who has not previously voted in an election for  
25 federal office in the county of registration shall be  
26 required to provide identification documents when  
27 voting for the first time in the county, unless the  
28 registrant provided on the registration form the  
29 registrant's Iowa driver's license number or the last  
30 four numerals of the registrant's social security  
31 number and the driver's license or partial social  
32 security number matches an existing state or federal  
33 identification record with the same social security  
34 number or Iowa driver's license number and name,  
35 including first name and any family forename or  
36 surname, and date of birth, including month, date, and  
37 year. If the registrant under this subsection votes  
38 in person at the polls, or by absentee ballot at the  
39 commissioner's office or at a satellite voting  
40 station, the registrant shall provide a current and  
41 valid photo identification card, or shall present to  
42 the appropriate election official one of the following  
43 current documents that show the name and address of  
44 the registrant:  
45 a. Utility bill.  
46 b. Bank statement.  
47 c. Government check.  
48 d. Other government document.  
49 3. If the registrant under subsection 2 votes an  
50 absentee ballot by mail, the registrant shall provide

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1 a photocopy of one of the documents listed in  
2 subsection 2 when returning the absentee ballot.  
3 4. A registrant under subsection 2 who is required  
4 to present identification when casting a ballot in  
5 person shall be permitted to vote a provisional ballot  
6 if the voter does not provide the required  
7 identification documents. If a voter who is required  
8 to present identification when casting a ballot votes  
9 an absentee ballot by mail, the ballot returned by the  
10 voter shall be considered a provisional ballot  
11 pursuant to sections 49.81 and 53.31.  
12 Sec. 4. Section 48A.11, subsection 1, paragraph b,  
13 Code 2003, is amended to read as follows:  
14 b. The registrant's name, including first name and  
15 any family forename or surname.  
16 Sec. 5. Section 48A.11, subsection 1, paragraph e,  
17 Code 2003, is amended by striking the paragraph and  
18 inserting in lieu thereof, the following:  
19 e. Iowa driver's license number, if the registrant  
20 has a current and valid Iowa driver's license, or the  
21 last four numerals of the registrant's social security

22 number. If the registrant does not have either an  
23 Iowa driver's license number or a social security  
24 number, the form shall provide space for a number to  
25 be assigned as provided in subsection 7.

26 Sec. 6. Section 48A.11, subsection 1, paragraph f,  
27 Code 2003, is amended to read as follows:

28 f. Date of birth, including month, date, and year.

29 Sec. 7. Section 48A.11, subsection 2, is amended  
30 by adding the following new paragraph:

31 NEW PARAGRAPH. c. The following questions and  
32 statement regarding eligibility:

33 (1) Are you a citizen of the United States of  
34 America?

35 (2) Will you be eighteen years of age on or before  
36 election day?

37 (3) If you checked "no" in response to either of  
38 these questions, do not complete this form.

39 Sec. 8. Section 48A.11, Code 2003, is amended by  
40 adding the following new subsection:

41 NEW SUBSECTION. 7. A voter registration  
42 application lacking the registrant's name, sex, date  
43 of birth, or residence address or description shall  
44 not be processed. If the registrant answered "no" or  
45 did not answer either "yes" or "no" to the question in  
46 subsection 2, paragraph "c", subparagraph (1), the  
47 application shall not be processed. A registrant  
48 whose registration is not processed pursuant to this  
49 subsection shall be notified pursuant to section  
50 48A.26, subsection 3. A registrant who does not have

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1 either an Iowa driver's license number or a social  
2 security number and who notifies the registrar of such  
3 shall be assigned a unique identifying number that  
4 shall serve to identify the registrant for voter  
5 registration purposes.

6 Sec. 9. NEW SECTION. 48A.25A VERIFICATION OF  
7 VOTER REGISTRATION INFORMATION.

8 Upon receipt of an application for voter  
9 registration, the state registrar of voters shall  
10 compare the driver's license number or the last four  
11 numerals of the social security number provided by the  
12 registrant with the records of the state department of  
13 transportation. If the information cannot be  
14 verified, the application shall be rejected and the  
15 registrant shall be notified of the reason for the  
16 rejection. If the information can be verified, a  
17 record shall be made of the source used for  
18 verification and the application shall be accepted.

19 This section does not apply to persons entitled to  
20 register to vote and to vote pursuant to section

21 48A.5, subsection 4.

22 Sec. 10. Section 48A.26, subsection 3, Code 2003,  
23 is amended to read as follows:

24 3. If the registration form is missing required  
25 information pursuant to section 48A.11, subsection 7,  
26 the acknowledgment shall advise the applicant what  
27 additional information is required. The commissioner  
28 shall enclose a new registration by mail form for the  
29 applicant to use. If the registration form has no  
30 address, the commissioner shall make a reasonable  
31 effort to determine where the acknowledgment should be  
32 sent. If the incomplete application is received  
33 during the twelve days before the close of  
34 registration for an election, the commissioner shall  
35 provide the registrant with an opportunity to complete  
36 the form before the close of registration.

37 Sec. 11. Section 48A.28, subsection 2, unnumbered  
38 paragraph 2, Code 2003, is amended to read as follows:

39 A commissioner participating in the national change  
40 of address program, in the first quarter of each  
41 calendar year, shall send a notice and preaddressed,  
42 postage paid return card by forwardable mail to each  
43 registered voter whose name was not reported by the  
44 national change of address program and who has not  
45 voted; in two or more consecutive general elections  
46 and has not registered again, or who has not reported  
47 a change to an existing registration, or who has not  
48 responded to a notice from the commissioner or  
49 registrar during the preceding four calendar years  
50 period between and following the previous two general

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1 elections. The form and language of the notice and  
2 return card shall be specified by the state voter  
3 registration commission by rule. A registered voter  
4 shall not be sent a notice and return card under this  
5 subsection more frequently than once in a four-year  
6 period.

7 Sec. 12. Section 48A.36, subsection 2, Code 2003,  
8 is amended to read as follows:

9 2. Upon receipt of electronic registration data  
10 under subsection 1, the state registrar of voters ~~may~~  
11 shall cause the updating of registration records ~~for~~  
12 ~~registrants in counties which have arranged for data~~  
13 ~~processing services under section 47.7, subsection 2.~~  
14 The registrar shall notify the appropriate  
15 commissioner of the actions taken.

16 Sec. 13. Section 48A.38, subsection 1, paragraph  
17 f, Code 2003, is amended to read as follows:

18 f. The county commissioner of registration and the  
19 state registrar of voters shall remove a voter's

20 social security number and driver's license number  
 21 from a voter registration list prepared pursuant to  
 22 this section.

23 Sec. 14. Section 49.44, unnumbered paragraph 2,  
 24 Code 2003, is amended by striking the paragraph.

25 Sec. 15. Section 49.68, Code 2003, is amended to  
 26 read as follows:

27 49.68 STATE COMMISSIONER TO FURNISH INSTRUCTIONS.

28 The state commissioner with the approval of the  
 29 attorney general shall prepare, and from time to time  
 30 revise, written instructions to the voters relative to  
 31 voting, and shall furnish each commissioner with  
 32 copies of the instructions. ~~Such One set of~~  
 33 instructions, which shall be known as instructions for  
 34 marking ballots, shall cover the manner of marking  
 35 ballots. Another set of instructions, which shall be  
 36 known as the Iowa voter bill of rights, shall cover  
 37 the following matters:

38 1. The manner of obtaining ballots.

39 ~~2. The manner of marking ballots.~~

40 ~~3. 2.~~ That unmarked or improperly marked ballots  
 41 will not be counted.

42 ~~4. 3.~~ The method of gaining assistance in marking  
 43 ballots.

44 ~~5. 4.~~ That any erasures or identification marks,  
 45 or otherwise spoiling or defacing a ballot, will  
 46 render it invalid.

47 ~~6. 5.~~ Not to vote a spoiled or defaced ballot.

48 ~~7. 6.~~ How to obtain a new ballot in place of a  
 49 spoiled or defaced one.

50 7. How to cast a provisional ballot.

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1 8. Instructions for first-time voters who  
 2 registered by mail pursuant to section 48A.8.

3 9. The appropriate official to contact if the  
 4 voter believes the voter's rights have been violated.

5 10. Polling place hours and the date of the  
 6 election.

7 11. Information about federal and state laws  
 8 prohibiting fraud and misrepresentation.

9 ~~8. 12.~~ Any other matters ~~thought~~ determined  
 10 necessary.

11 Sec. 16. Section 49.70, Code 2003, is amended to  
 12 read as follows:

13 49.70 PRECINCT ELECTION OFFICIALS FURNISHED  
 14 INSTRUCTIONS.

15 The commissioner shall cause copies of ~~the~~  
 16 ~~foregoing each set of~~ instructions to be printed in  
 17 large, clear type, under the ~~heading~~ headings of Iowa  
 18 voter bill of rights and "Instructions instructions

19 for ~~Voters~~ marking ballots<sup>2</sup>, and shall furnish the  
20 precinct election officials with a sufficient number  
21 of ~~such each set of~~ instructions as will enable them  
22 to comply with section 49.71.

23 Sec. 17. Section 49.71, Code 2003, is amended to  
24 read as follows:

25 49.71 POSTING INSTRUCTION CARDS AND SAMPLE  
26 BALLOTS.

27 The precinct election officials, before the opening  
28 of the polls, shall ~~cause said cards~~ securely post  
29 each set of instructions ~~to be securely posted~~ as  
30 follows:

31 1. One copy of instructions for marking ballots in  
32 each voting booth.

33 2. Not less than four copies of each set, with an  
34 equal number of sample ballots, in and about the  
35 polling place.

36 Sec. 18. Section 49.81, Code 2003, is amended to  
37 read as follows:

38 49.81 PROCEDURE FOR CHALLENGED VOTER TO CAST  
39 PROVISIONAL BALLOT.

40 1. A prospective voter who is prohibited under  
41 section 48A.8, subsection 4, section 49.77, subsection  
42 4, or section 49.80 from voting except under this  
43 section shall be ~~permitted to~~ notified by the  
44 appropriate precinct election official that the voter  
45 may cast a ~~paper~~ provisional ballot. If a booth  
46 meeting the requirement of section 49.25 is not  
47 available at that polling place, the precinct election  
48 officials shall make alternative arrangements to  
49 insure the challenged voter the opportunity to vote in  
50 secret. The marked ballot, folded as required by

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1 section 49.84, shall be delivered to a precinct  
2 election official who shall immediately seal it in an  
3 envelope of the type prescribed by subsection 4. The  
4 sealed envelope shall be deposited in a ~~special an~~ an  
5 envelope marked "~~ballots for special precinct~~  
6 provisional ballots" and shall be considered as  
7 having been cast in the special precinct established  
8 by section 53.20 for purposes of the postelection  
9 canvass.

10 2. Each person who casts a special provisional  
11 ballot under this section shall receive a printed  
12 statement in substantially the following form:

13 Your qualifications as a registered voter have been  
14 challenged for the following reasons:

- 15 I. ....
- 16 II. ....
- 17 III. ....

18 Your right to vote will be reviewed by the special  
 19 precinct counting board on ..... You have the right  
 20 and are encouraged to make a written statement and  
 21 submit additional written evidence to this board  
 22 supporting your qualifications as a registered voter.  
 23 This written statement and evidence may be given to an  
 24 election official of this precinct on election day or  
 25 mailed or delivered to the county commissioner of  
 26 elections, but must be received before .... a.m./p.m.  
 27 on ..... at ..... If your ballot is not counted you  
 28 will receive, by mail, notification of this fact and  
 29 the reason that the ballot was not counted.

30 3. Any elector may present written statements or  
 31 documents, supporting or opposing the counting of any  
 32 special provisional ballot, to the precinct election  
 33 officials on election day, until the hour for closing  
 34 the polls. Any statements or documents so presented  
 35 shall be delivered to the commissioner when the  
 36 election supplies are returned.

37 4. The individual envelopes used for each paper  
 38 provisional ballot cast pursuant to subsection 1 shall  
 39 have printed on them the format of the face of the  
 40 registration form under section 48A.8 and the  
 41 following:

42 I believe I am a registered voter of this precinct  
 43 county and I am eligible to vote in this election. I  
 44 registered to vote in ..... county on or about .....  
 45 at ..... My name at that time was ..... I have not  
 46 moved to a different county since that time. I am a  
 47 United States citizen, at least eighteen years of age.

48 .....  
 49 (signature of voter) (date)

50 The following information is to be provided by the

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1 precinct election official:  
 2 Reason for challenge:  
 3 .....  
 4 .....  
 5 .....  
 6 (signature of precinct  
 7 election official)

8 Sec. 19. Section 50.20, Code 2003, is amended to  
 9 read as follows:  
 10 50.20 NOTICE OF NUMBER OF SPECIAL PROVISIONAL  
 11 BALLOTS.

12 The commissioner shall compile a list of the number  
 13 of special provisional ballots cast under section  
 14 49.81 in each precinct. The list shall be made  
 15 available to the public as soon as possible, but in no  
 16 case later than nine ~~o'clock~~ a.m. on the second day

17 following the election. Any elector may examine the  
 18 list during normal office hours, and may also examine  
 19 the affidavit envelopes bearing the ballots of  
 20 challenged electors until the reconvening of the  
 21 special precinct board as required by this chapter.  
 22 Only those persons so permitted by section 53.23,  
 23 subsection 4, shall have access to the affidavits  
 24 while that board is in session. Any elector may  
 25 present written statements or documents, supporting or  
 26 opposing the counting of any special ballot, at the  
 27 commissioner's office until the reconvening of the  
 28 special precinct board.

29 Sec. 20. Section 50.21, unnumbered paragraph 2,  
 30 Code 2003, is amended to read as follows:

31 If no ~~special~~ provisional ballots were cast in the  
 32 county pursuant to section 49.81 at any election, the  
 33 special precinct election board need not be so  
 34 reconvened. If the number of ~~special~~ provisional  
 35 ballots ~~so~~ cast at any election is not sufficient to  
 36 require reconvening of the entire election board of  
 37 the special precinct, the commissioner may reconvene  
 38 only the number of members required. If the number of  
 39 ~~special~~ provisional ballots cast at any election  
 40 exceeds the number of absentee ballots cast, the size  
 41 of the special precinct election board may be  
 42 increased at the commissioner's discretion. The  
 43 commissioner shall observe the requirements of  
 44 sections 49.12 and 49.13 in making adjustments to the  
 45 size of the special precinct election board.

46 Sec. 21. Section 52.1, subsection 2, paragraph h,  
 47 Code 2003, is amended to read as follows:

48 h. "Voting machine" means ~~a mechanical or an~~  
 49 electronic device, meeting the requirements of section  
 50 52.7, designated for use in casting, registering,

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1 recording, and counting votes at an election.

2 Sec. 22. Section 52.2, Code 2003, is amended to  
 3 read as follows:

4 52.2 PURCHASE.

5 The board of supervisors of any county may, by a  
 6 majority vote, authorize, purchase, and order the use  
 7 of either voting machines or an electronic voting  
 8 system in any one or more voting precincts within ~~said~~  
 9 the county until otherwise ordered by ~~said the~~ board  
 10 of supervisors. Voting machines and an electronic  
 11 voting system may be used concurrently at ~~different~~  
 12 precincts within any county, ~~but not at the same~~  
 13 precinct.

14 The state commissioner may provide voting machines  
 15 or electronic voting systems to a county to replace

16 lever voting machines in use in the county in order to  
 17 comply with Pub. L. No. 107-252, the Help America  
 18 Vote Act of 2002.

19 Sec. 23. Section 52.9, unnumbered paragraph 4,  
 20 Code 2003, is amended by striking the paragraph.

21 Sec. 24. Section 52.10, Code 2003, is amended to  
 22 read as follows:

23 52.10 BALLOTS -- FORM.

24 All ballots shall be ~~printed in black ink on clear,~~  
 25 ~~white material, of such size as will fit the ballot~~  
 26 ~~frame, and presented~~ in as plain, clear type as the  
 27 space will reasonably permit. ~~The party name for each~~  
 28 ~~political party represented on the machine shall be~~  
 29 ~~prefixed to the list of candidates of such party. The~~  
 30 ~~order of the list of candidates of the several parties~~  
 31 ~~or organizations shall be arranged as provided in~~  
 32 ~~sections 49.30 to 49.42A, except that the lists may be~~  
 33 ~~arranged in horizontal rows or vertical columns to~~  
 34 ~~meet the physical requirements of the voting machine~~  
 35 ~~used. The offices, candidates, judges, and public~~  
 36 ~~measures to be voted upon, using the voting machine,~~  
 37 ~~shall be arranged as required by chapters 43 and 49.~~

38 Sec. 25. Section 52.12, Code 2003, is amended to  
 39 read as follows:

40 52.12 EXCEPTION -- STRAIGHT PARTY VOTING.

41 Voting machines shall have a single ~~lever or switch~~  
 42 ~~voting target~~ which casts a vote for each candidate of  
 43 a political party or nonparty political organization  
 44 which has nominated candidates for more than one  
 45 partisan office on the ballot. Straight party voting  
 46 shall be provided for all general elections.

47 Sec. 26. Section 52.16, Code 2003, is amended to  
 48 read as follows:

49 52.16 DUTIES OF ELECTION OFFICERS —~~INDEPENDENT~~  
 50 ~~BALLOTS.~~

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1 The election board of each precinct in which votes  
 2 are to be cast by machine shall meet at the precinct  
 3 polling place, at least one hour before the time set  
 4 for the opening of the polls at each election, and  
 5 shall proceed to arrange the furniture, stationery,  
 6 and voting machine for the conduct of the election.  
 7 The board shall cause at least ~~two instruction cards~~  
 8 ~~four sets of instructions~~ to be posted conspicuously  
 9 within the polling place. ~~If not previously done,~~  
 10 ~~they shall arrange, in their proper place on the~~  
 11 ~~voting machine, the ballots containing the names of~~  
 12 ~~the offices to be filled at the election, and the~~  
 13 ~~names of the candidates nominated. If not previously~~  
 14 ~~done, the machine shall be so arranged as to show that~~

15 ~~no vote has been cast, and shall not be thereafter~~  
 16 ~~operated, except by electors in voting.~~  
 17 Before the polls are open for election, the board  
 18 shall carefully examine every machine and see that no  
 19 vote has been cast, ~~and the machines are subject to~~  
 20 ~~inspection of the election officers. If the voting~~  
 21 ~~machine is equipped to produce a printed record~~  
 22 ~~showing the status of the counters, this record shall~~  
 23 ~~be produced by the precinct election officials~~  
 24 ~~immediately~~ Immediately before the polls are open, the  
 25 precinct election officials shall print a report from  
 26 each machine showing that the counter is set at zero.  
 27 The ~~inspection sheets~~ reports from each machine used  
 28 in the election shall be available for examination  
 29 throughout election day.

30 ~~Ballots voted for any person whose name does not~~  
 31 ~~appear on the machine as a nominated candidate for~~  
 32 ~~office, are referred to in this section as independent~~  
 33 ~~ballots. When two or more persons are to be elected~~  
 34 ~~to the same office, and the machine requires that all~~  
 35 ~~independent ballots voted for that office be deposited~~  
 36 ~~in a single receptacle or device, an elector may vote~~  
 37 ~~in or by the receptacle or device for one or more~~  
 38 ~~persons whose names do not appear upon the machine~~  
 39 ~~with or without the names of one or more persons whose~~  
 40 ~~names do so appear. With that exception, and except~~  
 41 ~~for presidential electors, no independent ballot shall~~  
 42 ~~be voted for any person for any office whose name~~  
 43 ~~appears on the machine as a nominated candidate for~~  
 44 ~~that office; any independent ballot so voted shall not~~  
 45 ~~be counted. An independent ballot must be cast in its~~  
 46 ~~appropriate place on the machine, or it shall be void~~  
 47 ~~and not counted.~~

48 Sec. 27. Section 52.17, Code 2003, is amended to  
 49 read as follows:

50 52.17 VOTING MACHINE IN PLAIN VIEW.

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1 The exterior of the voting machine and every part  
 2 of the polling place shall be in plain view of the  
 3 election officers. The voting machine shall be placed  
 4 at least ~~three feet from every wall and partition of~~  
 5 ~~the polling place, and at least four feet from the~~  
 6 precinct election officials' table.

7 Sec. 28. Section 52.20, Code 2003, is amended to  
 8 read as follows:

9 52.20 INJURY TO MACHINE.

10 ~~No~~ A voter, or other person, shall not deface or  
 11 injure the voting machine or the ballot thereon. It  
 12 shall be the duty of the precinct election officials  
 13 to enforce the provisions of this section. During the

14 entire period of an election, at least one of ~~their~~  
 15 ~~number the officials, designated by them the officials~~  
 16 from time to time, shall ~~be stationed beside the~~  
 17 ~~entrance to the booth and shall see that it is~~  
 18 ~~properly closed after a voter has entered it to vote.~~  
 19 ~~The official shall also, at such intervals as the~~  
 20 official may deem proper or necessary, examine the  
 21 face of the machine to ascertain whether it has been  
 22 defaced or injured, to detect the wrongdoer, and to  
 23 repair any injury. If the official finds that a  
 24 person has left the voting booth without casting the  
 25 ballot, the official shall cast the ballot.

26 Sec. 29. Section 52.21, Code 2003, is amended by  
 27 striking the section and inserting in lieu thereof the  
 28 following:

29 52.21 CANVASS OF VOTE -- TALLY.

30 As soon as the polls of the election are closed,  
 31 the precinct election officials shall immediately lock  
 32 the voting machine against voting and, in the presence  
 33 of all persons who may be lawfully within the polling  
 34 place, proceed to canvass the vote. The officials  
 35 shall print the results from each machine, tally any  
 36 write-in votes, and complete any canvass documents  
 37 prescribed for the voting machine by the state  
 38 commissioner. Write-in votes cast for a person whose  
 39 name appears on the ballot as a candidate for that  
 40 office shall not be counted.

41 Sec. 30. Section 52.23, unnumbered paragraph 2,  
 42 Code 2003, is amended to read as follows:

43 ~~The inspection sheets~~ zero count report from each  
 44 machine used in the election and one copy of the  
 45 printed results from each machine shall be signed by  
 46 all precinct election officials and, with any paper or  
 47 papers upon which write-in votes were recorded by  
 48 voters, shall be securely sealed in an envelope marked  
 49 with the name and date of the election, the precinct,  
 50 and the serial numbers of the machines from which the

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1 enclosed results were removed. This envelope shall be  
 2 preserved, unopened, for twenty-two months following  
 3 elections for federal offices and for six months  
 4 following elections for all other offices unless a  
 5 recount is requested pursuant to section 50.48 or an  
 6 election contest is pending. The envelope shall be  
 7 destroyed in the same manner as ballots pursuant to  
 8 section 50.13. ~~Additional copies~~ At least one  
 9 additional copy of the results, ~~if any,~~ shall be  
 10 signed by the officials and delivered to the  
 11 commissioner with the other supplies from the election  
 12 pursuant to section 50.17.

13 Sec. 31. Section 52.25, unnumbered paragraph 2,  
14 Code 2003, is amended to read as follows:

15 The entire convention question, amendment or public  
16 measure shall be printed and displayed prominently in  
17 at least four places within the voting precinct, and  
18 inside each voting booth, ~~or on the left hand side~~  
19 ~~inside the curtain of each voting machine,~~ the  
20 printing to be in conformity with the provisions of  
21 chapter 49. The public measure shall be summarized by  
22 the commissioner and in the largest type possible  
23 printed on the special paper ballots or ~~inserts used~~  
24 in the voting machines, except that:

25 Sec. 32. NEW SECTION. 53.37A STATE COMMISSIONER  
26 DUTIES.

27 The state commissioner of elections shall provide  
28 information regarding voter registration procedures  
29 and absentee ballot procedures to be used by members  
30 of the armed forces of the United States. The state  
31 commissioner shall accept valid voter registration  
32 applications and absentee ballot applications and  
33 shall forward the applications to the appropriate  
34 county commissioner of elections in a timely manner.

35 Sec. 33. Section 53.40, unnumbered paragraph 1,  
36 Code 2003, is amended to read as follows:

37 A request in writing for a ballot may be made by  
38 any member of the armed forces of the United States  
39 who is or will be a qualified voter on the day of the  
40 election at which the ballot is to be cast, at any  
41 time before the election. Any member of the armed  
42 forces of the United States may request ballots for  
43 all elections to be held ~~within a calendar year~~  
44 through the next two general elections. The request  
45 may be made by using the federal postcard application  
46 form and indicating that the applicant wishes to  
47 receive ballots for all elections as permitted by  
48 state law. The county commissioner shall send the  
49 applicant a ballot for each election held ~~during the~~  
50 ~~calendar year in which~~ after the application is

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1 received and through the next two general elections.  
2 The commissioner shall forward a copy of the absentee  
3 ballot request to other commissioners who are  
4 responsible under section 47.2, subsection 2, for  
5 conducting elections in which the applicant is  
6 eligible to vote.

7 Sec. 34. Section 53.53, Code 2003, is amended by  
8 adding the following new unnumbered paragraphs:  
9 NEW UNNUMBERED PARAGRAPH. A federal write-in  
10 ballot received by the state commissioner of elections  
11 shall be forwarded immediately to the appropriate

12 county commissioner. However, if the state  
13 commissioner receives a federal write-in ballot after  
14 election day and before noon on the Monday following  
15 an election, the state commissioner shall at once  
16 verify that the voter has complied with the  
17 requirements of this section and that the voter's  
18 federal write-in ballot is eligible to be counted. If  
19 the ballot is eligible to be counted, the state  
20 commissioner shall notify the appropriate county  
21 commissioner and make arrangements for the ballot to  
22 be transmitted to the county for counting. If the  
23 ballot is not eligible to be counted, the state  
24 commissioner shall mail the ballot to the appropriate  
25 commissioner along with notification that the ballot  
26 is ineligible to be counted. The county commissioner  
27 shall keep the ballot with the other records of the  
28 election.

29 NEW UNNUMBERED PARAGRAPH. The county commissioner  
30 shall notify a voter when the voter's federal write-in  
31 ballot was not counted and shall give the voter the  
32 reason the ballot was not counted.

33 Sec. 35. Sections 49.35, 52.11, 52.14, and 52.22,  
34 Code 2003, are repealed.

35 Sec. 36. EFFECTIVE DATES.

36 1. The sections of this Act enacting new Code  
37 section 48A.25A and amending Code sections 48A.26,  
38 48A.36, 49.68, 49.70, 49.71, and that portion of  
39 section 52.16 relating to voter instructions only,  
40 take effect January 1, 2004, or January 1, 2006, if a  
41 waiver is granted pursuant to section 303(d) of Pub.  
42 L. No. 107-252.

43 2. The sections of this Act amending sections  
44 52.1, 52.9, 52.10, 52.12, 52.16, 52.17, 52.20, 52.21,  
45 and 52.25, and the sections of this Act repealing  
46 sections 52.11, 52.14, and 52.22, take effect January  
47 1, 2004, or January 1, 2006, if a waiver is granted  
48 pursuant to section 102(a) of Pub. L. No. 107-252.

49 3. The remainder of this Act, being deemed of  
50 immediate importance, takes effect upon enactment.”

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- 1 2. Title page, by striking lines 2 through 11,
- 2 and inserting the following: “implementing
- 3 requirements of federal law and including effective
- 4 date provisions.”
- 5 3. By renumbering as necessary.

JOHN P. KIBBIE

**S-3397**

1 Amend the amendment, S-3391, to House File 692, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:

4 1. By striking page 39, line 15, through page 64,  
 5 line 43, and inserting the following:

6 “DIVISION I  
 7 IOWA VALUES BOARD AND FUND -- BONDING  
 8 AUTHORITY

9 Sec. \_\_\_\_ Section 8.57, subsection 5, paragraph e,  
 10 Code 2003, is amended to read as follows:

11 e. Notwithstanding provisions to the contrary in  
 12 sections 99D.17 and 99F.11, for the fiscal ~~year period~~  
 13 beginning July 1, ~~2000, and for each fiscal year~~  
 14 ~~thereafter, 2003, and ending June 30, 2005~~, not more  
 15 than a total of sixty million dollars shall be  
 16 deposited in the general fund of the state in any  
 17 fiscal year pursuant to sections 99D.17 and 99F.11;  
 18 for the fiscal period beginning July 1, 2005, and  
 19 ending June 30, 2030, not more than a total of sixty  
 20 million dollars of the moneys directed to be deposited  
 21 in the general fund of the state in a fiscal year  
 22 pursuant to sections 99D.17 and 99F.11 shall be  
 23 deposited in the Iowa values fund created in section  
 24 15G.105 in any fiscal year; and for the fiscal year  
 25 beginning July 1, 2030, and for each fiscal year  
 26 thereafter, not more than a total of sixty million  
 27 dollars shall be deposited in the general fund of the  
 28 state in any fiscal year pursuant to sections 99D.17  
 29 and 99F.11. The next fifteen million dollars of the  
 30 moneys directed to be deposited in the general fund of  
 31 the state in a fiscal year pursuant to sections 99D.17  
 32 and 99F.11 shall be deposited in the vision Iowa fund  
 33 created in section 12.72 for the fiscal year beginning  
 34 July 1, 2000, and for each fiscal year through the  
 35 fiscal year beginning July 1, 2019. The next five  
 36 million dollars of the moneys directed to be deposited  
 37 in the general fund of the state in a fiscal year  
 38 pursuant to sections 99D.17 and 99F.11 shall be  
 39 deposited in the school infrastructure fund created in  
 40 section 12.82 for the fiscal year beginning July 1,  
 41 2000, and for each fiscal year thereafter until the  
 42 principal and interest on all bonds issued by the  
 43 treasurer of state pursuant to section 12.81 are paid,  
 44 as determined by the treasurer of state. The total  
 45 moneys in excess of the moneys deposited in the  
 46 general fund of the state, the Iowa values fund, the  
 47 vision Iowa fund, and the school infrastructure fund  
 48 in a fiscal year shall be deposited in the rebuild  
 49 Iowa infrastructure fund and shall be used as provided  
 50 in this section, notwithstanding section 8.60.

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1 If the total amount of moneys directed to be  
2 deposited in the general fund of the state under  
3 sections 99D.17 and 99F.11 in a fiscal year is less  
4 than the total amount of moneys directed to be  
5 deposited in the Iowa values fund, the vision Iowa  
6 fund, and the school infrastructure fund in the fiscal  
7 year pursuant to this paragraph “e”, the difference  
8 shall be paid from lottery revenues in the manner  
9 provided in section 99E.10, subsection 3.

10 Sec. \_\_\_\_ NEW SECTION. 12.91 GENERAL AND  
11 SPECIFIC BONDING POWERS -- IOWA VALUES PROGRAM.

12 1. The treasurer of state may issue bonds for the  
13 purpose of funding the Iowa values fund created in  
14 section 15G.105. The treasurer of state shall have  
15 all of the powers which are necessary to issue and  
16 secure bonds and carry out the purposes of the fund.  
17 The treasurer of state may issue bonds in principal  
18 amounts which are necessary to provide sufficient  
19 funds for the Iowa values fund, the payment of  
20 interest on the bonds, the establishment of reserves  
21 to secure the bonds, the costs of issuance of the  
22 bonds, other expenditures of the treasurer of state  
23 incident to and necessary or convenient to carry out  
24 the bond issue for the fund, and all other  
25 expenditures of the board necessary or convenient to  
26 administer the fund. The bonds are investment  
27 securities and negotiable instruments within the  
28 meaning of and for purposes of the uniform commercial  
29 code.

30 2. Bonds issued under this section are payable  
31 solely and only out of the moneys, assets, or revenues  
32 of the Iowa values fund and any bond reserve funds  
33 established pursuant to section 12.92, all of which  
34 may be deposited with trustees or depositories in  
35 accordance with bond or security documents and pledged  
36 to the payment thereof. Bonds issued under this  
37 section shall contain on their face a statement that  
38 the bonds do not constitute an indebtedness of the  
39 state. The treasurer of state shall not pledge the  
40 credit or taxing power of this state or any political  
41 subdivision of the state or make bonds issued pursuant  
42 to this section payable out of any moneys except those  
43 in the Iowa values fund.

44 3. The proceeds of bonds issued by the treasurer  
45 of state and not required for immediate disbursement  
46 may be deposited with a trustee or depository as  
47 provided in the bond documents and invested or  
48 reinvested in any investment as directed by the  
49 treasurer of state and specified in the trust  
50 indenture, resolution, or other instrument pursuant to

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1 which the bonds are issued without regard to any  
2 limitation otherwise provided by law.

3 4. The bonds shall be:

4 a. In a form, issued in denominations, executed in  
5 a manner, and payable over terms and with rights of  
6 redemption, and be subject to the terms, conditions,  
7 and covenants providing for the payment of the  
8 principal of, redemption premiums, if any, interest  
9 which may be fixed or variable during any period the  
10 bonds are outstanding, and such other terms and  
11 conditions as prescribed in the trust indenture,  
12 resolution, or other instrument authorizing their  
13 issuance.

14 b. Negotiable instruments under the laws of the  
15 state and may be sold at prices, at public or private  
16 sale, and in a manner, as prescribed by the treasurer  
17 of state. Chapters 73A, 74, 74A, and 75 do not apply  
18 to the sale or issuance of the bonds.

19 c. Subject to the terms, conditions, and covenants  
20 providing for the payment of the principal, redemption  
21 premiums, if any, interest, and other terms,  
22 conditions, covenants, and protective provisions  
23 safeguarding payment, not inconsistent with this  
24 section and as determined by the trust indenture,  
25 resolution, or other instrument authorizing their  
26 issuance.

27 5. The bonds are securities in which public  
28 officers and bodies of this state, political  
29 subdivisions of this state, insurance companies and  
30 associations and other persons carrying on an  
31 insurance business, banks, trust companies, savings  
32 associations, savings and loan associations, and  
33 investment companies; administrators, guardians,  
34 executors, trustees, and other fiduciaries; and other  
35 persons authorized to invest in bonds or other  
36 obligations of the state, may properly and legally  
37 invest funds, including capital, in their control or  
38 belonging to them.

39 6. Bonds must be authorized by a trust indenture,  
40 resolution, or other instrument of the treasurer of  
41 state.

42 7. Neither the resolution, trust indenture, nor  
43 any other instrument by which a pledge is created  
44 needs to be recorded or filed under the Iowa uniform  
45 commercial code to be valid, binding, or effective.

46 8. Bonds issued under the provisions of this  
47 section are declared to be issued for a general public  
48 and governmental purpose and all bonds issued under  
49 this section shall be exempt from taxation by the  
50 state of Iowa and the interest on the bonds shall be

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1 exempt from the state income tax and the state  
2 inheritance and estate tax.

3 9. Subject to the terms of any bond documents,  
4 moneys in the Iowa values fund may be expended for  
5 administration expenses.

6 10. The treasurer of state may issue bonds for the  
7 purpose of refunding any bonds issued pursuant to this  
8 section then outstanding, including the payment of any  
9 redemption premiums thereon and any interest accrued  
10 or to accrue to the date of redemption of the  
11 outstanding bonds. Until the proceeds of bonds issued  
12 for the purpose of refunding outstanding bonds are  
13 applied to the purchase or retirement of outstanding  
14 bonds or the redemption of outstanding bonds, the  
15 proceeds may be placed in escrow and be invested and  
16 reinvested in accordance with the provisions of this  
17 section. The interest, income, and profits earned or  
18 realized on an investment may also be applied to the  
19 payment of the outstanding bonds to be refunded by  
20 purchase, retirement, or redemption. After the terms  
21 of the escrow have been fully satisfied and carried  
22 out, any balance of proceeds and interest earned or  
23 realized on the investments may be returned to the  
24 treasurer of state for deposit in the Iowa values fund  
25 established in section 15G.105. All refunding bonds  
26 shall be issued and secured and subject to the  
27 provisions of this chapter in the same manner and to  
28 the same extent as other bonds issued pursuant to this  
29 section.

30 11. The treasurer of state shall have all of the  
31 powers which are necessary to issue and secure bonds,  
32 including but not limited to the power to procure  
33 insurance, other credit enhancements, and other  
34 financing arrangements, and to execute instruments and  
35 contracts and to enter into agreements convenient or  
36 necessary to facilitate financing arrangements with  
37 respect to the bonds and to carry out the purposes of  
38 the fund, including but not limited to such  
39 arrangements, instruments, contracts, and agreements  
40 as municipal bond insurance, self-insurance or  
41 liquidity trusts, accounts, pools or other  
42 arrangements, liquidity facilities or covenants,  
43 letters of credit, and interest rate agreements.

44 12. For purposes of this section and sections  
45 12.92 through 12.95, the term “bonds” means bonds,  
46 notes, and other obligations and financing  
47 arrangements issued or entered into by the treasurer  
48 of state and the term “interest rate agreement” means  
49 an interest rate swap or exchange agreement, an  
50 agreement establishing an interest rate floor or

1 ceiling or both, or any similar agreement. Any such  
2 agreement may include the option to enter into or  
3 cancel the agreement or to reverse or extend the  
4 agreement.

5 Sec. \_\_\_\_ NEW SECTION. 12.92 IOWA VALUES FUND  
6 ACCOUNTS AND RESERVE FUNDS.

7 1. The treasurer of state shall establish such  
8 accounts within the Iowa values fund created in  
9 section 15G.105 as may be appropriate, including debt  
10 service accounts for the purpose of paying the  
11 principal of, redemption premium, if any, and interest  
12 on bonds payable therefrom. Moneys in the debt  
13 service accounts shall not be subject to appropriation  
14 for any other purpose by the general assembly, but  
15 shall be used only for the purposes of paying the  
16 principal of, redemption premium, if any, and interest  
17 on the bonds payable therefrom.

18 2. Revenue for the Iowa values fund shall include,  
19 but is not limited to, the following, which shall be  
20 deposited with the treasurer of state or its designee  
21 as provided by any bond or security documents and  
22 credited to the debt service account:

23 a. The proceeds of bonds issued to capitalize and  
24 pay the costs of the fund and investment earnings on  
25 the proceeds.

26 b. Interest attributable to investment of moneys  
27 in the fund or an account of the fund.

28 c. Moneys in the form of a devise, gift, bequest,  
29 donation, federal or other grant, reimbursement,  
30 repayment, judgment, transfer, payment, or  
31 appropriation from any source intended to be used for  
32 the purposes of the fund or account.

33 3. a. The treasurer of state may create and  
34 establish one or more special funds, to be known as  
35 "bond reserve funds", to secure one or more issues of  
36 bonds issued pursuant to section 12.91. The treasurer  
37 of state shall pay into each bond reserve fund any  
38 moneys appropriated and made available by the state or  
39 treasurer of state for the purpose of the fund, any  
40 proceeds of sale of bonds to the extent provided in  
41 the resolutions or trust indentures authorizing their  
42 issuance, and any other moneys which may be available  
43 to the treasurer of state for the purpose of the fund  
44 from any other sources. All moneys held in a bond  
45 reserve fund, except as otherwise provided in this  
46 chapter, shall be used as required solely for the  
47 payment of the principal of bonds secured in whole or  
48 in part by the fund or of the sinking fund payments  
49 with respect to the bonds, the purchase or redemption  
50 of the bonds, the payment of interest on the bonds, or

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1 the payments of any redemption premium required to be  
2 paid when the bonds are redeemed prior to maturity.

3 b. Moneys in a bond reserve fund shall not be  
4 withdrawn from it at any time in an amount that will  
5 reduce the amount of the fund to less than the bond  
6 reserve fund requirement established for the fund, as  
7 provided in this subsection, except for the purpose of  
8 making, with respect to bonds secured in whole or in  
9 part by the fund, payment when due of principal,  
10 interest, redemption premiums, and the sinking fund  
11 payments with respect to the bonds for the payment of  
12 which other moneys of the treasurer of state are not  
13 available.

14 Any income or interest earned by, or incremental  
15 to, a bond reserve fund due to the investment of it  
16 may be transferred by the treasurer of state to other  
17 funds or accounts to the extent the transfer does not  
18 reduce the amount of that bond reserve fund below the  
19 bond reserve fund requirement for it.

20 c. The treasurer of state shall not at any time  
21 issue bonds, secured in whole or in part by a bond  
22 reserve fund, if, upon the issuance of the bonds, the  
23 amount in the bond reserve fund will be less than the  
24 bond reserve fund requirement for the fund, unless the  
25 treasurer of state at the time of issuance of the  
26 bonds deposits in the fund from the proceeds of the  
27 bonds issued or from other sources an amount which,  
28 together with the amount then in the fund, will not be  
29 less than the bond reserve fund requirement for the  
30 fund. For the purposes of this subsection, the term  
31 “bond reserve fund requirement” means, as of any  
32 particular date of computation, an amount of money, as  
33 provided in the resolutions or trust indentures  
34 authorizing the bonds with respect to which the fund  
35 is established.

36 d. To assure the continued solvency of any bonds  
37 secured by the bond reserve fund, provision is made in  
38 paragraph “a” for the accumulation in each bond  
39 reserve fund of an amount equal to the bond reserve  
40 requirement for the fund. In order to further assure  
41 maintenance of the bond reserve funds, the treasurer  
42 of state shall, on or before January 1 of each  
43 calendar year, make and deliver to the governor the  
44 treasurer of state’s certificate stating the sum, if  
45 any, required to restore each bond reserve fund to the  
46 bond reserve fund requirement for that fund. Within  
47 thirty days after the beginning of the session of the  
48 general assembly next following the delivery of the  
49 certificate, the governor shall submit to both houses  
50 printed copies of a budget including the sum, if any,

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1 required to restore each bond reserve fund to the bond  
2 reserve fund requirement for that fund. Any sums  
3 appropriated by the general assembly and paid to the  
4 treasurer of state pursuant to this subsection shall  
5 be deposited by the treasurer of state in the  
6 applicable bond reserve fund.

7 Sec. \_\_\_\_ NEW SECTION. 12.93 PLEDGES.

8 1. It is the intention of the general assembly  
9 that a pledge made in respect of bonds shall be valid  
10 and binding from the time the pledge is made, that the  
11 moneys or property so pledged and received after the  
12 pledge by the treasurer of state shall immediately be  
13 subject to the lien of the pledge without physical  
14 delivery or further act, and that the lien of the  
15 pledge shall be valid and binding as against all  
16 parties having claims of any kind in tort, contract,  
17 or otherwise against the treasurer of state whether or  
18 not the parties have notice of the lien.

19 2. The moneys set aside in a fund or funds pledged  
20 for any series or issue of bonds shall be held for the  
21 sole benefit of the series or issue separate and apart  
22 from moneys pledged for another series or issue of  
23 bonds of the treasurer of state. Bonds may be issued  
24 in series under one or more resolutions or trust  
25 indentures and may be fully open-ended, thus providing  
26 for the unlimited issuance of additional series, or  
27 partially open-ended, limited as to additional series.

28 Sec. \_\_\_\_ NEW SECTION. 12.94 LIMITATIONS.

29 Bonds issued pursuant to section 12.91 are not  
30 debts of the state, or of any political subdivision of  
31 the state, and do not constitute a pledge of the faith  
32 and credit of the state or a charge against the  
33 general credit or general fund of the state. The  
34 issuance of any bonds pursuant to section 12.91 by the  
35 treasurer of state does not directly, indirectly, or  
36 contingently obligate the state or a political  
37 subdivision of the state to apply moneys, or to levy  
38 or pledge any form of taxation whatever, to the  
39 payment of the bonds. Bonds issued under section  
40 12.91 are payable solely and only from the sources and  
41 special fund and accounts provided in section 12.92.

42 Sec. \_\_\_\_ NEW SECTION. 12.95 CONSTRUCTION.

43 Sections 12.91 through 12.94, being necessary for  
44 the welfare of this state and its inhabitants, shall  
45 be liberally construed to effect its purposes.

46 Sec. \_\_\_\_ NEW SECTION. 15G.101 PURPOSE.

47 The purpose of this chapter is to identify and  
48 assist those economic and business sectors that have  
49 the most potential to contribute to the long-term  
50 growth and development of the state economy.

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1 Sec. \_\_\_\_ NEW SECTION. 15G.102 DEFINITIONS.

2 As used in this chapter, unless the context

3 otherwise requires:

4 1. “Board” means the Iowa values board established

5 in section 15G.103.

6 2. “Department” means the Iowa department of

7 economic development created in section 15.105.

8 3. “Director” means the director of the department

9 of economic development.

10 4. “Fund” means the Iowa values fund created in

11 section 15G.105.

12 Sec. \_\_\_\_ NEW SECTION. 15G.103 IOWA VALUES

13 BOARD.

14 1. The Iowa values board is established consisting

15 of seventeen voting members and six ex officio,

16 nonvoting members. The board shall be located for

17 administrative purposes within the department and the

18 director shall provide office space, staff assistance,

19 and necessary supplies and equipment for the board.

20 The director shall budget funds to pay the

21 compensation and expenses of the board. In performing

22 its functions, the board is performing a public

23 function on behalf of the state and is a public

24 instrumentality of the state.

25 2. The director and a representative of the Iowa

26 capital investment board, created in section 15E.63,

27 shall serve as ex officio members of the board. The

28 legislative ex officio members of the board are two

29 state senators, one appointed by the president of the

30 senate, and one appointed by the minority leader of

31 the senate, from their respective parties; and two

32 state representatives, one appointed by the speaker

33 and one appointed by the minority leader of the house

34 of representatives from their respective parties. The

35 legislative ex officio members shall have business

36 experience.

37 3. The voting members of the board shall be

38 appointed as follows:

39 a. One individual from the advanced manufacturing

40 industry, appointed by the governor.

41 b. One individual from the life science industry,

42 appointed by the governor.

43 c. One individual from the information technology

44 industry, appointed by the governor.

45 d. One individual from the investment banking

46 industry, appointed by the governor.

47 e. One individual from the economic development

48 community who resides and works in a county with a

49 population ranking in the lowest one-third of county

50 populations as measured by the 2000 census, appointed

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- 1 by the governor.
- 2 f. One individual from the economic development
- 3 community who resides and works in a county with a
- 4 population ranking in the middle one-third of county
- 5 populations as measured by the 2000 census, appointed
- 6 by the governor.
- 7 g. One individual from the economic development
- 8 community who resides and works in a county with a
- 9 population ranking in the highest one-third of county
- 10 populations as measured by the 2000 census, appointed
- 11 by the governor.
- 12 h. One individual from a statewide agricultural
- 13 organization, appointed by the governor.
- 14 i. One representative of a labor union, appointed
- 15 by the governor.
- 16 j. One representative from a private college or
- 17 university, appointed by the governor.
- 18 k. One representative from the community college
- 19 system, appointed by the governor.
- 20 l. One individual with demonstrated significant
- 21 experience in small business, appointed by the
- 22 governor.
- 23 m. One representative of the university of Iowa,
- 24 the university of northern Iowa, or Iowa state
- 25 university of science and technology, designated by
- 26 the state board of regents.
- 27 n. Two individuals from private industry appointed
- 28 by the house of representatives. One individual shall
- 29 be appointed by the speaker of the house of
- 30 representatives and one individual shall be appointed
- 31 by the minority leader in the house of
- 32 representatives.
- 33 o. Two individuals from private industry appointed
- 34 by the senate. One individual shall be appointed by
- 35 the president of the senate and one individual shall
- 36 be appointed by the minority leader in the senate.
- 37 4. All appointments shall comply with sections
- 38 69.16 and 69.16A. The appointments listed in
- 39 subsection 3, paragraphs “a” through “l”, shall be
- 40 subject to confirmation by the senate. Of the members
- 41 appointed by the governor, at least two members shall
- 42 be members of the Iowa economic development board
- 43 created in section 15.103. A majority of the voting
- 44 members of the board listed in subsection 3,
- 45 paragraphs “a” through “l”, shall be from the private
- 46 sector.
- 47 5. The voting members of the board listed in
- 48 subsection 3, paragraphs “a” through “l”, shall be
- 49 residents of different counties.
- 50 6. The chairperson and vice chairperson shall be

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1 elected by the voting members of the board from the  
2 voting membership of the board. In the case of the  
3 absence or disability of the chairperson and vice  
4 chairperson, the voting members of the board shall  
5 elect a temporary chairperson by a majority vote of  
6 those members who are present and voting provided a  
7 quorum is present.

8 7. The voting members of the board shall annually  
9 elect a five-member executive council of the board  
10 consisting of voting members of the board with at  
11 least three of the members being from private  
12 industry. The board shall determine the duties of the  
13 council.

14 8. The members of the board shall be appointed to  
15 three-year staggered terms and the terms shall  
16 commence and end as provided in section 69.19. If a  
17 vacancy occurs, a successor shall be appointed in the  
18 same manner and subject to the same qualifications as  
19 the original appointment to serve the unexpired term.

20 9. A majority of the board constitutes a quorum.

21 10. A voting member of the board shall abstain  
22 from voting on the provision of financial assistance  
23 to a project which is located in the county in which  
24 the voting member of the board resides.

25 Sec. \_\_. NEW SECTION. 15G.104 BOARD DUTIES.

26 The board shall do all of the following:

27 1. Organize.

28 2. Oversee and administer the Iowa values fund.

29 3. Develop a five-year strategic plan with an  
30 annual operating plan to share with the Iowa economic  
31 development board for consideration in the developing  
32 of a departmentwide strategic plan.

33 4. Develop a long-range strategic plan designed to  
34 address economic development-related issues through  
35 the year 2020.

36 5. Develop and assist the department in  
37 implementing activities addressing all of the  
38 following economic foundation issues of the economy:

39 a. Skilled and adaptable human resources.

40 b. Access to technologies on which new products  
41 and processes are based.

42 c. Availability of financial capital to support  
43 new ventures, expansion of existing companies, and  
44 reinvestment in transition industries.

45 d. Support of advanced physical infrastructure for  
46 transportation, communications, energy and water, and  
47 waste handling.

48 e. A review of the regulatory and taxation  
49 environment and business climate resulting in  
50 recommendations to balance competitiveness.

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1 6. Focus on nondiscriminatory market expansion and  
2 foster a competitive and open environment. The board  
3 shall not be a mechanism to allocate markets, fix  
4 prices, or stifle competition.

5 7. By January 15 of each year, submit a written  
6 report to the general assembly reviewing the  
7 activities of the board during the previous calendar  
8 year. The report shall also include an annual audit  
9 of moneys appropriated from the fund and a statement  
10 regarding return on investments. State agencies and  
11 other entities receiving moneys from the fund shall  
12 cooperate with and assist the board in the compilation  
13 of the report.

14 8. Make a determination to discontinue providing  
15 moneys to the entity if an entity receiving moneys  
16 from the Iowa values fund does not meet criteria  
17 required by an agreement with the board.

18 9. Adopt administrative rules pursuant to chapter  
19 17A necessary to administer this chapter.

20 Sec. \_\_. NEW SECTION. 15G.105 IOWA VALUES FUND.

21 An Iowa values fund is created and established as a  
22 separate and distinct fund in the state treasury.  
23 Moneys in the fund shall not be subject to  
24 appropriation for any other purposes by the general  
25 assembly, other than as provided in this Act, but  
26 shall be used only for the purposes of the Iowa values  
27 fund. The treasurer of state shall act as custodian  
28 of the fund and disburse moneys contained in the fund  
29 as directed by the Iowa values board, including  
30 automatic disbursements of funds received pursuant to  
31 the terms of bond indentures and documents and  
32 security provisions to trustees. The fund shall be  
33 administered by the Iowa values board, which shall  
34 make expenditures from the fund consistent with the  
35 purposes of this Act without further appropriation.  
36 Payments of interest, repayments of moneys loaned  
37 pursuant to this chapter, and recaptures of grants or  
38 loans shall be deposited in the fund. Moneys in the  
39 fund are not subject to section 8.33. Notwithstanding  
40 section 12C.7, interest or earnings on moneys in the  
41 fund shall be credited to the fund.

42 Sec. \_\_. DEPARTMENT OF ECONOMIC DEVELOPMENT  
43 APPROPRIATION.

44 1. There is appropriated from the Iowa values fund  
45 created in section 15G.105 to the department of  
46 economic development for the fiscal period beginning  
47 July 1, 2003, and ending June 30, 2008, the following  
48 amounts, or so much thereof as is necessary, to be  
49 used for the purposes designated:

50 For programs administered by the department of

1 economic development:

2 FY 2003-2004 .....	\$ 90,000,000
3 FY 2004-2005 .....	\$ 70,000,000
4 FY 2005-2006 .....	\$ 60,000,000
5 FY 2006-2007 .....	\$ 60,000,000
6 FY 2007-2008 .....	\$ 50,000,000

7 2. Notwithstanding section 8.33, moneys that

8 remain unexpended at the end of a fiscal year shall

9 not revert to any fund but shall remain available for

10 expenditure for the designated purposes during the

11 succeeding fiscal year.

12 3. Each year that moneys are appropriated under

13 this section, the board shall allocate a percentage of

14 the moneys for each of the following types of

15 activities:

- 16 a. Business start-ups.
- 17 b. Business expansion.
- 18 c. Business modernization.
- 19 d. Business attraction.
- 20 e. Business retention.
- 21 f. Marketing.

22 4. An applicant for moneys appropriated under this

23 section shall be required by the department to include

24 in the application a statement regarding the intended

25 return on investment. A recipient of moneys

26 appropriated under this section shall annually submit

27 a statement to the department regarding the progress

28 achieved on the intended return on investment stated

29 in the application. The department, in cooperation

30 with the department of revenue and finance, shall

31 develop a method of identifying and tracking each new

32 job created through financial assistance from moneys

33 appropriated under this section.

34 5. Of the moneys appropriated under this section,

35 at least \$50,000,000 shall be used for value-added

36 agricultural purposes as set out in section 15E.111.

37 6. The department may use moneys appropriated

38 under this section to procure technical assistance

39 from either the public or private sector, for

40 information technology purposes, and for rail, air, or

41 river port transportation-related purposes. The use

42 of moneys appropriated for rail, air, or river port

43 transportation-related purposes must be directly

44 related to an economic development project and the

45 moneys must be used to leverage other financial

46 assistance moneys.

47 7. Of the moneys appropriated under this section,

48 the department may use one-quarter of one percent for

49 administrative purposes.

50 8. The entities required to approve applications

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1 for financial assistance from moneys appropriated  
2 under this section shall be as follows:

3 a. For financial assistance totaling one million  
4 dollars or less, the department of economic  
5 development shall approve, deny, or defer the  
6 application.

7 b. For financial assistance totaling between one  
8 million dollars and three million dollars, the  
9 executive council of the Iowa values board shall  
10 approve, deny, or defer the application.

11 c. For financial assistance totaling three million  
12 dollars or more, the Iowa values board shall approve,  
13 deny, or defer the application.

14 9. Of the moneys appropriated under this section  
15 for the fiscal year beginning July 1, 2003, and ending  
16 June 30, 2004, up to \$10,000,000 is allocated to the  
17 tax-exempt bond proceeds restricted capital funds  
18 account of the tobacco settlement trust fund to  
19 replenish moneys appropriated and expended pursuant to  
20 2003 Iowa Acts, House File 453, if enacted. Of the  
21 moneys appropriated under this section for the fiscal  
22 year beginning July 1, 2004, and ending June 30, 2005,  
23 up to \$10,000,000 is allocated to the rebuild Iowa  
24 infrastructure fund to replenish moneys appropriated  
25 and expended pursuant to 2003 Iowa Acts, House File  
26 453, if enacted.

27 Sec. \_\_\_\_ COMMUNITY ATTRACTION AND TOURISM FUND  
28 APPROPRIATION.

29 1. There is appropriated from the Iowa values fund  
30 created in section 15G.105 to the office of the  
31 treasurer of state for the fiscal period beginning  
32 July 1, 2004, and ending June 30, 2007, the following  
33 amounts, or so much thereof as is necessary, to be  
34 used for the purpose designated:

35 For deposit in the community attraction and tourism  
36 fund created in section 15F.204:

37 FY 2004-2005 .....	\$ 15,000,000
38 FY 2005-2006 .....	\$ 15,000,000
39 FY 2006-2007 .....	\$ 15,000,000

40 2. Notwithstanding section 8.33, moneys that  
41 remain unexpended at the end of a fiscal year shall  
42 not revert to any fund but shall remain available for  
43 expenditure for the designated purposes during the  
44 succeeding fiscal year.

45 3. Not more than \$2,500,000 of the moneys  
46 appropriated each fiscal year under this section shall  
47 be used for trails and bicycle facilities located in  
48 or connecting to cultural and entertainment districts  
49 certified under section 303.3B.

50 4. When awarding moneys appropriated under this

1 section, the vision Iowa board shall give the  
2 consideration in section 15F.203, subsection 3,  
3 paragraph “c”, priority over the other listed  
4 considerations listed in section 15F.203, subsection  
5 3.

6 Sec. \_\_\_\_ IOWA CULTURAL TRUST FUND APPROPRIATION.

7 1. There is appropriated from the Iowa values fund  
8 created in section 15G.105 to the office of the  
9 treasurer of state, for the fiscal year beginning July  
10 1, 2003, and ending June 30, 2004, the following  
11 amount, or so much thereof as is necessary, to be used  
12 for the purpose designated:

13 For deposit in the Iowa cultural trust fund created  
14 in section 303A.4:  
15 ..... \$ 5,000,000

16 2. Notwithstanding section 8.33, moneys that  
17 remain unexpended at the end of a fiscal year shall  
18 not revert to any fund but shall remain available for  
19 expenditure for the designated purposes during the  
20 succeeding fiscal year.

21 Sec. \_\_\_\_ SECURE AN ADVANCED VISION FOR EDUCATION  
22 FUND APPROPRIATION.

23 1. There is appropriated from the Iowa values fund  
24 created in section 15G.105 to the department of  
25 revenue and finance, for the fiscal year beginning  
26 July 1, 2003, and ending June 30, 2004, the following  
27 amount, or so much thereof as is necessary, to be used  
28 for the purpose designated:

29 For deposit in the secure an advanced vision for  
30 education fund created in section 422E.3A, if enacted  
31 by 2003 Iowa Acts, Senate File 445:  
32 ..... \$ 250,000,000

33 2. Notwithstanding section 8.33, moneys that  
34 remain unexpended at the end of a fiscal year shall  
35 not revert to any fund but shall remain available for  
36 expenditure for the designated purposes during the  
37 succeeding fiscal year.

38 Sec. \_\_\_\_ UNIVERSITY AND COLLEGE FINANCIAL  
39 ASSISTANCE APPROPRIATION.

40 1. There is appropriated from the Iowa values fund  
41 created in section 15G.105 to the Iowa values board  
42 for the fiscal year beginning July 1, 2003, and ending  
43 June 30, 2004, the following amounts, or so much  
44 thereof as is necessary, to be used for the purpose  
45 designated:

46 For financial assistance for institutions of higher  
47 learning under the control of the state board of  
48 regents and for accredited private institutions as  
49 defined in section 261.9 for accelerating new business  
50 creation, a national center for food safety and

1 security, innovation accelerators and business parks,  
 2 incubator facilities, transgenic animal facilities,  
 3 transgenic plant facilities, protein extraction  
 4 facilities, containment facilities, and bioanalytical,  
 5 biochemical, chemical, and microbiological support  
 6 facilities:

7 ..... \$ 50,000,000

8 2. Notwithstanding section 8.33, moneys that  
 9 remain unexpended at the end of a fiscal year shall  
 10 not revert to any fund but shall remain available for  
 11 expenditure for the designated purposes during the  
 12 succeeding fiscal year.

13 3. In the distribution of moneys appropriated  
 14 pursuant to this section, the Iowa values board shall  
 15 examine the potential for using moneys appropriated  
 16 pursuant to this section to leverage other moneys for  
 17 financial assistance to accredited private  
 18 institutions.

19 4. Of the moneys appropriated under this section  
 20 and provided applications are submitted meeting the  
 21 requirements of the Iowa values board, not less than  
 22 \$10,000,000 in financial assistance shall be awarded  
 23 to the university of Iowa, not less than \$10,000,000  
 24 in financial assistance shall be awarded to Iowa state  
 25 university of science and technology, and not less  
 26 than \$5,000,000 in financial assistance shall be  
 27 awarded to the university of northern Iowa.

28 Sec. \_\_\_\_ REHABILITATION PROJECT TAX CREDITS  
 29 APPROPRIATION.

30 1. There is appropriated from the Iowa values fund  
 31 created in section 15G.105 to the general fund of the  
 32 state, for the fiscal period beginning July 1, 2003,  
 33 and ending June 30, 2005, the following amounts, or so  
 34 much thereof as is necessary, to be used for the  
 35 purpose designated:

36 For payment of tax credits approved pursuant to  
 37 section 404A.4 for projects located in certified  
 38 cultural and entertainment districts:

39 FY 2003–2004 .....	\$	2,000,000
40 FY 2004–2005 .....	\$	2,000,000

41 2. Notwithstanding section 8.33, moneys that  
 42 remain unexpended at the end of a fiscal year shall  
 43 not revert to any fund but shall remain available for  
 44 expenditure for the designated purposes during the  
 45 succeeding fiscal year.

46 Sec. \_\_\_\_ ENDOW IOWA TAX CREDITS.

47 1. There is appropriated from the Iowa values fund  
 48 created in section 15G.105 to the general fund of the

49 state, for the fiscal year beginning July 1, 2003, and  
50 ending June 30, 2004, the following amount, or so much

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1 thereof as is necessary, to be used for the purpose  
2 designated:

3 For payment of endow Iowa tax credits authorized  
4 pursuant to section 15E.225:  
5 ..... \$ 2,000,000

6 2. Notwithstanding section 8.33, moneys that  
7 remain unexpended at the end of a fiscal year shall  
8 not revert to any fund but shall remain available for  
9 expenditure for the designated purposes during the  
10 succeeding fiscal year.

11 Sec. \_\_\_\_ ENDOW IOWA GRANTS APPROPRIATION.

12 1. There is appropriated from the Iowa values fund  
13 created in section 15G.105 to the department of  
14 economic development for the fiscal year beginning  
15 July 1, 2003, and ending June 30, 2004, the following  
16 amount, or so much thereof as is necessary, to be used  
17 for the purpose designated:

18 For endow Iowa grants to lead philanthropic  
19 entities pursuant to section 15E.224:  
20 ..... \$ 2,000,000

21 2. Notwithstanding section 8.33, moneys that  
22 remain unexpended at the end of a fiscal year shall  
23 not revert to any fund but shall remain available for  
24 expenditure for the designated purposes during the  
25 succeeding fiscal year.

26 Sec. \_\_\_\_ STATE PARKS AND DESTINATION PARKS  
27 APPROPRIATION.

28 1. There is appropriated from the Iowa values fund  
29 created in section 15G.105 to the Iowa values board  
30 for the fiscal year beginning July 1, 2003, and ending  
31 June 30, 2004, the following amount, or so much  
32 thereof as is necessary, to be used for the purpose  
33 designated:

34 For the purpose of providing financial assistance  
35 for projects in targeted state parks and destination  
36 parks:  
37 FY 2003–2004 ..... \$ 7,000,000

38 2. Notwithstanding section 8.33, moneys that  
39 remain unexpended at the end of a fiscal year shall  
40 not revert to any fund but shall remain available for  
41 expenditure for the designated purposes during the  
42 succeeding fiscal year.

43 3. The department of natural resources, in  
44 cooperation with the department of economic  
45 development, shall submit a plan to the Iowa values  
46 board for the expenditure of moneys appropriated under  
47 this section. The plan shall focus on improving state

48 parks and destination parks for economic development  
49 purposes. Based on the report submitted, the Iowa  
50 values board shall provide financial assistance to the

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1 department of natural resources for support of state  
2 parks and destination parks.

3 Sec. \_\_\_\_ ECONOMIC DEVELOPMENT REGION FINANCIAL  
4 ASSISTANCE APPROPRIATION.

5 1. There is appropriated from the Iowa values fund  
6 created in section 15G.105 to the department of  
7 economic development for the fiscal year beginning  
8 July 1, 2003, and ending June 30, 2004, the following  
9 amount, or so much thereof as is necessary, to be used  
10 for the purpose designated:

11 For providing financial assistance under section  
12 15E.232, subsections 3, 4, 5, and 6 and under section  
13 15E.233:

14 ..... \$ 20,000,000

15 2. Notwithstanding section 8.33, moneys that  
16 remain unexpended at the end of a fiscal year shall  
17 not revert to any fund but shall remain available for  
18 expenditure for the designated purposes during the  
19 succeeding fiscal year.

20 3. The entities required to approve applications  
21 for financial assistance from moneys appropriated  
22 under this section shall be as follows:

23 a. For projects totaling one million dollars or  
24 less, the department of economic development shall  
25 approve, deny, or defer the application.

26 b. For projects totaling between one million  
27 dollars and three million dollars, the executive  
28 council of the Iowa values board shall approve, deny,  
29 or defer the application.

30 c. For projects totaling three million dollars or  
31 more, the Iowa values board shall approve, deny, or  
32 defer the application.

33 Sec. \_\_\_\_ ECONOMIC DEVELOPMENT REGION REVOLVING  
34 FUND CONTRIBUTION TAX CREDITS APPROPRIATION.

35 1. There is appropriated from the Iowa values fund  
36 created in section 15G.105 to the general fund of the  
37 state, for the fiscal period beginning July 1, 2003,  
38 and ending June 30, 2008, the following amounts, or so  
39 much thereof as is necessary, to be used for the  
40 purpose designated:

41 For payment of tax credits and payments to  
42 contributors approved pursuant to section 15E.232  
43 approved pursuant to section 15E.232:

44 FY 2003–2004 ..... \$ 4,000,000  
45 FY 2004–2005 ..... \$ 4,000,000  
46 FY 2005–2006 ..... \$ 4,000,000

47	FY 2006–2007 .....	\$	4,000,000
48	FY 2007–2008 .....	\$	4,000,000
49	2. Notwithstanding section 8.33, moneys that		
50	remain unexpended at the end of a fiscal year shall		

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1 not revert to any fund but shall remain available for  
 2 expenditure for the designated purposes during the  
 3 succeeding fiscal year.  
 4 3. Any moneys appropriated under this section that  
 5 remain unobligated on June 30, 2008, shall be used for  
 6 providing financial assistance under section 15E.232,  
 7 subsections 3, 4, 5, and 6, for the fiscal year  
 8 beginning July 1, 2008.

9 DIVISION II

10 VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES

11 FINANCIAL ASSISTANCE PROGRAM

12 Sec. \_\_\_\_ Section 15E.111, subsection 1, Code  
 13 2003, is amended to read as follows:

14 1. a. The department shall establish a value-  
 15 added agricultural products and processes financial  
 16 assistance program. The department shall consult with  
 17 ~~the Iowa corn growers association and the Iowa soybean~~  
 18 ~~association~~ Iowa commodity groups. The purpose of the  
 19 program is to encourage the increased utilization of  
 20 agricultural commodities produced in this state. The  
 21 program shall assist in efforts to revitalize rural  
 22 regions of this state, by committing resources to  
 23 provide financial assistance to new or existing value-  
 24 added production facilities. The department of  
 25 economic development may consult with other state  
 26 agencies regarding any possible future environmental,  
 27 health, or safety issues linked to technology related  
 28 to the biotechnology industry. In awarding financial  
 29 assistance, the department shall prefer producer-  
 30 owned, value-added businesses and commit resources to  
 31 assist the following:

32 ~~a.~~ (1) Facilities which are involved in the  
 33 development of new innovative products and processes  
 34 related to agriculture. The facility must do either  
 35 of the following: produce a good derived from an  
 36 agricultural commodity, if the good is not commonly  
 37 produced from an agricultural commodity; or use a  
 38 process to produce a good derived from an agricultural  
 39 process, if the process is not commonly used to  
 40 produce the good.

41 ~~b.~~ (2) Renewable fuel production facilities. As  
 42 used in this section, “renewable fuel” means an energy  
 43 source which is derived from an organic compound  
 44 capable of powering machinery, including an engine or  
 45 power plant.

46 (3) Agricultural business facilities in the  
 47 agricultural biotechnology industry, agricultural  
 48 biomass industry, and alternative energy industry.  
 49 For purposes of this subsection:  
 50 (a) “Agricultural biomass industry” means

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1 businesses that utilize agricultural commodity crops,  
 2 agricultural by-products, or animal feedstock in the  
 3 production of chemicals, protein products, or other  
 4 high-value products.

5 (b) “Agricultural biotechnology industry” means  
 6 businesses that utilize scientifically enhanced plants  
 7 or animals that can be raised by producers and used in  
 8 the production of high-value products.

9 (c) “Alternative energy industry” includes  
 10 businesses involved in the production of ethanol,  
 11 biodiesel, biomass, or in the production of wind  
 12 energy.

13 (4) Facilities that add value to Iowa agricultural  
 14 commodities through further processing and development  
 15 of organic products and emerging markets.

16 (5) Producer-owned, value-added businesses,  
 17 education of producers and management boards in value-  
 18 added businesses, and other activities that would  
 19 support the infrastructure in the development of  
 20 value-added agriculture. For purposes of this  
 21 subsection, “producer-owned, value-added business”  
 22 means a person who holds an equity interest in the  
 23 agricultural business and is personally involved in  
 24 the production of crops or livestock on a regular,  
 25 continuous, and substantial basis.

26 b. Financial assistance awarded under this section  
 27 may be in the form of a loan, loan guarantee, grant,  
 28 production incentive payment, or a combination of  
 29 financial assistance. The department shall not award  
 30 more than twenty-five percent of the amount allocated  
 31 to the value-added agricultural products and processes  
 32 financial assistance fund during any fiscal year to  
 33 support a single person. The department may finance  
 34 any size of facility. However, the department ~~shall~~  
 35 may reserve up to fifty percent of the total amount  
 36 allocated to the fund, for purposes of assisting  
 37 persons requiring ~~one~~ five hundred thousand dollars or  
 38 less in financial assistance. The amount shall be  
 39 reserved until the end of the third quarter of the  
 40 fiscal year. The department shall not provide  
 41 financial assistance to support a value-added  
 42 production facility if the facility or a person owning  
 43 a controlling interest in the facility has  
 44 demonstrated a continuous and flagrant disregard for

45 the health and safety of its employees or the quality  
46 of the environment. Evidence of such disregard shall  
47 include a history of serious or uncorrected violations  
48 of state or federal law protecting occupational health  
49 and safety or the environment, including but not  
50 limited to serious or uncorrected violations of

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1 occupational safety and health standards enforced by  
2 the division of labor services of the department of  
3 workforce development pursuant to chapter 84A, or  
4 rules enforced by the department of natural resources  
5 pursuant to chapter 455B or 459, subchapters II and  
6 III.

7 DIVISION III

8 ENDOW IOWA GRANTS AND TAX CREDITS

9 Sec. \_\_. NEW SECTION. 15E.221 SHORT TITLE.

10 This division shall be known as and may be cited as  
11 the “Endow Iowa Program Act”.

12 Sec. \_\_. NEW SECTION. 15E.222 PURPOSE.

13 The purpose of this division is to enhance the  
14 quality of life for citizens of this state through  
15 increased philanthropic activity by providing capital  
16 to new and existing citizen groups of this state  
17 organized to establish endowment funds that will  
18 address community needs. The purpose of this division  
19 is also to encourage individuals, businesses, and  
20 organizations to invest in community foundations.

21 Sec. \_\_. NEW SECTION. 15E.223 DEFINITIONS.

22 As used in this division, unless the context  
23 otherwise requires:

24 1. “Board” means the governing board of the lead  
25 philanthropic entity identified by the department  
26 pursuant to section 15E.224.

27 2. “Business” means a business operating within  
28 the state and includes individuals operating a sole  
29 proprietorship or having rental, royalty, or farm  
30 income in this state and includes a consortium of  
31 businesses.

32 3. “Community affiliate organization” means a  
33 group of five or more community leaders or advocates  
34 organized for the purpose of increasing philanthropic  
35 activity in an identified community or geographic area  
36 in this state with the intention of establishing a  
37 community affiliate endowment fund.

38 4. “Endowment gift” means an irrevocable  
39 contribution to a permanent endowment held by a  
40 qualified community foundation.

41 5. “Lead philanthropic entity” means the entity  
42 identified by the department pursuant to section  
43 15E.224.

44 6. “Qualified community foundation” means a  
 45 community foundation organized or operating in this  
 46 state that meets or exceeds the national standards  
 47 established by the national council on foundations.  
 48 Sec. \_\_. NEW SECTION. 15E.224 ENDOW IOWA  
 49 GRANTS.  
 50 1. The department shall identify a lead

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1 philanthropic entity for purposes of encouraging the  
 2 development of qualified community foundations in this  
 3 state. A lead philanthropic entity shall meet all of  
 4 the following qualifications:  
 5 a. The entity shall be a nonprofit entity which is  
 6 exempt from federal income taxation pursuant to  
 7 section 501(c)(3) of the Internal Revenue Code.  
 8 b. The entity shall be a statewide organization  
 9 with membership consisting of organizations, such as  
 10 community, corporate, and private foundations, whose  
 11 principal function is the making of grants within the  
 12 state of Iowa.  
 13 c. The entity shall have a minimum of forty  
 14 members and that membership shall include qualified  
 15 community foundations.  
 16 2. A lead philanthropic entity may receive a grant  
 17 from the department. The board shall use the grant  
 18 moneys to award endow Iowa grants to new and existing  
 19 qualified community foundations and to community  
 20 affiliate organizations that do all of the following:  
 21 a. Provide the board with all information required  
 22 by the board.  
 23 b. Demonstrate a dollar-for-dollar funding match  
 24 in a form approved by the board.  
 25 c. Identify a qualified community foundation to  
 26 hold all funds. A qualified community foundation  
 27 shall not be required to meet this requirement.  
 28 d. Provide a plan to the board demonstrating the  
 29 method for distributing grant moneys received from the  
 30 board to organizations within the community or  
 31 geographic area as defined by the qualified community  
 32 foundation or the community affiliate organization.  
 33 3. Endow Iowa grants awarded to new and existing  
 34 qualified community foundations and to community  
 35 affiliate organizations shall not exceed twenty-five  
 36 thousand dollars per foundation or organization unless  
 37 a foundation or organization demonstrates a multiple  
 38 county or regional approach. Endow Iowa grants may be  
 39 awarded on an annual basis with not more than three  
 40 grants going to one county in a fiscal year.  
 41 4. In ranking applications for grants, the board  
 42 shall consider a variety of factors including the

43 following:

- 44 a. The demonstrated need for financial assistance.
- 45 b. The potential for future philanthropic activity
- 46 in the area represented by or being considered for
- 47 assistance.
- 48 c. The proportion of the funding match being
- 49 provided.
- 50 d. For community affiliate organizations, the

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1 demonstrated need for the creation of a community  
2 affiliate endowment fund in the applicant's geographic  
3 area.

4 e. The identification of community needs and the  
5 manner in which additional funding will address those  
6 needs.

7 f. The geographic diversity of awards.

8 5. Of any moneys received by a lead philanthropic  
9 entity from the state, not more than five percent of  
10 such moneys shall be used by the entity for  
11 administrative purposes.

12 Sec. \_\_. NEW SECTION. 15E.225 ENDOW IOWA TAX  
13 CREDIT.

14 1. For tax years beginning on or after January 1,  
15 2003, a tax credit shall be allowed against the taxes  
16 imposed in chapter 422, divisions II, III, and V, and  
17 in chapter 432, and against the moneys and credits tax  
18 imposed in section 533.24 equal to twenty percent of a  
19 taxpayer's endowment gift to a qualified community  
20 foundation. An individual may claim a tax credit  
21 under this section of a partnership, limited liability  
22 company, S corporation, estate, or trust electing to  
23 have income taxed directly to the individual. The  
24 amount claimed by the individual shall be based upon  
25 the pro rata share of the individual's earnings from  
26 the partnership, limited liability company, S  
27 corporation, estate, or trust. A tax credit shall be  
28 allowed only for an endowment gift made to a qualified  
29 community foundation for a permanent endowment fund  
30 established to benefit a charitable cause in this  
31 state. Any tax credit in excess of the taxpayer's tax  
32 liability for the tax year may be credited to the tax  
33 liability for the following five years or until  
34 depleted, whichever occurs first. A tax credit shall  
35 not be carried back to a tax year prior to the tax  
36 year in which the taxpayer claims the tax credit.

37 2. The aggregate amount of tax credits authorized  
38 pursuant to this section shall not exceed a total of  
39 two million dollars. The maximum amount of tax  
40 credits granted to a taxpayer shall not exceed five  
41 percent of the aggregate amount of tax credits

42 authorized.

43 3. A tax credit shall not be transferable to any  
44 other taxpayer.

45 4. A tax credit shall not be authorized pursuant  
46 to this section after December 31, 2005.

47 5. The department shall develop a system for  
48 registration and authorization of tax credits under  
49 this section and shall control the distribution of all  
50 tax credits to taxpayers providing an endowment gift

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1 subject to this section. The department shall adopt  
2 administrative rules pursuant to chapter 17A for the  
3 qualification and administration of endowment gifts.

4 Sec. \_\_. NEW SECTION. 15E.226 REPORTS --  
5 AUDITS.

6 By January 31 of each year, the lead philanthropic  
7 entity, in cooperation with the department, shall  
8 publish an annual report of the activities conducted  
9 pursuant to this division during the previous calendar  
10 year and shall submit the report to the governor and  
11 the general assembly. The annual report shall include  
12 a listing of endowment funds and the amount of tax  
13 credits authorized by the department.

14 Sec. \_\_. NEW SECTION. 422.11H ENDOW IOWA TAX  
15 CREDIT.

16 The tax imposed under this division, less the  
17 credits allowed under sections 422.12 and 422.12B,  
18 shall be reduced by an endow Iowa tax credit  
19 authorized pursuant to section 15E.225.

20 Sec. \_\_. Section 422.33, Code 2003, is amended by  
21 adding the following new subsection:

22 NEW SUBSECTION. 14. The taxes imposed under this  
23 division shall be reduced by an endow Iowa tax credit  
24 authorized pursuant to section 15E.225.

25 Sec. \_\_. Section 422.60, Code 2003, is amended by  
26 adding the following new subsection:

27 NEW SUBSECTION. 7. The taxes imposed under this  
28 division shall be reduced by an endow Iowa tax credit  
29 authorized pursuant to section 15E.225.

30 Sec. \_\_. NEW SECTION. 432.12D ENDOW IOWA TAX  
31 CREDIT.

32 The tax imposed under this chapter shall be reduced  
33 by an endow Iowa tax credit authorized pursuant to  
34 section 15E.225.

35 Sec. \_\_. Section 533.24, Code 2003, is amended by  
36 adding the following new unnumbered paragraph:

37 NEW UNNUMBERED PARAGRAPH. The moneys and credits  
38 tax imposed under this section shall be reduced by an  
39 endow Iowa tax credit authorized pursuant to section  
40 15E.225.

41 Sec. \_\_\_\_ EFFECTIVE AND RETROACTIVE APPLICABILITY  
42 DATES. This division of this Act, being deemed of  
43 immediate importance, takes effect upon enactment and  
44 is retroactively applicable to January 1, 2003, for  
45 tax years beginning on or after that date.

46 DIVISION IV

47 ECONOMIC DEVELOPMENT REGIONS

48 Sec. \_\_\_\_ NEW SECTION. 15E.231 ECONOMIC  
49 DEVELOPMENT REGIONS.

50 1. In order for an economic development region to

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1 receive moneys from the Iowa values fund created in  
2 section 15G.105, the organization of an economic  
3 development region must be approved by the Iowa values  
4 board established in section 15G.103. The board shall  
5 approve an economic development region that meets the  
6 following criteria:

7 a. The region consists of not less than three  
8 contiguous counties. Upon the recommendation of the  
9 director of the department of economic development,  
10 this paragraph may be waived by the board.

11 b. The region establishes a single, focused  
12 economic development effort, approved by the board,  
13 that shall include the development of a regional  
14 development plan and regional marketing strategies.  
15 Regional marketing strategies must be focused on  
16 marketing the region collectively.

17 2. An approved economic development region may  
18 create an economic development region revolving fund  
19 as provided in section 15E.232.

20 Sec. \_\_\_\_ NEW SECTION. 15E.232 ECONOMIC  
21 DEVELOPMENT REGION REVOLVING FUNDS -- TAX CREDITS.

22 1. An economic development region approved  
23 pursuant to section 15E.231 may create an economic  
24 development region revolving fund.

25 2. a. A nongovernmental entity making a  
26 contribution to an economic development region  
27 revolving fund at any time prior to July 1, 2008,  
28 except those described in paragraph "b", may claim a  
29 tax credit equal to twenty percent of the amount  
30 contributed to the revolving fund. The tax credit  
31 shall be allowed against taxes imposed in chapter 422,  
32 divisions II, III, and V, and in chapter 432, and  
33 against the moneys and credits tax imposed in section  
34 533.24. An individual may claim under this subsection  
35 the tax credit of a partnership, limited liability  
36 company, S corporation, estate, or trust electing to  
37 have income taxed directly to the individual. The  
38 amount claimed by the individual shall be based upon  
39 the pro rata share of the individual's earnings from

40 the partnership, limited liability company, S  
41 corporation, estate, or trust. Any tax credit in  
42 excess of the taxpayer's liability for the tax year  
43 may be credited to the tax liability for the following  
44 seven years or until depleted, whichever occurs first.  
45 A tax credit shall not be carried back to a tax year  
46 prior to the tax year in which the taxpayer redeems  
47 the tax credit. A tax credit under this section is  
48 not transferable.  
49 b. Subject to the provisions of paragraph "c", an  
50 organization exempt from federal income tax pursuant

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1 to section 501(c) of the Internal Revenue Code making  
2 a contribution to an economic development region  
3 revolving fund at any time prior to July 1, 2008,  
4 shall be paid from the general fund of the state an  
5 amount equal to twenty percent of such contributed  
6 amount within thirty days after the end of the fiscal  
7 year during which the contribution was made.  
8 c. The aggregate amount of tax credits and  
9 payments to contributors, referred to as the credit  
10 amount, authorized pursuant to this subsection shall  
11 not total more than twenty million dollars. The total  
12 credit amount authorized during a fiscal year shall  
13 not exceed four million dollars plus any unused credit  
14 amount carried over from previous years. Any credit  
15 amount which remains unused for a fiscal year may be  
16 carried forward to the succeeding fiscal year. The  
17 maximum credit amount that may be authorized in a  
18 fiscal year for contributions made to a specific  
19 economic development region revolving fund is equal to  
20 four million dollars plus any unused credit amount  
21 carried over from previous years divided by the number  
22 of economic development region revolving funds  
23 existing in the state.  
24 d. The department of economic development shall  
25 administer the authorization of tax credits under this  
26 section and payments to contributors described in  
27 paragraph "b" and shall, in cooperation with the  
28 department of revenue and finance, adopt rules  
29 pursuant to chapter 17A necessary for the  
30 administration of this section.  
31 3. An approved economic development region may  
32 apply for financial assistance from the Iowa values  
33 fund to assist with physical infrastructure needs  
34 related to a specific business partner. In order to  
35 receive financial assistance pursuant to this  
36 subsection, the economic development region must  
37 demonstrate all of the following:  
38 a. The ability to provide matching moneys on a one

39 to one basis.

40 b. The commitment of the specific business  
41 partner.

42 c. That all other funding alternatives have been  
43 exhausted.

44 4. An approved economic development region may  
45 apply for financial assistance from the Iowa values  
46 fund to assist an existing business located in the  
47 economic development region impacted by business  
48 consolidation actions. Business consolidation actions  
49 include a substantial or total closure of an existing  
50 business due to consolidating the existing business

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1 out of state. In order to receive financial  
2 assistance pursuant to this subsection, the economic  
3 development region must demonstrate the ability to  
4 provide matching moneys on a one-to-one basis.

5 5. An approved economic development region may  
6 apply for financial assistance to implement economic  
7 development initiatives unique to the region. In  
8 order to receive financial assistance pursuant to this  
9 subsection, the economic development region must  
10 demonstrate the ability to provide matching moneys on  
11 a one-to-one basis.

12 6. An approved economic development region may  
13 apply for financial assistance to implement innovative  
14 initiatives that do not qualify for assistance under  
15 subsection 5.

16 7. The board may establish and administer a  
17 regional economic development revenue sharing pilot  
18 project for one or more regions. The board shall take  
19 into consideration the geographical disbursement of  
20 the pilot projects. The department of economic  
21 development shall provide technical assistance to the  
22 regions participating in a pilot project.

23 8. Financial assistance under subsections 3, 4, 5,  
24 and 6 and section 15E.233 shall be limited to a total  
25 of thirty million dollars.

26 Sec. \_\_. NEW SECTION. 15E.233 ECONOMICALLY  
27 ISOLATED AREAS.

28 1. An approved economic development region may  
29 apply to the Iowa values board for approval to be  
30 designated as an economically isolated area based on  
31 criteria as determined by the board. An economically  
32 isolated area must consist of at least one county  
33 meeting the county distress criteria provided in  
34 section 15E.194. The board shall approve no more than  
35 five regions as economically isolated areas.

36 2. An approved economically isolated area may  
37 apply to the department of economic development for

38 financial assistance of up to seven hundred fifty  
 39 thousand dollars over a five-year period for purposes  
 40 of economic development-related marketing assistance  
 41 for the area. In order to receive financial  
 42 assistance pursuant to this subsection, the  
 43 economically isolated area must demonstrate the  
 44 ability to provide matching moneys on a one-to-one  
 45 basis.

46 Sec. \_\_\_\_ NEW SECTION. 422.111 ECONOMIC  
 47 DEVELOPMENT REGION REVOLVING FUND TAX CREDIT.

48 The taxes imposed under this division, less the  
 49 credits allowed under sections 422.12 and 422.12B,  
 50 shall be reduced by an economic development region

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1 revolving fund contribution tax credit authorized  
 2 pursuant to section 15E.232.

3 Sec. \_\_\_\_ Section 422.33, Code 2003, is amended by  
 4 adding the following new subsection:

5 NEW SUBSECTION. 15. The taxes imposed under this  
 6 division shall be reduced by an economic development  
 7 region revolving fund contribution tax credit  
 8 authorized pursuant to section 15E.232.

9 Sec. \_\_\_\_ Section 422.60, Code 2003, is amended by  
 10 adding the following new subsection:

11 NEW SUBSECTION. 8. The taxes imposed under this  
 12 division shall be reduced by an economic development  
 13 region revolving fund contribution tax credit  
 14 authorized pursuant to section 15E.232.

15 Sec. \_\_\_\_ NEW SECTION. 432.12E ECONOMIC  
 16 DEVELOPMENT REGION REVOLVING FUND CONTRIBUTION TAX  
 17 CREDITS.

18 The tax imposed under this chapter shall be reduced  
 19 by an economic development region tax credit  
 20 authorized pursuant to section 15E.232.

21 Sec. \_\_\_\_ Section 533.24, Code 2003, is amended by  
 22 adding the following new unnumbered paragraph after  
 23 unnumbered paragraph 4:

24 NEW UNNUMBERED PARAGRAPH. The moneys and credits  
 25 tax imposed under this section shall be reduced by an  
 26 economic development region revolving fund  
 27 contribution tax credit authorized pursuant to section  
 28 15E.232.

29 **DIVISION V**  
 30 **WORKFORCE TRAINING AND ECONOMIC DEVELOPMENT FUNDS**

31 Sec. \_\_\_\_ NEW SECTION. 260C.18A WORKFORCE  
 32 TRAINING AND ECONOMIC DEVELOPMENT FUNDS.

33 1. a. A workforce training and economic  
 34 development fund is created for each community  
 35 college. Moneys shall be deposited and expended from  
 36 a fund as provided under this section.

37 b. Moneys in the funds shall consist of any moneys  
38 appropriated by the general assembly and any other  
39 moneys available to and obtained or accepted by the  
40 department of economic development from federal  
41 sources or private sources for placement in the funds.  
42 Notwithstanding section 8.33, moneys in the funds at  
43 the end of each fiscal year shall not revert to any  
44 other fund but shall remain in the funds for  
45 expenditure in subsequent fiscal years.

46 2. On July 1 of each year for the fiscal year  
47 beginning July 1, 2003, and for every fiscal year  
48 thereafter, moneys from the Iowa values fund created  
49 in section 15G.105 are appropriated to the department  
50 of economic development for deposit in the workforce

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1 training and economic development funds in amounts  
2 determined pursuant to subsection 3. Moneys deposited  
3 in the funds and disbursed to community colleges for a  
4 fiscal year shall be expended for the following  
5 purposes, provided seventy percent of the moneys shall  
6 be used on projects in the areas of advanced  
7 manufacturing, information technology and insurance,  
8 and life sciences which include the areas of  
9 biotechnology, health care technology, and nursing  
10 care technology:

11 a. Projects in which an agreement between a  
12 community college and an employer located within the  
13 community college's merged area meet all of the  
14 requirements of the accelerated career education  
15 program under chapter 260G. Notwithstanding section  
16 260G.4B, projects funded with moneys from workforce  
17 training and economic development funds shall be  
18 approved by the Iowa values board established in  
19 section 15G.103.

20 b. Projects in which an agreement between a  
21 community college and a business meet all the  
22 requirements of the Iowa jobs training Act under  
23 chapter 260F. However, when moneys are provided  
24 through the Iowa values fund for such projects,  
25 sections 260F.6, subsections 1 and 2, and section  
26 260F.8 shall not apply and projects shall be approved  
27 by the Iowa values board.

28 c. For the development and implementation of  
29 career academies designed to provide new career  
30 preparation opportunities for high school students  
31 that are formally linked with postsecondary career and  
32 technical education programs. Moneys from workforce  
33 training and economic development funds that are  
34 expended for purposes of this paragraph shall be  
35 approved by the Iowa values board established in

36 section 15G.103. For purposes of this section,  
37 “career academy” means a program of study that  
38 combines a minimum of two years of secondary education  
39 with an associate degree, or the equivalent, career  
40 preparatory program in a nonduplicative, sequential  
41 course of study that is standards based, integrates  
42 academic and technical instruction, utilizes work-  
43 based and worksite learning where appropriate and  
44 available, utilizes an individual career planning  
45 process with parent involvement, and leads to an  
46 associate degree or postsecondary diploma or  
47 certificate in a career field that prepares an  
48 individual for entry and advancement in a high-skill  
49 and reward career field and further education. The  
50 department of economic development, in conjunction

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1 with the state board of education and the division of  
2 community colleges and workforce preparation of the  
3 department of education, shall adopt administrative  
4 rules for the development and implementation of such  
5 career academies pursuant to section 256.11,  
6 subsection 5, paragraph “h”, section 260C.1, and Title  
7 II of Pub. L. No. 105-332, Carl D. Perkins Vocational  
8 and Technical Education Act of 1998.

9 d. Programs and courses that provide vocational  
10 and technical training, and programs for in-service  
11 training and retraining under section 260C.1,  
12 subsections 2 and 3.

13 3. The maximum cumulative total amount of moneys  
14 that may be deposited in all the workforce training  
15 and economic development funds for distribution to  
16 community colleges in a fiscal year shall be  
17 determined as follows:

18 a. Five million dollars for the fiscal year  
19 beginning July 1, 2003.

20 b. Ten million dollars for the fiscal year  
21 beginning July 1, 2004.

22 c. Fifteen million dollars for the fiscal year  
23 beginning July 1, 2005.

24 d. Twenty million dollars for the fiscal year  
25 beginning July 1, 2006.

26 e. Twenty-five million dollars for the fiscal year  
27 beginning July 1, 2007.

28 f. For the fiscal year beginning July 1, 2008, and  
29 each succeeding fiscal year, the Iowa values board  
30 shall make a determination if sufficient moneys exist  
31 in the Iowa values fund to distribute to community  
32 colleges.

33 Sec. \_\_\_\_. Section 260G.3, subsection 2, Code 2003,  
34 is amended to read as follows:

35 2. An agreement may include reasonable and  
 36 necessary provisions to implement the accelerated  
 37 career education program. If an agreement that  
 38 utilizes program job credits is entered into, the  
 39 community college and the employer shall notify the  
 40 department of revenue and finance as soon as possible.  
 41 The community college shall also file a copy of the  
 42 agreement with the department of economic development  
 43 as required in section 260G.4B. The agreement shall  
 44 provide for program costs, including deferred costs,  
 45 which may be paid from any of the following sources:  
 46 a. Program job credits which the employer receives  
 47 based on the number of program job positions agreed to  
 48 by the employer to be available under the agreement.  
 49 b. Cash or in-kind contributions by the employer  
 50 toward the program cost. At a minimum, the employer

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1 contribution shall be twenty percent of the program  
 2 costs.  
 3 c. Tuition, student fees, or special charges fixed  
 4 by the board of directors to defray program costs.  
 5 d. Guarantee by the employer of payments to be  
 6 received under paragraphs “a” and “b”.  
 7 e. Moneys from a workforce training and economic  
 8 development fund created in section 260C.18A, based on  
 9 the number of program job positions agreed to by the  
 10 employer to be available under the agreement, the  
 11 amount of which shall be calculated in the same manner  
 12 as the program job credits provided for in section  
 13 260G.4A.

#### DIVISION VI

#### CULTURAL AND ENTERTAINMENT DISTRICTS -- REHABILITATION PROJECT TAX CREDITS

17 Sec. \_\_\_\_ NEW SECTION. 303.3B CULTURAL AND  
 18 ENTERTAINMENT DISTRICTS.

19 1. The department of cultural affairs shall  
 20 establish and administer a cultural and entertainment  
 21 district certification program. The program shall  
 22 encourage the growth of communities through the  
 23 development of areas within a city or county for  
 24 public and private uses related to cultural and  
 25 entertainment purposes.  
 26 2. A city or county may create and designate a  
 27 cultural and entertainment district subject to  
 28 certification by the department of cultural affairs,  
 29 in consultation with the department of economic  
 30 development. A cultural and entertainment district  
 31 shall consist of a geographic area not exceeding one  
 32 square mile in size. A cultural and entertainment  
 33 district certification shall remain in effect for ten

34 years following the date of certification. Two or  
35 more cities or counties may apply jointly for  
36 certification of a district that extends across a  
37 common boundary. Through the adoption of  
38 administrative rules, the department of cultural  
39 affairs shall develop a certification application for  
40 use in the certification process.

41 3. The department of cultural affairs shall  
42 encourage development projects and activities located  
43 in certified cultural and entertainment districts  
44 through incentives under cultural grant programs  
45 pursuant to section 303.3, chapter 303A, and any other  
46 grant programs.

47 Sec. \_\_\_\_ Section 404A.4, subsection 4, Code 2003,  
48 is amended to read as follows:

49 4. The total amount of tax credits that may be  
50 approved for a fiscal year under this chapter shall

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1 not exceed two million four hundred thousand dollars.  
2 For the fiscal years beginning July 1, 2003, and July  
3 1, 2004, an additional two million dollars of tax  
4 credits may be approved each fiscal year for purposes  
5 of projects located in cultural and entertainment  
6 districts certified pursuant to section 303.3B. Any  
7 of the additional tax credits allocated for projects  
8 located in certified cultural and entertainment  
9 districts that are not approved during a fiscal year  
10 may be carried over to the succeeding fiscal year.

11 Tax credit certificates shall be issued on the basis  
12 of the earliest awarding of certifications of  
13 completion as provided in subsection 1. The  
14 departments of economic development and revenue and  
15 finance shall each adopt rules to jointly administer  
16 this subsection and shall provide by rule for the  
17 method to be used to determine for which fiscal year  
18 the tax credits are approved.

19 DIVISION VII

20 SMALL BUSINESS ADVISORY COUNCIL

21 Sec. \_\_\_\_ Section 15.108, subsection 7, paragraph  
22 h, Code 2003, is amended by striking the paragraph.”

23 2. By renumbering as necessary.

WILLIAM A. DOTZLER  
HERMAN C. QUIRMBACH  
ROGER STEWART  
DARYL BEALL  
JACK HATCH  
DR. JOE SENG  
MATT McCOY  
AMANDA RAGAN

JOHN P. KIBBIE  
EUGENE S. FRAISE  
JACK HOLVECK  
WALLY E. HORN  
DENNIS H. BLACK  
MICHAEL E. GRONSTAL  
MIKE CONNOLLY  
ROBERT E. DVORSKY  
THOMAS G. COURTNEY

**S-3398**

1 Amend the amendment, S-3392, to House File 683, as  
2 amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 2, by inserting after line 28 the  
5 following:

6 “STATE COMMISSIONER OF ELECTIONS  
7 Sec. \_\_\_\_ There is appropriated from the rebuild  
8 Iowa infrastructure fund to the state commissioner of  
9 elections for the fiscal year beginning July 1, 2003,  
10 and ending June 30, 2004, the following amounts, or so  
11 much thereof as is necessary, to be used for the  
12 purposes designated:

13 1. For the purchase and installation of voting  
14 machines, notwithstanding section 8.57, subsection 5,  
15 paragraph “c”:

16 ..... \$ 1,263,000

17 2. To provide for the maintenance of effort  
18 requirements of the federal Help America Vote Act of  
19 2002, Pub. L. No. 107-252, notwithstanding section  
20 8.57, subsection 5, paragraph “c”:

21 ..... \$ 78,916

22 The state commissioner of elections shall report to  
23 the general assembly regarding the expenditure of the  
24 moneys appropriated in this section by January 2,  
25 2004, and July 1, 2004.”

JOHN P. KIBBIE

**S-3399**

1 Amend the amendment, S-3391, to House File 692, as  
2 amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 2, line 35, by striking the words “prior  
5 to” and inserting the following: “after”.

6 2. Page 3, line 23, by striking the words “prior  
7 to” and inserting the following: “after”.

8 3. Page 4, line 10, by striking the words “prior  
9 to” and inserting the following: “after”.

HERMAN C. QUIRMBACH

**S-3400**

1 Amend the amendment, S-3391, to House File 692, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:  
 4 1. Page 67, by inserting after line 24 the  
 5 following: “The reduction in liability to employers  
 6 resulting from the apportionment as provided in this  
 7 paragraph shall be passed on to employers in this  
 8 state purchasing workers’ compensation insurance by a  
 9 two and eight-tenths percent reduction in yearly  
 10 workers’ compensation insurance premiums due during  
 11 the fiscal year beginning on July 1, 2003.”

DICK L. DEARDEN

**S-3401**

1 Amend the amendment, S-3391, to House File 692, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:  
 4 1. By striking page 1, line 5, through page 189,  
 5 line 19, and inserting the following:  
 6 ““DIVISION I  
 7 PROPERTY TAXATION  
 8 Section 1. Section 441.19, subsections 1 and 2,  
 9 Code 2003, are amended to read as follows:  
 10 1. Supplemental and optional to the procedure for  
 11 the assessment of property by the assessor as provided  
 12 in this chapter, the assessor may require from all  
 13 persons required to list their property for taxation  
 14 as provided by sections 428.1 and 428.2, a  
 15 supplemental return to be prescribed by the director  
 16 of revenue and finance upon which the person shall  
 17 list the person’s property and any additions or  
 18 modifications completed in the prior year to a  
 19 structure located on the property. The supplemental  
 20 return shall be in substantially the same form as now  
 21 prescribed by law for the assessment rolls used in the  
 22 listing of property by the assessors. Every person  
 23 required to list property for taxation shall make a  
 24 complete listing of the property upon supplemental  
 25 forms and return the listing to the assessor ~~as~~  
 26 promptly as possible within thirty days of receiving  
 27 the assessment notice in section 441.23. The return  
 28 shall be verified over the signature of the person  
 29 making the return and section 441.25 applies to any  
 30 person making such a return. The assessor shall make  
 31 supplemental return forms available as soon as  
 32 practicable after the first day of January of each  
 33 year. The assessor shall make supplemental return  
 34 forms available to the taxpayer by mail, or at a

35 designated place within the taxing district.  
36 2. Upon receipt of such supplemental return from  
37 any person the assessor shall prepare a roll assessing  
38 such person as hereinafter provided. In the  
39 preparation of such assessment roll the assessor shall  
40 be guided not only by the information contained in  
41 such supplemental roll, but by any other information  
42 the assessor may have or which may be obtained by the  
43 assessor as prescribed by the law relating to the  
44 assessment of property. The assessor shall not be  
45 bound by any values or square footage determinations  
46 or purchase prices as listed in such supplemental  
47 return, and may include in the assessment roll any  
48 property omitted from the supplemental return which in  
49 the knowledge and belief of the assessor should be  
50 listed as required by law by the person making the

Page 2

1 supplemental return. Upon completion of such roll the  
2 assessor shall deliver to the person submitting such  
3 supplemental return a copy of the assessment roll,  
4 either personally or by mail.

5 Sec. 2. NEW SECTION. 441.20 LEGISLATIVE INTENT.

6 It is the intent of the general assembly that there  
7 be transparency in the property tax system. It is  
8 further the intent of the general assembly that  
9 property assessments for purposes of property taxation  
10 be equal and uniform within classes of property. It  
11 is further the intent of the general assembly to  
12 minimize the impact that maintenance and upkeep by the  
13 owner of property has on the assessment of that  
14 property and that there be predictability in increases  
15 of property assessments and that such predictability  
16 be based primarily on the actions of the property  
17 owner. It is further the intent of the general  
18 assembly to minimize the impact that increases in  
19 assessed value of property will have on property taxes  
20 paid and that any increases will be primarily the  
21 result of direct action taken by the local taxing  
22 authority in setting budget amounts rather than by  
23 increases in market value of property.

24 Sec. 3. Section 441.21, Code 2003, is amended by  
25 striking the section and inserting in lieu thereof the  
26 following:

27 441.21 ASSESSMENT OF STRUCTURES.

28 1. All real property, except land, subject to  
29 taxation shall be assessed on a value per square foot  
30 basis according to the provisions of this section.

31 2. a. Subject to paragraph "b", for valuations  
32 established as of January 1, 2006, and for subsequent  
33 assessment years, the assessed value per square foot

34 of a residential structure shall be an amount equal to  
35 the valuation of the structure as determined for the  
36 assessment year beginning January 1, 2005, prior to  
37 application of the assessment limitation for that  
38 year, divided by the total number of square feet of  
39 the structure as of January 1, 2005.

40 b. (1) The assessed value per square foot of an  
41 existing residential structure purchased after January  
42 1, 2005, shall be the purchase price of the structure  
43 divided by the cumulative inflation factor established  
44 for the assessment year following the year of  
45 purchase, divided by the total number of square feet  
46 of the structure as of January 1 of the assessment  
47 year. The assessed value per square foot of a  
48 residential structure newly constructed after January  
49 1, 2005, shall be the market value of the structure,  
50 as determined by the assessor, divided by the

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1 cumulative inflation factor established for the  
2 assessment year following the year construction was  
3 completed, divided by the total number of square feet  
4 of the structure as of January 1 of the assessment  
5 year. However, when valuing an addition that  
6 substantially increases the square footage of a  
7 structure, only that portion of the structure  
8 comprising the addition shall be valued by the  
9 assessor under this subparagraph.

10 (2) If additions or modifications to an existing  
11 structure do not constitute a newly constructed  
12 structure, the valuation of the structure shall only  
13 increase if the square footage of the structure  
14 increases. The increased valuation, if any, equals  
15 the amount of increased square feet times the value  
16 per square foot of the structure prior to the  
17 additions or modifications.

18 3. a. Subject to paragraph “b” for valuations  
19 established as of January 1, 2006, and for subsequent  
20 assessment years, the assessed value per square foot  
21 of a commercial or industrial structure shall be an  
22 amount equal to the valuation of the structure as  
23 determined for the assessment year beginning January  
24 1, 2005, prior to application of the assessment  
25 limitation for that year, divided by the total number  
26 of square feet of the structure as of January 1, 2005.

27 b. (1) The assessed value per square foot of an  
28 existing commercial or industrial structure purchased  
29 after January 1, 2005, shall be the purchase price of  
30 the structure divided by the cumulative inflation  
31 factor established for the assessment year following  
32 the year of purchase, divided by the total number of

33 square feet of the structure as of January 1 of the  
34 assessment year. The assessed value per square foot  
35 of a commercial or industrial structure newly  
36 constructed after January 1, 2005, shall be the market  
37 value of the structure, as determined by the assessor,  
38 divided by the cumulative inflation factor established  
39 for the assessment year following the year  
40 construction was completed, divided by the total  
41 number of square feet of the structure as of January 1  
42 of the assessment year. However, when valuing an  
43 addition that substantially increases the square  
44 footage of a structure, only that portion of the  
45 structure comprising the addition shall be valued by  
46 the assessor under this subparagraph.

47 (2) If additions or modifications to an existing  
48 structure do not constitute a newly constructed  
49 structure, the valuation of the structure shall only  
50 increase if the square footage of the structure

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1 increases. The increased valuation, if any, equals  
2 the amount of increased square feet times the value  
3 per square foot of the structure prior to the  
4 additions or modifications.

5 4. a. Subject to paragraph “b” for valuations  
6 established as of January 1, 2006, and for subsequent  
7 assessment years, the assessed value per square foot  
8 of an agricultural structure that is not an  
9 agricultural dwelling shall be an amount equal to the  
10 valuation of the structure as determined for the  
11 assessment year beginning January 1, 2005, prior to  
12 application of the assessment limitation for that  
13 year, divided by the total number of square feet of  
14 the structure as of January 1, 2005.

15 b. (1) The assessed value per square foot of an  
16 existing agricultural structure purchased after  
17 January 1, 2005, shall be the productivity value of  
18 the structure divided by the cumulative inflation  
19 factor established for the assessment year following  
20 the year of purchase, divided by the total number of  
21 square feet of the structure as of January 1 of the  
22 assessment year. The assessed value per square foot  
23 of an agricultural structure newly constructed after  
24 January 1, 2005, shall be the productivity value of  
25 the structure for the assessment year following the  
26 year construction was completed, as determined by the  
27 assessor, divided by the cumulative inflation factor  
28 established for the assessment year following the year  
29 construction was completed, divided by the total  
30 number of square feet of the structure as of January 1  
31 of the assessment year. However, when valuing an

32 addition that substantially increases the square  
33 footage of a structure, only that portion of the  
34 structure comprising the addition shall be valued by  
35 the assessor under this subparagraph.

36 (2) If additions or modifications to an existing  
37 structure do not constitute a newly constructed  
38 structure, the valuation of the structure shall only  
39 increase if the square footage of the structure  
40 increases. The increased valuation, if any, equals  
41 the amount of increased square feet times the value  
42 per square foot of the structure prior to the  
43 additions or modifications.

44 5. a. In determining the market value of newly  
45 constructed property, except agricultural structures,  
46 the assessor may determine the value of the property  
47 using uniform and recognized appraisal methods  
48 including its productive and earning capacity, if any,  
49 industrial conditions, its cost, physical and  
50 functional depreciation and obsolescence and

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1 replacement cost, and all other factors which would  
2 assist in determining the fair and reasonable market  
3 value of the property but the actual value shall not  
4 be determined by use of only one such factor. The  
5 following shall not be taken into consideration:  
6 special value or use value of the property to its  
7 present owner, and the goodwill or value of a business  
8 that uses the property as distinguished from the value  
9 of the property as property. However, in assessing  
10 property that is rented or leased to low-income  
11 individuals and families as authorized by section 42  
12 of the Internal Revenue Code, as amended, and which  
13 section limits the amount that the individual or  
14 family pays for the rental or lease of units in the  
15 property, the assessor shall use the productive and  
16 earning capacity from the actual rents received as a  
17 method of appraisal and shall take into account the  
18 extent to which that use and limitation reduces the  
19 market value of the property. The assessor shall not  
20 consider any tax credit equity or other subsidized  
21 financing as income provided to the property in  
22 determining the market value. Upon adoption of  
23 uniform rules by the department of revenue and finance  
24 or covering assessments and valuations of such  
25 properties, the valuation on such properties shall be  
26 determined in accordance with such values for  
27 assessment purposes to assure uniformity, but such  
28 rules shall not be inconsistent with or change the  
29 foregoing means of determining the market value.  
30 b. The actual value of special purpose tooling,

31 which is subject to assessment and taxation as real  
32 property under section 427A.1, subsection 1, paragraph  
33 “e”, but which can be used only to manufacture  
34 property which is protected by one or more United  
35 States or foreign patents, shall not exceed the fair  
36 and reasonable exchange value between a willing buyer  
37 and a willing seller, assuming that the willing buyer  
38 is purchasing only the special purpose tooling and not  
39 the patent covering the property which the special  
40 purpose tooling is designed to manufacture nor the  
41 rights to manufacture the patented property. For  
42 purposes of this paragraph, special purpose tooling  
43 includes dies, jigs, fixtures, molds, patterns, and  
44 similar property. The assessor shall not take into  
45 consideration the special value or use value to the  
46 present owner of the special purpose tooling which is  
47 designed and intended solely for the manufacture of  
48 property protected by a patent in arriving at the  
49 actual value of the special purpose tooling.  
50 c. In determining the purchase price of a

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1 structure, the assessor shall consider whether the  
2 sale was a fair and reasonable exchange in the year in  
3 which the property was listed and valued between a  
4 willing buyer and a willing seller, neither being  
5 under any compulsion to buy or sell and each being  
6 familiar with all the facts relating to the particular  
7 property. Sale prices of the property or comparable  
8 property in normal transactions reflecting market  
9 value, and the probable availability or unavailability  
10 of persons interested in purchasing the property,  
11 shall be taken into consideration in determining  
12 purchase price. In determining purchase price, sale  
13 prices of property in abnormal transactions not  
14 reflecting market value shall not be taken into  
15 account, or shall be adjusted to eliminate the effect  
16 of factors which distort market value, including but  
17 not limited to sales to immediate family of the  
18 seller, foreclosure or other forced sales, contract  
19 sales, or discounted purchase transactions.  
20 d. If a county enters into a contract before May  
21 1, 2003, for a comprehensive revaluation by a private  
22 appraiser and such revaluation is for the assessment  
23 year beginning January 1, 2006, the valuations  
24 determined under the comprehensive revaluation for  
25 that assessment year shall be divided by the  
26 cumulative inflation factor for the assessment year  
27 beginning January 1, 2006, and that quotient shall be  
28 considered the valuation of the property for the  
29 assessment year beginning January 1, 2005.

30 6. Notwithstanding any other provision of this  
31 section, the assessed value per square foot of a  
32 structure times the total number of square feet of the  
33 structure shall not exceed its fair and reasonable  
34 market value for the assessment year, except for  
35 agricultural structures which shall be valued  
36 exclusively as provided in subsection 4.

37 7. For purposes of this section:

38 a. "Annual inflation factor" means an index,  
39 expressed as a percentage, determined by the  
40 department by January 15 of the assessment year for  
41 which the factor is determined, which reflects the  
42 purchasing power of the dollar as a result of  
43 inflation during the twelve-month period ending  
44 September 30 of the calendar year preceding the  
45 assessment year for which the factor is determined.  
46 In determining the annual inflation factor, the  
47 department shall use the annual percent change, but  
48 not less than zero percent, in the gross domestic  
49 product price deflator computed for the calendar year  
50 by the bureau of economic analysis of the United

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1 States department of commerce and shall add all of  
2 that percent change to one hundred percent. The  
3 annual inflation factor and the cumulative inflation  
4 factor shall each be expressed as a percentage rounded  
5 to the nearest one-tenth of one percent. The annual  
6 inflation factor shall not be less than one hundred  
7 percent. The annual inflation factor for the 2005  
8 calendar year is one hundred percent.

9 b. "Cumulative inflation factor" means the product  
10 of the annual inflation factor for the 2005 calendar  
11 year and all annual inflation factors for subsequent  
12 calendar years as determined pursuant to this  
13 subsection. The cumulative inflation factor applies  
14 to the assessment year beginning on January 1 of the  
15 calendar year for which the latest annual inflation  
16 factor has been determined.

17 c. "Newly constructed" includes, but is not  
18 limited to, structural replacement, additions that  
19 substantially increase the square footage, conversion  
20 into another class of property, and conversion from  
21 exempt property under section 427.1 to taxable  
22 property. For commercial and industrial property,  
23 "newly constructed" also includes an addition or  
24 removal to a structure of personal property taxed as  
25 real estate under chapter 427A.

26 d. "Structure" means any part of that which is  
27 built or constructed, an edifice or building of any  
28 kind, or any piece of work artificially built up or

29 composed of parts joined together in some definite  
30 manner. For residential structures, structure  
31 includes only those parts of the structure, including  
32 basements and attics, that are or could be used as  
33 living space. "Structure" does not include the land  
34 beneath, or horizontal improvements relating to the  
35 structure, such as sidewalks, sewers, or retaining  
36 walls.

37 8. For the purpose of computing the debt  
38 limitations for municipalities, political  
39 subdivisions, and school districts, the term "actual  
40 value" means the "actual value" as determined under  
41 this section without application of any percentage  
42 reduction and entered opposite each item, and as  
43 listed on the tax list as provided in section 443.2,  
44 as "actual value".

45 Whenever any board of review or other tribunal  
46 changes the assessed value of property, all applicable  
47 records of assessment shall be adjusted to reflect  
48 such change in both assessed value and actual value of  
49 such property.

50 9. The provisions of this chapter and chapters

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1 443, 443A, and 444 shall be subject to legislative  
2 review at least once every five years. The review  
3 shall be based upon a property tax status report  
4 containing the recommendations of a property tax  
5 implementation committee appointed to conduct a review  
6 of the land tax, square footage tax, the baseline  
7 assessment for the square footage tax, and other  
8 related provisions, to be prepared with the assistance  
9 of the departments of management and revenue and  
10 finance. The report shall include recommendations for  
11 changes or revisions based upon demographic changes  
12 and property tax valuation fluctuations observed  
13 during the preceding five-year interval, and a summary  
14 of issues that have arisen since the previous review  
15 and potential approaches for their resolution. The  
16 first such report shall be submitted to the general  
17 assembly no later than January 1, 2010, with  
18 subsequent reports developed and submitted by January  
19 1 at least every fifth year thereafter.

20 Sec. 4. NEW SECTION. 441.21A PROPERTY  
21 CLASSIFICATIONS.

22 1. a. Agricultural land shall be valued at its  
23 productivity value. The productivity value of  
24 agricultural land shall be determined on the basis of  
25 productivity and net earning capacity of the land  
26 determined on the basis of its use for agricultural  
27 purposes capitalized at a rate of seven percent and

28 applied uniformly among counties and among classes of  
29 property. Any formula or method employed to determine  
30 productivity and net earning capacity of land shall be  
31 adopted in full by rule.

32 b. In counties or townships in which field work on  
33 a modern soil survey has been completed since January  
34 1, 1949, the assessor shall place emphasis upon the  
35 results of the survey in spreading the valuation among  
36 individual parcels of such agricultural land.

37 c. "Agricultural land" includes the land of a  
38 vineyard.

39 2. a. "Residential property" includes all lands  
40 and buildings which are primarily used or intended for  
41 human habitation, including those buildings located on  
42 agricultural land. Buildings used primarily or  
43 intended for human habitation shall include the  
44 dwelling as well as structures and improvements used  
45 primarily as a part of, or in conjunction with, the  
46 dwelling. This includes but is not limited to  
47 garages, whether attached or detached, tennis courts,  
48 swimming pools, guest cottages, and storage sheds for  
49 household goods. Residential property located on  
50 agricultural land shall include only buildings.

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1 b. "Residential property" includes all land and  
2 buildings of multiple housing cooperatives organized  
3 under chapter 499A and includes land and buildings  
4 used primarily for human habitation which land and  
5 buildings are owned and operated by organizations that  
6 have received tax-exempt status under section  
7 501(c)(3) of the Internal Revenue Code and rental  
8 income from the property is not taxed as unrelated  
9 business income under section 422.33, subsection 1A.

10 c. "Residential property" includes an apartment in  
11 a horizontal property regime referred to in chapter  
12 499B which is used or intended for use for human  
13 habitation regardless of who occupies the apartment.  
14 Existing structures shall not be converted to a  
15 horizontal property regime unless applicable building  
16 code requirements have been met.

17 d. Buildings for human habitation that are used as  
18 commercial ventures, including but not limited to  
19 hotels, motels, rest homes, and structures containing  
20 three or more separate living quarters shall not be  
21 considered residential property.

22 Sec. 5. Section 441.23, Code 2003, is amended to  
23 read as follows:

24 441.23 NOTICE OF VALUATION.

25 If there has been an increase or decrease in the  
26 valuation of the property, or upon the written request

27 of the person assessed, the assessor shall, at the  
 28 time of making the assessment, inform the person  
 29 assessed, in writing, of the valuation put upon the  
 30 taxpayer's property, and notify the person, if the  
 31 person feels aggrieved, to appear before the board of  
 32 review and show why the assessment should be changed.  
 33 However, if the valuation of ~~a class of~~ agricultural  
 34 property is uniformly decreased, the assessor may  
 35 notify the affected property owners by publication in  
 36 the official newspapers of the county. The owners of  
 37 real property shall be notified not later than April  
 38 15 of any adjustment of the real property assessment.  
 39 The notification shall include a supplemental return  
 40 form for the person to list the person's property and  
 41 any additions or modifications completed in the prior  
 42 year to a structure located on the property, as  
 43 required in section 441.19.

44 Sec. 6. Section 441.24, Code 2003, is amended to  
 45 read as follows:

46 441.24 REFUSAL TO FURNISH STATEMENT.

47 1. If a person refuses to furnish the verified  
 48 statements required in connection with the assessment  
 49 of property by the assessor, or to list the  
 50 corporation's or person's property, the director of

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1 revenue and finance, or assessor, as the case may be,  
 2 shall proceed to list and assess the property  
 3 according to the best information obtainable, and  
 4 shall add to the ~~taxable~~ agricultural land and square  
 5 footage valuation one hundred percent thereof, which  
 6 valuation and penalty shall be separately shown, and  
 7 shall constitute the assessment; and if the  
 8 agricultural land or square footage valuation of the  
 9 property is changed by a board of review, or on appeal  
 10 from a board of review, a like penalty shall be added  
 11 to the valuation thus fixed.

12 2. However, all or part of the penalty imposed  
 13 under this section may be waived by the board of  
 14 review upon application to the board by the assessor  
 15 or the property owner. The waiver or reduction in the  
 16 penalty shall be allowed only on the agricultural land  
 17 or the square footage valuation of ~~real property~~ the  
 18 structure against which the penalty has been imposed.

19 Sec. 7. Section 441.26, unnumbered paragraph 3,  
 20 Code 2003, is amended to read as follows:

21 The notice in ~~1981 2007~~ and each odd-numbered year  
 22 thereafter shall contain a statement that ~~the~~  
 23 agricultural property assessments and property  
 24 assessed pursuant to section 441.21, subsection 2,  
 25 paragraph "b", subparagraph (1), and subsection 3,

26 paragraph “b”, subparagraph (1), are subject to  
 27 equalization pursuant to an order issued by the  
 28 director of revenue and finance, that the county  
 29 auditor shall give notice on or before October 15 by  
 30 publication in an official newspaper of general  
 31 circulation to any ~~class of agricultural~~ property  
 32 affected by the equalization order, and that the board  
 33 of review shall be in session from October 15 to  
 34 November 15 to hear protests of affected property  
 35 owners or taxpayers whose valuations have been  
 36 adjusted by the equalization order.

37 Sec. 8. Section 441.26, unnumbered paragraphs 4  
 38 and 5, Code 2003, are amended to read as follows:  
 39 The assessment rolls shall be used in listing the  
 40 property, the number of structures, and the total  
 41 square footage of the structures by class of property,  
 42 and showing the values affixed to agricultural land  
 43 and the assessed value per square foot affixed to ~~the~~  
 44 property the structures by class of property of all  
 45 persons assessed. The rolls shall be made in  
 46 duplicate. The duplicate roll shall be signed by the  
 47 assessor, detached from the original and delivered to  
 48 the person assessed if there has been an increase or  
 49 decrease in the valuation of the property. If there  
 50 has been no change in the evaluation, the information

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1 on the roll may be printed on computer stock paper and  
 2 preserved as required by this chapter. If the person  
 3 assessed requests in writing a copy of the roll, the  
 4 copy shall be provided to the person. The pages of  
 5 the assessor’s assessment book shall contain columns  
 6 ruled and headed for the information required by this  
 7 chapter and that which the director of revenue and  
 8 finance deems essential in the equalization work of  
 9 the director. The assessor shall return all  
 10 assessment rolls and schedules to the county auditor,  
 11 along with the completed assessment book, as provided  
 12 in this chapter, and the county auditor shall  
 13 carefully keep and preserve the rolls, schedules and  
 14 book for a period of five years from the time of its  
 15 filing in the county auditor’s office.

16 Beginning with valuations for January 1, ~~1977~~ 2006,  
 17 and each succeeding year, for each parcel of  
 18 agricultural property and for each structure entered  
 19 in the assessment book, the assessor shall list the  
 20 classification of the property.

21 Sec. 9. Section 441.35, subsection 1, Code 2003,  
 22 is amended by striking the subsection.

23 Sec. 10. Section 441.35, unnumbered paragraph 2,  
 24 Code 2003, is amended by striking the unnumbered

25 paragraph.

26 Sec. 11. Section 441.36, Code 2003, is amended to  
27 read as follows:

28 441.36 CHANGE OF ASSESSMENT -- NOTICE.

29 All changes in assessments authorized by the board  
30 of review, and reasons therefor, shall be entered in  
31 the minute book kept by ~~said the~~ board and on the  
32 assessment roll. ~~Said The~~ minute book shall be filed  
33 with the assessor after the adjournment of the board  
34 of review and shall at all times be open to public  
35 inspection. In case the value of any specific  
36 property or structure or the entire assessment of any  
37 person, partnership, or association is increased, or  
38 new property or a new structure is added by the board,  
39 the clerk shall give immediate notice thereof by mail  
40 to each at the post-office address shown on the  
41 assessment rolls, and at the conclusion of the action  
42 of the board therein the clerk shall post an  
43 alphabetical list of those whose assessments are thus  
44 raised and added, in a conspicuous place in the office  
45 or place of meeting of the board, and enter upon the  
46 records a statement that such posting has been made,  
47 which entry shall be conclusive evidence of the giving  
48 of the notice required. The board shall hold an  
49 adjourned meeting, with at least five days intervening  
50 after the posting of ~~said the~~ notices, before final

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1 action with reference to the raising of assessments or  
2 the adding of property or structures to the rolls is  
3 taken, and the posted notices shall state the time and  
4 place of holding such adjourned meeting, which time  
5 and place shall also be stated in the proceedings of  
6 the board.

7 Sec. 12. Section 441.37, subsection 1, paragraphs  
8 a and b, Code 2003, are amended to read as follows:

9 a. That ~~said the~~ assessment is not equitable as  
10 compared with assessments of other like property or  
11 structures in the taxing district. When this ground  
12 is relied upon as the basis of a protest the legal  
13 description and assessments of a representative number  
14 of comparable ~~properties~~ structures, as described by  
15 the aggrieved taxpayer shall be listed on the protest,  
16 otherwise ~~said the~~ protest shall not be considered on  
17 this ground.

18 b. That the property or structure is assessed for  
19 more than the value authorized by law, stating the  
20 specific amount which the protesting party believes  
21 the property or structure to be overassessed, and the  
22 amount which the party considers to be its actual  
23 value and the amount the party considers a fair

24 assessment.

25 Sec. 13. Section 441.39, Code 2003, is amended to  
26 read as follows:

27 441.39 TRIAL ON APPEAL.

28 The court shall hear the appeal in equity and  
29 determine anew all questions arising before the board  
30 which relate to the liability of the property or  
31 structure to assessment or the amount thereof. The  
32 court shall consider all of the evidence and there  
33 shall be no presumption as to the correctness of the  
34 ~~valuation of~~ assessment appealed from. Its decision  
35 shall be certified by the clerk of the court to the  
36 county auditor, and the assessor, who shall correct  
37 the assessment books accordingly.

38 Sec. 14. Section 441.42, Code 2003, is amended to  
39 read as follows:

40 441.42 APPEAL ON BEHALF OF PUBLIC.

41 Any officer of a county, city, township, drainage  
42 district, levee district, or school district  
43 interested or a taxpayer thereof may in like manner  
44 make complaint before ~~said the~~ board of review in  
45 respect to the assessment of any property or structure  
46 in the township, drainage district, levee district or  
47 city and an appeal from the action of the board of  
48 review in fixing the amount of assessment on any  
49 property or structure concerning which such complaint  
50 is made, may be taken by any of such aforementioned

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1 officers.

2 Such appeal is in addition to the appeal allowed to  
3 the person whose property or structure is assessed and  
4 shall be taken in the name of the county, city,  
5 township, drainage district, levee district, or school  
6 district interested, and tried in the same manner,  
7 except that the notice of appeal shall also be served  
8 upon the owner of the property or structure concerning  
9 which the complaint is made and affected thereby or  
10 person required to return said property or structure  
11 for assessment.

12 Sec. 15. Section 441.43, Code 2003, is amended to  
13 read as follows:

14 441.43 POWER OF COURT.

15 Upon trial of any appeal from the action of the  
16 board of review fixing the amount of assessment upon  
17 any property or structure concerning which complaint  
18 is made, the court may increase, decrease, or affirm  
19 the amount of the assessment appealed from.

20 Sec. 16. Section 441.45, subsections 1 and 2, Code  
21 2003, are amended to read as follows:

22 1. The number of acres of land and the aggregate

23 taxable values of the agricultural land, exclusive of  
24 city lots, returned by the assessors, as corrected by  
25 the board of review.

26 2. The aggregate values of structures and the  
27 taxable square footage values of real estate  
28 structures by class in each township and city in the  
29 county and the aggregate value of agricultural land in  
30 each township and city in the county, returned as  
31 corrected by the board of review.

32 Sec. 17. Section 441.47, Code 2003, is amended by  
33 adding the following new unnumbered paragraph:  
34 NEW UNNUMBERED PARAGRAPH. For the assessment year  
35 beginning January 1, 2007, and for all subsequent  
36 assessment years, only property classified as  
37 agricultural property and property assessed pursuant  
38 to section 441.21, subsection 2, paragraph “b”,  
39 subparagraph (1), and subsection 3, paragraph “b”,  
40 subparagraph (1), shall be subject to equalization by  
41 the director of revenue and finance under this section  
42 and sections 441.48 and 441.49.

43 Sec. 18. NEW SECTION. 441.47A EQUALIZATION OF  
44 INFLATION FACTORS.

45 The director of revenue and finance on or about  
46 August 15, 2007, and every two years thereafter, shall  
47 order the equalization of the assessed value per  
48 square foot resulting from the application of the  
49 cumulative inflation factor in the several assessing  
50 jurisdictions in each case as may be necessary to

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1 bring such values as fixed by the assessor in cases of  
2 purchases of property and newly constructed property  
3 to the values determined for the assessment year  
4 beginning January 1, 2005. In equalizing the effects  
5 of the application of the cumulative inflation factor,  
6 the department shall make use of reports issued by  
7 Iowa state university of science and technology which  
8 reports shall more precisely indicate, on a county-by-  
9 county basis, annual and cumulative inflation factors  
10 for each county. If the cumulative inflation factor  
11 for an assessing jurisdiction as reported by Iowa  
12 state university of science and technology is five  
13 percent above or below the cumulative inflation factor  
14 as defined in section 441.21, subsection 7, the  
15 director shall notify the assessor by mail of the  
16 equalization of the effects of the cumulative  
17 inflation factor for the assessing jurisdiction. The  
18 assessor shall recompute the assessments made pursuant  
19 to section 441.21, subsection 2, paragraph “b”,  
20 subparagraph (1), subsection 3, paragraph “b”,  
21 subparagraph (1), and subsection 4, paragraph “b”,

22 subparagraph (1), by applying the equalized inflation  
23 factor. The assessor shall send notice of the  
24 equalized assessments to all affected property owners.

25 Sec. 19. Section 441.50, Code 2003, is amended to  
26 read as follows:

27 441.50 APPRAISERS EMPLOYED.

28 The conference board shall have power to employ  
29 appraisers or other technical or expert help to assist  
30 in the ~~valuation~~ assessment of property as provided in  
31 section 441.21, the cost thereof to be paid in the  
32 same manner as other expenses of the assessor's  
33 office. The conference board may certify for levy  
34 annually an amount not to exceed forty and one-half  
35 cents per thousand dollars of assessed value of  
36 taxable property for the purpose of establishing a  
37 special appraiser's fund, to be used only for such  
38 purposes. From time to time the conference board may  
39 direct the transfer of any unexpended balance in the  
40 special appraiser's fund to the assessment expense  
41 fund.

42 Sec. 20. Section 443.1, Code 2003, is amended to  
43 read as follows:

44 443.1 CONSOLIDATED TAX.

45 All square footage taxes which are uniform  
46 throughout any township or school district shall be  
47 formed into a single tax and entered upon the tax list  
48 in a single column, to be known as a consolidated tax,  
49 and each receipt shall show the percentage levied for  
50 each separate fund. The land tax shall be separately

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1 stated and each receipt shall show the percentage  
2 levied for each separate fund.

3 Sec. 21. Section 443.2, Code 2003, is amended to  
4 read as follows:

5 443.2 TAX LIST.

6 Before the first day of July in each year, the  
7 county auditor shall transcribe the assessments of the  
8 townships and cities into a book or record, to be  
9 known as the tax list, properly ruled and headed, with  
10 separate columns, in which shall be entered the names  
11 of the taxpayers, descriptions of lands, number of  
12 acres and value, numbers of city lots, their size in  
13 acres, and value, and each description of the square  
14 footage tax and the land tax, with a column for polls  
15 and one for payments, and shall complete it by  
16 entering the amount due on each installment,  
17 separately, and carrying out the total of both  
18 installments. The total of all columns of each page  
19 of each book or other record shall balance with the  
20 tax totals. After computing the amount of land tax

21 and square footage tax due and payable on each  
22 property, the county auditor shall round the total  
23 amount of ~~tax taxes~~ due and payable on the property to  
24 the nearest even whole dollar.

25 The county auditor shall list the aggregate actual  
26 value and the aggregate taxable value of all taxable  
27 property within the county and each political  
28 subdivision including property subject to the  
29 statewide property tax imposed under section 437A.18  
30 on the tax list in order that the actual value of the  
31 taxable property within the county or a political  
32 subdivision may be ascertained and shown by the tax  
33 list for the purpose of computing the debt-incurring  
34 capacity of the county or political subdivision. As  
35 used in this section, "actual value" is the value  
36 determined under section 441.21, subsections 1 to 3,  
37 Code 2005, prior to the reduction to a percentage of  
38 actual value as otherwise provided in section 441.21,  
39 Code 2005. "Actual value" of property subject to  
40 statewide property tax is the assessed value under  
41 section 437A.18.

42 Sec. 22. Section 443.3, Code 2003, is amended to  
43 read as follows:

44 443.3 CORRECTION -- TAX APPORTIONED.

45 At the time of transcribing ~~said the~~ assessments  
46 into the tax list, the county auditor shall correct  
47 all transfers up to date and place the legal  
48 descriptions of all real estate in the name of the  
49 owner at ~~said that~~ date as shown by the transfer book  
50 in the auditor's office. At the end of the list for

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1 each township or city the auditor shall make an  
2 abstract thereof, and apportion the consolidated tax  
3 among the respective funds to which it belongs,  
4 according to the amounts levied for each. The auditor  
5 shall apportion the land tax as prescribed in section  
6 443A.2.

7 Sec. 23. Section 443.6, Code 2003, is amended to  
8 read as follows:

9 443.6 CORRECTIONS BY AUDITOR.

10 The auditor may correct any error in the assessment  
11 or tax list, and the assessor or auditor may list for  
12 taxation any omitted land and may assess and list for  
13 taxation any omitted ~~property structure~~.

14 Sec. 24. Section 443.7, Code 2003, is amended to  
15 read as follows:

16 443.7 NOTICE.

17 Before listing for taxation any omitted land and  
18 before assessing and listing for taxation any omitted  
19 ~~property structure~~, the assessor or auditor shall

20 notify by mail the person in whose name the ~~property~~  
 21 land or structure is taxed, to appear before the  
 22 assessor or auditor at the assessor's or auditor's  
 23 office within ten days from the date of the notice and  
 24 show cause, if any, why the correction or assessment  
 25 should not be made.

26 Sec. 25. Section 443.9, Code 2003, is amended to  
 27 read as follows:

28 443.9 ADJUSTMENT OF ACCOUNTS.

29 If such correction or assessment is made after the  
 30 books or other records approved by the ~~state~~ auditor  
 31 of state have passed into the hands of the treasurer,  
 32 the treasurer shall be charged or credited therefor as  
 33 the case may be. In the event such listing of omitted  
 34 land or listing and assessment of omitted ~~property~~  
 35 structure is made by the assessor after the tax  
 36 records have passed into the hands of the auditor or  
 37 treasurer, such correction or assessment shall be  
 38 entered on the records by the auditor or treasurer.

39 Sec. 26. Section 443.12, Code 2003, is amended to  
 40 read as follows:

41 443.12 CORRECTIONS BY TREASURER.

42 When ~~property land or a structure~~ subject to  
 43 taxation is withheld, overlooked, or from any other  
 44 cause is not listed, or is not listed and assessed,  
 45 the county treasurer shall, when apprised thereof, at  
 46 any time within two years from the date at which such  
 47 listing and assessment should have been made, demand  
 48 of the person, firm, corporation, or other party by  
 49 whom the same should have been listed, or to whom it  
 50 should have been listed and assessed, or of the

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1 administrator thereof, the amount the ~~property land or~~  
 2 structure should have been taxed in each year the same  
 3 was so withheld or overlooked and not listed or not  
 4 listed and assessed, together with six percent  
 5 interest thereon from the time the taxes would have  
 6 become due and payable had such ~~property land~~ been  
 7 listed or such structure been listed and assessed.

8 Sec. 27. Section 443.13, Code 2003, is amended to  
 9 read as follows:

10 443.13 ACTION BY TREASURER -- APPORTIONMENT.

11 Upon failure to pay such sum within thirty days,  
 12 with all accrued interest, the treasurer shall cause  
 13 an action to be brought in the name of the treasurer  
 14 for the use of the proper county, to be prosecuted by  
 15 the county attorney, or such other person as the board  
 16 of supervisors may appoint, and when such ~~property~~  
 17 land has been fraudulently withheld from listing or  
 18 such structure fraudulently withheld from listing and

19 assessment, there shall be added to the sum found to  
 20 be due a penalty of fifty percent upon the amount,  
 21 which shall be included in the judgment. The amount  
 22 thus recovered shall be by the treasurer apportioned  
 23 ratably as the taxes would have been if they had been  
 24 paid according to law.

25 Sec. 28. Section 443.14, Code 2003, is amended to  
 26 read as follows:

27 443.14 DUTY OF TREASURER.

28 The treasurer shall assess any ~~real property~~  
 29 structure and shall list the acreage of any land  
 30 subject to taxation which may have been omitted by the  
 31 assessor, board of review, or county auditor, and  
 32 collect taxes thereon, and in such cases shall note,  
 33 opposite the tract or lot assessed, the words "by  
 34 treasurer".

35 Sec. 29. Section 443.15, Code 2003, is amended to  
 36 read as follows:

37 443.15 TIME LIMIT.

38 The assessment shall be made within two years after  
 39 the tax list shall have been delivered to the  
 40 treasurer for collection, and not afterwards, if the  
 41 ~~property land or structure~~ is then owned by the person  
 42 who should have paid the tax.

43 Sec. 30. Section 443.17, Code 2003, is amended to  
 44 read as follows:

45 443.17 PRESUMPTION OF TWO-YEAR OWNERSHIP.

46 In any action or proceeding, now pending or  
 47 hereafter brought, to recover taxes upon ~~property land~~  
 48 not listed or agricultural land or a structure not  
 49 listed and assessed for taxation during the lifetime  
 50 of any decedent, it shall be presumed that any

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1 property, any evidence of ownership of property, and  
 2 any evidence of a promise to pay, owned by a decedent  
 3 at the date of the decedent's death, had been acquired  
 4 and owned by such decedent more than two years before  
 5 the date of the decedent's death; and the burden of  
 6 proving that any such property had been acquired by  
 7 such decedent less than two years before the date of  
 8 the decedent's death shall be upon the heirs,  
 9 legatees, and legal representatives of any such  
 10 decedent.

11 Sec. 31. Section 443.18, Code 2003, is amended to  
 12 read as follows:

13 443.18 REAL ESTATE -- DUTY OF OWNER.

14 In all cases where ~~real estate land~~ subject to  
 15 taxation has not been listed or agricultural land or a  
 16 structure subject to taxation has not been listed and  
 17 assessed, the owner, or an agent of the owner, shall

18 have the same done by the treasurer, and pay the taxes  
 19 thereon; and if the owner fails to do so the treasurer  
 20 shall list or list and assess the same and collect the  
 21 tax assessed as the treasurer does other taxes.

22 Sec. 32. Section 443.19, Code 2003, is amended to  
 23 read as follows:

24 443.19 IRREGULARITIES, ERRORS AND OMISSIONS --  
 25 EFFECT.

26 ~~No~~ A failure of the owner to have such ~~property~~  
 27 land listed or agricultural land or structure listed  
 28 and assessed or to have the errors in the listing or  
 29 assessment corrected, and ~~no an~~ irregularity, error or  
 30 omission in the listing of such land or listing and  
 31 assessment of such ~~property~~ agricultural land or  
 32 structure, shall not affect in any manner the legality  
 33 of the taxes levied thereon, or affect any right or  
 34 title to such ~~real estate~~ property which would have  
 35 accrued to any party claiming or holding under and by  
 36 virtue of a deed executed by the treasurer as provided  
 37 by this title, had the listing and assessment of such  
 38 property been in all respects regular and valid.

39 Sec. 33. Section 443.21, Code 2003, is amended to  
 40 read as follows:

41 443.21 ASSESSMENTS CERTIFIED TO COUNTY AUDITOR.

42 All assessors and assessing bodies, including the  
 43 department of revenue and finance having authority  
 44 over the listing of land or listing and assessment of  
 45 ~~property~~ agricultural land and structures for tax  
 46 purposes shall certify to the county auditor of each  
 47 county the number of acres of land and the assessed  
 48 values of agricultural land and structures for all the  
 49 taxable property in such county as finally equalized  
 50 ~~and~~ determined, and the same shall be transcribed onto

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1 the tax lists as required by section 443.2.

2 Sec. 34. Section 443.22, Code 2003, is amended to  
 3 read as follows:

4 443.22 UNIFORM ASSESSMENTS MANDATORY.

5 All assessors and assessing bodies, including the  
 6 department of revenue and finance having authority  
 7 over the listing of land and listing and assessment of  
 8 ~~property~~ agricultural land and structures for tax  
 9 purposes, shall comply with sections 428.4, 428.29,  
 10 434.15, 438.13, 441.21, and 441.45. The department of  
 11 revenue and finance, having authority over the listing  
 12 and assessments, shall exercise its powers and perform  
 13 its duties under section 421.17 and other applicable  
 14 laws so as to require the uniform and consistent  
 15 application of ~~said that~~ section.

16 Sec. 35. NEW SECTION. 443A.1 LAND TAX.

17 Effective for the fiscal year beginning July 1,  
18 2007, and all subsequent fiscal years, a land tax  
19 shall be imposed against each acre or portion of an  
20 acre of land in a county.

21 Sec. 36. NEW SECTION. 443A.2 APPORTIONMENT OF  
22 LAND TAX.

23 1. The land tax for each county shall be  
24 apportioned as follows:

25 In the unincorporated area of the county, the land  
26 tax shall be distributed to the county, the school  
27 district located in the unincorporated area of the  
28 county, and other taxing entities located in the  
29 unincorporated area of the county in the same  
30 proportion that property taxes levied in the  
31 unincorporated area of the county for the fiscal year  
32 beginning July 1, 2006, were allocated to those  
33 entities.

34 In the incorporated areas of the county, the land  
35 tax shall be distributed to the city, the county, each  
36 school district located within the city, and other  
37 taxing entities located within the city in the same  
38 proportion that property taxes levied in the city for  
39 the fiscal year beginning July 1, 2006, were allocated  
40 to those entities.

41 2. The city finance committee and the county  
42 finance committee shall jointly determine the  
43 adjustments to be made to the allocation of the land  
44 tax in the case of boundary adjustments made to a  
45 taxing district on or after January 1, 2006.

46 3. After the auditor has computed the amount of  
47 land tax to be distributed to each taxing district,  
48 the auditor shall compute the rate of tax to be levied  
49 upon the square footage valuation of structures  
50 pursuant to chapter 444.

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1 Sec. 37. Section 444.1, Code 2003, is amended to  
2 read as follows:

3 444.1 BASIS FOR AMOUNT OF TAX.

4 In all taxing districts in the state, including  
5 townships, school districts, cities and counties, when  
6 by law then existing the people are authorized to  
7 determine by vote, or officers are authorized to  
8 estimate or determine, a rate of taxation required for  
9 any public purpose, such rate shall in all cases be  
10 estimated and based upon the amount of land tax  
11 available to the district and the adjusted taxable  
12 square footage valuation of such taxing district for  
13 the preceding calendar year.

14 Sec. 38. Section 444.2, Code 2003, is amended to  
15 read as follows:

16 444.2 AMOUNTS CERTIFIED IN DOLLARS.  
 17 When an authorized square footage tax rate within a  
 18 taxing district, including townships, school  
 19 districts, cities and counties, has been thus  
 20 determined as provided by law, the officer or officers  
 21 charged with the duty of certifying the authorized  
 22 rate to the county auditor or board of supervisors  
 23 shall, before certifying the rate, compute upon the  
 24 adjusted taxable square footage valuation of the  
 25 taxing district for the preceding fiscal year, the  
 26 amount of tax the rate will raise, stated in dollars,  
 27 and shall certify the computed amount in dollars and  
 28 not by rate, to the county auditor and board of  
 29 supervisors and shall further certify the percentage  
 30 of such amount to be levied against each class of  
 31 property.

32 Sec. 39. Section 444.3, Code 2003, is amended to  
 33 read as follows:

34 444.3 COMPUTATION OF SQUARE FOOTAGE RATE.

35 When the square footage valuations for the several  
 36 taxing districts shall have been adjusted by the  
 37 several boards for the current year, and the amount of  
 38 land tax to be distributed to each taxing district has  
 39 been deducted from the dollar amounts certified in  
 40 section 444.2 for each taxing district, the county  
 41 auditor shall thereupon apply such a rate, ~~not~~  
 42 ~~exceeding the rate authorized by law, or rates~~ as will  
 43 raise the amount required for such taxing district,  
 44 and when combined with the land tax amount will raise  
 45 an amount not exceeding the dollar amount authorized  
 46 by law for the taxing district, and ~~no~~ will not raise  
 47 a larger amount. For purposes of computing the square  
 48 footage rate under this section, the adjusted taxable  
 49 square footage valuation of the property of a taxing  
 50 district does not include the valuation of property of

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1 a railway corporation or its trustee which corporation  
 2 has been declared bankrupt or is in bankruptcy  
 3 proceedings. Nothing in the preceding sentence  
 4 exempts the property of such railway corporation or  
 5 its trustee from taxation and the rate computed under  
 6 this section shall be levied on the taxable property  
 7 of such railway corporation or its trustee.  
 8 The square footage tax rate shall be expressed in  
 9 dollars and cents per one hundred dollars of valuation  
 10 per square foot.

11 Sec. 40. NEW SECTION. 444.9 COMPUTATION OF TAX.

12 The amount of tax imposed on any taxable property  
 13 is the sum of the amounts computed in subsections 1  
 14 and 2.

15 1. LAND TAX. The product of the land tax rate  
16 times the number of acres or portion of an acre of the  
17 taxable property.

18 2. SQUARE FOOTAGE TAX. The product of the square  
19 footage tax rate times the valuation per square foot  
20 of the taxable structure times the number of square  
21 feet of the taxable structure. The square footage tax  
22 shall be computed separately for each structure  
23 located on the land.

24 Sec. 41. PROPERTY TAX IMPLEMENTATION COMMITTEE.

25 1. On or before July 1, 2003, the department of  
26 revenue and finance, in consultation with the  
27 department of management, shall initiate and  
28 coordinate the establishment of a property tax  
29 implementation committee and provide staffing  
30 assistance to the committee. The property tax  
31 implementation committee shall include four members of  
32 the general assembly, one each appointed by the  
33 majority leader of the senate, the speaker of the  
34 house of representatives, the minority leader of the  
35 senate, and the minority leader of the house of  
36 representatives. The committee shall also include  
37 members appointed by the department of revenue and  
38 finance representing the department of revenue and  
39 finance, the department of management, counties,  
40 cities, school districts, local assessors, commercial  
41 property taxpayers, industrial property taxpayers,  
42 residential property taxpayers, and agricultural  
43 property taxpayers, and other appropriate  
44 stakeholders. The department may consider  
45 participation on the committee of former state  
46 officials with expertise in budget and tax policy.  
47 The chairpersons of the committee shall be those  
48 members of the general assembly appointed by the  
49 majority leader of the senate and the speaker of the  
50 house of representatives.

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1 2. The committee shall study and make  
2 recommendations relating to the land tax, square  
3 footage tax, the baseline assessment for the square  
4 footage tax, and other related provisions. The  
5 committee shall also study and make recommendations on  
6 issues relating to implementation of a land tax and  
7 square footage tax, including, but not limited to,  
8 whether or not maximum square footage rates and land  
9 tax rates should be imposed and, if such rates are  
10 recommended, the imposition of rates that have a  
11 revenue neutral impact on classes of property, the  
12 property tax financing portion of the school funding  
13 formula, treatment of current property tax credits and

14 exemptions under a land tax and square footage tax and  
15 continued state reimbursement of any credits or  
16 exemptions, implementation of urban revitalization and  
17 urban renewal programs under the land tax and square  
18 footage tax, implementation of a payment in lieu of  
19 taxes program for local government services, and  
20 maintenance of equity among classes of taxpayers and  
21 among taxpayers within the same class. The property  
22 tax implementation committee shall also study the role  
23 of property taxes in funding local government services  
24 and the types of services currently funded by property  
25 taxes.

26 3. The property tax implementation committee shall  
27 direct three counties and cities within those counties  
28 to submit data as prescribed by the committee. The  
29 department of revenue and finance, in consultation  
30 with the department of management, shall select the  
31 three counties and the cities within those counties  
32 that will be required to provide data to the  
33 committee. The committee shall devise a system for  
34 testing the data, including the necessary computer  
35 hardware and software to allow the selected counties  
36 and cities to prepare projected budgets, to determine  
37 the rates for the land tax and the square footage tax  
38 for those projected budgets, and to provide a sampling  
39 of the effect on the various classes of property in  
40 those jurisdictions. The committee shall use the data  
41 and the results of the projections to resolve, and  
42 make recommendations relating to, the issues described  
43 in subsection 2, and related issues, in a revenue  
44 neutral manner that will not result in a shift of  
45 property tax burden between classes of property. The  
46 committee shall submit to the general assembly by  
47 October 31, 2003, October 31, 2004, and October 31,  
48 2005, a report for each of those years resolving the  
49 issues in subsection 2 and other related issues for  
50 implementation of this Act. The reports shall include

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1 detailed estimates of the cost to the counties and  
2 cities of providing the data and an estimate of the  
3 cost of statewide implementation of this Act.  
4 Sec. 42. EFFECTIVE AND APPLICABILITY DATES.  
5 1. The section of this division of this Act  
6 establishing the property tax implementation  
7 committee, being deemed of immediate importance, takes  
8 effect upon enactment.  
9 2. The remainder of this division of this Act  
10 takes effect July 1, 2005, and applies to assessment  
11 years beginning on or after January 1, 2006, and  
12 applies to tax collections for fiscal years beginning

13 on or after July 1, 2007.

14 Sec. 43. FUTURE REPEAL. This division of this Act  
 15 is repealed effective June 30, 2005.

16 DIVISION II  
 17 INDIVIDUAL INCOME TAX  
 18 2004–2006 TAX YEARS

19 Sec. 44. Section 422.5, subsection 1, paragraphs a  
 20 through i, Code 2003, are amended to read as follows:

	<u>For tax years beginning</u>		
	<u>in the calendar year:</u>		
	<u>2004</u>	<u>2005</u>	<u>2006</u>
24 a. On all taxable income from			
25 zero through one thousand dollars,			
26 <del>thirty-six hundredths of one</del>			
27 <del>percent</del> .....	.35%	.34%	.33%
28 b. On all taxable income exceeding			
29 one thousand dollars but not			
30 exceeding two thousand dollars,			
31 <del>seventy-two hundredths of one</del>			
32 <del>percent</del> .....	.71%	.68%	.65%
33 c. On all taxable income exceeding			
34 two thousand dollars but not			
35 exceeding four thousand dollars,			
36 <del>two and forty-three hundredths</del>			
37 <del>percent</del> .....	2.39%	2.30%	2.21%
38 d. On all taxable income exceeding			
39 four thousand dollars but not			
40 exceeding nine thousand dollars,			
41 <del>four and one-half percent</del> .....	4.42%	4.25%	4.09%
42 e. On all taxable income exceeding			
43 nine thousand dollars but not			
44 exceeding fifteen thousand			
45 dollars, <del>six and twelve hundredths</del>			
46 <del>percent</del> .....	6.01%	5.78%	5.56%
47 f. On all taxable income exceeding			
48 fifteen thousand dollars but not			
49 exceeding twenty thousand			
50 dollars, <del>six and forty-eight hundredths</del>			

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1 <del>percent</del> .....	6.36%	6.12%	5.88%
2 g. On all taxable income exceeding			
3 twenty thousand dollars but not			
4 exceeding thirty thousand			
5 dollars, <del>six and eight tenths</del>			
6 <del>percent</del> .....	6.68%	6.42%	6.17%
7 h. On all taxable income exceeding			
8 thirty thousand dollars but not			
9 exceeding forty-five thousand			
10 dollars, seven and ninety-two hundredths			
11 <del>percent</del> .....	7.78%	7.48%	7.19%

12 i. On all taxable income exceeding  
 13 forty-five thousand dollars, eight  
 14 and ninety-eight hundredths  
 15 percent:..... 8.82% 8.48% 8.15%

16 Sec. 45. EFFECTIVE AND APPLICABILITY DATE  
 17 PROVISIONS. This division of this Act takes effect  
 18 January 1, 2004, for tax years beginning on or after  
 19 January 1, 2004, but before January 1, 2007.

20 DIVISION III  
 21 INDIVIDUAL INCOME TAX  
 22 2007 AND SUBSEQUENT TAX YEARS

23 Sec. 46. Section 422.5, subsection 1, paragraphs a  
 24 through i, Code 2003, are amended to read as follows:

25 For tax years beginning  
 26 in the calendar year:  
 27 2007 and subsequent  
 28 calendar years

29 a. On all taxable income from  
 30 zero through one thousand dollars,  
 31 ~~thirty six hundredths of one~~  
 32 percent:..... .31%

33 b. On all taxable income exceeding  
 34 one thousand dollars but not  
 35 exceeding two thousand dollars,  
 36 ~~seventy two hundredths of one~~  
 37 percent:..... .61%

38 c. On all taxable income exceeding  
 39 two thousand dollars but not  
 40 exceeding four thousand dollars,  
 41 ~~two and forty three hundredths~~  
 42 percent:..... 2.06%

43 d. On all taxable income exceeding  
 44 four thousand dollars but not  
 45 exceeding nine thousand dollars,  
 46 ~~four and one half percent:~~..... 3.81%

47 e. On all taxable income exceeding  
 48 nine thousand dollars but not  
 49 exceeding fifteen thousand  
 50 dollars, ~~six and twelve hundredths~~

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1 percent:..... 5.19%  
 2 f. On all taxable income exceeding  
 3 fifteen thousand dollars but not  
 4 exceeding twenty thousand  
 5 dollars, ~~six and forty eight hundredths~~  
 6 percent:..... 5.49%

7 g. On all taxable income exceeding  
 8 twenty thousand dollars but not  
 9 exceeding thirty thousand  
 10 dollars, ~~six and eight tenths~~

11 ~~percent:~~..... 5.76%

12 h. On all taxable income exceeding  
13 thirty thousand dollars but not  
14 exceeding forty-five thousand  
15 dollars, ~~seven and ninety two hundredths~~

16 ~~percent:~~..... 6.71%

17 i. On all taxable income exceeding  
18 forty-five thousand dollars, ~~eight~~  
19 ~~and ninety eight hundredths~~

20 ~~percent:~~..... 7.61%

21 Sec. 47. EFFECTIVE AND APPLICABILITY DATE  
22 PROVISIONS. This division of this Act takes effect  
23 January 1, 2007, for tax years beginning on or after  
24 January 1, 2007.

25 DIVISION IV  
26 INDIVIDUAL INCOME TAX  
27 2007 AND SUBSEQUENT TAX YEARS

28 Sec. 48. Section 422.4, subsection 1, paragraphs b  
29 and c, Code 2003, are amended to read as follows:

30 b. "Cumulative inflation factor" means the product  
31 of the annual inflation factor for the ~~1988~~ 2007  
32 calendar year and all annual inflation factors for  
33 subsequent calendar years as determined pursuant to  
34 this subsection. The cumulative inflation factor  
35 applies to all tax years beginning on or after January  
36 1 of the calendar year for which the latest annual  
37 inflation factor has been determined.

38 c. The annual inflation factor for the ~~1988~~ 2007  
39 calendar year is one hundred percent.

40 Sec. 49. Section 422.4, subsection 16, Code 2003,  
41 is amended to read as follows:

42 16. ~~The words "taxable"~~ "Taxable income" ~~mean means~~  
43 the net income as defined in section 422.7 minus the  
44 deductions allowed by section 422.9, in the case of  
45 individuals; ~~in.~~ In the case of estates or trusts,  
46 ~~the words "taxable income" mean means~~ the taxable  
47 income, ~~(without a deduction for personal exemption),~~  
48 as computed for federal income tax purposes under the  
49 Internal Revenue Code, but with the adjustments  
50 specified in section 422.7 ~~plus the Iowa income tax~~

1 ~~deducted in computing the federal taxable income and~~  
2 ~~minus federal income taxes as provided in section~~  
3 ~~422.9.~~

4 Sec. 50. Section 422.5, subsection 1, Code 2003,  
5 as amended by 2003 Iowa Acts, Senate File 442, section  
6 4, is amended by striking the subsection and inserting  
7 in lieu thereof the following:

8 1. a. A tax is imposed upon every resident and  
9 nonresident of the state which tax shall be levied,

10 collected, and paid annually upon and with respect to  
11 the entire taxable income at rates as follows:

12 (1) On all taxable income from zero through eight  
13 thousand dollars, two and five hundredths percent.

14 (2) On all taxable income exceeding eight thousand  
15 dollars but not exceeding one hundred thousand  
16 dollars, four and sixty-five hundredths percent.

17 (3) On all taxable income exceeding one hundred  
18 thousand dollars, four and nine-tenths percent.

19 b. (1) The tax imposed upon the taxable income of  
20 a nonresident shall be computed by reducing the amount  
21 determined pursuant to paragraph “a” by the amounts of  
22 nonrefundable credits under this division and by  
23 multiplying this resulting amount by a fraction of  
24 which the nonresident’s net income allocated to Iowa,  
25 as determined in section 422.8, subsection 2,  
26 paragraph “a”, is the numerator and the nonresident’s  
27 total net income computed under section 422.7 is the  
28 denominator. This provision also applies to  
29 individuals who are residents of Iowa for less than  
30 the entire tax year.

31 (2) The tax imposed upon the taxable income of a  
32 resident shareholder in an S corporation which has in  
33 effect for the tax year an election under subchapter S  
34 of the Internal Revenue Code and carries on business  
35 within and without the state may be computed by  
36 reducing the amount determined pursuant to paragraph  
37 “a” by the amounts of nonrefundable credits under this  
38 division and by multiplying this resulting amount by a  
39 fraction of which the resident’s net income allocated  
40 to Iowa, as determined in section 422.8, subsection 2,  
41 paragraph “b”, is the numerator and the resident’s  
42 total net income computed under section 422.7 is the  
43 denominator. If a resident shareholder has elected to  
44 take advantage of this subparagraph, and for the next  
45 tax year elects not to take advantage of this  
46 subparagraph, the resident shareholder shall not  
47 reelect to take advantage of this subparagraph for the  
48 three tax years immediately following the first tax  
49 year for which the shareholder elected not to take  
50 advantage of this subparagraph, unless the director

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1 consents to the reelection. This subparagraph also  
2 applies to individuals who are residents of Iowa for  
3 less than the entire tax year.

4 Sec. 51. Section 422.5, subsection 2, Code 2003,  
5 is amended by striking the subsection and inserting in  
6 lieu thereof the following:

7 2. a. However, if the married persons’ filing  
8 jointly or separately on a combined return, unmarried

9 head of household's, or surviving spouse's net income  
10 exceeds thirteen thousand five hundred dollars or nine  
11 thousand dollars in the case of all other persons, the  
12 regular tax imposed under this division shall be the  
13 lesser of the product of eight percent times the  
14 portion of the net income in excess of thirteen  
15 thousand five hundred dollars or nine thousand  
16 dollars, as applicable, or the regular tax liability  
17 computed without regard to this paragraph.

18 b. Paragraph "a" does not apply to estates and  
19 trusts. Married taxpayers electing to file separately  
20 shall compute the alternate tax described in paragraph  
21 "a" using the total net income of the husband and  
22 wife. The alternate tax described in paragraph "a"  
23 does not apply if one spouse elects to carry back or  
24 carry forward the loss as provided in section 422.9,  
25 subsection 3. A person who is claimed as a dependent  
26 by another person as defined in section 422.12 shall  
27 not receive the benefit of paragraph "a" if the person  
28 claiming the dependent has net income exceeding  
29 thirteen thousand five hundred dollars or nine  
30 thousand dollars as applicable or the person claiming  
31 the dependent and the person's spouse have combined  
32 net income exceeding thirteen thousand five hundred  
33 dollars or nine thousand dollars as applicable.

34 Sec. 52. Section 422.5, subsection 5, Code 2003,  
35 is amended to read as follows:

36 5. Upon determination of the latest cumulative  
37 inflation factor, the director shall multiply each  
38 dollar amount set forth in subsection 1, ~~paragraphs~~  
39 ~~"a" through "i" of this section~~ paragraph "a", by this  
40 cumulative inflation factor, shall round off the  
41 resulting product to the nearest one dollar, and shall  
42 incorporate the result into the income tax forms and  
43 instructions for each tax year.

44 Sec. 53. Section 422.5, subsection 7, Code 2003,  
45 is amended by striking the subsection.

46 Sec. 54. Section 422.7, Code 2003, as amended by  
47 2003 Iowa Acts, Senate File 442, section 5, and House  
48 File 674, sections 5 and 6, is amended by striking the  
49 section and inserting in lieu thereof the following:  
50 422.7 "NET INCOME" -- HOW COMPUTED.

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1 The term "net income" means the adjusted gross  
2 income before the net operating loss deduction as  
3 properly computed for federal income tax purposes  
4 under the Internal Revenue Code, with the following  
5 adjustments:

6 1. The adjusted gross income is adjusted by adding  
7 the sum of the following:

- 8 a. Add the amount of federal income tax refunds  
9 received in a tax year beginning on or after January  
10 1, 2007, but before January 1, 2010, to the extent  
11 that the federal income tax was deducted on an Iowa  
12 individual income tax return for a tax year beginning  
13 prior to January 1, 2007.
- 14 b. Add interest and dividends from foreign  
15 securities and from securities of state and other  
16 political subdivisions exempt from federal income tax  
17 under the Internal Revenue Code.
- 18 c. Add interest and dividends from regulated  
19 investment companies exempt from federal income tax  
20 under the Internal Revenue Code.
- 21 d. Add, to the extent not already included, income  
22 from the sale of obligations of the state and its  
23 political subdivisions. Income from the sale of these  
24 obligations is exempt from the taxes imposed by this  
25 division only if the law authorizing these obligations  
26 specifically exempts the income from the sale from the  
27 state individual income tax.
- 28 e. Add the amount resulting from the cancellation  
29 of a participation agreement refunded to the taxpayer  
30 as a participant in the Iowa educational savings plan  
31 trust under chapter 12D to the extent previously  
32 deducted as a contribution to the trust.
- 33 2. The adjusted gross income is adjusted by  
34 subtracting the sum of the following:
- 35 a. Subtract the amount of federal income taxes  
36 paid or accrued, as the case may be, in a tax year  
37 beginning on or after January 1, 2007, but before  
38 January 1, 2010, to the extent the federal tax payment  
39 is for a tax year beginning prior to January 1, 2007.
- 40 b. Subtract interest and dividends from federal  
41 securities.
- 42 c. Subtract the loss on the sale or exchange of a  
43 share of a regulated investment company held for six  
44 months or less to the extent the loss was disallowed  
45 under section 852(b)(4)(B) of the Internal Revenue  
46 Code.
- 47 d. (1) Subtract, to the extent included, the  
48 amount of additional social security benefits taxable  
49 under the Internal Revenue Code for tax years  
50 beginning on or after January 1, 1994. The amount of

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- 1 social security benefits taxable as provided in  
2 section 86 of the Internal Revenue Code, as amended up  
3 to and including January 1, 1993, continues to apply  
4 for state income tax purposes for tax years beginning  
5 on or after January 1, 1994.
- 6 (2) Married taxpayers, who file a joint federal

7 income tax return and who elect to file separate  
8 returns or who elect separate filing on a combined  
9 return for state income tax purposes, shall allocate  
10 between the spouses the amount of benefits subtracted  
11 under subparagraph (1) from net income in the ratio of  
12 the social security benefits received by each spouse  
13 to the total of these benefits received by both  
14 spouses.

15 e. (1) For a person who is disabled, or is fifty-  
16 five years of age or older, or is the surviving spouse  
17 of an individual or a survivor having an insurable  
18 interest in an individual who would have qualified for  
19 the exemption under this paragraph for the tax year,  
20 subtract, to the extent included, the total amount of  
21 a governmental or other pension or retirement pay,  
22 including, but not limited to, defined benefit or  
23 defined contribution plans, annuities, individual  
24 retirement accounts, plans maintained or contributed  
25 to by an employer, or maintained or contributed to by  
26 a self-employed person as an employer, and deferred  
27 compensation plans or any earnings attributable to the  
28 deferred compensation plans, up to a maximum of six  
29 thousand dollars for a person, other than a husband or  
30 wife, who files a separate state income tax return and  
31 up to a maximum of twelve thousand dollars for a  
32 husband and wife who file a joint state income tax  
33 return.

34 (2) However, a surviving spouse who is not  
35 disabled or fifty-five years of age or older can only  
36 exclude the amount of pension or retirement pay  
37 received as a result of the death of the other spouse.  
38 A husband and wife filing separate state income tax  
39 returns or separately on a combined return are allowed  
40 a combined maximum exclusion under this paragraph “e”  
41 of up to the amount allowed for a husband and wife who  
42 file a joint state income tax return. The exclusion  
43 shall be allocated to the husband or wife in the  
44 proportion that each spouse’s respective pension and  
45 retirement pay received bears to total combined  
46 pension and retirement pay received.

47 f. Notwithstanding the method for computing income  
48 from an installment sale under section 453 of the  
49 Internal Revenue Code, as defined in section 422.3,  
50 the method to be used in computing income from an

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1 installment sale shall be the method under section 453  
2 of the Internal Revenue Code, as amended up to and  
3 including January 1, 2000. A taxpayer affected by  
4 this paragraph shall make adjustments in the adjusted  
5 gross income pursuant to rules adopted by the

6 director.

7 The adjustment to net income provided in this  
8 paragraph “f” is repealed for tax years beginning on  
9 or after January 1, 2002. However, to the extent that  
10 a taxpayer using the accrual method of accounting  
11 reported the entire capital gain from the sale or  
12 exchange of property on the Iowa return for the tax  
13 year beginning in the 2001 calendar year and the  
14 capital gain was reported on the installment method on  
15 the federal income tax return, any additional  
16 installment from the capital gain reported for federal  
17 income tax purposes is not to be included in net  
18 income in tax years beginning on or after January 1,  
19 2002.

20 g. Subtract, if the taxpayer is the owner of an  
21 individual development account certified under chapter  
22 541A at any time during the tax year, all of the  
23 following:

24 (1) Contributions made to the account by persons  
25 and entities, other than the taxpayer, as authorized  
26 in chapter 541A.

27 (2) The amount of any savings refund authorized  
28 under section 541A.3, subsection 1.

29 (3) Earnings from the account.

30 h. (1) Subtract the maximum contribution that may  
31 be deducted for income tax purposes as a participant  
32 in the Iowa educational savings plan trust pursuant to  
33 section 12D.3, subsection 1, paragraph “a”.

34 (2) Subtract, to the extent included, income from  
35 interest and earnings received from the Iowa  
36 educational savings plan trust created in chapter 12D.

37 (3) Subtract, to the extent not deducted for  
38 federal income tax purposes, the amount of any gift,  
39 grant, or donation made to the Iowa educational  
40 savings plan trust for deposit in the endowment fund  
41 of that trust.

42 i. Subtract, to the extent included, active duty  
43 pay received by a person in the national guard or  
44 armed forces military reserve for services performed  
45 on or after August 2, 1990, pursuant to military  
46 orders related to the Persian Gulf Conflict.

47 j. Subtract, to the extent included, active duty  
48 pay received by a person in the national guard or  
49 armed forces military reserve for service performed on  
50 or after November 21, 1995, pursuant to military

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1 orders related to peacekeeping in Bosnia-Herzegovina.

2 k. Subtract, to the extent included, the  
3 following:

4 (1) Payments made to the taxpayer because of the

5 taxpayer's status as a victim of persecution for  
6 racial, ethnic, or religious reasons by Nazi Germany  
7 or any other Axis regime or as an heir of such victim.  
8 (2) Items of income attributable to, derived from,  
9 or in any way related to assets stolen from, hidden  
10 from, or otherwise lost to a victim of persecution for  
11 racial, ethnic, or religious reasons by Nazi Germany  
12 or any other Axis regime immediately prior to, during,  
13 and immediately after World War II, including, but not  
14 limited to, interest on the proceeds receivable as  
15 insurance under policies issued to a victim of  
16 persecution for racial, ethnic, or religious reasons  
17 by Nazi Germany or any other Axis regime by European  
18 insurance companies immediately prior to and during  
19 World War II. However, income from assets acquired  
20 with such assets or with the proceeds from the sale of  
21 such assets shall not be subtracted. This  
22 subparagraph shall only apply to a taxpayer who was  
23 the first recipient of such assets after recovery of  
24 the assets and who is a victim of persecution for  
25 racial, ethnic, or religious reasons by Nazi Germany  
26 or any other Axis regime or is an heir of such victim.  
27 1. Subtract, to the extent included, active duty  
28 pay received by a person in the national guard or  
29 armed forces military reserve for service performed on  
30 or after January 1, 2003, pursuant to military orders  
31 related to Operation Iraqi Freedom, Operation Noble  
32 Eagle, and Operation Enduring Freedom.  
33 m. Subtract, not to exceed one thousand five  
34 hundred dollars, the overnight transportation, meals,  
35 and lodging expenses, to the extent not reimbursed,  
36 incurred by the taxpayer for travel away from home of  
37 more than one hundred miles for the performance of  
38 services by the taxpayer as a member of the national  
39 guard or armed forces military reserve.  
40 n. Subtract, to the extent included, military  
41 student loan repayments received by the taxpayer  
42 serving on active duty in the national guard or armed  
43 forces military reserve or on active duty status in  
44 the armed forces.  
45 o. Subtract, to the extent not otherwise excluded,  
46 the amount of the death gratuity payable under 10  
47 U.S.C. } 1475–1491 for deaths occurring after  
48 September 10, 2001.  
49 3. a. In determining the amount of federal income  
50 tax refunds or taxes paid or accrued under subsection

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1 1 or 2, for tax years beginning in the 2001 calendar  
2 year, the amount shall not be adjusted by the amount  
3 received during the tax year of the advanced refund of

4 the rate reduction tax credit provided pursuant to the  
5 federal Economic Growth and Tax Relief Reconciliation  
6 Act of 2001, Pub. L. No. 107-16, and the advanced  
7 refund of such credit shall not be subject to taxation  
8 under this division.

9 b. In determining the amount of federal income tax  
10 refunds or taxes paid or accrued under subsection 1 or  
11 2, for tax years beginning in the 2002 calendar year,  
12 the amount shall not be adjusted by the amount of the  
13 rate reduction credit received during the tax year to  
14 the extent that the credit is attributable to the rate  
15 reduction credit provided pursuant to the federal  
16 Economic Growth and Tax Relief Reconciliation Act of  
17 2001, Pub. L. No. 107-16, and the amount of such  
18 credit shall not be taxable under this division.

19 4. The additional first-year depreciation  
20 allowance authorized in section 168(k) of the Internal  
21 Revenue Code, as enacted by Pub. L. No. 107-147,  
22 section 101, does not apply in computing net income  
23 for state tax purposes. If the taxpayer has taken  
24 such deduction in computing federal adjusted gross  
25 income, the following adjustments shall be made:

26 a. Add the total amount of depreciation taken on  
27 all property for which the election under section  
28 168(k) of the Internal Revenue Code was made for the  
29 tax year.

30 b. Subtract an amount equal to depreciation taken  
31 on such property for the tax year using the modified  
32 accelerated cost recovery system depreciation method  
33 applicable under section 168 of the Internal Revenue  
34 Code without regard to section 168(k).

35 c. Any other adjustments to gains or losses to  
36 reflect the adjustments made in paragraphs “a” and “b”  
37 pursuant to rules adopted by the director.

38 Sec. 55. Section 422.8, subsection 2, paragraph a,  
39 Code 2003, is amended to read as follows:

40 a. Nonresident's net income allocated to Iowa is  
41 the net income, or portion of net income, which is  
42 derived from a business, trade, profession, or  
43 occupation carried on within this state or income from  
44 any property, trust, estate, or other source within  
45 Iowa. However, income derived from a business, trade,  
46 profession, or occupation carried on within this state  
47 and income from any property, trust, estate, or other  
48 source within Iowa shall not include distributions  
49 from pensions, including defined benefit or defined  
50 contribution plans, annuities, individual retirement

1 accounts, and deferred compensation plans or any  
2 earnings attributable thereto so long as the

3 distribution is directly related to an individual's  
4 documented retirement and received while the  
5 individual is a nonresident of this state. If a  
6 business, trade, profession, or occupation is carried  
7 on partly within and partly without the state, only  
8 the portion of the net income which is fairly and  
9 equitably attributable to that part of the business,  
10 trade, profession, or occupation carried on within the  
11 state is allocated to Iowa for purposes of section  
12 422.5, subsection 1, paragraph ~~“j”~~ **“b”**, and section  
13 422.13 and income from any property, trust, estate, or  
14 other source partly within and partly without the  
15 state is allocated to Iowa in the same manner, except  
16 that annuities, interest on bank deposits and  
17 interest-bearing obligations, and dividends are  
18 allocated to Iowa only to the extent to which they are  
19 derived from a business, trade, profession, or  
20 occupation carried on within the state.

21 Sec. 56. Section 422.8, subsection 4, Code 2003,  
22 is amended by striking the subsection.

23 Sec. 57. Section 422.9, subsection 1, Code 2003,  
24 is amended to read as follows:

25 1. An optional standard deduction, ~~after deduction~~  
26 ~~of federal income tax~~, equal to one thousand two  
27 hundred thirty dollars for a married person who files  
28 separately or a single person or equal to three  
29 thousand thirty dollars for a husband and wife who  
30 file a joint return, a surviving spouse, or an  
31 unmarried head of household. ~~The optional standard~~  
32 ~~deduction shall not exceed the amount remaining after~~  
33 ~~deduction of the federal income tax.~~

34 Sec. 58. Section 422.9, subsection 2, paragraph b,  
35 Code 2003, is amended by striking the paragraph.

36 Sec. 59. Section 422.9, subsections 6 and 7, Code  
37 2003, are amended by striking the subsections.

38 Sec. 60. Section 422.11B, subsection 1, Code 2003,  
39 is amended to read as follows:

40 1. There is allowed as a credit against the tax  
41 determined in section 422.5, subsection 1, paragraphs  
42 “a” through “j” for a tax year an amount equal to the  
43 minimum tax credit for that tax year.

44 The minimum tax credit for a tax year is the  
45 excess, if any, of the adjusted net minimum tax  
46 imposed for all prior tax years beginning on or after  
47 January 1, 1987, ~~but before January 1, 2007~~, over the  
48 amount allowable as a credit under this section for  
49 those prior tax years.

50 If a minimum tax credit is available to a tax

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1 period beginning on or after January 1, 2007, the  
2 credit can be carried over to tax years beginning on  
3 or after January 1, 2007, but before January 1, 2010.  
4 The minimum tax credit is limited to the tax  
5 determined in section 422.5, subsection 1, paragraphs  
6 “a” and “b”.

7 Sec. 61. Section 422.13, subsection 1, paragraph  
8 c, and subsection 1A, Code 2003, are amended to read  
9 as follows:

10 c. However, if that part of the net income of a  
11 nonresident which is allocated to Iowa pursuant to  
12 section 422.8, subsection 2, is less than one thousand  
13 dollars the nonresident is not required to make and  
14 sign a return ~~except when the nonresident is subject~~  
15 ~~to the state alternative minimum tax imposed pursuant~~  
16 ~~to section 422.5, subsection 1, paragraph “k”.~~

17 1A. Notwithstanding any other provision in this  
18 section, a resident of this state is not required to  
19 make and file a return if the person’s net income is  
20 equal to or less than the appropriate dollar amount  
21 listed in section 422.5, subsection 2, upon which tax  
22 is not imposed. A nonresident of this state is not  
23 required to make and file a return if the person’s  
24 total net income in section 422.5, subsection 1,  
25 paragraph ~~“j”~~, “b” is equal to or less than the  
26 appropriate dollar amount provided in section 422.5,  
27 subsection 2, upon which tax is not imposed. For  
28 purposes of this subsection, the amount of a lump sum  
29 distribution subject to separate federal tax shall be  
30 included in net income for purposes of determining if  
31 a resident is required to file a return and the  
32 portion of the lump sum distribution that is allocable  
33 to Iowa is included in total net income for purposes  
34 of determining if a nonresident is required to make  
35 and file a return.

36 Sec. 62. Section 422.21, unnumbered paragraph 5,  
37 Code 2003, is amended to read as follows:

38 The director shall determine for the ~~1989~~ 2008 and  
39 each subsequent calendar year the annual and  
40 cumulative inflation factors for each calendar year to  
41 be applied to tax years beginning on or after January  
42 1 of that calendar year. The director shall compute  
43 the new dollar amounts as specified to be adjusted in  
44 section 422.5 by the latest cumulative inflation  
45 factor and round off the result to the nearest one  
46 dollar. The annual and cumulative inflation factors  
47 determined by the director are not rules as defined in  
48 section 17A.2, subsection 11. The director shall  
49 determine for the 1990 calendar year and each  
50 subsequent calendar year the annual and cumulative

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1 standard deduction factors to be applied to tax years  
2 beginning on or after January 1 of that calendar year.  
3 The director shall compute the new dollar amounts of  
4 the standard deductions specified in section 422.9,  
5 subsection 1, by the latest cumulative standard  
6 deduction factor and round off the result to the  
7 nearest ten dollars. The annual and cumulative  
8 standard deduction factors determined by the director  
9 are not rules as defined in section 17A.2, subsection  
10 11.

11 Sec. 63. Section 422.11B, Code 2003, is repealed.

12 COORDINATING AMENDMENTS

13 Sec. 64. Section 12D.9, subsection 2, Code 2003,

14 is amended to read as follows:

15 2. State income tax treatment of the Iowa  
16 educational savings plan trust shall be as provided in  
17 section 422.7, ~~subsections 32, 33, and 34~~ subsection  
18 1, paragraph "e", and subsection 2, paragraph "h", and  
19 section 422.35, subsection 14.

20 Sec. 65. Section 217.39, Code 2003, is amended to  
21 read as follows:

22 217.39 PERSECUTED VICTIMS OF WORLD WAR II --  
23 REPARATIONS -- HEIRS.

24 Notwithstanding any other law of this state,  
25 payments paid to and income from lost property of a  
26 victim of persecution for racial, ethnic, or religious  
27 reasons by Nazi Germany or any other Axis regime or as  
28 an heir of such victim which is exempt from state  
29 income tax as provided in section 422.7, subsection ~~35~~  
30 2, paragraph "k", shall not be considered as income or  
31 an asset for determining the eligibility for state or  
32 local government benefit or entitlement programs. The  
33 proceeds are not subject to recoupment for the receipt  
34 of governmental benefits or entitlements, and liens,  
35 except liens for child support, are not enforceable  
36 against these sums for any reason.

37 Sec. 66. Section 422.120, subsection 1, paragraph  
38 b, subparagraph (3), Code 2003, is amended to read as  
39 follows:

40 (3) The annual index factor for the 1997 calendar  
41 year is one hundred percent. ~~For each subsequent the~~  
42 1998 through 2006 calendar year years, the annual  
43 index factor equals the annual inflation factor for  
44 that calendar year as computed in section 422.4 for  
45 purposes of the individual income tax. For the 2007  
46 calendar year and each subsequent calendar year the  
47 annual index factor shall be determined by the  
48 department by October 15 of the calendar year  
49 preceding the calendar year for which the factor is  
50 determined, which reflects the purchasing power of the

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1 dollar as a result of inflation during the fiscal year  
 2 ending in the calendar year preceding the calendar  
 3 year for which the factor is determined. In  
 4 determining the annual index factor, the department  
 5 shall use the annual percent change, but not less than  
 6 zero percent, in the gross domestic product price  
 7 deflator computed for the second quarter of the  
 8 calendar year by the bureau of economic analysis of  
 9 the United States department of commerce and shall add  
 10 all of that percent change to one hundred percent.  
 11 The annual index factor and the cumulative index  
 12 factor shall each be expressed as a percentage rounded  
 13 to the nearest one-tenth of one percent. The annual  
 14 index factor shall not be less than one hundred  
 15 percent.

16 Sec. 67. Section 425.23, subsection 4, paragraph  
 17 b, Code 2003, is amended to read as follows:  
 18 b. The annual adjustment factor for the 1998 base  
 19 year is one hundred percent. For ~~each subsequent the~~  
 20 1999 through 2006 base year years, the annual  
 21 adjustment factor equals the annual inflation factor  
 22 for the calendar year, in which the base year begins,  
 23 as computed in section 422.4 for purposes of the  
 24 individual income tax. For the 2007 base year and  
 25 each subsequent base year, the annual adjustment  
 26 factor equals the annual index factor, in which the  
 27 base year begins, as computed in section 422.120,  
 28 subsection 1, for purposes of the livestock production  
 29 tax credit.

30 Sec. 68. Section 450.4, subsection 8, Code 2003,  
 31 is amended to read as follows:  
 32 8. On the value of that portion of any lump sum or  
 33 installment payments which are received by a  
 34 beneficiary under an annuity which was purchased under  
 35 an employee's pension or retirement plan which was  
 36 excluded from net income ~~as set forth in~~ under section  
 37 ~~422.7, subsection 31.~~

38 Sec. 69. Section 541A.2, subsection 7, unnumbered  
 39 paragraph 1, Code 2003, is amended to read as follows:  
 40 An individual development account closed in  
 41 accordance with this subsection is not subject to the  
 42 limitations and benefits provided by this chapter but  
 43 is subject to state tax in accordance with the  
 44 provisions of section 422.7, subsection ~~28~~ 2,  
 45 paragraph "g", and section 450.4, subsection 6. An  
 46 individual development account may be closed for any  
 47 of the following reasons:

48 Sec. 70. Section 541A.3, subsection 2, Code 2003,  
 49 is amended to read as follows:  
 50 2. Income earned by an individual development

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1 account is not subject to state tax, in accordance  
2 with the provisions of section 422.7, subsection ~~28~~ 2  
3 paragraph “g”.

4 Sec. 71. Division III of this Act is repealed.

5 CONTINGENT EFFECTIVE AND APPLICABILITY DATE PROVISION

6 Sec. 72.

7 1. This division of this Act takes effect upon  
8 ratification prior to January 1, 2007, of an amendment  
9 to the Constitution of the State of Iowa requiring a  
10 three-fifths majority vote of each house of the  
11 general assembly in order to pass a bill that amends  
12 the state individual income tax by raising the rate or  
13 rates of the individual income tax or of an amendment  
14 to the Constitution of the State of Iowa requiring a  
15 statewide referendum in order to approve a bill that  
16 amends the state individual income tax by raising the  
17 rate or rates of the individual income tax.

18 2. If this division of this Act takes effect as  
19 provided in subsection 1, this division of this Act,  
20 except as provided in subsection 3, applies to tax  
21 years beginning on or after January 1, 2007.

22 3. The section of this division of this Act  
23 repealing section 422.11B applies to tax years  
24 beginning on or after January 1, 2010.

#### 25 DIVISION V

#### 26 SALES AND USE TAX STUDIES

27 Sec. 73. INDUSTRIAL PROCESSING EXEMPTION STUDY  
28 COMMITTEE. On or before July 1, 2003, the department  
29 of revenue and finance shall initiate and coordinate  
30 the establishment of an industrial processing  
31 exemption study committee and provide staffing  
32 assistance to the committee. It is the intent of the  
33 general assembly that the committee shall include  
34 representatives of the department of revenue and  
35 finance, department of management, industrial  
36 producers including manufacturers, fabricators,  
37 printers and publishers, and an association that  
38 specifically represents business tax issues, and other  
39 stakeholders.

40 The industrial processing exemption under the sales  
41 and use tax is a significant exemption for business.  
42 The committee shall study and make legislative and  
43 administrative recommendations relating to Iowa's  
44 processing exemption to ensure maximum utilization by  
45 Iowa's industries.

46 The committee shall study and make recommendations  
47 regarding all of the following:

48 1. The current sales and use tax industrial  
49 processing exemption.

50 2. The corresponding administrative rules,

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- 1 including a review and recommendation of an
- 2 administrative rules process relating to the
- 3 industrial processing exemption prior to filing with
- 4 the administrative rules review committee.
- 5 3. Other states' industrial processing exemptions.
- 6 4. Recommendations for change for issues including
- 7 effectiveness and competitiveness.
- 8 5. Development of additional publications to
- 9 improve compliance.

10 The committee shall annually report to the general  
11 assembly by January 1 of each year through January 1,  
12 2013.

13 Sec. 74. IOWA SALES, SERVICES, AND USE TAX STUDY  
14 COMMITTEE. On or before July 1, 2003, the department  
15 of revenue and finance shall initiate and coordinate  
16 the establishment of a state sales, services, and use  
17 tax study committee and provide staffing assistance to  
18 the committee. It is the intent of the general  
19 assembly that the committee shall include  
20 representatives of the department of revenue and  
21 finance, department of management, an association of  
22 Iowa farmers and other agricultural interests, retail  
23 associations, contractors, taxpayers, an association  
24 that specifically represents business tax issues, and  
25 other stakeholders, two members of the general  
26 assembly, and a representative of the governor's  
27 office.

28 The committee shall study the current sales,  
29 services, and use tax law. Programs funded through  
30 special features of the tax code often escape regular  
31 review. It is intended that the study committee shall  
32 review the current sales, services, and use tax  
33 exemptions to improve government accountability.

34 The committee shall study and make recommendations  
35 regarding all of the following:

- 36 1. Retaining or eliminating current sales,  
37 services, and use tax exemptions or providing new  
38 exemptions. Such decisions shall be based at least  
39 partially on the issues of effectiveness and  
40 competitiveness and their impact on economic behavior.
- 41 2. Tax simplification and consistency issues in  
42 applying the tax, including recordkeeping burdens on  
43 retailers and application by the department of revenue  
44 and finance.
- 45 3. Streamlining sales tax implementation in Iowa.
- 46 4. The tax rate.
- 47 5. Comparison of Iowa sales, services, and use tax  
48 structure with other states.

49 The committee shall report to the general assembly  
50 by January 1, 2004. The report shall provide

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1 rationale for each decision made by the study  
2 committee.

3 Sec. 75. EFFECTIVE DATE. This division of this  
4 Act, being deemed of immediate importance, takes  
5 effect July 1, 2003.

#### 6 DIVISION VI

#### 7 GROW IOWA BOARD AND FUND

8 Sec. 76. Section 15.108, subsection 9, Code 2003,  
9 is amended by adding the following new paragraph:

10 NEW PARAGRAPH. g. Administer the marketing  
11 strategy selected pursuant to section 15G.108.

12 Sec. 77. NEW SECTION. 15G.101 DEFINITIONS.

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

15 1. “Board” means the grow Iowa board established  
16 in section 15G.102.

17 2. “Department” means the Iowa department of  
18 economic development created in section 15.105.

19 3. “Director” means the director of the department  
20 of economic development.

21 4. “Fund” means the grow Iowa fund created in  
22 section 15G.107.

23 5. “Grow Iowa geographic regions” means the  
24 geographic regions defined in section 15G.105.

25 Sec. 78. NEW SECTION. 15G.102 GROW IOWA BOARD.

26 1. The grow Iowa board is established consisting  
27 of nine voting members. The grow Iowa board shall be  
28 located for administrative purposes within the  
29 department and the director shall provide office  
30 space, staff assistance, and necessary supplies and  
31 equipment for the board. The director shall budget  
32 moneys to pay the compensation and expenses of the  
33 board. In performing its functions, the board is  
34 performing a public function on behalf of the state  
35 and is a public instrumentality of the state.

36 2. a. The members of the board shall be appointed  
37 as follows:

38 (1) Five individuals appointed by the governor,  
39 subject to confirmation by the senate.

40 (2) Four individuals appointed by the legislative  
41 council.

42 b. All appointments shall comply with sections  
43 69.16 and 69.16A.

44 c. At least one member of the board shall be from  
45 each grow Iowa geographic region.

46 d. Each of the following areas of expertise shall  
47 be represented by at least one member of the board who  
48 has professional experience in that area of expertise:

49 (1) Accounting and finance.

50 (2) Business development for employers with less

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1 than two hundred employees and sales of less than ten  
2 million dollars per year.

3 (3) Insurance.

4 (4) Economics.

5 (5) Personnel.

6 e. All members of the board shall be actively  
7 employed in the private, for-profit sector of the  
8 economy.

9 f. The board membership shall be balanced between  
10 representation by employers with less than two hundred  
11 employees and employers with two hundred or more  
12 employees.

13 3. The chairperson and vice chairperson shall be  
14 elected by the members of the board from the  
15 membership of the board. In the case of the absence  
16 or disability of the chairperson and vice chairperson,  
17 the members of the board shall elect a temporary  
18 chairperson by a majority vote of those members who  
19 are present and voting, provided a quorum is present.

20 4. The members of the board shall be appointed to  
21 three-year staggered terms and the terms shall  
22 commence and end as provided in section 69.19. If a  
23 vacancy occurs, a successor shall be appointed in the  
24 same manner and subject to the same qualifications as  
25 the original appointment to serve the unexpired term.

26 5. A majority of the board constitutes a quorum.

27 6. A member of the board shall abstain from voting  
28 on the provision of financial assistance to a project  
29 which is located in the county in which the member of  
30 the board resides.

31 7. The members of the board are entitled to  
32 receive reimbursement for actual expenses incurred  
33 while engaged in the performance of official duties.

34 A board member may also be eligible to receive  
35 compensation as provided in section 7E.6.

36 Sec. 79. NEW SECTION. 15G.103 BOARD DUTIES.

37 The board shall do all of the following:

38 1. Organize.

39 2. Receive advice and recommendations from the  
40 grow Iowa investment board, the economic development  
41 marketing board, and the grow Iowa review commission.

42 3. Provide advice and recommendations to the  
43 department and the Iowa economic development board for  
44 making appropriations from and administering the grow  
45 Iowa fund. A recommendation made by the grow Iowa  
46 board to the department or the Iowa economic  
47 development board shall be either approved or denied  
48 by the department or the Iowa economic development  
49 board.

50 4. Assist the department in implementing programs

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1 and activities in a manner designed to achieve the  
2 goals set out in section 15G.106.  
3 5. By December 15 of each year, submit a written  
4 report to the general assembly reviewing the  
5 activities of the board during the calendar year. The  
6 report shall include information necessary for the  
7 review of the goals and performance measures set out  
8 in section 15G.106. State agencies and other entities  
9 receiving moneys from the fund shall cooperate with  
10 and assist the board in compilation of the report.

11 6. Adopt administrative rules pursuant to chapter  
12 17A necessary to administer this chapter. This  
13 delegation shall be construed narrowly.

14 Sec. 80. NEW SECTION. 15G.104 GROW IOWA  
15 INVESTMENT BOARD.

16 1. A grow Iowa investment board is established  
17 consisting of three members and is located for  
18 administrative purposes within the department. The  
19 director of the department shall provide office space,  
20 staff assistance, and necessary supplies and equipment  
21 for the board. The director shall budget moneys to  
22 pay the compensation and expenses of the board. In  
23 performing its functions, the board is performing a  
24 public function on behalf of the state and is a public  
25 instrumentality of the state.

26 2. a. Membership of the grow Iowa investment  
27 board shall include all of the following:

28 (1) One member appointed by the governor from a  
29 list of three banking representatives provided by the  
30 superintendent of banking. This member shall serve a  
31 three-year term.

32 (2) One member appointed by the governor from a  
33 list of entrepreneurs provided jointly by the Iowa  
34 association of business and industry and the national  
35 federation of independent business. This member shall  
36 serve a three-year term.

37 (3) The entrepreneur of the year as selected by  
38 the Iowa small business development centers shall be  
39 offered a one-year membership on the investment board.  
40 If the entrepreneur of the year declines to serve on  
41 the investment board, a member shall be appointed by  
42 the governor from the list provided pursuant to  
43 subparagraph (2) for the one-year term.

44 b. The chairperson and vice chairperson of the  
45 grow Iowa investment board shall be elected by and  
46 from the investment board members. The terms of the  
47 members shall commence and end as provided by section  
48 69.19. If a vacancy occurs, a successor shall be  
49 appointed in the same manner and subject to the same  
50 qualifications as the original appointment to serve

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1 the unexpired term. A majority of the investment  
2 board constitutes a quorum.  
3 3. The grow Iowa investment board, after a  
4 thorough review, shall determine whether a proposed  
5 project using moneys from the grow Iowa fund is  
6 practical and shall provide recommendations to the  
7 grow Iowa board regarding any moneys proposed to be  
8 expended from the grow Iowa fund, with the exception  
9 of moneys appropriated for purposes of the loan and  
10 credit guarantee program and regarding whether a  
11 proposed project is practical. The recommendations  
12 shall be based on whether the expenditure would make  
13 the achievement of the goals in accordance with the  
14 performance measures set out in section 15G.106 more  
15 likely. The recommendations may include conditions or  
16 that proposed expenditure be rejected. The grow Iowa  
17 board shall consider the recommendations of the grow  
18 Iowa investment board and shall make an independent  
19 recommendation to the department and the Iowa economic  
20 development board regarding the expenditure. The  
21 recommendations of the grow Iowa board shall include  
22 the recommendations made by the grow Iowa investment  
23 board.

24 4. The members of the board are entitled to  
25 receive reimbursement for actual expenses incurred  
26 while engaged in the performance of official duties.  
27 A board member may also be eligible to receive  
28 compensation as provided in section 7E.6.

29 Sec. 81. NEW SECTION. 15G.104A GROW IOWA REVIEW  
30 COMMISSION.

31 1. A grow Iowa review commission is established  
32 consisting of three members and is located for  
33 administrative purposes within the department. The  
34 director of the department shall provide office space,  
35 staff assistance, and necessary supplies and equipment  
36 for the review commission. The director shall budget  
37 moneys to pay the compensation and expenses of the  
38 commission, including the actual expenses of the  
39 auditor of state incurred while engaged in the  
40 performance of official commission duties. In  
41 performing its functions, the review commission is  
42 performing a public function on behalf of the state  
43 and is a public instrumentality of the state.

44 2. Membership of the review commission shall  
45 include the auditor of state, an economist for the  
46 Iowa state university cooperative extension service in  
47 agriculture and home economics appointed by the  
48 president of the senate after consultation with the  
49 minority leader of the senate, and a private sector  
50 economist with broad experience reviewing and

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1 analyzing the Iowa economy and the economy of the  
2 upper midwest appointed by the speaker of the house of  
3 representatives after consultation with the minority  
4 leader of the house of representatives. The  
5 appointments shall comply with sections 69.16 and  
6 69.16A. The chairperson of the review commission  
7 shall be the auditor of state. The members shall be  
8 appointed to three-year staggered terms and the terms  
9 shall commence and end as provided by section 69.19.  
10 If a vacancy occurs, a successor shall be appointed in  
11 the same manner and subject to the same qualifications  
12 as the original appointment to serve the unexpired  
13 term. A majority of the review commission constitutes  
14 a quorum. For purposes of this subsection, “upper  
15 midwest” includes the states of Iowa, Kansas,  
16 Minnesota, Missouri, Nebraska, North Dakota, and South  
17 Dakota.

18 3. The review commission shall analyze all annual  
19 reports of the grow Iowa board for purposes of  
20 determining if the goals and performance measures set  
21 out in section 15G.106 have been met. By January 1,  
22 2007, the review commission shall submit a report to  
23 the grow Iowa board, the department, and the general  
24 assembly. The report shall include findings, itemized  
25 by grow Iowa geographic regions, regarding whether the  
26 goals and performance measures were met. The report  
27 shall also include recommendations regarding the  
28 continuation, elimination, or modification of any  
29 programs receiving moneys from the grow Iowa fund and  
30 whether moneys should continue to be appropriated to  
31 and from the grow Iowa fund. The recommendations  
32 shall be based on whether the goals in accordance with  
33 the performance measures are being achieved.

34 4. The members of the commission, including the  
35 auditor of state, are entitled to receive  
36 reimbursement for actual expenses incurred while  
37 engaged in the performance of official duties. A  
38 commission member may also be eligible to receive  
39 compensation as provided in section 7E.6.

40 Sec. 82. NEW SECTION. 15G.105 GROW IOWA  
41 GEOGRAPHIC REGIONS.

42 For purposes of applying the goals and performance  
43 measurements, the state shall be divided into five  
44 grow Iowa geographic regions. The regions shall be  
45 the following:

46 1. The northwest region shall include the counties  
47 of Lyon, Osceola, Dickinson, Emmet, Kossuth,  
48 Winnebago, Sioux, O'Brien, Clay, Palo Alto, Hancock,  
49 Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt,  
50 Wright, Woodbury, Ida, Sac, Calhoun, Webster, and

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- 1 Hamilton.
- 2 2. The northeast region shall include the counties  
3 of Worth, Mitchell, Howard, Winneshiek, Allamakee,  
4 Cerro Gordo, Floyd, Chickasaw, Fayette, Clayton,  
5 Franklin, Butler, Bremer, Hardin, Grundy, Black Hawk,  
6 Buchanan, Delaware, Dubuque, Tama, Benton, Linn,  
7 Jones, and Jackson.
- 8 3. The southeast region shall include the counties  
9 of Poweshiek, Iowa, Johnson, Cedar, Clinton, Scott,  
10 Muscatine, Mahaska, Keokuk, Washington, Louisa,  
11 Monroe, Wapello, Jefferson, Henry, Des Moines,  
12 Appanoose, Davis, Van Buren, and Lee.
- 13 4. The southwest region shall include the counties  
14 of Monona, Crawford, Carroll, Greene, Harrison,  
15 Shelby, Audubon, Guthrie, Pottawattamie, Cass, Adair,  
16 Mills, Montgomery, Adams, Union, Clarke, Lucas,  
17 Fremont, Page, Taylor, Ringgold, Decatur, and Wayne.
- 18 5. The central region shall include the counties  
19 of Boone, Story, Marshall, Dallas, Polk, Jasper,  
20 Madison, Warren, and Marion.
- 21 Sec. 83. NEW SECTION. 15G.106 GOALS --  
22 PERFORMANCE MEASURES.
- 23 1. In performing the duties provided in this  
24 chapter, chapter 15, and chapter 15E, the grow Iowa  
25 board, the grow Iowa investment board, the economic  
26 development marketing board, the grow Iowa review  
27 commission, and the department shall achieve the goals  
28 of expanding and stimulating the state economy,  
29 increasing the wealth of Iowans, and increasing the  
30 population of the state. For purposes of this  
31 section, “upper midwest region” includes the states of  
32 Iowa, Kansas, Minnesota, Missouri, Nebraska, North  
33 Dakota, and South Dakota.
- 34 2. Goal achievement shall be examined on a  
35 regional basis using the grow Iowa geographic regions  
36 and not on a statewide basis. The performance of the  
37 grow Iowa geographic regions shall be compared to the  
38 performance of the state, the upper midwest region,  
39 and the United States. The baseline year shall be the  
40 calendar year 2000. In each grow Iowa geographic  
41 region, the goal shall be to increase the baseline  
42 performance measures listed in subsections 3, 4, and  
43 5, by thirty percent.
- 44 3. a. In determining whether the goal of  
45 expanding and stimulating the state economy has been  
46 met, the following performance measures shall be  
47 considered:
- 48 (1) An increase in Iowa’s gross domestic product.  
49 (2) A net increase in business start-ups.  
50 (3) A net increase in business expansion.

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1 (4) A net increase in business modernization.  
2 (5) A net increase in attracting new businesses to  
3 the state.  
4 (6) A net increase in business retention.  
5 (7) A net increase in job creation and retention.  
6 (8) A decrease in Iowa of the ratio of the  
7 government wage earnings as a percentage share of the  
8 earnings of private industry in Iowa at a rate at  
9 least equal to the ratio of the upper midwest region.  
10 b. By December 15 of each year, the department  
11 shall submit a report to the grow Iowa review  
12 commission and the grow Iowa board that identifies  
13 information pertinent to the performance measures in  
14 paragraph “a”, subparagraphs (3), (4), and (6), that  
15 the department gains through interviews with  
16 businesses in the state that close all or a portion of  
17 operations in the state. By December 15 of each year,  
18 based on the same interviews, the department shall  
19 submit a report to the general assembly providing  
20 suggested amendments to the Code of Iowa and the Iowa  
21 administrative code designed to stimulate and expand  
22 the state’s economy.  
23 c. By December 15 of each year the department  
24 shall submit a report to the grow Iowa review  
25 commission and the grow Iowa board that identifies  
26 lost sale reports information pertinent to the  
27 performance measures in paragraph “a”, subparagraphs  
28 (2) and (5), which indicate that the state has not  
29 been successful in the performance measures in  
30 paragraph “a”, subparagraphs (2) and (5).  
31 d. For purposes of the performance measure in  
32 paragraph “a”, subparagraph (7), the department of  
33 economic development, in consultation with the  
34 department of workforce development and the auditor of  
35 state, shall determine an average annual job creation  
36 and retention rate based on the ten years prior to  
37 2003. During the fiscal years beginning July 1, 2003,  
38 July 1, 2004, and July 1, 2005, the department of  
39 economic development shall report the job creation and  
40 retention rate of those businesses that receive moneys  
41 originating from the grow Iowa fund and the job  
42 creation and retention rate of those businesses that  
43 do not receive moneys originating from the grow Iowa  
44 fund. The ten-year average annual job creation and  
45 retention rate shall be compared to the job creation  
46 and retention rates determined under this paragraph  
47 for the fiscal years beginning July 1, 2003, July 1,  
48 2004, and July 1, 2005. The department of economic  
49 development shall assist the department of workforce  
50 development in maintaining detailed employment

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1 statistics on businesses that receive moneys  
2 originating from the grow Iowa fund, on businesses  
3 that do not receive moneys originating from the grow  
4 Iowa fund, and on industries in Iowa that those  
5 businesses represent. The auditor of state shall  
6 audit the reliability and validity of the statistics  
7 compiled pursuant to this paragraph.

8 4. In determining whether the goal of increasing  
9 the wealth of Iowans has been met, the following  
10 performance measures shall be considered:

11 a. The per capita personal income in Iowa shall  
12 equal or exceed the average per capita personal income  
13 for the upper midwest region.

14 b. The average earnings per job in Iowa shall  
15 equal or exceed the average earnings per job in the  
16 upper midwest region.

17 c. The average manufacturing earnings per employee  
18 in Iowa shall equal or exceed the average  
19 manufacturing earnings per employee in the upper  
20 midwest region.

21 d. The average service earnings per employee in  
22 Iowa shall equal or exceed the average service  
23 earnings per employee in the upper midwest region.

24 e. The average earnings per employee in the  
25 financial, insurance, and real estate industries in  
26 Iowa shall equal or exceed the average earnings per  
27 employee in the financial, insurance, and real estate  
28 industries in the upper midwest region.

29 5. In determining whether the goal of increasing  
30 the population of the state has been met, the  
31 following performance measures shall be considered:

32 a. The net increase in new residents in the state  
33 gained through attracting new businesses to the state.

34 b. The increase in the retention of high school  
35 graduates and college graduates from private and  
36 public colleges and universities in the state after  
37 graduation.

38 c. The ability to retain fifty percent of all  
39 undergraduate graduates of universities under the  
40 control of the state board of regents in the state  
41 after graduation.

42 d. The net population growth of Iowa equals or  
43 exceeds the population growth in the upper midwest  
44 region.

45 Sec. 84. NEW SECTION. 15G.107 GROW IOWA FUND.

46 A grow Iowa fund is created in the state treasury  
47 under the control of the grow Iowa board consisting of  
48 moneys appropriated to the grow Iowa board. Moneys in  
49 the fund are not subject to section 8.33.

50 Notwithstanding section 12C.7, interest or earnings on

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1 moneys in the fund shall be credited to the fund. The  
2 fund shall be administered by the grow Iowa board,  
3 which shall make expenditures from the fund consistent  
4 with this chapter and pertinent Acts of the general  
5 assembly.

6 Sec. 85. NEW SECTION. 15G.108 ECONOMIC  
7 DEVELOPMENT MARKETING BOARD -- MARKETING STRATEGIES.

8 1. a. An economic development marketing board is  
9 established consisting of seven members and is located  
10 for administrative purposes within the department.

11 The director of the department shall provide office  
12 space, staff assistance, and necessary supplies and  
13 equipment for the board. The director shall budget  
14 moneys to pay the compensation and expenses of the  
15 board. In performing its functions, the board is  
16 performing a public function on behalf of the state  
17 and is a public instrumentality of the state.

18 b. The membership of the board shall be as  
19 follows:

20 (1) Three members with significant demonstrated  
21 experience in marketing or advertising appointed by  
22 the governor.

23 (2) Four members with significant demonstrated  
24 experience in marketing or advertising appointed by  
25 the legislative council.

26 c. The appointments made by the governor shall  
27 comply with sections 69.16 and 69.16A and shall be  
28 subject to confirmation by the senate.

29 d. The chairperson and vice chairperson of the  
30 board shall be elected by and from the board members  
31 listed in paragraph "b". In case of the absence or  
32 disability of the chairperson and vice chairperson,  
33 the members of the board shall elect a temporary  
34 chairperson by a majority vote of those members who  
35 are present and voting.

36 e. The members shall be appointed to three-year  
37 staggered terms and the terms shall commence and end  
38 as provided by section 69.19. If a vacancy occurs, a  
39 successor shall be appointed to serve the unexpired  
40 term. A successor shall be appointed in the same  
41 manner and subject to the same qualifications as the  
42 original appointment to serve the unexpired term.

43 f. A majority of the board constitutes a quorum.

44 2. The board shall administer and implement the  
45 approval process for marketing strategies provided in  
46 subsection 3.

47 3. The economic development marketing board shall  
48 accept proposals for marketing strategies for purposes  
49 of selecting a strategy for the department to  
50 administer. The marketing strategies shall be

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1 designed to market Iowa as a lifestyle, increase the  
 2 population of the state, increase the wealth of  
 3 Iowans, and expand and stimulate the state economy.  
 4 The economic development marketing board shall submit  
 5 a recommendation regarding the proposal to the grow  
 6 Iowa board. In selecting a marketing strategy for  
 7 recommendation, the economic development marketing  
 8 board shall base the selection on the goals and  
 9 performance measures provided in section 15G.106. The  
 10 grow Iowa board shall either approve or deny the  
 11 recommendation.

12 4. The department shall implement and administer  
 13 the marketing strategy approved by the grow Iowa board  
 14 as provided in subsection 3. The department shall  
 15 provide the economic development marketing board with  
 16 assistance in implementing administrative functions of  
 17 the board and provide technical assistance to the  
 18 board.

19 5. The members of the board are entitled to  
 20 receive reimbursement for actual expenses incurred  
 21 while engaged in the performance of official duties.  
 22 A board member may also be eligible to receive  
 23 compensation as provided in section 7E.6.

24 Sec. 86. NEW SECTION. 15G.109 FUTURE  
 25 CONSIDERATION.

26 Not later than February 1, 2007, the legislative  
 27 services agency shall prepare and deliver to the  
 28 secretary of the senate and the chief clerk of the  
 29 house of representatives identical bills that repeal  
 30 the provisions of this chapter. It is the intent of  
 31 this section that the general assembly shall bring the  
 32 bill to a vote in either the senate or the house of  
 33 representatives expeditiously. It is further the  
 34 intent of this chapter that if the bill is approved by  
 35 the first house in which it is considered, it shall  
 36 expeditiously be brought to a vote in the second  
 37 house.

#### 38 DIVISION VII

#### 39 VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES 40 FINANCIAL ASSISTANCE PROGRAM

41 Sec. 87. Section 15E.111, subsection 1, Code 2003,  
 42 is amended to read as follows:

43 1. a. The department shall establish a value-  
 44 added agricultural products and processes financial  
 45 assistance program. The department shall consult with  
 46 ~~the Iowa corn growers association and the Iowa soybean~~  
 47 ~~association~~ Iowa commodity groups. The purpose of the  
 48 program is to encourage the increased utilization of  
 49 agricultural commodities produced in this state. The  
 50 program shall assist in efforts to revitalize rural

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1 regions of this state, by committing resources to  
2 provide financial assistance to new or existing value-  
3 added production facilities. The department of  
4 economic development may consult with other state  
5 agencies regarding any possible future environmental,  
6 health, or safety issues linked to technology related  
7 to the biotechnology industry. In awarding financial  
8 assistance, the department shall prefer producer-  
9 owned, value-added businesses and public and private  
10 joint ventures involving an institution of higher  
11 learning under the control of the state board of  
12 regents or a private college or university acquiring  
13 assets, research facilities, and leveraging moneys in  
14 a manner that meets the goals of the grow Iowa fund  
15 and shall commit resources to assist the following:  
16 ~~a.~~ (1) Facilities which are involved in the  
17 development of new innovative products and processes  
18 related to agriculture. The facility must do either  
19 of the following: produce a good derived from an  
20 agricultural commodity, if the good is not commonly  
21 produced from an agricultural commodity; or use a  
22 process to produce a good derived from an agricultural  
23 process, if the process is not commonly used to  
24 produce the good.  
25 ~~b.~~ (2) Renewable fuel production facilities. As  
26 used in this section, “renewable fuel” means an energy  
27 source which is derived from an organic compound  
28 capable of powering machinery, including an engine or  
29 power plant.  
30 (3) Agricultural business facilities in the  
31 agricultural biotechnology industry, agricultural  
32 biomass industry, and alternative energy industry.  
33 For purposes of this subsection:  
34 (a) “Agricultural biomass industry” means  
35 businesses that utilize agricultural commodity crops,  
36 agricultural by-products, or animal feedstock in the  
37 production of chemicals, protein products, or other  
38 high-value products.  
39 (b) “Agricultural biotechnology industry” means  
40 businesses that utilize scientifically enhanced plants  
41 or animals that can be raised by producers and used in  
42 the production of high-value products.  
43 (c) “Alternative energy industry” includes  
44 businesses involved in the production of ethanol,  
45 including gasoline with a mixture of seventy percent  
46 or more ethanol, biodiesel, biomass, hydrogen, or in  
47 the production of wind energy.  
48 (4) Facilities that add value to Iowa agricultural  
49 commodities through further processing and development  
50 of organic products and emerging markets.

1 (5) Producer-owned, value-added businesses,  
 2 education of producers and management boards in value-  
 3 added businesses, and other activities that would  
 4 support the infrastructure in the development of  
 5 value-added agriculture. Public and private joint  
 6 ventures involving an institution of higher learning  
 7 under the control of the state board of regents or a  
 8 private college or university to acquire assets,  
 9 research facilities, and leverage moneys in a manner  
 10 that meets the goals of the grow Iowa fund. For  
 11 purposes of this subsection, “producer-owned, valued-  
 12 added business” means a person who holds an equity  
 13 interest in the agricultural business and is  
 14 personally involved in the production of crops or  
 15 livestock on a regular, continuous, and substantial  
 16 basis.

17 b. Financial assistance awarded under this section  
 18 may be in the form of a loan, loan guarantee, grant,  
 19 production incentive payment, or a combination of  
 20 financial assistance. The department shall not award  
 21 more than twenty-five percent of the amount allocated  
 22 to the value-added agricultural products and processes  
 23 financial assistance fund during any fiscal year to  
 24 support a single person. The department may finance  
 25 any size of facility. However, the department ~~shall~~  
 26 may reserve up to fifty percent of the total amount  
 27 allocated to the fund, for purposes of assisting  
 28 persons requiring ~~one~~ five hundred thousand dollars or  
 29 less in financial assistance. The amount shall be  
 30 reserved until the end of the third quarter of the  
 31 fiscal year. The department shall not provide  
 32 financial assistance to support a value-added  
 33 production facility if the facility or a person owning  
 34 a controlling interest in the facility has  
 35 demonstrated a continuous and flagrant disregard for  
 36 the health and safety of its employees or the quality  
 37 of the environment. Evidence of such disregard shall  
 38 include a history of serious or uncorrected violations  
 39 of state or federal law protecting occupational health  
 40 and safety or the environment, including but not  
 41 limited to serious or uncorrected violations of  
 42 occupational safety and health standards enforced by  
 43 the division of labor services of the department of  
 44 workforce development pursuant to chapter 84A, or  
 45 rules enforced by the department of natural resources  
 46 pursuant to chapter 455B or 459, subchapters II and  
 47 III.

48 DIVISION VIII  
 49 ENDOW IOWA GRANTS

50 Sec. 88. NEW SECTION. 15E.301 SHORT TITLE.

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1 This division shall be known as and may be cited as  
2 the “Endow Iowa Program Act”.

3 Sec. 89. NEW SECTION. 15E.302 PURPOSE.

4 The purpose of this division is to enhance the  
5 quality of life for citizens of this state through  
6 increased philanthropic activity by providing capital  
7 to new and existing citizen groups of this state  
8 organized to establish endowment funds that will  
9 address community needs. The purpose of this division  
10 is also to encourage individuals, businesses, and  
11 organizations to invest in community foundations.

12 Sec. 90. NEW SECTION. 15E.303 DEFINITIONS.

13 As used in this division, unless the context  
14 otherwise requires:

15 1. “Board” means the governing board of the lead  
16 philanthropic entity identified by the department  
17 pursuant to section 15E.304.

18 2. “Business” means a business operating within  
19 the state and includes individuals operating a sole  
20 proprietorship or having rental, royalty, or farm  
21 income in this state and includes a consortium of  
22 businesses.

23 3. “Community affiliate organization” means a  
24 group of five or more community leaders or advocates  
25 organized for the purpose of increasing philanthropic  
26 activity in an identified community or geographic area  
27 in this state with the intention of establishing a  
28 community affiliate endowment fund.

29 4. “Endowment gift” means an irrevocable  
30 contribution to a permanent endowment held by a  
31 qualified community foundation.

32 5. “Lead philanthropic entity” means the entity  
33 identified by the department pursuant to section  
34 15E.304.

35 6. “Qualified community foundation” means a  
36 community foundation organized or operating in this  
37 state that meets or exceeds the national standards  
38 established by the national council on foundations.

39 Sec. 91. NEW SECTION. 15E.304 ENDOW IOWA GRANTS.

40 1. The department shall identify a lead  
41 philanthropic entity for purposes of encouraging the  
42 development of qualified community foundations in this  
43 state. A lead philanthropic entity shall meet all of  
44 the following qualifications:

45 a. The entity shall be a nonprofit entity which is  
46 exempt from federal income taxation pursuant to  
47 section 501(c)(3) of the Internal Revenue Code.

48 b. The entity shall be a statewide organization  
49 with membership consisting of organizations, such as  
50 community, corporate, and private foundations, whose

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- 1 principal function is the making of grants within the  
2 state of Iowa.
- 3 c. The entity shall have a minimum of forty  
4 members and that membership shall include qualified  
5 community foundations.
- 6 2. A lead philanthropic entity may receive a grant  
7 from the department. The board shall use the grant  
8 moneys to award endow Iowa grants to new and existing  
9 qualified community foundations and to community  
10 affiliate organizations that do all of the following:
- 11 a. Provide the board with all information required  
12 by the board.
- 13 b. Demonstrate a dollar-for-dollar funding match  
14 in a form approved by the board.
- 15 c. Identify a qualified community foundation to  
16 hold all funds. A qualified community foundation  
17 shall not be required to meet this requirement.
- 18 d. Provide a plan to the board demonstrating the  
19 method for distributing grant moneys received from the  
20 board to organizations within the community or  
21 geographic area as defined by the qualified community  
22 foundation or the community affiliate organization.
- 23 3. Endow Iowa grants awarded to new and existing  
24 qualified community foundations and to community  
25 affiliate organizations shall not exceed twenty-five  
26 thousand dollars per foundation or organization unless  
27 a foundation or organization demonstrates a multiple  
28 county or regional approach. Endow Iowa grants may be  
29 awarded on an annual basis with not more than three  
30 grants going to one county in a fiscal year.
- 31 4. In ranking applications for grants, the board  
32 shall consider a variety of factors including the  
33 following:
- 34 a. The demonstrated need for financial assistance.  
35 b. The potential for future philanthropic activity  
36 in the area represented by or being considered for  
37 assistance.
- 38 c. The proportion of the funding match being  
39 provided.
- 40 d. For community affiliate organizations, the  
41 demonstrated need for the creation of a community  
42 affiliate endowment fund in the applicant's geographic  
43 area.
- 44 e. The identification of community needs and the  
45 manner in which additional funding will address those  
46 needs.
- 47 f. The geographic diversity of awards.
- 48 5. Of any moneys received by a lead philanthropic  
49 entity from the state, not more than five percent of  
50 such moneys shall be used by the entity for

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1 administrative purposes.

2 Sec. 92. NEW SECTION. 15E.306 REPORTS -- AUDITS.

3 By January 31 of each year, the lead philanthropic  
4 entity, in cooperation with the department, shall  
5 publish an annual report of the activities conducted  
6 pursuant to this division during the previous calendar  
7 year and shall submit the report to the governor and  
8 the general assembly. The annual report shall include  
9 a listing of endowment funds and the amount of tax  
10 credits authorized by the department.

11 Sec. 93. EFFECTIVE AND RETROACTIVE APPLICABILITY  
12 DATES. This division of this Act, being deemed of  
13 immediate importance, takes effect upon enactment and  
14 is retroactively applicable to January 1, 2003, for  
15 tax years beginning on or after that date.

#### 16 DIVISION IX

#### 17 TECHNOLOGY TRANSFER ADVISORS

18 Sec. 94. NEW SECTION. 7.23 TECHNOLOGY TRANSFER  
19 ADVISOR.

20 Two technology transfer advisors shall be appointed  
21 by the governor, serve at the pleasure of the  
22 governor, and be located at offices at the university  
23 of Iowa and Iowa state university of science and  
24 technology. A technology transfer advisor is not a  
25 state agency and is not subject to chapter 17A. A  
26 technology transfer advisor shall do all of the  
27 following:

28 1. Facilitate the transfer of technology developed  
29 at the university of Iowa, the university of northern  
30 Iowa, Iowa state university of science and technology,  
31 community colleges, and private colleges and  
32 universities.

33 2. Coordinate the technology transfer activities  
34 at each of the public and private universities to  
35 encourage the implementation of best practices in  
36 technology transfer, establish measures of  
37 performance, and design programs of continuous quality  
38 improvement for each technology transfer office.

39 3. Establish technology transfer goals for the  
40 state.

41 4. Provide technical assistance to Iowa-based  
42 entrepreneurs associated with or unrelated to the  
43 universities under the control of the state board of  
44 regents regarding technology transfer-related issues.  
45 The technical assistance shall include assistance in  
46 the areas of patents and licensing, business  
47 development and management, finance, production,  
48 sales, and marketing.

49 5. Receive the technology transfer-related report  
50 submitted by the state board of regents pursuant to

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- 1 section 262.9, subsection 31.  
2 6. To ensure economic growth, serve as a  
3 coordinator between Iowa-based businesses and  
4 businesses intending to locate in Iowa.  
5 Sec. 95. Section 15.108, Code 2003, is amended by  
6 adding the following new subsection:  
7 NEW SUBSECTION. 12. TECHNOLOGY TRANSFER ADVISORS.  
8 The department shall cooperate with and provide  
9 staffing support to the technology transfer advisors  
10 appointed pursuant to section 7.23.  
11 Sec. 96. Section 262.9, Code 2003, is amended by  
12 adding the following new subsections:  
13 NEW SUBSECTION. 29. Actively encourage and  
14 promote the transfer of technology and research at  
15 universities under the control of the board to  
16 commercial application, including the start-up of  
17 business entities.  
18 NEW SUBSECTION. 30. Give preference and technical  
19 support to those faculty members and staff members  
20 desiring to obtain licenses for intellectual property  
21 rights created in whole or in part by the faculty  
22 member or staff member. However, such preference  
23 shall not be construed to be a right accruing to that  
24 faculty member or staff member.  
25 NEW SUBSECTION. 31. By January 15 of each year,  
26 submit a report to the governor, through the  
27 technology transfer advisors, and the general assembly  
28 containing information from the previous calendar year  
29 regarding all of the following:  
30 a. Patents secured or applied for by each  
31 university under the control of the board delineated  
32 by university and by faculty member and staff member  
33 responsible for the research or activity that resulted  
34 in the patent. In the initial report filed by January  
35 15, 2004, the board shall include an inventory of  
36 patent portfolios with details concerning which  
37 patents are creating financial benefit and the amount  
38 of financial benefit and which patents are not  
39 creating financial benefit and the amount invested in  
40 those patents.  
41 b. Research grants secured by each university  
42 under the control of the board from both public and  
43 private sources delineated by university and by  
44 faculty member and staff member. The board shall also  
45 include the same information for grant applications  
46 that are denied.  
47 c. The number of faculty members and staff members  
48 at each university under the control of the board  
49 involved in a start-up company.  
50 d. The number of grant applications for research

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1 received by each university under the control of the  
2 board for start-up companies, the number of  
3 applications approved, and the number of applications  
4 denied.

5 e. The number of agreements entered into by  
6 faculty members and staff members at each university  
7 under the control of the board with foundations  
8 affiliated with the universities relating to business  
9 start-ups.

10 f. An accounting of the financial gain received by  
11 each university under the control of the board  
12 relating to patents sold, royalties received,  
13 licensing fees, and any other remuneration received by  
14 the university related to technology transfer.

15 g. The number of professional employees at each  
16 university under the control of the board who assist  
17 in the transfer of technology and research to  
18 commercial application.

#### 19 DIVISION X

#### 20 IOWA ECONOMIC DEVELOPMENT

#### 21 LOAN AND CREDIT GUARANTEE FUND

22 Sec. 97. NEW SECTION. 15E.221 SHORT TITLE.

23 This division shall be known and may be cited as  
24 the "Iowa Economic Development Loan and Credit  
25 Guarantee Fund Act".

26 Sec. 98. NEW SECTION. 15E.222 LEGISLATIVE  
27 FINDING -- PURPOSES.

28 1. The general assembly finds all of the  
29 following:

30 a. That small and medium-sized businesses, in  
31 general, and certain targeted industry businesses and  
32 other qualified businesses, in particular, may not  
33 qualify for conventional financing.

34 b. That the limited availability of credit for  
35 export transactions limits the ability of small and  
36 medium-sized businesses in this state to compete in  
37 international markets.

38 c. That, to enhance competitiveness and foster  
39 economic development, this state must focus on growth  
40 in certain specific targeted industry businesses and  
41 other qualified businesses, especially during a time  
42 of war.

43 d. That the challenge for the public economic  
44 sector is to create an atmosphere conducive to  
45 economic growth, in conjunction with financial  
46 institutions in the private sector, which fill the  
47 gaps in credit availability and export finance, and  
48 that allow the private sector to identify the lending  
49 opportunities and foster decision making at the local  
50 level.

- 1 2. The general assembly declares the purposes of
- 2 this division to be all of the following:
- 3 a. To create incentives and assistance to increase
- 4 the flow of private capital to targeted industry
- 5 businesses and other qualified businesses.
- 6 b. To promote industrial modernization and
- 7 technology adoption.
- 8 c. To encourage the retention and creation of
- 9 jobs.
- 10 d. To encourage the export of goods and services
- 11 sold by Iowa businesses in national and international
- 12 markets.

13 Sec. 99. NEW SECTION. 15E.223 DEFINITIONS.

14 As used in this division, unless the context  
15 otherwise requires:

- 16 1. “Financial institution” means an institution
- 17 listed in section 422.61, subsection 1, or such other
- 18 financial institution as defined by the department for
- 19 purposes of this division.
- 20 2. “Program” means the loan and credit guarantee
- 21 program established in this division.
- 22 3. “Qualified business” means an existing or
- 23 proposed business entity with an annual average number
- 24 of employees not exceeding two hundred employees.
- 25 “Qualified business” does not include businesses
- 26 engaged primarily in retail sales, real estate, or the
- 27 provision of health care or other professional
- 28 services. “Qualified business” includes professional
- 29 services businesses that provide services to targeted
- 30 industry businesses or other entities within and
- 31 outside of this state.

- 32 4. “Targeted industry business” means an existing
- 33 or proposed business entity, including an emerging
- 34 small business or qualified business which is operated
- 35 for profit and which has a primary business purpose of
- 36 doing business in at least one of the targeted
- 37 industries designated by the department which include
- 38 life sciences, software and information technology,
- 39 advanced manufacturing, value-added agriculture, and
- 40 any other industry designated as a targeted industry
- 41 by the loan and credit guarantee advisory board.

42 Sec. 100. NEW SECTION. 15E.224 LOAN AND CREDIT  
43 GUARANTEE PROGRAM.

- 44 1. The department shall, with the advice of the
- 45 loan and credit guarantee advisory board, establish
- 46 and administer a loan and credit guarantee program.
- 47 The department, pursuant to agreements with financial
- 48 institutions, shall provide loan and credit
- 49 guarantees, or other forms of credit guarantees for
- 50 qualified businesses and targeted industry businesses

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1 for eligible project costs. A loan or credit  
2 guarantee provided under the program may stand alone  
3 or may be used in conjunction with or to enhance other  
4 loans or credit guarantees, offered by private, state,  
5 or federal entities. However, the department shall  
6 not in any manner directly or indirectly pledge the  
7 credit of the state. Eligible project costs include  
8 expenditures for productive equipment and machinery,  
9 working capital for operations and export  
10 transactions, research and development, marketing, and  
11 such other costs as the department may so designate.

12 2. A loan or credit guarantee or other form of  
13 credit guarantee provided under the program to a  
14 participating financial institution for a single  
15 qualified business or targeted industry business shall  
16 not exceed one million dollars in value. Loan or  
17 credit guarantees or other forms of credit guarantees  
18 provided under the program to more than one  
19 participating financial institution for a single  
20 qualified business or targeted industry business shall  
21 not exceed ten million dollars in value.

22 3. In administering the program, the department  
23 shall consult and cooperate with financial  
24 institutions in this state and with the loan and  
25 credit guarantee advisory board. Administrative  
26 procedures and application procedures, as practicable,  
27 shall be responsive to the needs of qualified  
28 businesses, targeted industry businesses, and  
29 financial institutions, and shall be consistent with  
30 prudent investment and lending practices and criteria.

31 4. Each participating financial institution shall  
32 identify and underwrite potential lending  
33 opportunities with qualified businesses and targeted  
34 industry businesses. Upon a determination by a  
35 participating financial institution that a qualified  
36 business or targeted industry business meets the  
37 underwriting standards of the financial institution,  
38 subject to the approval of a loan or credit guarantee,  
39 the financial institution shall submit the  
40 underwriting information and a loan or credit  
41 guarantee application to the department.

42 5. The department, with the advice of the loan and  
43 credit guarantee advisory board, shall adopt a loan or  
44 credit guarantee application procedure for a financial  
45 institution on behalf of a qualified business or  
46 targeted industry business.

47 6. Upon approval of a loan or credit guarantee,  
48 the department shall enter into a loan or credit  
49 guarantee agreement with the participating financial  
50 institution. The agreement shall specify all of the

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1 following:  
2 a. The fee to be charged to the financial  
3 institution.  
4 b. The evidence of debt assurance of, and security  
5 for, the loan or credit guarantee.  
6 c. A loan or credit guarantee that does not exceed  
7 fifteen years.  
8 d. Any other terms and conditions considered  
9 necessary or desirable by the department.  
10 7. The department, with the advice of the loan and  
11 credit guarantee advisory board, may adopt loan and  
12 credit guarantee application procedures that allow a  
13 qualified business or targeted industry business to  
14 apply directly to the department for a preliminary  
15 guarantee commitment. A preliminary guarantee  
16 commitment may be issued by the department subject to  
17 the qualified business or targeted industry business  
18 securing a commitment for financing from a financial  
19 institution. The application procedures shall specify  
20 the process by which a financial institution may  
21 obtain a final loan and credit guarantee.  
22 Sec. 101. NEW SECTION. 15E.225 TERMS -- FEES.  
23 1. When entering into a loan or credit guarantee  
24 agreement, the department, with the advice of the loan  
25 and credit guarantee advisory board, shall establish  
26 fees and other terms for participation in the program  
27 by qualified businesses and targeted industry  
28 businesses.  
29 2. The department, with due regard for the  
30 possibility of losses and administrative costs and  
31 with the advice of the loan and credit guarantee  
32 advisory board, shall set fees and other terms at  
33 levels sufficient to assure that the program is self-  
34 financing.  
35 3. For a preliminary guarantee commitment, the  
36 department may charge a qualified business or targeted  
37 industry business a preliminary guarantee commitment  
38 fee. The application fee shall be in addition to any  
39 other fees charged by the department under this  
40 section and shall not exceed one thousand dollars for  
41 an application.  
42 Sec. 102. NEW SECTION. 15E.226 LOAN AND CREDIT  
43 GUARANTEE ADVISORY BOARD.  
44 The department, in consultation with the  
45 superintendent of banking, shall establish a loan and  
46 credit guarantee advisory board. The advisory board  
47 shall provide the department with technical advice  
48 regarding the administration of the program, including  
49 the adoption of administrative rules pursuant to  
50 chapter 17A. The advisory board shall review and

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1 provide recommendations regarding all applications  
2 under the program. Members of the advisory board are  
3 entitled to receive reimbursement for actual expenses  
4 incurred while engaged in the performance of official  
5 duties. Advisory board members may also be eligible  
6 to receive compensation as provided in section 7E.6.  
7 The director of the department shall budget moneys to  
8 pay the compensation and expenses of the advisory  
9 board. The provisions of this section relating to the  
10 adoption of administrative rules shall be construed  
11 narrowly.

#### 12 DIVISION XI

#### 13 ECONOMIC DEVELOPMENT ASSISTANCE AND DATA COLLECTION

14 Sec. 103. NEW SECTION. 15E.118 BUSINESS START-UP  
15 INFORMATION -- INTERNET WEB SITE.

16 The department shall provide information through an  
17 internet web site and a toll-free telephone service to  
18 assist persons interested in establishing a commercial  
19 facility or engaging in a commercial activity. The  
20 information shall include all of the following:

- 21 1. Assistance, information, and guidance for  
22 start-up businesses.
- 23 2. Information gathered by the department pursuant  
24 to section 15E.17, subsection 2.
- 25 3. Personal and corporate income tax information.
- 26 4. Information regarding financial assistance and  
27 incentives available to businesses.
- 28 5. Workforce availability in the state presented  
29 in a regional format.

30 Sec. 104. NEW SECTION. 15E.119 ECONOMIC  
31 DEVELOPMENT-RELATED DATA COLLECTION.

32 1. The department shall interview any business  
33 that considered locating in Iowa but decided to locate  
34 elsewhere. The department shall attempt to determine  
35 factors that affected the location decision of the  
36 business.

37 2. The department shall interview any business  
38 that closes major operations in the state or dissolves  
39 the business's corporate status in an effort to  
40 identify factors that led to the closure or  
41 dissolution.

42 3. By January 15 of each year, the department  
43 shall submit a written report to the general assembly  
44 that summarizes the information collected pursuant to  
45 this section and provides suggested amendments to the  
46 Code of Iowa and the Iowa administrative code designed  
47 to stimulate and expand the state's economy.

48 Sec. 105. INTERNET WEB SITE DEVELOPMENT. In  
49 developing the internet web site required in section  
50 15E.118, the department of economic development shall

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1 examine similar efforts in other states and  
2 incorporate the best practices.

3 DIVISION XII

4 CULTURAL AND ENTERTAINMENT DISTRICTS

5 Sec. 106. NEW SECTION. 303.3B CULTURAL AND  
6 ENTERTAINMENT DISTRICTS.

7 1. The department of cultural affairs shall  
8 establish and administer a cultural and entertainment  
9 district certification program. The program shall  
10 encourage the growth of communities through the  
11 development of areas within a city or county for  
12 public and private uses related to cultural and  
13 entertainment purposes.

14 2. A city or county may create and designate a  
15 cultural and entertainment district subject to  
16 certification by the department of cultural affairs,  
17 in consultation with the department of economic  
18 development. A cultural and entertainment district  
19 shall consist of a geographic area not exceeding one  
20 square mile in size. A cultural and entertainment  
21 district certification shall remain in effect for ten  
22 years following the date of certification. Two or  
23 more cities or counties may apply jointly for  
24 certification of a district that extends across a  
25 common boundary. Through the adoption of  
26 administrative rules, the department of cultural  
27 affairs shall develop a certification application for  
28 use in the certification process. The provisions of  
29 this subsection relating to the adoption of  
30 administrative rules shall be construed narrowly.

31 3. The department of cultural affairs shall  
32 encourage development projects and activities located  
33 in certified cultural and entertainment districts  
34 through incentives under cultural grant programs  
35 pursuant to section 303.3, chapter 303A, and any other  
36 grant programs.

37 DIVISION XIII

38 WORKFORCE ISSUES

39 Sec. 107. NEW SECTION. 15A.10 JOB RETENTION --  
40 INCENTIVES.

41 1. In order to assure the retention of existing  
42 jobs that would otherwise be lost, the director of the  
43 department of economic development may authorize  
44 incentives and assistance provided to a business under  
45 this section for a period not to exceed ten years upon  
46 finding the following:

47 a. The business currently employing, at one place  
48 of business, at least one thousand employees is likely  
49 to close or substantially reduce employment.

50 b. The business agrees to remain in the state for

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- 1 at least ten years and invest at least fifteen million  
2 dollars to retool or upgrade facilities.
- 3 2. Incentives and assistance that may be  
4 authorized by the director include any of the  
5 following:
- 6 a. New jobs credit from withholding, as provided  
7 in section 15.331.
- 8 b. Sales, services, and use tax refund, as  
9 provided in section 15.331A.
- 10 c. Investment tax credit, as provided in section  
11 15.333.
- 12 d. Research activities tax credit, as provided in  
13 section 15.335.
- 14 3. A business shall enter into an agreement with  
15 the department and the city or county specifying the  
16 terms and conditions that must be met in exchange for  
17 the incentives and assistance authorized in this  
18 section. The agreement shall specify how the  
19 incentives will be repaid in the event the business  
20 fails to meet or maintain the terms and conditions of  
21 the agreement.

22 DIVISION XIV

23 UNIVERSITY-BASED RESEARCH UTILIZATION PROGRAM

24 Sec. 108. NEW SECTION. 262B.11 UNIVERSITY-BASED  
25 RESEARCH UTILIZATION PROGRAM.

- 26 1. The department of economic development shall  
27 establish and administer a university-based research  
28 utilization program for purposes of encouraging the  
29 utilization of university-based research, primarily in  
30 the area of high technology, in new or existing  
31 businesses. The program shall include the three  
32 universities under the control of the state board of  
33 regents and all accredited private universities  
34 located in the state.
- 35 2. A new or existing business that utilizes a  
36 technology developed by an employee at a university  
37 under the control of the state board of regents may  
38 apply to the department of economic development for  
39 approval to participate in the university-based  
40 research utilization program. The department shall  
41 approve an applicant if the applicant meets all of the  
42 following criteria:
- 43 a. The applicant utilizes a technology developed  
44 by an employee at a university under the control of  
45 the state board of regents, provided that the  
46 technology has received a patent after the effective  
47 date of this Act. If the applicant has been in  
48 existence more than one year prior to applying, the  
49 applicant shall organize a separate company to utilize  
50 the technology. For purposes of this section, the

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1 separate company shall be considered the applicant  
2 and, if approved, the approved business.

3 b. The applicant develops a five-year business  
4 plan approved by the department. The plan shall  
5 include information concerning the applicant's Iowa  
6 employment goals and projected impact on the Iowa  
7 economy. The department shall only approve plans  
8 showing sufficient potential impact on Iowa employment  
9 and economic development.

10 c. The applicant meets a minimum-size business  
11 standard determined by the department.

12 d. The applicant provides annual reports to the  
13 department that include employment statistics for the  
14 applicant and the total taxable wages paid to Iowa  
15 employees and reported to the department of revenue  
16 and finance pursuant to section 422.16.

17 3. A business approved under the program and the  
18 university employee responsible for the development of  
19 the technology utilized by the approved business shall  
20 be eligible for a tax credit. The credit shall be  
21 allowed against the taxes imposed in chapter 422,  
22 divisions II and III. An individual may claim a tax  
23 credit under this section of a partnership, limited  
24 liability company, S corporation, estate, or trust  
25 electing to have income taxed directly to the  
26 individual. The amount claimed by the individual  
27 shall be based upon the pro rata share of the  
28 individual's earnings from the partnership, limited  
29 liability company, S corporation, estate, or trust. A  
30 tax credit shall not be claimed under this subsection  
31 unless a tax credit certificate issued by the  
32 department of economic development is attached to the  
33 taxpayer's tax return for the tax year for which the  
34 tax credit is claimed. The amount of a tax credit  
35 allowed under this subsection shall equal the amount  
36 listed on a tax credit certificate issued by the  
37 department of economic development pursuant to  
38 subsection 4. A tax credit certificate shall not be  
39 transferable. Any tax credit in excess of the  
40 taxpayer's liability for the tax year may be credited  
41 to the taxpayer's tax liability for the following five  
42 years or until depleted, whichever occurs first. A  
43 tax credit shall not be carried back to a tax year  
44 prior to the tax year in which the taxpayer redeems  
45 the tax credit.

46 4. For the five tax years following the tax year  
47 in which a business is approved under the program, the  
48 department of revenue and finance shall provide the  
49 department of economic development with information  
50 required by the department of economic development

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1 from each tax return filed by the approved business.  
2 Upon receiving the tax return-related information, the  
3 department of economic development shall do all of the  
4 following:

5 a. Review the information provided by the  
6 department of revenue and finance pursuant to this  
7 subsection and the annual report submitted by the  
8 applicant pursuant to subsection 2, paragraph “d”. If  
9 the department determines that the business activities  
10 of the applicant are not providing the benefits to  
11 Iowa employment and economic development projected in  
12 the applicant’s approved five-year business plan, the  
13 department shall not issue tax credit certificates for  
14 that year to the applicant or university employee and  
15 shall determine any related university share to be  
16 equal to zero for that year.

17 b. Effective for the fiscal year beginning July 1,  
18 2004, and for subsequent fiscal years, issue a tax  
19 credit certificate to the approved business and the  
20 university employee responsible for the development of  
21 the technology utilized by the approved business in an  
22 amount determined pursuant to subsection 5. A tax  
23 credit certificate shall contain the taxpayer’s name,  
24 address, tax identification number, the amount of the  
25 tax credit, and other information required by the  
26 department of revenue and finance.

27 c. (1) Determine the university share which is  
28 equal to the value of thirty percent of the tax  
29 liability of the approved business for purposes of  
30 making an appropriation pursuant to section 262B.12,  
31 if enacted by 2003 Iowa Acts, House File 683 or  
32 another Act, to the university where the technology  
33 utilized by the approved business was developed. A  
34 university share shall not exceed two hundred twenty-  
35 five thousand dollars per year per technology  
36 utilized. For each technology utilized, the aggregate  
37 university share over a five-year period shall not  
38 exceed six hundred thousand dollars.

39 (2) The department shall maintain records for each  
40 university during each fiscal year regarding the  
41 university share each university is entitled to  
42 receive through the appropriation in section 262B.12,  
43 if enacted by 2003 Iowa Acts, House File 683 or  
44 another Act. A university shall be entitled to  
45 receive the total university share for that particular  
46 university during the previous fiscal year.

47 d. For the fiscal year beginning July 1, 2004, not  
48 more than two million dollars worth of certificates  
49 shall be issued pursuant to paragraph “b”. For the  
50 fiscal year beginning July 1, 2005, and every fiscal

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1 year thereafter, not more than ten million dollars  
2 worth of certificates shall be issued pursuant to  
3 paragraph “b”.

4 5. The tax credit certificates issued by the  
5 department for each of the five years following the  
6 tax year in which the business is approved under the  
7 program shall be for the following amounts:

8 a. For the approved business, the value of the tax  
9 credit certificate shall equal thirty percent of the  
10 tax liability of the approved business. The value of  
11 a certificate issued to an approved business shall not  
12 exceed two hundred twenty-five thousand dollars. The  
13 total aggregate value of certificates issued over a  
14 five-year period to an approved business shall not  
15 exceed six hundred thousand dollars.

16 b. For the university employee responsible for the  
17 development of the technology utilized by the approved  
18 business, the value of the tax credit certificate  
19 shall equal ten percent of the tax liability of the  
20 approved business. If more than one employee is  
21 responsible for the development of the technology, the  
22 value equal to ten percent of the tax liability of the  
23 approved business shall be divided equally and  
24 individual tax credit certificates shall be issued to  
25 each employee responsible for the development of the  
26 technology. Each year, the total value of a  
27 certificate or certificates issued for a utilized  
28 technology shall not exceed seventy-five thousand  
29 dollars. For each technology utilized, the total  
30 aggregate value of certificates issued over a five-  
31 year period to the university employee responsible for  
32 the development of the technology shall not exceed two  
33 hundred thousand dollars.

34 6. The department of economic development shall  
35 notify the department of revenue and finance when a  
36 tax credit certificate is issued pursuant to  
37 subsection 4. The notification shall include the name  
38 and tax identification number appearing on any tax  
39 credit certificate.

40 Sec. 109. NEW SECTION. 422.11H UNIVERSITY-BASED  
41 RESEARCH UTILIZATION PROGRAM TAX CREDIT.

42 The taxes imposed under this division, less the  
43 credits allowed under sections 422.12 and 422.12B,  
44 shall be reduced by a university-based research  
45 utilization program tax credit authorized pursuant to  
46 section 262B.11.

47 Sec. 110. Section 422.33, Code 2003, is amended by  
48 adding the following new subsection:

49 NEW SUBSECTION. 14. The taxes imposed under this  
50 division shall be reduced by a university-based

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1 research utilization program tax credit authorized  
2 pursuant to section 262B.11.

3                                   DIVISION XV  
4                                   FUTURE REPEAL

5    Sec. 111. The divisions of this Act designated the  
6 grow Iowa board and fund, the value-added agricultural  
7 products and processes financial assistance program,  
8 the endow Iowa grants, the technology transfer  
9 advisors, the Iowa economic development loan and  
10 credit guarantee fund, the economic development  
11 assistance and data collection, the cultural and  
12 entertainment districts, the workforce issues, and the  
13 university-based research utilization program, are  
14 repealed effective June 30, 2010.

15                                   DIVISION XVI  
16                                   LIABILITY REFORM

17    Sec. 112. Section 668.12, Code 2003, is amended to  
18 read as follows:

19    668.12 LIABILITY FOR PRODUCTS -- ~~STATE OF THE ART~~  
20 ~~DEFENSE DEFENSES.~~

21    1. In any action brought pursuant to this chapter  
22 against an assembler, designer, supplier of  
23 specifications, distributor, manufacturer, or seller  
24 for damages arising from an alleged defect in the  
25 design, testing, manufacturing, formulation,  
26 packaging, warning, or labeling of a product, a  
27 percentage of fault shall not be assigned to such  
28 persons if they plead and prove that the product  
29 conformed to the state of the art in existence at the  
30 time the product was designed, tested, manufactured,  
31 formulated, packaged, provided with a warning, or  
32 labeled.

33    2. Nothing contained in ~~this section~~ subsection 1  
34 shall diminish the duty of an assembler, designer,  
35 supplier of specifications, distributor, manufacturer  
36 or seller to warn concerning subsequently acquired  
37 knowledge of a defect or dangerous condition that  
38 would render the product unreasonably dangerous for  
39 its foreseeable use or diminish the liability for  
40 failure to so warn.

41    3. An assembler, designer, supplier of  
42 specifications, distributor, manufacturer, or seller  
43 shall not be subject to liability under a theory of  
44 civil conspiracy unless the person knowingly and  
45 voluntarily entered into an agreement, express or  
46 implied, to participate in a common plan with the  
47 intent to commit a tortious act upon another. Mere  
48 membership in a trade or industrial association or  
49 group is not, in and of itself, evidence of such an  
50 agreement.

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1 Sec. 113. Section 668A.1, subsection 1, Code 2003,  
2 is amended to read as follows:

3 1. In a trial of a claim involving the request for  
4 punitive or exemplary damages, the court shall  
5 instruct the jury to answer special interrogatories  
6 or, if there is no jury, shall make findings,  
7 indicating all of the following:

8 a. ~~Whether, by a preponderance of clear,  
9 convincing, and satisfactory evidence, the conduct of  
10 the defendant from which the claim arose constituted  
11 willful and wanton disregard for the rights or safety  
12 of another.~~

13 b. Whether the conduct of the defendant was  
14 directed specifically at the claimant, or at the  
15 person from which the claimant's claim is derived.

16 b. Whether, by a preponderance of clear and  
17 convincing evidence, the conduct of the defendant from  
18 which the claim arose constituted actual malice.

19 Sec. 114. NEW SECTION. 668A.2 DEFINITIONS.

20 As used in this chapter, the following terms shall  
21 have the following meanings:

22 1. "Clear and convincing evidence" means evidence  
23 which leaves no serious or substantial doubt about the  
24 correctness of the conclusions drawn from the  
25 evidence. It is more than a preponderance of  
26 evidence, but less than beyond a reasonable doubt.

27 2. "Malice" means either conduct which is  
28 specifically intended by the defendant to cause  
29 tangible or intangible serious injury to the plaintiff  
30 or conduct that is carried out by the defendant both  
31 with a flagrant indifference to the rights of the  
32 plaintiff and with a subjective awareness that such  
33 conduct will result in tangible serious injury.

34 Sec. 115. NEW SECTION. 668A.3 AWARD OF PUNITIVE  
35 OR EXEMPLARY DAMAGES -- PROOF -- STANDARD.

36 Punitive or exemplary damages shall only be awarded  
37 where the plaintiff proves by clear and convincing  
38 evidence that the plaintiff's harm was the result of  
39 actual malice. This burden of proof shall not be  
40 satisfied by proof of any degree of negligence,  
41 including gross negligence.

42 Sec. 116. APPLICABILITY. This division of this  
43 Act, relating to liability reform, applies to cases  
44 filed on or after July 1, 2003.

45 DIVISION XVII  
46 WORKERS' COMPENSATION

47 Sec. 117. Section 85.34, subsection 2, unnumbered  
48 paragraph 1, Code 2003, is amended to read as follows:

49 Compensation for permanent partial disability shall  
50 begin at the termination of the healing period

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1 provided in subsection 1. The compensation shall be  
2 in addition to the benefits provided by sections 85.27  
3 and 85.28. The compensation shall be based only upon  
4 the extent of the disability related to the injury  
5 received and upon the basis of eighty percent per week  
6 of the employee's average spendable weekly earnings,  
7 but not more than a weekly benefit amount, rounded to  
8 the nearest dollar, equal to one hundred eighty-four  
9 percent of the statewide average weekly wage paid  
10 employees as determined by the department of workforce  
11 development under section 96.19, subsection 36, and in  
12 effect at the time of the injury. The minimum weekly  
13 benefit amount shall be equal to the weekly benefit  
14 amount of a person whose gross weekly earnings are  
15 thirty-five percent of the statewide average weekly  
16 wage. For all cases of permanent partial disability  
17 compensation shall be paid as follows:

18 Sec. 118. Section 85.34, subsection 2, paragraph  
19 u, Code 2003, is amended by adding the following new  
20 unnumbered paragraph after unnumbered paragraph 2 as  
21 follows:

22 NEW UNNUMBERED PARAGRAPH. When an employee makes a  
23 claim for benefits under this subsection, the employer  
24 is not liable for that portion of the employee's  
25 present disability caused by a prior work-related  
26 injury or illness that was sustained by the employee  
27 while the employee was employed by a different  
28 employer. When an employee's present disability  
29 includes disability caused by a prior work-related  
30 injury or illness that was sustained by the employee  
31 while in the employ of the same employer, the employer  
32 is liable for compensating all of the employee's work-  
33 related disability sustained by the employee while in  
34 the employ of the employer, except that any portion of  
35 the disability that was previously compensated by the  
36 employer shall be deducted from the employer's  
37 obligation to pay benefits for the employee's present  
38 disability. If an employee's present disability is  
39 reduced by a portion of disability sustained from  
40 prior work-related injuries or illnesses for which the  
41 employee has already been compensated by the same  
42 employer, then the employee shall receive compensation  
43 for the remaining disability caused by the present  
44 work-related injury or illness plus an additional ten  
45 percent of the amount of the increase in disability.

46 Sec. 119. APPLICABILITY. This division of this  
47 Act, relating to workers' compensation, applies to an  
48 injury occurring on or after July 1, 2003.

49 DIVISION XVIII  
50 FINANCIAL SERVICES

1 Sec. 120. Section 537.2502, subsections 3 and 6,  
 2 Code 2003, are amended to read as follows:  
 3 3. A delinquency charge shall not be collected  
 4 under subsection 1, paragraph "a", on an installment  
 5 ~~which that~~ is paid in full within ten days after its  
 6 scheduled or deferred installment due date even though  
 7 an earlier maturing installment or a delinquency or  
 8 deferral charge on an earlier installment may not have  
 9 been paid in full. For purposes of this subsection,  
 10 payments associated with a precomputed transaction are  
 11 applied first to current installments and then to  
 12 delinquent installments.

13 6. A delinquency charge shall not be collected  
 14 under subsection 4 on a payment ~~which associated with~~  
 15 a precomputed transaction that is paid in full on or  
 16 before its scheduled or deferred due date even though  
 17 an earlier maturing payment or a delinquency or  
 18 deferred charge on an earlier payment has not been  
 19 paid in full. For purposes of this subsection,  
 20 payments are applied first to amounts due for the  
 21 current billing cycle and then to delinquent payments.

22 Sec. 121. Section 537.2601, subsection 1, Code  
 23 2003, is amended to read as follows:

24 1. ~~Except as provided in subsection 2, with With~~  
 25 respect to a credit transaction other than a consumer  
 26 credit transaction, the parties may contract for the  
 27 payment by the debtor of any finance or other charge  
 28 as permitted by law. ~~Except with respect to debt~~  
 29 ~~obligations issued by a government, governmental~~  
 30 ~~agency or instrumentality, in calculating any finance~~  
 31 ~~charge contracted for, any month may be counted as~~  
 32 ~~one twelfth of a year, but a day is to be counted as~~  
 33 ~~one three hundred sixty fifth of a year.~~

34 DIVISION XIX

35 UNEMPLOYMENT COMPENSATION SURCHARGE

36 Sec. 122. Section 96.7, subsection 12, paragraph  
 37 a, Code 2003, is amended to read as follows:  
 38 a. An employer other than a governmental entity or  
 39 a nonprofit organization, subject to this chapter,  
 40 shall pay an administrative contribution surcharge  
 41 equal in amount to one-tenth of one percent of federal  
 42 taxable wages, as defined in section 96.19, subsection  
 43 37, paragraph "b", subject to the surcharge formula to  
 44 be developed by the department under this paragraph.  
 45 The department shall develop a surcharge formula that  
 46 provides a target revenue level of no greater than six  
 47 million five hundred twenty-five thousand dollars  
 48 annually for calendar years 2003, 2004, and 2005 and a  
 49 target revenue level of no greater than three million  
 50 two hundred sixty-two thousand five hundred dollars

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1 for calendar year 2006 and each subsequent calendar  
2 year. The department shall reduce the administrative  
3 contribution surcharge established for any calendar  
4 year proportionate to any federal government funding  
5 that provides an increased allocation of moneys for  
6 workforce development offices, under the federal  
7 employment services financing reform legislation. Any  
8 administrative contribution surcharge revenue that is  
9 collected in calendar year ~~2002~~ 2003, 2004, or 2005 in  
10 excess of six million five hundred twenty-five  
11 thousand dollars or in calendar year 2006 or a  
12 subsequent calendar year in excess of three million  
13 two hundred sixty-two thousand five hundred dollars  
14 shall be deducted from the amount to be collected in  
15 the subsequent calendar year 2003 before the  
16 department establishes the administrative contribution  
17 surcharge. The department shall recompute the amount  
18 as a percentage of taxable wages, as defined in  
19 section 96.19, subsection 37, and shall add the  
20 percentage surcharge to the employer's contribution  
21 rate determined under this section. The percentage  
22 surcharge shall be capped at a maximum of seven  
23 dollars per employee. The department shall adopt  
24 rules prescribing the manner in which the surcharge  
25 will be collected. Interest shall accrue on all  
26 unpaid surcharges under this subsection at the same  
27 rate as on regular contributions and shall be  
28 collectible in the same manner. Interest accrued and  
29 collected under this paragraph and interest earned and  
30 credited to the fund under paragraph "b" shall be used  
31 by the department only for the purposes set forth in  
32 paragraph "c".

33 Sec. 123. Section 96.7, subsection 12, paragraph  
34 d, Code 2003, is amended to read as follows:  
35 d. This subsection is repealed July 1, ~~2003~~ 2006,  
36 and the repeal is applicable to contribution rates for  
37 calendar year ~~2004~~ 2007 and subsequent calendar years.  
38 Sec. 124. EFFECTIVE DATE. This division of this  
39 Act, concerning the unemployment compensation  
40 surcharge, being deemed of immediate importance, takes  
41 effect upon enactment.

42 DIVISION XX  
43 ECONOMIC DEVELOPMENT

44 Sec. 125. NEW SECTION. 15E.18 CITIES, COUNTIES,  
45 AND REGIONS -- SITE PREPARATION FOR TARGETED ECONOMIC  
46 DEVELOPMENT.

47 1. For purposes of this section, "region" means a  
48 group of two or more contiguous counties that  
49 establishes a single, focused economic development  
50 effort.

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1 2. A city, county, or region, subject to the  
 2 approval of the property owner, may designate an area  
 3 within the boundaries of the city, county, or region  
 4 for a specific type of targeted economic development.  
 5 The specific type of targeted economic development  
 6 shall be one of the following:

- 7 a. Manufacturing.
- 8 b. Light industrial.
- 9 c. Warehouse and distribution.
- 10 d. Office parks.
- 11 e. Business and commerce parks.
- 12 f. Research and development.

13 3. A city, county, or region that designates an  
 14 area for a specific type of targeted economic  
 15 development may apply to the department for purposes  
 16 of certifying the area as a preapproved development  
 17 site. The department shall develop criteria for the  
 18 certification process.

19 4. Prior to a specific project being developed, a  
 20 city, county, or region designating the area for  
 21 targeted economic development pursuant to this section  
 22 may apply for and obtain appropriate licenses,  
 23 permits, and approvals for the type of targeted  
 24 economic development project desired for the area.

25 Sec. 126. NEW SECTION. 15E.19 REGULATORY  
 26 ASSISTANCE.

27 1. The department of economic development shall  
 28 coordinate all regulatory assistance for the state of  
 29 Iowa. Each state agency with regulatory programs for  
 30 business shall maintain a coordinator within the  
 31 office of the director or the administrative division  
 32 of the state agency. Each coordinator shall do all of  
 33 the following:

- 34 a. Serve as the department of economic  
 35 development's primary contact for regulatory affairs.
- 36 b. Provide regulatory requirements to businesses  
 37 and represent the agency in the private sector.
- 38 c. Monitor permit applications and provide timely  
 39 permit status information to the department of  
 40 economic development.
- 41 d. Have the ability to require regulatory staff  
 42 participation in negotiations and discussions with  
 43 businesses.
- 44 e. Notify the department of economic development  
 45 regarding proposed rulemaking activities that impact a  
 46 regulatory program and any subsequent changes to a  
 47 regulatory program.

48 2. The department of economic development shall,  
 49 in consultation with the coordinators described in  
 50 this section, examine, and to the extent permissible,

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1 assist in the implementation of methods, including the  
2 possible establishment of an electronic database, to  
3 streamline the process for issuing permits to  
4 business.

5 3. By January 15 of each year, the department of  
6 economic development shall submit a written report to  
7 the general assembly regarding the provision of  
8 regulatory assistance by state agencies, including the  
9 department's efforts, and its recommendations and  
10 proposed solutions, to streamline the process of  
11 issuing permits to business.

12 Sec. 127. NEW SECTION. 15E.20 PERMIT APPROVAL  
13 REQUIREMENTS.

14 A state agency which requires a permit, license, or  
15 other regulatory approval shall issue or deny the  
16 permit, license, or other regulatory approval within  
17 ninety days of the receipt by the state agency of an  
18 application. Unless such a state agency communicates  
19 any concerns to or requests additional information  
20 from an applicant within ten days of the receipt of  
21 the application, the application shall be considered  
22 complete. A permit, license, or other regulatory  
23 approval not issued or denied within the ninety days  
24 shall be deemed to be issued and valid.

25 DIVISION XXI

26 UTILITY SALES TAX EXEMPTION

27 Sec. 128. Section 422.45, subsection 61, paragraph  
28 b, subparagraphs (2), (3), (4), and (5), Code 2003,  
29 are amended to read as follows:

30 (2) If the date of the utility billing or meter  
31 reading cycle of the residential customer for the  
32 sale, furnishing, or service of metered gas and  
33 electricity is on or after January 1, 2003, through  
34 ~~December 31, 2003~~ June 30, 2008, or if the sale,  
35 furnishing, or service of fuel for purposes of  
36 residential energy and the delivery of the fuel occurs  
37 on or after January 1, 2003, through ~~December 31, 2003~~  
38 June 30, 2008, the rate of tax is three percent of the  
39 gross receipts.

40 (3) If the date of the utility billing or meter  
41 reading cycle of the residential customer for the  
42 sale, furnishing, or service of metered gas and  
43 electricity is on or after ~~January 1, 2004~~ July 1,  
44 2008, through ~~December 31, 2004~~ June 30, 2009, or if  
45 the sale, furnishing, or service of fuel for purposes  
46 of residential energy and the delivery of the fuel  
47 occurs on or after ~~January 1, 2004~~ July 1, 2008,  
48 through ~~December 31, 2004~~ June 30, 2009, the rate of  
49 tax is two percent of the gross receipts.

50 (4) If the date of the utility billing or meter

1 reading cycle of the residential customer for the  
 2 sale, furnishing, or service of metered gas and  
 3 electricity is on or after ~~January 1, 2005~~ July 1,  
 4 2009, through ~~December 31, 2005~~ June 30, 2010, or if  
 5 the sale, furnishing, or service of fuel for purposes  
 6 of residential energy and the delivery of the fuel  
 7 occurs on or after ~~January 1, 2005~~ July 1, 2009,  
 8 through ~~December 31, 2005~~ June 30, 2010, the rate of  
 9 tax is one percent of the gross receipts.

10 (5) If the date of the utility billing or meter  
 11 reading cycle of the residential customer for the  
 12 sale, furnishing, or service of metered gas and  
 13 electricity is on or after ~~January 1, 2006~~ July 1,  
 14 2010, or if the sale, furnishing, or service of fuel  
 15 for purposes of residential energy and the delivery of  
 16 the fuel occurs on or after ~~January 1, 2006~~ July 1,  
 17 2010, the rate of tax is zero percent of the gross  
 18 receipts.

19 DIVISION XXII

20 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE

21 Sec. 129. NEW SECTION. 292A.1 DEFINITIONS.

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

24 1. "Capacity per pupil" means the sum of a school  
 25 district's property tax infrastructure capacity per  
 26 pupil and the sales tax capacity per pupil.

27 2. "Committee" means the school budget review  
 28 committee established in section 257.30.

29 3. "Department" means the department of education  
 30 established in section 256.1.

31 4. "Fund" means the state assistance for  
 32 educational infrastructure fund created in section  
 33 292A.3.

34 5. "Local match percentage" means a percentage  
 35 equivalent to either of the following, whichever is  
 36 less:

37 a. Fifty percent.

38 b. The quotient of a school district's capacity  
 39 per pupil divided by the capacity per pupil of the  
 40 school district at the fortieth percentile, multiplied  
 41 by fifty percent, except that the percentage in this  
 42 paragraph shall not be less than twenty percent.

43 6. "Program" means the state assistance for  
 44 educational infrastructure program established in  
 45 section 292A.2.

46 7. "Property tax infrastructure capacity per  
 47 pupil" means the sum of a school district's levies  
 48 under sections 298.2 and 298.18 when the levies are  
 49 imposed to the maximum extent allowable under law in  
 50 the budget year divided by the school district's basic

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1 enrollment for the budget year.

2 8. "Sales tax capacity per pupil" means the  
3 estimated amount of revenues that a school district  
4 receives or would receive if a local sales and  
5 services tax for school infrastructure is imposed at  
6 one percent pursuant to section 422E.2, divided by the  
7 school district's basic enrollment for the budget  
8 year.

9 9. "School infrastructure" means activities  
10 initiated on or after July 1, 2003, for which a school  
11 district is authorized to contract indebtedness and  
12 issue general obligation bonds under section 296.1,  
13 except those activities related to a teacher's or  
14 superintendent's home or homes, to stadiums, to the  
15 improving of a site for an athletic field, or to the  
16 improving of a site already owned for an athletic  
17 field. These activities include the construction,  
18 reconstruction, repair, demolition work, purchasing,  
19 or remodeling of schoolhouses and bus garages and the  
20 procurement of schoolhouse construction sites and the  
21 making of site improvements and those activities for  
22 which revenues under section 298.3 or 300.2 may be  
23 spent.

24 Sec. 130. NEW SECTION. 292A.2 STATE ASSISTANCE  
25 FOR EDUCATIONAL INFRASTRUCTURE PROGRAM.

26 1. a. The department shall establish and  
27 administer a state assistance for educational  
28 infrastructure program to provide financial assistance  
29 in the form of grants to school districts with school  
30 infrastructure needs.

31 b. The department of education, in consultation  
32 with the department of management, shall annually  
33 compute the property tax infrastructure capacity per  
34 pupil for each school district in the state.

35 c. The department of education, in consultation  
36 with the department of revenue and the legislative  
37 services agency, shall annually calculate the  
38 estimated sales and services tax for school  
39 infrastructure, if imposed at one percent, that is or  
40 would be received by each school district in the state  
41 pursuant to section 422E.3. These calculations shall  
42 be made on a total tax and on a tax per pupil basis  
43 for each school district.

44 d. The department of education, in consultation  
45 with the department of revenue and the department of  
46 management, shall annually compute capacity per pupil  
47 and the local match percentage for each school  
48 district in the state. The calculations shall be  
49 released not later than September 1 of each year.

50 2. a. A school district's local match requirement

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- 1 is equivalent to the total investment of a project  
2 multiplied by the school district's local match  
3 percentage. A school district may submit an  
4 application to the department for financial assistance  
5 under the program if the school district meets the  
6 district's local match requirement through one or more  
7 of the following sources:
- 8 (1) The issuance of bonds pursuant to section  
9 298.18.
- 10 (2) Local sales and services tax moneys received  
11 pursuant to section 422E.3.
- 12 (3) A physical plant and equipment levy under  
13 chapter 298.
- 14 (4) Other moneys locally obtained by the school  
15 district excluding other state or federal grant  
16 moneys.
- 17 b. If the project is in collaboration with other  
18 public or private entities, the school district shall  
19 be eligible to apply for only the school district's  
20 portion of the project. As such, state or federal  
21 grants received by the other entities cannot be used  
22 toward the local match requirement under paragraph  
23 "a", subparagraph (4).
- 24 c. A school district may submit an application for  
25 a project which includes activities at more than one  
26 attendance center. However, if the activities relate  
27 to new construction, the project shall only relate to  
28 one attendance center.
- 29 d. A school district may submit an application for  
30 conditional approval to the department for financial  
31 assistance under the program if the school district  
32 submits a plan for securing the school district's  
33 local match requirement under paragraph "a". If a  
34 school district does not meet the local match  
35 requirement of paragraph "a" within nine months of  
36 receiving conditional approval from the department,  
37 the application for financial assistance shall be  
38 denied by the department and the financial assistance  
39 shall be carried forward to be made available under  
40 the allocation provided under subsection 5, paragraph  
41 "d", for the next available grant cycle.
- 42 e. For the fiscal year beginning July 1, 2003, and  
43 every fiscal year thereafter, applications shall be  
44 submitted to the department by October 15 of each  
45 year.
- 46 f. For the fiscal year beginning July 1, 2003, and  
47 every fiscal year thereafter, the department shall  
48 notify all approved applicants by December 15 of each  
49 year regarding the approval of the application.
- 50 g. An applicant which is not successful in

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1 obtaining financial assistance under the program may  
2 reapply for financial assistance in succeeding years.  
3 3. The application shall include, but shall not be  
4 limited to, the following information:  
5 a. The total capital investment of the project.  
6 b. The amount and percentage of moneys which the  
7 school district will be providing for the project.  
8 c. The infrastructure needs of the school  
9 district, especially the fire and health safety needs  
10 of the school district, and including the extent to  
11 which the project would allow the school district to  
12 meet the infrastructure needs of the school district  
13 on a long-term basis.  
14 d. The financial assistance needed by the school  
15 district based upon the capacity per pupil.  
16 e. Any previous efforts by the school district to  
17 secure infrastructure funding from federal, state, or  
18 local resources, including any funding received for  
19 any project under the school infrastructure program  
20 provided in chapter 292. The previous efforts shall  
21 be evaluated on a case-by-case basis.  
22 f. Evidence that the school district meets or will  
23 meet the local match requirement in subsection 2,  
24 paragraph “a”.  
25 g. The nature of the proposed project and its  
26 relationship to improving educational opportunities  
27 for the students.  
28 h. Evidence that the school district has  
29 reorganized on or after July 1, 2002, or that the  
30 school district has initiated a resolution to  
31 reorganize by July 1, 2005, or entered into an  
32 innovative collaboration with another school district  
33 or school districts.  
34 i. Evidence that the school district receives  
35 sales and services tax for school infrastructure  
36 funding under section 422E.3.  
37 4. A school district with less than two hundred  
38 fifty actual enrollment or less than one hundred  
39 actual enrollment in the high school that submits an  
40 application for assistance for new construction or for  
41 payments for bonds issued for new construction shall  
42 include on the application, in addition to that in  
43 subsection 3, all of the following:  
44 a. Enrollment trends in the grades that will be  
45 served at the new construction site.  
46 b. The infeasibility of remodeling,  
47 reconstructing, or repairing existing buildings.  
48 c. The fire and health safety needs of the school  
49 district.  
50 d. The distance, convenience, cost of

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- 1 transportation, and accessibility of the new  
2 construction site to the students to be served at the  
3 new construction site.
- 4 e. Availability of alternative, less costly, or  
5 more effective means of serving the needs of the  
6 students.
- 7 f. The financial condition of the district,  
8 including the effect of the decline of the budget  
9 guarantee and unspent balance.
- 10 g. Broad and long-term ability of the district to  
11 support the facility and the quality of the academic  
12 program.
- 13 h. Cooperation with other educational entities  
14 including other school districts, area education  
15 agencies, postsecondary institutions, and local  
16 communities.
- 17 5. A school district shall not receive more than  
18 one grant under the program. The financial assistance  
19 shall be in the form of grants and shall be allocated  
20 in the following manner:
- 21 a. Twenty-five percent of the financial assistance  
22 each year shall be awarded to school districts with an  
23 enrollment of one thousand one hundred ninety-nine  
24 students or less.
- 25 b. Twenty-five percent of the financial assistance  
26 each year shall be awarded to school districts with an  
27 enrollment of more than one thousand one hundred  
28 ninety-nine students but not more than four thousand  
29 seven hundred fifty students.
- 30 c. Twenty-five percent of the financial assistance  
31 each year shall be awarded to school districts with an  
32 enrollment of more than four thousand seven hundred  
33 fifty students.
- 34 d. Twenty-five percent of the financial assistance  
35 each year, any financial assistance not awarded under  
36 paragraphs “a” through “c”, and financial assistance  
37 not awarded in previous fiscal years shall be awarded  
38 to school districts with any size enrollment.
- 39 6. A district shall receive the lesser of one  
40 million dollars of financial assistance under the  
41 program, or the total capital investment of the  
42 project minus the local match requirement. If the  
43 amount of grants awarded in a fiscal year is less than  
44 the maximum amount provided for grants for that fiscal  
45 year, the amount of the difference shall be carried  
46 forward to subsequent fiscal years for purposes of  
47 providing grants under the program and the maximum  
48 amount of grants for each fiscal year shall be  
49 adjusted accordingly.
- 50 7. The school budget review committee shall review

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1 all applications for financial assistance under the  
2 program and make recommendations regarding the  
3 applications to the department. The department shall  
4 make the final determination on grant awards. The  
5 school budget review committee shall base the  
6 recommendations on the criteria established pursuant  
7 to subsections 3 and 8 and subsection 4, if  
8 applicable.

9 8. The department shall form a task force to  
10 review applications for financial assistance and  
11 provide recommendations to the school budget review  
12 committee. The task force shall include, at a  
13 minimum, representatives from the kindergarten through  
14 grade twelve education community, the state fire  
15 marshal, and individuals knowledgeable in school  
16 infrastructure and construction issues. The  
17 department, in consultation with the task force, shall  
18 establish the parameters and the details of the  
19 criteria for awarding grants based on the information  
20 listed in subsection 3, including greater priority to  
21 the following:

22 a. A school district with a lower capacity per  
23 pupil.

24 b. A school district whose plans address specific  
25 occupant safety issues.

26 c. A school district reorganizing or collaborating  
27 as described in subsection 3, paragraph “h”.

28 d. A school district for which a sales and  
29 services tax for school infrastructure has not been  
30 imposed pursuant to section 422E.2 or a school  
31 district receiving minimal revenues under section  
32 422E.3 when the total enrollment of the school  
33 district is considered.

34 9. An applicant receiving financial assistance  
35 under the program shall submit a progress report to  
36 the department as requested by the department which  
37 shall include a description of the activities under  
38 the project, the status of the implementation of the  
39 project, and any other information required by the  
40 department.

41 10. A school district located in whole or in part  
42 in a county which has imposed the maximum rate of  
43 sales and services tax for school infrastructure  
44 pursuant to section 422E.2 and has sales and services  
45 tax for school infrastructure revenue of more than the  
46 statewide average of sales tax capacity per pupil, as  
47 defined in section 292.1, subsection 8, shall not be  
48 eligible for financial assistance under the program.  
49 For purposes of this subsection, an individual school  
50 district’s sales tax capacity per pupil is the

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1 estimated total sales and services tax for  
 2 infrastructure revenue to be actually received by the  
 3 school district divided by the school district’s  
 4 enrollment as specified in section 292.1, subsection  
 5 8.  
 6 Sec. 131. NEW SECTION. 292A.3 STATE ASSISTANCE  
 7 FOR EDUCATIONAL INFRASTRUCTURE FUND.  
 8 A state assistance for educational infrastructure  
 9 fund is created as a separate and distinct fund in the  
 10 state treasury under the control of the department.  
 11 Moneys in the fund include revenues credited to the  
 12 fund pursuant to this chapter, appropriations made to  
 13 the fund, and other moneys deposited into the fund.  
 14 Any amounts disbursed from the fund shall be utilized  
 15 for school infrastructure purposes as provided in this  
 16 chapter.  
 17 Sec. 132. NEW SECTION. 292A.4 RULES.  
 18 The department shall adopt rules, pursuant to  
 19 chapter 17A, necessary for administering the state  
 20 assistance for educational infrastructure program and  
 21 fund.

22 DIVISION XXIII  
 23 EFFECTIVE DATE

24 Sec. 133. EFFECTIVE DATE. Unless otherwise  
 25 provided in this Act, this Act takes effect July 1,  
 26 2003.”  
 27 \_\_\_\_\_. Title page, by striking lines 1 and 2 and  
 28 inserting the following: “An Act concerning  
 29 regulatory, taxation, and statutory requirements  
 30 affecting individuals and business relating to  
 31 taxation of property, income and utilities, liability  
 32 reform, workers’ compensation, financial services,  
 33 unemployment compensation employer surcharges,  
 34 economic development, and school infrastructure  
 35 assistance, and including effective date,  
 36 applicability, and retroactive applicability  
 37 provisions.””

LARRY McKIBBEN

**S-3402**

1 Amend the amendment, S-3391, to House File 692, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:  
 4 1. Page 44, line 44, by inserting after the word  
 5 “percent” the following: “more than the projected  
 6 levels using economic projections and indicators”.  
 7 2. Page 45, by inserting after line 10 the  
 8 following:

9 “(9) A net increase in the number of jobs in each  
10 industry sector in Iowa.”  
11 3. Page 46, by inserting after line 48 the  
12 following:  
13 “All financial assistance to businesses receiving  
14 moneys from the fund shall be in the form of loans. A  
15 loan may be forgiven if the board and the department  
16 both find that all of the following conditions exist:  
17 1. More than five years has expired since the  
18 recipient entered into the original loan agreement for  
19 the moneys.  
20 2. The recipient met all conditions and goals  
21 established in the original loan agreement. The goals  
22 must include a net increase of at least one permanent  
23 quality job, as defined by the department, per every  
24 ten thousand dollars received. The net increase must  
25 be measured by both a net increase in permanent  
26 quality jobs within the business and within the  
27 industry in Iowa of which the recipient is included.  
28 3. The business has not demonstrated a continuous  
29 and flagrant disregard for the health and safety of  
30 its employees or the quality of the environment.  
31 Evidence of such disregard shall include a history of  
32 serious or uncorrected violations of state or federal  
33 law protecting occupational health and safety or the  
34 environment, including but not limited to serious or  
35 uncorrected violations of occupational safety and  
36 health standards enforced by the division of labor  
37 services of the department of workforce development  
38 pursuant to chapter 84A, or rules enforced by the  
39 department of natural resources pursuant to chapter  
40 455B or chapter 459, subchapter II or III.”

KEITH A. KREIMAN

### S-3403

1 Amend the amendment, S-3392, to House File 683, as  
2 amended, passed, and reprinted by the House, as  
3 follows:  
4 1. Page 24, by inserting after line 27 the  
5 following:  
6 “Sec. \_\_. LOCAL GOVERNMENT INFRASTRUCTURE  
7 ASSISTANCE FUND  
8 1. A local government infrastructure assistance  
9 fund is created in the state treasury under the  
10 control of the department of economic development  
11 consisting of moneys appropriated to the department  
12 for deposit in the fund. Moneys in the fund are not  
13 subject to section 8.33. Notwithstanding section  
14 12C.7, interest or earnings on moneys in the fund  
15 shall be credited to the fund. Moneys in the fund are

16 appropriated to the department for purposes of  
17 providing financial assistance to taxing districts as  
18 provided in this section.

19 2. Of the moneys appropriated to the department of  
20 economic development for the fiscal year beginning  
21 July 1, 2003, and ending June 30, 2004, pursuant to  
22 sections 54, 55, 58, and 60 of this Act, a total of  
23 fifty million dollars shall be deposited in the local  
24 government infrastructure assistance fund.

25 3. a. Moneys in the fund shall be allocated to  
26 all taxing districts in the state on a pro rata basis  
27 as determined by the department according to the  
28 methodology provided in paragraph “b”.

29 b. The department shall determine a statewide base  
30 amount that the state would have paid to taxing  
31 districts if the statutory funding provisions  
32 applicable to the fiscal year beginning July 1, 2003,  
33 had remained unchanged for property tax replacement  
34 funding. The department shall determine each taxing  
35 district’s proportion of the statewide base amount and  
36 shall also express that proportion as a percentage.  
37 The percentage shall be used for determining the pro  
38 rata basis allocations pursuant to paragraph “a”.

39 c. For the purposes of this section, unless the  
40 context otherwise requires, “property tax replacement  
41 funding” means the funding paid to taxing districts  
42 under chapter 405A for the personal property tax  
43 replacement and the franchise tax revenue allocation,  
44 and for industrial machinery, equipment and computers  
45 tax replacement claims under chapter 427B.

46 4. In order to receive financial assistance from  
47 the fund in an amount not to exceed the pro rata  
48 allocation determined in subsection 3, a taxing  
49 district shall apply to the department for financial  
50 assistance. Any moneys received from the fund must be

Page 2

1 used for vertical infrastructure purposes, as defined  
2 in section 8.57, subsection 5, or for economic  
3 development projects or activities, as defined by the  
4 department. Two or more taxing districts may submit a  
5 joint application for financial assistance. Financial  
6 assistance for a joint application shall not exceed  
7 the total pro rata allocation of the joint  
8 applicants.”

9 2. By renumbering as necessary.

JOHN PUTNEY  
DOUG SHULL

**S-3404**

1 Amend the amendment, S-3392, to House File 683, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:

4 1. Page 5, by inserting after line 43, the  
 5 following:

6 “DEPARTMENT OF HUMAN SERVICES  
 7 Sec. \_\_\_\_ MEDICAID PROVIDERS REIMBURSEMENTS.

8 There is appropriated from the fund created by  
 9 section 8.41, for the fiscal year beginning July 1,  
 10 2003, and ending June 30, 2004, the following amounts,  
 11 to be allocated for the purposes designated:

12 1. For the fiscal year beginning July 1, 2003, to  
 13 provide an increase of five percent over the rates in  
 14 effect on June 30, 2003, for all medical assistance  
 15 program providers reimbursed under the department of  
 16 human services:  
 17 ..... \$ 8,653,000

18 2. For the fiscal year beginning July 1, 2003, to  
 19 increase the dispensing fee for pharmacists to a rate  
 20 of \$5.17 per prescription, or the pharmacy’s usual and  
 21 customary fee, whichever is lower:  
 22 ..... \$ 2,178,000

23 Funds appropriated in this section are funds  
 24 anticipated to be received from the federal government  
 25 for state and local government fiscal relief under the  
 26 federal Jobs and Growth Tax Relief Reconciliation Act  
 27 of 2003 and shall be expended as provided in the  
 28 federal law making the funds available and in  
 29 conformance with chapter 17A.”

30 2. Page 23, line 43, by striking the figure  
 31 “59,000,000” and inserting the following:  
 32 “48,169,000”.

33 3. By renumbering as necessary.

JACK HATCH  
 MICHAEL E. GRONSTAL  
 AMANDA RAGAN  
 JOE BOLKCOM  
 JOHN P. KIBBIE  
 EUGENE S. FRAISE  
 MATT McCOY  
 KEITH A. KREIMAN  
 DENNIS H. BLACK  
 MIKE CONNOLLY  
 ROBERT E. DVORSKY  
 JACK HOLVECK  
 STEVEN H. WARNSTADT  
 WILLIAM A. DOTZLER  
 DARYL BEALL  
 ROGER STEWART

HERMAN C. QUIRMBACH  
DICK L. DEARDEN  
WALLY E. HORN  
THOMAS G. COURTNEY  
DR. JOE SENG

**S-3405**

1 Amend the amendment, S-3392, to House File 683, as  
2 amended, passed, and reprinted by the House, as  
3 follows:

- 4 1. Page 23, by striking line 43.
- 5 2. Page 23, line 44, by striking the figure  
6 “41,000,000” and inserting the following:  
7 “30,000,000”.
- 8 3. Page 33, by inserting after line 41 the  
9 following:

10 “DIVISION \_\_\_\_

11 LOCAL GOVERNMENT FISCAL RELIEF

12 Sec. \_\_\_\_ PERSONAL PROPERTY TAX REPLACEMENT.

13 1. There is appropriated from the fund created by  
14 section 8.41, to the department of revenue for the  
15 fiscal year beginning July 1, 2003, and ending June  
16 30, 2004, the following amount, to be allocated to  
17 political subdivisions in the manner provided for  
18 personal property tax replacement in chapter 405A,  
19 Code 2003:

20 ..... \$ 56,000,000

21 2. Funds appropriated in this section are funds  
22 anticipated to be received from the federal government  
23 for state and local government fiscal relief under the  
24 federal Jobs and Growth Tax Relief Reconciliation Act  
25 of 2003 and shall be expended as provided in the  
26 federal law making the funds available and in  
27 conformance with chapter 17A.

28 Sec. \_\_\_\_ MACHINERY AND EQUIPMENT TAX REPLACEMENT.

29 1. Notwithstanding the amount of the standing  
30 appropriation from the general fund of the state under  
31 section 427B.19A, there is appropriated from the fund  
32 created by section 8.41, in lieu of the appropriation  
33 made in section 427B.19A, for the fiscal year  
34 beginning July 1, 2003, and ending June 30, 2004, the  
35 following amount, to be allocated as provided in  
36 section 427B.19A:

37 ..... \$ 14,900,000

38 2. Funds appropriated in this section are funds  
39 anticipated to be received from the federal government  
40 for state and local government fiscal relief under the  
41 federal Jobs and Growth Tax Relief Reconciliation Act  
42 of 2003 and shall be expended as provided in the  
43 federal law making the funds available and in  
44 conformance with chapter 17A.

45 Sec. \_\_\_\_ CHILD WELFARE FUNDING.  
 46 1. There is appropriated from the fund created by  
 47 section 8.41 to the department of human services for  
 48 the fiscal year beginning July 1, 2003, and ending  
 49 June 30, 2004, the following amount, to be used for  
 50 the purpose designated:

Page 2

1 To replace the appropriation reductions made  
 2 pursuant to 2003 Iowa Acts, Senate File 453, section  
 3 44, subsection 9:  
 4 ..... \$ 10,000,000  
 5 2. Funds appropriated in this section are funds  
 6 anticipated to be received from the federal government  
 7 for state and local government fiscal relief under the  
 8 federal Jobs and Growth Tax Relief Reconciliation Act  
 9 of 2003 and shall be expended as provided in the  
 10 federal law making the funds available and in  
 11 conformance with chapter 17A.”  
 12 2. By renumbering as necessary.

MICHAEL E. GRONSTAL  
 JOE BOLKCOM  
 AMANDA RAGAN  
 JOHN P. KIBBIE  
 EUGENE S. FRAISE  
 MATT McCOY  
 KEITH A. KREIMAN  
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 JACK HATCH  
 HERMAN C. QUIRMBACH  
 DICK L. DEARDEN  
 WALLY E. HORN  
 THOMAS G. COURTNEY  
 DR. JOE SENG

**S-3406**

1 Amend the amendment, S-3392, to House File 683, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:  
 4 1. By striking page 1, line 3, through page 34,  
 5 line 10, and inserting the following:  
 6 “ \_\_\_\_ By striking everything after the enacting

7 clause and inserting the following:

8 "DIVISION I

9 STATE EMPLOYEE SALARIES

10 Section 1. 2003 Iowa Acts, Senate File 458,  
11 section 48, unnumbered paragraphs 1 and 2, if enacted,  
12 are amended to read as follows:

13 There is appropriated from the general fund of the  
14 state to the salary adjustment fund for distribution  
15 by the department of management to the various state  
16 departments, boards, commissions, councils, and  
17 agencies, and to the state board of regents for those  
18 persons employed at the state school for the deaf and  
19 the Iowa braille and sight saving school, for the  
20 fiscal year beginning July 1, 2003, and ending June  
21 30, 2004, the amount of ~~\$28,000,000~~ \$30,000,000, or so  
22 much thereof as may be necessary, to fully fund annual  
23 pay adjustments, expense reimbursements, and related  
24 benefits implemented pursuant to the following:

25 Of the amount appropriated in this section,  
26 ~~\$2,668,000~~ \$2,818,000 shall be allocated to the  
27 judicial branch for the purpose of funding annual pay  
28 adjustments, expense reimbursements, and related  
29 benefits implemented for judicial branch employees.  
30 In distributing the remainder of the amount  
31 appropriated in this section, the department of  
32 management, in order to address essential public  
33 protection functions and recognizing the availability  
34 of funds appropriated in other Acts of the general  
35 assembly and other sources, shall give priority, in  
36 descending order, to the department of corrections,  
37 department of human services, and department of public  
38 safety, and then to the remaining state departments,  
39 boards, commissions, councils, and agencies to which  
40 the appropriation is applicable.

41 Sec. 2. STATE COURTS -- JUSTICES, JUDGES, AND  
42 MAGISTRATES.

43 1. Of the amount allocated for the judicial branch  
44 in 2003 Iowa Acts, Senate File 458, section 48, if  
45 enacted, \$150,000 is allocated to fund the changes in  
46 this section to the salaries of justices, judges, and  
47 magistrates.

48 2. The following annual salary rates shall be paid  
49 to the persons holding the judicial positions  
50 indicated during the fiscal year beginning July 1,

Page 2

1 2003, effective with the pay period beginning December  
2 5, 2003, and for subsequent pay periods:

3 a. Chief justice of the supreme court:

4 ..... \$

127,040

5 b. Each justice of the supreme court:

6	.....	\$	122,500
7	c. Chief judge of the court of appeals:		
8	.....	\$	122,380
9	d. Each associate judge of the court of appeals:		
10	.....	\$	117,850
11	e. Each chief judge of a judicial district:		
12	.....	\$	116,760
13	f. Each district judge except the chief judge of a		
14	judicial district:		
15	.....	\$	112,010
16	g. Each district associate judge:		
17	.....	\$	97,610
18	h. Each associate juvenile judge:		
19	.....	\$	97,610
20	i. Each associate probate judge:		
21	.....	\$	97,610
22	j. Each judicial magistrate:		
23	.....	\$	29,100
24	k. Each senior judge:		
25	.....	\$	6,500
26	3. Persons receiving the salary rates established		
27	under subsection 2 shall not receive any additional		
28	salary adjustments provided by 2003 Iowa Acts, Senate		
29	File 458, division V.		

DIVISION II

APPROPRIATIONS AND APPROPRIATIONS REVISIONS

INSURANCE DIVISION

33 Sec. 3. INSURANCE STUDY. There is appropriated  
 34 from the general fund of the state to the department  
 35 of commerce for the fiscal year beginning July 1,  
 36 2003, and ending June 30, 2004, the following amount,  
 37 or so much thereof as is necessary, to be used for the  
 38 purpose designated:

39 For the insurance division to implement the school  
 40 health insurance reform team study in accordance with  
 41 2003 Iowa Acts, Senate File 386:

42	.....	\$	15,000
----	-------	----	--------

DEPARTMENT OF MANAGEMENT

44 Sec. 4. LOCAL GOVERNMENT INNOVATION FUND  
 45 APPROPRIATION. There is appropriated from the general  
 46 fund of the state to the department of management for  
 47 the fiscal year beginning July 1, 2003, and ending  
 48 June 30, 2004, the following amount, or so much  
 49 thereof as is necessary, to be used for the purpose  
 50 designated:

Page 3

1	For deposit in the local government innovation fund		
2	created in section 8.64:		
3	.....	\$	1,000,000
4	Notwithstanding section 8.64, subsection 4, if		

5 enacted by 2003 Iowa Acts, Senate File 453, section  
6 27, the local government innovation fund committee may  
7 provide up to 20 percent of the amount appropriated in  
8 this section in the form of forgivable loans or as  
9 grants for those projects that propose a new and  
10 innovative sharing initiative that would serve as an  
11 important model for cities and counties.

12 DEPARTMENT OF CORRECTIONS

13 Sec. 5. There is appropriated from the rebuild  
14 Iowa infrastructure fund to the department of  
15 corrections for the fiscal year beginning July 1,  
16 2003, and ending June 30, 2004, the following amounts,  
17 or so much thereof as is necessary, to be used for the  
18 purposes designated:

19 1. For expansion of the Luster Heights facility		
20 into a community-based corrections facility and an		
21 institutional work and substance abuse treatment		
22 center:		
23 .....	\$	92,000
24 2. For conversion of the Clarinda lodge into		
25 minimum security bed space:		
26 .....	\$	730,400

27 Sec. 6. 2003 Iowa Acts, Senate File 439, section  
28 4, subsection 1, paragraphs b and g, as enacted, are  
29 amended to read as follows:

30 b. For the operation of the Anamosa correctional		
31 facility, including salaries, support, maintenance,		
32 employment of correctional officers and a part-time		
33 chaplain to provide religious counseling to inmates of		
34 a minority race, miscellaneous purposes, and for not		
35 more than the following full-time equivalent		
36 positions:		
37 .....	\$	<u>24,531,917</u>
38 .....		<u>25,196,085</u>
39 .....	FTEs	<u>375.75</u>
40 .....		<u>385.25</u>

41 Moneys are provided within this appropriation for  
42 one full-time substance abuse counselor for the Luster  
43 Heights facility, for the purpose of certification of  
44 a substance abuse program at that facility. Of the  
45 funds appropriated in this paragraph "b", \$664,168 is  
46 allocated for implementation costs associated with  
47 expansion of the Luster Heights facility.

48 g. For the operation of the Clarinda correctional  
49 facility, including salaries, support, maintenance,  
50 employment of correctional officers, miscellaneous

Page 4

1 purposes, and for not more than the following full-		
2 time equivalent positions:		
3 .....	\$	18,505,788

4		<u>19,389,220</u>
5	..... FTEs	<u>291,76</u>
6		<u>304,58</u>

7   Moneys received by the department of corrections as  
8 reimbursement for services provided to the Clarinda  
9 youth corporation are appropriated to the department  
10 and shall be used for the purpose of operating the  
11 Clarinda correctional facility.

12   Of the funds appropriated in this paragraph "g",  
13 \$793,432 is allocated for implementation costs  
14 associated with expansion of the conversion of the  
15 Clarinda lodge, with \$277,500 of the allocation for  
16 one-time costs and \$515,932 for ongoing costs.

17                                   PUBLIC TRANSIT

18   Sec. 7. 2003 Iowa Acts, Senate File 458, section  
19 8, if enacted, is amended to read as follows:

20   SEC. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.

21 Notwithstanding section 312.2, subsection 14, the  
22 amount appropriated from the general fund of the state  
23 under section 312.2, subsection 14, to the state  
24 department of transportation for public transit  
25 assistance under chapter 324A for the fiscal year  
26 beginning July 1, 2003, and ending June 30, 2004, is  
27 reduced by the following amount:

28	..... \$	<u>1,298,675</u>
29		<u>2,582,800</u>

30                                   OFFICE OF THE GOVERNOR

31   Sec. 8. 2003 Iowa Acts, House File 655, section 5,  
32 subsection 1, if enacted, is amended to read as  
33 follows:

34   1. GENERAL OFFICE

35   For salaries, support, maintenance, and  
36 miscellaneous purposes for the general office of the  
37 governor and the general office of the lieutenant  
38 governor, and for not more than the following full-  
39 time equivalent positions:

40	..... \$	<u>1,243,643</u>
41		<u>1,493,643</u>
42	..... FTEs	<u>17,25</u>
43		<u>19,25</u>

44   Of the amount appropriated in this section,  
45 \$250,000 is allocated for two full-time equivalent  
46 positions in the office of the governor that were  
47 previously funded by other state departments and  
48 agencies.

49                                   DEPARTMENT OF REVENUE

50   Sec. 9. 2003 Iowa Acts, House File 655, section

1 31, if enacted, is amended to read as follows:  
2 SEC. 31. DEPARTMENT OF REVENUE. There is

3 appropriated from the general fund of the state to the  
 4 department of revenue for the fiscal year beginning  
 5 July 1, 2003, and ending June 30, 2004, the following  
 6 amounts, or so much thereof as is necessary, to be  
 7 used for the purposes designated, and for not more  
 8 than the following full-time equivalent positions used  
 9 for the purposes designated in subsection 1:

10 .....	FTEs	<u>378.87</u>
11 .....		<u>380.87</u>

12 Of the full-time equivalent positions authorized in  
 13 this section, two full-time equivalent positions are  
 14 allocated for new positions to assist in preparation  
 15 of information for the revenue estimating conference  
 16 and in improving the turnaround time for processing  
 17 corporate tax filings.

18 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT --  
 19 STATE FINANCIAL MANAGEMENT -- STATEWIDE PROPERTY TAX  
 20 ADMINISTRATION

21 For salaries, support, maintenance, and  
 22 miscellaneous purposes:

23 .....	\$	<u>23,250,111</u>
24 .....		<u>23,359,111</u>

25 Of the funds appropriated pursuant to this  
 26 subsection, \$400,000 shall be used to pay the direct  
 27 costs of compliance related to the collection and  
 28 distribution of local sales and services taxes imposed  
 29 pursuant to chapters 422B and 422E.

30 The director of revenue shall prepare and issue a  
 31 state appraisal manual and the revisions to the state  
 32 appraisal manual as provided in section 421.17,  
 33 subsection 18, without cost to a city or county.

34 2. COLLECTION COSTS AND FEES

35 For payment of collection costs and fees pursuant  
 36 to section 422.26:

37 .....	\$	28,166
----------	----	--------

38 DEPARTMENT OF PUBLIC HEALTH

39 Sec. 10. 2003 Iowa Acts, House File 667, section  
 40 2, subsection 8, as enacted, is amended to read as  
 41 follows:

42 8. INFECTIOUS DISEASES

43 For reducing the incidence and prevalence of  
 44 communicable diseases, and for not more than the  
 45 following full-time equivalent positions:

46 .....	\$	<u>977,340</u>
47 .....		<u>1,074,888</u>
48 .....	FTEs	36.90

49 DIVISION III  
 50 MISCELLANEOUS PROVISIONS

Page 6

1 Sec. 11. GOVERNMENT OVERSIGHT COMMITTEE -- REVIEW  
2 OF CONTINUING CARE RETIREMENT COMMUNITIES -- ASSISTED  
3 LIVING PROGRAM APPLICABILITY. The government  
4 oversight committees shall review the application of  
5 chapter 231C, relating to assisted living programs, to  
6 continuing care retirement communities, as defined in  
7 section 523D.1. The committees shall submit  
8 recommendations for any legislation deemed necessary  
9 for consideration during the 2004 regular legislative  
10 session.

11 Sec. 12. Section 15E.193B, subsection 4, Code  
12 2003, as amended by 2003 Iowa Acts, Senate File 458,  
13 section 100, if enacted, is amended to read as  
14 follows:

15 4. The eligible housing business shall complete  
16 its building or rehabilitation within two years from  
17 the time the business begins construction on the  
18 single-family homes and dwelling units. The failure  
19 to complete construction or rehabilitation within two  
20 years shall result in the eligible housing business  
21 becoming ineligible and subject to the repayment  
22 requirements and penalties enumerated in subsection 7.  
23 The department may extend the prescribed two-year  
24 completion period for any current or future project  
25 which has not been completed if the department  
26 determines that completion within the two-year period  
27 is impossible or impractical as a result of a  
28 substantial loss caused by flood, fire, earthquake,  
29 storm, or other catastrophe. For purposes of this  
30 subsection, "substantial loss" means damage or  
31 destruction in an amount in excess of thirty percent  
32 of the project's expected eligible basis as set forth  
33 in the eligible housing business's application.

34 Sec. 13. Section 215.14, Code 2003, is amended to  
35 read as follows:

36 215.14 APPROVAL BY DEPARTMENT.

37 A commercial weighing and measuring device shall  
38 not be installed in this state unless approved by the  
39 department. ~~All livestock scales and~~

40 1. A pit type ~~scales~~ scale or any other scale  
41 installed in a pit, regardless of capacity, that is  
42 installed on or after July 1, 1990, shall have a  
43 clearance of not less than four feet from the finished  
44 floor line of the scale to the bottom of the "I" beam  
45 of the scale bridge. Livestock shall not be weighed  
46 on any scale other than a livestock scale or pit type  
47 scale.

48 2. An electronic pitless scale shall be placed on  
49 concrete footings with concrete floor. ~~The concrete~~  
50 floor shall allow for adequate drainage away from the

Page 7

1 scale as required by the department. There shall be a  
2 clearance of not less than eight inches between the  
3 weigh bridge and the concrete floor to facilitate  
4 inspection and cleaning.

5 3. After approval by the department, the  
6 specifications for a commercial weighing and measuring  
7 device shall be furnished to the purchaser of the  
8 device by the manufacturer. The approval shall be  
9 based upon the recommendation of the United States  
10 national institute of standards and technology.

11 Sec. 14. Section 231C.17, subsection 4, if enacted  
12 by 2003 Iowa Acts, House File 675, section 24, is  
13 amended by striking the subsection and inserting in  
14 lieu thereof the following:

15 4. A continuing care retirement community, as  
16 defined in section 523D.1, may provide limited  
17 personal care services and emergency response services  
18 to its independent living tenants if all of the  
19 following conditions are met:

20 a. The provision of such personal care services or  
21 emergency response services does not result in  
22 inadequate staff coverage to meet the service needs of  
23 all tenants of the continuing care retirement  
24 community.

25 b. The staff providing the personal care or  
26 emergency response services is trained or qualified to  
27 the extent necessary to provide such services.

28 c. The continuing care retirement community  
29 documents the date, time, and nature of the personal  
30 care or emergency response services provided.

31 d. Emergency response services are only provided  
32 in situations which constitute an urgent need for  
33 immediate action or assistance due to unforeseen  
34 circumstances.

35 This subsection shall not be construed to prohibit  
36 an independent living tenant of a continuing care  
37 retirement community from contracting with a third  
38 party for personal care or emergency response  
39 services.

40 Sec. 15. NEW SECTION. 237A.25 CONSUMER  
41 INFORMATION.

42 1. The department shall develop consumer  
43 information material to assist parents in selecting a  
44 child care provider. In developing the material, the  
45 department shall consult with department of human  
46 services staff, department of education staff, the  
47 state child care advisory council, the Iowa  
48 empowerment board, and child care resource and  
49 referral services. In addition, the department may  
50 consult with other entities at the local, state, and

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1 national level.  
2 2. The consumer information material developed by  
3 the department for parents and other consumers of  
4 child care services shall include but is not limited  
5 to all of the following:  
6 a. A pamphlet or other printed material containing  
7 consumer-oriented information on locating a quality  
8 child care provider.  
9 b. Information explaining important considerations  
10 a consumer should take into account in selecting a  
11 licensed or registered child care provider.  
12 c. Information explaining how a consumer can  
13 identify quality services, including what questions to  
14 ask of providers and what a consumer might expect or  
15 demand to know before selecting a provider.  
16 d. An explanation of the applicable laws and  
17 regulations written in layperson's terms.  
18 e. An explanation of what it means for a provider  
19 to be licensed, registered, or unregistered.  
20 f. An explanation of the information considered in  
21 registry and record background checks.  
22 g. Other information deemed relevant to consumers.  
23 3. The department shall implement and publicize an  
24 internet page or site that provides all of the  
25 following:  
26 a. The written information developed pursuant to  
27 subsections 1 and 2.  
28 b. Regular informational updates, including when a  
29 child care provider was last subject to a state  
30 quality review or inspection and, based upon a final  
31 score or review, the results indicating whether the  
32 provider passed or failed the review or inspection.  
33 c. Capability for a consumer to be able to access  
34 information concerning child care providers, such as  
35 informational updates, identification of provider  
36 location, name, and capacity, and identification of  
37 providers participating in the state child care  
38 assistance program and those participating in the  
39 child care food program, by sorting the information or  
40 employing other means that provide the information in  
41 a manner that is useful to the consumer. Information  
42 regarding provider location shall identify providers  
43 located in the vicinity of an address selected by a  
44 consumer and provide contact information without  
45 listing the specific addresses of the providers.  
46 d. Other information deemed appropriate by the  
47 department.  
48 Sec. 16. Section 384.84, Code 2003, is amended by  
49 adding the following new subsection:  
50 NEW SUBSECTION. 9. Notwithstanding subsection 3,

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1 a lien shall not be filed against the land if the  
2 premises are located on leased land. If the premises  
3 are located on leased land, a lien may be filed  
4 against the premises only.

5 Sec. 17. Section 422E.3A, subsection 2, paragraph  
6 a, if enacted by 2003 Iowa Acts, Senate File 445,  
7 section 8, is amended to read as follows:

8 a. A school district that is located in whole or  
9 in part in a county that voted on and approved prior  
10 to April 1, 2003, the local sales and services tax for  
11 school infrastructure purposes and that has a sales  
12 tax capacity per student above the guaranteed school  
13 infrastructure amount shall receive for the remainder  
14 of the term of the tax an amount equal to its pro rata  
15 share of the local sales and services tax receipts as  
16 provided in section 422E.3, subsection 5, paragraph  
17 “d”, unless the school board passes a resolution by  
18 October 1, 2003, agreeing to receive a distribution  
19 pursuant to paragraph “b”, subparagraph (1).

20 Sec. 18. Section 422E.3A, subsection 2, paragraph  
21 b, subparagraph (1), if enacted by 2003 Iowa Acts,  
22 Senate File 445, section 8, is amended to read as  
23 follows:

24 (1) A school district that is located in whole or  
25 in part in a county that voted on and approved prior  
26 to April 1, 2003, the local sales and services tax for  
27 school infrastructure purposes and that has a sales  
28 tax capacity per student below its guaranteed school  
29 infrastructure amount shall receive for the remainder  
30 of the term of the tax an amount equal to its pro rata  
31 share of the local sales and services tax receipts as  
32 provided in section 422E.3, subsection 5, paragraph  
33 “d”, plus an amount equal to its supplemental school  
34 infrastructure amount, unless the school district  
35 passes a resolution by October 1, 2003, agreeing to  
36 receive only an amount equal to its pro rata share as  
37 provided in section 422E.3, subsection 5, paragraph  
38 “d”, in all subsequent years.

39 Sec. 19. Section 435.26A, subsection 5, as enacted  
40 by 2003 Iowa Acts, Senate File 134, section 7, and as  
41 amended by 2003 Iowa Acts, Senate File 458, section  
42 128, if enacted, is amended to read as follows:

43 5. An owner of a manufactured home who has  
44 surrendered a certificate of title under this section  
45 and requires another certificate of title for the  
46 manufactured home is required to apply for a  
47 certificate of title under ~~section 321.42~~ chapter 321.  
48 If supporting documents for the reissuance of a title  
49 are not available or sufficient, the procedure for the  
50 reissuance of a title specified in the rules of the

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1 department of transportation shall be used.  
2 Sec. 20. Section 459.315, Code 2003, as amended by  
3 2003 Iowa Acts, House File 644, if enacted, is amended  
4 by adding the following new subsection:

5 NEW SUBSECTION. 4A. This section shall not  
6 require a person to be certified as a confinement site  
7 manure applicator if the person applies manure which  
8 originates from a manure storage structure which is  
9 part of a small animal feeding operation.

10 Sec. 21. Section 508.31A, subsection 2, paragraph  
11 a, subparagraph (4), as enacted by 2003 Iowa Acts,  
12 House File 647, section 7, is amended to read as  
13 follows:

14 (4) A person other than a natural person for the  
15 purpose of providing collateral security for  
16 securities ~~issued by such person and~~ registered with  
17 the federal securities and exchange commission.

18 Sec. 22. 2003 Iowa Acts, Senate File 401, section  
19 5, subsection 1, is amended to read as follows:

20 1. Notwithstanding any provision of law to the  
21 contrary, the section of this Act creating section  
22 453A.2, subsection 5A, is applicable to violations  
23 pending on the effective date of this Act for which a  
24 penalty has not been assessed under section 453A.22,  
25 subsection 2. Notwithstanding this subsection,  
26 however, if a county health department, a city health  
27 department, or a city assesses a penalty under section  
28 453A.22, subsection 2, on or after April 11, 2003 but  
29 prior to June 30, 2003, for a violation of section  
30 453A.2, subsection 1, which was pending on April 11,  
31 2003, the county health department, city health  
32 department or city assessing the penalty shall be  
33 deemed to have jurisdiction to assess the penalty and  
34 the penalty assessed is deemed valid.

35 Sec. 23. 2003 Iowa Acts, Senate File 453, section  
36 31, subsection 1, if enacted, is amended to read as  
37 follows:

38 1. In lieu of applying a charge for capital assets  
39 to the institutions under the control of the state  
40 board of regents as otherwise provided in this  
41 division for executive branch agencies, the  
42 appropriations made from the general fund of the state  
43 to the state board of regents for the ~~general~~  
44 ~~university~~ operating budgets at the state university  
45 of Iowa, Iowa state university of science and  
46 technology, and university of northern Iowa, in 2003  
47 Iowa Acts, House File 662, section 9, subsections 2,  
48 3, and 4, are reduced by \$17,880,000. ~~The state board~~  
49 ~~of regents shall apply the reduction as follows: state~~  
50 ~~university of Iowa, 46.7 percent, Iowa state~~

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1 ~~university of science and technology, 36.8 percent,~~  
 2 ~~and university of northern Iowa, 16.5 percent.~~

3 Sec. 24. 2003 Iowa Acts, Senate File 458, section  
 4 21, unnumbered paragraph 3, if enacted, is amended to  
 5 read as follows:

6 Of the funds appropriated in this section, up to  
 7 \$10,000 is transferred to the ~~Iowa~~ department of  
 8 ~~public health~~ human services for allocation to  
 9 community mental health centers to provide counseling  
 10 services to persons who are members of the national  
 11 guard and reservists activated but as yet not sent to  
 12 combat zones and to the persons' family members. The  
 13 sessions shall be provided on a first come, first  
 14 served basis and shall be limited to three visits per  
 15 family.

16 Sec. 25. 2003 Iowa Acts, Senate File 458, section  
 17 149, if enacted, is amended to read as follows:

18 SEC. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR  
 19 PHYSICIAN SERVICES. To the extent that, pursuant to  
 20 law enacted by the Eightieth General Assembly, 2003  
 21 Session, supplemental payment adjustments are  
 22 implemented for physician services provided to medical  
 23 assistance program participants at publicly owned  
 24 acute care hospitals, the department of human services  
 25 shall not, directly or indirectly, recoup the  
 26 supplemental payment adjustments for any reason,  
 27 unless an amount equivalent to the amount of  
 28 adjustment funds ~~that were~~ is first transferred to the  
 29 ~~department by the state~~ university of Iowa college of  
 30 ~~medicine is transferred~~ by the department ~~to the~~  
 31 ~~qualifying physicians.~~ Any such amount transferred  
 32 and identified as a supplemental payment under this  
 33 section shall then be refunded to the department of  
 34 human services, per the agreement executed for this  
 35 purpose between the department and the university of  
 36 Iowa.

37 Sec. 26. 2003 Iowa Acts, Senate File 458, section  
 38 171, subsection 1, if enacted, is amended to read as  
 39 follows:

40 1. PURPOSE. The general assembly finds that the  
 41 Iowa communications network is a valuable state asset  
 42 that has served the people of the state well, but  
 43 which requires significant ongoing financial support  
 44 from the state in the form of annual appropriations.  
 45 The operation of a telecommunications network is a  
 46 function that can be and generally is conducted by  
 47 private enterprise. It is in the public interest to  
 48 sell the Iowa communications network to a qualified  
 49 private business enterprise that will commit to  
 50 provide the same secure low-cost high-quality service

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1 to ~~state and federal~~ public and private agencies ~~and~~  
2 ~~military installations, as defined in chapter 8D,~~ now  
3 provided by the network. Through such a sale, the  
4 state would eliminate the need for ongoing annual  
5 appropriations while preserving the key benefits  
6 enjoyed by the state under the present state ownership  
7 of the network. The state also expects to obtain  
8 sufficient proceeds from such a sale to cover existing  
9 obligations and to realize additional proceeds above  
10 the level of such obligations. Given the current  
11 depressed state of the telecommunications industry,  
12 the state can reasonably be expected to maximize sales  
13 proceeds by allowing a purchaser a period of time in  
14 which to assemble financing for its purchase. During  
15 the interim between enactment of this division of this  
16 Act and completion of a sale, the services of a  
17 private-enterprise manager with experience operating  
18 telecommunications networks can reasonably be expected  
19 to reduce the costs of operating the Iowa  
20 communications network, thereby lowering annual  
21 appropriations.

22 Sec. 27. 2003 Iowa Acts, Senate File 458, section  
23 172, subsection 2, paragraph b, if enacted, is amended  
24 to read as follows:

25 b. Select a manager and enter into a management  
26 contract with the manager by October 1, 2004. The  
27 management contract shall provide for the continuation  
28 of all services currently being provided to ~~state and~~  
29 ~~federal public and private~~ agencies ~~and military~~  
30 ~~installations~~ pursuant to chapter 8D, at the rates  
31 specified therein, for the duration of the contract.  
32 The contract shall also specify the manager's  
33 authority in relation to the duties of the commission  
34 during the period between execution of the management  
35 contract and closing of the sale of the network. The  
36 commission shall establish a dispute resolution  
37 process regarding rate increases, quality of service  
38 issues, and other areas of dispute involving network  
39 subscribers. The commission shall also make  
40 recommendations regarding imposition of an ongoing  
41 dispute resolution and appeals process commencing with  
42 the closing of the sale of the network.

43 Sec. 28. 2003 Iowa Acts, Senate File 458, section  
44 173, subsection 1, if enacted, is amended to read as  
45 follows:

46 1. The ~~principal place of business of the~~  
47 purchaser and any parent of the purchaser shall be  
48 ~~located~~ operating in the state of Iowa.

49 Sec. 29. 2003 Iowa Acts, Senate File 458, section  
50 174, subsection 4, if enacted, is amended to read as

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1 follows:

2 4. Agree to continue all services currently being  
3 provided to ~~state and federal~~ public and private  
4 agencies ~~and military installations, as defined in~~  
5 chapter 8D, for the next ten years, with any annual  
6 rate increase not to exceed five percent per year,  
7 provided that the purchaser shall not be required to  
8 supply at such restricted prices a quantity or quality  
9 of service greater than that provided by the network  
10 as of execution of the contract for sale of the  
11 network.

12 Sec. 30. 2003 Iowa Acts, House File 667, section  
13 27, subsection 1, unnumbered paragraph 2, is amended  
14 to read as follows:

15 For costs associated with the commitment and  
16 treatment of sexually violent predators in the unit  
17 located at the state mental health institute at  
18 Cherokee, including costs of legal services and other  
19 associated costs, including salaries, support,  
20 maintenance, and miscellaneous purposes and for not  
21 more than the following full-time equivalent  
22 positions:

23 .....	\$	2,675,179
24 .....	FTEs	46.00
25 .....		<u>57.00</u>

26 Sec. 31. EFFECTIVE DATE -- RETROACTIVE  
27 APPLICABILITY.

28 1. The section of this division of this Act  
29 amending section 231C.17, being deemed of immediate  
30 importance, takes effect upon enactment.

31 2. The section of this division of this Act  
32 amending 2003 Iowa Acts, Senate File 401, being deemed  
33 of immediate importance, takes effect upon enactment  
34 and is retroactively applicable to April 11, 2003.

35 DIVISION IV

36 CORRECTIVE PROVISIONS

37 Sec. 32. Section 8A.505, as enacted by 2003 Iowa  
38 Acts, House File 534, section 87, is amended by adding  
39 the following new unnumbered paragraph:  
40 NEW UNNUMBERED PARAGRAPH. There is appropriated  
41 annually from the increase in indirect cost  
42 reimbursements over the amount of indirect cost  
43 reimbursements received during the fiscal year  
44 beginning July 1, 2002, to the office of grants  
45 enterprise management of the department of management  
46 the sum of up to one hundred twenty-five thousand  
47 dollars. The director shall transfer the funds  
48 appropriated to the department of management as  
49 provided in this paragraph and shall make the funds  
50 resulting from the increase in reimbursements

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1 available during the fiscal year to the department of  
2 management on a monthly basis. If the amount of the  
3 increase in indirect cost reimbursements is  
4 insufficient to pay the maximum appropriation provided  
5 for in this paragraph, the amount appropriated is  
6 equal to the amount of such increase.

7 Sec. 33. Section 12C.4, Code 2003, as amended by  
8 2003 Iowa Acts, House File 289, section 2, is amended  
9 to read as follows:

10 12C.4 LOCATION OF DEPOSITORIES.

11 Deposits by the treasurer of state shall be in  
12 depositories located in this state; by a county  
13 officer or county public hospital officer or merged  
14 area hospital officer, in depositories located in the  
15 county or in an adjoining county within this state; by  
16 a memorial hospital treasurer, in a depository located  
17 within this state which shall be selected by the  
18 memorial hospital treasurer and approved by the  
19 memorial hospital commission; by a city treasurer or  
20 other city financial officer, in depositories located  
21 in the county in which the city is located or in an  
22 adjoining county, but if there is no depository in the  
23 county in which the city is located or in an adjoining  
24 county then in any other depository located in this  
25 state which shall be selected as a depository by the  
26 city council; by a school treasurer or by a school  
27 secretary in a depository within this state which  
28 shall be selected by the board of directors or the  
29 trustees of the school district; by a township clerk  
30 in a depository located within this state which shall  
31 be selected by the township clerk and approved by the  
32 trustees of the township. However, deposits may be  
33 made in depositories outside of Iowa for the purpose  
34 of paying principal and interest on bonded  
35 indebtedness of any municipality when the deposit is  
36 made not more than ten days before the date the  
37 principal or interest becomes due. Further, the  
38 treasurer of state may maintain an account or accounts  
39 outside the state of Iowa for the purpose of providing  
40 custodial services for the state and state retirement  
41 fund accounts. Deposits made for the purpose of  
42 completing an electronic financial transaction  
43 pursuant to section ~~44B.203~~ 8A.222 or 331.427 may be  
44 made in any depository located in this state.

45 Sec. 34. Section 29A.28, subsection 3, as enacted  
46 by 2003 Iowa Acts, House File 674, section 3, is  
47 amended to read as follows:

48 3. Upon returning from a leave of absence under  
49 this section, an employee shall be entitled to return  
50 to the same position and classification held by the

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1 employee at the time of entry ~~onto~~ into state active  
2 duty, active state service, or federal service or to  
3 the position and classification that the employee  
4 would have been entitled to if the continuous civil  
5 service of the employee had not been interrupted by  
6 state active duty, active state service, or federal  
7 service. Under this subsection, “position” includes  
8 the geographical location of the position.

9 Sec. 35. Section 70A.39, subsection 1, paragraph  
10 b, as enacted by 2003 Iowa Acts, House File 381,  
11 section 1, is amended to read as follows:

12 b. ~~“Vascularized~~ “Vascular organ” means a heart,  
13 lung, liver, pancreas, kidney, intestine, or other  
14 organ that requires the continuous circulation of  
15 blood to remain useful for purposes of  
16 transplantation.

17 Sec. 36. Section 99B.7, subsection 1, paragraph 1,  
18 subparagraph (1), Code 2003, as amended by 2003 Iowa  
19 Acts, Senate File 453, section 104, if enacted, is  
20 amended to read as follows:

21 (1) No other gambling is engaged in at the same  
22 location, except that lottery tickets or shares issued  
23 by the Iowa lottery ~~division of the department of~~  
24 ~~revenue and finance~~ authority may be sold pursuant to  
25 chapter 99G.

26 Sec. 37. Section 507A.4, subsection 9, paragraph  
27 e, as enacted by 2003 Iowa Acts, House File 647,  
28 section 4, is amended to read as follows:

29 e. When not otherwise provided, a foreign or  
30 domestic multiple ~~employee~~ employer welfare  
31 arrangement doing business in this state shall pay to  
32 the commissioner of insurance the fees as required in  
33 section 511.24.

34 Sec. 38. Section 556.11, subsection 5, Code 2003,  
35 as amended by 2003 Iowa Acts, Senate File 180, section  
36 2, is amended to read as follows:

37 5. If the holder of property presumed abandoned  
38 under this chapter knows the whereabouts of the owner  
39 and if the owner’s claim has not been barred by the  
40 statute of limitations, the holder shall, before  
41 filing the annual report, communicate with the owner  
42 and take necessary steps to prevent abandonment from  
43 being presumed. The holder shall exercise due  
44 diligence to ascertain the whereabouts of the owner. A  
45 holder is not required to make a due diligence mailing  
46 to owners whose property has an aggregate value of  
47 less than fifty dollars. The treasurer of state may  
48 charge a holder that fails to timely exercise due  
49 diligence, as required in this subsection, five  
50 dollars for each name and address account reported if

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1 thirty-five percent ~~of or~~ more of the accounts are  
2 claimed within the twenty-four months immediately  
3 following the filing of the holder report.

4 Sec. 39. 2003 Iowa Acts, Senate File 438, section  
5 3, is repealed.

6 Sec. 40. 2003 Iowa Acts, Senate File 453, section  
7 11, if enacted, is amended to read as follows:

8 SEC. 11. Sections ~~403.23~~, 405A.1, 405A.2, 405A.3,  
9 405A.4, 405A.5, 405A.6, 405A.7, 405A.8, 405A.9,  
10 405A.10, 422.65, 427A.12, and 427B.19B, Code 2003, are  
11 repealed.

12 Sec. 41. 2003 Iowa Acts, Senate File 458, section  
13 13, if enacted, is amended to read as follows:

14 SEC. 13. REDUCTION IN CREDITS NOT APPLICABLE. The  
15 ~~provision~~ provisions in section 25B.7 relating to the  
16 proration of the property tax credits ~~does and the~~  
17 estimation of the portion of the credit or exemption  
18 which will be funded do not apply with respect to the  
19 amount of state reimbursement for property tax credits  
20 under this division.

21 Sec. 42. 2003 Iowa Acts, Senate File 458, section  
22 159, if enacted, is amended to read as follows:

23 SEC. 159. EFFECTIVE DATES. The following  
24 provisions of this division of this Act, being deemed  
25 of immediate importance, take effect upon enactment:

26 1. The amendments to sections 8.23, 8.31, and 8.57  
27 which are first applicable to appropriations made for  
28 the fiscal year beginning July 1, 2003.

29 2. The amendment to section 12E.12.

30 3. The amendments to sections 15E.42, 15E.43,  
31 15E.45, and 15E.51, which apply retroactively to  
32 January 1, 2002, for tax years beginning on or after  
33 that date.

34 4. The amendment to section 15E.193B.

35 5. The amendment to section 435.26A.

36 6. The amendment to section 453A.2, which shall  
37 only take effect if 2003 Iowa Acts, Senate File 401,  
38 is enacted by the Eightieth General Assembly, 2003  
39 Regular Session.

40 7. The amendments to sections 453C.1 and 453C.2  
41 and the related severability provision.

42 8. The amendments to sections 518.18 and 518A.35.

43 9. The section directing the department of  
44 corrections to develop a plan for selling certain  
45 land.

46 10. The section relating to the sales and use tax  
47 refund.

48 11. The section relating to the school district  
49 reimbursement claim.

50 The sections of this division of this Act amending

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1 section 80B.5 and enacting section 80B.5A are  
2 applicable to the appointment of the director of the  
3 Iowa law enforcement academy for the term beginning  
4 May 1, 2004.

5 ~~Section 29C.8, subsection 3, paragraph “f”, as~~  
6 ~~enacted in this division of this Act, and the~~  
7 ~~amendment to section 29C.20, subsection 1, as enacted~~  
8 ~~in this division of this Act, take effect July 1,~~  
9 ~~2004.~~

10 Sec. 43. 2003 Iowa Acts, House File 171, section  
11 112, the bill section amending clause, is amended to  
12 read as follows:

13 Section 656.2, subsection 2, paragraph a,  
14 unnumbered paragraph ~~4~~ 3, Code 2003, is amended to  
15 read as follows:

16 Sec. 44. 2003 Iowa Acts, House File 662, section  
17 5, subsection 8, paragraphs a and b, if enacted, are  
18 amended to read as follows:

19 a. Of the amount appropriated in this ~~section~~  
20 ~~subsection~~, \$347,371 shall be allocated to the public  
21 broadcasting division for purposes of providing  
22 support for functions related to the Iowa  
23 communications network, including but not limited to  
24 the following functions: development of distance  
25 learning applications; development of a central  
26 information source on the internet relating to  
27 educational uses of the network; second-line technical  
28 support for network sites; testing and initializing  
29 sites onto the network; and coordinating the work of  
30 the education telecommunications council.

31 b. Of the amount appropriated in this ~~section~~  
32 ~~subsection~~, \$1,272,285 shall be allocated to the  
33 regional telecommunications councils established in  
34 section 8D.5. The regional telecommunications  
35 councils shall use the funds to provide technical  
36 assistance for network classrooms, planning and  
37 troubleshooting for local area networks, scheduling of  
38 video sites, and other related support activities.

39 Sec. 45. 2003 Iowa Acts, House File 662, section  
40 6, unnumbered paragraph 2, if enacted, is amended to  
41 read as follows:

42 The funds allocated in this ~~subsection~~ ~~section~~  
43 shall be distributed as follows:

44 Sec. 46. 2003 Iowa Acts, House File 662, section  
45 18, if enacted, is repealed.

46 Sec. 47. EFFECTIVE AND APPLICABILITY DATES.

47 1. The section of this division of this Act  
48 amending section 29A.28, subsection 3, being deemed of  
49 immediate importance, takes effect upon enactment and  
50 applies retroactively to January 1, 2003.

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1 2. The section of this division of this Act  
2 amending 2003 Iowa Acts, Senate File 458, section 159,  
3 being deemed of immediate importance, takes effect  
4 upon enactment.

5 3. 2003 Iowa Acts, Senate File 458, section 140,  
6 relating to nonreversion of funds appropriated in 1996  
7 Iowa Acts, chapter 1218, and 1997 Iowa Acts, chapter  
8 215, if enacted, being deemed of immediate importance,  
9 takes effect upon enactment of this Act.

10 DIVISION V

11 ALTERNATIVE FORMS OF LOCAL GOVERNMENT

12 Sec. 48. Section 331.234, subsections 3 and 4,  
13 Code 2003, as amended by 2003 Iowa Acts, Senate File  
14 390, section 4, if enacted, are amended to read as  
15 follows:

16 3. The board shall make available to the  
17 commission in-kind services such as office space,  
18 printing, supplies, and equipment. ~~The county and~~  
19 ~~shall pay from the segregated account established in~~  
20 ~~subsection 4,~~ the other necessary expenses of the  
21 commission including compensation for secretarial,  
22 clerical, professional, and consultant services. The  
23 total annual expenses, not including the value of in-  
24 kind expenses, to be paid from public funds shall not  
25 exceed one hundred thousand dollars or an amount equal  
26 to thirty cents times the population of the commission  
27 area, according to the most recent certified federal  
28 census. The commission may employ staff as necessary.

29 4. ~~The~~ Except as otherwise provided in subsection  
30 5, the expenses of the commission shall be paid by  
31 ~~each city and county participating in the charter~~  
32 ~~process or may be paid from the general fund of the~~  
33 county. Expenses of the commission may also be paid  
34 from any combination of public or private funds  
35 available for that purpose. Each city's share shall  
36 be its pro rata share of the expenses based upon the  
37 ratio that the population of the city bears to the  
38 total population in the county. The county's share  
39 shall be its pro rata share of expenses based upon the  
40 ratio that the population of the unincorporated area  
41 of the county bears to the total population of the  
42 county. The amount paid by each city and county  
43 participating in the charter process shall be  
44 deposited in a segregated account maintained by the  
45 county. The commission's annual expenses may exceed  
46 the amount in subsection 3 only if the excess is paid  
47 from private funds. If a proposed charter is  
48 submitted to the electorate, private funds donated to  
49 the commission may be used to promote passage of the  
50 proposed charter.

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1 Sec. 49. Section 331.234, Code 2003, is amended by  
 2 adding the following new subsection:  
 3 NEW SUBSECTION. 5. In the case of a city-county  
 4 consolidation charter commission or a community  
 5 commonwealth charter commission, the expenses of the  
 6 commission shall be paid by each city and county  
 7 participating in the charter process pursuant to  
 8 section 331.233A. Each participating city's share  
 9 shall be its pro rata share of the expenses based upon  
 10 the ratio that the population of the city bears to the  
 11 total population in the county. The remainder shall  
 12 be paid from the general fund of the county. The  
 13 amount paid by each city and county participating in  
 14 the charter process shall be deposited in a segregated  
 15 account maintained by the county.

16 Sec. 50. Section 331.235, subsection 3, Code 2003,  
 17 as amended by 2003 Iowa Acts, Senate File 390, section  
 18 5, if enacted, is amended to read as follows:

19 3. Within twenty months after organization, the  
 20 commission shall submit the final report to the board.  
 21 If the commission is created pursuant to section  
 22 331.264, subsection 4, the commission shall submit the  
 23 final report to the board within five months after  
 24 submission of the preliminary report to the board  
 25 pursuant to section 331.264, subsection 3. A  
 26 commission created pursuant to section 331.264,  
 27 subsection 4, may adopt a motion granting itself a  
 28 sixty-day extension of time for submission of its  
 29 final report. If the commission recommends a charter  
 30 including a form of government other than the existing  
 31 form of government, the final report shall include the  
 32 full text and an explanation of the proposed charter,  
 33 ~~a statement of whether the elected officers shall be~~  
 34 ~~elected on a partisan or nonpartisan basis,~~ an  
 35 analysis of the fiscal impact of the proposed charter,  
 36 any comments deemed desirable by the commission, and  
 37 any minority reports. The final report may recommend  
 38 no change to the existing form of government and that  
 39 no charter be submitted to the electorate, in which  
 40 case, the report shall state the reasons for and  
 41 against a change in the existing form of government.  
 42 The final report shall be made available to the  
 43 residents of the county upon request. A summary of  
 44 the final report shall be published in the official  
 45 newspapers of the county and in a newspaper of general  
 46 circulation in each participating city.

47 Sec. 51. Section 331.238, subsection 4, if enacted  
 48 by 2003 Iowa Acts, Senate File 390, section 9, is  
 49 amended to read as follows:

50 4. ~~Subsections 1 and 2 do~~ This section does not

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1 apply to the city-county consolidated form of  
2 government or the community commonwealth form of  
3 government.

4 Sec. 52. Section 331.247, subsection 4, Code 2003,  
5 as amended by 2003 Iowa Acts, Senate File 390, section  
6 11, if enacted, is amended to read as follows:

7 4. If an alternative form of government for a  
8 consolidated unit of local government is proposed,  
9 approval of the consolidation charter shall be  
10 separate from approval of the alternative form of  
11 government in those cities proposed to be included in  
12 the consolidation. The question of whether the  
13 election of officers of the consolidated unit of local  
14 government shall be with regard to political  
15 affiliation shall be a separate question on the  
16 ballot. Adoption of the consolidation charter  
17 requires the approval of a majority of the votes cast  
18 in the entire county. A city named on the ballot is  
19 included in the consolidation if the proposed charter  
20 is approved by a majority of the votes cast in the  
21 city. The consolidation charter shall be effective in  
22 regard to a city government only if a majority of the  
23 voters of the city voting on the question voted for  
24 participation in the consolidation charter.

25 Sec. 53. Section 331.248, subsection 2, paragraph  
26 j, if enacted by 2003 Iowa Acts, Senate File 390,  
27 section 13, is amended by striking the paragraph and  
28 inserting in lieu thereof the following:

29 j. Provide for the effective date of the adopted  
30 charter.

31 Sec. 54. Section 331.252, Code 2003, as amended by  
32 2003 Iowa Acts, Senate File 390, section 18, if  
33 enacted, is amended by adding the following new  
34 unnumbered paragraph after unnumbered paragraph 2:  
35 NEW UNNUMBERED PARAGRAPH. If the charter described  
36 on this ballot is adopted, should officers of the new  
37 government be elected with regard to political  
38 affiliation?

39 Sec. 55. Section 331.254, subsection 7, Code 2003,  
40 as amended by 2003 Iowa Acts, Senate File 390, section  
41 19, if enacted, is amended to read as follows:

42 7. The merger of the elective offices of each  
43 consolidating county with the election of new officers  
44 within sixty days after the effective date of the  
45 charter ~~which shall specifically provide whether the~~  
46 ~~election of new officers shall be on a partisan or~~  
47 ~~nonpartisan basis, notwithstanding section 331.238,~~  
48 ~~subsection 2.~~ The elections shall be conducted by the  
49 county commissioner of elections of each county. No  
50 primary election shall be held. Nominations shall be

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1 made pursuant to section 43.78 and chapters 44 and 45,  
2 as applicable, except that the filing deadline shall  
3 be forty days before the election.

4 Sec. 56. Section 331.261, subsection 11, Code  
5 2003, as amended by 2003 Iowa Acts, Senate File 390,  
6 section 22, if enacted, is amended by striking the  
7 subsection and inserting in lieu thereof the  
8 following:

9 11. The effective date of the adopted charter.

10 Sec. 57. Section 331.264, subsection 4, if enacted  
11 by 2003 Iowa Acts, Senate File 390, section 25, is  
12 amended to read as follows:

13 4. If the committee report recommends a city-  
14 county consolidation or community commonwealth, the  
15 committee shall continue its existence and be  
16 designated, and operate with the powers and duties of,  
17 a commission created pursuant to section 331.233A. If  
18 the committee report recommends a multicounty  
19 consolidation, the committee shall continue its  
20 existence and be designated, and operate with the  
21 powers and duties of, a commission created pursuant to  
22 section 331.233. ~~If the committee recommends an  
23 alternative form of government, that recommendation  
24 shall state whether elections conducted under that  
25 form of government shall be partisan or nonpartisan.~~

26 Sec. 58. EFFECTIVE AND APPLICABILITY DATES. This  
27 division of this Act, being deemed of immediate  
28 importance, takes effect upon enactment and applies to  
29 charter commissions in existence on that date.

#### 30 DIVISION VI

#### 31 CRIMINAL OFFENDERS AND INMATES

32 Sec. 59. Section 321J.2, subsection 2, paragraph  
33 a, subparagraph (1), Code 2003, is amended to read as  
34 follows:

35 (1) Imprisonment in the county jail for not less  
36 than forty-eight hours, to be served as ordered by the  
37 court, less credit for any time the person was  
38 confined in a jail or detention facility following  
39 arrest or for any time the person spent in a court-  
40 ordered operating-while-intoxicated program that  
41 provides law enforcement security. However, the  
42 court, in ordering service of the sentence and in its  
43 discretion, may accommodate the defendant's work  
44 schedule.

45 Sec. 60. NEW SECTION. 811.2A PRETRIAL RELEASE.

46 A person, who has been released under a plan of  
47 pretrial release or on the person's own recognizance  
48 and who is subsequently arrested for a new criminal  
49 offense while under the plan of pretrial release or  
50 released on the person's own recognizance, shall not

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1 be eligible for another release pursuant to pretrial  
2 release guidelines or released on the person's own  
3 recognizance, if all of the following apply:

4 1. The arrest for the new criminal offense is  
5 based on a set of facts or an event that is different  
6 than involved in the earlier arrest.

7 2. The new criminal offense is classified as  
8 greater than a serious misdemeanor.

9 However, a person may be admitted to bail if  
10 eligible pursuant to section 811.1.

11 Sec. 61. Section 901.4, Code 2003, is amended to  
12 read as follows:

13 901.4 PRESENTENCE INVESTIGATION REPORT  
14 CONFIDENTIAL -- DISTRIBUTION.

15 The presentence investigation report is  
16 confidential and the court shall provide safeguards to  
17 ensure its confidentiality, including but not limited to  
18 sealing the report, which may be opened only by  
19 further court order. At least three days prior to the  
20 date set for sentencing, the court shall serve all of  
21 the presentence investigation report upon the  
22 defendant's attorney and the attorney for the state,  
23 and the report shall remain confidential except upon  
24 court order. However, the court may conceal the  
25 identity of the person who provided confidential  
26 information. The report of a medical examination or  
27 psychological or psychiatric evaluation shall be made  
28 available to the attorney for the state and to the  
29 defendant upon request. The reports are part of the  
30 record but shall be sealed and opened only on order of  
31 the court. If the defendant is committed to the  
32 custody of the Iowa department of corrections and is  
33 not a class "A" felon, a copy of the presentence  
34 investigation report shall be forwarded to the  
35 director with the order of commitment by the clerk of  
36 the district court and to the board of parole at the  
37 time of commitment. The Pursuant to section 904.602,  
38 the presentence investigation report may also be  
39 released by the department of corrections or a  
40 judicial district department of correctional services  
41 pursuant to section 904.602 to another jurisdiction  
42 for the purpose of providing interstate probation and  
43 parole compact services or evaluations, or to a  
44 substance abuse or mental health services provider  
45 when referring a defendant for services. The  
46 defendant or the defendant's attorney may file with  
47 the presentence investigation report, a denial or  
48 refutation of the allegations, or both, contained in  
49 the report. The denial or refutation shall be  
50 included in the report. If the person is sentenced

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1 for an offense which requires registration under  
2 chapter 692A, the court shall release the report to  
3 the department which is responsible under section  
4 692A.13A for performing the assessment of risk.  
5 Sec. 62. Section 901B.1, subsection 1, paragraph  
6 c, subparagraph (5), Code 2003, is amended to read as  
7 follows:

8 (5) A substance abuse treatment facility as  
9 established and operated by the Iowa department of  
10 public health or the department of corrections.

11 Sec. 63. Section 903A.2, subsection 1, paragraph  
12 a, Code 2003, is amended to read as follows:

13 a. Category “A” sentences are those sentences  
14 which are not subject to a maximum accumulation of  
15 earned time of fifteen percent of the total sentence  
16 of confinement under section 902.12. To the extent  
17 provided in subsection 5, category “A” sentences also  
18 include life sentences imposed under section 902.1.  
19 An inmate of an institution under the control of the  
20 department of corrections who is serving a category  
21 “A” sentence is eligible for a reduction of sentence  
22 equal to one and two-tenths days for each day the  
23 inmate demonstrates good conduct and satisfactorily  
24 participates in any program or placement status  
25 identified by the director to earn the reduction. The  
26 programs include but are not limited to the following:

27 (1) Employment in the institution.

28 (2) Iowa state industries.

29 (3) An employment program established by the  
30 director.

31 (4) A treatment program established by the  
32 director.

33 (5) An inmate educational program approved by the  
34 director.

35 An inmate serving a category “A” sentence is  
36 eligible for an additional reduction of sentence of up  
37 to three hundred sixty-five days of the full term of  
38 the sentence of the inmate for exemplary acts. In  
39 accordance with section 903A.4, the director shall by  
40 policy identify what constitutes an exemplary act that  
41 may warrant an additional reduction of sentence.

42 Sec. 64. Section 903A.3, subsection 2, Code 2003,  
43 is amended to read as follows:

44 2. The orders of the administrative law judge are  
45 subject to appeal to the superintendent or warden of  
46 the institution, or the superintendent’s or warden’s  
47 designee, who may either affirm, modify, remand for  
48 correction of procedural errors, or reverse an order.  
49 However, sanctions shall not be increased on appeal.  
50 ~~A decision of the superintendent, warden, or designee~~

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1 is subject to review by the director of the Iowa  
2 department of corrections who may either affirm,  
3 modify, remand for correction of procedural errors, or  
4 reverse the decision. However, sanctions shall not be  
5 increased on review.

6 Sec. 65. NEW SECTION. 904.117 INTERSTATE COMPACT  
7 FUND.

8 An interstate compact fund is established under the  
9 control of the department. All interstate compact  
10 fees collected by the department pursuant to section  
11 907B.5 shall be deposited into the fund and the moneys  
12 shall be used by the department to offset the costs of  
13 complying with the interstate compact for adult  
14 offender supervision in chapter 907B. Notwithstanding  
15 section 8.33, moneys remaining in the fund at the end  
16 of a fiscal year shall not revert to the general fund  
17 of the state. Notwithstanding section 12C.7, interest  
18 and earnings deposited in the fund shall be credited  
19 to the fund.

20 Sec. 66. Section 904.503, subsection 2, Code 2003,  
21 is amended to read as follows:

22 2. When the director has cause to believe that an  
23 inmate in a state correctional institution is mentally  
24 ill, the Iowa department of corrections may cause the  
25 inmate to be transferred to the Iowa medical and  
26 classification center, or to another appropriate  
27 facility within the department, for examination,  
28 diagnosis, or treatment. The inmate shall be confined  
29 at that ~~institution center or facility~~ or a state  
30 hospital for persons with mental illness until the  
31 expiration of the inmate's sentence or until the  
32 inmate is pronounced in good mental health. If the  
33 inmate is pronounced in good mental health before the  
34 expiration of the inmate's sentence, the inmate shall  
35 be returned to the state correctional institution  
36 until the expiration of the inmate's sentence.

37 Sec. 67. Section 904.508, subsection 2, Code 2003,  
38 is amended to read as follows:

39 2. ~~The Pursuant to section 904.702, the~~ director  
40 shall establish and maintain an inmate savings fund in  
41 an interest-bearing account for the deposit of all or  
42 part of an inmate's allowances, ~~as provided in section~~  
43 ~~904.702 and amounts, except amounts directed to be~~  
44 deposited in the inmate telephone fund established in  
45 section 904.508A, sent to the inmate from a source  
46 other than the department. All or part of an inmate's  
47 allowances and amounts, except amounts directed to be  
48 deposited in the inmate telephone fund established in  
49 section 904.508A, from a source other than the  
50 department shall be deposited into the savings fund,

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1 until the inmate's deposit is equal to ~~the amount due~~  
2 ~~the inmate upon discharge, parole, or placement on~~  
3 ~~work release, one hundred dollars~~ as provided in  
4 section 906.9. If an inmate's deposits are equal ~~this~~  
5 ~~amount~~ to or in excess of one hundred dollars, the  
6 inmate may voluntarily withdraw from the savings fund.  
7 The director shall notify the inmate of this right to  
8 withdraw and shall provide the inmate with a written  
9 request form to facilitate the withdrawal. If the  
10 inmate withdraws and the inmate's deposits exceed the  
11 amount due as provided in section 906.9, the director  
12 shall disburse the excess amount as provided for  
13 allowances under section 904.702, except the director  
14 shall not deposit the excess amount in the inmate  
15 savings fund. If the inmate chooses to continue to  
16 participate in the savings fund, the inmate's deposits  
17 shall be returned to the inmate upon discharge,  
18 parole, or placement on work release. Otherwise, the  
19 inmate's deposits shall be disposed of as provided in  
20 subsection 3. An inmate's deposits into the savings  
21 fund may be used to provide the money due the inmate  
22 upon discharge, parole, or placement on work release,  
23 as required under section 906.9. Interest earned from  
24 the savings fund shall be placed in a separate  
25 account, and may be used for purchases approved by the  
26 director to directly and collectively benefit inmates.

27 Sec. 68. Section 904.508A, Code 2003, is amended  
28 to read as follows:

29 904.508A INMATE TELEPHONE ~~REBATE~~ FUND.

30 The department is authorized to establish and  
31 maintain an inmate telephone ~~rebate~~ fund ~~in each~~  
32 ~~institution~~ for the deposit of moneys received for  
33 inmate telephone ~~rebates~~ calls. All funds deposited  
34 in this fund shall be used for the benefit of inmates.  
35 The director shall adopt rules providing for the  
36 disbursement of moneys from the fund.

37 Sec. 69. Section 904.513, subsection 1, paragraph  
38 b, subparagraph (4), Code 2003, is amended to read as  
39 follows:

40 (4) Assignment may also be made on the basis of  
41 the offender's treatment program performance, as a  
42 disciplinary measure, for medical needs, and for space  
43 availability at community residential facilities. If  
44 there is insufficient space at a community residential  
45 facility, the court may order an offender to be  
46 released to the supervision of the judicial district  
47 department of correctional services, ~~or~~ held in jail,  
48 or committed to the custody of the director of the  
49 department of corrections for assignment to an  
50 appropriate correctional facility until there is

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1 sufficient space at a community residential facility.  
2 Sec. 70. Section 904.702, unnumbered paragraph 1,  
3 Code 2003, is amended to read as follows:  
4 If allowances are paid pursuant to section 904.701,  
5 the director shall establish an inmate account, for  
6 deposit of those allowances and for deposit of moneys  
7 sent to the inmate from a source other than the  
8 department of corrections. The director may deduct an  
9 amount, not to exceed ten percent of the amount of the  
10 allowance, unless the inmate requests a larger amount,  
11 to be deposited into the inmate savings fund as  
12 required under section 904.508, subsection 2. In  
13 addition to deducting a portion of the allowance, the  
14 director may also deduct from an inmate account any  
15 amount, except amounts directed to be deposited in the  
16 inmate telephone fund established in section 904.508A,  
17 sent to the inmate from a source other than the  
18 department of corrections for deposit in the inmate  
19 savings fund as required under section 904.508,  
20 subsection 2, until the amount in the fund equals the  
21 amount due the inmate upon discharge, parole, or  
22 placement on work release. The director shall deduct  
23 from the inmate account an amount established by the  
24 inmate's restitution plan of payment. The director  
25 shall also deduct from any remaining account balance  
26 an amount sufficient to pay all or part of any  
27 judgment against the inmate, including but not limited  
28 to judgments for taxes and child support, and court  
29 costs and fees assessed either as a result of the  
30 inmate's confinement or amounts required to be paid  
31 under section 610A.1. Written notice of the amount of  
32 the deduction shall be given to the inmate, who shall  
33 have five days after receipt of the notice to submit  
34 in writing any and all objections to the deduction to  
35 the director, who shall consider the objections prior  
36 to transmitting the deducted amount to the clerk of  
37 the district court. The director need give only one  
38 notice for each action or appeal under section 610A.1  
39 for which periodic deductions are to be made. The  
40 director shall next deduct from any remaining account  
41 balance an amount sufficient to pay all or part of any  
42 costs assessed against the inmate for misconduct or  
43 damage to the property of others. The director may  
44 deduct from the inmate's account an amount sufficient  
45 to pay for the inmate's share of the costs of health  
46 services requested by the inmate and for the treatment  
47 of injuries inflicted by the inmate on the inmate or  
48 others. The director may deduct and disburse an  
49 amount sufficient for industries' programs to qualify  
50 under the eligibility requirements established in the

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1 Justice Assistance Act of 1984, Pub. L. No. 98-473,  
2 including an amount to pay all or part of the cost of  
3 the inmate's incarceration. The director may pay all  
4 or any part of remaining allowances paid pursuant to  
5 section 904.701 directly to a dependent of the inmate,  
6 or may deposit the allowance to the account of the  
7 inmate, or may deposit a portion and allow the inmate  
8 a portion for the inmate's personal use.

9 Sec. 71. Section 907.4, Code 2003, is amended to  
10 read as follows:

11 907.4 DEFERRED JUDGMENT DOCKET.

12 A deferment of judgment under section 907.3 shall  
13 be reported promptly by the clerk of the district  
14 court, or the clerk's designee, to the state court  
15 administrator for entry in the deferred judgment  
16 docket. The docket shall contain a permanent record  
17 of the deferred judgment including the name and date  
18 of birth of the defendant, the district court docket  
19 number, the nature of the offense, and the date of the  
20 deferred judgment. Before granting deferred judgment  
21 in any case, the court shall request of the state  
22 court administrator a search of the deferred judgment  
23 docket and shall consider any prior record of a  
24 deferred judgment against the defendant. The  
25 permanent record provided for in this section is a  
26 confidential record exempted from public access under  
27 section 22.7 and shall be available only to justices  
28 of the supreme court, judges of the court of appeals,  
29 district judges, district associate judges, judicial  
30 magistrates, clerks of the district court, judicial  
31 district departments of correctional services, and  
32 county attorneys requesting information pursuant to  
33 this section, or the designee of a justice, judge,  
34 magistrate, clerk, judicial district department of  
35 correctional services, or county attorney.

36 Sec. 72. Section 907.9, subsections 1, 2, and 4,  
37 Code 2003, are amended to read as follows:

38 1. At any time that the court determines that the  
39 purposes of probation have been fulfilled and the fees  
40 imposed under section 905.14 have been paid ~~to or~~  
41 ~~waived by the judicial district department of~~  
42 ~~correctional services~~ or on condition that unpaid  
43 supervision fees be paid, the court may order the  
44 discharge of a person from probation.

45 2. At any time that a probation officer determines  
46 that the purposes of probation have been fulfilled and  
47 the fees imposed under section 905.14 have been paid  
48 ~~to or waived by the judicial district department of~~  
49 ~~correctional services~~ or on condition that unpaid  
50 supervision fees be paid, the officer may order the

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1 discharge of a person from probation after approval of  
2 the district director and notification of the  
3 sentencing court and the county attorney who  
4 prosecuted the case.

5 4. At the expiration of the period of probation  
6 and if the fees imposed under section 905.14 have been  
7 ~~paid to or waived by the judicial district department~~  
8 ~~of correctional services or on condition that unpaid~~  
9 ~~supervision fees be paid~~, the court shall order the  
10 discharge of the person from probation, and the court  
11 shall forward to the governor a recommendation for or  
12 against restoration of citizenship rights to that  
13 person. A person who has been discharged from  
14 probation shall no longer be held to answer for the  
15 person's offense. Upon discharge from probation, if  
16 judgment has been deferred under section 907.3, the  
17 court's criminal record with reference to the deferred  
18 judgment shall be expunged. The record maintained by  
19 the state court administrator as required by section  
20 907.4 shall not be expunged. The court's record shall  
21 not be expunged in any other circumstances.

22 Sec. 73. NEW SECTION. 907B.4 INTERSTATE COMPACT  
23 FEE.

24 The department of corrections may assess a fee, not  
25 to exceed one hundred dollars, for an application to  
26 transfer out of the state under the interstate compact  
27 for adult offender supervision. The fee may be waived  
28 by the department. The moneys collected pursuant to  
29 this section shall be deposited into the interstate  
30 compact fund established in section 904.117 and shall  
31 be used to offset the costs of complying with the  
32 interstate compact for adult offender supervision.

33 Sec. 74. Section 910.3B, Code 2003, is amended to  
34 read as follows:

35 910.3B RESTITUTION FOR DEATH OF VICTIM.

36 1. In all criminal cases in which the offender is  
37 convicted of a felony in which the act or acts  
38 committed by the offender caused the death of another  
39 person, in addition to the amount determined to be  
40 payable and ordered to be paid to a victim for  
41 pecuniary damages, as defined under section 910.1, and  
42 determined under section 910.3, the court shall also  
43 order the offender to pay at least one hundred fifty  
44 thousand dollars in restitution to the victim's estate  
45 if the victim died testate. If the victim died  
46 intestate the court shall order the offender to pay  
47 the restitution to the victim's heirs at law as  
48 determined pursuant to section 633.210. The  
49 obligation to pay the additional amount shall not be  
50 dischargeable in any proceeding under the federal

1 Bankruptcy Act. Payment of the additional amount  
2 shall have the same priority as payment of a victim’s  
3 pecuniary damages under section 910.2, in the  
4 offender’s plan for restitution.

5 2. An award under this section does not preclude  
6 or supersede the right of a victim’s estate or heirs  
7 at law to bring a civil action against the offender  
8 for damages arising out of the same facts or event.  
9 However, no evidence relating to the entry of the  
10 judgment against the offender pursuant to this section  
11 or the amount of the award ordered pursuant to this  
12 section shall be permitted to be introduced in any  
13 civil action for damages arising out of the same facts  
14 or event.

15 3. An offender who is ordered to pay a victim’s  
16 estate or heirs at law under this section is precluded  
17 from denying the elements of the felony offense which  
18 resulted in the order for payment in any subsequent  
19 civil action for damages arising out of the same facts  
20 or event.

21 Sec. 75. Section 915.100, subsection 2, paragraph  
22 c, Code 2003, is amended to read as follows:

23 c. In cases where the act committed by an offender  
24 causes the death of another person, in addition to the  
25 amount ordered for payment of the victim’s pecuniary  
26 damages, the court shall also order the offender to  
27 pay at least one hundred fifty thousand dollars in  
28 restitution to the victim’s estate or heirs at law,  
29 pursuant to the provisions of section 910.3B.

30 DIVISION VII

31 ECONOMIC DEVELOPMENT APPROPRIATIONS

32 Sec. 76. MARKETING APPROPRIATION.

33 1. There is appropriated from the grow Iowa fund  
34 created in section 15G.107, if enacted by 2003 Iowa  
35 Acts, House File 692 or another Act, to the department  
36 of economic development, for the fiscal period  
37 beginning July 1, 2004, and ending June 30, 2010, the  
38 following amounts, or so much thereof as is necessary,  
39 to be used for the purpose designated:

40 For implementing and administering the marketing	
41 strategy approved under section 15G.108, if enacted by	
42 2003 Iowa Acts, House File 692 or another Act:	
43 FY 2004–2005 .....	\$ 10,000,000
44 FY 2005–2006 .....	\$ 10,000,000
45 FY 2006–2007 .....	\$ 5,000,000
46 FY 2007–2008 .....	\$ 5,000,000
47 FY 2008–2009 .....	\$ 5,000,000
48 FY 2009–2010 .....	\$ 2,500,000

49 2. Notwithstanding section 8.33, moneys that  
50 remain unexpended at the end of a fiscal year shall

1 not revert to any fund but shall remain available for  
 2 expenditure for the designated purposes during the  
 3 succeeding fiscal year.

4 Sec. 77. DEPARTMENT OF ECONOMIC DEVELOPMENT  
 5 APPROPRIATION.

6 1. There is appropriated from the grow Iowa fund  
 7 created in section 15G.107, if enacted by 2003 Iowa  
 8 Acts, House File 692 or another Act, to the department  
 9 of economic development for the fiscal period  
 10 beginning July 1, 2003, and ending June 30, 2010, the  
 11 following amounts, or so much thereof as is necessary,  
 12 to be used for the purpose designated:

13 For programs administered by the department of  
 14 economic development:

15 FY 2003–2004 .....	\$ 41,575,000
16 FY 2004–2005 .....	\$ 31,575,000
17 FY 2005–2006 .....	\$ 35,000,000
18 FY 2006–2007 .....	\$ 32,500,000
19 FY 2007–2008 .....	\$ 30,500,000
20 FY 2008–2009 .....	\$ 13,500,000
21 FY 2009–2010 .....	\$ 13,500,000

22 2. Notwithstanding section 8.33, moneys that  
 23 remain unexpended at the end of a fiscal year shall  
 24 not revert to any fund but shall remain available for  
 25 expenditure for the designated purposes during the  
 26 succeeding fiscal year.

27 3. Each year that moneys are appropriated under  
 28 this section, the grow Iowa board shall allocate a  
 29 percentage of the moneys for each of the following  
 30 types of activities:

- 31 a. Business start-ups.
- 32 b. Business expansion.
- 33 c. Business modernization.
- 34 d. Business attraction.
- 35 e. Business retention.
- 36 f. Marketing.

37 4. An applicant for moneys appropriated under this  
 38 section shall be required by the department to include  
 39 in the application a statement regarding the intended  
 40 return on investment. A recipient of moneys  
 41 appropriated under this section shall annually submit  
 42 a statement to the department regarding the progress  
 43 achieved on the intended return on investment stated  
 44 in the application. The department, in cooperation  
 45 with the department of revenue and finance, shall  
 46 develop a method of identifying and tracking each new  
 47 job created through financial assistance from moneys  
 48 appropriated under this section.

49 5. The department may use moneys appropriated  
 50 under this section to procure technical assistance

1 from either the public or private sector, for  
 2 information technology purposes, and for rail, air, or  
 3 river port transportation-related purposes. The use  
 4 of moneys appropriated for rail, air, or river port  
 5 transportation-related purposes must be directly  
 6 related to an economic development project and the  
 7 moneys must be used to leverage other financial  
 8 assistance moneys.

9 6. Of the moneys appropriated under this section,  
 10 the department may use one-quarter of one percent for  
 11 administrative purposes.

12 7. The grow Iowa board is required to approve or  
 13 deny applications for financial assistance from moneys  
 14 appropriated under this section.

15 Sec. 78. UNIVERSITY AND COLLEGE FINANCIAL  
 16 ASSISTANCE APPROPRIATION.

17 1. There is appropriated from the grow Iowa fund  
 18 created in section 15G.107, if enacted by 2003 Iowa  
 19 Acts, House File 692 or another Act, to the grow Iowa  
 20 board for the fiscal period beginning July 1, 2003,  
 21 and ending June 30, 2010, the following amounts, or so  
 22 much thereof as is necessary, to be used for the  
 23 purposes designated:

24 For financial assistance for institutions of higher  
 25 learning under the control of the state board of  
 26 regents and for accredited private institutions as  
 27 defined in section 261.9 for multiuse, goods  
 28 manufacturing processes approved by the food and drug  
 29 administration of the United States department of  
 30 health and human services, protein purification  
 31 facilities for plant, animal, and chemical  
 32 manufactured proteins; upgrading food and drug  
 33 administration drug approval laboratories in Iowa City  
 34 to a larger multiclient, goods manufacturing processes  
 35 facility; crop and animal livestock facilities for the  
 36 growing of transgenic crops and livestock; and  
 37 advanced laboratory space:

38 FY 2003–2004 .....	\$	5,325,000
39 FY 2004–2005 .....	\$	5,325,000
40 FY 2005–2006 .....	\$	5,325,000
41 FY 2006–2007 .....	\$	5,325,000
42 FY 2007–2008 .....	\$	5,325,000
43 FY 2008–2009 .....	\$	5,325,000
44 FY 2009–2010 .....	\$	5,325,000

45 2. Notwithstanding section 8.33, moneys that  
 46 remain unexpended at the end of a fiscal year shall  
 47 not revert to any fund but shall remain available for  
 48 expenditure for the designated purposes during the  
 49 succeeding fiscal year.

50 3. In the distribution of moneys appropriated

1 pursuant to this section, the grow Iowa board shall  
2 examine the potential for using moneys appropriated  
3 pursuant to this section to leverage other moneys for  
4 financial assistance to accredited private  
5 institutions.

6 4. In awarding moneys appropriated pursuant to  
7 this section, the grow Iowa board shall consider  
8 whether the purchase of suitable existing  
9 infrastructure is more cost-efficient than building  
10 new infrastructure.

11 5. An institution of higher learning under the  
12 control of the state board of regents may apply to use  
13 financial assistance moneys under this section for  
14 purposes of a public and private joint venture to  
15 acquire infrastructure assets or research facilities  
16 or to leverage moneys in a manner consistent with  
17 meeting the goals and performance measures provided in  
18 section 15G.106, if enacted by 2003 Iowa Acts, House  
19 File 692 or another Act.

20 Sec. 79. REHABILITATION PROJECT TAX CREDITS  
21 APPROPRIATION.

22 1. There is appropriated from the grow Iowa fund  
23 created in section 15G.107, if enacted by 2003 Iowa  
24 Acts, House File 692 or another Act, to the general  
25 fund of the state, for the fiscal period beginning  
26 July 1, 2003, and ending June 30, 2010, the following  
27 amounts, or so much thereof as is necessary, to be  
28 used for the purpose designated:

29 For payment of tax credits approved pursuant to  
30 section 404A.4 for projects located in certified  
31 cultural and entertainment districts:

32 FY 2003–2004 .....	\$	700,000
33 FY 2004–2005 .....	\$	700,000
34 FY 2005–2006 .....	\$	700,000
35 FY 2006–2007 .....	\$	700,000
36 FY 2007–2008 .....	\$	700,000
37 FY 2008–2009 .....	\$	700,000
38 FY 2009–2010 .....	\$	700,000

39 2. Notwithstanding section 8.33, moneys that  
40 remain unexpended at the end of a fiscal year shall  
41 not revert to any fund but shall remain available for  
42 expenditure for the designated purposes during the  
43 succeeding fiscal year.

44 Sec. 80. LOAN AND CREDIT GUARANTEE FUND  
45 APPROPRIATION.

46 1. There is appropriated from the grow Iowa fund  
47 created in section 15G.107, if enacted by 2003 Iowa  
48 Acts, House File 692 or another Act, to the department  
49 of economic development for the fiscal period  
50 beginning July 1, 2003, and ending June 30, 2010, the

1 following amounts, or so much thereof as is necessary,  
2 to be used for the purpose designated:

3 For deposit in the loan and credit guarantee fund  
4 created in section 15E.227:

5 FY 2003–2004 .....	\$ 2,500,000
6 FY 2004–2005 .....	\$ 7,500,000
7 FY 2005–2006 .....	\$ 8,575,000
8 FY 2006–2007 .....	\$ 11,075,000
9 FY 2007–2008 .....	\$ 13,075,000
10 FY 2008–2009 .....	\$ 35,075,000
11 FY 2009–2010 .....	\$ 37,575,000

12 2. Notwithstanding section 8.33, moneys that  
13 remain unexpended at the end of a fiscal year shall  
14 not revert to any fund but shall remain available for  
15 expenditure for the designated purpose during the  
16 succeeding fiscal year.

17 Sec. 81. ENDOW IOWA TAX CREDITS.

18 1. There is appropriated from the grow Iowa fund  
19 created in section 15G.107, if enacted by 2003 Iowa  
20 Acts, House File 692 or another Act, to the general  
21 fund of the state, for the fiscal period beginning  
22 July 1, 2003, and ending June 30, 2010, the following  
23 amounts, or so much thereof as is necessary, to be  
24 used for the purpose designated:

25 For payment of endow Iowa tax credits authorized  
26 pursuant to section 15E.305:

27 FY 2003–2004 .....	\$ 200,000
28 FY 2004–2005 .....	\$ 200,000
29 FY 2005–2006 .....	\$ 200,000
30 FY 2006–2007 .....	\$ 200,000
31 FY 2007–2008 .....	\$ 200,000
32 FY 2008–2009 .....	\$ 200,000
33 FY 2009–2010 .....	\$ 200,000

34 2. Notwithstanding section 8.33, moneys that  
35 remain unexpended at the end of a fiscal year shall  
36 not revert to any fund but shall remain available for  
37 expenditure for the designated purposes during the  
38 succeeding fiscal year.

39 Sec. 82. ENDOW IOWA GRANTS APPROPRIATION.

40 1. There is appropriated from the grow Iowa fund  
41 created in section 15G.107, if enacted by 2003 Iowa  
42 Acts, House File 692 or another Act, to the department  
43 of economic development for the fiscal period  
44 beginning July 1, 2003, and ending June 30, 2010, the  
45 following amounts, or so much thereof as is necessary,  
46 to be used for the purpose designated:

47 For endow Iowa grants to lead philanthropic  
48 entities pursuant to section 15E.304:

49 FY 2003–2004 .....	\$ 200,000
50 FY 2004–2005 .....	\$ 200,000

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1	FY 2005–2006 .....	\$	200,000
2	FY 2006–2007 .....	\$	200,000
3	FY 2007–2008 .....	\$	200,000
4	FY 2008–2009 .....	\$	200,000
5	FY 2009–2010 .....	\$	200,000
6	2. Notwithstanding section 8.33, moneys that		
7	remain unexpended at the end of a fiscal year shall		
8	not revert to any fund but shall remain available for		
9	expenditure for the designated purposes during the		
10	succeeding fiscal year.		
11	Sec. 83. ANTICIPATED FEDERAL MONEYS --		
12	APPROPRIATION.		
13	1. There is appropriated from the fund created by		
14	section 8.41, for the fiscal period beginning July 1,		
15	2003, and ending June 30, 2005, the following amounts		
16	to be used for the purpose designated:		
17	For deposit in the grow Iowa fund created in		
18	section 15G.107, if enacted by 2003 Iowa Acts, House		
19	File 692 or another Act:		
20	FY 2003–2004 .....	\$	59,000,000
21	FY 2004–2005 .....	\$	41,000,000
22	2. Moneys appropriated in this section are moneys		
23	anticipated to be received from the federal government		
24	for state and local government fiscal relief under the		
25	federal Jobs and Growth Tax Relief Reconciliation Act		
26	of 2003 and shall be expended as provided in the		
27	federal law making the moneys available and in		
28	conformance with chapter 17A.		
29	3. Notwithstanding section 8.33, moneys that		
30	remain unexpended at the end of a fiscal year shall		
31	not revert to any fund but shall remain available for		
32	expenditure for the designated purposes during the		
33	succeeding fiscal year.		
34	Sec. 84. STREAMLINED SALES AND USE TAX REVENUE --		
35	APPROPRIATION.		
36	1. There is appropriated from the general fund of		
37	the state from moneys credited to the general fund of		
38	the state as a result of entering into the streamlined		
39	sales and use tax agreement, for the fiscal period		
40	beginning July 1, 2003, and ending June 30, 2010, the		
41	following amounts to be used for the purpose		
42	designated:		
43	For deposit in the grow Iowa fund created in		
44	section 15G.107, if enacted by 2003 Iowa Acts, House		
45	File 692 or another Act:		
46	FY 2003–2004 .....	\$	5,000,000
47	FY 2004–2005 .....	\$	23,000,000
48	FY 2005–2006 .....	\$	75,000,000
49	FY 2006–2007 .....	\$	75,000,000
50	FY 2007–2008 .....	\$	75,000,000

1	FY 2008–2009 .....	\$ 75,000,000
2	FY 2009–2010 .....	\$ 75,000,000

3 2. For purposes of this section, “moneys credited  
4 to the general fund of the state as a result of  
5 entering into the streamlined sales and use tax  
6 agreement” means the amount of sales and use tax  
7 receipts credited to the general fund of the state  
8 during a fiscal year that exceeds by two percent or  
9 more the total sales and use tax receipts credited to  
10 the general fund of the state during the previous  
11 fiscal year.

12 3. If the moneys credited to the general fund of  
13 the state as a result of entering into the streamlined  
14 sales and use tax agreement during a fiscal year total  
15 less than the amount appropriated in this section, the  
16 appropriation in this section shall be reduced to  
17 equal the total amount of the moneys so credited.

18 4. Notwithstanding section 8.33, moneys that  
19 remain unexpended at the end of a fiscal year shall  
20 not revert to any fund but shall remain available for  
21 expenditure for the designated purposes during the  
22 succeeding fiscal year.

23 DIVISION VIII

24 WORKFORCE-RELATED ISSUES

25 Sec. 85. NEW SECTION. 260C.18A WORKFORCE  
26 TRAINING AND ECONOMIC DEVELOPMENT FUNDS.

27 1. a. A workforce training and economic  
28 development fund is created for each community  
29 college. Moneys shall be deposited and expended from  
30 a fund as provided under this section.

31 b. Moneys in the funds shall consist of any moneys  
32 appropriated by the general assembly and any other  
33 moneys available to and obtained or accepted by the  
34 department of economic development from federal  
35 sources or private sources for placement in the funds.  
36 Notwithstanding section 8.33, moneys in the funds at  
37 the end of each fiscal year shall not revert to any  
38 other fund but shall remain in the funds for  
39 expenditure in subsequent fiscal years.

40 2. On July 1 of each year for the fiscal year  
41 beginning July 1, 2003, and for every fiscal year  
42 thereafter, moneys from the grow Iowa fund created in  
43 section 15G.107, if enacted by 2003 Iowa Acts, House  
44 File 692 or another Act, are appropriated to the  
45 department of economic development for deposit in the  
46 workforce training and economic development funds in  
47 amounts determined pursuant to subsection 3. Moneys  
48 deposited in the funds and disbursed to community  
49 colleges for a fiscal year shall be expended for the  
50 following purposes:

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1 a. Projects in which an agreement between a  
2 community college and an employer located within the  
3 community college's merged area meet all of the  
4 requirements of the accelerated career education  
5 program under chapter 260G. However, moneys used by  
6 the community colleges from the workforce training and  
7 economic development fund for these projects shall be  
8 in lieu of the program job credits provided under  
9 chapter 260G. Projects using moneys from the  
10 workforce training and economic development fund under  
11 this paragraph shall be in accordance with rules  
12 adopted by the department of economic development  
13 under chapter 260G.

14 b. Projects in which an agreement between a  
15 community college and a business meet all the  
16 requirements of the Iowa jobs training Act under  
17 chapter 260F. However, when moneys are provided  
18 through the grow Iowa fund for such projects, section  
19 260F.6, subsections 1 and 2, and section 260F.8 shall  
20 not apply. Projects using moneys from the workforce  
21 training and economic development fund under this  
22 paragraph shall be in accordance with rules adopted by  
23 the department of economic development under chapter  
24 260F.

25 c. For the development and implementation of  
26 career academies designed to provide new career  
27 preparation opportunities for high school students  
28 that are formally linked with postsecondary career and  
29 technical education programs. Moneys from workforce  
30 training and economic development funds that are  
31 expended for purposes of this paragraph shall be in  
32 accordance with the plan submitted to the department  
33 of economic development and the grow Iowa board under  
34 subsection 5. For purposes of this section, "career  
35 academy" means a program of study that combines a  
36 minimum of two years of secondary education with an  
37 associate degree, or the equivalent, career  
38 preparatory program in a nonduplicative, sequential  
39 course of study that is standards based, integrates  
40 academic and technical instruction, utilizes work-  
41 based and worksite learning where appropriate and  
42 available, utilizes an individual career planning  
43 process with parent involvement, and leads to an  
44 associate degree or postsecondary diploma or  
45 certificate in a career field that prepares an  
46 individual for entry and advancement in a high-skill  
47 and reward career field and further education. The  
48 state board of education, in conjunction with the  
49 division of community colleges and workforce  
50 preparation of the department of education, and in

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1 consultation with the department of economic  
2 development, shall adopt administrative rules for the  
3 development and implementation of such career  
4 academies pursuant to section 256.11, subsection 5,  
5 paragraph “h”, section 260C.1, and Title II of Pub. L.  
6 No. 105-332, Carl D. Perkins Vocational and Technical  
7 Education Act of 1998.

8 d. Programs and courses that provide vocational  
9 and technical training, and programs for in-service  
10 training and retraining under section 260C.1,  
11 subsections 2 and 3.

12 3. Moneys from the workforce training and economic  
13 development fund that are expended for purposes of  
14 this subsection shall be in accordance with the plan  
15 submitted to the department of economic development  
16 and the grow Iowa board under subsection 5. The  
17 maximum cumulative total amount of moneys that may be  
18 deposited in all the workforce training and economic  
19 development funds for distribution to community  
20 colleges in a fiscal year shall be determined as  
21 follows:

22 a. Six million dollars for the fiscal year  
23 beginning July 1, 2003.

24 b. Eleven million dollars for the fiscal year  
25 beginning July 1, 2004.

26 c. Twenty million dollars for the fiscal year  
27 beginning July 1, 2005.

28 d. Twenty million dollars for the fiscal year  
29 beginning July 1, 2006.

30 e. Twenty million dollars for the fiscal year  
31 beginning July 1, 2007.

32 f. Fifteen million dollars for the fiscal year  
33 beginning July 1, 2008.

34 g. Fifteen million dollars for the fiscal year  
35 beginning July 1, 2009.

36 4. The department of economic development shall  
37 allocate the moneys appropriated pursuant to this  
38 section to the community college workforce training  
39 and economic development funds utilizing the same  
40 distribution formula used for the allocation of state  
41 general aid to the community colleges.

42 5. Each community college shall do all of the  
43 following:

44 a. Adopt a two-year workforce training and  
45 economic development fund plan outlining the community  
46 college’s proposed use of moneys appropriated under  
47 subsection 2.

48 b. Update the two-year plan annually.

49 c. Prepare an annual progress report on the two-  
50 year plan’s implementation.

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1 d. Annually submit the two-year plan and progress  
2 report to the department of economic development in a  
3 manner prescribed by rules adopted by the department  
4 pursuant to chapter 17A and annually file a copy of  
5 the plan and progress report with the grow Iowa board.

6 6. Any individual project using over one million  
7 dollars of moneys from a workforce training and  
8 economic development fund shall require prior approval  
9 from the grow Iowa board.

10 Sec. 86. NEW SECTION. 260F.9 JOB RETENTION  
11 PROGRAM AND FUND.

12 1. A job retention fund is created in the state  
13 treasury under the control of the department of  
14 economic development to encourage the retention of  
15 existing jobs and income that would otherwise be lost  
16 and encourage large businesses to remain in the state.  
17 Moneys shall be deposited and expended from the fund  
18 as provided in this section.

19 2. There is appropriated from the grow Iowa fund  
20 created in section 15G.107, if enacted by 2003 Iowa  
21 Acts, House File 692 or another Act, to the department  
22 of economic development for the fiscal period  
23 beginning July 1, 2003, and ending June 30, 2006, the  
24 following amounts to be used for funding of job  
25 retention programs and agreements authorized by the  
26 department and participating community colleges as  
27 provided in this section:

28 a. One million dollars for the fiscal year  
29 beginning July 1, 2003.

30 b. One million dollars for the fiscal year  
31 beginning July 1, 2004.

32 c. One million dollars for the fiscal year  
33 beginning July 1, 2005.

34 3. Notwithstanding section 8.33, moneys that  
35 remain unexpended at the end of a fiscal year shall  
36 not revert to any fund but shall remain available for  
37 expenditure for the designated purposes during the  
38 succeeding fiscal year.

39 4. The department of economic development shall  
40 administer the allocation of moneys in the job  
41 retention fund and shall administer the job retention  
42 program. The department shall adopt rules pursuant to  
43 chapter 17A necessary for the administration of this  
44 section. By January 15 of each year, the department  
45 shall submit a written report to the general assembly  
46 and the governor regarding the activities of the job  
47 retention program during the previous calendar year.

48 5. A community college and the department may  
49 enter into an agreement to establish a job retention  
50 project. A job retention project agreement shall

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- 1 include, but not be limited to, the following:
- 2 a. The date of the agreement.
- 3 b. The anticipated number of employees to be  
4 trained.
- 5 c. The estimated cost of training.
- 6 d. A statement regarding the number of employees  
7 employed by the participating business on the date of  
8 the agreement which must equal at least the lesser of  
9 one thousand employees or four percent or more of the  
10 county's resident labor force based on the most recent  
11 annual labor force statistics from the department of  
12 workforce development.
- 13 e. A commitment that the participating business  
14 shall invest at least fifteen million dollars to  
15 retool the workplace and upgrade the facilities of the  
16 participating business.
- 17 f. A commitment that the participating business  
18 shall not move the business operation out of this  
19 state or close the business operation for at least ten  
20 years following the date of the agreement.
- 21 g. Other criteria established by the department of  
22 economic development.
- 23 6. A job retention project agreement entered into  
24 pursuant to this section must be approved by the board  
25 of trustees of the applicable community college, the  
26 department of economic development, and the  
27 participating business.

28 Sec. 87. NEW SECTION. 260F.101 REPORTING.

29 A community college entering into an agreement  
30 pursuant to this chapter shall submit an annual  
31 written report by the end of each calendar year with  
32 the grow Iowa board created in section 15G.102, if  
33 enacted by 2003 Iowa Acts, House File 692 or another  
34 Act. The report shall provide information regarding  
35 how the agreement affects the achievement of the goals  
36 and performance measures provided in section 15G.106,  
37 if enacted by 2003 Iowa Acts, House File 692 or  
38 another Act.

39 Sec. 88. Section 260G.3, subsection 2, Code 2003,  
40 is amended to read as follows:

- 41 2. An agreement may include reasonable and  
42 necessary provisions to implement the accelerated  
43 career education program. If an agreement that  
44 utilizes program job credits is entered into, the  
45 community college and the employer shall notify the  
46 department of revenue and finance as soon as possible.  
47 The community college shall also file a copy of the  
48 agreement with the department of economic development  
49 as required in section 260G.4B. The agreement shall  
50 provide for program costs, including deferred costs,

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1 which may be paid from any of the following sources:  
 2 a. Program job credits which the employer receives  
 3 based on the number of program job positions agreed to  
 4 by the employer to be available under the agreement.  
 5 b. Cash or in-kind contributions by the employer  
 6 toward the program cost. At a minimum, the employer  
 7 contribution shall be twenty percent of the program  
 8 costs.  
 9 c. Tuition, student fees, or special charges fixed  
 10 by the board of directors to defray program costs.  
 11 d. Guarantee by the employer of payments to be  
 12 received under paragraphs “a” and “b”.  
 13 e. Moneys from a workforce training and economic  
 14 development fund created in section 260C.18A, based on  
 15 the number of program job positions agreed to by the  
 16 employer to be available under the agreement, the  
 17 amount of which shall be calculated in the same manner  
 18 as the program job credits provided for in section  
 19 260G.4A.  
 20 Sec. 89. NEW SECTION. 260G.101 REPORTING.  
 21 A community college entering into an agreement  
 22 pursuant to this chapter shall submit an annual  
 23 written report by the end of each calendar year with  
 24 the grow Iowa board created in section 15G.102, if  
 25 enacted by 2003 Iowa Acts, House File 692 or another  
 26 Act. The report shall provide information regarding  
 27 how the agreement affects the achievement of the goals  
 28 and performance measures provided in section 15G.106,  
 29 if enacted by 2003 Iowa Acts, House File 692 or  
 30 another Act.

#### DIVISION IX

##### LOAN AND CREDIT GUARANTEE FUND

32 Sec. 90. NEW SECTION. 15E.227 LOAN AND CREDIT  
 33 GUARANTEE FUND.  
 34  
 35 1. A loan and credit guarantee fund is created and  
 36 established as a separate and distinct fund in the  
 37 state treasury. Moneys in the fund shall only be used  
 38 for purposes provided in this section. The moneys in  
 39 the fund are appropriated to the department to be used  
 40 for all of the following purposes:  
 41 a. Payment of claims pursuant to loan and credit  
 42 guarantee agreements entered into under this division.  
 43 b. Payment of administrative costs of the  
 44 department for actual and necessary administrative  
 45 expenses incurred by the department in administering  
 46 the program.  
 47 c. Purchase or buyout of superior or prior liens,  
 48 mortgages, or security interests.  
 49 2. Moneys in the loan and credit guarantee fund  
 50 shall consist of all of the following:

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1 a. Moneys appropriated by the general assembly for  
2 that purpose and any other moneys available to and  
3 obtained or accepted by the department for placement  
4 in the fund.

5 b. Proceeds from collateral assigned to the  
6 department, fees for guarantees, gifts, and moneys  
7 from any grant made to the fund by any federal agency.

8 c. Moneys appropriated from the grow Iowa fund  
9 created in section 15G.107, if enacted by 2003 Iowa  
10 Acts, House File 692 or another Act.

11 3. Moneys in the fund are not subject to section  
12 8.33. Notwithstanding section 12C.7, interest or  
13 earnings on the moneys in the fund shall be credited  
14 to the fund.

15 4. a. The department shall only pledge moneys in  
16 the loan and credit guarantee fund and not any other  
17 moneys of the department. The department may pledge  
18 an amount not to exceed a total of any of the  
19 following amounts of moneys in the fund to assure the  
20 repayment of loan and credit guarantees or other  
21 extensions of credit made to or on behalf of qualified  
22 businesses or targeted industry businesses for  
23 eligible project costs.

24 (1) Two million five hundred thousand dollars for  
25 the fiscal year beginning July 1, 2003.

26 (2) Seven million five hundred thousand dollars  
27 for the fiscal year beginning July 1, 2004.

28 (3) Eight million five hundred seventy-five  
29 thousand dollars for the fiscal year beginning July 1,  
30 2005.

31 (4) Eleven million seventy-five thousand dollars  
32 for the fiscal year beginning July 1, 2006.

33 (5) Thirteen million seventy-five thousand dollars  
34 for the fiscal year beginning July 1, 2007.

35 (6) Thirty-five million seventy-five thousand  
36 dollars for the fiscal year beginning July 1, 2008.

37 (7) Thirty-seven million five hundred seventy-five  
38 thousand dollars for the fiscal year beginning July 1,  
39 2009.

40 b. The department shall not pledge the credit or  
41 taxing power of this state or any political  
42 subdivision of this state or make debts payable out of  
43 any moneys except for those in the loan and credit  
44 guarantee fund.

#### 45 DIVISION X

#### 46 UNIVERSITY-BASED RESEARCH UTILIZATION 47 PROGRAM APPROPRIATION

48 Sec. 91. NEW SECTION. 262B.12 APPROPRIATION.

49 On July 1 of each year there is appropriated from  
50 the general fund of the state to each university under

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1 the control of the state board of regents, an amount  
2 equal to the amount determined by the department of  
3 economic development pursuant to section 262B.11,  
4 subsection 4, paragraph “c”, subparagraph (2), if  
5 enacted by 2003 Iowa Acts, House File 692 or another  
6 Act.

7 DIVISION XI

8 ENDOW IOWA TAX CREDIT

9 Sec. 92. NEW SECTION. 15E.305 ENDOW IOWA TAX  
10 CREDIT.

11 1. For tax years beginning on or after January 1,  
12 2003, a tax credit shall be allowed against the taxes  
13 imposed in chapter 422, divisions II, III, and V, and  
14 in chapter 432, and against the moneys and credits tax  
15 imposed in section 533.24 equal to twenty percent of a  
16 taxpayer’s endowment gift to a qualified community  
17 foundation. An individual may claim a tax credit  
18 under this section of a partnership, limited liability  
19 company, S corporation, estate, or trust electing to  
20 have income taxed directly to the individual. The  
21 amount claimed by the individual shall be based upon  
22 the pro rata share of the individual’s earnings from  
23 the partnership, limited liability company, S  
24 corporation, estate, or trust. A tax credit shall be  
25 allowed only for an endowment gift made to a qualified  
26 community foundation for a permanent endowment fund  
27 established to benefit a charitable cause in this  
28 state. Any tax credit in excess of the taxpayer’s tax  
29 liability for the tax year may be credited to the tax  
30 liability for the following five years or until  
31 depleted, whichever occurs first. A tax credit shall  
32 not be carried back to a tax year prior to the tax  
33 year in which the taxpayer claims the tax credit.

34 2. The aggregate amount of tax credits authorized  
35 pursuant to this section shall not exceed a total of  
36 two million dollars. The maximum amount of tax  
37 credits granted to a taxpayer shall not exceed five  
38 percent of the aggregate amount of tax credits  
39 authorized.

40 3. A tax credit shall not be transferable to any  
41 other taxpayer.

42 4. A tax credit shall not be authorized pursuant  
43 to this section after December 31, 2005.

44 5. The department shall develop a system for  
45 registration and authorization of tax credits under  
46 this section and shall control the distribution of all  
47 tax credits to taxpayers providing an endowment gift  
48 subject to this section. The department shall adopt  
49 administrative rules pursuant to chapter 17A for the  
50 qualification and administration of endowment gifts.

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1 Sec. 93. NEW SECTION. 422.11H ENDOW IOWA TAX  
2 CREDIT.

3 The tax imposed under this division, less the  
4 credits allowed under sections 422.12 and 422.12B,  
5 shall be reduced by an endow Iowa tax credit  
6 authorized pursuant to section 15E.305.

7 Sec. 94. Section 422.33, Code 2003, is amended by  
8 adding the following new subsection:

9 NEW SUBSECTION. 14. The taxes imposed under this  
10 division shall be reduced by an endow Iowa tax credit  
11 authorized pursuant to section 15E.305.

12 Sec. 95. Section 422.60, Code 2003, is amended by  
13 adding the following new subsection:

14 NEW SUBSECTION. 7. The taxes imposed under this  
15 division shall be reduced by an endow Iowa tax credit  
16 authorized pursuant to section 15E.305.

17 Sec. 96. NEW SECTION. 432.12D ENDOW IOWA TAX  
18 CREDIT.

19 The tax imposed under this chapter shall be reduced  
20 by an endow Iowa tax credit authorized pursuant to  
21 section 15E.305.

22 Sec. 97. Section 533.24, Code 2003, is amended by  
23 adding the following new unnumbered paragraph:

24 NEW UNNUMBERED PARAGRAPH. The moneys and credits  
25 tax imposed under this section shall be reduced by an  
26 endow Iowa tax credit authorized pursuant to section  
27 15E.305.

28 Sec. 98. EFFECTIVE AND RETROACTIVE APPLICABILITY  
29 DATES. This division of this Act, being deemed of  
30 immediate importance, takes effect upon enactment and  
31 is retroactively applicable to January 1, 2003, for  
32 tax years beginning on or after that date.

#### 33 DIVISION XII

#### 34 REHABILITATION PROJECT TAX CREDITS

35 Sec. 99. Section 404A.4, subsection 4, Code 2003,  
36 is amended to read as follows:

37 4. The total amount of tax credits that may be  
38 approved for a fiscal year under this chapter shall  
39 not exceed two million four hundred thousand dollars.

40 For the fiscal years beginning July 1, 2003, and July  
41 1, 2004, an additional two million dollars of tax  
42 credits may be approved each fiscal year for purposes  
43 of projects located in cultural and entertainment  
44 districts certified pursuant to section 303.3B, if  
45 enacted by 2003 Iowa Acts, House File 692 or another  
46 Act. Any of the additional tax credits allocated for  
47 projects located in certified cultural and  
48 entertainment districts that are not approved during a  
49 fiscal year may be carried over to the succeeding  
50 fiscal year. Tax credit certificates shall be issued

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1 on the basis of the earliest awarding of  
2 certifications of completion as provided in subsection  
3 1. The departments of economic development and  
4 revenue and finance shall each adopt rules to jointly  
5 administer this subsection and shall provide by rule  
6 for the method to be used to determine for which  
7 fiscal year the tax credits are approved.

#### 8 DIVISION XIII

#### 9 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE FUND

10 Sec. 100. Section 8.57, subsection 5, Code 2003,  
11 is amended by adding the following new paragraph:  
12 NEW PARAGRAPH. f. There is appropriated from the  
13 rebuild Iowa infrastructure fund to the state  
14 assistance for educational infrastructure fund created  
15 in 2003 Iowa Acts, House File 692 or another Act, for  
16 each fiscal year of the fiscal period beginning July  
17 1, 2004, and ending June 30, 2014, the amount of the  
18 moneys in excess of the first forty-seven million  
19 dollars credited to the rebuild Iowa infrastructure  
20 fund during the fiscal year, not to exceed ten million  
21 dollars.

#### 22 Sec. 101. NEW SECTION. 292A.3A APPROPRIATION.

23 There is appropriated from the general fund of the  
24 state from moneys credited to the general fund of the  
25 state as a result of the state entering into the  
26 streamlined sales and use tax agreement to the state  
27 assistance for educational infrastructure fund created  
28 in 2003 Iowa Acts, House File 692 or another Act, the  
29 sum of five million dollars for each fiscal year of  
30 the fiscal period beginning July 1, 2004, and ending  
31 June 30, 2014. The appropriation in this section  
32 shall be made after the appropriation from the same  
33 source to the grow Iowa fund created in 2003 Iowa  
34 Acts, House File 692 or another Act. For purposes of  
35 this section, “moneys credited to the general fund of  
36 the state as a result of entering into the streamlined  
37 sales and use tax agreement” means the amount of sales  
38 and use tax receipts credited to the general fund of  
39 the state during a fiscal year that exceeds by two  
40 percent or more the total sales and use tax receipts  
41 credited to the general fund of the state during the  
42 previous fiscal year.

#### 43 DIVISION XIV

#### 44 REPEALS

45 Sec. 102. The divisions of this Act designated  
46 economic development appropriations, workforce-related  
47 issues, loan and credit guarantee fund, university-  
48 based research utilization program appropriation,  
49 endow Iowa tax credit, and rehabilitation project tax  
50 credits are repealed effective June 30, 2010.

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DIVISION XV  
STREAMLINED SALES AND USE TAXES  
SUBCHAPTER I  
DEFINITIONS

Sec. 103. NEW SECTION. 423.1 DEFINITIONS.

As used in this chapter the following words, terms, and phrases have the meanings ascribed to them by this section, except where the context clearly indicates that a different meaning is intended:

1. “Agent” means a person appointed by a seller to represent the seller before the member states.

2. “Agreement” means the streamlined sales and use tax agreement authorized by subchapter IV of this chapter to provide a mechanism for establishing and maintaining a cooperative, simplified system for the application and administration of sales and use taxes.

3. “Agricultural production” includes the production of flowering, ornamental, or vegetable plants in commercial greenhouses or otherwise, and production from aquaculture. “Agricultural products” includes flowering, ornamental, or vegetable plants and those products of aquaculture.

4. “Business” includes any activity engaged in by any person or caused to be engaged in by the person with the object of gain, benefit, or advantage, either direct or indirect.

5. “Certificate of title” means a certificate of title issued for a vehicle or for manufactured housing under chapter 321.

6. “Certified automated system” means software certified under the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state, and maintain a record of the transaction.

7. “Certified service provider” means an agent certified under the agreement to perform all of a seller’s sales or use tax functions, other than the seller’s obligation to remit tax on its own purchases.

8. “Computer” means an electronic device that accepts information in digital or similar form and manipulates the information for a result based on a sequence of instructions.

9. “Computer software” means a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task.

10. “Delivered electronically” means delivered to the purchaser by means other than tangible storage media.

11. “Delivery charges” means charges assessed by a

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- 1 seller of personal property or services for  
2 preparation and delivery to a location designated by  
3 the purchaser of personal property or services  
4 including, but not limited to, transportation,  
5 shipping, postage, handling, crating, and packing  
6 charges.
- 7 12. "Department" means the department of revenue  
8 and finance.
- 9 13. "Direct mail" means printed material delivered  
10 or distributed by United States mail or other delivery  
11 service to a mass audience or to addressees on a  
12 mailing list provided by the purchaser or at the  
13 direction of the purchaser when the cost of the items  
14 is not billed directly to the recipients. "Direct  
15 mail" includes tangible personal property supplied  
16 directly or indirectly by the purchaser to the direct  
17 mail seller for inclusion in the package containing  
18 the printed material. "Direct mail" does not include  
19 multiple items of printed material delivered to a  
20 single address.
- 21 14. "Director" means the director of revenue and  
22 finance.
- 23 15. "Electronic" means relating to technology  
24 having electrical, digital, magnetic, wireless,  
25 optical, electromagnetic, or similar capabilities.
- 26 16. "Farm deer" means the same as defined in  
27 section 189A.2.
- 28 17. "Farm machinery and equipment" means machinery  
29 and equipment used in agricultural production.
- 30 18. "First use of a service". A "first use of a  
31 service" occurs, for the purposes of this chapter,  
32 when a service is rendered, furnished, or performed in  
33 Iowa or if rendered, furnished, or performed outside  
34 of Iowa, when the product or result of the service is  
35 used in Iowa.
- 36 19. "Goods, wares, or merchandise" means the same  
37 as tangible personal property.
- 38 20. "Governing board" means the group comprised of  
39 representatives of the member states of the agreement  
40 which is created by the agreement to be responsible  
41 for the agreement's administration and operation.
- 42 21. "Installed purchase price" is the amount  
43 charged, valued in money whether paid in money or  
44 otherwise, by a building contractor to convert  
45 manufactured housing from tangible personal property  
46 into realty. "Installed purchase price" includes, but  
47 is not limited to, amounts charged for installing a  
48 foundation and electrical and plumbing hookups.  
49 "Installed purchase price" excludes any amount charged  
50 for landscaping in connection with the conversion.

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- 1 22. "Lease or rental".  
2 a. "Lease or rental" means any transfer of  
3 possession or control of tangible personal property  
4 for a fixed or indeterminate term for consideration.  
5 A "lease or rental" may include future options to  
6 purchase or extend.  
7 b. "Lease or rental" includes agreements covering  
8 motor vehicles and trailers when the amount of  
9 consideration may be increased or decreased by  
10 reference to the amount realized upon sale or  
11 disposition of the property as defined in 26 U.S.C. }  
12 7701(h)(1).  
13 c. "Lease or rental" does not include any of the  
14 following:  
15 (1) A transfer of possession or control of  
16 property under a security agreement or deferred  
17 payment plan that requires the transfer of title upon  
18 completion of the required payments.  
19 (2) A transfer of possession or control of  
20 property under an agreement that requires the transfer  
21 of title upon completion of required payments, and  
22 payment of any option price does not exceed the  
23 greater of one hundred dollars or one percent of the  
24 total required payments.  
25 (3) Providing tangible personal property along  
26 with an operator for a fixed or indeterminate period  
27 of time. A condition of this exclusion is that the  
28 operator is necessary for the equipment to perform as  
29 designed. For the purpose of this subparagraph, an  
30 operator must do more than maintain, inspect, or set  
31 up the tangible personal property.  
32 d. This definition shall be used for sales and use  
33 tax purposes regardless of whether a transaction is  
34 characterized as a lease or rental under generally  
35 accepted accounting principles, the Internal Revenue  
36 Code, the Uniform Commercial Code, or other provisions  
37 of federal, state, or local law.  
38 23. "Livestock" includes but is not limited to an  
39 animal classified as an ostrich, rhea, emu, bison, or  
40 farm deer.  
41 24. "Manufactured housing" means "manufactured  
42 home" as defined in section 321.1.  
43 25. "Member state" is any state which has signed  
44 the agreement.  
45 26. "Mobile home" means "manufactured or mobile  
46 home" as defined in section 321.1.  
47 27. "Model 1 seller" is a seller that has selected  
48 a certified service provider as its agent to perform  
49 all the seller's sales and use tax functions, other  
50 than the seller's obligation to remit tax on its own

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1 purchases.  
2 28. "Model 2 seller" is a seller that has selected  
3 a certified automated system to perform part of its  
4 sales and use tax functions, but retains  
5 responsibility for remitting the tax.  
6 29. "Model 3 seller" is a seller that has sales in  
7 at least five member states, has total annual sales  
8 revenue of at least five hundred million dollars, has  
9 a proprietary system that calculates the amount of tax  
10 due each jurisdiction, and has entered into a  
11 performance agreement with the member states that  
12 establishes a tax performance standard for the seller.  
13 As used in this definition, a "seller" includes an  
14 affiliated group of sellers using the same proprietary  
15 system.  
16 30. "Nonresidential commercial operations" means  
17 industrial, commercial, mining, or agricultural  
18 operations, whether for profit or not, but does not  
19 include apartment complexes or mobile home parks.  
20 31. "Not registered under the agreement" means  
21 lack of registration by a seller with the member  
22 states under the central registration system  
23 referenced in section 423.11, subsection 4.  
24 32. "Person" means an individual, trust, estate,  
25 fiduciary, partnership, limited liability company,  
26 limited liability partnership, corporation, or any  
27 other legal entity.  
28 33. "Place of business" means any warehouse,  
29 store, place, office, building, or structure where  
30 goods, wares, or merchandise are offered for sale at  
31 retail or where any taxable amusement is conducted, or  
32 each office where gas, water, heat, communication, or  
33 electric services are offered for sale at retail.  
34 When a retailer or amusement operator sells  
35 merchandise by means of vending machines or operates  
36 music or amusement devices by coin-operated machines  
37 at more than one location within the state, the  
38 office, building, or place where the books, papers,  
39 and records of the taxpayer are kept shall be deemed  
40 to be the taxpayer's place of business.  
41 34. "Prewritten computer software" includes  
42 software designed and developed by the author or other  
43 creator to the specifications of a specific purchaser  
44 when it is sold to a person other than the purchaser.  
45 The combining of two or more prewritten computer  
46 software programs or prewritten portions of prewritten  
47 programs does not cause the combination to be other  
48 than prewritten computer software. "Prewritten  
49 computer software" also means computer software,  
50 including prewritten upgrades, which is not designed

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1 and developed by the author or other creator to the  
2 specifications of a specific purchaser.  
3 When a person modifies or enhances computer  
4 software of which the person is not the author or  
5 creator, the person shall be deemed to be the author  
6 or creator only of such person's modifications or  
7 enhancements. Prewritten computer software or a  
8 prewritten portion of the prewritten software that is  
9 modified or enhanced to any degree, when such  
10 modification or enhancement is designed and developed  
11 to the specifications of a specific purchaser, remains  
12 prewritten computer software. However, when there is  
13 a reasonable, separately stated charge or an invoice  
14 or other statement of the price given to the purchaser  
15 for such modification or enhancement, such  
16 modification or enhancement shall not constitute  
17 prewritten computer software.  
18 35. "Property purchased for resale in connection  
19 with the performance of a service" means property  
20 which is purchased for resale in connection with the  
21 rendition, furnishing, or performance of a service by  
22 a person who renders, furnishes, or performs the  
23 service if all of the following occur:  
24 a. The provider and user of the service intend  
25 that a sale of the property will occur.  
26 b. The property is transferred to the user of the  
27 service in connection with the performance of the  
28 service in a form or quantity capable of a fixed or  
29 definite price value.  
30 c. The sale is evidenced by a separate charge for  
31 the identifiable piece of property.  
32 36. "Purchase" means any transfer, exchange, or  
33 barter, conditional or otherwise, in any manner or by  
34 any means whatsoever, for a consideration.  
35 37. "Purchase price" means the same as "sales  
36 price" as defined in this section.  
37 38. "Purchaser" is a person to whom a sale of  
38 personal property is made or to whom a service is  
39 furnished.  
40 39. "Receive" and "receipt" mean any of the  
41 following:  
42 a. Taking possession of tangible personal  
43 property.  
44 b. Making first use of a service.  
45 c. Taking possession or making first use of  
46 digital goods, whichever comes first.  
47 "Receive" and "receipt" do not include possession  
48 by a shipping company on behalf of a purchaser.  
49 40. "Registered under the agreement" means  
50 registration by a seller under the central

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1 registration system referenced in section 423.11,  
2 subsection 4.

3 41. "Relief agency" means the state, any county,  
4 city and county, city, or district thereof, or any  
5 agency engaged in actual relief work.

6 42. "Retailer" means and includes every person  
7 engaged in the business of selling tangible personal  
8 property or taxable services at retail, or the  
9 furnishing of gas, electricity, water, or  
10 communication service, and tickets or admissions to  
11 places of amusement and athletic events or operating  
12 amusement devices or other forms of commercial  
13 amusement from which revenues are derived. However,  
14 when in the opinion of the director it is necessary  
15 for the efficient administration of this chapter to  
16 regard any salespersons, representatives, truckers,  
17 peddlers, or canvassers as agents of the dealers,  
18 distributors, supervisors, employers, or persons under  
19 whom they operate or from whom they obtain tangible  
20 personal property sold by them irrespective of whether  
21 or not they are making sales on their own behalf or on  
22 behalf of such dealers, distributors, supervisors,  
23 employers, or persons, the director may so regard  
24 them, and may regard such dealers, distributors,  
25 supervisors, employers, or persons as retailers for  
26 the purposes of this chapter. "Retailer" includes a  
27 seller obligated to collect sales or use tax.

28 43. "Retailer maintaining a place of business in  
29 this state" or any like term includes any retailer  
30 having or maintaining within this state, directly or  
31 by a subsidiary, an office, distribution house, sales  
32 house, warehouse, or other place of business, or any  
33 representative operating within this state under the  
34 authority of the retailer or its subsidiary,  
35 irrespective of whether that place of business or  
36 representative is located here permanently or  
37 temporarily, or whether the retailer or subsidiary is  
38 admitted to do business within this state pursuant to  
39 chapter 490.

40 44. "Retailers who are not model sellers" means  
41 all retailers other than model 1, model 2, or model 3  
42 sellers.

43 45. "Retail sale" or "sale at retail" means any  
44 sale, lease, or rental for any purpose other than  
45 resale, sublease, or subrent.

46 46. "Sales" or "sale" means any transfer,  
47 exchange, or barter, conditional or otherwise, in any  
48 manner or by any means whatsoever, for consideration.

49 47. "Sales price" applies to the measure subject  
50 to sales tax.

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- 1 a. "Sales price" means the total amount of  
2 consideration, including cash, credit, property, and  
3 services, for which personal property or services are  
4 sold, leased, or rented, valued in money, whether  
5 received in money or otherwise, without any deduction  
6 for any of the following:
- 7 (1) The seller's cost of the property sold.
  - 8 (2) The cost of materials used, labor or service  
9 cost, interest, losses, all costs of transportation to  
10 the seller, all taxes imposed on the seller, and any  
11 other expenses of the seller.
  - 12 (3) Charges by the seller for any services  
13 necessary to complete the sale, other than delivery  
14 and installation charges.
  - 15 (4) Delivery charges.
  - 16 (5) Installation charges.
  - 17 (6) The value of exempt personal property given to  
18 the purchaser where taxable and exempt personal  
19 property have been bundled together and sold by the  
20 seller as a single product or piece of merchandise.
  - 21 (7) Credit for any trade-in authorized by section  
22 423.3, subsection 58.
- 23 b. "Sales price" does not include:
- 24 (1) Discounts, including cash, term, or coupons  
25 that are not reimbursed by a third party that are  
26 allowed by a seller and taken by a purchaser on a  
27 sale.
  - 28 (2) Interest, financing, and carrying charges from  
29 credit extended on the sale of personal property or  
30 services, if the amount is separately stated on the  
31 invoice, bill of sale, or similar document given to  
32 the purchaser.
  - 33 (3) Any taxes legally imposed directly on the  
34 consumer that are separately stated on the invoice,  
35 bill of sale, or similar document given to the  
36 purchaser.
  - 37 (4) The amounts received for charges included in  
38 paragraph "a", subparagraphs (3) through (7), if they  
39 are separately contracted for and separately stated on  
40 the invoice, billing, or similar document given to the  
41 purchaser.
- 42 48. "Sales tax" means the tax levied under  
43 subchapter II of this chapter.
- 44 49. "Seller" means any person making sales,  
45 leases, or rentals of personal property or services.
- 46 50. "Services" means all acts or services  
47 rendered, furnished, or performed, other than services  
48 used in processing of tangible personal property for  
49 use in retail sales or services, for an employer, as  
50 defined in section 422.4, subsection 3, for a valuable

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1 consideration by any person engaged in any business or  
2 occupation specifically enumerated in section 423.2.  
3 The tax shall be due and collectible when the service  
4 is rendered, furnished, or performed for the ultimate  
5 user of the service.

6 51. "Services used in the processing of tangible  
7 personal property" includes the reconditioning or  
8 repairing of tangible personal property of the type  
9 normally sold in the regular course of the retailer's  
10 business and which is held for sale.

11 52. "State" means any state of the United States  
12 and the District of Columbia.

13 53. "System" means the central electronic  
14 registration system maintained by Iowa and other  
15 states which are signatories to the agreement.

16 54. "Tangible personal property" means personal  
17 property that can be seen, weighed, measured, felt, or  
18 touched, or that is in any other manner perceptible to  
19 the senses. "Tangible personal property" includes  
20 electricity, water, gas, steam, and prewritten  
21 computer software.

22 55. "Taxpayer" includes any person who is subject  
23 to a tax imposed by this chapter, whether acting on  
24 the person's own behalf or as a fiduciary.

25 56. "Trailer" shall mean every trailer, as is now  
26 or may be hereafter so defined by chapter 321, which  
27 is required to be registered or is subject only to the  
28 issuance of a certificate of title under chapter 321.

29 57. "Use" means and includes the exercise by any  
30 person of any right or power over tangible personal  
31 property incident to the ownership of that property.  
32 A retailer's or building contractor's sale of  
33 manufactured housing for use in this state, whether in  
34 the form of tangible personal property or of realty,  
35 is a use of that property for the purposes of this  
36 chapter.

37 58. "Use tax" means the tax levied under  
38 subchapter III of this chapter for which the retailer  
39 collects and remits tax to the department.

40 59. "User" means the immediate recipient of the  
41 services who is entitled to exercise a right of power  
42 over the product of such services.

43 60. "Value of services" means the price to the  
44 user exclusive of any direct tax imposed by the  
45 federal government or by this chapter.

46 61. "Vehicles subject to registration" means any  
47 vehicle subject to registration pursuant to section  
48 321.18.

49 SUBCHAPTER II  
50 SALES TAX

Page 53

1 Sec. 104. NEW SECTION. 423.2 TAX IMPOSED.

2 1. There is imposed a tax of five percent upon the  
3 sales price of all sales of tangible personal  
4 property, consisting of goods, wares, or merchandise,  
5 sold at retail in the state to consumers or users  
6 except as otherwise provided in this subchapter.

7 a. For the purposes of this subchapter, sales of  
8 the following services are treated as if they were  
9 sales of tangible personal property:

10 (1) Sales of engraving, photography, retouching,  
11 printing, and binding services.

12 (2) Sales of vulcanizing, recapping, and  
13 retreading services.

14 (3) Sales of prepaid telephone calling cards and  
15 prepaid authorization numbers.

16 (4) Sales of optional service or warranty  
17 contracts, except residential service contracts  
18 regulated under chapter 523C, which provide for the  
19 furnishing of labor and materials and require the  
20 furnishing of any taxable service enumerated under  
21 this section. The sales price is subject to tax even  
22 if some of the services furnished are not enumerated  
23 under this section. Additional sales, services, or  
24 use taxes shall not be levied on services, parts, or  
25 labor provided under optional service or warranty  
26 contracts which are subject to tax under this  
27 subsection.

28 If the optional service or warranty contract is a  
29 computer software maintenance or support service  
30 contract and there is no separately stated fee for the  
31 taxable personal property or for the nontaxable  
32 service, the tax imposed by this subsection shall be  
33 imposed on fifty percent of the sales price from the  
34 sale of such contract. If the contract provides for  
35 technical support services only, no tax shall be  
36 imposed under this subsection. The provisions of this  
37 subparagraph (4) also apply to the use tax.

38 (5) Renting of rooms, apartments, or sleeping  
39 quarters in a hotel, motel, inn, public lodging house,  
40 rooming house, mobile home which is tangible personal  
41 property, or tourist court, or in any place where  
42 sleeping accommodations are furnished to transient  
43 guests for rent, whether with or without meals.  
44 "Renting" and "rent" include any kind of direct or  
45 indirect charge for such rooms, apartments, or  
46 sleeping quarters, or their use. However, the tax  
47 does not apply to the sales price from the renting of  
48 a room, apartment, or sleeping quarters while rented  
49 by the same person for a period of more than thirty-  
50 one consecutive days.

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1 b. Sales of building materials, supplies, and  
2 equipment to owners, contractors, subcontractors, or  
3 builders for the erection of buildings or the  
4 alteration, repair, or improvement of real property  
5 are retail sales of tangible personal property in  
6 whatever quantity sold. Where the owner, contractor,  
7 subcontractor, or builder is also a retailer holding a  
8 retail sales tax permit and transacting retail sales  
9 of building materials, supplies, and equipment, the  
10 person shall purchase such items of tangible personal  
11 property without liability for the tax if such  
12 property will be subject to the tax at the time of  
13 resale or at the time it is withdrawn from inventory  
14 for construction purposes. The sales tax shall be due  
15 in the reporting period when the materials, supplies,  
16 and equipment are withdrawn from inventory for  
17 construction purposes or when sold at retail. The tax  
18 shall not be due when materials are withdrawn from  
19 inventory for use in construction outside of Iowa and  
20 the tax shall not apply to tangible personal property  
21 purchased and consumed by the manufacturer as building  
22 materials in the performance by the manufacturer or  
23 its subcontractor of construction outside of Iowa.  
24 The sale of carpeting is not a sale of building  
25 materials. The sale of carpeting to owners,  
26 contractors, subcontractors, or builders shall be  
27 treated as the sale of ordinary tangible personal  
28 property and subject to the tax imposed under this  
29 subsection and the use tax.

30 c. The use within this state of tangible personal  
31 property by the manufacturer thereof, as building  
32 materials, supplies, or equipment, in the performance  
33 of construction contracts in Iowa, shall, for the  
34 purpose of this subchapter, be construed as a sale at  
35 retail of tangible personal property by the  
36 manufacturer who shall be deemed to be the consumer of  
37 such tangible personal property. The tax shall be  
38 computed upon the cost to the manufacturer of the  
39 fabrication or production of the tangible personal  
40 property.

41 2. A tax of five percent is imposed upon the sales  
42 price of the sale or furnishing of gas, electricity,  
43 water, heat, pay television service, and communication  
44 service, including the sales price from such sales by  
45 any municipal corporation or joint water utility  
46 furnishing gas, electricity, water, heat, pay  
47 television service, and communication service to the  
48 public in its proprietary capacity, except as  
49 otherwise provided in this subchapter, when sold at  
50 retail in the state to consumers or users.

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1 3. A tax of five percent is imposed upon the sales  
2 price of all sales of tickets or admissions to places  
3 of amusement, fairs, and athletic events except those  
4 of elementary and secondary educational institutions.  
5 A tax of five percent is imposed on the sales price of  
6 an entry fee or like charge imposed solely for the  
7 privilege of participating in an activity at a place  
8 of amusement, fair, or athletic event unless the sales  
9 price of tickets or admissions charges for observing  
10 the same activity are taxable under this subchapter.

11 A tax of five percent is imposed upon that part of  
12 private club membership fees or charges paid for the  
13 privilege of participating in any athletic sports  
14 provided club members.

15 4. A tax of five percent is imposed upon the sales  
16 price derived from the operation of all forms of  
17 amusement devices and games of skill, games of chance,  
18 raffles, and bingo games as defined in chapter 99B,  
19 operated or conducted within the state, the tax to be  
20 collected from the operator in the same manner as for  
21 the collection of taxes upon the sales price of  
22 tickets or admission as provided in this section.  
23 Nothing in this subsection shall legalize any games of  
24 skill or chance or slot-operated devices which are now  
25 prohibited by law.

26 The tax imposed under this subsection covers the  
27 total amount from the operation of games of skill,  
28 games of chance, raffles, and bingo games as defined  
29 in chapter 99B, and musical devices, weighing  
30 machines, shooting galleries, billiard and pool  
31 tables, bowling alleys, pinball machines, slot-  
32 operated devices selling merchandise not subject to  
33 the general sales taxes and on the total amount from  
34 devices or systems where prizes are in any manner  
35 awarded to patrons and upon the receipts from fees  
36 charged for participation in any game or other form of  
37 amusement, and generally upon the sales price from any  
38 source of amusement operated for profit, not specified  
39 in this section, and upon the sales price from which  
40 tax is not collected for tickets or admission, but tax  
41 shall not be imposed upon any activity exempt from  
42 sales tax under section 423.3, subsection 78. Every  
43 person receiving any sales price from the sources  
44 described in this section is subject to all provisions  
45 of this subchapter relating to retail sales tax and  
46 other provisions of this chapter as applicable.

47 5. There is imposed a tax of five percent upon the  
48 sales price from the furnishing of services as defined  
49 in section 423.1.

50 6. The sales price of any of the following

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1 enumerated services is subject to the tax imposed by  
2 subsection 5: alteration and garment repair; armored  
3 car; vehicle repair; battery, tire, and allied;  
4 investment counseling; service charges of all  
5 financial institutions; barber and beauty; boat  
6 repair; vehicle wash and wax; campgrounds; carpentry;  
7 roof, shingle, and glass repair; dance schools and  
8 dance studios; dating services; dry cleaning,  
9 pressing, dyeing, and laundering; electrical and  
10 electronic repair and installation; excavating and  
11 grading; farm implement repair of all kinds; flying  
12 service; furniture, rug, carpet, and upholstery repair  
13 and cleaning; fur storage and repair; golf and country  
14 clubs and all commercial recreation; gun and camera  
15 repair; house and building moving; household  
16 appliance, television, and radio repair; janitorial  
17 and building maintenance or cleaning; jewelry and  
18 watch repair; lawn care, landscaping, and tree  
19 trimming and removal; limousine service, including  
20 driver; machine operator; machine repair of all kinds;  
21 motor repair; motorcycle, scooter, and bicycle repair;  
22 oilers and lubricators; office and business machine  
23 repair; painting, papering, and interior decorating;  
24 parking facilities; pay television; pet grooming; pipe  
25 fitting and plumbing; wood preparation; executive  
26 search agencies; private employment agencies,  
27 excluding services for placing a person in employment  
28 where the principal place of employment of that person  
29 is to be located outside of the state; reflexology;  
30 security and detective services; sewage services for  
31 nonresidential commercial operations; sewing and  
32 stitching; shoe repair and shoeshine; sign  
33 construction and installation; storage of household  
34 goods, mini-storage, and warehousing of raw  
35 agricultural products; swimming pool cleaning and  
36 maintenance; tanning beds or salons; taxidermy  
37 services; telephone answering service; test  
38 laboratories, including mobile testing laboratories  
39 and field testing by testing laboratories, and  
40 excluding tests on humans or animals; termite, bug,  
41 roach, and pest eradicators; tin and sheet metal  
42 repair; Turkish baths, massage, and reducing salons,  
43 excluding services provided by massage therapists  
44 licensed under chapter 152C; water conditioning and  
45 softening; weighing; welding; well drilling; wrapping,  
46 packing, and packaging of merchandise other than  
47 processed meat, fish, fowl, and vegetables; wrecking  
48 service; wrecker and towing.  
49 For the purposes of this subsection, the sales  
50 price of a lease or rental includes rents, royalties,

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1 and copyright and license fees. For the purposes of  
2 this subsection, “financial institutions” means all  
3 national banks, federally chartered savings and loan  
4 associations, federally chartered savings banks,  
5 federally chartered credit unions, banks organized  
6 under chapter 524, savings and loan associations and  
7 savings banks organized under chapter 534, and credit  
8 unions organized under chapter 533.

9 7. a. A tax of five percent is imposed upon the  
10 sales price from the sales, furnishing, or service of  
11 solid waste collection and disposal service.

12 For purposes of this subsection, “solid waste”  
13 means garbage, refuse, sludge from a water supply  
14 treatment plant or air contaminant treatment facility,  
15 and other discarded waste materials and sludges, in  
16 solid, semisolid, liquid, or contained gaseous form,  
17 resulting from nonresidential commercial operations,  
18 but does not include auto hulks; street sweepings;  
19 ash; construction debris; mining waste; trees; tires;  
20 lead acid batteries; used oil; hazardous waste; animal  
21 waste used as fertilizer; earthen fill, boulders, or  
22 rock; foundry sand used for daily cover at a sanitary  
23 landfill; sewage sludge; solid or dissolved material  
24 in domestic sewage or other common pollutants in water  
25 resources, such as silt, dissolved or suspended solids  
26 in industrial waste water effluents or discharges  
27 which are point sources subject to permits under  
28 section 402 of the federal Water Pollution Control  
29 Act, or dissolved materials in irrigation return  
30 flows; or source, special nuclear, or by-product  
31 material defined by the federal Atomic Energy Act of  
32 1954.

33 A recycling facility that separates or processes  
34 recyclable materials and that reduces the volume of  
35 the waste by at least eighty-five percent is exempt  
36 from the tax imposed by this subsection if the waste  
37 exempted is collected and disposed of separately from  
38 other solid waste.

39 b. A person who transports solid waste generated  
40 by that person or another person without compensation  
41 shall pay the tax imposed by this subsection at the  
42 collection or disposal facility based on the disposal  
43 charge or tipping fee. However, the costs of a  
44 service or portion of a service to collect and manage  
45 recyclable materials separated from solid waste by the  
46 waste generator are exempt from the tax imposed by  
47 this subsection.

48 8. a. A tax of five percent is imposed upon the  
49 sales price from sales of bundled services contracts.  
50 For purposes of this subsection, a “bundled services

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1 contract” means an agreement providing for a  
2 retailer’s performance of services, one or more of  
3 which is a taxable service enumerated in this section  
4 and one or more of which is not, in return for a  
5 consumer’s or user’s single payment for the  
6 performance of the services, with no separate  
7 statement to the consumer or user of what portion of  
8 that payment is attributable to any one service which  
9 is a part of the contract.

10 b. For purposes of the administration of the tax  
11 on bundled services contracts, the director may enter  
12 into agreements of limited duration with individual  
13 retailers, groups of retailers, or organizations  
14 representing retailers of bundled services contracts.  
15 Such an agreement shall impose the tax rate only upon  
16 that portion of the sales price from a bundled  
17 services contract which is attributable to taxable  
18 services provided under the contract.

19 9. A tax of five percent is imposed upon the sales  
20 price from any mobile telecommunications service which  
21 this state is allowed to tax by the provisions of the  
22 federal Mobile Telecommunications Sourcing Act, Pub.  
23 L. No. 106-252, 4 U.S.C. } 116 et seq. For purposes  
24 of this subsection, taxes on mobile telecommunications  
25 service, as defined under the federal Mobile  
26 Telecommunications Sourcing Act that are deemed to be  
27 provided by the customer’s home service provider,  
28 shall be paid to the taxing jurisdiction whose  
29 territorial limits encompass the customer’s place of  
30 primary use, regardless of where the mobile  
31 telecommunications service originates, terminates, or  
32 passes through and shall in all other respects be  
33 taxed in conformity with the federal Mobile  
34 Telecommunications Sourcing Act. All other provisions  
35 of the federal Mobile Telecommunications Sourcing Act  
36 are adopted by the state of Iowa and incorporated into  
37 this subsection by reference. With respect to mobile  
38 telecommunications service under the federal Mobile  
39 Telecommunications Sourcing Act, the director shall,  
40 if requested, enter into agreements consistent with  
41 the provisions of the federal Act.

42 10. All revenues arising under the operation of  
43 the provisions of this section shall be deposited into  
44 the general fund of the state.

45 Sec. 105. NEW SECTION. 423.3 EXEMPTIONS.

46 There is exempted from the provisions of this  
47 subchapter and from the computation of the amount of  
48 tax imposed by it the following:

49 1. The sales price from sales of tangible personal  
50 property and services furnished which this state is

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1 prohibited from taxing under the Constitution or laws  
2 of the United States or under the Constitution of this  
3 state.

4 2. The sales price of sales for resale of tangible  
5 personal property or taxable services, or for resale  
6 of tangible personal property in connection with the  
7 furnishing of taxable services.

8 3. The sales price of agricultural breeding  
9 livestock and domesticated fowl.

10 4. The sales price of commercial fertilizer.

11 5. The sales price of agricultural limestone,  
12 herbicide, pesticide, insecticide, including  
13 adjuvants, surfactants, and other products directly  
14 related to the application enhancement of those  
15 products, food, medication, or agricultural drain  
16 tile, including installation of agricultural drain  
17 tile, any of which are to be used in disease control,  
18 weed control, insect control, or health promotion of  
19 plants or livestock produced as part of agricultural  
20 production for market.

21 6. The sales price of tangible personal property  
22 which will be consumed as fuel in creating heat,  
23 power, or steam for grain drying, or for providing  
24 heat or cooling for livestock buildings or for  
25 greenhouses or buildings or parts of buildings  
26 dedicated to the production of flowering, ornamental,  
27 or vegetable plants intended for sale in the ordinary  
28 course of business, or for use in cultivation of  
29 agricultural products by aquaculture, or in implements  
30 of husbandry engaged in agricultural production.

31 7. The sales price of services furnished by  
32 specialized flying implements of husbandry used for  
33 agricultural aerial spraying.

34 8. The sales price exclusive of services of farm  
35 machinery and equipment, including auxiliary  
36 attachments which improve the performance, safety,  
37 operation, or efficiency of the machinery and  
38 equipment and replacement parts, if the following  
39 conditions are met:

40 a. The farm machinery and equipment shall be  
41 directly and primarily used in production of  
42 agricultural products.

43 b. The farm machinery and equipment shall  
44 constitute self-propelled implements or implements  
45 customarily drawn or attached to self-propelled  
46 implements or the farm machinery or equipment is a  
47 grain dryer.

48 c. The replacement part is essential to any repair  
49 or reconstruction necessary to the farm machinery's or  
50 equipment's exempt use in the production of

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- 1 agricultural products.
- 2 Vehicles subject to registration, as defined in
- 3 section 423.1, or replacement parts for such vehicles,
- 4 are not eligible for this exemption.
- 5 9. The sales price of wood chips, sawdust, hay,
- 6 straw, paper, or other materials used for bedding in
- 7 the production of agricultural livestock or fowl.
- 8 10. The sales price of gas, electricity, water, or
- 9 heat to be used in implements of husbandry engaged in
- 10 agricultural production.
- 11 11. The sales price exclusive of services of farm
- 12 machinery and equipment, including auxiliary
- 13 attachments which improve the performance, safety,
- 14 operation, or efficiency of the machinery and
- 15 equipment and replacement parts, if all of the
- 16 following conditions are met:
  - 17 a. The implement, machinery, or equipment is
  - 18 directly and primarily used in livestock or dairy
  - 19 production, aquaculture production, or the production
  - 20 of flowering, ornamental, or vegetable plants.
  - 21 b. The implement is not a self-propelled implement
  - 22 or implement customarily drawn or attached to self-
  - 23 propelled implements.
  - 24 c. The replacement part is essential to any repair
  - 25 or reconstruction necessary to the farm machinery's or
  - 26 equipment's exempt use in livestock or dairy
  - 27 production, aquaculture production, or the production
  - 28 of flowering, ornamental, or vegetable plants.
- 29 12. The sales price, exclusive of services, from
- 30 sales of irrigation equipment used in farming
- 31 operations.
- 32 13. The sales price from the sale or rental of
- 33 irrigation equipment, whether installed above or below
- 34 ground, to a contractor or farmer if the equipment
- 35 will be primarily used in agricultural operations.
- 36 14. The sales price from the sales of horses,
- 37 commonly known as draft horses, when purchased for use
- 38 and so used as draft horses.
- 39 15. The sales price from the sale of property
- 40 which is a container, label, carton, pallet, packing
- 41 case, wrapping, baling wire, twine, bag, bottle,
- 42 shipping case, or other similar article or receptacle
- 43 sold for use in agricultural, livestock, or dairy
- 44 production.
- 45 16. The sales price from the sale of feed and feed
- 46 supplements and additives when used for consumption by
- 47 farm deer or bison.
- 48 17. The sales price of all goods, wares, or
- 49 merchandise, or services, used for educational
- 50 purposes sold to any private nonprofit educational

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1 institution in this state. For the purpose of this  
2 subsection, “educational institution” means an  
3 institution which primarily functions as a school,  
4 college, or university with students, faculty, and an  
5 established curriculum. The faculty of an educational  
6 institution must be associated with the institution  
7 and the curriculum must include basic courses which  
8 are offered every year. “Educational institution”  
9 includes an institution primarily functioning as a  
10 library.

11 18. The sales price of tangible personal property  
12 sold, or of services furnished, to the following  
13 nonprofit corporations:

14 a. Residential care facilities and intermediate  
15 care facilities for persons with mental retardation  
16 and residential care facilities for persons with  
17 mental illness licensed by the department of  
18 inspections and appeals under chapter 135C.

19 b. Residential facilities licensed by the  
20 department of human services pursuant to chapter 237,  
21 other than those maintained by individuals as defined  
22 in section 237.1, subsection 7.

23 c. Rehabilitation facilities that provide  
24 accredited rehabilitation services to persons with  
25 disabilities which are accredited by the commission on  
26 accreditation of rehabilitation facilities or the  
27 accreditation council for services for persons with  
28 mental retardation and other persons with  
29 developmental disabilities and adult day care services  
30 approved for reimbursement by the state department of  
31 human services.

32 d. Community mental health centers accredited by  
33 the department of human services pursuant to chapter  
34 225C.

35 e. Community health centers as defined in 42  
36 U.S.C. } 254(c) and migrant health centers as defined  
37 in 42 U.S.C. } 254(b).

38 19. The sales price of tangible personal property  
39 sold to a nonprofit organization which was organized  
40 for the purpose of lending the tangible personal  
41 property to the general public for use by them for  
42 nonprofit purposes.

43 20. The sales price of tangible personal property  
44 sold, or of services furnished, to nonprofit legal aid  
45 organizations.

46 21. The sales price of goods, wares, or  
47 merchandise, or of services, used for educational,  
48 scientific, historic preservation, or aesthetic  
49 purpose sold to a nonprofit private museum.

50 22. The sales price from sales of goods, wares, or

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- 1 merchandise, or from services furnished, to a  
2 nonprofit private art center to be used in the  
3 operation of the art center.
- 4 23. The sales price of tangible personal property  
5 sold, or of services furnished, by a fair society  
6 organized under chapter 174.
- 7 24. The sales price from services furnished by the  
8 notification center established pursuant to section  
9 480.3, and the vendor selected pursuant to section  
10 480.3 to provide the notification service.
- 11 25. The sales price of food and beverages sold for  
12 human consumption by a nonprofit organization which  
13 principally promotes a food or beverage product for  
14 human consumption produced, grown, or raised in this  
15 state and whose income is exempt from federal taxation  
16 under section 501(c) of the Internal Revenue Code.
- 17 26. The sales price of tangible personal property  
18 sold, or of services furnished, to a statewide  
19 nonprofit organ procurement organization, as defined  
20 in section 142C.2.
- 21 27. The sales price of tangible personal property  
22 sold, or of services furnished, to a nonprofit  
23 hospital licensed pursuant to chapter 135B to be used  
24 in the operation of the hospital.
- 25 28. The sales price of tangible personal property  
26 sold, or of services furnished, to a freestanding  
27 nonprofit hospice facility which operates a hospice  
28 program as defined in 42 C.F.R., ch. IV, § 418.3,  
29 which property or services are to be used in the  
30 hospice program.
- 31 29. The sales price of all goods, wares, or  
32 merchandise sold, or of services furnished, which are  
33 used in the fulfillment of a written construction  
34 contract with a nonprofit hospital licensed pursuant  
35 to chapter 135B if all of the following apply:
- 36 a. The sales and delivery of the goods, wares, or  
37 merchandise, or the services furnished occurred  
38 between July 1, 1998, and December 31, 2001.
- 39 b. The written construction contract was entered  
40 into prior to December 31, 1999, or bonds to fund the  
41 construction were issued prior to December 31, 1999.
- 42 c. The sales or services were purchased by a  
43 contractor as the agent for the hospital or were  
44 purchased directly by the hospital.
- 45 30. The sales price of livestock ear tags sold by  
46 a nonprofit organization whose income is exempt from  
47 federal taxation under section 501(c)(6) of the  
48 Internal Revenue Code where the proceeds are used in  
49 bovine research programs selected or approved by such  
50 organization.

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1 31. The sales price of goods, wares, or  
2 merchandise sold to and of services furnished, and  
3 used for public purposes sold to a tax-certifying or  
4 tax-levying body of the state or a governmental  
5 subdivision of the state, including regional transit  
6 systems, as defined in section 324A.1, the state board  
7 of regents, department of human services, state  
8 department of transportation, any municipally owned  
9 solid waste facility which sells all or part of its  
10 processed waste as fuel to a municipally owned public  
11 utility, and all divisions, boards, commissions,  
12 agencies, or instrumentalities of state, federal,  
13 county, or municipal government which have no earnings  
14 going to the benefit of an equity investor or  
15 stockholder, except any of the following:

16 a. The sales price of goods, wares, or merchandise  
17 sold to, or of services furnished, and used by or in  
18 connection with the operation of any municipally owned  
19 public utility engaged in selling gas, electricity,  
20 heat, or pay television service to the general public.

21 b. The sales price of furnishing of sewage  
22 services to a county or municipality on behalf of  
23 nonresidential commercial operations.

24 c. The furnishing of solid waste collection and  
25 disposal service to a county or municipality on behalf  
26 of nonresidential commercial operations located within  
27 the county or municipality.

28 The exemption provided by this subsection shall  
29 also apply to all such sales of goods, wares, or  
30 merchandise or of services furnished and subject to  
31 use tax.

32 32. The sales price of tangible personal property  
33 sold, or of services furnished, by a county or city.  
34 This exemption does not apply to any of the following:

35 a. The tax specifically imposed under section  
36 423.2 on the sales price from sales or furnishing of  
37 gas, electricity, water, heat, pay television service,  
38 or communication service to the public by a municipal  
39 corporation in its proprietary capacity.

40 b. The sale or furnishing of solid waste  
41 collection and disposal service to nonresidential  
42 commercial operations.

43 c. The sale or furnishing of sewage service for  
44 nonresidential commercial operations.

45 d. Fees paid to cities and counties for the  
46 privilege of participating in any athletic sports.

47 33. The sales price of mementos and other items  
48 relating to Iowa history and historic sites, the  
49 general assembly, and the state capitol, sold by the  
50 legislative service bureau and its legislative

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1 information office on the premises of property under  
2 the control of the legislative council, at the state  
3 capitol, and on other state property.

4 34. The sales price from sales of mementos and  
5 other items relating to Iowa history and historic  
6 sites by the department of cultural affairs on the  
7 premises of property under its control and at the  
8 state capitol.

9 35. The sales price from sales or services  
10 furnished by the state fair organized under chapter  
11 173.

12 36. The sales price from sales of tangible  
13 personal property or of the sale or furnishing of  
14 electrical energy, natural or artificial gas, or  
15 communication service to another state or political  
16 subdivision of another state if the other state  
17 provides a similar reciprocal exemption for this state  
18 and political subdivision of this state.

19 37. The sales price of services on or connected  
20 with new construction, reconstruction, alteration,  
21 expansion, remodeling, or the services of a general  
22 building contractor, architect, or engineer.

23 38. The sales price from the sale of building  
24 materials, supplies, or equipment sold to rural water  
25 districts organized under chapter 504A as provided in  
26 chapter 357A and used for the construction of  
27 facilities of a rural water district.

28 39. The sales price from “casual sales”.

29 “Casual sales” means:

30 a. Sales of tangible personal property, or the  
31 furnishing of services, of a nonrecurring nature, by  
32 the owner, if the seller, at the time of the sale, is  
33 not engaged for profit in the business of selling  
34 tangible personal property or services taxed under  
35 section 423.2.

36 b. The sale of all or substantially all of the  
37 tangible personal property or services held or used by  
38 a seller in the course of the seller’s trade or  
39 business for which the seller is required to hold a  
40 sales tax permit when the seller sells or otherwise  
41 transfers the trade or business to another person who  
42 shall engage in a similar trade or business.

43 40. The sales price from the sale of automotive  
44 fluids to a retailer to be used either in providing a  
45 service which includes the installation or application  
46 of the fluids in or on a motor vehicle, which service  
47 is subject to section 423.2, subsection 6, or to be  
48 installed in or applied to a motor vehicle which the  
49 retailer intends to sell, which sale is subject to  
50 section 423.26. For purposes of this subsection,

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1 automotive fluids are all those which are refined,  
2 manufactured, or otherwise processed and packaged for  
3 sale prior to their installation in or application to  
4 a motor vehicle. They include but are not limited to  
5 motor oil and other lubricants, hydraulic fluids,  
6 brake fluid, transmission fluid, sealants,  
7 undercoatings, antifreeze, and gasoline additives.  
8 41. The sales price from the rental of motion  
9 picture films, video and audio tapes, video and audio  
10 discs, records, photos, copy, scripts, or other media  
11 used for the purpose of transmitting that which can be  
12 seen, heard, or read, if either of the following  
13 conditions are met:  
14 a. The lessee imposes a charge for the viewing of  
15 such media and the charge for the viewing is subject  
16 to taxation under this subchapter or is subject to use  
17 tax.  
18 b. The lessee broadcasts the contents of such  
19 media for public viewing or listening.  
20 42. The sales price from the sale of tangible  
21 personal property consisting of advertising material  
22 including paper to a person in Iowa if that person or  
23 that person's agent will, subsequent to the sale, send  
24 that advertising material outside this state and the  
25 material is subsequently used solely outside of Iowa.  
26 For the purpose of this subsection, "advertising  
27 material" means any brochure, catalog, leaflet, flyer,  
28 order form, return envelope, or similar item used to  
29 promote sales of property or services.  
30 43. The sales price from the sale of property or  
31 of services performed on property which the retailer  
32 transfers to a carrier for shipment to a point outside  
33 of Iowa, places in the United States mail or parcel  
34 post directed to a point outside of Iowa, or  
35 transports to a point outside of Iowa by means of the  
36 retailer's own vehicles, and which is not thereafter  
37 returned to a point within Iowa, except solely in the  
38 course of interstate commerce or transportation. This  
39 exemption shall not apply if the purchaser, consumer,  
40 or their agent, other than a carrier, takes physical  
41 possession of the property in Iowa.  
42 44. The sales price from the sale of property  
43 which is a container, label, carton, pallet, packing  
44 case, wrapping paper, twine, bag, bottle, shipping  
45 case, or other similar article or receptacle sold to  
46 retailers or manufacturers for the purpose of  
47 packaging or facilitating the transportation of  
48 tangible personal property sold at retail or  
49 transferred in association with the maintenance or  
50 repair of fabric or clothing.

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1 45. The sales price from sales or rentals to a  
2 printer or publisher of the following: acetate; anti-  
3 halation backing; antistatic spray; back lining; base  
4 material used as a carrier for light sensitive  
5 emulsions; blankets; blow-ups; bronze powder; carbon  
6 tissue; codas; color filters; color separations;  
7 contacts; continuous tone separations; creative art;  
8 custom dies and die cutting materials; dampener  
9 sleeves; dampening solution; design and styling; diazo  
10 coating; dot etching; dot etching solutions; drawings;  
11 drawsheets; driers; duplicate films or prints;  
12 electronically digitized images; electrotypes; end  
13 product of image modulation; engravings; etch  
14 solutions; film; finished art or final art; fix;  
15 fixative spray; flats; flying pasters; foils;  
16 goldenrod paper; gum; halftones; illustrations; ink;  
17 ink paste; keylines; lacquer; lasering images;  
18 layouts; lettering; line negatives and positives;  
19 linotypes; lithographic offset plates; magnesium and  
20 zinc etchings; masking paper; masks; masters; mats;  
21 mat service; metal toner; models and modeling; mylar;  
22 negatives; nonoffset spray; opaque film process paper;  
23 opaquing; padding compound; paper stock; photographic  
24 materials: acids, plastic film, desensitizer  
25 emulsion, exposure chemicals, fix, developers, and  
26 paper; photography, day rate; photopolymer coating;  
27 photographs; photostats; photo-display tape;  
28 phototypesetter materials; ph-indicator sticks;  
29 positives; press pack; printing cylinders; printing  
30 plates, all types; process lettering; proof paper;  
31 proofs and proof processes, all types; pumice powder;  
32 purchased author alterations; purchased composition;  
33 purchased phototypesetting; purchased stripping and  
34 pasteups; red litho tape; reducers; roller covering;  
35 screen tints; sketches; stepped plates; stereotypes;  
36 strip types; substrate; tints; tissue overlays;  
37 toners; transparencies; tympan; typesetting;  
38 typography; varnishes; veloxes; wood mounts; and any  
39 other items used in a like capacity to any of the  
40 above enumerated items by the printer or publisher to  
41 complete a finished product for sale at retail.  
42 Expendable tools and supplies which are not enumerated  
43 in this subsection are excluded from the exemption.  
44 "Printer" means that portion of a person's business  
45 engaged in printing that completes a finished product  
46 for ultimate sale at retail or means that portion of a  
47 person's business used to complete a finished printed  
48 packaging material used to package a product for  
49 ultimate sale at retail. "Printer" does not mean an  
50 in-house printer who prints or copyrights its own

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- 1 materials.
- 2 46. a. The sales price from the sale or rental of  
3 computers, machinery, and equipment, including  
4 replacement parts, and materials used to construct or  
5 self-construct computers, machinery, and equipment if  
6 such items are any of the following:
- 7 (1) Directly and primarily used in processing by a  
8 manufacturer.
- 9 (2) Directly and primarily used to maintain the  
10 integrity of the product or to maintain unique  
11 environmental conditions required for either the  
12 product or the computers, machinery, and equipment  
13 used in processing by a manufacturer, including test  
14 equipment used to control quality and specifications  
15 of the product.
- 16 (3) Directly and primarily used in research and  
17 development of new products or processes of  
18 processing.
- 19 (4) Computers used in processing or storage of  
20 data or information by an insurance company, financial  
21 institution, or commercial enterprise.
- 22 (5) Directly and primarily used in recycling or  
23 reprocessing of waste products.
- 24 (6) Pollution-control equipment used by a  
25 manufacturer, including but not limited to that  
26 required or certified by an agency of this state or of  
27 the United States government.
- 28 b. The sales price from the sale of fuel used in  
29 creating heat, power, steam, or for generating  
30 electrical current, or from the sale of electricity,  
31 consumed by computers, machinery, or equipment used in  
32 an exempt manner described in paragraph “a”,  
33 subparagraph (1), (2), (3), (5), or (6).
- 34 c. The sales price from the sale or rental of the  
35 following shall not be exempt from the tax imposed by  
36 this subchapter:
- 37 (1) Hand tools.
- 38 (2) Point-of-sale equipment and computers.
- 39 (3) Industrial machinery, equipment, and  
40 computers, including pollution-control equipment  
41 within the scope of section 427A.1, subsection 1,  
42 paragraphs “h” and “i”.
- 43 (4) Vehicles subject to registration, except  
44 vehicles subject to registration which are directly  
45 and primarily used in recycling or reprocessing of  
46 waste products.
- 47 d. As used in this subsection:
- 48 (1) “Commercial enterprise” includes businesses  
49 and manufacturers conducted for profit and centers for  
50 data processing services to insurance companies,

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1 financial institutions, businesses, and manufacturers,  
2 but excludes professions and occupations and nonprofit  
3 organizations.

4 (2) “Financial institution” means as defined in  
5 section 527.2.

6 (3) “Insurance company” means an insurer organized  
7 or operating under chapter 508, 514, 515, 518, 518A,  
8 519, or 520, or authorized to do business in Iowa as  
9 an insurer or an insurance producer under chapter  
10 522B.

11 (4) “Manufacturer” means as defined in section  
12 428.20, but also includes contract manufacturers. A  
13 contract manufacturer is a manufacturer that otherwise  
14 falls within the definition of manufacturer under  
15 section 428.20, except that a contract manufacturer  
16 does not sell the tangible personal property the  
17 contract manufacturer processes on behalf of other  
18 manufacturers. A business engaged in activities  
19 subsequent to the extractive process of quarrying or  
20 mining, such as crushing, washing, sizing, or blending  
21 of aggregate materials, is a manufacturer with respect  
22 to these activities.

23 (5) “Processing” means a series of operations in  
24 which materials are manufactured, refined, purified,  
25 created, combined, or transformed by a manufacturer,  
26 ultimately into tangible personal property.  
27 Processing encompasses all activities commencing with  
28 the receipt or producing of raw materials by the  
29 manufacturer and ending at the point products are  
30 delivered for shipment or transferred from the  
31 manufacturer. Processing includes but is not limited  
32 to refinement or purification of materials; treatment  
33 of materials to change their form, context, or  
34 condition; maintenance of the quality or integrity of  
35 materials, components, or products; maintenance of  
36 environmental conditions necessary for materials,  
37 components, or products; quality control activities;  
38 and construction of packaging and shipping devices,  
39 placement into shipping containers or any type of  
40 shipping devices or medium, and the movement of  
41 materials, components, or products until shipment from  
42 the processor.

43 (6) “Receipt or producing of raw materials” means  
44 activities performed upon tangible personal property  
45 only. With respect to raw materials produced from or  
46 upon real estate, the receipt or producing of raw  
47 materials is deemed to occur immediately following the  
48 severance of the raw materials from the real estate.

49 47. The sales price from the furnishing of the  
50 design and installation of new industrial machinery or

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1 equipment, including electrical and electronic  
2 installation.

3 48. The sales price from the sale of carbon  
4 dioxide in a liquid, solid, or gaseous form,  
5 electricity, steam, and other taxable services when  
6 used by a manufacturer of food products to produce  
7 marketable food products for human consumption,  
8 including but not limited to treatment of material to  
9 change its form, context, or condition, in order to  
10 produce the food product, maintenance of quality or  
11 integrity of the food product, changing or maintenance  
12 of temperature levels necessary to avoid spoilage or  
13 to hold the food product in marketable condition,  
14 maintenance of environmental conditions necessary for  
15 the safe or efficient use of machinery and material  
16 used to produce the food product, sanitation and  
17 quality control activities, formation of packaging,  
18 placement into shipping containers, and movement of  
19 the material or food product until shipment from the  
20 building of manufacture.

21 49. The sales price of sales of electricity,  
22 steam, or any taxable service when purchased and used  
23 in the processing of tangible personal property  
24 intended to be sold ultimately at retail.

25 50. The sales price of tangible personal property  
26 sold for processing. Tangible personal property is  
27 sold for processing within the meaning of this  
28 subsection only when it is intended that the property  
29 will, by means of fabrication, compounding,  
30 manufacturing, or germination, become an integral part  
31 of other tangible personal property intended to be  
32 sold ultimately at retail; or for generating electric  
33 current; or the property is a chemical, solvent,  
34 sorbent, or reagent, which is directly used and is  
35 consumed, dissipated, or depleted, in processing  
36 tangible personal property which is intended to be  
37 sold ultimately at retail or consumed in the  
38 maintenance or repair of fabric or clothing, and which  
39 may not become a component or integral part of the  
40 finished product. The distribution to the public of  
41 free newspapers or shoppers guides is a retail sale  
42 for purposes of the processing exemption set out in  
43 this subsection and in subsection 49.

44 51. The sales price from the sale of argon and  
45 other similar gases to be used in the manufacturing  
46 process.

47 52. The sales price from the sale of electricity  
48 to water companies assessed for property tax pursuant  
49 to sections 428.24, 428.26, and 428.28 which is used  
50 solely for the purpose of pumping water from a river

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1 or well.

2 53. The sales price from the sale of wind energy  
3 conversion property to be used as an electric power  
4 source and the sale of the materials used to  
5 manufacture, install, or construct wind energy  
6 conversion property used or to be used as an electric  
7 power source.

8 For purposes of this subsection, “wind energy  
9 conversion property” means any device, including, but  
10 not limited to, a wind charger, windmill, wind  
11 turbine, tower and electrical equipment, pad mount  
12 transformers, power lines, and substation, which  
13 converts wind energy to a form of usable energy.

14 54. The sales price from the sales of newspapers,  
15 free newspapers, or shoppers guides and the printing  
16 and publishing of such newspapers and shoppers guides,  
17 and envelopes for advertising.

18 55. The sales price from the sale of motor fuel  
19 and special fuel consumed for highway use or in  
20 watercraft or aircraft where the fuel tax has been  
21 imposed and paid and no refund has been or will be  
22 allowed and the sales price from the sales of ethanol  
23 blended gasoline, as defined in section 452A.2.

24 56. The sales price from all sales of food and  
25 food ingredients. However, as used in this  
26 subsection, “food” does not include alcoholic  
27 beverages, candy, dietary supplements, food sold  
28 through vending machines, prepared food, soft drinks,  
29 and tobacco.

30 For the purposes of this subsection:

31 a. “Alcoholic beverages” means beverages that are  
32 suitable for human consumption and contain one-half of  
33 one percent or more of alcohol by volume.

34 b. “Candy” means a preparation of sugar, honey, or  
35 other natural or artificial sweeteners in combination  
36 with chocolate, fruits, nuts, or other ingredients or  
37 flavorings in the form of bars, drops, or pieces.  
38 Candy shall not include any preparation containing  
39 flour and shall require no refrigeration.

40 c. “Dietary supplement” means any product, other  
41 than tobacco, intended to supplement the diet that  
42 contains one or more of the following dietary  
43 ingredients:

44 (1) A vitamin.

45 (2) A mineral.

46 (3) An herb or other botanical.

47 (4) An amino acid.

48 (5) A dietary substance for use by humans to  
49 supplement the diet by increasing the total dietary  
50 intake.

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1 (6) A concentrate, metabolite, constituent,  
2 extract, or combination of any of the ingredients in  
3 subparagraphs (1) through (5) that is intended for  
4 ingestion in tablet, capsule, powder, softgel, gelcap,  
5 or liquid form, or if not intended for ingestion in  
6 such a form, is not represented as conventional food  
7 and is not represented for use as a sole item of a  
8 meal or of the diet; and is required to be labeled as  
9 a dietary supplement, identifiable by the “supplement  
10 facts” box found on the label and as required pursuant  
11 to 21 C.F.R. } 101.36.

12 d. “Food and food ingredients” means substances,  
13 whether in liquid, concentrated, solid, frozen, dried,  
14 or dehydrated form, that are sold for ingestion or  
15 chewing by humans and are consumed for their taste or  
16 nutritional value.

17 e. “Food sold through vending machines” means food  
18 dispensed from a machine or other mechanical device  
19 that accepts payment, other than food which would be  
20 qualified for exemption under subsection 57 if  
21 purchased with a coupon described in subsection 57.

22 f. “Prepared food” means any of following:

23 (1) Food sold in a heated state or heated by the  
24 seller, including food sold by a caterer.

25 (2) Two or more food ingredients mixed or combined  
26 by the seller for sale as a single item.

27 (3) “Prepared food”, for the purposes of this  
28 paragraph, does not include food that is any of the  
29 following:

30 (a) Only cut, repackaged, or pasteurized by the  
31 seller.

32 (b) Eggs, fish, meat, poultry, and foods  
33 containing these raw animal foods requiring cooking by  
34 the consumer as recommended by the United States food  
35 and drug administration in chapter 3, part 401.11 of  
36 its food code, so as to prevent food borne illnesses.

37 (c) Bakery items sold by the seller which baked  
38 them. The words “bakery items” includes but is not  
39 limited to breads, rolls, buns, biscuits, bagels,  
40 croissants, pastries, donuts, Danish, cakes, tortes,  
41 pies, tarts, muffins, bars, cookies, and tortillas.

42 (d) Food sold without eating utensils provided by  
43 the seller in an unheated state as a single item which  
44 is priced by weight or volume.

45 (4) Food sold with eating utensils provided by the  
46 seller, including plates, knives, forks, spoons,  
47 glasses, cups, napkins, or straws. A plate does not  
48 include a container or packaging used to transport  
49 food.

50 g. “Soft drinks” means nonalcoholic beverages that

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1 contain natural or artificial sweeteners. “Soft  
2 drinks” does not include beverages that contain milk  
3 or milk products; soy, rice, or similar milk  
4 substitutes; or greater than fifty percent of  
5 vegetable or fruit juice by volume.

6 f. “Tobacco” means cigarettes, cigars, chewing or  
7 pipe tobacco, or any other item that contains tobacco.

8 57. The sales price from the sale of items  
9 purchased with coupons issued under the federal Food  
10 Stamp Act of 1977, 7 U.S.C. } 2011 et seq.

11 58. In transactions in which tangible personal  
12 property is traded toward the sales price of other  
13 tangible personal property, that portion of the sales  
14 price which is not payable in money to the retailer is  
15 exempted from the taxable amount if the following  
16 conditions are met:

17 a. The tangible personal property traded to the  
18 retailer is the type of property normally sold in the  
19 regular course of the retailer’s business.

20 b. The tangible personal property traded to the  
21 retailer is intended by the retailer to be ultimately  
22 sold at retail or is intended to be used by the  
23 retailer or another in the remanufacturing of a like  
24 item.

25 59. The sales price from the sale or rental of  
26 prescription drugs or medical devices intended for  
27 human use or consumption.

28 For the purposes of this subsection:

29 a. “Drug” means a compound, substance, or  
30 preparation, and any component of a compound,  
31 substance, or preparation, other than food and food  
32 ingredients, dietary supplements, or alcoholic  
33 beverages which is any of the following:

34 (1) Recognized in the official United States  
35 pharmacopoeia, official homeopathic pharmacopoeia of  
36 the United States, or official national formulary, and  
37 supplement to any of them.

38 (2) Intended for use in the diagnosis, cure,  
39 mitigation, treatment, or prevention of disease.

40 (3) Intended to affect the structure or any  
41 function of the body.

42 b. “Medical device” means equipment or a supply,  
43 intended to be prescribed by a practitioner, including  
44 orthopedic or orthotic devices. However, “medical  
45 device” also includes prosthetic devices, ostomy,  
46 urological, and tracheostomy equipment and supplies,  
47 and diabetic testing materials, hypodermic syringes  
48 and needles, anesthesia trays, biopsy trays and biopsy  
49 needles, cannula systems, catheter trays and invasive  
50 catheters, dialyzers, drug infusion devices, fistula

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1 sets, hemodialysis devices, insulin infusion devices,  
2 intraocular lenses, irrigation solutions, intravenous  
3 administering sets, solutions and stopcocks, myelogram  
4 trays, nebulizers, small vein infusion kits, spinal  
5 puncture trays, transfusion sets, venous blood sets,  
6 and oxygen equipment, intended to be dispensed for  
7 human use with or without a prescription to an  
8 ultimate user.

9 c. "Practitioner" means a practitioner as defined  
10 in section 155A.3, or a person licensed to prescribe  
11 drugs.

12 d. "Prescription drug" means a drug intended to be  
13 dispensed to an ultimate user pursuant to a  
14 prescription drug order, formula, or recipe issued in  
15 any form of oral, written, electronic, or other means  
16 of transmission by a duly licensed practitioner, or  
17 oxygen or insulin dispensed for human consumption with  
18 or without a prescription drug order or medication  
19 order.

20 e. "Prosthetic device" means a replacement,  
21 corrective, or supportive device including repair and  
22 replacement parts for the same worn on or in the body  
23 to do any of the following:

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

26 (2) Prevent or correct physical deformity or  
27 malfunction.

28 (3) Support a weak or deformed portion of the  
29 body.

30 f. "Ultimate user" means an individual who has  
31 lawfully obtained and possesses a prescription drug or  
32 medical device for the individual's own use or for the  
33 use of a member of the individual's household, or an  
34 individual to whom a prescription drug or medical  
35 device has been lawfully supplied, administered,  
36 dispensed, or prescribed.

37 60. The sales price from services furnished by  
38 aerial commercial and charter transportation services.

39 61. The sales price from the sale of raffle  
40 tickets for a raffle licensed pursuant to section  
41 99B.5.

42 62. The sales price from the sale of tangible  
43 personal property which will be given as prizes to  
44 players in games of skill, games of chance, raffles,  
45 and bingo games as defined in chapter 99B.

46 63. The sales price from the sale of a modular  
47 home, as defined in section 435.1, to the extent of  
48 the portion of the purchase price of the modular home  
49 which is not attributable to the cost of the tangible  
50 personal property used in the processing of the

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1 modular home. For purposes of this exemption, the  
2 portion of the purchase price which is not  
3 attributable to the cost of the tangible personal  
4 property used in the processing of the modular home is  
5 forty percent.

6 64. The sales price from charges paid to a  
7 provider for access to on-line computer services. For  
8 purposes of this subsection, “on-line computer  
9 service” means a service that provides or enables  
10 computer access by multiple users to the internet or  
11 to other information made available through a computer  
12 server.

13 65. The sales price from the sale or rental of  
14 information services. “Information services” means  
15 every business activity, process, or function by which  
16 a seller or its agent accumulates, prepares,  
17 organizes, or conveys data, facts, knowledge,  
18 procedures, and like services to a buyer or its agent  
19 of such information through any tangible or intangible  
20 medium. Information accumulated, prepared, or  
21 organized for a buyer or its agent is an information  
22 service even though it may incorporate preexisting  
23 components of data or other information. “Information  
24 services” includes, but is not limited to, database  
25 files, mailing lists, subscription files, market  
26 research, credit reports, surveys, real estate  
27 listings, bond rating reports, abstracts of title, bad  
28 check lists, broadcasting rating services, wire  
29 services, and scouting reports, or other similar  
30 items.

31 66. The sales price of a sale at retail if the  
32 substance of the transaction is delivered to the  
33 purchaser digitally, electronically, or utilizing  
34 cable, or by radio waves, microwaves, satellites, or  
35 fiber optics.

36 67. a. The sales price from the sale of an  
37 article of clothing designed to be worn on or about  
38 the human body if all of the following apply:

39 (1) The sales price of the article is less than  
40 one hundred dollars.

41 (2) The sale takes place during a period beginning  
42 at 12:01 a.m. on the first Friday in August and ending  
43 at midnight on the following Saturday.

44 b. This subsection does not apply to any of the  
45 following:

46 (1) Sport or recreational equipment and protective  
47 equipment.

48 (2) Clothing accessories or equipment.

49 (3) The rental of clothing.

50 c. For purposes of this subsection:

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1 (1) “Clothing” means all human wearing apparel  
2 suitable for general use. “Clothing” includes, but is  
3 not limited to the following: aprons, household and  
4 shop; athletic supporters; baby receiving blankets;  
5 bathing suits and caps; beach capes and coats; belts  
6 and suspenders; boots; coats and jackets; costumes;  
7 diapers (children and adults, including disposable  
8 diapers); earmuffs; footlets; formal wear; garters and  
9 garter belts; girdles; gloves and mittens for general  
10 use; hats and caps; hosiery; insoles for shoes; lab  
11 coats; neckties; overshoes; pantyhose; rainwear;  
12 rubber pants; sandals; scarves; shoes and shoelaces;  
13 slippers; sneakers; socks and stockings; steel-toed  
14 shoes; underwear; uniforms, athletic and nonathletic;  
15 and wedding apparel.

16 “Clothing” does not include the following: belt  
17 buckles sold separately; costume masks sold  
18 separately; patches and emblems sold separately;  
19 sewing equipment and supplies (including, but not  
20 limited to, knitting needles, patterns, pins,  
21 scissors, sewing machines, sewing needles, tape  
22 measures, and thimbles); and sewing materials that  
23 become part of clothing (including, but not limited  
24 to, buttons, fabric, lace, thread, yarn, and zippers).

25 (2) “Clothing accessories or equipment” means  
26 incidental items worn on the person or in conjunction  
27 with clothing. “Clothing accessories or equipment”  
28 includes, but is not limited to, the following:  
29 briefcases; cosmetics; hair notions (including, but  
30 not limited to, barrettes, hair bows, and hair nets);  
31 handbags; handkerchiefs; jewelry; sunglasses,  
32 nonprescription; umbrellas; wallets; watches; and wigs  
33 and hairpieces.

34 (3) “Protective equipment” means items for human  
35 wear and designed as protection for the wearer against  
36 injury or disease or as protection against damage or  
37 injury of other persons or property but not suitable  
38 for general use. “Protective equipment” includes, but  
39 is not limited to, the following: breathing masks;  
40 clean room apparel and equipment; ear and hearing  
41 protectors; face shields; hard hats; helmets; paint or  
42 dust respirators; protective gloves; safety glasses  
43 and goggles; safety belts; tool belts; and welders  
44 gloves and masks.

45 (4) “Sport or recreational equipment” means items  
46 designed for human use and worn in conjunction with an  
47 athletic or recreational activity that are not  
48 suitable for general use. “Sport or recreational  
49 equipment” includes, but is not limited to, the  
50 following: ballet and tap shoes; cleated or spiked

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1 athletic shoes; gloves (including, but not limited to,  
2 baseball, bowling, boxing, hockey, and golf); goggles;  
3 hand and elbow guards; life preservers and vests;  
4 mouth guards; roller and ice skates; shin guards;  
5 shoulder pads; ski boots; waders; and wetsuits and  
6 fins.

7 68. a. Subject to paragraph “b”, the sales price  
8 from the sale or furnishing of metered gas,  
9 electricity, and fuel, including propane and heating  
10 oil, to residential customers which is used to provide  
11 energy for residential dwellings and units of  
12 apartment and condominium complexes used for human  
13 occupancy.

14 b. The exemption in this subsection shall be  
15 phased in by means of a reduction in the tax rate as  
16 follows:

17 (1) If the date of the utility billing or meter  
18 reading cycle of the residential customer for the sale  
19 or furnishing of metered gas and electricity is on or  
20 after January 1, 2002, through December 31, 2002, or  
21 if the sale or furnishing of fuel for purposes of  
22 residential energy and the delivery of the fuel occurs  
23 on or after January 1, 2002, through December 31,  
24 2002, the rate of tax is four percent of the sales  
25 price.

26 (2) If the date of the utility billing or meter  
27 reading cycle of the residential customer for the sale  
28 or furnishing of metered gas and electricity is on or  
29 after January 1, 2003, through June 30, 2008, or if  
30 the sale or furnishing of fuel for purposes of  
31 residential energy and the delivery of the fuel occurs  
32 on or after January 1, 2003, through June 30, 2008,  
33 the rate of tax is three percent of the sales price.

34 (3) If the date of the utility billing or meter  
35 reading cycle of the residential customer for the sale  
36 or furnishing of metered gas and electricity is on or  
37 after July 1, 2008, through June 30, 2009, or if the  
38 sale or furnishing of fuel for purposes of residential  
39 energy and the delivery of the fuel occurs on or after  
40 July 1, 2008, through June 30, 2009, the rate of tax  
41 is two percent of the sales price.

42 (4) If the date of the utility billing or meter  
43 reading cycle of the residential customer for the sale  
44 or furnishing of metered gas and electricity is on or  
45 after July 1, 2009, through June 30, 2010, or if the  
46 sale or furnishing of fuel for purposes of residential  
47 energy and the delivery of the fuel occurs on or after  
48 July 1, 2009, through June 30, 2010, the rate of tax  
49 is one percent of the sales price.

50 (5) If the date of the utility billing or meter

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1 reading cycle of the residential customer for the sale  
2 or furnishing of metered gas and electricity is on or  
3 after July 1, 2010, or if the sale, furnishing, or  
4 service of fuel for purposes of residential energy and  
5 the delivery of the fuel occurs on or after July 1,  
6 2010, the rate of tax is zero percent of the sales  
7 price.

8 c. The exemption in this subsection does not apply  
9 to local option sales and services tax imposed  
10 pursuant to chapters 423B and 423E.

11 69. The sales price from charges paid for the  
12 delivery of electricity or natural gas if the sale or  
13 furnishing of the electricity or natural gas or its  
14 use is exempt from the tax on sales prices imposed  
15 under this subchapter or from the use tax imposed  
16 under subchapter III.

17 70. The sales price from the sales, furnishing, or  
18 service of transportation service except the rental of  
19 recreational vehicles or recreational boats, except  
20 the rental of motor vehicles subject to registration  
21 which are registered for a gross weight of thirteen  
22 tons or less for a period of sixty days or less, and  
23 except the rental of aircraft for a period of sixty  
24 days or less. This exemption does not apply to the  
25 transportation of electric energy or natural gas.

26 71. The sales price from sales of tangible  
27 personal property used or to be used as railroad  
28 rolling stock for transporting persons or property, or  
29 as materials or parts therefor.

30 72. The sales price from the sales of special fuel  
31 for diesel engines consumed or used in the operation  
32 of ships, barges, or waterborne vessels which are used  
33 primarily in or for the transportation of property or  
34 cargo, or the conveyance of persons for hire on rivers  
35 bordering on the state if the fuel is delivered by the  
36 seller to the purchaser's barge, ship, or waterborne  
37 vessel while it is afloat upon such a river.

38 73. The sales price from sales of vehicles subject  
39 to registration or subject only to the issuance of a  
40 certificate of title and sales of aircraft subject to  
41 registration under section 328.20.

42 74. The sales price from the sale of aircraft for  
43 use in a scheduled interstate federal aviation  
44 administration certificated air carrier operation.

45 75. The sales price from the sale or rental of  
46 aircraft; the sale or rental of tangible personal  
47 property permanently affixed or attached as a  
48 component part of the aircraft, including but not  
49 limited to repair or replacement materials or parts;  
50 and the sales price of all services used for aircraft

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1 repair, remodeling, and maintenance services when such  
2 services are performed on aircraft, aircraft engines,  
3 or aircraft component materials or parts. For the  
4 purposes of this exemption, “aircraft” means aircraft  
5 used in a scheduled interstate federal aviation  
6 administration certificated air carrier operation.

7 76. The sales price from the sale or rental of  
8 tangible personal property permanently affixed or  
9 attached as a component part of the aircraft,  
10 including but not limited to repair or replacement  
11 materials or parts; and the sales price of all  
12 services used for aircraft repair, remodeling, and  
13 maintenance services when such services are performed  
14 on aircraft, aircraft engines, or aircraft component  
15 materials or parts. For the purposes of this  
16 exemption, “aircraft” means aircraft used in  
17 nonscheduled interstate federal aviation  
18 administration certificated air carrier operation  
19 operating under 14 C.F.R. ch. 1, pt. 135.

20 77. The sales price from the sale of aircraft to  
21 an aircraft dealer who in turn rents or leases the  
22 aircraft if all of the following apply:

23 a. The aircraft is kept in the inventory of the  
24 dealer for sale at all times.

25 b. The dealer reserves the right to immediately  
26 take the aircraft from the renter or lessee when a  
27 buyer is found.

28 c. The renter or lessee is aware that the dealer  
29 will immediately take the aircraft when a buyer is  
30 found.

31 If an aircraft exempt under this subsection is used  
32 for any purpose other than leasing or renting, or the  
33 conditions in paragraphs “a”, “b”, and “c” are not  
34 continuously met, the dealer claiming the exemption  
35 under this subsection is liable for the tax that would  
36 have been due except for this subsection. The tax  
37 shall be computed upon the original purchase price.

38 78. The sales price from sales or rental of  
39 tangible personal property, or services rendered by  
40 any entity where the profits from the sales or rental  
41 of the tangible personal property, or services  
42 rendered are used by or donated to a nonprofit entity  
43 which is exempt from federal income taxation pursuant  
44 to section 501(c)(3) of the Internal Revenue Code, a  
45 government entity, or a nonprofit private educational  
46 institution, and where the entire proceeds from the  
47 sales, rental, or services are expended for any of the  
48 following purposes:

49 a. Educational.

50 b. Religious.

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1 c. Charitable. A charitable act is an act done  
2 out of goodwill, benevolence, and a desire to add to  
3 or to improve the good of humankind in general or any  
4 class or portion of humankind, with no pecuniary  
5 profit inuring to the person performing the service or  
6 giving the gift.

7 This exemption does not apply to the sales price  
8 from games of skill, games of chance, raffles, and  
9 bingo games as defined in chapter 99B. This exemption  
10 is disallowed on the amount of the sales price only to  
11 the extent the profits from the sales, rental, or  
12 services are not used by or donated to the appropriate  
13 entity and expended for educational, religious, or  
14 charitable purposes.

15 79. The sales price from the sale or rental of  
16 tangible personal property or from services furnished  
17 to a recognized community action agency as provided in  
18 section 216A.93 to be used for the purposes of the  
19 agency.

20 80. a. For purposes of this subsection,  
21 “designated exempt entity” means an entity which is  
22 designated in section 423.4, subsection 1.

23 b. If a contractor, subcontractor, or builder is  
24 to use building materials, supplies, and equipment in  
25 the performance of a construction contract with a  
26 designated exempt entity, the person shall purchase  
27 such items of tangible personal property without  
28 liability for the tax if such property will be used in  
29 the performance of the construction contract and a  
30 purchasing agent authorization letter and an exemption  
31 certificate, issued by the designated exempt entity,  
32 are presented to the retailer.

33 c. Where the owner, contractor, subcontractor, or  
34 builder is also a retailer holding a retail sales tax  
35 permit and transacting retail sales of building  
36 materials, supplies, and equipment, the tax shall not  
37 be due when materials are withdrawn from inventory for  
38 use in construction performed for a designated exempt  
39 entity if an exemption certificate is received from  
40 such entity.

41 d. Tax shall not apply to tangible personal  
42 property purchased and consumed by a manufacturer as  
43 building materials, supplies, or equipment in the  
44 performance of a construction contract for a  
45 designated exempt entity, if a purchasing agent  
46 authorization letter and an exemption certificate are  
47 received from such entity and presented to a retailer.

48 81. The sales price from the sales of lottery  
49 tickets or shares pursuant to chapter 99G.

50 82. The sales price from the sale or rental of

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1 core and mold making equipment and sand handling  
2 equipment directly and primarily used in the mold  
3 making process by a foundry.

4 83. The sales price from noncustomer point of sale  
5 or noncustomer automated teller machine access or  
6 service charges assessed by a financial institution.  
7 For purposes of this subsection, “financial  
8 institution” means the same as defined in section  
9 527.2.

10 Sec. 106. NEW SECTION. 423.4 REFUNDS.

11 1. A private nonprofit educational institution in  
12 this state, nonprofit private museum in this state,  
13 tax-certifying or tax-levying body or governmental  
14 subdivision of the state, including the state board of  
15 regents, state department of human services, state  
16 department of transportation, a municipally owned  
17 solid waste facility which sells all or part of its  
18 processed waste as fuel to a municipally owned public  
19 utility, and all divisions, boards, commissions,  
20 agencies, or instrumentalities of state, federal,  
21 county, or municipal government which do not have  
22 earnings going to the benefit of an equity investor or  
23 stockholder, may make application to the department  
24 for the refund of the sales or use tax upon the sales  
25 price of all sales of goods, wares, or merchandise, or  
26 from services furnished to a contractor, used in the  
27 fulfillment of a written contract with the state of  
28 Iowa, any political subdivision of the state, or a  
29 division, board, commission, agency, or  
30 instrumentality of the state or a political  
31 subdivision, a private nonprofit educational  
32 institution in this state, or a nonprofit private  
33 museum in this state if the property becomes an  
34 integral part of the project under contract and at the  
35 completion of the project becomes public property, is  
36 devoted to educational uses, or becomes a nonprofit  
37 private museum; except goods, wares, or merchandise,  
38 or services furnished which are used in the  
39 performance of any contract in connection with the  
40 operation of any municipal utility engaged in selling  
41 gas, electricity, or heat to the general public or in  
42 connection with the operation of a municipal pay  
43 television system; and except goods, wares, and  
44 merchandise used in the performance of a contract for  
45 a “project” under chapter 419 as defined in that  
46 chapter other than goods, wares, or merchandise used  
47 in the performance of a contract for a “project” under  
48 chapter 419 for which a bond issue was approved by a  
49 municipality prior to July 1, 1968, or for which the  
50 goods, wares, or merchandise becomes an integral part

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1 of the project under contract and at the completion of  
2 the project becomes public property or is devoted to  
3 educational uses.

4 a. Such contractor shall state under oath, on  
5 forms provided by the department, the amount of such  
6 sales of goods, wares, or merchandise, or services  
7 furnished and used in the performance of such  
8 contract, and upon which sales or use tax has been  
9 paid, and shall file such forms with the governmental  
10 unit, private nonprofit educational institution, or  
11 nonprofit private museum which has made any written  
12 contract for performance by the contractor. The forms  
13 shall be filed by the contractor with the governmental  
14 unit, educational institution, or nonprofit private  
15 museum before final settlement is made.

16 b. Such governmental unit, educational  
17 institution, or nonprofit private museum shall, not  
18 more than one year after the final settlement has been  
19 made, make application to the department for any  
20 refund of the amount of the sales or use tax which  
21 shall have been paid upon any goods, wares, or  
22 merchandise, or services furnished, the application to  
23 be made in the manner and upon forms to be provided by  
24 the department, and the department shall forthwith  
25 audit the claim and, if approved, issue a warrant to  
26 the governmental unit, educational institution, or  
27 nonprofit private museum in the amount of the sales or  
28 use tax which has been paid to the state of Iowa under  
29 the contract.

30 Refunds authorized under this subsection shall  
31 accrue interest at the rate in effect under section  
32 421.7 from the first day of the second calendar month  
33 following the date the refund claim is received by the  
34 department.

35 c. Any contractor who willfully makes a false  
36 report of tax paid under the provisions of this  
37 subsection is guilty of a simple misdemeanor and in  
38 addition shall be liable for the payment of the tax  
39 and any applicable penalty and interest.

40 2. The refund of sales and use tax paid on  
41 transportation construction projects let by the state  
42 department of transportation is subject to the special  
43 provisions of this subsection.

44 a. A contractor awarded a contract for a  
45 transportation construction project is considered the  
46 consumer of all building materials, building supplies,  
47 and equipment and shall pay sales tax to the supplier  
48 or remit consumer use tax directly to the department.

49 b. The contractor is not required to file  
50 information with the state department of

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1 transportation stating the amount of goods, wares, or  
2 merchandise, or services rendered, furnished, or  
3 performed and used in the performance of the contract  
4 or the amount of sales or use tax paid.

5 c. The state department of transportation shall  
6 file a refund claim based on a formula that considers  
7 the following:

8 (1) The quantity of material to complete the  
9 contract, and quantities of items of work.

10 (2) The estimated cost of these materials included  
11 in the items of work, and the state sales or use tax  
12 to be paid on the tax rate in effect in section 423.2.  
13 The quantity of materials shall be determined after  
14 each letting based on the contract quantities of all  
15 items of work let to contract. The quantity of  
16 individual component materials required for each item  
17 shall be determined and maintained in a database. The  
18 total quantities of materials shall be determined by  
19 multiplying the quantities of component materials for  
20 each contract item of work by the total quantities of  
21 each contract item for each letting. Where variances  
22 exist in the cost of materials, the lowest cost shall  
23 be used as the base cost.

24 d. Only the state sales or use tax is refundable.  
25 Local option taxes paid by the contractor are not  
26 refundable.

27 3. A relief agency may apply to the director for  
28 refund of the amount of sales or use tax imposed and  
29 paid upon sales to it of any goods, wares,  
30 merchandise, or services furnished, used for free  
31 distribution to the poor and needy.

32 a. The refunds may be obtained only in the  
33 following amounts and manner and only under the  
34 following conditions:

35 (1) On forms furnished by the department, and  
36 filed within the time as the director shall provide by  
37 rule, the relief agency shall report to the department  
38 the total amount or amounts, valued in money, expended  
39 directly or indirectly for goods, wares, merchandise,  
40 or services furnished, used for free distribution to  
41 the poor and needy.

42 (2) On these forms the relief agency shall  
43 separately list the persons making the sales to it or  
44 to its order, together with the dates of the sales,  
45 and the total amount so expended by the relief agency.

46 (3) The relief agency must prove to the  
47 satisfaction of the director that the person making  
48 the sales has included the amount thereof in the  
49 computation of the sales price of such person and that  
50 such person has paid the tax levied by this subchapter

1 or subchapter III, based upon such computation of the  
2 sales price.

3 b. If satisfied that the foregoing conditions and  
4 requirements have been complied with, the director  
5 shall refund the amount claimed by the relief agency.

6 SUBCHAPTER III

7 USE TAX

8 Sec. 107. NEW SECTION. 423.5 IMPOSITION OF TAX.

9 An excise tax at the rate of five percent of the  
10 purchase price or installed purchase price is imposed  
11 on the following:

12 1. The use in this state of tangible personal  
13 property as defined in section 423.1, including  
14 aircraft subject to registration under section 328.20,  
15 purchased for use in this state. For the purposes of  
16 this subchapter, the furnishing or use of the  
17 following services is also treated as the use of  
18 tangible personal property: optional service or  
19 warranty contracts, except residential service  
20 contracts regulated under chapter 523C, vulcanizing,  
21 recapping, or retreading services, engraving,  
22 photography, retouching, printing, or binding  
23 services, and communication service when furnished or  
24 delivered to consumers or users within this state.

25 2. The use of manufactured housing in this state,  
26 on the purchase price if the manufactured housing is  
27 sold in the form of tangible personal property or on  
28 the installed purchase price if the manufactured  
29 housing is sold in the form of realty.

30 3. The use of leased vehicles, on the amount  
31 subject to tax as calculated pursuant to section  
32 423.27.

33 4. Purchases of tangible personal property made  
34 from the government of the United States or any of its  
35 agencies by ultimate consumers shall be subject to the  
36 tax imposed by this section. Services purchased from  
37 the same source or sources shall be subject to the  
38 service tax imposed by this subchapter and apply to  
39 the user of the services.

40 5. The use in this state of services enumerated in  
41 section 423.2. This tax is applicable where services  
42 are furnished in this state or where the product or  
43 result of the service is used in this state.

44 6. The excise tax is imposed upon every person  
45 using the property within this state until the tax has  
46 been paid directly to the county treasurer, the state  
47 department of transportation, a retailer, or the  
48 department. This tax is imposed on every person using  
49 the services or the product of the services in this  
50 state until the user has paid the tax either to an

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1 Iowa use tax permit holder or to the department.  
2 7. For the purpose of the proper administration of  
3 the use tax and to prevent its evasion, evidence that  
4 tangible personal property was sold by any person for  
5 delivery in this state shall be prima facie evidence  
6 that such tangible personal property was sold for use  
7 in this state.

8 Sec. 108. NEW SECTION. 423.6 EXEMPTIONS.

9 The use in this state of the following tangible  
10 personal property and services is exempted from the  
11 tax imposed by this subchapter:

12 1. Tangible personal property and enumerated  
13 services, the sales price from the sale of which are  
14 required to be included in the measure of the sales  
15 tax, if that tax has been paid to the department or  
16 the retailer. This exemption does not include  
17 vehicles subject to registration or subject only to  
18 the issuance of a certificate of title.

19 2. The sale of tangible personal property or the  
20 furnishing of services in the regular course of  
21 business.

22 3. Property used in processing. The use of  
23 property in processing within the meaning of this  
24 subsection shall mean and include any of the  
25 following:

26 a. Any tangible personal property including  
27 containers which it is intended shall, by means of  
28 fabrication, compounding, manufacturing, or  
29 germination, become an integral part of other tangible  
30 personal property intended to be sold ultimately at  
31 retail, and containers used in the collection,  
32 recovery, or return of empty beverage containers  
33 subject to chapter 455C.

34 b. Fuel which is consumed in creating power, heat,  
35 or steam for processing or for generating electric  
36 current.

37 c. Chemicals, solvents, sorbents, or reagents,  
38 which are directly used and are consumed, dissipated,  
39 or depleted in processing tangible personal property  
40 which is intended to be sold ultimately at retail, and  
41 which may not become a component or integral part of  
42 the finished product.

43 d. The distribution to the public of free  
44 newspapers or shoppers guides shall be deemed a retail  
45 sale for purposes of the processing exemption in this  
46 subsection.

47 4. All articles of tangible personal property  
48 brought into the state of Iowa by a nonresident  
49 individual for the individual's use or enjoyment while  
50 within the state.

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1 5. Services exempt from taxation by the provisions  
2 of section 423.3.

3 6. Tangible personal property or services the  
4 sales price of which is exempt from the sales tax  
5 under section 423.3, except subsections 39 and 73, as  
6 it relates to the sale, but not the lease or rental,  
7 of vehicles subject to registration or subject only to  
8 the issuance of a certificate of title and as it  
9 relates to aircraft subject to registration under  
10 section 328.20.

11 7. Advertisement and promotional material and  
12 matter, seed catalogs, envelopes for same, and other  
13 similar material temporarily stored in this state  
14 which are acquired outside of Iowa and which,  
15 subsequent to being brought into this state, are sent  
16 outside of Iowa, either singly or physically attached  
17 to other tangible personal property sent outside of  
18 Iowa.

19 8. Vehicles, as defined in section 321.1,  
20 subsections 41, 64A, 71, 85, and 88, except such  
21 vehicles subject to registration which are designed  
22 primarily for carrying persons, when purchased for  
23 lease and actually leased to a lessee for use outside  
24 the state of Iowa and the subsequent sole use in Iowa  
25 is in interstate commerce or interstate  
26 transportation.

27 9. Tangible personal property which, by means of  
28 fabrication, compounding, or manufacturing, becomes an  
29 integral part of vehicles, as defined in section  
30 321.1, subsections 41, 64A, 71, 85, and 88,  
31 manufactured for lease and actually leased to a lessee  
32 for use outside the state of Iowa and the subsequent  
33 sole use in Iowa is in interstate commerce or  
34 interstate transportation. Vehicles subject to  
35 registration which are designed primarily for carrying  
36 persons are excluded from this subsection.

37 10. Vehicles subject to registration which are  
38 transferred from a business or individual conducting a  
39 business within this state as a sole proprietorship,  
40 partnership, or limited liability company to a  
41 corporation formed by the sole proprietorship,  
42 partnership, or limited liability company for the  
43 purpose of continuing the business when all of the  
44 stock of the corporation so formed is owned by the  
45 sole proprietor and the sole proprietor's spouse, by  
46 all the partners in the case of a partnership, or by  
47 all the members in the case of a limited liability  
48 company. This exemption is equally available where  
49 the vehicles subject to registration are transferred  
50 from a corporation to a sole proprietorship,

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1 partnership, or limited liability company formed by  
2 that corporation for the purpose of continuing the  
3 business when all of the incidents of ownership are  
4 owned by the same person or persons who were  
5 stockholders of the corporation.

6 This exemption also applies where the vehicles  
7 subject to registration are transferred from a  
8 corporation as part of the liquidation of the  
9 corporation to its stockholders if within three months  
10 of such transfer the stockholders retransfer those  
11 vehicles subject to registration to a sole  
12 proprietorship, partnership, or limited liability  
13 company for the purpose of continuing the business of  
14 the corporation when all of the incidents of ownership  
15 are owned by the same person or persons who were  
16 stockholders of the corporation.

17 10A. Vehicles subject to registration which are  
18 transferred from a corporation that is primarily  
19 engaged in the business of leasing vehicles subject to  
20 registration to a corporation that is primarily  
21 engaged in the business of leasing vehicles subject to  
22 registration when the transferor and transferee  
23 corporations are part of the same controlled group for  
24 federal income tax purposes.

25 11. Vehicles registered or operated under chapter  
26 326 and used substantially in interstate commerce, for  
27 section 423.5, subsection 7, notwithstanding. For  
28 purposes of this subsection, “substantially in  
29 interstate commerce” means that a minimum of twenty-  
30 five percent of the miles operated by the vehicle  
31 accrues in states other than Iowa. This subsection  
32 applies only to vehicles which are registered for a  
33 gross weight of thirteen tons or more.

34 For purposes of this subsection, trailers and  
35 semitrailers registered or operated under chapter 326  
36 are deemed to be used substantially in interstate  
37 commerce and to be registered for a gross weight of  
38 thirteen tons or more.

39 For the purposes of this subsection, if a vehicle  
40 meets the requirement that twenty-five percent of the  
41 miles operated accrues in states other than Iowa in  
42 each year of the first four-year period of operation,  
43 the exemption from use tax shall continue until the  
44 vehicle is sold or transferred. If the vehicle is  
45 found to have not met the exemption requirements or  
46 the exemption was revoked, the value of the vehicle  
47 upon which the use tax shall be imposed is the book or  
48 market value, whichever is less, at the time the  
49 exemption requirements were not met or the exemption  
50 was revoked.

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1 12. Mobile homes and manufactured housing the use  
2 of which has previously been subject to the tax  
3 imposed under this subchapter and for which that tax  
4 has been paid.

5 13. Mobile homes to the extent of the portion of  
6 the purchase price of the mobile home which is not  
7 attributable to the cost of the tangible personal  
8 property used in the processing of the mobile home,  
9 and manufactured housing to the extent of the purchase  
10 price or the installed purchase price of the  
11 manufactured housing which is not attributable to the  
12 cost of the tangible personal property used in the  
13 processing of the manufactured housing. For purposes  
14 of this exemption, the portion of the purchase price  
15 which is not attributable to the cost of the tangible  
16 personal property used in the processing of the mobile  
17 home is forty percent and the portion of the purchase  
18 price or installed purchase price which is not  
19 attributable to the cost of the tangible personal  
20 property used in the processing of the manufactured  
21 housing is forty percent.

22 14. Tangible personal property used or to be used  
23 as a ship, barge, or waterborne vessel which is used  
24 or to be used primarily in or for the transportation  
25 of property or cargo for hire on the rivers bordering  
26 the state or as materials or parts of such ship,  
27 barge, or waterborne vessel.

28 15. Vehicles subject to registration in any state  
29 when purchased for rental or registered and titled by  
30 a motor vehicle dealer licensed pursuant to chapter  
31 322 for rental use, and held for rental for a period  
32 of one hundred twenty days or more and actually rented  
33 for periods of sixty days or less by a person  
34 regularly engaged in the business of renting vehicles  
35 including, but not limited to, motor vehicle dealers  
36 licensed pursuant to chapter 322 who rent automobiles  
37 to users, if the rental of the vehicles is subject to  
38 taxation under chapter 423C.

39 16. Motor vehicles subject to registration which  
40 were registered and titled between July 1, 1982, and  
41 July 1, 1992, to a motor vehicle dealer licensed under  
42 chapter 322 and which were rented to a user as defined  
43 in section 423C.2 if the following occurred:

44 a. The dealer kept the vehicle on the inventory of  
45 vehicles for sale at all times.

46 b. The vehicle was to be immediately taken from  
47 the user of the vehicle when a buyer was found.

48 c. The user was aware of this situation.

49 17. Vehicles subject to registration under chapter  
50 321, with a gross vehicle weight rating of less than

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1 sixteen thousand pounds, excluding motorcycles and  
2 motorized bicycles, when purchased for lease and  
3 titled by the lessor licensed pursuant to chapter 321F  
4 and actually leased for a period of twelve months or  
5 more if the lease of the vehicle is subject to  
6 taxation under section 423.27.

7 A lessor may maintain the exemption from use tax  
8 under this subsection for a qualifying lease that  
9 terminates at the conclusion or prior to the  
10 contracted expiration date, if the lessor does not use  
11 the vehicle for any purpose other than for lease.  
12 Once the vehicle is used by the lessor for a purpose  
13 other than for lease, the exemption from use tax under  
14 this subsection no longer applies and, unless there is  
15 an exemption from the use tax, use tax is due on the  
16 fair market value of the vehicle determined at the  
17 time the lessor uses the vehicle for a purpose other  
18 than for lease, payable to the department. If the  
19 lessor holds the vehicle exclusively for sale, use tax  
20 is due and payable on the purchase price of the  
21 vehicle at the time of purchase pursuant to this  
22 subchapter.

23 18. Aircraft for use in a scheduled interstate  
24 federal aviation administration certificated air  
25 carrier operation.

26 19. Aircraft; tangible personal property  
27 permanently affixed or attached as a component part of  
28 the aircraft, including but not limited to repair or  
29 replacement materials or parts; and all services used  
30 for aircraft repair, remodeling, and maintenance  
31 services when such services are performed on aircraft,  
32 aircraft engines, or aircraft component materials or  
33 parts. For the purposes of this exemption, "aircraft"  
34 means aircraft used in a scheduled interstate federal  
35 aviation administration certificated air carrier  
36 operation.

37 20. Tangible personal property permanently affixed  
38 or attached as a component part of the aircraft,  
39 including but not limited to repair or replacement  
40 materials or parts; and all services used for aircraft  
41 repair, remodeling, and maintenance services when such  
42 services are performed on aircraft, aircraft engines,  
43 or aircraft component materials or parts. For the  
44 purposes of this exemption, "aircraft" means aircraft  
45 used in a nonscheduled interstate federal aviation  
46 administration certificated air carrier operation  
47 operating under 14 C.F.R., ch. 1, pt. 135.

48 21. Aircraft sold to an aircraft dealer who in  
49 turn rents or leases the aircraft if all of the  
50 following apply:

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1 a. The aircraft is kept in the inventory of the  
2 dealer for sale at all times.

3 b. The dealer reserves the right to immediately  
4 take the aircraft from the renter or lessee when a  
5 buyer is found.

6 c. The renter or lessee is aware that the dealer  
7 will immediately take the aircraft when a buyer is  
8 found.

9 If an aircraft exempt under this subsection is used  
10 for any purpose other than leasing or renting, or the  
11 conditions in paragraphs “a”, “b”, and “c” are not  
12 continuously met, the dealer claiming the exemption  
13 under this subsection is liable for the tax that would  
14 have been due except for this subsection. The tax  
15 shall be computed upon the original purchase price.

16 22. The use in this state of building materials,  
17 supplies, or equipment, the sale or use of which is  
18 not treated as a retail sale or a sale at retail under  
19 section 423.2, subsection 1.

20 23. Exempted from the purchase price of any  
21 vehicle subject to registration is:

22 a. The amount of any cash rebate which is provided  
23 by a motor vehicle manufacturer to the purchaser of  
24 the vehicle subject to registration so long as the  
25 rebate is applied to the purchase price of the  
26 vehicle.

27 b. That in transactions, except those subject to  
28 paragraph “c”, in which tangible personal property is  
29 traded toward the purchase price of other tangible  
30 personal property the purchase price is only that  
31 portion of the purchase price which is payable in  
32 money to the retailer if the following conditions are  
33 met:

34 (1) The tangible personal property traded to the  
35 retailer is the type of property normally sold in the  
36 regular course of the retailer’s business.

37 (2) The tangible personal property traded to the  
38 retailer is intended by the retailer to be ultimately  
39 sold at retail or is intended to be used by the  
40 retailer or another in the remanufacturing of a like  
41 item.

42 c. In a transaction between persons, neither of  
43 which is a retailer of vehicles subject to  
44 registration, in which a vehicle subject to  
45 registration is traded toward the purchase price of  
46 another vehicle subject to registration, the amount of  
47 the trade-in value allowed on the vehicle subject to  
48 registration traded.

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1 Sec. 109. NEW SECTION. 423.7 TITLE.

2 This subchapter shall be known and may be cited as  
3 the “Uniform Sales and Use Tax Administration Act”.

4 Sec. 110. NEW SECTION. 423.8 LEGISLATIVE FINDING  
5 AND INTENT.

6 The general assembly finds that Iowa should enter  
7 into an agreement with one or more states to simplify  
8 and modernize sales and use tax administration in  
9 order to substantially reduce the burden of tax  
10 compliance for all sellers and for all types of  
11 commerce. It is the intent of the general assembly  
12 that entering into this agreement will lead to  
13 simplification and modernization of the sales and use  
14 tax law and not to the imposition of new taxes or an  
15 increase or decrease in the existing number of  
16 exemptions, unless such a result is unavoidable under  
17 the terms of the agreement.

18 Sec. 111. NEW SECTION. 423.9 AUTHORITY TO ENTER  
19 AGREEMENT AND TO REPRESENT THE STATE.

20 The director is authorized and directed to enter  
21 into the streamlined sales and use tax agreement with  
22 one or more states to simplify and modernize sales and  
23 use tax administration in order to substantially  
24 reduce the burden of tax compliance for all sellers  
25 and for all types of commerce.

26 The director is further authorized to take other  
27 actions reasonably required to implement the  
28 provisions set forth in this chapter. Other actions  
29 authorized by this section include, but are not  
30 limited to, the adoption of rules and the joint  
31 procurement, with other member states, of goods and  
32 services in furtherance of the cooperative agreement.

33 The director or the director’s designee is  
34 authorized to be a member of the governing board  
35 established pursuant to the agreement and to represent  
36 Iowa before that body.

37 Sec. 112. NEW SECTION. 423.10 RELATIONSHIP TO  
38 STATE LAW.

39 Entry into the agreement by the director does not  
40 amend or modify any law of this state. Implementation  
41 of any condition of the agreement in this state,  
42 whether adopted before, at, or after membership of  
43 this state in the agreement, shall be by action of the  
44 general assembly.

45 Sec. 113. NEW SECTION. 423.11 AGREEMENT  
46 REQUIREMENTS.

47 The director shall not enter into the agreement  
48 unless the agreement requires each state to abide by  
49 the following requirements:

50 1. UNIFORM STATE RATE. The agreement must set

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- 1 restrictions to achieve more uniform state rates
- 2 through the following:
  - 3 a. Limiting the number of state rates.
  - 4 b. Limiting the application of maximums on the
  - 5 amount of state tax that is due on a transaction.
  - 6 c. Limiting the application of thresholds on the
  - 7 application of state tax.
- 8 2. UNIFORM STANDARDS. The agreement must
- 9 establish uniform standards for the following:
  - 10 a. The sourcing of transactions to taxing
  - 11 jurisdictions.
  - 12 b. The administration of exempt sales.
  - 13 c. The allowances a seller can take for bad debts.
  - 14 d. Sales and use tax returns and remittances.
- 15 3. UNIFORM DEFINITIONS. The agreement must
- 16 require states to develop and adopt uniform
- 17 definitions of sales and use tax terms. The
- 18 definitions must enable a state to preserve its
- 19 ability to make policy choices not inconsistent with
- 20 the uniform definitions.
- 21 4. CENTRAL REGISTRATION. The agreement must
- 22 provide a central, electronic registration system that
- 23 allows a seller to register to collect and remit sales
- 24 and use taxes for all member states.
- 25 5. NO NEXUS ATTRIBUTION. The agreement must
- 26 provide that registration with the central
- 27 registration system and the collection of sales and
- 28 use taxes in the member states must not be used as a
- 29 factor in determining whether the seller has nexus
- 30 with a state for any tax.
- 31 6. LOCAL SALES AND USE TAXES. The agreement must
- 32 provide for reduction of the burdens of complying with
- 33 local sales and use taxes through the following:
  - 34 a. Restricting variances between the state and
  - 35 local tax bases.
  - 36 b. Requiring states to administer any sales and
  - 37 use taxes levied by local jurisdictions within the
  - 38 state so that sellers collecting and remitting these
  - 39 taxes must not have to register or file returns with,
  - 40 remit funds to, or be subject to independent audits
  - 41 from local taxing jurisdictions.
  - 42 c. Restricting the frequency of changes in the
  - 43 local sales and use tax rates and setting effective
  - 44 dates for the application of local jurisdictional
  - 45 boundary changes to local sales and use taxes.
  - 46 d. Providing notice of changes in local sales and
  - 47 use tax rates and of changes in the boundaries of
  - 48 local taxing jurisdictions.
- 49 7. MONETARY ALLOWANCES. The agreement must
- 50 outline any monetary allowances that are to be

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1 provided by the states to sellers or certified service  
2 providers.

3 8. STATE COMPLIANCE. The agreement must require  
4 each state to certify compliance with the terms of the  
5 agreement prior to joining and to maintain compliance,  
6 under the laws of the member state, with all  
7 provisions of the agreement while a member.

8 9. CONSUMER PRIVACY. The agreement must require  
9 each state to adopt a uniform policy for certified  
10 service providers that protects the privacy of  
11 consumers and maintains the confidentiality of tax  
12 information.

13 10. ADVISORY COUNCILS. The agreement must provide  
14 for the appointment of an advisory council of private  
15 sector representatives and an advisory council of  
16 nonmember state representatives to consult with in the  
17 administration of the agreement.

18 Sec. 114. NEW SECTION. 423.12 LIMITED BINDING  
19 AND BENEFICIAL EFFECT.

20 1. The agreement binds and inures only to the  
21 benefit of Iowa and the other member states. A  
22 person, other than a member state, is not an intended  
23 beneficiary of the agreement. Any benefit to a person  
24 other than a member state is established by the law of  
25 Iowa and not by the terms of the agreement.

26 2. A person shall not have any cause of action or  
27 defense under the agreement or by virtue of this  
28 state's entry into the agreement. A person may not  
29 challenge, in any action brought under any provision  
30 of law, any action or inaction by any department,  
31 agency, or other instrumentality of this state, or any  
32 political subdivision of this state on the ground that  
33 the action or inaction is inconsistent with the  
34 agreement.

35 3. A law of this state, or the application of it,  
36 shall not be declared invalid as to any such person or  
37 circumstance on the ground that the provision or  
38 application is inconsistent with the agreement.

#### 39 SUBCHAPTER V

40 SALES AND USE TAX ACT -- ADMINISTRATION OF  
41 RETAILERS NOT REGISTERED UNDER THE AGREEMENT AND OF  
42 CONSUMERS OBLIGATED TO PAY USE TAX DIRECTLY

43 Sec. 115. NEW SECTION. 423.13 PURPOSE OF THIS  
44 SUBCHAPTER.

45 The purpose of this subchapter is to provide for  
46 the administration and collection of sales or use tax  
47 on the part of retailers who are not registered under  
48 the agreement and for the collection of use tax on the  
49 part of consumers who are obligated to pay that tax  
50 directly. Any application of the sections of this

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1 subchapter to retailers registered under the agreement  
2 is only by way of incorporation by reference into  
3 subchapter VI of this chapter.  
4 Sec. 116. NEW SECTION. 423.14 SALES AND USE TAX  
5 COLLECTION.  
6 1. a. Sales tax, other than that described in  
7 paragraph “c”, shall be collected by sellers who are  
8 retailers or by their agents. Sellers or their agents  
9 shall, as far as practicable, add the sales tax, or  
10 the average equivalent thereof, to the sales price or  
11 charge, less trade-ins allowed and taken and when  
12 added such tax shall constitute a part of the sales  
13 price or charge, shall be a debt from consumer or user  
14 to seller or agent until paid, and shall be  
15 recoverable at law in the same manner as other debts.  
16 b. In computing the tax to be collected as the  
17 result of any transaction, the tax computation must be  
18 carried to the third decimal place. Whenever the  
19 third decimal place is greater than four, the tax must  
20 be rounded up to the next whole cent; whenever the  
21 third decimal place is four or less, the tax must be  
22 rounded downward to a whole cent. Sellers may elect  
23 to compute the tax due on transactions on an item or  
24 invoice basis. Sellers are not required to use a  
25 bracket system.  
26 c. The tax imposed upon those sales of motor  
27 vehicle fuel which are subject to tax and refund under  
28 chapter 452A shall be collected by the state treasurer  
29 by way of deduction from refunds otherwise allowable  
30 under that chapter. The treasurer shall transfer the  
31 amount of such deductions from the motor vehicle fuel  
32 tax fund to the special tax fund.  
33 2. Use tax shall be collected in the following  
34 manner:  
35 a. The tax upon the use of all vehicles subject to  
36 registration or subject only to the issuance of a  
37 certificate of title or the tax upon the use of  
38 manufactured housing shall be collected by the county  
39 treasurer or the state department of transportation  
40 pursuant to sections 423.26 and 423.27. The county  
41 treasurer shall retain one dollar from each tax  
42 payment collected, to be credited to the county  
43 general fund.  
44 b. The tax upon the use of all tangible personal  
45 property other than that enumerated in paragraph “a”,  
46 which is sold by a seller who is a retailer  
47 maintaining a place of business in this state, or by  
48 such other retailer or agent as the director shall  
49 authorize pursuant to section 423.30, shall be  
50 collected by the retailer or agent and remitted to the

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1 department, pursuant to the provisions of paragraph  
2 “e”, and sections 423.24, 423.29, 423.30, 423.32, and  
3 423.33.

4 c. The tax upon the use of all tangible personal  
5 property not paid pursuant to paragraphs “a” and “b”  
6 shall be paid to the department directly by any person  
7 using the property within this state, pursuant to the  
8 provisions of section 423.34.

9 d. The tax imposed on the use of services  
10 enumerated in section 423.5 shall be collected,  
11 remitted, and paid to the department of revenue and  
12 finance in the same manner as use tax on tangible  
13 personal property is collected, remitted, and paid  
14 under this subchapter.

15 e. All persons obligated by paragraph “a”, “b”, or  
16 “d”, to collect use tax shall, as far as practicable,  
17 add that tax, or the average equivalent thereof, to  
18 the purchase price, less trade-ins allowed and taken,  
19 and when added the tax shall constitute a part of the  
20 purchase price. Use tax which this section requires  
21 to be collected by a retailer and any tax collected  
22 pursuant to this section by a retailer shall  
23 constitute a debt owed by the retailer to this state.  
24 Tax which must be paid directly to the department,  
25 pursuant to paragraph “c” or “d”, is to be computed  
26 and added by the consumer or user to the purchase  
27 price in the same manner as this paragraph requires a  
28 seller to compute and add the tax. The tax shall be a  
29 debt from the consumer or user to the department until  
30 paid, and shall be recoverable at law in the same  
31 manner as other debts.

32 Sec. 117. NEW SECTION. 423.15 GENERAL SOURCING  
33 RULES.

34 All sellers obligated to collect Iowa sales or use  
35 tax shall use the standards set out in this section to  
36 determine where sales of products occur, excluding  
37 sales enumerated in section 423.16. These provisions  
38 apply regardless of the characterization of a product  
39 as tangible personal property, a digital good, or a  
40 service, excluding telecommunications services. This  
41 section only applies to determine a seller’s  
42 obligation to pay or collect and remit a sales or use  
43 tax with respect to the seller’s sale of a product.  
44 This section does not affect the obligation of a  
45 purchaser or lessee to remit tax on the use of the  
46 product to the taxing jurisdictions in which the use  
47 occurs. A seller’s obligation to collect Iowa sales  
48 tax or Iowa use tax only occurs if the sale is sourced  
49 to this state. The application of whether Iowa sales  
50 tax applies to sales sourced to Iowa depends upon

1 where the sale is consummated by delivery.

2 1. Sales, excluding leases or rentals other than  
3 leases or rentals set out in subsection 2, of products  
4 shall be sourced as follows.

5 a. When the product is received by the purchaser  
6 at a business location of the seller, the sale is  
7 sourced to that business location.

8 b. When the product is not received by the  
9 purchaser at a business location of the seller, the  
10 sale is sourced to the location where receipt by the  
11 purchaser or the purchaser’s donee, designated as such  
12 by the purchaser, occurs, including the location  
13 indicated by instructions for delivery to the  
14 purchaser or donee, known to the seller.

15 c. When paragraphs “a” and “b” do not apply, the  
16 sale is sourced to the location indicated by an  
17 address for the purchaser that is available from the  
18 business records of the seller that are maintained in  
19 the ordinary course of the seller’s business when use  
20 of this address does not constitute bad faith.

21 d. When paragraphs “a”, “b”, and “c” do not apply,  
22 the sale is sourced to the location indicated by an  
23 address for the purchaser obtained during the  
24 consummation of the sale, including the address of a  
25 purchaser’s payment instrument, if no other address is  
26 available, when use of this address does not  
27 constitute bad faith.

28 e. When paragraphs “a”, “b”, “c”, and “d” do not  
29 apply, including the circumstance where the seller is  
30 without sufficient information to apply the previous  
31 rules, then the location will be determined by the  
32 address from which tangible personal property was  
33 shipped, from which the digital good or the computer  
34 software delivered electronically was first available  
35 for transmission by the seller, or from which the  
36 service was provided disregarding for these purposes  
37 any location that merely provided the digital transfer  
38 of the product sold.

39 2. The lease or rental of tangible personal  
40 property, other than property identified in subsection  
41 3 or section 423.16, shall be sourced as follows:

42 a. For a lease or rental that requires recurring  
43 periodic payments, the first periodic payment is  
44 sourced the same as a retail sale in accordance with  
45 the provisions of subsection 1. Periodic payments  
46 made subsequent to the first payment are sourced to  
47 the primary property location for each period covered  
48 by the payment. The primary property location shall  
49 be as indicated by an address for the property  
50 provided by the lessee that is available to the lessor

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1 from its records maintained in the ordinary course of  
2 business, when use of this address does not constitute  
3 bad faith. The property location shall not be altered  
4 by intermittent use at different locations, such as  
5 use of business property that accompanies employees on  
6 business trips and service calls.

7 b. For a lease or rental that does not require  
8 recurring periodic payments, the payment is sourced  
9 the same as a retail sale in accordance with the  
10 provisions of subsection 1.

11 c. This subsection does not affect the imposition  
12 or computation of sales or use tax on leases or  
13 rentals based on a lump sum or accelerated basis, or  
14 on the acquisition of property for lease.

15 3. The retail sale, including lease or rental, of  
16 transportation equipment shall be sourced the same as  
17 a retail sale in accordance with the provisions of  
18 subsection 1, notwithstanding the exclusion of lease  
19 or rental in that subsection. "Transportation  
20 equipment" means any of the following:

21 a. Locomotives or railcars that are utilized for  
22 the carriage of persons or property in interstate  
23 commerce.

24 b. Trucks and truck-tractors with a gross vehicle  
25 weight rating of ten thousand one pounds or greater,  
26 trailers, semitrailers, or passenger buses that meet  
27 both of the following requirements:

28 (1) Are registered through the international  
29 registration plan.

30 (2) Are operated under authority of a carrier  
31 authorized and certificated by the United States  
32 department of transportation or another federal  
33 authority to engage in the carriage of persons or  
34 property in interstate commerce.

35 c. Aircraft that are operated by air carriers  
36 authorized and certificated by the United States  
37 department of transportation or another federal or a  
38 foreign authority to engage in the carriage of persons  
39 or property in interstate or foreign commerce.

40 d. Containers designed for use on and component  
41 parts attached or secured on the items set forth in  
42 paragraphs "a" through "c".

43 Sec. 118. **NEW SECTION. 423.16 TRANSACTIONS TO**  
44 **WHICH THE GENERAL SOURCING RULES DO NOT APPLY.**

45 Section 423.15 does not apply to sales or use taxes  
46 levied on the following:

47 1. The retail sale or transfer of watercraft,  
48 modular homes, manufactured housing, or mobile homes,  
49 and the retail sale, excluding lease or rental, of  
50 motor vehicles, trailers, semitrailers, or aircraft

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1 that do not qualify as transportation equipment, as  
2 defined in section 423.15, subsection 3.

3 2. The lease or rental of motor vehicles,  
4 trailers, semitrailers, or aircraft that do not  
5 qualify as transportation equipment, as defined in  
6 section 423.15, subsection 3, which shall be sourced  
7 in accordance with section 423.17.

8 3. Transactions to which the multiple points use  
9 exemption is applicable, which shall be sourced in  
10 accordance with section 423.18.

11 4. Transactions to which direct mail sourcing is  
12 applicable, which shall be sourced in accordance with  
13 section 423.19.

14 5. Telecommunications services, as set out in  
15 section 423.20, which shall be sourced in accordance  
16 with section 423.20, subsection 2.

17 Sec. 119. NEW SECTION. 423.17 SOURCING RULES FOR  
18 VARIOUS TYPES OF LEASED OR RENTED EQUIPMENT WHICH IS  
19 NOT TRANSPORTATION EQUIPMENT.

20 The lease or rental of motor vehicles, trailers,  
21 semitrailers, or aircraft that do not qualify as  
22 transportation equipment, as defined in section  
23 423.15, subsection 3, shall be sourced as follows:

24 1. For a lease or rental that requires recurring  
25 periodic payments, each periodic payment is sourced to  
26 the primary property location. The primary property  
27 location shall be as indicated by an address for the  
28 property provided by the lessee that is available to  
29 the lessor from its records maintained in the ordinary  
30 course of business, when use of this address does not  
31 constitute bad faith. This location shall not be  
32 altered by intermittent use at different locations.

33 2. For a lease or rental that does not require  
34 recurring periodic payments, the payment is sourced  
35 the same as a retail sale in accordance with the  
36 provisions of section 423.15, subsection 1.

37 3. This section does not affect the imposition or  
38 computation of sales or use tax on leases or rentals  
39 based on a lump sum or accelerated basis, or on the  
40 acquisition of property for lease.

41 Sec. 120. NEW SECTION. 423.18 MULTIPLE POINTS OF  
42 USE EXEMPTION FORMS.

43 A business purchaser that is not a holder of a  
44 direct pay tax permit pursuant to section 423.36 that  
45 knows at the time of its purchase of a digital good,  
46 computer software delivered electronically, or a  
47 service that the digital good, computer software  
48 delivered electronically, or service will be  
49 concurrently available for use in more than one  
50 jurisdiction shall deliver to the seller in

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1 conjunction with its purchase a “multiple points of  
2 use” or “MPU” exemption form disclosing this fact.  
3 1. Upon receipt of the MPU exemption form, the  
4 seller is relieved of all obligation to collect, pay,  
5 or remit the applicable tax and the purchaser shall be  
6 obligated to collect, pay, or remit the applicable tax  
7 on a direct pay basis.

8 2. A purchaser delivering the MPU exemption form  
9 may use any reasonable, but consistent and uniform,  
10 method of apportionment that is supported by the  
11 purchaser’s business records as they exist at the time  
12 of the consummation of the sale.

13 3. The MPU exemption form will remain in effect  
14 for all future sales by the seller to the purchaser  
15 except as to the subsequent sale’s specific  
16 apportionment that is governed by the principle of  
17 subsection 2 and the facts existing at the time of the  
18 sale until it is revoked in writing.

19 4. A holder of a direct pay tax permit under  
20 section 423.36 shall not be required to deliver an MPU  
21 exemption form to the seller. A direct pay tax permit  
22 holder shall follow the provisions of subsection 2 in  
23 apportioning the tax due on a digital good, computer  
24 software delivered electronically, or service that  
25 will be concurrently available for use in more than  
26 one jurisdiction.

27 Sec. 121. **NEW SECTION. 423.19 DIRECT MAIL**  
28 **SOURCING.**

29 1. Notwithstanding section 423.15, a purchaser of  
30 direct mail that is not a holder of a direct pay tax  
31 permit pursuant to section 423.36 shall provide to the  
32 seller in conjunction with the purchase either a  
33 direct mail form or information to show the  
34 jurisdictions to which the direct mail is delivered to  
35 recipients.

36 a. Upon receipt of the direct mail form, the  
37 seller is relieved of all obligations to collect, pay,  
38 or remit the applicable tax and the purchaser is  
39 obligated to pay or remit the applicable tax on a  
40 direct pay basis. A direct mail form shall remain in  
41 effect for all future sales of direct mail by the  
42 seller to the purchaser until it is revoked in  
43 writing.

44 b. Upon receipt of information from the purchaser  
45 showing the jurisdictions to which the direct mail is  
46 delivered to recipients, the seller shall collect the  
47 tax according to the delivery information provided by  
48 the purchaser. In the absence of bad faith, the  
49 seller is relieved of any further obligation to  
50 collect tax on any transaction where the seller has

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1 collected tax pursuant to the delivery information  
2 provided by the purchaser.  
3 2. If the purchaser of direct mail does not have a  
4 direct pay tax permit and does not provide the seller  
5 with either a direct mail form or delivery  
6 information, as required by subsection 1, the seller  
7 shall collect the tax according to section 423.15,  
8 subsection 1, paragraph “e”. Nothing in this  
9 subsection shall limit a purchaser’s obligation for  
10 sales or use tax to any state to which the direct mail  
11 is delivered.

12 3. If a purchaser of direct mail provides the  
13 seller with documentation of direct pay authority, the  
14 purchaser shall not be required to provide a direct  
15 mail form or delivery information to the seller.

16 Sec. 122. NEW SECTION. 423.20 TELECOMMUNICATIONS  
17 SERVICE SOURCING.

18 1. As used in this section:

19 a. “Air-to-ground radiotelephone service” means a  
20 radio service, as that term is used in 47 C.F.R. }  
21 22.99, in which common carriers are authorized to  
22 offer and provide radio telecommunications service for  
23 hire to subscribers in aircraft.

24 b. “Call-by-call basis” means any method of  
25 charging for the telecommunications service where the  
26 price is measured by individual calls.

27 c. “Communications channel” means a physical or  
28 virtual path of communications over which signals are  
29 transmitted between or among customer channel  
30 termination points.

31 d. “Customer” means the person or entity that  
32 contracts with the seller of the telecommunications  
33 service. If the end user of the telecommunications  
34 service is not the contracting party, the end user of  
35 the telecommunications service is the customer of the  
36 telecommunications service, but this sentence only  
37 applies for the purpose of sourcing sales of the  
38 telecommunications service under this section.

39 “Customer” does not include a reseller of a  
40 telecommunications service or for mobile  
41 telecommunications service of a serving carrier under  
42 an agreement to serve the customer outside the home  
43 service provider’s licensed service area.

44 e. “Customer channel termination point” means the  
45 location where the customer either inputs or receives  
46 the communications.

47 f. “End user” means the person who utilizes the  
48 telecommunications service. In the case of an entity,  
49 “end user” means the individual who utilizes the  
50 service on behalf of the entity.

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- 1 g. “Home service provider” means the same as that  
2 term is defined in the federal Mobile  
3 Telecommunications Sourcing Act, Pub. L. No. 106-252,  
4 4 U.S.C. } 124(5).
- 5 h. “Mobile telecommunications service” means the  
6 same as that term is defined in federal Mobile  
7 Telecommunications Sourcing Act, Pub. L. No. 106-252,  
8 4 U.S.C. } 124(7).
- 9 i. “Place of primary use” means the street address  
10 representative of where the customer’s use of the  
11 telecommunications service primarily occurs, which  
12 must be the residential street address or the primary  
13 business street address of the customer. In the case  
14 of mobile telecommunications service, “place of  
15 primary use” must be within the licensed service area  
16 of the home service provider.
- 17 j. “Postpaid calling service” means the  
18 telecommunications service obtained by making a  
19 payment on a call-by-call basis either through the use  
20 of a credit card or payment mechanism such as a bank  
21 card, travel card, credit card, or debit card, or by  
22 charge made to a telephone number which is not  
23 associated with the origination or termination of the  
24 telecommunications service. A “postpaid calling  
25 service” includes a telecommunications service that  
26 would be a prepaid calling service except it is not  
27 exclusively a telecommunications service.
- 28 k. “Prepaid calling service” means the right to  
29 access exclusively telecommunications services, which  
30 must be paid for in advance and which enables the  
31 origination of calls using an access number or  
32 authorization code, whether manually or electronically  
33 dialed, and that is sold in predetermined units or  
34 dollars of which the amount declines with use in a  
35 known amount.
- 36 l. “Private communication service” means a  
37 telecommunications service that entitles the customer  
38 to exclusive or priority use of a communications  
39 channel or group of channels between or among  
40 termination points, regardless of the manner in which  
41 such channel or channels are connected, and includes  
42 switching capacity, extension lines, stations, and any  
43 other associated services that are provided in  
44 connection with the use of such channel or channels.
- 45 m. “Service address” means one of the following:
- 46 (1) The location of the telecommunications  
47 equipment to which a customer’s call is charged and  
48 from which the call originates or terminates,  
49 regardless of where the call is billed or paid.
- 50 (2) If the location in subparagraph (1) is not

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- 1 known, “service address” means the origination point  
2 of the signal of the telecommunications service first  
3 identified by either the seller’s telecommunications  
4 system or in information received by the seller from  
5 its service provider, where the system used to  
6 transport such signals is not that of the seller.
- 7 (3) If the locations in subparagraphs (1) and (2)  
8 are not known, the “service address” means the  
9 location of the customer’s place of primary use.
- 10 2. Sales of telecommunications services shall be  
11 sourced in the following manner:
- 12 a. Except for the defined telecommunications  
13 services in paragraph “c”, the sale of  
14 telecommunications services sold on a call-by-call  
15 basis shall be sourced to one of the following:
- 16 (1) Each level of taxing jurisdiction where the  
17 call originates and terminates in that jurisdiction.
- 18 (2) Each level of taxing jurisdiction where the  
19 call either originates or terminates and in which the  
20 service address is also located.
- 21 b. Except for the defined telecommunications  
22 services in paragraph “c”, a sale of  
23 telecommunications services sold on a basis other than  
24 a call-by-call basis is sourced to the customer’s  
25 place of primary use.
- 26 c. Sale of the following telecommunications  
27 services shall be sourced to each level of taxing  
28 jurisdiction as follows:
- 29 (1) A sale of mobile telecommunications services  
30 other than air-to-ground radiotelephone service or  
31 prepaid calling service is sourced to the customer’s  
32 place of primary use as required by the federal Mobile  
33 Telecommunications Sourcing Act.
- 34 (2) A sale of postpaid calling service is sourced  
35 to the origination point of the telecommunications  
36 signal as first identified by either of the following:
- 37 (a) The seller’s telecommunications system.
- 38 (b) Information received by the seller from its  
39 service provider, where the system used to transport  
40 such signals is not that of the seller.
- 41 (3) A sale of prepaid calling service is sourced  
42 in accordance with section 423.15. However, in the  
43 case of a sale of mobile telecommunications services  
44 that is a prepaid telecommunications service, the rule  
45 provided in section 423.15, subsection 1, paragraph  
46 “e”, shall include as an option the location  
47 associated with the mobile telephone number.
- 48 (4) A sale of a private telecommunications service  
49 is sourced as follows:
- 50 (a) Service for a separate charge related to a

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1 customer channel termination point is sourced to each  
2 level of jurisdiction in which such customer channel  
3 termination point is located.

4 (b) Service where all customer termination points  
5 are located entirely within one jurisdiction or level  
6 of jurisdiction is sourced in such jurisdiction in  
7 which the customer channel termination points are  
8 located.

9 (c) Service for segments of a channel between two  
10 customer channel termination points located in  
11 different jurisdictions and which segments of a  
12 channel are separately charged is sourced fifty  
13 percent in each level of jurisdiction in which the  
14 customer channel termination points are located.

15 (d) Service for segments of a channel located in  
16 more than one jurisdiction or levels of jurisdiction  
17 and which segments are not separately billed is  
18 sourced in each jurisdiction based on the percentage  
19 determined by dividing the number of customer channel  
20 termination points in such jurisdiction by the total  
21 number of customer channel termination points.

22 Sec. 123. NEW SECTION. 423.21 BAD DEBT  
23 DEDUCTIONS.

24 1. For the purposes of this section, “bad debt”  
25 means an amount properly calculated pursuant to  
26 section 166 of the Internal Revenue Code then adjusted  
27 to exclude financing charges or interest, sales or use  
28 taxes charged on the purchase price, uncollectible  
29 amounts on property that remain in the possession of  
30 the seller until the full purchase price is paid,  
31 expenses incurred in attempting to collect any debt,  
32 and repossessed property.

33 2. In computing the amount of tax due, a seller  
34 may deduct bad debts from the total amount upon which  
35 the tax is calculated for any return. Any deduction  
36 taken or refund paid which is attributed to bad debts  
37 shall not include interest.

38 3. A seller may deduct bad debts on the return for  
39 the period during which the bad debt is written off as  
40 uncollectible in the seller’s books and records and is  
41 eligible to be deducted for federal income tax  
42 purposes. For purposes of this subsection, a seller  
43 who is not required to file federal income tax returns  
44 may deduct a bad debt on a return filed for the period  
45 in which the bad debt is written off as uncollectible  
46 in the seller’s books and records and would be  
47 eligible for a bad debt deduction for federal income  
48 tax purposes if the seller were required to file a  
49 federal income tax return.

50 4. If a deduction is taken for a bad debt and the

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1 seller subsequently collects the debt in whole or in  
2 part, the tax on the amount so collected must be paid  
3 and reported on the return filed for the period in  
4 which the collection is made.

5 5. A seller may obtain a refund of tax on any  
6 amount of bad debt that exceeds the amount of taxable  
7 sales within the period allowed for refund claims by  
8 section 423.47. However, the period allowed for  
9 refund claims shall be measured from the due date of  
10 the return on which the bad debt could first be  
11 claimed.

12 6. For the purposes of computing a bad debt  
13 deduction or reporting a payment received on a  
14 previously claimed bad debt, any payments made on a  
15 debt or account shall be applied first to the price of  
16 the property or service and tax thereon,  
17 proportionally, and secondly to interest, service  
18 charges, and any other charges.

19 Sec. 124. NEW SECTION. 423.22 TAXATION IN  
20 ANOTHER STATE.

21 If any person who causes tangible personal property  
22 to be brought into this state or who uses in this  
23 state services enumerated in section 423.2 has already  
24 paid a tax in another state in respect to the sale or  
25 use of the property or the performance of the service,  
26 or an occupation tax in respect to the property or  
27 service, in an amount less than the tax imposed by  
28 subchapter II or III, the provisions of those  
29 subchapters shall apply, but at a rate measured by the  
30 difference only between the rate fixed by subchapter  
31 II or III and the rate by which the previous tax on  
32 the sale or use, or the occupation tax, was computed.  
33 If the tax imposed and paid in the other state is  
34 equal to or more than the tax imposed by those  
35 subchapters, then a tax is not due in this state on  
36 the personal property or service.

37 Sec. 125. NEW SECTION. 423.23 SELLERS'  
38 AGREEMENTS.

39 Agreements between competing sellers, or the  
40 adoption of appropriate rules and regulations by  
41 organizations or associations of sellers to provide  
42 uniform methods for adding sales or use tax or the  
43 average equivalent thereof, and which do not involve  
44 price-fixing agreements otherwise unlawful, are  
45 expressly authorized and shall be held not in  
46 violation of chapter 553 or other antitrust laws of  
47 this state. The director shall cooperate with  
48 sellers, organizations, or associations in formulating  
49 agreements and rules.

50 Sec. 126. NEW SECTION. 423.24 ABSORBING TAX

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1 PROHIBITED.

2 A seller shall not advertise or hold out or state  
3 to the public or to any purchaser, consumer, or user,  
4 directly or indirectly, that the taxes or any parts  
5 thereof imposed by subchapter II or III will be  
6 assumed or absorbed by the seller or the taxes will  
7 not be added to the sales price of the property sold,  
8 or if added that the taxes or any part thereof will be  
9 refunded. Any person violating any of the provisions  
10 of this section within this state is guilty of a  
11 simple misdemeanor.

12 Sec. 127. NEW SECTION. 423.25 DIRECTOR'S POWER  
13 TO ADOPT RULES.

14 The director shall have the power to adopt rules  
15 for adding the taxes imposed by subchapters II and  
16 III, or the average equivalents thereof, by providing  
17 different methods applying uniformly to retailers  
18 within the same general classification for the purpose  
19 of enabling the retailers to add and collect, as far  
20 as practicable, the amounts of those taxes.

21 Sec. 128. NEW SECTION. 423.26 VEHICLES SUBJECT  
22 TO REGISTRATION OR ONLY TO THE ISSUANCE OF TITLE --  
23 MANUFACTURED HOUSING.

24 The use tax imposed upon the use of vehicles  
25 subject to registration or subject only to the  
26 issuance of a certificate of title or imposed upon the  
27 use of manufactured housing shall be paid by the owner  
28 of the vehicle or of the manufactured housing to the  
29 county treasurer or the state department of  
30 transportation from whom the registration receipt or  
31 certificate of title is obtained. A registration  
32 receipt for a vehicle subject to registration or  
33 certificate of title shall not be issued until the tax  
34 has been paid. The county treasurer or the state  
35 department of transportation shall require every  
36 applicant for a registration receipt for a vehicle  
37 subject to registration or certificate of title to  
38 supply information as the county treasurer or the  
39 director deems necessary as to the time of purchase,  
40 the purchase price, installed purchase price, and  
41 other information relative to the purchase of the  
42 vehicle or manufactured housing. On or before the  
43 tenth day of each month, the county treasurer or the  
44 state department of transportation shall remit to the  
45 department the amount of the taxes collected during  
46 the preceding month.

47 A person who willfully makes a false statement in  
48 regard to the purchase price of a vehicle subject to  
49 taxation under this section is guilty of a fraudulent  
50 practice. A person who willfully makes a false

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1 statement in regard to the purchase price of such a  
2 vehicle with the intent to evade the payment of tax  
3 shall be assessed a penalty of seventy-five percent of  
4 the amount of tax unpaid and required to be paid on  
5 the actual purchase price less trade-in allowance.

6 Sec. 129. NEW SECTION. 423.27 MOTOR VEHICLE  
7 LEASE TAX.

8 1. The use tax imposed upon the use of leased  
9 vehicles subject to registration under chapter 321,  
10 with gross vehicle weight ratings of less than sixteen  
11 thousand pounds, excluding motorcycles and motorized  
12 bicycles, which are leased by a lessor licensed  
13 pursuant to chapter 321F for a period of twelve months  
14 or more shall be paid by the owner of the vehicle to  
15 the county treasurer or state department of  
16 transportation from whom the registration receipt or  
17 certificate of title is obtained. A registration  
18 receipt for a vehicle subject to registration or  
19 issuance of a certificate of title shall not be issued  
20 until the tax is paid in the initial instance. Tax on  
21 the lease transaction that does not require titling or  
22 registration of the vehicle shall be remitted to the  
23 department. Tax and the reporting of tax due to the  
24 department shall be remitted on or before fifteen days  
25 from the last day of the month that the vehicle lease  
26 tax becomes due. Failure to timely report or remit  
27 any of the tax when due shall result in a penalty and  
28 interest being imposed on the tax due pursuant to  
29 section 423.40, subsection 1, and section 423.42,  
30 subsection 1.

31 2. The amount subject to tax shall be computed on  
32 each separate lease transaction by taking the total of  
33 the lease payments, plus the down payment, and  
34 excluding all of the following:

- 35 a. Title fee.
- 36 b. Registration fees.
- 37 c. Vehicle lease tax pursuant to this section.
- 38 d. Federal excise taxes attributable to the sale  
39 of the vehicle to the owner or to the lease of the  
40 vehicle by the owner.
- 41 e. Optional service or warranty contracts subject  
42 to tax pursuant to section 423.2, subsection 1.
- 43 f. Insurance.
- 44 g. Manufacturer's rebate.
- 45 h. Refundable deposit.
- 46 i. Finance charges, if any, on items listed in  
47 paragraphs "a" through "h".

48 If any or all of the items in paragraphs "a"  
49 through "i" are excluded from the taxable lease price,  
50 the owner shall maintain adequate records of the

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1 amounts of those items. If the parties to a lease  
2 enter into an agreement providing that the tax imposed  
3 under this statute is to be paid by the lessee or  
4 included in the monthly lease payments to be paid by  
5 the lessee, the total cost of the tax shall not be  
6 included in the computation of lease price for the  
7 purpose of taxation under this section. The county  
8 treasurer, the state department of transportation, or  
9 the department of revenue and finance shall require  
10 every applicant for a registration receipt for a  
11 vehicle subject to tax under this section to supply  
12 information as the county treasurer or director deems  
13 necessary as to the date of the lease transaction, the  
14 lease price, and other information relative to the  
15 lease of the vehicle.

16 3. On or before the tenth day of each month, the  
17 county treasurer or the state department of  
18 transportation shall remit to the department the  
19 amount of the taxes collected during the preceding  
20 month.

21 4. If the lease is terminated prior to the  
22 termination date contained in the lease agreement, no  
23 refund shall be allowed for tax previously paid under  
24 this section, except as provided in section 322G.4.

25 Sec. 130. NEW SECTION. 423.28 SALES TAX REPORT  
26 -- DEDUCTION.

27 Motor vehicle or trailer dealers, in making their  
28 reports and returns to the department for the purpose  
29 of paying the sales tax, shall be permitted to deduct  
30 all sales prices from retail sales of vehicles subject  
31 to registration or subject only to the issuance of a  
32 certificate of title. Sales prices from sales of  
33 vehicles subject to registration or subject only to  
34 the issuance of a certificate of title are exempted  
35 from the sales tax, but, if required by the director,  
36 the sales prices shall be included in the returns made  
37 by motor vehicle or trailer dealers under subchapter  
38 II, and proper deductions taken pursuant to this  
39 section.

40 Sec. 131. NEW SECTION. 423.29 COLLECTIONS BY  
41 SELLERS.

42 Every seller who is a retailer and who is making  
43 taxable sales of tangible personal property in Iowa  
44 shall, at the time of selling the property, collect  
45 the sales tax. Every seller who is a retailer  
46 maintaining a place of business in this state and  
47 selling tangible personal property for use in Iowa  
48 shall, at the time of making the sale, whether within  
49 or without the state, collect the use tax. Sellers  
50 required to collect sales or use tax shall give to any

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1 purchaser a receipt for the tax collected in the  
2 manner and form prescribed by the director.  
3 Every seller who is a retailer furnishing taxable  
4 services in Iowa and every seller who is a retailer  
5 maintaining a place of business in this state and  
6 furnishing taxable services in Iowa or services  
7 outside Iowa if the product or result of the service  
8 is used in Iowa shall be subject to the provisions of  
9 the preceding paragraph.

10 Sec. 132. NEW SECTION. 423.30 FOREIGN SELLERS  
11 NOT REGISTERED UNDER THE AGREEMENT.

12 The director may, upon application, authorize the  
13 collection of the use tax by any seller who is a  
14 retailer not maintaining a place of business within  
15 this state and not registered under the agreement,  
16 who, to the satisfaction of the director, furnishes  
17 adequate security to ensure collection and payment of  
18 the tax. Such sellers shall be issued, without  
19 charge, permits to collect tax subject to any  
20 regulations which the director shall prescribe. When  
21 so authorized, it shall be the duty of foreign sellers  
22 to collect the tax upon all tangible personal property  
23 sold, to the retailer's knowledge, for use within this  
24 state, in the same manner and subject to the same  
25 requirements as a retailer maintaining a place of  
26 business within this state. The authority and permit  
27 may be canceled when, at any time, the director  
28 considers the security inadequate, or that tax can  
29 more effectively be collected from the person using  
30 property in this state.

31 The discretionary power granted in this section is  
32 extended to apply in the case of foreign retailers  
33 furnishing services enumerated in section 423.2.

34 Sec. 133. NEW SECTION. 423.31 FILING OF SALES  
35 TAX RETURNS AND PAYMENT OF SALES TAX.

36 1. Each person subject to this section and section  
37 423.36 and in accordance with the provisions of this  
38 section and section 423.36 shall, on or before the  
39 last day of the month following the close of each  
40 calendar quarter during which such person is or has  
41 become or ceased being subject to the provisions of  
42 this section and section 423.36, make, sign, and file  
43 a return for the calendar quarter in the form as may  
44 be required. Returns shall show information relating  
45 to sales prices including goods, wares, and services  
46 converted to the use of such person, the amounts of  
47 sales prices excluded and exempt from the tax, the  
48 amounts of sales prices subject to tax, a calculation  
49 of tax due, and any other information for the period  
50 covered by the return as may be required. Returns

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1 shall be signed by the retailer or the retailer's  
2 authorized agent and must be certified by the retailer  
3 to be correct in accordance with forms and rules  
4 prescribed by the director.

5 2. Persons required to file, or committed to file  
6 by reason of voluntary action or by order of the  
7 department, deposits of taxes due under this  
8 subchapter shall be entitled to take credit against  
9 the total quarterly amount of tax due such amount as  
10 shall have been deposited by such persons during that  
11 calendar quarter. The balance remaining due after  
12 such credit for deposits shall be entered on the  
13 return. However, such person may be granted an  
14 extension of time not exceeding thirty days for filing  
15 the quarterly return, upon a proper showing of  
16 necessity. If an extension is granted, such person  
17 shall have paid by the twentieth day of the month  
18 following the close of such quarter ninety percent of  
19 the estimated tax due.

20 3. The sales tax forms prescribed by the director  
21 shall be referred to as "retailers tax deposit".  
22 Deposit forms shall be signed by the retailer or the  
23 retailer's duly authorized agent, and shall be duly  
24 certified by the retailer or agent to be correct. The  
25 director may authorize incorporated banks and trust  
26 companies or other depositories authorized by law  
27 which are depositories or financial agents of the  
28 United States, or of this state, to receive any sales  
29 tax imposed under this chapter, in the manner, at the  
30 times, and under the conditions the director  
31 prescribes. The director shall prescribe the manner,  
32 times, and conditions under which the receipt of the  
33 tax by those depositories is to be treated as payment  
34 of the tax to the department.

35 4. Every retailer at the time of making any return  
36 required by this section shall compute and pay to the  
37 department the tax due for the preceding period. The  
38 tax on sales prices from the sale or rental of  
39 tangible personal property under a consumer rental  
40 purchase agreement as defined in section 537.3604,  
41 subsection 8, is payable in the tax period of receipt.

42 5. Upon making application and receiving approval  
43 from the director, a parent corporation and its  
44 affiliated corporations that make retail sales of  
45 tangible personal property or taxable enumerated  
46 services may make deposits and file a consolidated  
47 sales tax return for the affiliated group, pursuant to  
48 rules adopted by the director. A parent corporation  
49 and each affiliate corporation that files a  
50 consolidated return are jointly and severally liable

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1 for all tax, penalty, and interest found due for the  
2 tax period for which a consolidated return is filed or  
3 required to be filed.

4 A business required to file a consolidated sales  
5 tax return shall file a form entitled "schedule of  
6 consolidated business locations" with its quarterly  
7 sales tax return that shows the taxpayer's  
8 consolidated permit number, the permit number for each  
9 Iowa business location, the state sales tax amount by  
10 business location, and the amount of state sales tax  
11 due on goods consumed that are not assigned to a  
12 specific business location. Consolidated quarterly  
13 sales tax returns that are not accompanied by the  
14 schedule of consolidated business locations form are  
15 considered incomplete and are subject to penalty under  
16 section 421.27.

17 6. If necessary or advisable in order to insure  
18 the payment of the tax, the director may require  
19 returns and payment of the tax to be made for other  
20 than quarterly periods, the provisions of this  
21 section, or other provision to the contrary  
22 notwithstanding.

23 Sec. 134. NEW SECTION. 423.32 FILING OF USE TAX  
24 RETURNS AND PAYMENT OF USE TAX.

25 1. A retailer maintaining a place of business in  
26 this state who is required to collect or a user who is  
27 required to pay the use tax or a foreign retailer  
28 authorized, pursuant to section 423.30, to collect the  
29 use tax, shall remit to the department the amount of  
30 tax on or before the last day of the month following  
31 each calendar quarterly period. However, a retailer  
32 who collects or owes more than fifteen hundred dollars  
33 in use taxes in a month shall deposit with the  
34 department or in a depository authorized by law and  
35 designated by the director, the amount collected or  
36 owed, with a deposit form for the month as prescribed  
37 by the director.

38 a. The deposit form is due on or before the  
39 twentieth day of the month following the month of  
40 collection, except a deposit is not required for the  
41 third month of the calendar quarter, and the total  
42 quarterly amount, less the amounts deposited for the  
43 first two months of the quarter, is due with the  
44 quarterly report on the last day of the month  
45 following the month of collection. At that time, the  
46 retailer shall file with the department a return for  
47 the preceding quarterly period in the form prescribed  
48 by the director showing the purchase price of the  
49 tangible personal property sold by the retailer during  
50 the preceding quarterly period, the use of which is

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1 subject to the use tax imposed by this chapter, and  
2 other information the director deems necessary for the  
3 proper administration of the use tax.

4 b. The return shall be accompanied by a remittance  
5 of the use tax for the period covered by the return.  
6 If necessary in order to ensure payment to the state  
7 of the tax, the director may in any or all cases  
8 require returns and payments to be made for other than  
9 quarterly periods. The director, upon request and a  
10 proper showing of necessity, may grant an extension of  
11 time not to exceed thirty days for making any return  
12 and payment. Returns shall be signed, in accordance  
13 with forms and rules prescribed by the director, by  
14 the retailer or the retailer's authorized agent, and  
15 shall be certified by the retailer or agent to be  
16 correct.

17 2. If it is reasonably expected, as determined by  
18 rules prescribed by the director, that a retailer's  
19 annual sales or use tax liability will not exceed one  
20 hundred twenty dollars for a calendar year, the  
21 retailer may request and the director may grant  
22 permission to the retailer, in lieu of the quarterly  
23 filing and remitting requirements set out elsewhere in  
24 this section, to file the return required by and remit  
25 the sales or use tax due under this section on a  
26 calendar-year basis. The return and tax are due and  
27 payable no later than January 31 following each  
28 calendar year in which the retailer carries on  
29 business.

30 3. The director, in cooperation with the  
31 department of management, may periodically change the  
32 filing and remittance thresholds by administrative  
33 rule if in the best interests of the state and  
34 taxpayer to do so.

35 Sec. 135. NEW SECTION. 423.33 LIABILITY OF  
36 PERSONS OTHER THAN RETAILERS FOR PAYMENT OF SALES OR  
37 USE TAX.

38 1. LIABILITY OF PURCHASER FOR SALES TAX. If a  
39 purchaser fails to pay sales tax to the retailer  
40 required to collect the tax, then in addition to all  
41 of the rights, obligations, and remedies provided, the  
42 tax is payable by the purchaser directly to the  
43 department, and sections 423.31, 423.32, 423.37,  
44 423.38, 423.39, 423.40, 423.41, and 423.42 apply to  
45 the purchaser. For failure to pay, the retailer and  
46 purchaser are liable, unless the circumstances  
47 described in section 421.60, subsection 2, paragraph  
48 "m", or section 423.45, subsection 4, paragraph "b" or  
49 "e", or subsection 5, paragraph "c" or "e", are  
50 applicable.

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1 2. IMMEDIATE SUCCESSOR LIABILITY FOR SALES OR USE  
2 TAX. If a retailer sells the retailer's business or  
3 stock of goods or quits the business, the retailer  
4 shall prepare a final return and pay all sales or use  
5 tax due within the time required by law. The  
6 immediate successor to the retailer, if any, shall  
7 withhold a sufficient portion of the purchase price,  
8 in money or money's worth, to pay the amount of  
9 delinquent tax, interest, or penalty due and unpaid.  
10 If the immediate successor of the business or stock of  
11 goods intentionally fails to withhold the amount due  
12 from the purchase price as provided in this  
13 subsection, the immediate successor is personally  
14 liable for the payment of delinquent taxes, interest,  
15 and penalty accrued and unpaid on account of the  
16 operation of the business by the immediate former  
17 retailer, except when the purchase is made in good  
18 faith as provided in section 421.28. However, a  
19 person foreclosing on a valid security interest or  
20 retaking possession of premises under a valid lease is  
21 not an "immediate successor" for purposes of this  
22 section. The department may waive the liability of  
23 the immediate successor under this subsection if the  
24 immediate successor exercised good faith in  
25 establishing the amount of the previous liability.

26 3. EVENT SPONSOR'S LIABILITY FOR SALES TAX. A  
27 person sponsoring a flea market or a craft, antique,  
28 coin, or stamp show or similar event shall obtain from  
29 every retailer selling tangible personal property or  
30 taxable services at the event proof that the retailer  
31 possesses a valid sales tax permit or secure from the  
32 retailer a statement, taken in good faith, that  
33 property or services offered for sale are not subject  
34 to sales tax. Failure to do so renders a sponsor of  
35 the event liable for payment of any sales tax,  
36 interest, and penalty due and owing from any retailer  
37 selling property or services at the event. Sections  
38 423.31, 423.32, 423.37, 423.38, 423.39, 423.40,  
39 423.41, and 423.42 apply to the sponsors. For  
40 purposes of this subsection, a person sponsoring a  
41 flea market or a craft, antique, coin, or stamp show  
42 or similar event does not include an organization  
43 which sponsors an event less than three times a year  
44 or a state, county, or district agricultural fair.

45 Sec. 136. NEW SECTION. 423.34 LIABILITY OF USER.  
46 Any person who uses any property or services  
47 enumerated in section 423.2 upon which the use tax has  
48 not been paid, either to the county treasurer or to a  
49 retailer or direct to the department as required by  
50 this subchapter, shall be liable for the payment of

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1 tax, and shall on or before the last day of the month  
2 next succeeding each quarterly period pay the use tax  
3 upon all property or services used by the person  
4 during the preceding quarterly period in the manner  
5 and accompanied by such returns as the director shall  
6 prescribe. All of the provisions of sections 423.32  
7 and 423.33 with reference to the returns and payments  
8 shall be applicable to the returns and payments  
9 required by this section.

10 Sec. 137. NEW SECTION. 423.35 POSTING OF BOND TO  
11 SECURE PAYMENT.

12 The director may, when necessary and advisable in  
13 order to secure the collection of the sales or use  
14 tax, authorize any person subject to either tax, and  
15 any retailer required or authorized to collect those  
16 taxes pursuant to the provisions of section 423.14, to  
17 file with the department a bond, issued by a surety  
18 company authorized to transact business in this state  
19 and approved by the insurance commissioner as to  
20 solvency and responsibility, in an amount as the  
21 director may fix, to secure the payment of any tax,  
22 interest, or penalties due or which may become due  
23 from such person. In lieu of a bond, securities  
24 approved by the director, in an amount which the  
25 director may prescribe, may be deposited with the  
26 department, which securities shall be kept in the  
27 custody of the department and may be sold by the  
28 director at public or private sale, without notice to  
29 the depositor, if it becomes necessary to do so in  
30 order to recover any tax, interest, or penalties due.  
31 Upon the sale, the surplus, if any, above the amounts  
32 due under this chapter shall be returned to the person  
33 who deposited the securities.

34 Sec. 138. NEW SECTION. 423.36 PERMITS REQUIRED  
35 TO COLLECT SALES OR USE TAX -- APPLICATIONS --  
36 REVOCATION.

37 1. A person shall not engage in or transact  
38 business as a retailer making taxable sales of  
39 tangible personal property or furnishing services  
40 within this state or as a retailer making taxable  
41 sales of tangible personal property or furnishing  
42 services for use within this state, unless a permit  
43 has been issued to the retailer under this section,  
44 except as provided in subsection 6. Every person  
45 desiring to engage in or transact business as a  
46 retailer shall file with the department an application  
47 for a permit to collect sales or use tax. Every  
48 application for a sales or use tax permit shall be  
49 made upon a form prescribed by the director and shall  
50 set forth any information the director may require.

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1 The application shall be signed by an owner of the  
2 business if a natural person; in the case of a  
3 retailer which is an association or partnership, by a  
4 member or partner; and in the case of a retailer which  
5 is a corporation, by an executive officer or some  
6 person specifically authorized by the corporation to  
7 sign the application, to which shall be attached the  
8 written evidence of the person's authority.

9 2. To collect sales or use tax, the applicant must  
10 have a permit for each place of business in the state  
11 of Iowa. The department may deny a permit to an  
12 applicant who is substantially delinquent in paying a  
13 tax due, or the interest or penalty on the tax,  
14 administered by the department at the time of  
15 application. If the applicant is a partnership, a  
16 permit may be denied if a partner is substantially  
17 delinquent in paying any delinquent tax, penalty, or  
18 interest. If the applicant is a corporation, a permit  
19 may be denied if any officer having a substantial  
20 legal or equitable interest in the ownership of the  
21 corporation owes any delinquent tax, penalty, or  
22 interest.

23 3. The department shall grant and issue to each  
24 applicant a permit for each place of business in this  
25 state where sales or use tax is collected. A permit  
26 is not assignable and is valid only for the person in  
27 whose name it is issued and for the transaction of  
28 business at the place designated or at a place of  
29 relocation within the state if the ownership remains  
30 the same.

31 If an applicant is making sales outside Iowa for  
32 use in this state or furnishing services outside Iowa,  
33 the product or result of which will be used in this  
34 state, that applicant shall be issued one use tax  
35 permit by the department applicable to these out-of-  
36 state sales or services.

37 4. Permits issued under this section are valid and  
38 effective until revoked by the department.

39 5. If the holder of a permit fails to comply with  
40 any of the provisions of this subchapter or of  
41 subchapter II or III or any order or rule of the  
42 department adopted under those subchapters or is  
43 substantially delinquent in the payment of a tax  
44 administered by the department or the interest or  
45 penalty on the tax, or if the person is a corporation  
46 and if any officer having a substantial legal or  
47 equitable interest in the ownership of the corporation  
48 owes any delinquent tax of the permit-holding  
49 corporation, or interest or penalty on the tax,  
50 administered by the department, the director may

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1 revoke the permit. The director shall send notice by  
2 mail to a permit holder informing that person of the  
3 director's intent to revoke the permit and of the  
4 permit holder's right to a hearing on the matter. If  
5 the permit holder petitions the director for a hearing  
6 on the proposed revocation, after giving ten days'  
7 notice of the time and place of the hearing in  
8 accordance with section 17A.18, subsection 3, the  
9 matter may be heard and a decision rendered. The  
10 director may restore permits after revocation. The  
11 director shall adopt rules setting forth the period of  
12 time a retailer must wait before a permit may be  
13 restored or a new permit may be issued. The waiting  
14 period shall not exceed ninety days from the date of  
15 the revocation of the permit.

16 6. Sellers who are not regularly engaged in  
17 selling at retail and do not have a permanent place of  
18 business, but who are temporarily engaged in selling  
19 from trucks, portable roadside stands, concessionaires  
20 at state, county, district, or local fairs, carnivals,  
21 or the like, shall report and remit the sales tax on a  
22 temporary basis, under rules the director shall  
23 provide for the efficient collection of the sales tax.  
24 This subsection applies to sellers who are temporarily  
25 engaged in furnishing services.

26 Persons engaged in selling tangible personal  
27 property or furnishing services shall not be required  
28 to obtain or retain a sales tax permit for a place of  
29 business at which taxable sales of tangible personal  
30 property or taxable performance of services will not  
31 occur.

32 7. The provisions of subsection 1, dealing with  
33 the lawful right of a retailer to transact business,  
34 as applicable, apply to persons having receipts from  
35 furnishing services enumerated in section 423.2,  
36 except that a person holding a permit pursuant to  
37 subsection 1 shall not be required to obtain any  
38 separate sales tax permit for the purpose of engaging  
39 in business involving the services.

40 8. a. Except as provided in paragraph "b",  
41 purchasers, users, and consumers of tangible personal  
42 property or enumerated services taxed pursuant to  
43 subchapter II or III of this chapter or chapters 423B  
44 and 423E may be authorized, pursuant to rules adopted  
45 by the director, to remit tax owed directly to the  
46 department instead of the tax being collected and paid  
47 by the seller. To qualify for a direct pay tax  
48 permit, the purchaser, user, or consumer must accrue a  
49 tax liability of more than four thousand dollars in  
50 tax under subchapters II and III in a semimonthly

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1 period and make deposits and file returns pursuant to  
2 section 423.31. This authority shall not be granted  
3 or exercised except upon application to the director  
4 and then only after issuance by the director of a  
5 direct pay tax permit.

6 b. The granting of a direct pay tax permit is not  
7 authorized for any of the following:

8 (1) Taxes imposed on the sales, furnishing, or  
9 service of gas, electricity, water, heat, pay  
10 television service, and communication service.

11 (2) Taxes imposed under sections 423.26 and 423.27  
12 and chapter 423C.

13 Sec. 139. NEW SECTION. 423.37 FAILURE TO FILE  
14 SALES OR USE TAX RETURNS -- INCORRECT RETURNS.

15 1. As soon as practicable after a return is filed  
16 and in any event within three years after the return  
17 is filed, the department shall examine it, assess and  
18 determine the tax due if the return is found to be  
19 incorrect, and give notice to the person liable for  
20 the tax of the assessment and determination as  
21 provided in subsection 2. The period for the  
22 examination and determination of the correct amount of  
23 tax is unlimited in the case of a false or fraudulent  
24 return made with the intent to evade tax or in the  
25 case of a failure to file a return.

26 2. If a return required by this subchapter is not  
27 filed, or if a return when filed is incorrect or  
28 insufficient and the maker fails to file a corrected  
29 or sufficient return within twenty days after the same  
30 is required by notice from the department, the  
31 department shall determine the amount of tax due from  
32 information as the department may be able to obtain  
33 and, if necessary, may estimate the tax on the basis  
34 of external indices, such as number of employees of  
35 the person concerned, rentals paid by the person,  
36 stock on hand, or other factors. The department shall  
37 give notice of the determination to the person liable  
38 for the tax. The determination shall fix the tax  
39 unless the person against whom it is assessed shall,  
40 within sixty days after the giving of notice of the  
41 determination, apply to the director for a hearing or  
42 unless the taxpayer contests the determination by  
43 paying the tax, interest, and penalty and timely  
44 filing a claim for refund. At the hearing evidence  
45 may be offered to support the determination or to  
46 prove that it is incorrect. After the hearing the  
47 director shall give notice of the decision to the  
48 person liable for the tax.

49 3. The three-year period of limitation provided in  
50 subsection 1 may be extended by a taxpayer by signing

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1 a waiver agreement form to be provided by the  
2 department. The agreement shall stipulate the period  
3 of extension and the tax period to which the extension  
4 applies. The agreement shall also provide that a  
5 claim for refund may be filed by the taxpayer at any  
6 time during the period of extension.

7 Sec. 140. NEW SECTION. 423.38 JUDICIAL REVIEW.

8 1. Judicial review of actions of the director may  
9 be sought in accordance with the terms of the Iowa  
10 administrative procedure Act.

11 2. For cause and upon a showing by the director  
12 that collection of the tax in dispute is in doubt, the  
13 court may order the petitioner to file with the clerk  
14 a bond for the use of the respondent, with sureties  
15 approved by the clerk, in the amount of tax appealed  
16 from, conditioned that the petitioner shall perform  
17 the orders of the court.

18 3. An appeal may be taken by the taxpayer or the  
19 director to the supreme court of this state  
20 irrespective of the amount involved.

21 Sec. 141. NEW SECTION. 423.39 SERVICE OF  
22 NOTICES.

23 1. A notice authorized or required under this  
24 subchapter may be given by mailing the notice to the  
25 person for whom it is intended, addressed to that  
26 person at the address given in the last return filed  
27 by the person pursuant to this subchapter, or if no  
28 return has been filed, then to any address obtainable.  
29 The mailing of the notice is presumptive evidence of  
30 the receipt of the notice by the person to whom  
31 addressed. Any period of time which is determined  
32 according to this subchapter by the giving of notice  
33 commences to run from the date of mailing of the  
34 notice.

35 2. The provisions of the Code relative to the  
36 limitation of time for the enforcement of a civil  
37 remedy shall not apply to any proceeding or action  
38 taken to levy, appraise, assess, determine, or enforce  
39 the collection of any tax or penalty provided by this  
40 chapter.

41 Sec. 142. NEW SECTION. 423.40 PENALTIES --  
42 OFFENSES -- LIMITATION.

43 1. In addition to the sales or use tax or  
44 additional sales or use tax, the taxpayer shall pay a  
45 penalty as provided in section 421.27. The taxpayer  
46 shall also pay interest on the sales or use tax or  
47 additional sales or use tax at the rate in effect  
48 under section 421.7 for each month counting each  
49 fraction of a month as an entire month, computed from  
50 the date the semimonthly or monthly tax deposit form

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1 or return was required to be filed. The penalty and  
2 interest shall be paid to the department and disposed  
3 of in the same manner as other receipts under this  
4 subchapter. Unpaid penalties and interest may be  
5 enforced in the same manner as the taxes imposed by  
6 this chapter.

7 2. a. Any person who knowingly sells tangible  
8 personal property, tickets or admissions to places of  
9 amusement and athletic events, or gas, water,  
10 electricity, or communication service at retail, or  
11 engages in the furnishing of services enumerated in  
12 section 423.2, in this state without procuring a  
13 permit to collect tax, as provided in section 423.36,  
14 or who violates section 423.24 and the officers of any  
15 corporation who so act are guilty of a serious  
16 misdemeanor.

17 b. A person who knowingly sells tangible personal  
18 property, tickets or admissions to places of amusement  
19 and athletic events, or gas, water, electricity, or  
20 communication service at retail, or engages in the  
21 furnishing of services enumerated in section 423.2, in  
22 this state after the person's sales tax permit has  
23 been revoked and before it has been restored as  
24 provided in section 423.36, subsection 5, and the  
25 officers of any corporation who so act are guilty of  
26 an aggravated misdemeanor.

27 3. A person who willfully attempts in any manner  
28 to evade any tax imposed by this chapter or the  
29 payment of the tax or a person who makes or causes to  
30 be made a false or fraudulent semimonthly or monthly  
31 tax deposit form or return with intent to evade any  
32 tax imposed by subchapter II or III or the payment of  
33 the tax is guilty of a class "D" felony.

34 4. The certificate of the director to the effect  
35 that a tax has not been paid, that a return has not  
36 been filed, or that information has not been supplied  
37 pursuant to the provisions of this subchapter shall be  
38 prima facie evidence thereof.

39 5. A person required to pay sales or use tax, or  
40 to make, sign, or file a tax deposit form or return or  
41 supplemental return, who willfully makes a false or  
42 fraudulent tax deposit form or return, or willfully  
43 fails to pay at least ninety percent of the tax or  
44 willfully fails to make, sign, or file the tax deposit  
45 form or return, at the time required by law, is guilty  
46 of a fraudulent practice.

47 6. A prosecution for an offense specified in this  
48 section shall be commenced within six years after its  
49 commission.

50 Sec. 143. NEW SECTION. 423.41 BOOKS --

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1 EXAMINATION.

2 Every retailer required or authorized to collect  
3 taxes imposed by this chapter and every person using  
4 in this state tangible personal property, services, or  
5 the product of services shall keep records, receipts,  
6 invoices, and other pertinent papers as the director  
7 shall require, in the form that the director shall  
8 require, for as long as the director has the authority  
9 to examine and determine tax due. The director or any  
10 duly authorized agent of the department may examine  
11 the books, papers, records, and equipment of any  
12 person either selling tangible personal property or  
13 services or liable for the tax imposed by this  
14 chapter, and investigate the character of the business  
15 of any person in order to verify the accuracy of any  
16 return made, or if a return was not made by the  
17 person, ascertain and determine the amount due under  
18 this chapter. These books, papers, and records shall  
19 be made available within this state for examination  
20 upon reasonable notice when the director deems it  
21 advisable and so orders. The preceding requirements  
22 shall likewise apply to users and persons furnishing  
23 services enumerated in section 423.2.

24 Sec. 144. NEW SECTION. 423.42 STATUTES  
25 APPLICABLE.

26 1. The director shall administer the taxes imposed  
27 by subchapters II and III in the same manner and  
28 subject to all the provisions of, and all of the  
29 powers, duties, authority, and restrictions contained  
30 in, section 422.25, subsection 4, section 422.30, and  
31 sections 422.67 through 422.75.

32 2. All the provisions of section 422.26 shall  
33 apply in respect to the taxes and penalties imposed by  
34 subchapters II and III and this subchapter, except  
35 that, as applied to any tax imposed by subchapters II  
36 and III, the lien provided in section 422.26 shall be  
37 prior and paramount over all subsequent liens upon any  
38 personal property within this state, or right to such  
39 personal property, belonging to the taxpayer without  
40 the necessity of recording as provided in section  
41 422.26. The requirements for recording shall, as  
42 applied to the taxes imposed by subchapters II and  
43 III, apply only to the liens upon real property. When  
44 requested to do so by any person from whom a taxpayer  
45 is seeking credit, or with whom the taxpayer is  
46 negotiating the sale of any personal property, or by  
47 any other person having a legitimate interest in such  
48 information, the director shall, upon being satisfied  
49 that such a situation exists, inform that person as to  
50 the amount of unpaid taxes due by such taxpayer under

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1 the provisions of subchapters II and III. The giving  
2 of this information under these circumstances shall  
3 not be deemed a violation of section 422.72 as applied  
4 to subchapters II and III.  
5 Sec. 145. NEW SECTION. 423.43 DEPOSIT OF REVENUE  
6 -- APPROPRIATIONS.  
7 Except as otherwise provided in section 312.2,  
8 subsection 15, all revenues derived from the use tax  
9 on motor vehicles, trailers, and motor vehicle  
10 accessories and equipment as collected pursuant to  
11 sections 423.26 and 423.27 shall be deposited and  
12 credited to the road use tax fund and shall be used  
13 exclusively for the construction, maintenance, and  
14 supervision of public highways.  
15 1. Notwithstanding any provision of this section  
16 which provides that all revenues derived from the use  
17 tax on motor vehicles, trailers, and motor vehicle  
18 accessories and equipment as collected pursuant to  
19 sections 423.26 and 423.27 shall be deposited and  
20 credited to the road use tax fund, eighty percent of  
21 the revenues shall be deposited and credited as  
22 follows:  
23 a. Twenty-five percent of all such revenue, up to  
24 a maximum of four million two hundred fifty thousand  
25 dollars per quarter, shall be deposited into and  
26 credited to the Iowa comprehensive petroleum  
27 underground storage tank fund created in section  
28 455G.3, and the moneys so deposited are a continuing  
29 appropriation for expenditure under chapter 455G, and  
30 moneys so appropriated shall not be used for other  
31 purposes.  
32 b. Any such revenues remaining shall be credited  
33 to the road use tax fund.  
34 2. Notwithstanding any other provision of this  
35 section that provides that all revenue derived from  
36 the use tax on motor vehicles, trailers, and motor  
37 vehicle accessories and equipment as collected  
38 pursuant to section 423.26 shall be deposited and  
39 credited to the road use tax fund, twenty percent of  
40 the revenues shall be credited and deposited as  
41 follows: one-half to the road use tax fund and one-  
42 half to the primary road fund to be used for the  
43 commercial and industrial highway network.  
44 3. All other revenue arising under the operation  
45 of this chapter shall be credited to the general fund  
46 of the state.  
47 Sec. 146. NEW SECTION. 423.44 REIMBURSEMENT FOR  
48 PRIMARY ROAD FUND.  
49 From moneys deposited into the road use tax fund,  
50 the department may credit to the primary road fund any

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1 amount of revenues derived from the use tax on motor  
2 vehicles, trailers, and motor vehicle accessories and  
3 equipment as collected pursuant to sections 423.26 and  
4 423.27 to the extent necessary to reimburse that fund  
5 for the expenditures not otherwise eligible to be made  
6 from the primary road fund, which are made for  
7 repairing, improving, and maintaining bridges over the  
8 rivers bordering the state. Expenditures for those  
9 portions of bridges within adjacent states may be  
10 included when they are made pursuant to an agreement  
11 entered into under section 313.63, 313A.34, or 314.10.  
12 Sec. 147. NEW SECTION. 423.45 REFUNDS --  
13 EXEMPTION CERTIFICATES.

14 1. If an amount of tax represented by a retailer  
15 to a consumer or user as constituting tax due is  
16 computed upon a sales price that is not taxable or the  
17 amount represented is in excess of the actual taxable  
18 amount and the amount represented is actually paid by  
19 the consumer or user to the retailer, the excess  
20 amount of tax paid shall be returned to the consumer  
21 or user upon notification to the retailer by the  
22 department that an excess payment exists.

23 2. If an amount of tax represented by a retailer  
24 to a consumer or user as constituting tax due is  
25 computed upon a sales price that is not taxable or the  
26 amount represented is in excess of the actual taxable  
27 amount and the amount represented is actually paid by  
28 the consumer or user to the retailer, the excess  
29 amount of tax paid shall be returned to the consumer  
30 or user upon proper notification to the retailer by  
31 the consumer or user that an excess payment exists.  
32 "Proper" notification is written notification which  
33 allows a retailer at least sixty days to respond and  
34 which contains enough information to allow a retailer  
35 to determine the validity of a consumer's or user's  
36 claim that an excess amount of tax has been paid. No  
37 cause of action shall accrue against a retailer for  
38 excess tax paid until sixty days after proper notice  
39 has been given the retailer by the consumer or user.

40 3. In the circumstances described in subsections 1  
41 and 2, a retailer has the option to either return any  
42 excess amount of tax paid to a consumer or user, or to  
43 remit the amount which a consumer or user has paid to  
44 the retailer to the department.

45 4. a. The department shall issue or the seller  
46 may separately provide exemption certificates in the  
47 form prescribed by the director, including  
48 certificates not made of paper, which conform to the  
49 requirements of paragraph "c", to assist retailers in  
50 properly accounting for nontaxable sales of tangible

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1 personal property or services to purchasers for a  
2 nontaxable purpose. The department shall also allow  
3 the use of exemption certificates for those  
4 circumstances in which a sale is taxable but the  
5 seller is not obligated to collect tax from the buyer.

6 b. The sales tax liability for all sales of  
7 tangible personal property and all sales of services  
8 is upon the seller and the purchaser unless the seller  
9 takes in good faith from the purchaser a valid  
10 exemption certificate stating under penalty of perjury  
11 that the purchase is for a nontaxable purpose and is  
12 not a retail sale as defined in section 423.1, or the  
13 seller is not obligated to collect tax due, or unless  
14 the seller takes a fuel exemption certificate pursuant  
15 to subsection 5. If the tangible personal property or  
16 services are purchased tax free pursuant to a valid  
17 exemption certificate which is taken in good faith by  
18 the seller, and the tangible personal property or  
19 services are used or disposed of by the purchaser in a  
20 nonexempt manner, the purchaser is solely liable for  
21 the taxes and shall remit the taxes directly to the  
22 department and sections 423.31, 423.32, 423.37,  
23 423.38, 423.39, 423.40, 423.41, and 423.42 shall apply  
24 to the purchaser.

25 c. A valid exemption certificate is an exemption  
26 certificate which is complete and correct according to  
27 the requirements of the director.

28 d. A valid exemption certificate is taken in good  
29 faith by the seller when the seller has exercised that  
30 caution and diligence which honest persons of ordinary  
31 prudence would exercise in handling their own business  
32 affairs, and includes an honesty of intention and  
33 freedom from knowledge of circumstances which ought to  
34 put one upon inquiry as to the facts. In order for a  
35 seller to take a valid exemption certificate in good  
36 faith, the seller must exercise reasonable prudence to  
37 determine the facts supporting the valid exemption  
38 certificate, and if any facts upon such certificate  
39 would lead a reasonable person to further inquiry,  
40 such inquiry must be made with an honest intent to  
41 discover the facts.

42 e. If the circumstances change and as a result the  
43 tangible personal property or services are used or  
44 disposed of by the purchaser in a nonexempt manner or  
45 the purchaser becomes obligated to pay the tax, the  
46 purchaser is liable solely for the taxes and shall  
47 remit the taxes directly to the department in  
48 accordance with this subsection.

49 5. a. The department shall issue or the seller  
50 may separately provide fuel exemption certificates in

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1 the form prescribed by the director.  
2 b. For purposes of this subsection:  
3 (1) “Fuel” includes gas, electricity, water, heat,  
4 steam, and any other tangible personal property  
5 consumed in creating heat, power, or steam.  
6 (2) “Fuel consumed in processing” means fuel used  
7 or consumed for processing including grain drying, for  
8 providing heat or cooling for livestock buildings or  
9 for greenhouses or buildings or parts of buildings  
10 dedicated to the production of flowering, ornamental,  
11 or vegetable plants intended for sale in the ordinary  
12 course of business, for use in aquaculture production,  
13 or for generating electric current, or in implements  
14 of husbandry engaged in agricultural production.  
15 (3) “Fuel exemption certificate” means an  
16 exemption certificate given by the purchaser under  
17 penalty of perjury to assist retailers in properly  
18 accounting for nontaxable sales of fuel consumed in  
19 processing.  
20 (4) “Substantial change” means a change in the use  
21 or disposition of tangible personal property and  
22 services by the purchaser such that the purchaser pays  
23 less than ninety percent of the purchaser’s actual  
24 sales tax liability. A change includes a misstatement  
25 of facts in an application made pursuant to paragraph  
26 “d” or in a fuel exemption certificate.  
27 c. The seller may accept a completed fuel  
28 exemption certificate, as prepared by the purchaser,  
29 for three years unless the purchaser files a new  
30 completed exemption certificate. If the fuel is  
31 purchased tax free pursuant to a fuel exemption  
32 certificate which is taken by the seller, and the fuel  
33 is used or disposed of by the purchaser in a nonexempt  
34 manner, the purchaser is solely liable for the taxes,  
35 and shall remit the taxes directly to the department  
36 and sections 423.31, 423.32, 423.37, 423.38, 423.39,  
37 423.40, 423.41, and 423.42 shall apply to the  
38 purchaser.  
39 d. The purchaser may apply to the department for  
40 its review of the fuel exemption certificate. In this  
41 event, the department shall review the fuel exemption  
42 certificate within twelve months from the date of  
43 application and determine the correct amount of the  
44 exemption. If the amount determined by the department  
45 is different than the amount that the purchaser claims  
46 is exempt, the department shall promptly notify the  
47 purchaser of the determination. Failure of the  
48 department to make a determination within twelve  
49 months from the date of application shall constitute a  
50 determination that the fuel exemption certificate is

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1 correct as submitted. A determination of exemption by  
2 the department is final unless the purchaser appeals  
3 to the director for a revision of the determination  
4 within sixty days after the date of the notice of  
5 determination. The director shall grant a hearing,  
6 and upon the hearing, the director shall determine the  
7 correct exemption and notify the purchaser of the  
8 decision by mail. The decision of the director is  
9 final unless the purchaser seeks judicial review of  
10 the director's decision under section 423.38 within  
11 sixty days after the date of the notice of the  
12 director's decision. Unless there is a substantial  
13 change, the department shall not impose penalties  
14 pursuant to section 423.40 both retroactively to  
15 purchases made after the date of application and  
16 prospectively until the department gives notice to the  
17 purchaser that a tax or additional tax is due, for  
18 failure to remit any tax due which is in excess of a  
19 determination made under this section. A  
20 determination made by the department pursuant to this  
21 subsection does not constitute an audit for purposes  
22 of section 423.37.

23 e. If the circumstances change and the fuel is  
24 used or disposed of by the purchaser in a nonexempt  
25 manner, the purchaser is solely liable for the taxes  
26 and shall remit the taxes directly to the department  
27 in accordance with paragraph "c".

28 f. The purchaser shall attach documentation to the  
29 fuel exemption certificate which is reasonably  
30 necessary to support the exemption for fuel consumed  
31 in processing. If the purchaser files a new exemption  
32 certificate with the seller, documentation shall not  
33 be required if the purchaser previously furnished the  
34 seller with this documentation and substantial change  
35 has not occurred since that documentation was  
36 furnished or if fuel consumed in processing is  
37 separately metered and billed by the seller.

38 6. Nothing in this section authorizes any cause of  
39 action by any person to recover sales or use taxes  
40 directly from the state or extends any person's time  
41 to seek a refund of sales or use taxes which have been  
42 collected and remitted to the state.

43 Sec. 148. NEW SECTION. 423.46 RATE AND BASE  
44 CHANGES.

45 The department shall make a reasonable effort to  
46 provide sellers with as much advance notice as  
47 practicable of a rate change and to notify sellers of  
48 legislative changes in the tax base and amendments to  
49 sales and use tax rules. Failure of a seller to  
50 receive notice or failure of this state to provide

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1 notice or limit the effective date of a rate change  
2 shall not relieve the seller of its obligation to  
3 collect sales or use taxes for this state.

4 Sec. 149. NEW SECTION. 423.47 REFUNDS AND  
5 CREDITS.

6 If it shall appear that, as a result of mistake, an  
7 amount of tax, penalty, or interest has been paid  
8 which was not due under the provisions of this  
9 chapter, such amount shall be credited against any tax  
10 due, or to become due, on the books of the department  
11 from the person who made the erroneous payment, or  
12 such amount shall be refunded to such person by the  
13 department. A claim for refund or credit that has not  
14 been filed with the department within three years  
15 after the tax payment for which a refund or credit is  
16 claimed became due, or one year after such tax payment  
17 was made, whichever time is the later, shall not be  
18 allowed by the director.

#### 19 SUBCHAPTER VI

#### 20 SALES AND USE TAX ACT -- ADMINISTRATION OF 21 RETAILERS REGISTERED VOLUNTARILY UNDER THE 22 AGREEMENT

23 Sec. 150. NEW SECTION. 423.48 RESPONSIBILITIES  
24 AND RIGHTS OF SELLERS REGISTERED UNDER THE AGREEMENT.

25 1. By registering under the agreement, the seller  
26 agrees to collect and remit sales and use taxes for  
27 all its taxable Iowa sales. Iowa's withdrawal from  
28 the agreement or revocation of its membership in the  
29 agreement shall not relieve a seller from its  
30 responsibility to remit taxes previously collected on  
31 behalf of this state.

32 2. The following provisions apply to any seller  
33 who registers under the agreement:

34 a. The seller may register on-line.

35 b. Registration under the agreement and the  
36 collection of Iowa sales and use taxes shall not be  
37 used as factors in determining whether the seller has  
38 nexus with Iowa for any tax.

39 c. If registered under the agreement with any  
40 other member state, the seller is considered to be  
41 registered in Iowa.

42 d. The seller is not required to pay registration  
43 fees or other charges.

44 e. A written signature from the seller is not  
45 required.

46 f. The seller may register by way of an agent.  
47 The agent's appointment shall be in writing and  
48 submitted to the department if requested by the  
49 department.

50 g. The seller may cancel its registration at any

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1 time under procedures adopted by the governing board  
2 established pursuant to the agreement. Cancellation  
3 does not relieve the seller of its liability for  
4 remitting any Iowa taxes collected.

5 3. The following additional responsibilities and  
6 rights apply to model sellers:

7 a. A model 1 seller's obligation to calculate,  
8 collect, and remit sales and use taxes shall be  
9 performed by its certified service provider, except  
10 for the seller's obligation to remit tax on its own  
11 purchases. As the seller's agent, the certified  
12 service provider is liable for its model 1 seller's  
13 sales and use tax due Iowa on all sales transactions  
14 it processes for the seller except as set out in this  
15 section. A seller that contracts with a certified  
16 service provider is not liable to the state for sales  
17 or use tax due on transactions processed by the  
18 certified service provider unless the seller  
19 misrepresents the types of items or services it sells  
20 or commits fraud. In the absence of probable cause to  
21 believe that the seller has committed fraud or made a  
22 material misrepresentation, the seller is not subject  
23 to audit on the transactions processed by the  
24 certified service provider. A model 1 seller is  
25 subject to audit for transactions not processed by the  
26 certified service provider. The director is  
27 authorized to perform a system check of the model 1  
28 seller and review the seller's procedures to determine  
29 if the certified service provider's system is  
30 functioning properly and the extent to which the  
31 seller's transactions are being processed by the  
32 certified service provider.

33 b. A model 2 seller shall calculate the amount of  
34 tax due on a transaction by the use of a certified  
35 automated system, but shall collect and remit tax on  
36 its own sales. A person that provides a certified  
37 automated system is responsible for the proper  
38 functioning of that system and is liable to this state  
39 for underpayments of tax attributable to errors in the  
40 functioning of the certified automated system. A  
41 seller that uses a certified automated system remains  
42 responsible and is liable to the state for reporting  
43 and remitting tax.

44 c. A model 3 seller shall use its own proprietary  
45 automated system to calculate tax due and collect and  
46 remit tax on its own sales. A model 3 seller is  
47 liable for the failure of its proprietary automated  
48 system to meet the applicable performance standard.

49 Sec. 151. NEW SECTION. 423.49 RETURNS.

50 1. All model 1, 2, or 3 sellers are subject to all

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1 of the following return requirements:

2 a. The seller is required to file only one return  
3 per month for this state and for all taxing  
4 jurisdictions within this state.

5 b. The date for filing returns shall be determined  
6 under rules adopted by the director. However, in no  
7 case shall the return be due earlier than the  
8 twentieth day of the following month.

9 c. The director shall request additional  
10 information returns. These returns shall not be  
11 required more frequently than every six months.

12 2. Any registered seller which does not have a  
13 legal obligation to register in this state and is not  
14 a model 1, 2, or 3 seller is subject to all of the  
15 following return requirements:

16 a. The seller is required to file a return within  
17 one year of the month of initial registration and  
18 shall file a return on an annual basis in succeeding  
19 years.

20 b. In addition to the return required in paragraph  
21 "a", if the seller accumulates more than one thousand  
22 dollars in total state and local tax, the seller is  
23 required to file a return in the following month.

24 c. The format of the return and the due date of  
25 the initial return and the annual return shall be  
26 determined under rules adopted by the department.

27 Sec. 152. NEW SECTION. 423.50 REMITTANCE OF  
28 FUNDS.

29 1. Only one remittance of tax per return is  
30 required except as provided in this subsection.  
31 Sellers that collect more than thirty thousand dollars  
32 in sales and use taxes for this state during the  
33 preceding calendar year shall be required to make  
34 additional remittances as required under rules adopted  
35 by the director. The filing of a return is not  
36 required with an additional remittance.

37 2. All remittances shall be remitted  
38 electronically.

39 3. Electronic payments may be made either by  
40 automated clearinghouse credit or automated  
41 clearinghouse debit. Any data accompanying a  
42 remittance must be formatted using uniform tax type  
43 and payment codes approved by the governing board  
44 established pursuant to the agreement. An alternative  
45 method for making same-day payments shall be  
46 determined under rules adopted by the director.

47 4. If a due date falls on a legal banking holiday  
48 in this state, the taxes are due on the succeeding  
49 business day.

50 Sec. 153. NEW SECTION. 423.51 ADMINISTRATION OF

1 EXEMPTIONS.

2 1. The following provisions shall apply when a  
3 purchaser claims an exemption:  
4 a. The seller shall obtain identifying information  
5 of the purchaser and the reason for claiming a tax  
6 exemption at the time of the purchase as determined by  
7 the member states acting jointly.

8 b. A purchaser is not required to provide a  
9 signature to claim an exemption from tax unless a  
10 paper certificate is used.

11 c. The seller shall use the standard form for  
12 claiming an exemption electronically as adopted  
13 jointly by the member states.

14 d. The seller shall obtain the same information  
15 for proof of a claimed exemption regardless of the  
16 medium in which the transaction occurred.

17 e. The department may authorize a system wherein  
18 the purchaser exempt from the payment of the tax is  
19 issued an identification number which shall be  
20 presented to the seller at the time of the sale.

21 f. The seller shall maintain proper records of  
22 exempt transactions and provide them to the department  
23 when requested.

24 g. The department shall administer entity-based  
25 and use-based exemptions when practicable through a  
26 direct pay tax permit, an exemption certificate, or  
27 another means that does not burden sellers. For the  
28 purposes of this paragraph:

29 (1) An “entity-based exemption” is an exemption  
30 based on who purchases the product or who sells the  
31 product.

32 (2) A “use-based exemption” is an exemption based  
33 on the purchaser’s use of the product.

34 2. Sellers that follow the requirements of this  
35 section are relieved from any tax otherwise applicable  
36 if it is determined that the purchaser improperly  
37 claimed an exemption and that the purchaser is liable  
38 for the nonpayment of tax. This relief from liability  
39 does not apply to a seller who fraudulently fails to  
40 collect the tax or solicits purchasers to participate  
41 in the unlawful claim of an exemption.

42 Sec. 154. NEW SECTION. 423.52 RELIEF FROM  
43 LIABILITY FOR SELLERS AND CERTIFIED SERVICE PROVIDERS.

44 Sellers and certified service providers are  
45 relieved from liability to this state or its local  
46 taxing jurisdictions for having charged and collected  
47 the incorrect amount of sales or use tax resulting  
48 from the seller or certified service provider relying  
49 on erroneous data provided by this state on tax rates,  
50 boundaries, or taxing jurisdiction assignments. If

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1 this state provides an address-based system for  
2 assigning taxing jurisdictions whether or not pursuant  
3 to the federal Mobile Telecommunications Sourcing Act,  
4 the director is not required to provide liability  
5 relief for errors resulting from reliance on the  
6 information provided by this state.

7 Sec. 155. NEW SECTION. 423.53 BAD DEBTS AND  
8 MODEL 1 SELLERS.

9 A certified service provider may claim, on behalf  
10 of a model 1 seller, any bad debt deduction as  
11 provided in section 423.21. The certified service  
12 provider must credit or refund the full amount of any  
13 bad debt deduction or refund received to the seller.

14 Sec. 156. NEW SECTION. 423.54 AMNESTY FOR  
15 REGISTERED SELLERS.

16 1. Subject to the limitations in subsections 2  
17 through 6, the following provisions apply:

18 a. Amnesty is provided for uncollected or unpaid  
19 sales or use tax to a seller who registers to pay or  
20 to collect and remit applicable sales or use tax on  
21 sales made to purchasers in this state in accordance  
22 with the terms of the agreement, provided the seller  
23 was not so registered in this state in the twelve-  
24 month period preceding the commencement of Iowa's  
25 participation in the agreement.

26 b. Amnesty precludes assessment of the seller for  
27 uncollected or unpaid sales or use tax together with  
28 penalty or interest for sales made during the period  
29 the seller was not registered in this state, provided  
30 registration occurs within twelve months of the  
31 commencement of Iowa's participation in the agreement.

32 c. Amnesty shall be provided to any seller  
33 lawfully registered under the agreement by any other  
34 member state prior to the date of the commencement of  
35 Iowa's participation in the agreement.

36 2. Amnesty is not available to a seller with  
37 respect to any matter or matters for which the seller  
38 received notice of the commencement of an audit and  
39 which audit is not yet finally resolved, including any  
40 related administrative and judicial processes.

41 3. Amnesty is not available for sales or use taxes  
42 already paid or remitted or to taxes collected by the  
43 seller.

44 4. Amnesty is fully effective absent the seller's  
45 fraud or intentional misrepresentation of a material  
46 fact as long as the seller continues registration and  
47 continues payment or collection and remittance of  
48 applicable sales or use taxes for a period of at least  
49 thirty-six months. The statute of limitations  
50 applicable to asserting a tax liability is tolled

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1 during this thirty-six month period.

2 5. Amnesty is applicable only to sales or use  
3 taxes due from a seller in its capacity as a seller  
4 and not to sales or use taxes due from a seller in its  
5 capacity as a buyer.

6 6. The director may allow amnesty on terms and  
7 conditions more favorable to a seller than the terms  
8 required by this section.

9 Sec. 157. NEW SECTION. 423.55 DATABASES.

10 The department shall provide and maintain databases  
11 required by the agreement for the benefit of sellers  
12 registered under the agreement.

13 Sec. 158. NEW SECTION. 423.56 CONFIDENTIALITY

14 AND PRIVACY PROTECTIONS UNDER MODEL 1.

15 1. As used in this section:

16 a. “Anonymous data” means information that does  
17 not identify a person.

18 b. “Confidential taxpayer information” means all  
19 information that is protected under this state’s laws,  
20 rules, and privileges.

21 c. “Personally identifiable information” means  
22 information that identifies a person.

23 2. With very limited exceptions, a certified  
24 service provider shall perform its tax calculation,  
25 remittance, and reporting functions without retaining  
26 the personally identifiable information of consumers.

27 3. A certified service provider may perform its  
28 services in this state only if the certified service  
29 provider certifies that:

30 a. Its system has been designed and tested to  
31 ensure that the fundamental precept of anonymity is  
32 respected.

33 b. Personally identifiable information is only  
34 used and retained to the extent necessary for the  
35 administration of model 1 sellers with respect to  
36 exempt purchasers.

37 c. It provides consumers clear and conspicuous  
38 notice of its information practices, including what  
39 information it collects, how it collects the  
40 information, how it uses the information, how long, if  
41 at all, it retains the information, and whether it  
42 discloses the information to member states. This  
43 notice shall be satisfied by a written privacy policy  
44 statement accessible by the public on the official web  
45 site of the certified service provider.

46 d. Its collection, use, and retention of  
47 personally identifiable information is limited to that  
48 required by the member states to ensure the validity  
49 of exemptions from taxation that are claimed by reason  
50 of a consumer’s status or the intended use of the

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- 1 goods or services purchased.
- 2 e. It provides adequate technical, physical, and  
3 administrative safeguards so as to protect personally  
4 identifiable information from unauthorized access and  
5 disclosure.
- 6 4. The department shall provide public  
7 notification of its practices relating to the  
8 collection, use, and retention of personally  
9 identifiable information.
- 10 5. When any personally identifiable information  
11 that has been collected and retained by the department  
12 or certified service provider is no longer required  
13 for the purposes set forth in subsection 3, paragraph  
14 “d”, that information shall no longer be retained by  
15 the department or certified service provider.
- 16 6. When personally identifiable information  
17 regarding an individual is retained by or on behalf of  
18 this state, this state shall provide reasonable access  
19 by such individual to his or her own information in  
20 the state’s possession and a right to correct any  
21 inaccurately recorded information.
- 22 7. This privacy policy is subject to enforcement  
23 by the department and the attorney general.
- 24 8. This state’s laws and rules regarding the  
25 collection, use, and maintenance of confidential  
26 taxpayer information remain fully applicable and  
27 binding. Without limitation, the agreement does not  
28 enlarge or limit the state’s or department’s authority  
29 to:
- 30 a. Conduct audits or other review as provided  
31 under the agreement and state law.
- 32 b. Provide records pursuant to its examination of  
33 public records law, disclosure laws of individual  
34 governmental agencies, or other regulations.
- 35 c. Prevent, consistent with state law, disclosures  
36 of confidential taxpayer information.
- 37 d. Prevent, consistent with federal law,  
38 disclosures or misuse of federal return information  
39 obtained under a disclosure agreement with the  
40 internal revenue service.
- 41 e. Collect, disclose, disseminate, or otherwise  
42 use anonymous data for governmental purposes.
- 43 9. This privacy policy does not preclude the  
44 certification of a certified service provider whose  
45 privacy policy is more protective of confidential  
46 taxpayer information or personally identifiable  
47 information than is required by the agreement.
- 48 Sec. 159. NEW SECTION. 423.57 STATUTES  
49 APPLICABLE.
- 50 The director shall administer this subchapter as it

1 relates to the taxes imposed in this chapter in the  
 2 same manner and subject to all the provisions of, and  
 3 all of the powers, duties, authority, and restrictions  
 4 contained in sections 423.14, 423.15, 423.16, 423.17,  
 5 423.18, 423.19, 423.20, 423.21, 423.22, 423.23,  
 6 423.24, 423.25, 423.28, 423.29, 423.31, 423.32,  
 7 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,  
 8 423.40, 423.41, and 423.42, section 423.43, subsection  
 9 3, and sections 423.45, 423.46, and 423.47.

10 Sec. 160.

11 1. Sections 422.42 through 422.59, Code 2003, are  
12 repealed.

13 2. Chapter 423, Code 2003, is repealed.

14 COORDINATING AMENDMENTS

15 Sec. 161. Section 15.331A, Code 2003, is amended  
16 to read as follows:

17 15.331A SALES, SERVICES, AND USE TAX REFUND --  
18 CONTRACTOR OR SUBCONTRACTOR.

19 The eligible business or a supporting business  
 20 shall be entitled to a refund of the sales and use  
 21 taxes paid under ~~chapters 422 and~~ chapter 423 for gas,  
 22 electricity, water, or sewer utility services, goods,  
 23 wares, or merchandise, or on services rendered,  
 24 furnished, or performed to or for a contractor or  
 25 subcontractor and used in the fulfillment of a written  
 26 contract relating to the construction or equipping of  
 27 a facility within the economic development area of the  
 28 eligible business or a supporting business. Taxes  
 29 attributable to intangible property and furniture and  
 30 furnishings shall not be refunded.

31 To receive the refund a claim shall be filed by the  
32 eligible business or a supporting business with the  
33 department of revenue and finance as follows:

34 1. The contractor or subcontractor shall state  
 35 under oath, on forms provided by the department, the  
 36 amount of the sales of goods, wares, or merchandise or  
 37 services rendered, furnished, or performed including  
 38 water, sewer, gas, and electric utility services for  
 39 use in the economic development area upon which sales  
 40 or use tax has been paid prior to the project  
 41 completion, and shall file the forms with the eligible  
 42 business or supporting business before final  
 43 settlement is made.

44 2. The eligible business or a supporting business  
 45 shall, not more than one year after project  
 46 completion, make application to the department for any  
 47 refund of the amount of the sales and use taxes paid  
 48 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,  
 49 or merchandise, or services rendered, furnished, or  
 50 performed, including water, sewer, gas, and electric

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1 utility services. The application shall be made in  
2 the manner and upon forms to be provided by the  
3 department, and the department shall audit the claim  
4 and, if approved, issue a warrant to the eligible  
5 business or supporting business in the amount of the  
6 sales or use tax which has been paid to the state of  
7 Iowa under a contract. A claim filed by the eligible  
8 business or a supporting business in accordance with  
9 this section shall not be denied by reason of a  
10 limitation provision set forth in chapter 421, ~~422~~, or  
11 423.

12 3. A contractor or subcontractor who willfully  
13 makes a false report of tax paid under the provisions  
14 of this section is guilty of a simple misdemeanor and  
15 in addition is liable for the payment of the tax and  
16 any applicable penalty and interest.

17 Sec. 162. Section 15.334A, Code 2003, is amended  
18 to read as follows:

19 15.334A SALES AND USE TAX EXEMPTION.

20 An eligible business may claim an exemption from  
21 sales and use taxation under section ~~422.45~~ 423.3,  
22 subsection ~~27~~ 46, for property which is exempt from  
23 taxation under section 15.334, notwithstanding the  
24 requirements of section ~~422.45~~ 423.3, subsection ~~27~~  
25 46, or any other provision of the Code to the  
26 contrary.

27 Sec. 163. Section 15A.9, subsections 5, 6, and 7,  
28 Code 2003, are amended to read as follows:

29 5. PROPERTY TAX EXEMPTION.

30 a. All property, as defined in section 427A.1,  
31 subsection 1, paragraphs “e” and “j”, Code 1993, used  
32 by the primary business or a supporting business and  
33 located within the zone, shall be exempt from property  
34 taxation for a period of twenty years beginning with  
35 the year it is first assessed for taxation. In order  
36 to be eligible for this exemption, the property shall  
37 be acquired or leased by the primary business or a  
38 supporting business or relocated by the primary  
39 business or a supporting business to the zone from  
40 outside the state prior to project completion.

41 b. Property which is exempt for property tax  
42 purposes under this subsection is eligible for the  
43 sales and use tax exemption under section ~~422.45~~  
44 423.3, subsection ~~27~~ 46, notwithstanding that  
45 subsection or any other provision of the Code to the  
46 contrary.

47 6. SALES, SERVICES, AND USE TAX REFUND. Taxes  
48 paid pursuant to chapter ~~422~~ or 423 on the ~~gross~~  
49 ~~receipts~~ sales price or rental price of property  
50 purchased or rented by the primary business or a

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1 supporting business for use by the primary business or  
2 a supporting business within the zone or on gas,  
3 electricity, water, and sewer utility services prior  
4 to project completion shall be refunded to the primary  
5 business or supporting business if the item was  
6 purchased or the service was performed or received  
7 prior to project completion. Claims under this  
8 section shall be submitted on forms provided by the  
9 department of revenue and finance not later than six  
10 months after project completion. The refund in this  
11 subsection shall not apply to furniture or  
12 furnishings, or intangible property.

13 7. SALES, SERVICES, AND USE TAX REFUND --  
14 CONTRACTOR OR SUBCONTRACTOR. The primary business or  
15 a supporting business shall be entitled to a refund of  
16 the sales and use taxes paid under ~~chapters 422 and~~  
17 chapter 423 for gas, electricity, water, or sewer  
18 utility services, goods, wares, or merchandise, or on  
19 services rendered, furnished, or performed to or for a  
20 contractor or subcontractor and used in the  
21 fulfillment of a written contract relating to the  
22 construction or equipping of a facility within the  
23 zone of the primary business or a supporting business.  
24 Taxes attributable to intangible property and  
25 furniture and furnishings shall not be refunded.

26 To receive the refund a claim shall be filed by the  
27 primary business or a supporting business with the  
28 department of revenue and finance as follows:

29 a. The contractor or subcontractor shall state  
30 under oath, on forms provided by the department, the  
31 amount of the sales of goods, wares, or merchandise or  
32 services rendered, furnished, or performed including  
33 water, sewer, gas, and electric utility services for  
34 use in the zone upon which sales or use tax has been  
35 paid prior to the project completion, and shall file  
36 the forms with the primary business or supporting  
37 business before final settlement is made.

38 b. The primary business or a supporting business  
39 shall, not more than six months after project  
40 completion, make application to the department for any  
41 refund of the amount of the sales and use taxes paid  
42 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,  
43 or merchandise, or services rendered, furnished, or  
44 performed, including water, sewer, gas, and electric  
45 utility services. The application shall be made in  
46 the manner and upon forms to be provided by the  
47 department, and the department shall audit the claim  
48 and, if approved, issue a warrant to the primary  
49 business or supporting business in the amount of the  
50 sales or use tax which has been paid to the state of

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1 Iowa under a contract. A claim filed by the primary  
2 business or a supporting business in accordance with  
3 this subsection shall not be denied by reason of a  
4 limitation provision set forth in chapter 421, 422, or  
5 423.

6 c. A contractor or subcontractor who willfully  
7 makes a false report of tax paid under the provisions  
8 of this subsection is guilty of a simple misdemeanor  
9 and in addition is liable for the payment of the tax  
10 and any applicable penalty and interest.

11 Sec. 164. Section 28A.17, unnumbered paragraph 1,  
12 Code 2003, is amended to read as follows:

13 If an authority is established as provided in  
14 section 28A.6 and after approval of a referendum by a  
15 simple majority of votes cast in each metropolitan  
16 area in favor of the sales and services tax, the  
17 governing board of a county in this state within a  
18 metropolitan area which is part of the authority shall  
19 impose, at the request of the authority, a local sales  
20 and services tax at the rate of one-fourth of one  
21 percent on ~~gross receipts~~ the sales price taxed by  
22 this state under ~~chapter 422, division IV section~~  
23 423.2, within the metropolitan area located in this  
24 state. The referendum shall be called by resolution  
25 of the board and shall be held as provided in section  
26 28A.6 to the extent applicable. The ballot  
27 proposition shall contain a statement as to the  
28 specific purpose or purposes for which the revenues  
29 shall be expended and the date of expiration of the  
30 tax. The local sales and services tax shall be  
31 imposed on the same basis, with the same exceptions,  
32 and following the same administrative procedures as  
33 provided for a county under sections 422B.8 and  
34 422B.9. The amount of the sale, for the purposes of  
35 determining the amount of the local sales and services  
36 tax under this section, does not include the amount of  
37 any local sales and services tax imposed under  
38 sections 422B.8 and 422B.9.

39 Sec. 165. Section 29C.15, Code 2003, is amended to  
40 read as follows:

41 29C.15 TAX-EXEMPT PURCHASES.

42 All purchases under the provisions of this chapter  
43 shall be exempt from the taxes imposed by sections  
44 ~~422.43 423.2~~ and ~~423.2 423.5~~.

45 Sec. 166. Section 99E.10, subsection 1, paragraph  
46 b, Code 2003, is amended to read as follows:

47 b. An amount equal to the product of the state  
48 sales tax rate under section ~~422.43 423.2~~ multiplied  
49 by the gross sales price of each ticket or share sold  
50 shall be deducted as the sales tax on the sale of that

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1 ticket or share, remitted to the treasurer of state  
2 and deposited into the state general fund.  
3 Sec. 167. Section 123.187, subsection 2, Code  
4 2003, is amended to read as follows:  
5 2. A winery licensed or permitted pursuant to laws  
6 regulating alcoholic beverages in a state which  
7 affords this state an equal reciprocal shipping  
8 privilege may ship into this state by private common  
9 carrier, to a person twenty-one years of age or older,  
10 not more than eighteen liters of wine per month, for  
11 consumption or use by the person. Such wine shall not  
12 be resold. Shipment of wine pursuant to this  
13 subsection is not subject to sales tax under section  
14 ~~422.43~~ 423.2, use tax under section ~~423.2~~ 423.5, or  
15 the wine gallonage tax under section 123.183, and does  
16 not require a refund value for beverage container  
17 control purposes under chapter 455C.  
18 Sec. 168. Section 262.54, Code 2003, is amended to  
19 read as follows:  
20 262.54 COMPUTER SALES.  
21 Sales, by an institution under the control of the  
22 board of regents, of computer equipment, computer  
23 software, and computer supplies to students and  
24 faculty at the institution are retail sales under  
25 chapter ~~422, division IV~~ 423.  
26 Sec. 169. Section 303.9, subsection 2, Code 2003,  
27 is amended to read as follows:  
28 2. The department may sell mementos and other  
29 items relating to Iowa history and historic sites on  
30 the premises of property under control of the  
31 department and at the state capitol. Notwithstanding  
32 sections 18.12 and 18.16, the department may directly  
33 and independently enter into rental and lease  
34 agreements with private vendors for the purpose of  
35 selling mementos. All fees and income produced by the  
36 sales and rental or lease agreements shall be credited  
37 to the account of the department. The mementos and  
38 other items sold by the department or vendors under  
39 this subsection are exempt from section 18.6. ~~The~~  
40 ~~department is not a retailer under chapter 422 and the~~  
41 ~~sale of such mementos and other items by the~~  
42 ~~department is not a retail sale under chapter 422 and~~  
43 ~~is exempt from the sales tax.~~  
44 Sec. 170. Section 312.1, subsection 4, Code 2003,  
45 is amended to read as follows:  
46 4. To the extent provided in section ~~423.24~~  
47 423.43, subsection 1, paragraph “b”, from revenue  
48 derived from the use tax, under chapter 423 on motor  
49 vehicles, trailers, and motor vehicle accessories and  
50 equipment.

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1 Sec. 171. Section 312.2, subsections 14 and 16,  
2 Code 2003, are amended to read as follows:

3 14. The treasurer of state, before making the  
4 allotments provided for in this section, shall credit  
5 monthly from the road use tax fund to the general fund  
6 of the state from revenue credited to the road use tax  
7 fund under section ~~423.24~~ 423.43, subsection 1,  
8 paragraph “b”, an amount equal to one-twentieth of  
9 eighty percent of the revenue from the operation of  
10 section ~~423.7~~ 423.26.

11 There is appropriated from the general fund of the  
12 state for each fiscal year to the state department of  
13 transportation the amount of revenues credited to the  
14 general fund of the state during the fiscal year under  
15 this subsection to be used for purposes of public  
16 transit assistance under chapter 324A.

17 16. The treasurer of state, before making the  
18 allotments provided for in this section, shall credit  
19 monthly from the road use tax fund to the motorcycle  
20 rider education fund established in section 321.180B,  
21 an amount equal to one dollar per year of license  
22 validity for each issued or renewed driver’s license  
23 which is valid for the operation of a motorcycle.  
24 Moneys credited to the motorcycle rider education fund  
25 under this subsection shall be taken from moneys  
26 credited to the road use tax fund under section ~~423.24~~  
27 423.43.

28 Sec. 172. Section 321.20, subsection 5, Code 2003,  
29 is amended to read as follows:

30 5. The amount of tax to be paid under section  
31 ~~423.7~~ 423.26.

32 Sec. 173. Section 321.24, subsections 1 and 3,  
33 Code 2003, are amended to read as follows:

34 1. Upon receipt of the application for title and  
35 payment of the required fees for a motor vehicle,  
36 trailer, or semitrailer, the county treasurer or the  
37 department shall, when satisfied as to the  
38 application’s genuineness and regularity, and, in the  
39 case of a mobile home or manufactured home, that taxes  
40 are not owing under chapter 435, issue a certificate  
41 of title and, except for a mobile home or manufactured  
42 home, a registration receipt, and shall file the  
43 application, the manufacturer’s or importer’s  
44 certificate, the certificate of title, or other  
45 evidence of ownership, as prescribed by the  
46 department. The registration receipt shall be  
47 delivered to the owner and shall contain upon its face  
48 the date issued, the name and address of the owner,  
49 the registration number assigned to the vehicle, the  
50 amount of the fee paid, the amount of tax paid

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1 pursuant to section ~~423.7~~ 423.26, the type of fuel  
2 used, and a description of the vehicle as determined  
3 by the department, and upon the reverse side a form  
4 for notice of transfer of the vehicle. The name and  
5 address of any lessee of the vehicle shall not be  
6 printed on the registration receipt or certificate of  
7 title. Up to three owners may be listed on the  
8 registration receipt and certificate of title.

9 3. The certificate of title shall contain upon its  
10 face the identical information required upon the face  
11 of the registration receipt. In addition, the  
12 certificate of title shall contain a statement of the  
13 owner's title, the title number assigned to the owner  
14 or owners of the vehicle, the amount of tax paid  
15 pursuant to section ~~423.7~~ 423.26, the name and address  
16 of the previous owner, and a statement of all security  
17 interests and encumbrances as shown in the  
18 application, upon the vehicle described, including the  
19 nature of the security interest, date of notation, and  
20 name and address of the secured party.

21 Sec. 174. Section 321.34, subsection 7, paragraph  
22 c, Code 2003, is amended to read as follows:

23 c. The fees for a collegiate registration plate  
24 are as follows:

25 (1) A registration fee of twenty-five dollars.

26 (2) A special collegiate registration fee of  
27 twenty-five dollars.

28 These fees are in addition to the regular annual  
29 registration fee. The fees collected by the director  
30 under this subsection shall be paid monthly to the  
31 treasurer of state and credited by the treasurer of  
32 state to the road use tax fund. Notwithstanding  
33 section ~~423.24~~ 423.43 and prior to the revenues being  
34 credited to the road use tax fund under section ~~423.24~~  
35 423.43, subsection 1, paragraph "b", the treasurer of  
36 state shall credit monthly from those revenues  
37 respectively, to Iowa state university of science and  
38 technology, the university of northern Iowa, and the  
39 state university of Iowa, the amount of the special  
40 collegiate registration fees collected in the previous  
41 month for collegiate registration plates designed for  
42 the university. The moneys credited are appropriated  
43 to the respective universities to be used for  
44 scholarships for students attending the universities.

45 Sec. 175. Section 321.34, subsection 11, paragraph  
46 c, Code 2003, is amended to read as follows:

47 c. The special natural resources fee for letter  
48 number designated natural resources plates is thirty-  
49 five dollars. The fee for personalized natural  
50 resources plates is forty-five dollars which shall be

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1 paid in addition to the special natural resources fee  
2 of thirty-five dollars. The fees collected by the  
3 director under this subsection shall be paid monthly  
4 to the treasurer of state and credited to the road use  
5 tax fund. Notwithstanding section ~~423.24~~ 423.43, and  
6 prior to the crediting of revenues to the road use tax  
7 fund under section ~~423.24~~ 423.43, subsection 1,  
8 paragraph “b”, the treasurer of state shall credit  
9 monthly from those revenues to the Iowa resources  
10 enhancement and protection fund created pursuant to  
11 section 455A.18, the amount of the special natural  
12 resources fees collected in the previous month for the  
13 natural resources plates.

14 Sec. 176. Section 321.34, subsection 11A,  
15 paragraph c, Code 2003, is amended to read as follows:

16 c. The special fee for letter number designated  
17 love our kids plates is thirty-five dollars. The fee  
18 for personalized love our kids plates is twenty-five  
19 dollars, which shall be paid in addition to the  
20 special love our kids fee of thirty-five dollars. The  
21 fees collected by the director under this subsection  
22 shall be paid monthly to the treasurer of state and  
23 credited to the road use tax fund. Notwithstanding  
24 section ~~423.24~~ 423.43, and prior to the crediting of  
25 revenues to the road use tax fund under section ~~423.24~~  
26 423.43, subsection 1, paragraph “b”, the treasurer of  
27 state shall transfer monthly from those revenues to  
28 the Iowa department of public health the amount of the  
29 special fees collected in the previous month for the  
30 love our kids plates. Notwithstanding section 8.33,  
31 moneys transferred under this subsection shall not  
32 revert to the general fund of the state.

33 Sec. 177. Section 321.34, subsection 11B,  
34 paragraph c, Code 2003, is amended to read as follows:

35 c. The special fee for letter number designated  
36 motorcycle rider education plates is thirty-five  
37 dollars. The fee for personalized motorcycle rider  
38 education plates is twenty-five dollars, which shall  
39 be paid in addition to the special motorcycle rider  
40 education fee of thirty-five dollars. The fees  
41 collected by the director under this subsection shall  
42 be paid monthly to the treasurer of state and credited  
43 to the road use tax fund. Notwithstanding section  
44 ~~423.24~~ 423.43, and prior to the crediting of revenues  
45 to the road use tax fund under section ~~423.24~~ 423.43,  
46 subsection 1, paragraph “b”, the treasurer of state  
47 shall transfer monthly from those revenues to the  
48 department for use in accordance with section  
49 321.180B, subsection 6, the amount of the special fees  
50 collected in the previous month for the motorcycle

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1 rider education plates.  
2 Sec. 178. Section 321.34, subsection 13, paragraph  
3 d, Code 2003, is amended to read as follows:  
4 d. A state agency may submit a request to the  
5 department recommending a special registration plate.  
6 The alternate fee for letter number designated plates  
7 is thirty-five dollars with a ten dollar annual  
8 special renewal fee. The fee for personalized plates  
9 is twenty-five dollars which is in addition to the  
10 alternative fee of thirty-five dollars with an annual  
11 personalized plate renewal fee of five dollars which  
12 is in addition to the special renewal fee of ten  
13 dollars. The alternate fees are in addition to the  
14 regular annual registration fee. The alternate fees  
15 collected under this paragraph shall be paid monthly  
16 to the treasurer of state and credited to the road use  
17 tax fund. Notwithstanding section ~~423.24~~ 423.43, and  
18 prior to the crediting of the revenues to the road use  
19 tax fund under section ~~423.24~~ 423.43, subsection 1,  
20 paragraph “b”, the treasurer of state shall credit  
21 monthly the amount of the alternate fees collected in  
22 the previous month to the state agency that  
23 recommended the special registration plate.  
24 Sec. 179. Section 321.34, subsection 21, paragraph  
25 c, Code 2003, is amended to read as follows:  
26 c. The special fees collected by the director  
27 under this subsection shall be paid monthly to the  
28 treasurer of state and credited to the road use tax  
29 fund. Notwithstanding section ~~423.24~~ 423.43, and  
30 prior to the crediting of revenues to the road use tax  
31 fund under section ~~423.24~~ 423.43, subsection 1,  
32 paragraph “b”, the treasurer of state shall credit  
33 monthly to the Iowa heritage fund created under  
34 section 303.9A the amount of the special fees  
35 collected in the previous month for the Iowa heritage  
36 plates.  
37 Sec. 180. Section 321.34, subsection 22, paragraph  
38 b, Code 2003, is amended to read as follows:  
39 b. The special school transportation fee for  
40 letter number designated education plates is thirty-  
41 five dollars. The fee for personalized education  
42 plates is twenty-five dollars, which shall be paid in  
43 addition to the special school transportation fee of  
44 thirty-five dollars. The annual special school  
45 transportation fee is ten dollars for letter number  
46 designated registration plates and is fifteen dollars  
47 for personalized registration plates which shall be  
48 paid in addition to the regular annual registration  
49 fee. The fees collected by the director under this  
50 subsection shall be paid monthly to the treasurer of

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1 state and credited to the road use tax fund.  
2 Notwithstanding section ~~423.24~~ 423.43, and prior to  
3 the crediting of revenues to the road use tax fund  
4 under section ~~423.24~~ 423.43, subsection 1, paragraph  
5 “b”, the treasurer of state shall transfer monthly  
6 from those revenues to the school budget review  
7 committee in accordance with section 257.31,  
8 subsection 17, the amount of the special school  
9 transportation fees collected in the previous month  
10 for the education plates.

11 Sec. 181. Section 321F.9, Code 2003, is amended to  
12 read as follows:

13 321F.9 OPTION TO PURCHASE -- DEALER'S LICENSE.

14 Any person engaged in business in this state shall  
15 not enter into any agreement for the use of a motor  
16 vehicle under the terms of which ~~such that~~ person  
17 grants to another an option to purchase ~~such the~~ motor  
18 vehicle without first having obtained a motor vehicle  
19 dealer's license under the provisions of chapter 322,  
20 and all sales of motor vehicles under such options  
21 shall be subject to sales or use taxes imposed under  
22 the provisions of ~~chapters 422 and chapter~~ chapter 423.  
23 Nothing contained in this section shall require such  
24 person to have a place of business as provided by  
25 section 322.6, subsection 8.

26 Sec. 182. Section 327I.26, Code 2003, is amended  
27 to read as follows:

28 327I.26 APPROPRIATION TO AUTHORITY.

29 Notwithstanding section ~~423.24~~ 423.43, and prior to  
30 the application of section ~~423.24~~ 423.43, subsection  
31 1, paragraph “b”, there shall be deposited into the  
32 general fund of the state and is appropriated to the  
33 authority from eighty percent of the revenues derived  
34 from the operation of section ~~423.7~~ 423.26, the  
35 amounts certified by the authority under section  
36 327I.25. However, the total amount deposited into the  
37 general fund and appropriated to the Iowa railway  
38 finance authority under this section shall not exceed  
39 two million dollars annually. Moneys appropriated to  
40 the Iowa railway finance authority under this section  
41 are appropriated only for the payment of principal and  
42 interest on obligations or the payment of leases  
43 guaranteed by the authority as provided under section  
44 327I.25.

45 Sec. 183. Section 328.26, unnumbered paragraph 2,  
46 Code 2003, is amended to read as follows:

47 When an aircraft is registered to a person for the  
48 first time the fee submitted to the department shall  
49 include the tax imposed by section ~~422.43~~ 423.2 or  
50 section ~~423.2~~ 423.5 or evidence of the exemption of

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1 the aircraft from the tax imposed under section ~~422.43~~  
2 423.2 or ~~423.2~~ 423.5.

3 Sec. 184. Section 331.557, subsection 3, Code  
4 2003, is amended to read as follows:

5 3. Collect the use tax on vehicles subject to  
6 registration as provided in sections ~~423.6, 423.7, and~~  
7 423.7A, 423.14, 423.26, and 423.27.

8 Sec. 185. Section 357A.15, unnumbered paragraph 2,  
9 Code 2003, is amended to read as follows:

10 A rural water district organized under chapter 504A  
11 shall receive a refund of sales or use taxes upon  
12 submitting an application to the department of revenue  
13 and finance for ~~such the~~ refund of taxes imposed upon  
14 the ~~gross receipts~~ sales price of all sales of  
15 building materials, supplies, or equipment sold to a  
16 contractor or used in the fulfillment of a written  
17 contract for the construction of facilities for ~~such~~  
18 the rural water district to the same extent as a rural  
19 water district organized under this chapter may obtain  
20 a refund under section ~~422.45~~ 423.4, subsection ~~7~~ 1.

21 Sec. 186. Section 421.10, Code 2003, is amended to  
22 read as follows:

23 421.10 APPEAL PERIOD -- APPLICABILITY.

24 The appeal period for revision of assessment of  
25 tax, interest, and penalties set out under section  
26 ~~422.28, 422.54~~ 423.37, 437A.9, 437A.22, 452A.64,  
27 453A.29, or 453A.46 applies to appeals to notices from  
28 the department denying changes in filing methods,  
29 denying refund claims, and denying portions of refund  
30 claims for the tax covered by that section, and  
31 notices of any department action directed to a  
32 specific taxpayer, other than licensing, which  
33 involves a calculation.

34 Sec. 187. Section 421.17, subsection 22B, Code  
35 2003, is amended to read as follows:

36 22B. ~~Enter~~ To enter into agreements or compacts  
37 with remote sellers, retailers, or third-party  
38 providers for the voluntary collection of Iowa sales  
39 or use taxes attributable to sales into Iowa ~~and to~~  
40 enter. The director has the authority to enter into  
41 and perform all duties required of the office of  
42 director by multistate agreements or compacts that  
43 provide for the ~~voluntary~~ collection of sales and use  
44 taxes, including joint audits with other states or  
45 audits on behalf of other states. The agreements or  
46 compacts shall generally conform to the provisions of  
47 Iowa sales and use tax statutes. All fees for  
48 services, reimbursements, remuneration, incentives,  
49 and costs incurred by the department associated with  
50 these agreements or compacts may be paid or reimbursed

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1 from the additional revenue generated. An amount is  
2 appropriated from amounts generated to pay or  
3 reimburse all costs associated with this subsection.  
4 Persons entering into an agreement or compact with the  
5 department pursuant to this subsection are subject to  
6 the requirements and penalties of the confidentiality  
7 laws of this state regarding tax information.  
8 Notwithstanding any other provisions of law, the  
9 contract, agreement, or compact shall provide for the  
10 registration, collection, report, and verification of  
11 amounts subject to this subsection.

12 Sec. 188. Section 421.17, subsection 29, paragraph  
13 j, Code 2003, is amended to read as follows:

14 j. The department's existing right to credit  
15 against tax due or to become due under section 422.73  
16 or 423.47 is not to be impaired by a right granted to  
17 or a duty imposed upon the department or other state  
18 agency by this subsection. This subsection is not  
19 intended to impose upon the department any additional  
20 requirement of notice, hearing, or appeal concerning  
21 the right to credit against tax due under section  
22 422.73 or 423.47.

23 Sec. 189. Section 421.17, subsection 34, paragraph  
24 i, Code 2003, is amended to read as follows:

25 i. The director may distribute to credit reporting  
26 entities and for publication the names, addresses, and  
27 amounts of indebtedness owed to or being collected by  
28 the state if the indebtedness is subject to the  
29 centralized debt collection procedure established in  
30 this subsection. The director shall adopt rules to  
31 administer this paragraph, and the rules shall provide  
32 guidelines by which the director shall determine which  
33 names, addresses, and amounts of indebtedness may be  
34 distributed for publication. The director may  
35 distribute information for publication pursuant to  
36 this paragraph, notwithstanding sections 422.20,  
37 422.72, and ~~423.23~~ 423.42, or any other provision of  
38 state law to the contrary pertaining to  
39 confidentiality of information.

40 Sec. 190. Section 421.26, Code 2003, is amended to  
41 read as follows:

42 421.26 PERSONAL LIABILITY FOR TAX DUE.

43 If a licensee or other person under section  
44 452A.65, a retailer or purchaser under chapter 422A or  
45 422B, or section ~~422.52~~ 423.31 or 423.33, or a  
46 retailer or purchaser under section ~~423.13~~ 423.32 or a  
47 user under section ~~423.14~~ 423.34 fails to pay a tax  
48 under those sections when due, an officer of a  
49 corporation or association, notwithstanding sections  
50 490A.601 and 490A.602, a member or manager of a

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1 limited liability company, or a partner of a  
2 partnership, having control or supervision of or the  
3 authority for remitting the tax payments and having a  
4 substantial legal or equitable interest in the  
5 ownership of the corporation, association, limited  
6 liability company, or partnership, who has  
7 intentionally failed to pay the tax is personally  
8 liable for the payment of the tax, interest, and  
9 penalty due and unpaid. However, this section shall  
10 not apply to taxes on accounts receivable. The  
11 dissolution of a corporation, association, limited  
12 liability company, or partnership shall not discharge  
13 a person's liability for failure to remit the tax due.

14 Sec. 191. Section 421.28, Code 2003, is amended to  
15 read as follows:

16 421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.

17 The immediate successor to a licensee's or  
18 retailer's business or stock of goods under chapter  
19 422A or 422B, or section ~~422.52, 423.13, 423.14,~~  
20 ~~423.33~~ or 452A.65, is not personally liable for the  
21 amount of delinquent tax, interest, or penalty due and  
22 unpaid if the immediate successor shows that the  
23 purchase of the business or stock of goods was made in  
24 good faith that no delinquent tax, interest, or  
25 penalty was due and unpaid. For purposes of this  
26 section the immediate successor shows good faith by  
27 evidence that the department had provided the  
28 immediate successor with a certified statement that no  
29 delinquent tax, interest, or penalty is unpaid, or  
30 that the immediate successor had taken in good faith a  
31 certified statement from the licensee, retailer, or  
32 seller that no delinquent tax, interest, or penalty is  
33 unpaid. When requested to do so by a person with whom  
34 the licensee or retailer is negotiating the sale of  
35 the business or stock of goods, the director of  
36 revenue and finance shall, upon being satisfied that  
37 such a situation exists, inform that person as to the  
38 amount of unpaid delinquent tax, interest, or penalty  
39 due by the licensee or the retailer. The giving of  
40 the information under this circumstance is not a  
41 violation of section 422.20, 422.72, or 452A.63.

42 Sec. 192. Section 421B.11, unnumbered paragraph 3,  
43 Code 2003, is amended to read as follows:

44 Judicial review of the actions of the director may  
45 be sought in accordance with the terms of the Iowa  
46 administrative procedure Act, and section ~~422.55~~  
47 ~~423.38~~.

48 Sec. 193. Section 422.7, subsection 21, paragraph  
49 a, subparagraph (1), unnumbered paragraph 1, Code  
50 2003, is amended to read as follows:

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1 Net capital gain from the sale of real property  
2 used in a business, in which the taxpayer materially  
3 participated for ten years, as defined in section  
4 469(h) of the Internal Revenue Code, and which has  
5 been held for a minimum of ten years, or from the sale  
6 of a business, as defined in section ~~422.42~~ 423.1, in  
7 which the taxpayer was employed or in which the  
8 taxpayer materially participated for ten years, as  
9 defined in section 469(h) of the Internal Revenue  
10 Code, and which has been held for a minimum of ten  
11 years. The sale of a business means the sale of all  
12 or substantially all of the tangible personal property  
13 or service of the business.

14 Sec. 194. Section 422.73, subsection 1, Code 2003,  
15 is amended by striking the subsection.

16 Sec. 195. Section 422A.1, unnumbered paragraphs 1,  
17 3, 7, and 8, Code 2003, are amended to read as  
18 follows:

19 A city or county may impose by ordinance of the  
20 city council or by resolution of the board of  
21 supervisors a hotel and motel tax, at a rate not to  
22 exceed seven percent, which shall be imposed in  
23 increments of one or more full percentage points upon  
24 the ~~gross receipts~~ sales price from the renting of  
25 sleeping rooms, apartments, or sleeping quarters in a  
26 hotel, motel, inn, public lodging house, rooming  
27 house, manufactured or mobile home which is tangible  
28 personal property, or tourist court, or in any place  
29 where sleeping accommodations are furnished to  
30 transient guests for rent, whether with or without  
31 meals; except the ~~gross receipts~~ sales price from the  
32 renting of sleeping rooms in dormitories and in  
33 memorial unions at all universities and colleges  
34 located in the state of Iowa and the guests of a  
35 religious institution if the property is exempt under  
36 section 427.1, subsection 8, and the purpose of  
37 renting is to provide a place for a religious retreat  
38 or function and not a place for transient guests  
39 generally. The tax when imposed by a city shall apply  
40 only within the corporate boundaries of that city and  
41 when imposed by a county shall apply only outside  
42 incorporated areas within that county. "Renting" and  
43 "rent" include any kind of direct or indirect charge  
44 for such sleeping rooms, apartments, or sleeping  
45 quarters, or their use. However, the tax does not  
46 apply to the ~~gross receipts~~ sales price from the  
47 renting of a sleeping room, apartment, or sleeping  
48 quarters while rented by the same person for a period  
49 of more than thirty-one consecutive days.

50 A local hotel and motel tax shall be imposed on

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1 January 1, April 1, July 1, or October 1, following  
 2 the notification of the director of revenue and  
 3 finance. Once imposed, the tax shall remain in effect  
 4 at the rate imposed for a minimum of one year. A  
 5 local hotel and motel tax shall terminate only on  
 6 March 31, June 30, September 30, or December 31. At  
 7 least ~~forty five~~ sixty days prior to the tax being  
 8 effective or prior to a revision in the tax rate, or  
 9 prior to the repeal of the tax, a city or county shall  
 10 provide notice by mail of such action to the director  
 11 of revenue and finance.

12 No tax permit other than the state sales tax permit  
 13 required under section ~~422.53~~ 423.36 may be required  
 14 by local authorities.

15 The tax levied shall be in addition to any state  
 16 sales tax imposed under section ~~422.43~~ 423.2. Section  
 17 422.25, subsection 4, sections 422.30, ~~422.48 to~~  
 18 ~~422.52, 422.54 to 422.58,~~ 422.67, and 422.68, section  
 19 422.69, subsection 1, and sections 422.70 to 422.75,  
 20 section 423.14, subsection 1, and sections 423.23,  
 21 423.24, 423.25, 423.31, 423.33, 423.35, 423.37 to  
 22 423.42, and 423.47, consistent with the provisions of  
 23 this chapter, apply with respect to the taxes  
 24 authorized under this chapter, in the same manner and  
 25 with the same effect as if the hotel and motel taxes  
 26 were retail sales taxes within the meaning of those  
 27 statutes. Notwithstanding this paragraph, the  
 28 director shall provide for quarterly filing of returns  
 29 ~~as prescribed in section 422.51~~ and for other than  
 30 quarterly filing of returns both as prescribed in  
 31 section ~~422.51, subsection 2~~ 423.31. The director may  
 32 require all persons, as defined in section ~~422.42~~  
 33 423.1, who are engaged in the business of deriving  
 34 ~~gross receipts~~ any sales price subject to tax under  
 35 this chapter, to register with the department.

36 Sec. 196. Section 422B.8, Code 2003, is amended to  
 37 read as follows:

38 422B.8 LOCAL SALES AND SERVICES TAX.

39 A local sales and services tax at the rate of not  
 40 more than one percent may be imposed by a county on  
 41 the ~~gross receipts~~ sales price taxed by the state  
 42 under chapter ~~422~~ 423, ~~division IV~~ subchapter II. A  
 43 local sales and services tax shall be imposed on the  
 44 same basis as the state sales and services tax or in  
 45 the case of the use of natural gas, natural gas  
 46 service, electricity, or electric service on the same  
 47 basis as the state use tax and shall not be imposed on  
 48 the sale of any property or on any service not taxed  
 49 by the state, except the tax shall not be imposed on  
 50 the ~~gross receipts~~ sales price from the sale of motor

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1 fuel or special fuel as defined in chapter 452A which  
2 is consumed for highway use or in watercraft or  
3 aircraft if the fuel tax is paid on the transaction  
4 and a refund has not or will not be allowed, on the  
5 ~~gross receipts~~ sales price from the rental of rooms,  
6 apartments, or sleeping quarters which are taxed under  
7 chapter 422A during the period the hotel and motel tax  
8 is imposed, on the ~~gross receipts~~ sales price from the  
9 sale of equipment by the state department of  
10 transportation, on the ~~gross receipts~~ sales price from  
11 the sale of self-propelled building equipment, pile  
12 drivers, motorized scaffolding, or attachments  
13 customarily drawn or attached to self-propelled  
14 building equipment, pile drivers, and motorized  
15 scaffolding, including auxiliary attachments which  
16 improve the performance, safety, operation, or  
17 efficiency of the equipment and replacement parts and  
18 are directly and primarily used by contractors,  
19 subcontractors, and builders for new construction,  
20 reconstruction, alterations, expansion, or remodeling  
21 of real property or structures, and on the ~~gross~~  
22 ~~receipts~~ sales price from the sale of a lottery ticket  
23 or share in a lottery game conducted pursuant to  
24 chapter 99E and except the tax shall not be imposed on  
25 the ~~gross receipts~~ sales price from the sale or use of  
26 natural gas, natural gas service, electricity, or  
27 electric service in a city or county where the ~~gross~~  
28 ~~receipts~~ sales price from the sale of natural gas or  
29 electric energy are subject to a franchise fee or user  
30 fee during the period the franchise or user fee is  
31 imposed. A local sales and services tax is applicable  
32 to transactions within those incorporated and  
33 unincorporated areas of the county where it is imposed  
34 and shall be collected by all persons required to  
35 collect state ~~gross receipts~~ sales taxes. However, a  
36 person required to collect state retail sales tax  
37 under chapter ~~422~~ 423, ~~division IV subchapter V or VI~~,  
38 is not required to collect local sales and services  
39 tax on transactions delivered within the area where  
40 the local sales and services tax is imposed unless the  
41 person has physical presence in that taxing area. All  
42 cities contiguous to each other shall be treated as  
43 part of one incorporated area and the tax would be  
44 imposed in each of those contiguous cities only if the  
45 majority of those voting in the total area covered by  
46 the contiguous cities favor its imposition.  
47 The amount of the sale, for purposes of determining  
48 the amount of the local sales and services tax, does  
49 not include the amount of any state ~~gross receipts~~  
50 ~~taxes~~ sales tax.

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1 A tax permit other than the state sales tax permit  
2 required under section ~~422.53 or 423.10~~ 423.36 shall  
3 not be required by local authorities.

4 If a local sales and services tax is imposed by a  
5 county pursuant to this chapter, a local excise tax at  
6 the same rate shall be imposed by the county on the  
7 purchase price of natural gas, natural gas service,  
8 electricity, or electric service subject to tax under  
9 chapter 423, subchapter III, and not exempted from tax  
10 by any provision of chapter 423, subchapter III. The  
11 local excise tax is applicable only to the use of  
12 natural gas, natural gas service, electricity, or  
13 electric service within those incorporated and  
14 unincorporated areas of the county where it is imposed  
15 and, except as otherwise provided in this chapter,  
16 shall be collected and administered in the same manner  
17 as the local sales and services tax. For purposes of  
18 this chapter, "local sales and services tax" shall  
19 also include the local excise tax.

20 Sec. 197. Section 422B.9, subsections 1 and 2,  
21 Code 2003, are amended to read as follows:

22 1. a. A local sales and services tax shall be  
23 imposed either January 1 or July 1 following the  
24 notification of the director of revenue and finance  
25 but not sooner than ninety days following the  
26 favorable election and not sooner than sixty days  
27 following notice to sellers, as defined in section  
28 423.1. However, a jurisdiction which has voted to  
29 continue imposition of the tax may impose that tax  
30 without repeal of the prior tax.

31 b. A local sales and services tax shall be  
32 repealed only on June 30 or December 31 but not sooner  
33 than ninety days following the favorable election if  
34 one is held. However, a local sales and services tax  
35 shall not be repealed before the tax has been in  
36 effect for one year. At least forty days before the  
37 imposition or repeal of the tax, a county shall  
38 provide notice of the action by certified mail to the  
39 director of revenue and finance.

40 c. The imposition of or a rate change for a local  
41 sales and service tax shall not be applied to  
42 purchases from a printed catalog wherein a purchaser  
43 computes the local tax based on rates published in the  
44 catalog unless a minimum of one hundred twenty days'  
45 notice of the imposition or rate change has been given  
46 to the seller from the catalog and the first day of a  
47 calendar quarter has occurred on or after the one  
48 hundred twentieth day.

49 e. d. If a local sales and services tax has been  
50 imposed prior to April 1, 2000, and at the time of the

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1 election a date for repeal was specified on the  
2 ballot, the local sales and services tax may be  
3 repealed on that date, notwithstanding paragraph “b”.

4 2. a. The director of revenue and finance shall  
5 administer a local sales and services tax as nearly as  
6 possible in conjunction with the administration of  
7 state ~~gross receipts~~ sales tax laws. The director  
8 shall provide appropriate forms or provide on the  
9 regular state tax forms for reporting local sales and  
10 services tax liability.

11 b. The ordinance of a county board of supervisors  
12 imposing a local sales and services tax shall adopt by  
13 reference the applicable provisions of the appropriate  
14 sections of ~~chapter 422, division IV, and~~ chapter 423.  
15 All powers and requirements of the director to  
16 administer the state ~~gross receipts~~ sales tax law and  
17 use tax law are applicable to the administration of a  
18 local sales and services tax law and the local excise  
19 tax, including but not limited to, the provisions of  
20 section 422.25, subsection 4, sections 422.30, ~~422.48~~  
21 ~~to 422.52, 422.54 to 422.58, 422.67, and~~ 422.68,  
22 section 422.69, subsection 1, sections 422.70 to  
23 422.75, 423.6, subsections 2 to 4, and sections 423.11  
24 ~~to 423.18, and 423.21~~ section 423.14, subsection 1 and  
25 subsection 2, paragraphs “b” through “e”, and sections  
26 423.15, 423.23, 423.24, 423.25, 423.31 to 423.35,  
27 423.37 to 423.42, 423.46, and 423.47. Local officials  
28 shall confer with the director of revenue and finance  
29 for assistance in drafting the ordinance imposing a  
30 local sales and services tax. A certified copy of the  
31 ordinance shall be filed with the director as soon as  
32 possible after passage.

33 c. Frequency of deposits and quarterly reports of  
34 a local sales and services tax with the department of  
35 revenue and finance are governed by the tax provisions  
36 in section ~~422.52~~ 423.31. Local tax collections shall  
37 not be included in computation of the total tax to  
38 determine frequency of filing under section ~~422.52~~  
39 423.31.

40 d. The director shall apply a boundary change of a  
41 county or city imposing or collecting the local sales  
42 and service tax to the imposition or collection of  
43 that tax only on the first day of a calendar quarter  
44 which occurs sixty days or more after the director has  
45 given notice of the boundary change to sellers.

46 Sec. 198. Section 422C.2, subsections 4 and 6,  
47 Code 2003, are amended to read as follows:

48 4. “Person” means person as defined in section  
49 ~~422.42~~ 423.1.

50 6. “Rental price” means the consideration for

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1 renting an automobile valued in money, and means the  
 2 same as "~~gross taxable services~~" "sales price" as  
 3 defined in section ~~422.42~~ 423.1.

4 Sec. 199. Section 422C.3, Code 2003, is amended to  
 5 read as follows:

6 422C.3 TAX ON RENTAL OF AUTOMOBILES.

7 1. A tax of five percent is imposed upon the  
 8 rental price of an automobile if the rental  
 9 transaction is subject to the sales and services tax  
 10 under chapter ~~422~~ 423, ~~division IV subchapter II~~, or  
 11 the use tax under chapter ~~423~~, subchapter III. The  
 12 tax shall not be imposed on any rental transaction not  
 13 taxable under the state sales and services tax, as  
 14 provided in section ~~422.45~~ 423.3, or the state use  
 15 tax, as provided in section ~~423.4~~ 423.6, on automobile  
 16 rental receipts.

17 2. The lessor shall collect the tax by adding the  
 18 tax to the rental price of the automobile.

19 3. The tax, when collected, shall be stated as a  
 20 distinct item separate and apart from the rental price  
 21 of the automobile and the sales and services tax  
 22 imposed under chapter ~~422~~ 423, ~~division IV subchapter~~  
 23 II, or the use tax imposed under chapter 423,  
 24 subchapter III.

25 Sec. 200. Section 422C.4, Code 2003, is amended to  
 26 read as follows:

27 422C.4 ADMINISTRATION AND ENFORCEMENT.

28 All powers and requirements of the director of  
 29 revenue and finance to administer the state ~~gross~~  
 30 ~~receipts~~ sales tax law under chapter ~~422~~, ~~division IV~~,  
 31 423 are applicable to the administration of the tax  
 32 imposed under section 422C.3, including but not  
 33 limited to section 422.25, subsection 4, sections  
 34 422.30, ~~422.48 through 422.52~~, ~~422.54 through 422.58~~,  
 35 422.67, and 422.68, section 422.69, subsection 1, and  
 36 sections 422.70 through 422.75, section 423.14,  
 37 subsection 1, and sections 423.15, 423.23, 423.24,  
 38 423.25, 423.31, 423.33, 423.35 and 423.37 through  
 39 423.42, 423.45, 423.46, and 423.47. However, as an  
 40 exception to the powers specified in section ~~422.52~~,  
 41 ~~subsection 1~~ 423.31, the director shall only require  
 42 the filing of quarterly reports.

43 Sec. 201. Section 422E.1, subsection 1, is amended  
 44 to read as follows:

45 1. A local sales and services tax for school  
 46 infrastructure purposes may be imposed by a county on  
 47 behalf of school districts as provided in this  
 48 chapter.

49 If a local sales and services tax for school  
 50 infrastructure is imposed by a county pursuant to this

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1 chapter, a local excise tax for school infrastructure  
2 at the same rate shall be imposed by the county on the  
3 purchase price of natural gas, natural gas service,  
4 electricity, or electric service subject to tax under  
5 chapter 423, subchapter III, and not exempted from tax  
6 by any provision of chapter 423, subchapter III. The  
7 local excise tax for school infrastructure is  
8 applicable only to the use of natural gas, natural gas  
9 service, electricity, or electric service within those  
10 incorporated and unincorporated areas of the county  
11 where it is imposed and, except as otherwise provided  
12 in this chapter, shall be collected and administered  
13 in the same manner as the local sales and services tax  
14 for school infrastructure. For purposes of this  
15 chapter, "local sales and services tax for school  
16 infrastructure" shall also include the local excise  
17 tax for school infrastructure.

18 Sec. 202. Section 422E.3, subsections 1, 2, and 3,  
19 Code 2003, are amended to read as follows:

20 1. If a majority of those voting on the question  
21 of imposition of a local sales and services tax for  
22 school infrastructure purposes favors imposition of  
23 the tax, the tax shall be imposed by the county board  
24 of supervisors within the county pursuant to section  
25 422E.2, at the rate specified for a ten-year duration  
26 on the ~~gross receipts~~ sales price taxed by the state  
27 under chapter ~~422~~ 423, ~~division IV~~ subchapter II.  
28 2. The tax shall be imposed on the same basis as  
29 the state sales and services tax or in the case of the  
30 use of natural gas, natural gas service, electricity,  
31 or electric service on the same basis as the state use  
32 tax and shall not be imposed on the sale of any  
33 property or on any service not taxed by the state,  
34 except the tax shall not be imposed on the ~~gross~~  
35 ~~receipts~~ sales price from the sale of motor fuel or  
36 special fuel as defined in chapter 452A which is  
37 consumed for highway use or in watercraft or aircraft  
38 if the fuel tax is paid on the transaction and a  
39 refund has not or will not be allowed, on the ~~gross~~  
40 ~~receipts~~ sales price from the rental of rooms,  
41 apartments, or sleeping quarters which are taxed under  
42 chapter 422A during the period the hotel and motel tax  
43 is imposed, on the ~~gross receipts~~ sales price from the  
44 sale of equipment by the state department of  
45 transportation, on the ~~gross receipts~~ sales price from  
46 the sale of self-propelled building equipment, pile  
47 drivers, motorized scaffolding, or attachments  
48 customarily drawn or attached to self-propelled  
49 building equipment, pile drivers, and motorized  
50 scaffolding, including auxiliary attachments which

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1 improve the performance, safety, operation, or  
 2 efficiency of the equipment, and replacement parts and  
 3 are directly and primarily used by contractors,  
 4 subcontractors, and builders for new construction,  
 5 reconstruction, alterations, expansion, or remodeling  
 6 of real property or structures, and on the ~~gross~~  
 7 ~~receipts sales price~~ from the sale of a lottery ticket  
 8 or share in a lottery game conducted pursuant to  
 9 chapter 99E and except the tax shall not be imposed on  
 10 the ~~gross receipts sales price~~ from the sale or use of  
 11 natural gas, natural gas service, electricity, or  
 12 electric service in a city or county where the ~~gross~~  
 13 ~~receipts sales price~~ from the sale of natural gas or  
 14 electric energy are subject to a franchise fee or user  
 15 fee during the period the franchise or user fee is  
 16 imposed.

17 3. The tax is applicable to transactions within  
 18 the county where it is imposed and shall be collected  
 19 by all persons required to collect state ~~gross~~  
 20 ~~receipts sales~~ or local excise taxes. However, a  
 21 person required to collect state ~~retail~~ sales tax  
 22 under chapter ~~422, division IV, 423~~ is not required to  
 23 collect local sales and services tax on transactions  
 24 delivered within the area where the local sales and  
 25 services tax is imposed unless the person has physical  
 26 presence in that taxing area. The amount of the sale,  
 27 for purposes of determining the amount of the tax,  
 28 does not include the amount of any state ~~gross~~  
 29 ~~receipts sales taxes~~ or excise taxes or other local  
 30 option sales or excise taxes. A tax permit other than  
 31 the state tax permit required under section ~~422.53 or~~  
 32 ~~423.10 423.36~~ shall not be required by local  
 33 authorities.

34 Sec. 203. Section 425.30, Code 2003, is amended to  
 35 read as follows:

36 425.30 NOTICES.

37 Section ~~422.57 423.39~~, subsection 1, shall apply to  
 38 all notices under this division.

39 Sec. 204. Section 425.31, Code 2003, is amended to  
 40 read as follows:

41 425.31 APPEALS.

42 Any person aggrieved by an act or decision of the  
 43 director of revenue and finance or the department of  
 44 revenue and finance under this division shall have the  
 45 same rights of appeal and review as provided in  
 46 sections 421.1 and ~~422.55 423.38~~ and the rules of the  
 47 department of revenue and finance.

48 Sec. 205. Section 452A.66, unnumbered paragraph 1,  
 49 Code 2003, is amended to read as follows:

50 The appropriate state agency shall administer the

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1 taxes imposed by this chapter in the same manner as  
2 and subject to section 422.25, subsection 4 and  
3 section ~~422.52, subsection 3~~ 423.35.

4 Sec. 206. Section 455B.455, Code 2003, is amended  
5 to read as follows:

6 455B.455 SURCHARGE IMPOSED.

7 A land burial surcharge tax of two percent is  
8 imposed on the fee for land burial of a hazardous  
9 waste. The owner of the land burial facility shall  
10 remit the tax collected to the director of revenue and  
11 finance after consultation with the director according  
12 to rules that the director shall adopt. The director  
13 shall forward a copy of the site license to the  
14 director of revenue and finance which shall be the  
15 appropriate license for the collection of the land  
16 burial surcharge tax and shall be subject to  
17 suspension or revocation if the site license holder  
18 fails to collect or remit the tax collected under this  
19 section. The provisions of ~~sections~~ section 422.25,  
20 subsection 4, ~~sections~~ 422.30, ~~422.48 to 422.52,~~  
21 ~~422.54 to 422.58,~~ 422.67, and 422.68, section 422.69,  
22 subsection 1, and ~~sections~~ 422.70 to 422.75, section  
23 423.14, subsection 1, and ~~sections~~ 423.23, 423.24,  
24 423.25, 423.31, 423.33, 423.35, 423.37 to 423.42, and  
25 423.47, consistent with the provisions of this part 6

26 of division IV, shall apply with respect to the taxes  
27 authorized under this part, in the same manner and  
28 with the same effect as if the land burial surcharge  
29 tax were ~~retail~~ sales taxes within the meaning of  
30 those statutes. Notwithstanding the provisions of  
31 this ~~paragraph~~ section, the director shall provide for  
32 only quarterly filing of returns as prescribed in  
33 section ~~422.51~~ 423.31. Taxes collected by the  
34 director of revenue and finance under this section  
35 shall be deposited in the general fund of the state.

36 Sec. 207. Section 455G.3, subsection 1, Code 2003,  
37 is amended to read as follows:

38 1. The Iowa comprehensive petroleum underground  
39 storage tank fund is created as a separate fund in the  
40 state treasury, and any funds remaining in the fund at  
41 the end of each fiscal year shall not revert to the  
42 general fund but shall remain in the Iowa  
43 comprehensive petroleum underground storage tank fund.  
44 Interest or other income earned by the fund shall be  
45 deposited in the fund. The fund shall include moneys  
46 credited to the fund under this section, section  
47 ~~423.24~~ 423.43, subsection 1, paragraph "a", and  
48 sections 455G.8, 455G.9, and 455G.11, and other funds  
49 which by law may be credited to the fund. The moneys  
50 in the fund are appropriated to and for the purposes

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1 of the board as provided in this chapter. Amounts in  
2 the fund shall not be subject to appropriation for any  
3 other purpose by the general assembly, but shall be  
4 used only for the purposes set forth in this chapter.  
5 The treasurer of state shall act as custodian of the  
6 fund and disburse amounts contained in it as directed  
7 by the board including automatic disbursements of  
8 funds as received pursuant to the terms of bond  
9 indentures and documents and security provisions to  
10 trustees and custodians. The treasurer of state is  
11 authorized to invest the funds deposited in the fund  
12 at the direction of the board and subject to any  
13 limitations contained in any applicable bond  
14 proceedings. The income from such investment shall be  
15 credited to and deposited in the fund. The fund shall  
16 be administered by the board which shall make  
17 expenditures from the fund consistent with the  
18 purposes of the programs set out in this chapter  
19 without further appropriation. The fund may be  
20 divided into different accounts with different  
21 depositories as determined by the board and to fulfill  
22 the purposes of this chapter.

23 Sec. 208. Section 455G.6, subsection 4, Code 2003,  
24 is amended to read as follows:

25 4. Grant a mortgage, lien, pledge, assignment, or  
26 other encumbrance on one or more improvements,  
27 revenues, asset of right, accounts, or funds  
28 established or received in connection with the fund,  
29 including revenues derived from the use tax under  
30 section ~~423.24~~ 423.43, subsection 1, paragraph “a”,  
31 and deposited in the fund or an account of the fund.

32 Sec. 209. Section 455G.8, subsection 2, Code 2003,  
33 is amended to read as follows:

34 2. USE TAX. The revenues derived from the use tax  
35 imposed under chapter 423, subchapter III. The  
36 proceeds of the use tax under section ~~423.24~~ 423.43,  
37 subsection 1, paragraph “a”, shall be allocated,  
38 consistent with this chapter, among the fund’s  
39 accounts, for debt service and other fund expenses,  
40 according to the fund budget, resolution, trust  
41 agreement, or other instrument prepared or entered  
42 into by the board or authority under direction of the  
43 board.

44 Sec. 210. Section 455G.9, subsection 2, Code 2003,  
45 is amended to read as follows:

46 2. REMEDIAL ACCOUNT FUNDING. The remedial account  
47 shall be funded by that portion of the proceeds of the  
48 use tax imposed under chapter 423, subchapter III, and  
49 other moneys and revenues budgeted to the remedial  
50 account by the board.

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1 Sec. 211. Section 2.67, Code 2003, is repealed.  
2 Sec. 212. CODE EDITOR DIRECTIVE. The Code editor  
3 is directed to transfer Code chapter 423A to Code  
4 chapter 421A and to transfer Code chapters 422A, 422B,  
5 422C, and 422E to Code chapters 423A, 423B, 423C, and  
6 423E, respectively. The Code editor is directed to  
7 correct Code references as required due to the changes  
8 made in this Act.

9 SALES TAX ADVISORY COUNCIL

10 Sec. 213. IOWA STREAMLINED SALES TAX ADVISORY  
11 COUNCIL.

12 1. An Iowa streamlined sales tax advisory council  
13 is created. The advisory council shall review, study,  
14 and submit recommendations to the Iowa streamlined  
15 sales and use tax delegation regarding the proposed  
16 streamlined sales and use tax agreement formalized by  
17 the project's implementing sales on November 12, 2002,  
18 the proposed language conforming Iowa's sales and use  
19 tax to the national agreement, and the following  
20 issues:

21 a. Uniform definitions proposed in the current  
22 streamlined sales and use tax agreement and future  
23 proposals.  
24 b. Effects upon taxability of items newly defined  
25 in Iowa.  
26 c. Impacts upon business as a result of the  
27 streamlined sales and use tax.  
28 d. Technology implementation issues.  
29 e. Any other issues that are brought before the  
30 streamlined sales and use tax implementing state or  
31 the streamlined sales and use tax governing board.

32 2. The department shall provide administrative  
33 support to the Iowa streamlined sales tax advisory  
34 council. The advisory council shall be representative  
35 of Iowa's business community and economy when  
36 reviewing and recommending solutions to streamlined  
37 sales and use tax issues. The advisory council shall  
38 provide the general assembly and the governor with  
39 final recommendations made to the Iowa streamlined  
40 sales and use tax delegation upon the conclusion of  
41 each calendar year.

42 3. The director of revenue, in consultation with  
43 the Iowa taxpayers association and the Iowa  
44 association of business and industry, shall appoint  
45 members to the Iowa streamlined sales tax advisory  
46 council, which shall consist of the following members:  
47 a. One member from the department of revenue and  
48 finance.  
49 b. Three members representing small Iowa  
50 businesses, at least one of whom must be a retailer,

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- 1 and at least one of whom shall be a supplier.
- 2 c. Three members representing medium Iowa
- 3 businesses, at least one of whom shall be a retailer,
- 4 and at least one of whom shall be a supplier.
- 5 d. Three members representing large Iowa
- 6 businesses, at least one of whom shall be a retailer,
- 7 and at least one of whom shall be a supplier.
- 8 e. One member representing taxpayers as a whole.
- 9 f. One member representing the retail community as
- 10 a whole.
- 11 g. Any other member the director of revenue and
- 12 finance deems appropriate.

13 Sec. 214. EFFECTIVE DATE. Except for the section  
 14 creating the Iowa streamlined sales tax advisory  
 15 council, this division of this Act takes effect July  
 16 1, 2004.

17 DIVISION XVI  
 18 EFFECTIVE DATE

19 Sec. 215. EFFECTIVE DATE. Unless otherwise  
 20 provided in this Act, this Act takes effect July 1,  
 21 2003.”

22 \_\_\_\_\_. Title page, by striking lines 1 through 15  
 23 and inserting the following: “An Act relating to  
 24 economic development, financial, taxation, and  
 25 regulatory matters, making and revising  
 26 appropriations, modifying penalties, providing a fee,  
 27 and including effective, applicability, and  
 28 retroactive applicability provisions.””

NEAL SCHUERER

**S-3407**

1 Amend the amendment, S-3392, to House File 683, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:

- 4 1. Page 33, by striking lines 17 through 41 and
- 5 inserting the following:
- 6 “Sec. \_\_\_\_\_. SECURE AN ADVANCED VISION FOR EDUCATION
- 7 FUND APPROPRIATION.

8 1. There is appropriated from the grow Iowa fund  
 9 created in section 15G.107 to the department of  
 10 revenue and finance, for the fiscal year beginning  
 11 July 1, 2003, and ending June 30, 2004, the following  
 12 amount, or so much thereof as is necessary, to be used  
 13 for the purpose designated:

14 For deposit in the secure an advanced vision for  
 15 education fund created in section 422E.3A, if enacted  
 16 by 2003 Iowa Acts, Senate File 445:

17 ..... \$250,000,000

18 2. Notwithstanding section 8.33, moneys that  
 19 remain unexpended at the end of a fiscal year shall  
 20 not revert to any fund but shall remain available for  
 21 expenditure for the designated purposes during the  
 22 succeeding fiscal year.”  
 23 2. By renumbering as necessary.

JOHN P. KIBBIE  
 EUGENE S. FRAISE  
 AMANDA RAGAN  
 DARYL BEALL  
 ROGER STEWART  
 THOMAS G. COURTNEY  
 DR. JOE SENG  
 KEITH A. KREIMAN

### S-3408

1 Amend the amendment, S-3392, to House File 683, as  
 2 amended, passed, and reprinted by the House, as  
 3 follows:  
 4 1. By striking page 1, line 3, through page 34,  
 5 line 10, and inserting the following:  
 6 “\_\_\_ By striking everything after the enacting  
 7 clause and inserting the following:  
 8 “DIVISION I  
 9 STATE EMPLOYEE SALARIES  
 10 Section 1. 2003 Iowa Acts, Senate File 458,  
 11 section 48, unnumbered paragraphs 1 and 2, if enacted,  
 12 are amended to read as follows:  
 13 There is appropriated from the general fund of the  
 14 state to the salary adjustment fund for distribution  
 15 by the department of management to the various state  
 16 departments, boards, commissions, councils, and  
 17 agencies, and to the state board of regents for those  
 18 persons employed at the state school for the deaf and  
 19 the Iowa braille and sight saving school, for the  
 20 fiscal year beginning July 1, 2003, and ending June  
 21 30, 2004, the amount of ~~\$28,000,000~~ \$30,000,000, or so  
 22 much thereof as may be necessary, to fully fund annual  
 23 pay adjustments, expense reimbursements, and related  
 24 benefits implemented pursuant to the following:  
 25 Of the amount appropriated in this section,  
 26 ~~\$2,668,000~~ \$2,818,000 shall be allocated to the  
 27 judicial branch for the purpose of funding annual pay  
 28 adjustments, expense reimbursements, and related  
 29 benefits implemented for judicial branch employees.  
 30 In distributing the remainder of the amount  
 31 appropriated in this section, the department of  
 32 management, in order to address essential public  
 33 protection functions and recognizing the availability  
 34 of funds appropriated in other Acts of the general

35 assembly and other sources, shall give priority, in  
36 descending order, to the department of corrections,  
37 department of human services, and department of public  
38 safety, and then to the remaining state departments,  
39 boards, commissions, councils, and agencies to which  
40 the appropriation is applicable.

41 Sec. 2. STATE COURTS -- JUSTICES, JUDGES, AND  
42 MAGISTRATES.

43 1. Of the amount allocated for the judicial branch  
44 in 2003 Iowa Acts, Senate File 458, section 48, if  
45 enacted, \$150,000 is allocated to fund the changes in  
46 this section to the salaries of justices, judges, and  
47 magistrates.

48 2. The following annual salary rates shall be paid  
49 to the persons holding the judicial positions  
50 indicated during the fiscal year beginning July 1,

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1	2003, effective with the pay period beginning December		
2	5, 2003, and for subsequent pay periods:		
3	a. Chief justice of the supreme court:		
4	.....	\$	127,040
5	b. Each justice of the supreme court:		
6	.....	\$	122,500
7	c. Chief judge of the court of appeals:		
8	.....	\$	122,380
9	d. Each associate judge of the court of appeals:		
10	.....	\$	117,850
11	e. Each chief judge of a judicial district:		
12	.....	\$	116,760
13	f. Each district judge except the chief judge of a		
14	judicial district:		
15	.....	\$	112,010
16	g. Each district associate judge:		
17	.....	\$	97,610
18	h. Each associate juvenile judge:		
19	.....	\$	97,610
20	i. Each associate probate judge:		
21	.....	\$	97,610
22	j. Each judicial magistrate:		
23	.....	\$	29,100
24	k. Each senior judge:		
25	.....	\$	6,500
26	3. Persons receiving the salary rates established		
27	under subsection 2 shall not receive any additional		
28	salary adjustments provided by 2003 Iowa Acts, Senate		
29	File 458, division V.		

30 DIVISION II  
31 APPROPRIATIONS AND APPROPRIATIONS REVISIONS  
32 INSURANCE DIVISION

33 Sec. 3. INSURANCE STUDY. There is appropriated

34 from the general fund of the state to the department  
35 of commerce for the fiscal year beginning July 1,  
36 2003, and ending June 30, 2004, the following amount,  
37 or so much thereof as is necessary, to be used for the  
38 purpose designated:

39 For the insurance division to implement the school  
40 health insurance reform team study in accordance with  
41 2003 Iowa Acts, Senate File 386:  
42 ..... \$ 15,000

43 DEPARTMENT OF MANAGEMENT

44 Sec. 4. LOCAL GOVERNMENT INNOVATION FUND  
45 APPROPRIATION. There is appropriated from the general  
46 fund of the state to the department of management for  
47 the fiscal year beginning July 1, 2003, and ending  
48 June 30, 2004, the following amount, or so much  
49 thereof as is necessary, to be used for the purpose  
50 designated:

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1 For deposit in the local government innovation fund  
2 created in section 8.64:  
3 ..... \$ 1,000,000

4 Notwithstanding section 8.64, subsection 4, if  
5 enacted by 2003 Iowa Acts, Senate File 453, section  
6 27, the local government innovation fund committee may  
7 provide up to 20 percent of the amount appropriated in  
8 this section in the form of forgivable loans or as  
9 grants for those projects that propose a new and  
10 innovative sharing initiative that would serve as an  
11 important model for cities and counties.

12 DEPARTMENT OF CORRECTIONS

13 Sec. 5. There is appropriated from the rebuild  
14 Iowa infrastructure fund to the department of  
15 corrections for the fiscal year beginning July 1,  
16 2003, and ending June 30, 2004, the following amounts,  
17 or so much thereof as is necessary, to be used for the  
18 purposes designated:

19 1. For expansion of the Luster Heights facility  
20 into a community-based corrections facility and an  
21 institutional work and substance abuse treatment  
22 center:  
23 ..... \$ 92,000

24 2. For conversion of the Clarinda lodge into  
25 minimum security bed space:  
26 ..... \$ 730,400

27 Sec. 6. 2003 Iowa Acts, Senate File 439, section  
28 4, subsection 1, paragraphs b and g, as enacted, are  
29 amended to read as follows:

30 b. For the operation of the Anamosa correctional  
31 facility, including salaries, support, maintenance,  
32 employment of correctional officers and a part-time

33 chaplain to provide religious counseling to inmates of  
 34 a minority race, miscellaneous purposes, and for not  
 35 more than the following full-time equivalent  
 36 positions:

37 .....	\$	<u>24,531,917</u>
38 .....		<u>25,196,085</u>
39 .....	FTEs	<u>375.75</u>
40 .....		<u>385.25</u>

41 Moneys are provided within this appropriation for  
 42 one full-time substance abuse counselor for the Luster  
 43 Heights facility, for the purpose of certification of  
 44 a substance abuse program at that facility. Of the  
 45 funds appropriated in this paragraph "b", \$664,168 is  
 46 allocated for implementation costs associated with  
 47 expansion of the Luster Heights facility.

48 g. For the operation of the Clarinda correctional  
 49 facility, including salaries, support, maintenance,  
 50 employment of correctional officers, miscellaneous

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1 purposes, and for not more than the following full-  
 2 time equivalent positions:

3 .....	\$	<u>18,595,788</u>
4 .....		<u>19,389,220</u>
5 .....	FTEs	<u>291.76</u>
6 .....		<u>304.58</u>

7 Moneys received by the department of corrections as  
 8 reimbursement for services provided to the Clarinda  
 9 youth corporation are appropriated to the department  
 10 and shall be used for the purpose of operating the  
 11 Clarinda correctional facility.

12 Of the funds appropriated in this paragraph "g",  
 13 \$793,432 is allocated for implementation costs  
 14 associated with expansion of the conversion of the  
 15 Clarinda lodge, with \$277,500 of the allocation for  
 16 one-time costs and \$515,932 for ongoing costs.

PUBLIC TRANSIT

17 Sec. 7. 2003 Iowa Acts, Senate File 458, section  
 18 8, if enacted, is amended to read as follows:

SEC. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.

21 Notwithstanding section 312.2, subsection 14, the  
 22 amount appropriated from the general fund of the state  
 23 under section 312.2, subsection 14, to the state  
 24 department of transportation for public transit  
 25 assistance under chapter 324A for the fiscal year  
 26 beginning July 1, 2003, and ending June 30, 2004, is  
 27 reduced by the following amount:

28 .....	\$	<u>1,298,675</u>
29 .....		<u>2,582,800</u>

OFFICE OF THE GOVERNOR

31 Sec. 8. 2003 Iowa Acts, House File 655, section 5,

32 subsection 1, if enacted, is amended to read as  
33 follows:

34 1. GENERAL OFFICE

35 For salaries, support, maintenance, and  
36 miscellaneous purposes for the general office of the  
37 governor and the general office of the lieutenant  
38 governor, and for not more than the following full-  
39 time equivalent positions:

40 .....	\$	<del>1,243,643</del>
41 .....		<u>1,493,643</u>
42 .....	FTEs	<del>17.25</del>
43 .....		<u>19.25</u>

44 Of the amount appropriated in this section,  
45 \$250,000 is allocated for two full-time equivalent  
46 positions in the office of the governor that were  
47 previously funded by other state departments and  
48 agencies.

49 DEPARTMENT OF REVENUE

50 Sec. 9. 2003 Iowa Acts, House File 655, section

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1 31, if enacted, is amended to read as follows:  
2 SEC. 31. DEPARTMENT OF REVENUE. There is  
3 appropriated from the general fund of the state to the  
4 department of revenue for the fiscal year beginning  
5 July 1, 2003, and ending June 30, 2004, the following  
6 amounts, or so much thereof as is necessary, to be  
7 used for the purposes designated, and for not more  
8 than the following full-time equivalent positions used  
9 for the purposes designated in subsection 1:

10 .....	FTEs	<del>378.87</del>
11 .....		<u>380.87</u>

12 Of the full-time equivalent positions authorized in  
13 this section, two full-time equivalent positions are  
14 allocated for new positions to assist in preparation  
15 of information for the revenue estimating conference  
16 and in improving the turnaround time for processing  
17 corporate tax filings.

18 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT --  
19 STATE FINANCIAL MANAGEMENT -- STATEWIDE PROPERTY TAX  
20 ADMINISTRATION

21 For salaries, support, maintenance, and  
22 miscellaneous purposes:

23 .....	\$	<del>23,259,111</del>
24 .....		<u>23,359,111</u>

25 Of the funds appropriated pursuant to this  
26 subsection, \$400,000 shall be used to pay the direct  
27 costs of compliance related to the collection and  
28 distribution of local sales and services taxes imposed  
29 pursuant to chapters 422B and 422E.

30 The director of revenue shall prepare and issue a

31 state appraisal manual and the revisions to the state  
32 appraisal manual as provided in section 421.17,  
33 subsection 18, without cost to a city or county.

34 2. COLLECTION COSTS AND FEES

35 For payment of collection costs and fees pursuant  
36 to section 422.26:

37 ..... \$ 28,166

38 DEPARTMENT OF PUBLIC HEALTH

39 Sec. 10. 2003 Iowa Acts, House File 667, section  
40 2, subsection 8, as enacted, is amended to read as  
41 follows:

42 8. INFECTIOUS DISEASES

43 For reducing the incidence and prevalence of  
44 communicable diseases, and for not more than the  
45 following full-time equivalent positions:

46 ..... \$ 977,340

47 ..... 1,074,888

48 ..... FTEs 36.90

49 DIVISION III

50 MISCELLANEOUS PROVISIONS

1 Sec. 11. GOVERNMENT OVERSIGHT COMMITTEE -- REVIEW  
2 OF CONTINUING CARE RETIREMENT COMMUNITIES -- ASSISTED  
3 LIVING PROGRAM APPLICABILITY. The government  
4 oversight committees shall review the application of  
5 chapter 231C, relating to assisted living programs, to  
6 continuing care retirement communities, as defined in  
7 section 523D.1. The committees shall submit  
8 recommendations for any legislation deemed necessary  
9 for consideration during the 2004 regular legislative  
10 session.

11 Sec. 12. Section 15E.193B, subsection 4, Code  
12 2003, as amended by 2003 Iowa Acts, Senate File 458,  
13 section 100, if enacted, is amended to read as  
14 follows:

15 4. The eligible housing business shall complete  
16 its building or rehabilitation within two years from  
17 the time the business begins construction on the  
18 single-family homes and dwelling units. The failure  
19 to complete construction or rehabilitation within two  
20 years shall result in the eligible housing business  
21 becoming ineligible and subject to the repayment  
22 requirements and penalties enumerated in subsection 7.  
23 The department may extend the prescribed two-year  
24 completion period for any current or future project  
25 which has not been completed if the department  
26 determines that completion within the two-year period  
27 is impossible or impractical as a result of a  
28 substantial loss caused by flood, fire, earthquake,  
29 storm, or other catastrophe. For purposes of this

30 subsection, “substantial loss” means damage or  
31 destruction in an amount in excess of thirty percent  
32 of the project’s expected eligible basis as set forth  
33 in the eligible housing business’s application.

34 Sec. 13. Section 215.14, Code 2003, is amended to  
35 read as follows:

36 215.14 APPROVAL BY DEPARTMENT.

37 A commercial weighing and measuring device shall  
38 not be installed in this state unless approved by the  
39 department. ~~All livestock scales and~~

40 1. A pit type scales scale or any other scale  
41 installed in a pit, regardless of capacity, that is  
42 installed on or after July 1, 1990, shall have a  
43 clearance of not less than four feet from the finished  
44 floor line of the scale to the bottom of the “T” beam  
45 of the scale bridge. Livestock shall not be weighed  
46 on any scale other than a livestock scale or pit type  
47 scale.

48 2. An electronic pitless scale shall be placed on  
49 concrete footings with concrete floor. The concrete  
50 floor shall allow for adequate drainage away from the

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1 scale as required by the department. There shall be a  
2 clearance of not less than eight inches between the  
3 weigh bridge and the concrete floor to facilitate  
4 inspection and cleaning.

5 3. After approval by the department, the  
6 specifications for a commercial weighing and measuring  
7 device shall be furnished to the purchaser of the  
8 device by the manufacturer. The approval shall be  
9 based upon the recommendation of the United States  
10 national institute of standards and technology.

11 Sec. 14. Section 231C.17, subsection 4, if enacted  
12 by 2003 Iowa Acts, House File 675, section 24, is  
13 amended by striking the subsection and inserting in  
14 lieu thereof the following:

15 4. A continuing care retirement community, as  
16 defined in section 523D.1, may provide limited  
17 personal care services and emergency response services  
18 to its independent living tenants if all of the  
19 following conditions are met:

20 a. The provision of such personal care services or  
21 emergency response services does not result in  
22 inadequate staff coverage to meet the service needs of  
23 all tenants of the continuing care retirement  
24 community.

25 b. The staff providing the personal care or  
26 emergency response services is trained or qualified to  
27 the extent necessary to provide such services.

28 c. The continuing care retirement community

29 documents the date, time, and nature of the personal  
30 care or emergency response services provided.

31 d. Emergency response services are only provided  
32 in situations which constitute an urgent need for  
33 immediate action or assistance due to unforeseen  
34 circumstances.

35 This subsection shall not be construed to prohibit  
36 an independent living tenant of a continuing care  
37 retirement community from contracting with a third  
38 party for personal care or emergency response  
39 services.

40 Sec. 15. NEW SECTION. 237A.25 CONSUMER  
41 INFORMATION.

42 1. The department shall develop consumer  
43 information material to assist parents in selecting a  
44 child care provider. In developing the material, the  
45 department shall consult with department of human  
46 services staff, department of education staff, the  
47 state child care advisory council, the Iowa  
48 empowerment board, and child care resource and  
49 referral services. In addition, the department may  
50 consult with other entities at the local, state, and

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1 national level.

2 2. The consumer information material developed by  
3 the department for parents and other consumers of  
4 child care services shall include but is not limited  
5 to all of the following:

6 a. A pamphlet or other printed material containing  
7 consumer-oriented information on locating a quality  
8 child care provider.

9 b. Information explaining important considerations  
10 a consumer should take into account in selecting a  
11 licensed or registered child care provider.

12 c. Information explaining how a consumer can  
13 identify quality services, including what questions to  
14 ask of providers and what a consumer might expect or  
15 demand to know before selecting a provider.

16 d. An explanation of the applicable laws and  
17 regulations written in layperson's terms.

18 e. An explanation of what it means for a provider  
19 to be licensed, registered, or unregistered.

20 f. An explanation of the information considered in  
21 registry and record background checks.

22 g. Other information deemed relevant to consumers.

23 3. The department shall implement and publicize an  
24 internet page or site that provides all of the  
25 following:

26 a. The written information developed pursuant to  
27 subsections 1 and 2.

28 b. Regular informational updates, including when a  
29 child care provider was last subject to a state  
30 quality review or inspection and, based upon a final  
31 score or review, the results indicating whether the  
32 provider passed or failed the review or inspection.

33 c. Capability for a consumer to be able to access  
34 information concerning child care providers, such as  
35 informational updates, identification of provider  
36 location, name, and capacity, and identification of  
37 providers participating in the state child care  
38 assistance program and those participating in the  
39 child care food program, by sorting the information or  
40 employing other means that provide the information in  
41 a manner that is useful to the consumer. Information  
42 regarding provider location shall identify providers  
43 located in the vicinity of an address selected by a  
44 consumer and provide contact information without  
45 listing the specific addresses of the providers.

46 d. Other information deemed appropriate by the  
47 department.

48 Sec. 16. Section 384.84, Code 2003, is amended by  
49 adding the following new subsection:

50 NEW SUBSECTION. 9. Notwithstanding subsection 3,

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1 a lien shall not be filed against the land if the  
2 premises are located on leased land. If the premises  
3 are located on leased land, a lien may be filed  
4 against the premises only.

5 Sec. 17. Section 422E.3A, subsection 2, paragraph  
6 a, if enacted by 2003 Iowa Acts, Senate File 445,  
7 section 8, is amended to read as follows:

8 a. A school district that is located in whole or  
9 in part in a county that voted on and approved prior  
10 to April 1, 2003, the local sales and services tax for  
11 school infrastructure purposes and that has a sales  
12 tax capacity per student above the guaranteed school  
13 infrastructure amount shall receive for the remainder  
14 of the term of the tax an amount equal to its pro rata  
15 share of the local sales and services tax receipts as  
16 provided in section 422E.3, subsection 5, paragraph  
17 "d", unless the school board passes a resolution by  
18 October 1, 2003, agreeing to receive a distribution  
19 pursuant to paragraph "b", subparagraph (1).

20 Sec. 18. Section 422E.3A, subsection 2, paragraph  
21 b, subparagraph (1), if enacted by 2003 Iowa Acts,  
22 Senate File 445, section 8, is amended to read as  
23 follows:

24 (1) A school district that is located in whole or  
25 in part in a county that voted on and approved prior  
26 to April 1, 2003, the local sales and services tax for

27 school infrastructure purposes and that has a sales  
 28 tax capacity per student below its guaranteed school  
 29 infrastructure amount shall receive for the remainder  
 30 of the term of the tax an amount equal to its pro rata  
 31 share of the local sales and services tax receipts as  
 32 provided in section 422E.3, subsection 5, paragraph  
 33 “d”, plus an amount equal to its supplemental school  
 34 infrastructure amount, unless the school district  
 35 passes a resolution by October 1, 2003, agreeing to  
 36 receive only an amount equal to its pro rata share as  
 37 provided in section 422E.3, subsection 5, paragraph  
 38 “d”, in all subsequent years.

39 Sec. 19. Section 435.26A, subsection 5, as enacted  
 40 by 2003 Iowa Acts, Senate File 134, section 7, and as  
 41 amended by 2003 Iowa Acts, Senate File 458, section  
 42 128, if enacted, is amended to read as follows:

43 5. An owner of a manufactured home who has  
 44 surrendered a certificate of title under this section  
 45 and requires another certificate of title for the  
 46 manufactured home is required to apply for a  
 47 certificate of title under ~~section 321.42~~ chapter 321.  
 48 If supporting documents for the reissuance of a title  
 49 are not available or sufficient, the procedure for the  
 50 reissuance of a title specified in the rules of the

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1 department of transportation shall be used.  
 2 Sec. 20. Section 459.315, Code 2003, as amended by  
 3 2003 Iowa Acts, House File 644, if enacted, is amended  
 4 by adding the following new subsection:  
 5 NEW SUBSECTION. 4A. This section shall not  
 6 require a person to be certified as a confinement site  
 7 manure applicator if the person applies manure which  
 8 originates from a manure storage structure which is  
 9 part of a small animal feeding operation.

10 Sec. 21. Section 508.31A, subsection 2, paragraph  
 11 a, subparagraph (4), as enacted by 2003 Iowa Acts,  
 12 House File 647, section 7, is amended to read as  
 13 follows:

14 (4) A person other than a natural person for the  
 15 purpose of providing collateral security for  
 16 securities ~~issued by such person and~~ registered with  
 17 the federal securities and exchange commission.

18 Sec. 22. 2003 Iowa Acts, Senate File 401, section  
 19 5, subsection 1, is amended to read as follows:

20 1. Notwithstanding any provision of law to the  
 21 contrary, the section of this Act creating section  
 22 453A.2, subsection 5A, is applicable to violations  
 23 pending on the effective date of this Act for which a  
 24 penalty has not been assessed under section 453A.22,  
 25 subsection 2. Notwithstanding this subsection,

26 however, if a county health department, a city health  
 27 department, or a city assesses a penalty under section  
 28 453A.22, subsection 2, on or after April 11, 2003 but  
 29 prior to June 30, 2003, for a violation of section  
 30 453A.2, subsection 1, which was pending on April 11,  
 31 2003, the county health department, city health  
 32 department or city assessing the penalty shall be  
 33 deemed to have jurisdiction to assess the penalty and  
 34 the penalty assessed is deemed valid.

35 Sec. 23. 2003 Iowa Acts, Senate File 453, section  
 36 31, subsection 1, if enacted, is amended to read as  
 37 follows:

38 1. In lieu of applying a charge for capital assets  
 39 to the institutions under the control of the state  
 40 board of regents as otherwise provided in this  
 41 division for executive branch agencies, the  
 42 appropriations made from the general fund of the state  
 43 to the state board of regents for the ~~general~~  
 44 ~~university~~ operating budgets at the state university  
 45 of Iowa, Iowa state university of science and  
 46 technology, and university of northern Iowa, in 2003  
 47 Iowa Acts, House File 662, section 9, subsections 2,  
 48 3, and 4, are reduced by \$17,880,000. ~~The state board~~  
 49 ~~of regents shall apply the reduction as follows: state~~  
 50 ~~university of Iowa, 46.7 percent, Iowa state~~

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1 ~~university of science and technology, 36.8 percent,~~  
 2 ~~and university of northern Iowa, 16.5 percent.~~

3 Sec. 24. 2003 Iowa Acts, Senate File 458, section  
 4 21, unnumbered paragraph 3, if enacted, is amended to  
 5 read as follows:

6 Of the funds appropriated in this section, up to  
 7 \$10,000 is transferred to the ~~Iowa~~ department of  
 8 ~~public health~~ human services for allocation to  
 9 community mental health centers to provide counseling  
 10 services to persons who are members of the national  
 11 guard and reservists activated but as yet not sent to  
 12 combat zones and to the persons' family members. The  
 13 sessions shall be provided on a first come, first  
 14 served basis and shall be limited to three visits per  
 15 family.

16 Sec. 25. 2003 Iowa Acts, Senate File 458, section  
 17 149, if enacted, is amended to read as follows:

18 SEC. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR  
 19 PHYSICIAN SERVICES. To the extent that, pursuant to  
 20 law enacted by the Eightieth General Assembly, 2003  
 21 Session, supplemental payment adjustments are  
 22 implemented for physician services provided to medical  
 23 assistance program participants at publicly owned  
 24 acute care hospitals, the department of human services

25 shall not, directly or indirectly, recoup the  
 26 supplemental payment adjustments for any reason,  
 27 unless an amount equivalent to the amount of  
 28 adjustment funds ~~that were~~ is first transferred to the  
 29 ~~department by the state~~ university of Iowa college of  
 30 ~~medicine is transferred by the department to the~~  
 31 ~~qualifying physicians.~~ Any such amount transferred  
 32 and identified as a supplemental payment under this  
 33 section shall then be refunded to the department of  
 34 human services, per the agreement executed for this  
 35 purpose between the department and the university of  
 36 Iowa.

37 Sec. 26. 2003 Iowa Acts, Senate File 458, section  
 38 171, subsection 1, if enacted, is amended to read as  
 39 follows:

40 1. PURPOSE. The general assembly finds that the  
 41 Iowa communications network is a valuable state asset  
 42 that has served the people of the state well, but  
 43 which requires significant ongoing financial support  
 44 from the state in the form of annual appropriations.  
 45 The operation of a telecommunications network is a  
 46 function that can be and generally is conducted by  
 47 private enterprise. It is in the public interest to  
 48 sell the Iowa communications network to a qualified  
 49 private business enterprise that will commit to  
 50 provide the same secure low-cost high-quality service

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1 ~~to state and federal public and private agencies and~~  
 2 ~~military installations, as defined in chapter 8D,~~ now  
 3 provided by the network. Through such a sale, the  
 4 state would eliminate the need for ongoing annual  
 5 appropriations while preserving the key benefits  
 6 enjoyed by the state under the present state ownership  
 7 of the network. The state also expects to obtain  
 8 sufficient proceeds from such a sale to cover existing  
 9 obligations and to realize additional proceeds above  
 10 the level of such obligations. Given the current  
 11 depressed state of the telecommunications industry,  
 12 the state can reasonably be expected to maximize sales  
 13 proceeds by allowing a purchaser a period of time in  
 14 which to assemble financing for its purchase. During  
 15 the interim between enactment of this division of this  
 16 Act and completion of a sale, the services of a  
 17 private-enterprise manager with experience operating  
 18 telecommunications networks can reasonably be expected  
 19 to reduce the costs of operating the Iowa  
 20 communications network, thereby lowering annual  
 21 appropriations.

22 Sec. 27. 2003 Iowa Acts, Senate File 458, section  
 23 172, subsection 2, paragraph b, if enacted, is amended

24 to read as follows:

25 b. Select a manager and enter into a management  
26 contract with the manager by October 1, 2004. The  
27 management contract shall provide for the continuation  
28 of all services currently being provided to ~~state and~~  
29 ~~federal~~ public and private agencies ~~and military~~  
30 ~~installations~~ pursuant to chapter 8D, at the rates  
31 specified therein, for the duration of the contract.  
32 The contract shall also specify the manager's  
33 authority in relation to the duties of the commission  
34 during the period between execution of the management  
35 contract and closing of the sale of the network. The  
36 commission shall establish a dispute resolution  
37 process regarding rate increases, quality of service  
38 issues, and other areas of dispute involving network  
39 subscribers. The commission shall also make  
40 recommendations regarding imposition of an ongoing  
41 dispute resolution and appeals process commencing with  
42 the closing of the sale of the network.

43 Sec. 28. 2003 Iowa Acts, Senate File 458, section  
44 173, subsection 1, if enacted, is amended to read as  
45 follows:

46 1. The ~~principal place of business of the~~  
47 purchaser and any parent of the purchaser shall be  
48 ~~located~~ operating in the state of Iowa.

49 Sec. 29. 2003 Iowa Acts, Senate File 458, section  
50 174, subsection 4, if enacted, is amended to read as

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1 follows:

2 4. Agree to continue all services currently being  
3 provided to ~~state and federal~~ public and private  
4 ~~agencies and military installations, as defined in~~  
5 chapter 8D, for the next ten years, with any annual  
6 rate increase not to exceed five percent per year,  
7 provided that the purchaser shall not be required to  
8 supply at such restricted prices a quantity or quality  
9 of service greater than that provided by the network  
10 as of execution of the contract for sale of the  
11 network.

12 Sec. 30. 2003 Iowa Acts, House File 667, section  
13 27, subsection 1, unnumbered paragraph 2, is amended  
14 to read as follows:

15 For costs associated with the commitment and  
16 treatment of sexually violent predators in the unit  
17 located at the state mental health institute at  
18 Cherokee, including costs of legal services and other  
19 associated costs, including salaries, support,  
20 maintenance, and miscellaneous purposes and for not  
21 more than the following full-time equivalent  
22 positions:

23	.....	\$	2,675,179
24	.....	FTEs	<del>46.00</del>
25			<u>57.00</u>
26	Sec. 31. EFFECTIVE DATE -- RETROACTIVE		
27	APPLICABILITY.		
28	1. The section of this division of this Act		
29	amending section 231C.17, being deemed of immediate		
30	importance, takes effect upon enactment.		
31	2. The section of this division of this Act		
32	amending 2003 Iowa Acts, Senate File 401, being deemed		
33	of immediate importance, takes effect upon enactment		
34	and is retroactively applicable to April 11, 2003.		
35	DIVISION IV		
36	CORRECTIVE PROVISIONS		
37	Sec. 32. Section 8A.505, as enacted by 2003 Iowa		
38	Acts, House File 534, section 87, is amended by adding		
39	the following new unnumbered paragraph:		
40	<u>NEW UNNUMBERED PARAGRAPH.</u> There is appropriated		
41	annually from the increase in indirect cost		
42	reimbursements over the amount of indirect cost		
43	reimbursements received during the fiscal year		
44	beginning July 1, 2002, to the office of grants		
45	enterprise management of the department of management		
46	the sum of up to one hundred twenty-five thousand		
47	dollars. The director shall transfer the funds		
48	appropriated to the department of management as		
49	provided in this paragraph and shall make the funds		
50	resulting from the increase in reimbursements		

1 available during the fiscal year to the department of  
2 management on a monthly basis. If the amount of the  
3 increase in indirect cost reimbursements is  
4 insufficient to pay the maximum appropriation provided  
5 for in this paragraph, the amount appropriated is  
6 equal to the amount of such increase.

7 Sec. 33. Section 12C.4, Code 2003, as amended by  
8 2003 Iowa Acts, House File 289, section 2, is amended  
9 to read as follows:

10 12C.4 LOCATION OF DEPOSITORIES.

11 Deposits by the treasurer of state shall be in  
12 depositories located in this state; by a county  
13 officer or county public hospital officer or merged  
14 area hospital officer, in depositories located in the  
15 county or in an adjoining county within this state; by  
16 a memorial hospital treasurer, in a depository located  
17 within this state which shall be selected by the  
18 memorial hospital treasurer and approved by the  
19 memorial hospital commission; by a city treasurer or  
20 other city financial officer, in depositories located  
21 in the county in which the city is located or in an

22 adjoining county, but if there is no depository in the  
23 county in which the city is located or in an adjoining  
24 county then in any other depository located in this  
25 state which shall be selected as a depository by the  
26 city council; by a school treasurer or by a school  
27 secretary in a depository within this state which  
28 shall be selected by the board of directors or the  
29 trustees of the school district; by a township clerk  
30 in a depository located within this state which shall  
31 be selected by the township clerk and approved by the  
32 trustees of the township. However, deposits may be  
33 made in depositories outside of Iowa for the purpose  
34 of paying principal and interest on bonded  
35 indebtedness of any municipality when the deposit is  
36 made not more than ten days before the date the  
37 principal or interest becomes due. Further, the  
38 treasurer of state may maintain an account or accounts  
39 outside the state of Iowa for the purpose of providing  
40 custodial services for the state and state retirement  
41 fund accounts. Deposits made for the purpose of  
42 completing an electronic financial transaction  
43 pursuant to section ~~14B.203~~ 8A.222 or 331.427 may be  
44 made in any depository located in this state.  
45 Sec. 34. Section 29A.28, subsection 3, as enacted  
46 by 2003 Iowa Acts, House File 674, section 3, is  
47 amended to read as follows:  
48 3. Upon returning from a leave of absence under  
49 this section, an employee shall be entitled to return  
50 to the same position and classification held by the

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1 employee at the time of entry ~~onto~~ into state active  
2 duty, active state service, or federal service or to  
3 the position and classification that the employee  
4 would have been entitled to if the continuous civil  
5 service of the employee had not been interrupted by  
6 state active duty, active state service, or federal  
7 service. Under this subsection, “position” includes  
8 the geographical location of the position.

9 Sec. 35. Section 70A.39, subsection 1, paragraph  
10 b, as enacted by 2003 Iowa Acts, House File 381,  
11 section 1, is amended to read as follows:

12 b. ~~“Vascularized~~ “Vascular organ” means a heart,  
13 lung, liver, pancreas, kidney, intestine, or other  
14 organ that requires the continuous circulation of  
15 blood to remain useful for purposes of  
16 transplantation.

17 Sec. 36. Section 99B.7, subsection 1, paragraph 1,  
18 subparagraph (1), Code 2003, as amended by 2003 Iowa  
19 Acts, Senate File 453, section 104, if enacted, is  
20 amended to read as follows:

21 (1) No other gambling is engaged in at the same  
 22 location, except that lottery tickets or shares issued  
 23 by the Iowa lottery ~~division of the department of~~  
 24 ~~revenue and finance~~ authority may be sold pursuant to  
 25 chapter 99G.

26 Sec. 37. Section 507A.4, subsection 9, paragraph  
 27 e, as enacted by 2003 Iowa Acts, House File 647,  
 28 section 4, is amended to read as follows:

29 e. When not otherwise provided, a foreign or  
 30 domestic multiple ~~employee~~ employer welfare  
 31 arrangement doing business in this state shall pay to  
 32 the commissioner of insurance the fees as required in  
 33 section 511.24.

34 Sec. 38. Section 556.11, subsection 5, Code 2003,  
 35 as amended by 2003 Iowa Acts, Senate File 180, section  
 36 2, is amended to read as follows:

37 5. If the holder of property presumed abandoned  
 38 under this chapter knows the whereabouts of the owner  
 39 and if the owner's claim has not been barred by the  
 40 statute of limitations, the holder shall, before  
 41 filing the annual report, communicate with the owner  
 42 and take necessary steps to prevent abandonment from  
 43 being presumed. The holder shall exercise due  
 44 diligence to ascertain the whereabouts of the owner. A  
 45 holder is not required to make a due diligence mailing  
 46 to owners whose property has an aggregate value of  
 47 less than fifty dollars. The treasurer of state may  
 48 charge a holder that fails to timely exercise due  
 49 diligence, as required in this subsection, five  
 50 dollars for each name and address account reported if

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1 thirty-five percent ~~of~~ or more of the accounts are  
 2 claimed within the twenty-four months immediately  
 3 following the filing of the holder report.

4 Sec. 39. 2003 Iowa Acts, Senate File 438, section  
 5 3, is repealed.

6 Sec. 40. 2003 Iowa Acts, Senate File 453, section  
 7 11, if enacted, is amended to read as follows:

8 SEC. 11. Sections ~~403.23~~, 405A.1, 405A.2, 405A.3,  
 9 405A.4, 405A.5, 405A.6, 405A.7, 405A.8, 405A.9,  
 10 405A.10, 422.65, 427A.12, and 427B.19B, Code 2003, are  
 11 repealed.

12 Sec. 41. 2003 Iowa Acts, Senate File 458, section  
 13 13, if enacted, is amended to read as follows:

14 SEC. 13. REDUCTION IN CREDITS NOT APPLICABLE. The  
 15 ~~provision~~ provisions in section 25B.7 relating to the  
 16 proration of the property tax credits ~~does and the~~  
 17 estimation of the portion of the credit or exemption  
 18 which will be funded ~~do~~ not apply with respect to the  
 19 amount of state reimbursement for property tax credits

20 under this division.  
21 Sec. 42. 2003 Iowa Acts, Senate File 458, section  
22 159, if enacted, is amended to read as follows:  
23 SEC. 159. EFFECTIVE DATES. The following  
24 provisions of this division of this Act, being deemed  
25 of immediate importance, take effect upon enactment:  
26 1. The amendments to sections 8.23, 8.31, and 8.57  
27 which are first applicable to appropriations made for  
28 the fiscal year beginning July 1, 2003.  
29 2. The amendment to section 12E.12.  
30 3. The amendments to sections 15E.42, 15E.43,  
31 15E.45, and 15E.51, which apply retroactively to  
32 January 1, 2002, for tax years beginning on or after  
33 that date.  
34 4. The amendment to section 15E.193B.  
35 5. The amendment to section 435.26A.  
36 6. The amendment to section 453A.2, which shall  
37 only take effect if 2003 Iowa Acts, Senate File 401,  
38 is enacted by the Eightieth General Assembly, 2003  
39 Regular Session.  
40 7. The amendments to sections 453C.1 and 453C.2  
41 and the related severability provision.  
42 8. The amendments to sections 518.18 and 518A.35.  
43 9. The section directing the department of  
44 corrections to develop a plan for selling certain  
45 land.  
46 10. The section relating to the sales and use tax  
47 refund.  
48 11. The section relating to the school district  
49 reimbursement claim.  
50 The sections of this division of this Act amending

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1 section 80B.5 and enacting section 80B.5A are  
2 applicable to the appointment of the director of the  
3 Iowa law enforcement academy for the term beginning  
4 May 1, 2004.  
5 ~~Section 29C.8, subsection 3, paragraph "f", as~~  
6 ~~enacted in this division of this Act, and the~~  
7 ~~amendment to section 29C.20, subsection 1, as enacted~~  
8 ~~in this division of this Act, take effect July 1,~~  
9 ~~2004.~~  
10 Sec. 43. 2003 Iowa Acts, House File 171, section  
11 112, the bill section amending clause, is amended to  
12 read as follows:  
13 Section 656.2, subsection 2, paragraph a,  
14 unnumbered paragraph ~~1~~ 3, Code 2003, is amended to  
15 read as follows:  
16 Sec. 44. 2003 Iowa Acts, House File 662, section  
17 5, subsection 8, paragraphs a and b, if enacted, are  
18 amended to read as follows:

19 a. Of the amount appropriated in this ~~section~~  
 20 subsection, \$347,371 shall be allocated to the public  
 21 broadcasting division for purposes of providing  
 22 support for functions related to the Iowa  
 23 communications network, including but not limited to  
 24 the following functions: development of distance  
 25 learning applications; development of a central  
 26 information source on the internet relating to  
 27 educational uses of the network; second-line technical  
 28 support for network sites; testing and initializing  
 29 sites onto the network; and coordinating the work of  
 30 the education telecommunications council.

31 b. Of the amount appropriated in this ~~section~~  
 32 subsection, \$1,272,285 shall be allocated to the  
 33 regional telecommunications councils established in  
 34 section 8D.5. The regional telecommunications  
 35 councils shall use the funds to provide technical  
 36 assistance for network classrooms, planning and  
 37 troubleshooting for local area networks, scheduling of  
 38 video sites, and other related support activities.

39 Sec. 45. 2003 Iowa Acts, House File 662, section  
 40 6, unnumbered paragraph 2, if enacted, is amended to  
 41 read as follows:

42 The funds allocated in this ~~subsection~~ section  
 43 shall be distributed as follows:

44 Sec. 46. 2003 Iowa Acts, House File 662, section  
 45 18, if enacted, is repealed.

46 Sec. 47. EFFECTIVE AND APPLICABILITY DATES.

47 1. The section of this division of this Act  
 48 amending section 29A.28, subsection 3, being deemed of  
 49 immediate importance, takes effect upon enactment and  
 50 applies retroactively to January 1, 2003.

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1 2. The section of this division of this Act  
 2 amending 2003 Iowa Acts, Senate File 458, section 159,  
 3 being deemed of immediate importance, takes effect  
 4 upon enactment.

5 3. 2003 Iowa Acts, Senate File 458, section 140,  
 6 relating to nonreversion of funds appropriated in 1996  
 7 Iowa Acts, chapter 1218, and 1997 Iowa Acts, chapter  
 8 215, if enacted, being deemed of immediate importance,  
 9 takes effect upon enactment of this Act.

10 DIVISION V

11 ALTERNATIVE FORMS OF LOCAL GOVERNMENT

12 Sec. 48. Section 331.234, subsections 3 and 4,  
 13 Code 2003, as amended by 2003 Iowa Acts, Senate File  
 14 390, section 4, if enacted, are amended to read as  
 15 follows:

16 3. The board shall make available to the  
 17 commission in-kind services such as office space,

18 printing, supplies, and equipment. ~~The county and~~  
19 ~~shall pay from the segregated account established in~~  
20 ~~subsection 4,~~ the other necessary expenses of the  
21 commission including compensation for secretarial,  
22 clerical, professional, and consultant services. The  
23 total annual expenses, not including the value of in-  
24 kind expenses, to be paid from public funds shall not  
25 exceed one hundred thousand dollars or an amount equal  
26 to thirty cents times the population of the commission  
27 area, according to the most recent certified federal  
28 census. The commission may employ staff as necessary.

29 4. ~~The~~ Except as otherwise provided in subsection  
30 5, ~~the~~ expenses of the commission ~~shall be paid by~~  
31 ~~each city and county participating in the charter~~  
32 ~~process or may be paid from the general fund of the~~  
33 county. Expenses of the commission may also be paid  
34 from any combination of public or private funds  
35 available for that purpose. ~~Each city's share shall~~  
36 ~~be its pro rata share of the expenses based upon the~~  
37 ~~ratio that the population of the city bears to the~~  
38 ~~total population in the county. The county's share~~  
39 ~~shall be its pro rata share of expenses based upon the~~  
40 ~~ratio that the population of the unincorporated area~~  
41 ~~of the county bears to the total population of the~~  
42 ~~county. The amount paid by each city and county~~  
43 ~~participating in the charter process shall be~~  
44 ~~deposited in a segregated account maintained by the~~  
45 ~~county.~~ The commission's annual expenses may exceed  
46 the amount in subsection 3 only if the excess is paid  
47 from private funds. If a proposed charter is  
48 submitted to the electorate, private funds donated to  
49 the commission may be used to promote passage of the  
50 proposed charter.

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1 Sec. 49. Section 331.234, Code 2003, is amended by  
2 adding the following new subsection:  
3 NEW SUBSECTION. 5. In the case of a city-county  
4 consolidation charter commission or a community  
5 commonwealth charter commission, the expenses of the  
6 commission shall be paid by each city and county  
7 participating in the charter process pursuant to  
8 section 331.233A. Each participating city's share  
9 shall be its pro rata share of the expenses based upon  
10 the ratio that the population of the city bears to the  
11 total population in the county. The remainder shall  
12 be paid from the general fund of the county. The  
13 amount paid by each city and county participating in  
14 the charter process shall be deposited in a segregated  
15 account maintained by the county.

16 Sec. 50. Section 331.235, subsection 3, Code 2003,

17 as amended by 2003 Iowa Acts, Senate File 390, section  
18 5, if enacted, is amended to read as follows:

19 3. Within twenty months after organization, the  
20 commission shall submit the final report to the board.  
21 If the commission is created pursuant to section  
22 331.264, subsection 4, the commission shall submit the  
23 final report to the board within five months after  
24 submission of the preliminary report to the board  
25 pursuant to section 331.264, subsection 3. A  
26 commission created pursuant to section 331.264,  
27 subsection 4, may adopt a motion granting itself a  
28 sixty-day extension of time for submission of its  
29 final report. If the commission recommends a charter  
30 including a form of government other than the existing  
31 form of government, the final report shall include the  
32 full text and an explanation of the proposed charter,  
33 ~~a statement of whether the elected officers shall be~~  
34 ~~elected on a partisan or nonpartisan basis,~~ an  
35 analysis of the fiscal impact of the proposed charter,  
36 any comments deemed desirable by the commission, and  
37 any minority reports. The final report may recommend  
38 no change to the existing form of government and that  
39 no charter be submitted to the electorate, in which  
40 case, the report shall state the reasons for and  
41 against a change in the existing form of government.  
42 The final report shall be made available to the  
43 residents of the county upon request. A summary of  
44 the final report shall be published in the official  
45 newspapers of the county and in a newspaper of general  
46 circulation in each participating city.

47 Sec. 51. Section 331.238, subsection 4, if enacted  
48 by 2003 Iowa Acts, Senate File 390, section 9, is  
49 amended to read as follows:

50 4. ~~Subsections 1 and 2 do~~ This section does not

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1 apply to the city-county consolidated form of  
2 government or the community commonwealth form of  
3 government.

4 Sec. 52. Section 331.247, subsection 4, Code 2003,  
5 as amended by 2003 Iowa Acts, Senate File 390, section  
6 11, if enacted, is amended to read as follows:

7 4. If an alternative form of government for a  
8 consolidated unit of local government is proposed,  
9 approval of the consolidation charter shall be  
10 separate from approval of the alternative form of  
11 government in those cities proposed to be included in  
12 the consolidation. The question of whether the  
13 election of officers of the consolidated unit of local  
14 government shall be with regard to political  
15 affiliation shall be a separate question on the

16 ballot. Adoption of the consolidation charter  
 17 requires the approval of a majority of the votes cast  
 18 in the entire county. A city named on the ballot is  
 19 included in the consolidation if the proposed charter  
 20 is approved by a majority of the votes cast in the  
 21 city. The consolidation charter shall be effective in  
 22 regard to a city government only if a majority of the  
 23 voters of the city voting on the question voted for  
 24 participation in the consolidation charter.

25 Sec. 53. Section 331.248, subsection 2, paragraph  
 26 j, if enacted by 2003 Iowa Acts, Senate File 390,  
 27 section 13, is amended by striking the paragraph and  
 28 inserting in lieu thereof the following:

29 i. Provide for the effective date of the adopted  
 30 charter.

31 Sec. 54. Section 331.252, Code 2003, as amended by  
 32 2003 Iowa Acts, Senate File 390, section 18, if  
 33 enacted, is amended by adding the following new  
 34 unnumbered paragraph after unnumbered paragraph 2:  
 35 NEW UNNUMBERED PARAGRAPH. If the charter described  
 36 on this ballot is adopted, should officers of the new  
 37 government be elected with regard to political  
 38 affiliation?

39 Sec. 55. Section 331.254, subsection 7, Code 2003,  
 40 as amended by 2003 Iowa Acts, Senate File 390, section  
 41 19, if enacted, is amended to read as follows:

42 7. The merger of the elective offices of each  
 43 consolidating county with the election of new officers  
 44 within sixty days after the effective date of the  
 45 charter ~~which shall specifically provide whether the~~  
 46 ~~election of new officers shall be on a partisan or~~  
 47 ~~nonpartisan basis, notwithstanding section 331.238,~~  
 48 ~~subsection 3.~~ The elections shall be conducted by the  
 49 county commissioner of elections of each county. No  
 50 primary election shall be held. Nominations shall be

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1 made pursuant to section 43.78 and chapters 44 and 45,  
 2 as applicable, except that the filing deadline shall  
 3 be forty days before the election.

4 Sec. 56. Section 331.261, subsection 11, Code  
 5 2003, as amended by 2003 Iowa Acts, Senate File 390,  
 6 section 22, if enacted, is amended by striking the  
 7 subsection and inserting in lieu thereof the  
 8 following:

9 11. The effective date of the adopted charter.

10 Sec. 57. Section 331.264, subsection 4, if enacted  
 11 by 2003 Iowa Acts, Senate File 390, section 25, is  
 12 amended to read as follows:

13 4. If the committee report recommends a city-  
 14 county consolidation or community commonwealth, the

15 committee shall continue its existence and be  
 16 designated, and operate with the powers and duties of,  
 17 a commission created pursuant to section 331.233A. If  
 18 the committee report recommends a multicounty  
 19 consolidation, the committee shall continue its  
 20 existence and be designated, and operate with the  
 21 powers and duties of, a commission created pursuant to  
 22 section 331.233. ~~If the committee recommends an  
 23 alternative form of government, that recommendation  
 24 shall state whether elections conducted under that  
 25 form of government shall be partisan or nonpartisan.~~

26 Sec. 58. EFFECTIVE AND APPLICABILITY DATES. This  
 27 division of this Act, being deemed of immediate  
 28 importance, takes effect upon enactment and applies to  
 29 charter commissions in existence on that date.

30 DIVISION VI

31 CRIMINAL OFFENDERS AND INMATES

32 Sec. 59. Section 321J.2, subsection 2, paragraph  
 33 a, subparagraph (1), Code 2003, is amended to read as  
 34 follows:

35 (1) Imprisonment in the county jail for not less  
 36 than forty-eight hours, to be served as ordered by the  
 37 court, less credit for any time the person was  
 38 confined in a jail or detention facility following  
 39 ~~arrest or for any time the person spent in a court-~~  
 40 ~~ordered operating-while-intoxicated program that~~  
 41 ~~provides law enforcement security.~~ However, the  
 42 court, in ordering service of the sentence and in its  
 43 discretion, may accommodate the defendant's work  
 44 schedule.

45 Sec. 60. NEW SECTION. 811.2A PRETRIAL RELEASE.

46 A person, who has been released under a plan of  
 47 pretrial release or on the person's own recognizance  
 48 and who is subsequently arrested for a new criminal  
 49 offense while under the plan of pretrial release or  
 50 released on the person's own recognizance, shall not

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1 be eligible for another release pursuant to pretrial  
 2 release guidelines or released on the person's own  
 3 recognizance, if all of the following apply:

4 1. The arrest for the new criminal offense is  
 5 based on a set of facts or an event that is different  
 6 than involved in the earlier arrest.

7 2. The new criminal offense is classified as  
 8 greater than a serious misdemeanor.

9 However, a person may be admitted to bail if  
 10 eligible pursuant to section 811.1.

11 Sec. 61. Section 901.4, Code 2003, is amended to  
 12 read as follows:

13 901.4 PRESENTENCE INVESTIGATION REPORT

14 CONFIDENTIAL -- DISTRIBUTION.

15 The presentence investigation report is  
 16 confidential and the court shall provide safeguards to  
 17 ensure its confidentiality, including but not limited  
 18 to sealing the report, which may be opened only by  
 19 further court order. At least three days prior to the  
 20 date set for sentencing, the court shall serve all of  
 21 the presentence investigation report upon the  
 22 defendant's attorney and the attorney for the state,  
 23 and the report shall remain confidential except upon  
 24 court order. However, the court may conceal the  
 25 identity of the person who provided confidential  
 26 information. The report of a medical examination or  
 27 psychological or psychiatric evaluation shall be made  
 28 available to the attorney for the state and to the  
 29 defendant upon request. The reports are part of the  
 30 record but shall be sealed and opened only on order of  
 31 the court. If the defendant is committed to the  
 32 custody of the Iowa department of corrections and is  
 33 not a class "A" felon, a copy of the presentence  
 34 investigation report shall be forwarded to the  
 35 director with the order of commitment by the clerk of  
 36 the district court and to the board of parole at the  
 37 time of commitment. The Pursuant to section 904.602,  
 38 the presentence investigation report may also be  
 39 released by the department of corrections or a  
 40 judicial district department of correctional services  
 41 ~~pursuant to section 904.602~~ to another jurisdiction  
 42 for the purpose of providing interstate probation and  
 43 parole compact services or evaluations, or to a  
 44 substance abuse or mental health services provider  
 45 when referring a defendant for services. The  
 46 defendant or the defendant's attorney may file with  
 47 the presentence investigation report, a denial or  
 48 refutation of the allegations, or both, contained in  
 49 the report. The denial or refutation shall be  
 50 included in the report. If the person is sentenced

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1 for an offense which requires registration under  
 2 chapter 692A, the court shall release the report to  
 3 the department which is responsible under section  
 4 692A.13A for performing the assessment of risk.  
 5 Sec. 62. Section 901B.1, subsection 1, paragraph  
 6 c, subparagraph (5), Code 2003, is amended to read as  
 7 follows:  
 8 (5) A substance abuse treatment facility as  
 9 established and operated by the Iowa department of  
 10 public health or the department of corrections.  
 11 Sec. 63. Section 903A.2, subsection 1, paragraph  
 12 a, Code 2003, is amended to read as follows:

13 a. Category “A” sentences are those sentences  
 14 which are not subject to a maximum accumulation of  
 15 earned time of fifteen percent of the total sentence  
 16 of confinement under section 902.12. To the extent  
 17 provided in subsection 5, category “A” sentences also  
 18 include life sentences imposed under section 902.1.  
 19 An inmate of an institution under the control of the  
 20 department of corrections who is serving a category  
 21 “A” sentence is eligible for a reduction of sentence  
 22 equal to one and two-tenths days for each day the  
 23 inmate demonstrates good conduct and satisfactorily  
 24 participates in any program or placement status  
 25 identified by the director to earn the reduction. The  
 26 programs include but are not limited to the following:  
 27 (1) Employment in the institution.  
 28 (2) Iowa state industries.  
 29 (3) An employment program established by the  
 30 director.  
 31 (4) A treatment program established by the  
 32 director.  
 33 (5) An inmate educational program approved by the  
 34 director.

35 An inmate serving a category “A” sentence is  
 36 eligible for an additional reduction of sentence of up  
 37 to three hundred sixty-five days of the full term of  
 38 the sentence of the inmate for exemplary acts. In  
 39 accordance with section 903A.4, the director shall by  
 40 policy identify what constitutes an exemplary act that  
 41 may warrant an additional reduction of sentence.

42 Sec. 64. Section 903A.3, subsection 2, Code 2003,  
 43 is amended to read as follows:

44 2. The orders of the administrative law judge are  
 45 subject to appeal to the superintendent or warden of  
 46 the institution, or the superintendent’s or warden’s  
 47 designee, who may either affirm, modify, remand for  
 48 correction of procedural errors, or reverse an order.  
 49 However, sanctions shall not be increased on appeal.  
 50 ~~A decision of the superintendent, warden, or designee~~

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1 ~~is subject to review by the director of the Iowa~~  
 2 ~~department of corrections who may either affirm,~~  
 3 ~~modify, remand for correction of procedural errors, or~~  
 4 ~~reverse the decision. However, sanctions shall not be~~  
 5 ~~increased on review.~~

6 Sec. 65. NEW SECTION. 904.117 INTERSTATE COMPACT  
 7 FUND.

8 An interstate compact fund is established under the  
 9 control of the department. All interstate compact  
 10 fees collected by the department pursuant to section  
 11 907B.5 shall be deposited into the fund and the moneys

12 shall be used by the department to offset the costs of  
 13 complying with the interstate compact for adult  
 14 offender supervision in chapter 907B. Notwithstanding  
 15 section 8.33, moneys remaining in the fund at the end  
 16 of a fiscal year shall not revert to the general fund  
 17 of the state. Notwithstanding section 12C.7, interest  
 18 and earnings deposited in the fund shall be credited  
 19 to the fund.

20 Sec. 66. Section 904.503, subsection 2, Code 2003,  
 21 is amended to read as follows:

22 2. When the director has cause to believe that an  
 23 inmate in a state correctional institution is mentally  
 24 ill, the Iowa department of corrections may cause the  
 25 inmate to be transferred to the Iowa medical and  
 26 classification center, or to another appropriate  
 27 facility within the department, for examination,  
 28 diagnosis, or treatment. The inmate shall be confined  
 29 at that ~~institution center or facility~~ or a state  
 30 hospital for persons with mental illness until the  
 31 expiration of the inmate's sentence or until the  
 32 inmate is pronounced in good mental health. If the  
 33 inmate is pronounced in good mental health before the  
 34 expiration of the inmate's sentence, the inmate shall  
 35 be returned to the state correctional institution  
 36 until the expiration of the inmate's sentence.

37 Sec. 67. Section 904.508, subsection 2, Code 2003,  
 38 is amended to read as follows:

39 2. ~~The Pursuant to section 904.702, the~~ director  
 40 shall establish and maintain an inmate savings fund in  
 41 an interest-bearing account for the deposit of all or  
 42 part of an inmate's allowances, ~~as provided in section~~  
 43 ~~904.702 and amounts, except amounts directed to be~~  
 44 deposited in the inmate telephone fund established in  
 45 section 904.508A, sent to the inmate from a source  
 46 other than the department. All or part of an inmate's  
 47 allowances ~~and amounts, except amounts directed to be~~  
 48 deposited in the inmate telephone fund established in  
 49 section 904.508A, from a source other than the  
 50 department shall be deposited into the savings fund,

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1 until the inmate's deposit is equal to ~~the amount due~~  
 2 ~~the inmate upon discharge, parole, or placement on~~  
 3 ~~work release, one hundred dollars~~ as provided in  
 4 section 906.9. If an inmate's deposits ~~are~~ equal ~~this~~  
 5 ~~amount to or in excess of one hundred dollars~~, the  
 6 inmate may voluntarily withdraw from the savings fund.  
 7 The director shall notify the inmate of this right to  
 8 withdraw and shall provide the inmate with a written  
 9 request form to facilitate the withdrawal. If the  
 10 inmate withdraws and the inmate's deposits exceed the

11 amount due as provided in section 906.9, the director  
 12 shall disburse the excess amount as provided for  
 13 allowances under section 904.702, except the director  
 14 shall not deposit the excess amount in the inmate  
 15 savings fund. If the inmate chooses to continue to  
 16 participate in the savings fund, the inmate's deposits  
 17 shall be returned to the inmate upon discharge,  
 18 parole, or placement on work release. Otherwise, the  
 19 inmate's deposits shall be disposed of as provided in  
 20 subsection 3. An inmate's deposits into the savings  
 21 fund may be used to provide the money due the inmate  
 22 upon discharge, parole, or placement on work release,  
 23 as required under section 906.9. Interest earned from  
 24 the savings fund shall be placed in a separate  
 25 account, and may be used for purchases approved by the  
 26 director to directly and collectively benefit inmates.

27 Sec. 68. Section 904.508A, Code 2003, is amended  
 28 to read as follows:

29 904.508A INMATE TELEPHONE ~~REBATE~~ FUND.

30 The department is authorized to establish and  
 31 maintain an inmate telephone ~~rebate fund in each~~  
 32 ~~institution~~ for the deposit of moneys received for  
 33 inmate telephone ~~rebates~~ calls. All funds deposited  
 34 in this fund shall be used for the benefit of inmates.  
 35 The director shall adopt rules providing for the  
 36 disbursement of moneys from the fund.

37 Sec. 69. Section 904.513, subsection 1, paragraph  
 38 b, subparagraph (4), Code 2003, is amended to read as  
 39 follows:

40 (4) Assignment may also be made on the basis of  
 41 the offender's treatment program performance, as a  
 42 disciplinary measure, for medical needs, and for space  
 43 availability at community residential facilities. If  
 44 there is insufficient space at a community residential  
 45 facility, the court may order an offender to be  
 46 released to the supervision of the judicial district  
 47 department of correctional services, ~~or~~ held in jail,  
 48 or committed to the custody of the director of the  
 49 department of corrections for assignment to an  
 50 appropriate correctional facility until there is

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1 sufficient space at a community residential facility.

2 Sec. 70. Section 904.702, unnumbered paragraph 1,  
 3 Code 2003, is amended to read as follows:

4 If allowances are paid pursuant to section 904.701,  
 5 the director shall establish an inmate account, for  
 6 deposit of those allowances and for deposit of moneys  
 7 sent to the inmate from a source other than the  
 8 department of corrections. The director may deduct an  
 9 amount, not to exceed ten percent of the amount of the

10 allowance, unless the inmate requests a larger amount,  
11 to be deposited into the inmate savings fund as  
12 required under section 904.508, subsection 2. In  
13 addition to deducting a portion of the allowance, the  
14 director may also deduct from an inmate account any  
15 amount, except amounts directed to be deposited in the  
16 inmate telephone fund established in section 904.508A,  
17 sent to the inmate from a source other than the  
18 department of corrections for deposit in the inmate  
19 savings fund as required under section 904.508,  
20 subsection 2, until the amount in the fund equals the  
21 amount due the inmate upon discharge, parole, or  
22 placement on work release. The director shall deduct  
23 from the inmate account an amount established by the  
24 inmate's restitution plan of payment. The director  
25 shall also deduct from any remaining account balance  
26 an amount sufficient to pay all or part of any  
27 judgment against the inmate, including but not limited  
28 to judgments for taxes and child support, and court  
29 costs and fees assessed either as a result of the  
30 inmate's confinement or amounts required to be paid  
31 under section 610A.1. Written notice of the amount of  
32 the deduction shall be given to the inmate, who shall  
33 have five days after receipt of the notice to submit  
34 in writing any and all objections to the deduction to  
35 the director, who shall consider the objections prior  
36 to transmitting the deducted amount to the clerk of  
37 the district court. The director need give only one  
38 notice for each action or appeal under section 610A.1  
39 for which periodic deductions are to be made. The  
40 director shall next deduct from any remaining account  
41 balance an amount sufficient to pay all or part of any  
42 costs assessed against the inmate for misconduct or  
43 damage to the property of others. The director may  
44 deduct from the inmate's account an amount sufficient  
45 to pay for the inmate's share of the costs of health  
46 services requested by the inmate and for the treatment  
47 of injuries inflicted by the inmate on the inmate or  
48 others. The director may deduct and disburse an  
49 amount sufficient for industries' programs to qualify  
50 under the eligibility requirements established in the

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1 Justice Assistance Act of 1984, Pub. L. No. 98-473,  
2 including an amount to pay all or part of the cost of  
3 the inmate's incarceration. The director may pay all  
4 or any part of remaining allowances paid pursuant to  
5 section 904.701 directly to a dependent of the inmate,  
6 or may deposit the allowance to the account of the  
7 inmate, or may deposit a portion and allow the inmate  
8 a portion for the inmate's personal use.

9 Sec. 71. Section 907.4, Code 2003, is amended to  
10 read as follows:

11 907.4 DEFERRED JUDGMENT DOCKET.

12 A deferment of judgment under section 907.3 shall  
13 be reported promptly by the clerk of the district  
14 court, or the clerk's designee, to the state court  
15 administrator for entry in the deferred judgment  
16 docket. The docket shall contain a permanent record  
17 of the deferred judgment including the name and date  
18 of birth of the defendant, the district court docket  
19 number, the nature of the offense, and the date of the  
20 deferred judgment. Before granting deferred judgment  
21 in any case, the court shall request of the state  
22 court administrator a search of the deferred judgment  
23 docket and shall consider any prior record of a  
24 deferred judgment against the defendant. The  
25 permanent record provided for in this section is a  
26 confidential record exempted from public access under  
27 section 22.7 and shall be available only to justices  
28 of the supreme court, judges of the court of appeals,  
29 district judges, district associate judges, judicial  
30 magistrates, clerks of the district court, judicial  
31 district departments of correctional services, and  
32 county attorneys requesting information pursuant to  
33 this section, or the designee of a justice, judge,  
34 magistrate, clerk, judicial district department of  
35 correctional services, or county attorney.

36 Sec. 72. Section 907.9, subsections 1, 2, and 4,  
37 Code 2003, are amended to read as follows:

38 1. At any time that the court determines that the  
39 purposes of probation have been fulfilled and the fees  
40 imposed under section 905.14 have been paid ~~to or~~  
41 ~~waived by the judicial district department of~~  
42 ~~correctional services~~ or on condition that unpaid  
43 supervision fees be paid, the court may order the  
44 discharge of a person from probation.

45 2. At any time that a probation officer determines  
46 that the purposes of probation have been fulfilled and  
47 the fees imposed under section 905.14 have been paid  
48 ~~to or waived by the judicial district department of~~  
49 ~~correctional services~~ or on condition that unpaid  
50 supervision fees be paid, the officer may order the

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1 discharge of a person from probation after approval of  
2 the district director and notification of the  
3 sentencing court and the county attorney who  
4 prosecuted the case.

5 4. At the expiration of the period of probation  
6 and if the fees imposed under section 905.14 have been  
7 paid ~~to or waived by the judicial district department~~

8 ~~of correctional services or on condition that unpaid~~  
9 ~~supervision fees be paid~~, the court shall order the  
10 discharge of the person from probation, and the court  
11 shall forward to the governor a recommendation for or  
12 against restoration of citizenship rights to that  
13 person. A person who has been discharged from  
14 probation shall no longer be held to answer for the  
15 person's offense. Upon discharge from probation, if  
16 judgment has been deferred under section 907.3, the  
17 court's criminal record with reference to the deferred  
18 judgment shall be expunged. The record maintained by  
19 the state court administrator as required by section  
20 907.4 shall not be expunged. The court's record shall  
21 not be expunged in any other circumstances.

22 Sec. 73. NEW SECTION. 907B.4 INTERSTATE COMPACT  
23 FEE.

24 The department of corrections may assess a fee, not  
25 to exceed one hundred dollars, for an application to  
26 transfer out of the state under the interstate compact  
27 for adult offender supervision. The fee may be waived  
28 by the department. The moneys collected pursuant to  
29 this section shall be deposited into the interstate  
30 compact fund established in section 904.117 and shall  
31 be used to offset the costs of complying with the  
32 interstate compact for adult offender supervision.

33 Sec. 74. Section 910.3B, Code 2003, is amended to  
34 read as follows:

35 910.3B RESTITUTION FOR DEATH OF VICTIM.

36 1. In all criminal cases in which the offender is  
37 convicted of a felony in which the act or acts  
38 committed by the offender caused the death of another  
39 person, in addition to the amount determined to be  
40 payable and ordered to be paid to a victim for  
41 pecuniary damages, as defined under section 910.1, and  
42 determined under section 910.3, the court shall also  
43 order the offender to pay at least one hundred fifty  
44 thousand dollars in restitution to the victim's estate  
45 if the victim died testate. If the victim died  
46 intestate the court shall order the offender to pay  
47 the restitution to the victim's heirs at law as  
48 determined pursuant to section 633.210. The  
49 obligation to pay the additional amount shall not be  
50 dischargeable in any proceeding under the federal

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1 Bankruptcy Act. Payment of the additional amount  
2 shall have the same priority as payment of a victim's  
3 pecuniary damages under section 910.2, in the  
4 offender's plan for restitution.

5 2. An award under this section does not preclude  
6 or supersede the right of a victim's estate or heirs

7 at law to bring a civil action against the offender  
 8 for damages arising out of the same facts or event.  
 9 However, no evidence relating to the entry of the  
 10 judgment against the offender pursuant to this section  
 11 or the amount of the award ordered pursuant to this  
 12 section shall be permitted to be introduced in any  
 13 civil action for damages arising out of the same facts  
 14 or event.

15 3. An offender who is ordered to pay a victim's  
 16 estate or heirs at law under this section is precluded  
 17 from denying the elements of the felony offense which  
 18 resulted in the order for payment in any subsequent  
 19 civil action for damages arising out of the same facts  
 20 or event.

21 Sec. 75. Section 915.100, subsection 2, paragraph  
 22 c, Code 2003, is amended to read as follows:

23 c. In cases where the act committed by an offender  
 24 causes the death of another person, in addition to the  
 25 amount ordered for payment of the victim's pecuniary  
 26 damages, the court shall also order the offender to  
 27 pay at least one hundred fifty thousand dollars in  
 28 restitution to the victim's estate or heirs at law,  
 29 pursuant to the provisions of section 910.3B.

30 DIVISION VII

31 ECONOMIC DEVELOPMENT APPROPRIATIONS

32 Sec. 76. MARKETING APPROPRIATION.

33 1. There is appropriated from the grow Iowa fund  
 34 created in section 15G.107, if enacted by 2003 Iowa  
 35 Acts, House File 692 or another Act, to the department  
 36 of economic development, for the fiscal period  
 37 beginning July 1, 2004, and ending June 30, 2010, the  
 38 following amounts, or so much thereof as is necessary,  
 39 to be used for the purpose designated:

40 For implementing and administering the marketing  
 41 strategy approved under section 15G.108, if enacted by  
 42 2003 Iowa Acts, House File 692 or another Act:

43 FY 2004–2005 .....	\$ 10,000,000
44 FY 2005–2006 .....	\$ 10,000,000
45 FY 2006–2007 .....	\$ 5,000,000
46 FY 2007–2008 .....	\$ 5,000,000
47 FY 2008–2009 .....	\$ 5,000,000
48 FY 2009–2010 .....	\$ 2,500,000

49 2. Notwithstanding section 8.33, moneys that  
 50 remain unexpended at the end of a fiscal year shall

1 not revert to any fund but shall remain available for  
 2 expenditure for the designated purposes during the  
 3 succeeding fiscal year.

4 Sec. 77. DEPARTMENT OF ECONOMIC DEVELOPMENT  
 5 APPROPRIATION.

6 1. There is appropriated from the grow Iowa fund  
7 created in section 15G.107, if enacted by 2003 Iowa  
8 Acts, House File 692 or another Act, to the department  
9 of economic development for the fiscal period  
10 beginning July 1, 2003, and ending June 30, 2010, the  
11 following amounts, or so much thereof as is necessary,  
12 to be used for the purpose designated:

13 For programs administered by the department of  
14 economic development:

15 FY 2003–2004 .....	\$ 41,575,000
16 FY 2004–2005 .....	\$ 31,575,000
17 FY 2005–2006 .....	\$ 35,000,000
18 FY 2006–2007 .....	\$ 32,500,000
19 FY 2007–2008 .....	\$ 30,500,000
20 FY 2008–2009 .....	\$ 13,500,000
21 FY 2009–2010 .....	\$ 13,500,000

22 2. Notwithstanding section 8.33, moneys that  
23 remain unexpended at the end of a fiscal year shall  
24 not revert to any fund but shall remain available for  
25 expenditure for the designated purposes during the  
26 succeeding fiscal year.

27 3. Each year that moneys are appropriated under  
28 this section, the grow Iowa board shall allocate a  
29 percentage of the moneys for each of the following  
30 types of activities:

- 31 a. Business start-ups.
- 32 b. Business expansion.
- 33 c. Business modernization.
- 34 d. Business attraction.
- 35 e. Business retention.
- 36 f. Marketing.

37 4. An applicant for moneys appropriated under this  
38 section shall be required by the department to include  
39 in the application a statement regarding the intended  
40 return on investment. A recipient of moneys  
41 appropriated under this section shall annually submit  
42 a statement to the department regarding the progress  
43 achieved on the intended return on investment stated  
44 in the application. The department, in cooperation  
45 with the department of revenue and finance, shall  
46 develop a method of identifying and tracking each new  
47 job created through financial assistance from moneys  
48 appropriated under this section.

49 5. The department may use moneys appropriated  
50 under this section to procure technical assistance

- 1 from either the public or private sector, for
- 2 information technology purposes, and for rail, air, or
- 3 river port transportation-related purposes. The use
- 4 of moneys appropriated for rail, air, or river port

5 transportation-related purposes must be directly  
6 related to an economic development project and the  
7 moneys must be used to leverage other financial  
8 assistance moneys.

9 6. Of the moneys appropriated under this section,  
10 the department may use one-quarter of one percent for  
11 administrative purposes.

12 7. The grow Iowa board is required to approve or  
13 deny applications for financial assistance from moneys  
14 appropriated under this section.

15 Sec. 78. UNIVERSITY AND COLLEGE FINANCIAL  
16 ASSISTANCE APPROPRIATION.

17 1. There is appropriated from the grow Iowa fund  
18 created in section 15G.107, if enacted by 2003 Iowa  
19 Acts, House File 692 or another Act, to the grow Iowa  
20 board for the fiscal period beginning July 1, 2003,  
21 and ending June 30, 2010, the following amounts, or so  
22 much thereof as is necessary, to be used for the  
23 purposes designated:

24 For financial assistance for institutions of higher  
25 learning under the control of the state board of  
26 regents and for accredited private institutions as  
27 defined in section 261.9 for multiuse, goods  
28 manufacturing processes approved by the food and drug  
29 administration of the United States department of  
30 health and human services, protein purification  
31 facilities for plant, animal, and chemical  
32 manufactured proteins; upgrading food and drug  
33 administration drug approval laboratories in Iowa City  
34 to a larger multiclient, goods manufacturing processes  
35 facility; crop and animal livestock facilities for the  
36 growing of transgenic crops and livestock; and  
37 advanced laboratory space:

38 FY 2003–2004 .....	\$	5,325,000
39 FY 2004–2005 .....	\$	5,325,000
40 FY 2005–2006 .....	\$	5,325,000
41 FY 2006–2007 .....	\$	5,325,000
42 FY 2007–2008 .....	\$	5,325,000
43 FY 2008–2009 .....	\$	5,325,000
44 FY 2009–2010 .....	\$	5,325,000

45 2. Notwithstanding section 8.33, moneys that  
46 remain unexpended at the end of a fiscal year shall  
47 not revert to any fund but shall remain available for  
48 expenditure for the designated purposes during the  
49 succeeding fiscal year.

50 3. In the distribution of moneys appropriated

1 pursuant to this section, the grow Iowa board shall  
2 examine the potential for using moneys appropriated  
3 pursuant to this section to leverage other moneys for

4 financial assistance to accredited private  
5 institutions.

6 4. In awarding moneys appropriated pursuant to  
7 this section, the grow Iowa board shall consider  
8 whether the purchase of suitable existing  
9 infrastructure is more cost-efficient than building  
10 new infrastructure.

11 5. An institution of higher learning under the  
12 control of the state board of regents may apply to use  
13 financial assistance moneys under this section for  
14 purposes of a public and private joint venture to  
15 acquire infrastructure assets or research facilities  
16 or to leverage moneys in a manner consistent with  
17 meeting the goals and performance measures provided in  
18 section 15G.106, if enacted by 2003 Iowa Acts, House  
19 File 692 or another Act.

20 Sec. 79. REHABILITATION PROJECT TAX CREDITS  
21 APPROPRIATION.

22 1. There is appropriated from the grow Iowa fund  
23 created in section 15G.107, if enacted by 2003 Iowa  
24 Acts, House File 692 or another Act, to the general  
25 fund of the state, for the fiscal period beginning  
26 July 1, 2003, and ending June 30, 2010, the following  
27 amounts, or so much thereof as is necessary, to be  
28 used for the purpose designated:

29 For payment of tax credits approved pursuant to  
30 section 404A.4 for projects located in certified  
31 cultural and entertainment districts:

32 FY 2003–2004 .....	\$	700,000
33 FY 2004–2005 .....	\$	700,000
34 FY 2005–2006 .....	\$	700,000
35 FY 2006–2007 .....	\$	700,000
36 FY 2007–2008 .....	\$	700,000
37 FY 2008–2009 .....	\$	700,000
38 FY 2009–2010 .....	\$	700,000

39 2. Notwithstanding section 8.33, moneys that  
40 remain unexpended at the end of a fiscal year shall  
41 not revert to any fund but shall remain available for  
42 expenditure for the designated purposes during the  
43 succeeding fiscal year.

44 Sec. 80. LOAN AND CREDIT GUARANTEE FUND  
45 APPROPRIATION.

46 1. There is appropriated from the grow Iowa fund  
47 created in section 15G.107, if enacted by 2003 Iowa  
48 Acts, House File 692 or another Act, to the department  
49 of economic development for the fiscal period  
50 beginning July 1, 2003, and ending June 30, 2010, the

- 1 following amounts, or so much thereof as is necessary,
- 2 to be used for the purpose designated:

3	For deposit in the loan and credit guarantee fund	
4	created in section 15E.227:	
5	FY 2003–2004 .....	\$ 2,500,000
6	FY 2004–2005 .....	\$ 7,500,000
7	FY 2005–2006 .....	\$ 8,575,000
8	FY 2006–2007 .....	\$ 11,075,000
9	FY 2007–2008 .....	\$ 13,075,000
10	FY 2008–2009 .....	\$ 35,075,000
11	FY 2009–2010 .....	\$ 37,575,000

12 2. Notwithstanding section 8.33, moneys that  
 13 remain unexpended at the end of a fiscal year shall  
 14 not revert to any fund but shall remain available for  
 15 expenditure for the designated purpose during the  
 16 succeeding fiscal year.

17 Sec. 81. ENDOW IOWA TAX CREDITS.

18 1. There is appropriated from the grow Iowa fund  
 19 created in section 15G.107, if enacted by 2003 Iowa  
 20 Acts, House File 692 or another Act, to the general  
 21 fund of the state, for the fiscal period beginning  
 22 July 1, 2003, and ending June 30, 2010, the following  
 23 amounts, or so much thereof as is necessary, to be  
 24 used for the purpose designated:

25	For payment of endow Iowa tax credits authorized	
26	pursuant to section 15E.305:	
27	FY 2003–2004 .....	\$ 200,000
28	FY 2004–2005 .....	\$ 200,000
29	FY 2005–2006 .....	\$ 200,000
30	FY 2006–2007 .....	\$ 200,000
31	FY 2007–2008 .....	\$ 200,000
32	FY 2008–2009 .....	\$ 200,000
33	FY 2009–2010 .....	\$ 200,000

34 2. Notwithstanding section 8.33, moneys that  
 35 remain unexpended at the end of a fiscal year shall  
 36 not revert to any fund but shall remain available for  
 37 expenditure for the designated purposes during the  
 38 succeeding fiscal year.

39 Sec. 82. ENDOW IOWA GRANTS APPROPRIATION.

40 1. There is appropriated from the grow Iowa fund  
 41 created in section 15G.107, if enacted by 2003 Iowa  
 42 Acts, House File 692 or another Act, to the department  
 43 of economic development for the fiscal period  
 44 beginning July 1, 2003, and ending June 30, 2010, the  
 45 following amounts, or so much thereof as is necessary,  
 46 to be used for the purpose designated:

47	For endow Iowa grants to lead philanthropic	
48	entities pursuant to section 15E.304:	
49	FY 2003–2004 .....	\$ 200,000
50	FY 2004–2005 .....	\$ 200,000

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1	FY 2005–2006 .....	\$	200,000
2	FY 2006–2007 .....	\$	200,000
3	FY 2007–2008 .....	\$	200,000
4	FY 2008–2009 .....	\$	200,000
5	FY 2009–2010 .....	\$	200,000
6	2. Notwithstanding section 8.33, moneys that		
7	remain unexpended at the end of a fiscal year shall		
8	not revert to any fund but shall remain available for		
9	expenditure for the designated purposes during the		
10	succeeding fiscal year.		
11	Sec. 83. ANTICIPATED FEDERAL MONEYS --		
12	APPROPRIATION.		
13	1. There is appropriated from the fund created by		
14	section 8.41, for the fiscal period beginning July 1,		
15	2003, and ending June 30, 2005, the following amounts		
16	to be used for the purpose designated:		
17	For deposit in the grow Iowa fund created in		
18	section 15G.107, if enacted by 2003 Iowa Acts, House		
19	File 692 or another Act:		
20	FY 2003–2004 .....	\$	59,000,000
21	FY 2004–2005 .....	\$	41,000,000
22	2. Moneys appropriated in this section are moneys		
23	anticipated to be received from the federal government		
24	for state and local government fiscal relief under the		
25	federal Jobs and Growth Tax Relief Reconciliation Act		
26	of 2003 and shall be expended as provided in the		
27	federal law making the moneys available and in		
28	conformance with chapter 17A.		
29	3. Notwithstanding section 8.33, moneys that		
30	remain unexpended at the end of a fiscal year shall		
31	not revert to any fund but shall remain available for		
32	expenditure for the designated purposes during the		
33	succeeding fiscal year.		
34	Sec. 84. STREAMLINED SALES AND USE TAX REVENUE --		
35	APPROPRIATION.		
36	1. There is appropriated from the general fund of		
37	the state from moneys credited to the general fund of		
38	the state as a result of entering into the streamlined		
39	sales and use tax agreement, for the fiscal period		
40	beginning July 1, 2003, and ending June 30, 2010, the		
41	following amounts to be used for the purpose		
42	designated:		
43	For deposit in the grow Iowa fund created in		
44	section 15G.107, if enacted by 2003 Iowa Acts, House		
45	File 692 or another Act:		
46	FY 2003–2004 .....	\$	5,000,000
47	FY 2004–2005 .....	\$	23,000,000
48	FY 2005–2006 .....	\$	75,000,000
49	FY 2006–2007 .....	\$	75,000,000
50	FY 2007–2008 .....	\$	75,000,000

1	FY 2008–2009 .....	\$ 75,000,000
2	FY 2009–2010 .....	\$ 75,000,000

3 2. For purposes of this section, “moneys credited  
4 to the general fund of the state as a result of  
5 entering into the streamlined sales and use tax  
6 agreement” means the amount of sales and use tax  
7 receipts credited to the general fund of the state  
8 during a fiscal year that exceeds by two percent or  
9 more the total sales and use tax receipts credited to  
10 the general fund of the state during the previous  
11 fiscal year.

12 3. If the moneys credited to the general fund of  
13 the state as a result of entering into the streamlined  
14 sales and use tax agreement during a fiscal year total  
15 less than the amount appropriated in this section, the  
16 appropriation in this section shall be reduced to  
17 equal the total amount of the moneys so credited.

18 4. Notwithstanding section 8.33, moneys that  
19 remain unexpended at the end of a fiscal year shall  
20 not revert to any fund but shall remain available for  
21 expenditure for the designated purposes during the  
22 succeeding fiscal year.

23 **DIVISION VIII**

24 **WORKFORCE-RELATED ISSUES**

25 **Sec. 85. NEW SECTION. 260C.18A WORKFORCE**  
26 **TRAINING AND ECONOMIC DEVELOPMENT FUNDS.**

27 1. a. A workforce training and economic  
28 development fund is created for each community  
29 college. Moneys shall be deposited and expended from  
30 a fund as provided under this section.

31 b. Moneys in the funds shall consist of any moneys  
32 appropriated by the general assembly and any other  
33 moneys available to and obtained or accepted by the  
34 department of economic development from federal  
35 sources or private sources for placement in the funds.  
36 Notwithstanding section 8.33, moneys in the funds at  
37 the end of each fiscal year shall not revert to any  
38 other fund but shall remain in the funds for  
39 expenditure in subsequent fiscal years.

40 2. On July 1 of each year for the fiscal year  
41 beginning July 1, 2003, and for every fiscal year  
42 thereafter, moneys from the grow Iowa fund created in  
43 section 15G.107, if enacted by 2003 Iowa Acts, House  
44 File 692 or another Act, are appropriated to the  
45 department of economic development for deposit in the  
46 workforce training and economic development funds in  
47 amounts determined pursuant to subsection 3. Moneys  
48 deposited in the funds and disbursed to community  
49 colleges for a fiscal year shall be expended for the  
50 following purposes:

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1 a. Projects in which an agreement between a  
2 community college and an employer located within the  
3 community college's merged area meet all of the  
4 requirements of the accelerated career education  
5 program under chapter 260G. However, moneys used by  
6 the community colleges from the workforce training and  
7 economic development fund for these projects shall be  
8 in lieu of the program job credits provided under  
9 chapter 260G. Projects using moneys from the  
10 workforce training and economic development fund under  
11 this paragraph shall be in accordance with rules  
12 adopted by the department of economic development  
13 under chapter 260G.

14 b. Projects in which an agreement between a  
15 community college and a business meet all the  
16 requirements of the Iowa jobs training Act under  
17 chapter 260F. However, when moneys are provided  
18 through the grow Iowa fund for such projects, section  
19 260F.6, subsections 1 and 2, and section 260F.8 shall  
20 not apply. Projects using moneys from the workforce  
21 training and economic development fund under this  
22 paragraph shall be in accordance with rules adopted by  
23 the department of economic development under chapter  
24 260F.

25 c. For the development and implementation of  
26 career academies designed to provide new career  
27 preparation opportunities for high school students  
28 that are formally linked with postsecondary career and  
29 technical education programs. Moneys from workforce  
30 training and economic development funds that are  
31 expended for purposes of this paragraph shall be in  
32 accordance with the plan submitted to the department  
33 of economic development and the grow Iowa board under  
34 subsection 5. For purposes of this section, "career  
35 academy" means a program of study that combines a  
36 minimum of two years of secondary education with an  
37 associate degree, or the equivalent, career  
38 preparatory program in a nonduplicative, sequential  
39 course of study that is standards based, integrates  
40 academic and technical instruction, utilizes work-  
41 based and worksite learning where appropriate and  
42 available, utilizes an individual career planning  
43 process with parent involvement, and leads to an  
44 associate degree or postsecondary diploma or  
45 certificate in a career field that prepares an  
46 individual for entry and advancement in a high-skill  
47 and reward career field and further education. The  
48 state board of education, in conjunction with the  
49 division of community colleges and workforce  
50 preparation of the department of education, and in

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1 consultation with the department of economic  
2 development, shall adopt administrative rules for the  
3 development and implementation of such career  
4 academies pursuant to section 256.11, subsection 5,  
5 paragraph “h”, section 260C.1, and Title II of Pub. L.  
6 No. 105-332, Carl D. Perkins Vocational and Technical  
7 Education Act of 1998.

8 d. Programs and courses that provide vocational  
9 and technical training, and programs for in-service  
10 training and retraining under section 260C.1,  
11 subsections 2 and 3.

12 3. Moneys from the workforce training and economic  
13 development fund that are expended for purposes of  
14 this subsection shall be in accordance with the plan  
15 submitted to the department of economic development  
16 and the grow Iowa board under subsection 5. The  
17 maximum cumulative total amount of moneys that may be  
18 deposited in all the workforce training and economic  
19 development funds for distribution to community  
20 colleges in a fiscal year shall be determined as  
21 follows:

22 a. Six million dollars for the fiscal year  
23 beginning July 1, 2003.

24 b. Eleven million dollars for the fiscal year  
25 beginning July 1, 2004.

26 c. Twenty million dollars for the fiscal year  
27 beginning July 1, 2005.

28 d. Twenty million dollars for the fiscal year  
29 beginning July 1, 2006.

30 e. Twenty million dollars for the fiscal year  
31 beginning July 1, 2007.

32 f. Fifteen million dollars for the fiscal year  
33 beginning July 1, 2008.

34 g. Fifteen million dollars for the fiscal year  
35 beginning July 1, 2009.

36 4. The department of economic development shall  
37 allocate the moneys appropriated pursuant to this  
38 section to the community college workforce training  
39 and economic development funds utilizing the same  
40 distribution formula used for the allocation of state  
41 general aid to the community colleges.

42 5. Each community college shall do all of the  
43 following:

44 a. Adopt a two-year workforce training and  
45 economic development fund plan outlining the community  
46 college’s proposed use of moneys appropriated under  
47 subsection 2.

48 b. Update the two-year plan annually.

49 c. Prepare an annual progress report on the two-  
50 year plan’s implementation.

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1 d. Annually submit the two-year plan and progress  
2 report to the department of economic development in a  
3 manner prescribed by rules adopted by the department  
4 pursuant to chapter 17A and annually file a copy of  
5 the plan and progress report with the grow Iowa board.

6 6. Any individual project using over one million  
7 dollars of moneys from a workforce training and  
8 economic development fund shall require prior approval  
9 from the grow Iowa board.

10 Sec. 86. NEW SECTION. 260F.9 JOB RETENTION  
11 PROGRAM AND FUND.

12 1. A job retention fund is created in the state  
13 treasury under the control of the department of  
14 economic development to encourage the retention of  
15 existing jobs and income that would otherwise be lost  
16 and encourage large businesses to remain in the state.  
17 Moneys shall be deposited and expended from the fund  
18 as provided in this section.

19 2. There is appropriated from the grow Iowa fund  
20 created in section 15G.107, if enacted by 2003 Iowa  
21 Acts, House File 692 or another Act, to the department  
22 of economic development for the fiscal period  
23 beginning July 1, 2003, and ending June 30, 2006, the  
24 following amounts to be used for funding of job  
25 retention programs and agreements authorized by the  
26 department and participating community colleges as  
27 provided in this section:

28 a. One million dollars for the fiscal year  
29 beginning July 1, 2003.

30 b. One million dollars for the fiscal year  
31 beginning July 1, 2004.

32 c. One million dollars for the fiscal year  
33 beginning July 1, 2005.

34 3. Notwithstanding section 8.33, moneys that  
35 remain unexpended at the end of a fiscal year shall  
36 not revert to any fund but shall remain available for  
37 expenditure for the designated purposes during the  
38 succeeding fiscal year.

39 4. The department of economic development shall  
40 administer the allocation of moneys in the job  
41 retention fund and shall administer the job retention  
42 program. The department shall adopt rules pursuant to  
43 chapter 17A necessary for the administration of this  
44 section. By January 15 of each year, the department  
45 shall submit a written report to the general assembly  
46 and the governor regarding the activities of the job  
47 retention program during the previous calendar year.

48 5. A community college and the department may  
49 enter into an agreement to establish a job retention  
50 project. A job retention project agreement shall

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- 1 include, but not be limited to, the following:
- 2 a. The date of the agreement.
- 3 b. The anticipated number of employees to be  
4 trained.
- 5 c. The estimated cost of training.
- 6 d. A statement regarding the number of employees  
7 employed by the participating business on the date of  
8 the agreement which must equal at least the lesser of  
9 one thousand employees or four percent or more of the  
10 county's resident labor force based on the most recent  
11 annual labor force statistics from the department of  
12 workforce development.
- 13 e. A commitment that the participating business  
14 shall invest at least fifteen million dollars to  
15 retool the workplace and upgrade the facilities of the  
16 participating business.
- 17 f. A commitment that the participating business  
18 shall not move the business operation out of this  
19 state or close the business operation for at least ten  
20 years following the date of the agreement.
- 21 g. Other criteria established by the department of  
22 economic development.
- 23 6. A job retention project agreement entered into  
24 pursuant to this section must be approved by the board  
25 of trustees of the applicable community college, the  
26 department of economic development, and the  
27 participating business.

28 Sec. 87. NEW SECTION. 260F.101 REPORTING.

29 A community college entering into an agreement  
30 pursuant to this chapter shall submit an annual  
31 written report by the end of each calendar year with  
32 the grow Iowa board created in section 15G.102, if  
33 enacted by 2003 Iowa Acts, House File 692 or another  
34 Act. The report shall provide information regarding  
35 how the agreement affects the achievement of the goals  
36 and performance measures provided in section 15G.106,  
37 if enacted by 2003 Iowa Acts, House File 692 or  
38 another Act.

39 Sec. 88. Section 260G.3, subsection 2, Code 2003,  
40 is amended to read as follows:

- 41 2. An agreement may include reasonable and  
42 necessary provisions to implement the accelerated  
43 career education program. If an agreement that  
44 utilizes program job credits is entered into, the  
45 community college and the employer shall notify the  
46 department of revenue and finance as soon as possible.  
47 The community college shall also file a copy of the  
48 agreement with the department of economic development  
49 as required in section 260G.4B. The agreement shall  
50 provide for program costs, including deferred costs,

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- 1 which may be paid from any of the following sources:  
 2 a. Program job credits which the employer receives  
 3 based on the number of program job positions agreed to  
 4 by the employer to be available under the agreement.  
 5 b. Cash or in-kind contributions by the employer  
 6 toward the program cost. At a minimum, the employer  
 7 contribution shall be twenty percent of the program  
 8 costs.  
 9 c. Tuition, student fees, or special charges fixed  
 10 by the board of directors to defray program costs.  
 11 d. Guarantee by the employer of payments to be  
 12 received under paragraphs “a” and “b”.  
 13 e. Moneys from a workforce training and economic  
 14 development fund created in section 260C.18A, based on  
 15 the number of program job positions agreed to by the  
 16 employer to be available under the agreement, the  
 17 amount of which shall be calculated in the same manner  
 18 as the program job credits provided for in section  
 19 260G.4A.  
 20 Sec. 89. NEW SECTION. 260G.101 REPORTING.  
 21 A community college entering into an agreement  
 22 pursuant to this chapter shall submit an annual  
 23 written report by the end of each calendar year with  
 24 the grow Iowa board created in section 15G.102, if  
 25 enacted by 2003 Iowa Acts, House File 692 or another  
 26 Act. The report shall provide information regarding  
 27 how the agreement affects the achievement of the goals  
 28 and performance measures provided in section 15G.106,  
 29 if enacted by 2003 Iowa Acts, House File 692 or  
 30 another Act.

#### DIVISION IX

##### LOAN AND CREDIT GUARANTEE FUND

- 32 Sec. 90. NEW SECTION. 15E.227 LOAN AND CREDIT  
 33 GUARANTEE FUND.  
 34  
 35 1. A loan and credit guarantee fund is created and  
 36 established as a separate and distinct fund in the  
 37 state treasury. Moneys in the fund shall only be used  
 38 for purposes provided in this section. The moneys in  
 39 the fund are appropriated to the department to be used  
 40 for all of the following purposes:  
 41 a. Payment of claims pursuant to loan and credit  
 42 guarantee agreements entered into under this division.  
 43 b. Payment of administrative costs of the  
 44 department for actual and necessary administrative  
 45 expenses incurred by the department in administering  
 46 the program.  
 47 c. Purchase or buyout of superior or prior liens,  
 48 mortgages, or security interests.  
 49 2. Moneys in the loan and credit guarantee fund  
 50 shall consist of all of the following:

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1 a. Moneys appropriated by the general assembly for  
2 that purpose and any other moneys available to and  
3 obtained or accepted by the department for placement  
4 in the fund.

5 b. Proceeds from collateral assigned to the  
6 department, fees for guarantees, gifts, and moneys  
7 from any grant made to the fund by any federal agency.

8 c. Moneys appropriated from the grow Iowa fund  
9 created in section 15G.107, if enacted by 2003 Iowa  
10 Acts, House File 692 or another Act.

11 3. Moneys in the fund are not subject to section  
12 8.33. Notwithstanding section 12C.7, interest or  
13 earnings on the moneys in the fund shall be credited  
14 to the fund.

15 4. a. The department shall only pledge moneys in  
16 the loan and credit guarantee fund and not any other  
17 moneys of the department. The department may pledge  
18 an amount not to exceed a total of any of the  
19 following amounts of moneys in the fund to assure the  
20 repayment of loan and credit guarantees or other  
21 extensions of credit made to or on behalf of qualified  
22 businesses or targeted industry businesses for  
23 eligible project costs.

24 (1) Two million five hundred thousand dollars for  
25 the fiscal year beginning July 1, 2003.

26 (2) Seven million five hundred thousand dollars  
27 for the fiscal year beginning July 1, 2004.

28 (3) Eight million five hundred seventy-five  
29 thousand dollars for the fiscal year beginning July 1,  
30 2005.

31 (4) Eleven million seventy-five thousand dollars  
32 for the fiscal year beginning July 1, 2006.

33 (5) Thirteen million seventy-five thousand dollars  
34 for the fiscal year beginning July 1, 2007.

35 (6) Thirty-five million seventy-five thousand  
36 dollars for the fiscal year beginning July 1, 2008.

37 (7) Thirty-seven million five hundred seventy-five  
38 thousand dollars for the fiscal year beginning July 1,  
39 2009.

40 b. The department shall not pledge the credit or  
41 taxing power of this state or any political  
42 subdivision of this state or make debts payable out of  
43 any moneys except for those in the loan and credit  
44 guarantee fund.

#### 45 DIVISION X

#### 46 UNIVERSITY-BASED RESEARCH UTILIZATION 47 PROGRAM APPROPRIATION

48 Sec. 91. NEW SECTION. 262B.12 APPROPRIATION.

49 On July 1 of each year there is appropriated from  
50 the general fund of the state to each university under

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1 the control of the state board of regents, an amount  
2 equal to the amount determined by the department of  
3 economic development pursuant to section 262B.11,  
4 subsection 4, paragraph “c”, subparagraph (2), if  
5 enacted by 2003 Iowa Acts, House File 692 or another  
6 Act.

7 DIVISION XI

8 ENDOW IOWA TAX CREDIT

9 Sec. 92. NEW SECTION. 15E.305 ENDOW IOWA TAX  
10 CREDIT.

11 1. For tax years beginning on or after January 1,  
12 2003, a tax credit shall be allowed against the taxes  
13 imposed in chapter 422, divisions II, III, and V, and  
14 in chapter 432, and against the moneys and credits tax  
15 imposed in section 533.24 equal to twenty percent of a  
16 taxpayer’s endowment gift to a qualified community  
17 foundation. An individual may claim a tax credit  
18 under this section of a partnership, limited liability  
19 company, S corporation, estate, or trust electing to  
20 have income taxed directly to the individual. The  
21 amount claimed by the individual shall be based upon  
22 the pro rata share of the individual’s earnings from  
23 the partnership, limited liability company, S  
24 corporation, estate, or trust. A tax credit shall be  
25 allowed only for an endowment gift made to a qualified  
26 community foundation for a permanent endowment fund  
27 established to benefit a charitable cause in this  
28 state. Any tax credit in excess of the taxpayer’s tax  
29 liability for the tax year may be credited to the tax  
30 liability for the following five years or until  
31 depleted, whichever occurs first. A tax credit shall  
32 not be carried back to a tax year prior to the tax  
33 year in which the taxpayer claims the tax credit.

34 2. The aggregate amount of tax credits authorized  
35 pursuant to this section shall not exceed a total of  
36 two million dollars. The maximum amount of tax  
37 credits granted to a taxpayer shall not exceed five  
38 percent of the aggregate amount of tax credits  
39 authorized.

40 3. A tax credit shall not be transferable to any  
41 other taxpayer.

42 4. A tax credit shall not be authorized pursuant  
43 to this section after December 31, 2005.

44 5. The department shall develop a system for  
45 registration and authorization of tax credits under  
46 this section and shall control the distribution of all  
47 tax credits to taxpayers providing an endowment gift  
48 subject to this section. The department shall adopt  
49 administrative rules pursuant to chapter 17A for the  
50 qualification and administration of endowment gifts.

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1 Sec. 93. NEW SECTION. 422.11H ENDOW IOWA TAX  
2 CREDIT.

3 The tax imposed under this division, less the  
4 credits allowed under sections 422.12 and 422.12B,  
5 shall be reduced by an endow Iowa tax credit  
6 authorized pursuant to section 15E.305.

7 Sec. 94. Section 422.33, Code 2003, is amended by  
8 adding the following new subsection:

9 NEW SUBSECTION. 14. The taxes imposed under this  
10 division shall be reduced by an endow Iowa tax credit  
11 authorized pursuant to section 15E.305.

12 Sec. 95. Section 422.60, Code 2003, is amended by  
13 adding the following new subsection:

14 NEW SUBSECTION. 7. The taxes imposed under this  
15 division shall be reduced by an endow Iowa tax credit  
16 authorized pursuant to section 15E.305.

17 Sec. 96. NEW SECTION. 432.12D ENDOW IOWA TAX  
18 CREDIT.

19 The tax imposed under this chapter shall be reduced  
20 by an endow Iowa tax credit authorized pursuant to  
21 section 15E.305.

22 Sec. 97. Section 533.24, Code 2003, is amended by  
23 adding the following new unnumbered paragraph:

24 NEW UNNUMBERED PARAGRAPH. The moneys and credits  
25 tax imposed under this section shall be reduced by an  
26 endow Iowa tax credit authorized pursuant to section  
27 15E.305.

28 Sec. 98. EFFECTIVE AND RETROACTIVE APPLICABILITY  
29 DATES. This division of this Act, being deemed of  
30 immediate importance, takes effect upon enactment and  
31 is retroactively applicable to January 1, 2003, for  
32 tax years beginning on or after that date.

#### 33 DIVISION XII

#### 34 REHABILITATION PROJECT TAX CREDITS

35 Sec. 99. Section 404A.4, subsection 4, Code 2003,  
36 is amended to read as follows:

37 4. The total amount of tax credits that may be  
38 approved for a fiscal year under this chapter shall  
39 not exceed two million four hundred thousand dollars.

40 For the fiscal years beginning July 1, 2003, and July  
41 1, 2004, an additional two million dollars of tax  
42 credits may be approved each fiscal year for purposes  
43 of projects located in cultural and entertainment  
44 districts certified pursuant to section 303.3B, if  
45 enacted by 2003 Iowa Acts, House File 692 or another  
46 Act. Any of the additional tax credits allocated for  
47 projects located in certified cultural and  
48 entertainment districts that are not approved during a  
49 fiscal year may be carried over to the succeeding  
50 fiscal year. Tax credit certificates shall be issued

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1 on the basis of the earliest awarding of  
2 certifications of completion as provided in subsection  
3 1. The departments of economic development and  
4 revenue and finance shall each adopt rules to jointly  
5 administer this subsection and shall provide by rule  
6 for the method to be used to determine for which  
7 fiscal year the tax credits are approved.

#### 8 DIVISION XIII

#### 9 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE FUND

10 Sec. 100. Section 8.57, subsection 5, Code 2003,  
11 is amended by adding the following new paragraph:  
12 NEW PARAGRAPH. f. There is appropriated from the  
13 rebuild Iowa infrastructure fund to the state  
14 assistance for educational infrastructure fund created  
15 in 2003 Iowa Acts, House File 692 or another Act, for  
16 each fiscal year of the fiscal period beginning July  
17 1, 2004, and ending June 30, 2014, the amount of the  
18 moneys in excess of the first forty-seven million  
19 dollars credited to the rebuild Iowa infrastructure  
20 fund during the fiscal year, not to exceed ten million  
21 dollars.

#### 22 Sec. 101. NEW SECTION. 292A.3A APPROPRIATION.

23 There is appropriated from the general fund of the  
24 state from moneys credited to the general fund of the  
25 state as a result of the state entering into the  
26 streamlined sales and use tax agreement to the state  
27 assistance for educational infrastructure fund created  
28 in 2003 Iowa Acts, House File 692 or another Act, the  
29 sum of five million dollars for each fiscal year of  
30 the fiscal period beginning July 1, 2004, and ending  
31 June 30, 2014. The appropriation in this section  
32 shall be made after the appropriation from the same  
33 source to the grow Iowa fund created in 2003 Iowa  
34 Acts, House File 692 or another Act. For purposes of  
35 this section, “moneys credited to the general fund of  
36 the state as a result of entering into the streamlined  
37 sales and use tax agreement” means the amount of sales  
38 and use tax receipts credited to the general fund of  
39 the state during a fiscal year that exceeds by two  
40 percent or more the total sales and use tax receipts  
41 credited to the general fund of the state during the  
42 previous fiscal year.

#### 43 DIVISION XIV

#### 44 REPEALS

45 Sec. 102. The divisions of this Act designated  
46 economic development appropriations, workforce-related  
47 issues, loan and credit guarantee fund, university-  
48 based research utilization program appropriation,  
49 endow Iowa tax credit, and rehabilitation project tax  
50 credits are repealed effective June 30, 2010.

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DIVISION XV  
STREAMLINED SALES AND USE TAXES  
SUBCHAPTER I  
DEFINITIONS

Sec. 103. NEW SECTION. 423.1 DEFINITIONS.

As used in this chapter the following words, terms, and phrases have the meanings ascribed to them by this section, except where the context clearly indicates that a different meaning is intended:

1. “Agent” means a person appointed by a seller to represent the seller before the member states.

2. “Agreement” means the streamlined sales and use tax agreement authorized by subchapter IV of this chapter to provide a mechanism for establishing and maintaining a cooperative, simplified system for the application and administration of sales and use taxes.

3. “Agricultural production” includes the production of flowering, ornamental, or vegetable plants in commercial greenhouses or otherwise, and production from aquaculture. “Agricultural products” includes flowering, ornamental, or vegetable plants and those products of aquaculture.

4. “Business” includes any activity engaged in by any person or caused to be engaged in by the person with the object of gain, benefit, or advantage, either direct or indirect.

5. “Certificate of title” means a certificate of title issued for a vehicle or for manufactured housing under chapter 321.

6. “Certified automated system” means software certified under the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state, and maintain a record of the transaction.

7. “Certified service provider” means an agent certified under the agreement to perform all of a seller’s sales or use tax functions, other than the seller’s obligation to remit tax on its own purchases.

8. “Computer” means an electronic device that accepts information in digital or similar form and manipulates the information for a result based on a sequence of instructions.

9. “Computer software” means a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task.

10. “Delivered electronically” means delivered to the purchaser by means other than tangible storage media.

11. “Delivery charges” means charges assessed by a

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1 seller of personal property or services for  
2 preparation and delivery to a location designated by  
3 the purchaser of personal property or services  
4 including, but not limited to, transportation,  
5 shipping, postage, handling, crating, and packing  
6 charges.

7 12. "Department" means the department of revenue  
8 and finance.

9 13. "Direct mail" means printed material delivered  
10 or distributed by United States mail or other delivery  
11 service to a mass audience or to addressees on a  
12 mailing list provided by the purchaser or at the  
13 direction of the purchaser when the cost of the items  
14 is not billed directly to the recipients. "Direct  
15 mail" includes tangible personal property supplied  
16 directly or indirectly by the purchaser to the direct  
17 mail seller for inclusion in the package containing  
18 the printed material. "Direct mail" does not include  
19 multiple items of printed material delivered to a  
20 single address.

21 14. "Director" means the director of revenue and  
22 finance.

23 15. "Electronic" means relating to technology  
24 having electrical, digital, magnetic, wireless,  
25 optical, electromagnetic, or similar capabilities.

26 16. "Farm deer" means the same as defined in  
27 section 189A.2.

28 17. "Farm machinery and equipment" means machinery  
29 and equipment used in agricultural production.

30 18. "First use of a service". A "first use of a  
31 service" occurs, for the purposes of this chapter,  
32 when a service is rendered, furnished, or performed in  
33 Iowa or if rendered, furnished, or performed outside  
34 of Iowa, when the product or result of the service is  
35 used in Iowa.

36 19. "Goods, wares, or merchandise" means the same  
37 as tangible personal property.

38 20. "Governing board" means the group comprised of  
39 representatives of the member states of the agreement  
40 which is created by the agreement to be responsible  
41 for the agreement's administration and operation.

42 21. "Installed purchase price" is the amount  
43 charged, valued in money whether paid in money or  
44 otherwise, by a building contractor to convert  
45 manufactured housing from tangible personal property  
46 into realty. "Installed purchase price" includes, but  
47 is not limited to, amounts charged for installing a  
48 foundation and electrical and plumbing hookups.  
49 "Installed purchase price" excludes any amount charged  
50 for landscaping in connection with the conversion.

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- 1 22. "Lease or rental".  
2 a. "Lease or rental" means any transfer of  
3 possession or control of tangible personal property  
4 for a fixed or indeterminate term for consideration.  
5 A "lease or rental" may include future options to  
6 purchase or extend.  
7 b. "Lease or rental" includes agreements covering  
8 motor vehicles and trailers when the amount of  
9 consideration may be increased or decreased by  
10 reference to the amount realized upon sale or  
11 disposition of the property as defined in 26 U.S.C. }  
12 7701(h)(1).  
13 c. "Lease or rental" does not include any of the  
14 following:  
15 (1) A transfer of possession or control of  
16 property under a security agreement or deferred  
17 payment plan that requires the transfer of title upon  
18 completion of the required payments.  
19 (2) A transfer of possession or control of  
20 property under an agreement that requires the transfer  
21 of title upon completion of required payments, and  
22 payment of any option price does not exceed the  
23 greater of one hundred dollars or one percent of the  
24 total required payments.  
25 (3) Providing tangible personal property along  
26 with an operator for a fixed or indeterminate period  
27 of time. A condition of this exclusion is that the  
28 operator is necessary for the equipment to perform as  
29 designed. For the purpose of this subparagraph, an  
30 operator must do more than maintain, inspect, or set  
31 up the tangible personal property.  
32 d. This definition shall be used for sales and use  
33 tax purposes regardless of whether a transaction is  
34 characterized as a lease or rental under generally  
35 accepted accounting principles, the Internal Revenue  
36 Code, the Uniform Commercial Code, or other provisions  
37 of federal, state, or local law.  
38 23. "Livestock" includes but is not limited to an  
39 animal classified as an ostrich, rhea, emu, bison, or  
40 farm deer.  
41 24. "Manufactured housing" means "manufactured  
42 home" as defined in section 321.1.  
43 25. "Member state" is any state which has signed  
44 the agreement.  
45 26. "Mobile home" means "manufactured or mobile  
46 home" as defined in section 321.1.  
47 27. "Model 1 seller" is a seller that has selected  
48 a certified service provider as its agent to perform  
49 all the seller's sales and use tax functions, other  
50 than the seller's obligation to remit tax on its own

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1 purchases.  
2 28. "Model 2 seller" is a seller that has selected  
3 a certified automated system to perform part of its  
4 sales and use tax functions, but retains  
5 responsibility for remitting the tax.  
6 29. "Model 3 seller" is a seller that has sales in  
7 at least five member states, has total annual sales  
8 revenue of at least five hundred million dollars, has  
9 a proprietary system that calculates the amount of tax  
10 due each jurisdiction, and has entered into a  
11 performance agreement with the member states that  
12 establishes a tax performance standard for the seller.  
13 As used in this definition, a "seller" includes an  
14 affiliated group of sellers using the same proprietary  
15 system.  
16 30. "Nonresidential commercial operations" means  
17 industrial, commercial, mining, or agricultural  
18 operations, whether for profit or not, but does not  
19 include apartment complexes or mobile home parks.  
20 31. "Not registered under the agreement" means  
21 lack of registration by a seller with the member  
22 states under the central registration system  
23 referenced in section 423.11, subsection 4.  
24 32. "Person" means an individual, trust, estate,  
25 fiduciary, partnership, limited liability company,  
26 limited liability partnership, corporation, or any  
27 other legal entity.  
28 33. "Place of business" means any warehouse,  
29 store, place, office, building, or structure where  
30 goods, wares, or merchandise are offered for sale at  
31 retail or where any taxable amusement is conducted, or  
32 each office where gas, water, heat, communication, or  
33 electric services are offered for sale at retail.  
34 When a retailer or amusement operator sells  
35 merchandise by means of vending machines or operates  
36 music or amusement devices by coin-operated machines  
37 at more than one location within the state, the  
38 office, building, or place where the books, papers,  
39 and records of the taxpayer are kept shall be deemed  
40 to be the taxpayer's place of business.  
41 34. "Prewritten computer software" includes  
42 software designed and developed by the author or other  
43 creator to the specifications of a specific purchaser  
44 when it is sold to a person other than the purchaser.  
45 The combining of two or more prewritten computer  
46 software programs or prewritten portions of prewritten  
47 programs does not cause the combination to be other  
48 than prewritten computer software. "Prewritten  
49 computer software" also means computer software,  
50 including prewritten upgrades, which is not designed

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1 and developed by the author or other creator to the  
2 specifications of a specific purchaser.  
3 When a person modifies or enhances computer  
4 software of which the person is not the author or  
5 creator, the person shall be deemed to be the author  
6 or creator only of such person's modifications or  
7 enhancements. Prewritten computer software or a  
8 prewritten portion of the prewritten software that is  
9 modified or enhanced to any degree, when such  
10 modification or enhancement is designed and developed  
11 to the specifications of a specific purchaser, remains  
12 prewritten computer software. However, when there is  
13 a reasonable, separately stated charge or an invoice  
14 or other statement of the price given to the purchaser  
15 for such modification or enhancement, such  
16 modification or enhancement shall not constitute  
17 prewritten computer software.  
18 35. "Property purchased for resale in connection  
19 with the performance of a service" means property  
20 which is purchased for resale in connection with the  
21 rendition, furnishing, or performance of a service by  
22 a person who renders, furnishes, or performs the  
23 service if all of the following occur:  
24 a. The provider and user of the service intend  
25 that a sale of the property will occur.  
26 b. The property is transferred to the user of the  
27 service in connection with the performance of the  
28 service in a form or quantity capable of a fixed or  
29 definite price value.  
30 c. The sale is evidenced by a separate charge for  
31 the identifiable piece of property.  
32 36. "Purchase" means any transfer, exchange, or  
33 barter, conditional or otherwise, in any manner or by  
34 any means whatsoever, for a consideration.  
35 37. "Purchase price" means the same as "sales  
36 price" as defined in this section.  
37 38. "Purchaser" is a person to whom a sale of  
38 personal property is made or to whom a service is  
39 furnished.  
40 39. "Receive" and "receipt" mean any of the  
41 following:  
42 a. Taking possession of tangible personal  
43 property.  
44 b. Making first use of a service.  
45 c. Taking possession or making first use of  
46 digital goods, whichever comes first.  
47 "Receive" and "receipt" do not include possession  
48 by a shipping company on behalf of a purchaser.  
49 40. "Registered under the agreement" means  
50 registration by a seller under the central

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1 registration system referenced in section 423.11,  
2 subsection 4.

3 41. "Relief agency" means the state, any county,  
4 city and county, city, or district thereof, or any  
5 agency engaged in actual relief work.

6 42. "Retailer" means and includes every person  
7 engaged in the business of selling tangible personal  
8 property or taxable services at retail, or the  
9 furnishing of gas, electricity, water, or  
10 communication service, and tickets or admissions to  
11 places of amusement and athletic events or operating  
12 amusement devices or other forms of commercial  
13 amusement from which revenues are derived. However,  
14 when in the opinion of the director it is necessary  
15 for the efficient administration of this chapter to  
16 regard any salespersons, representatives, truckers,  
17 peddlers, or canvassers as agents of the dealers,  
18 distributors, supervisors, employers, or persons under  
19 whom they operate or from whom they obtain tangible  
20 personal property sold by them irrespective of whether  
21 or not they are making sales on their own behalf or on  
22 behalf of such dealers, distributors, supervisors,  
23 employers, or persons, the director may so regard  
24 them, and may regard such dealers, distributors,  
25 supervisors, employers, or persons as retailers for  
26 the purposes of this chapter. "Retailer" includes a  
27 seller obligated to collect sales or use tax.

28 43. "Retailer maintaining a place of business in  
29 this state" or any like term includes any retailer  
30 having or maintaining within this state, directly or  
31 by a subsidiary, an office, distribution house, sales  
32 house, warehouse, or other place of business, or any  
33 representative operating within this state under the  
34 authority of the retailer or its subsidiary,  
35 irrespective of whether that place of business or  
36 representative is located here permanently or  
37 temporarily, or whether the retailer or subsidiary is  
38 admitted to do business within this state pursuant to  
39 chapter 490.

40 44. "Retailers who are not model sellers" means  
41 all retailers other than model 1, model 2, or model 3  
42 sellers.

43 45. "Retail sale" or "sale at retail" means any  
44 sale, lease, or rental for any purpose other than  
45 resale, sublease, or subrent.

46 46. "Sales" or "sale" means any transfer,  
47 exchange, or barter, conditional or otherwise, in any  
48 manner or by any means whatsoever, for consideration.

49 47. "Sales price" applies to the measure subject  
50 to sales tax.

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- 1 a. "Sales price" means the total amount of  
2 consideration, including cash, credit, property, and  
3 services, for which personal property or services are  
4 sold, leased, or rented, valued in money, whether  
5 received in money or otherwise, without any deduction  
6 for any of the following:
- 7 (1) The seller's cost of the property sold.
  - 8 (2) The cost of materials used, labor or service  
9 cost, interest, losses, all costs of transportation to  
10 the seller, all taxes imposed on the seller, and any  
11 other expenses of the seller.
  - 12 (3) Charges by the seller for any services  
13 necessary to complete the sale, other than delivery  
14 and installation charges.
  - 15 (4) Delivery charges.
  - 16 (5) Installation charges.
  - 17 (6) The value of exempt personal property given to  
18 the purchaser where taxable and exempt personal  
19 property have been bundled together and sold by the  
20 seller as a single product or piece of merchandise.
  - 21 (7) Credit for any trade-in authorized by section  
22 423.3, subsection 58.
- 23 b. "Sales price" does not include:
- 24 (1) Discounts, including cash, term, or coupons  
25 that are not reimbursed by a third party that are  
26 allowed by a seller and taken by a purchaser on a  
27 sale.
  - 28 (2) Interest, financing, and carrying charges from  
29 credit extended on the sale of personal property or  
30 services, if the amount is separately stated on the  
31 invoice, bill of sale, or similar document given to  
32 the purchaser.
  - 33 (3) Any taxes legally imposed directly on the  
34 consumer that are separately stated on the invoice,  
35 bill of sale, or similar document given to the  
36 purchaser.
  - 37 (4) The amounts received for charges included in  
38 paragraph "a", subparagraphs (3) through (7), if they  
39 are separately contracted for and separately stated on  
40 the invoice, billing, or similar document given to the  
41 purchaser.
- 42 48. "Sales tax" means the tax levied under  
43 subchapter II of this chapter.
- 44 49. "Seller" means any person making sales,  
45 leases, or rentals of personal property or services.
- 46 50. "Services" means all acts or services  
47 rendered, furnished, or performed, other than services  
48 used in processing of tangible personal property for  
49 use in retail sales or services, for an employer, as  
50 defined in section 422.4, subsection 3, for a valuable

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1 consideration by any person engaged in any business or  
2 occupation specifically enumerated in section 423.2.

3 The tax shall be due and collectible when the service  
4 is rendered, furnished, or performed for the ultimate  
5 user of the service.

6 51. “Services used in the processing of tangible  
7 personal property” includes the reconditioning or  
8 repairing of tangible personal property of the type  
9 normally sold in the regular course of the retailer’s  
10 business and which is held for sale.

11 52. “State” means any state of the United States  
12 and the District of Columbia.

13 53. “System” means the central electronic  
14 registration system maintained by Iowa and other  
15 states which are signatories to the agreement.

16 54. “Tangible personal property” means personal  
17 property that can be seen, weighed, measured, felt, or  
18 touched, or that is in any other manner perceptible to  
19 the senses. “Tangible personal property” includes  
20 electricity, water, gas, steam, and prewritten  
21 computer software.

22 55. “Taxpayer” includes any person who is subject  
23 to a tax imposed by this chapter, whether acting on  
24 the person’s own behalf or as a fiduciary.

25 56. “Trailer” shall mean every trailer, as is now  
26 or may be hereafter so defined by chapter 321, which  
27 is required to be registered or is subject only to the  
28 issuance of a certificate of title under chapter 321.

29 57. “Use” means and includes the exercise by any  
30 person of any right or power over tangible personal  
31 property incident to the ownership of that property.  
32 A retailer’s or building contractor’s sale of  
33 manufactured housing for use in this state, whether in  
34 the form of tangible personal property or of realty,  
35 is a use of that property for the purposes of this  
36 chapter.

37 58. “Use tax” means the tax levied under  
38 subchapter III of this chapter for which the retailer  
39 collects and remits tax to the department.

40 59. “User” means the immediate recipient of the  
41 services who is entitled to exercise a right of power  
42 over the product of such services.

43 60. “Value of services” means the price to the  
44 user exclusive of any direct tax imposed by the  
45 federal government or by this chapter.

46 61. “Vehicles subject to registration” means any  
47 vehicle subject to registration pursuant to section  
48 321.18.

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1 Sec. 104. NEW SECTION. 423.2 TAX IMPOSED.

2 1. There is imposed a tax of five percent upon the  
3 sales price of all sales of tangible personal  
4 property, consisting of goods, wares, or merchandise,  
5 sold at retail in the state to consumers or users  
6 except as otherwise provided in this subchapter.

7 a. For the purposes of this subchapter, sales of  
8 the following services are treated as if they were  
9 sales of tangible personal property:

10 (1) Sales of engraving, photography, retouching,  
11 printing, and binding services.

12 (2) Sales of vulcanizing, recapping, and  
13 retreading services.

14 (3) Sales of prepaid telephone calling cards and  
15 prepaid authorization numbers.

16 (4) Sales of optional service or warranty  
17 contracts, except residential service contracts  
18 regulated under chapter 523C, which provide for the  
19 furnishing of labor and materials and require the  
20 furnishing of any taxable service enumerated under  
21 this section. The sales price is subject to tax even  
22 if some of the services furnished are not enumerated  
23 under this section. Additional sales, services, or  
24 use taxes shall not be levied on services, parts, or  
25 labor provided under optional service or warranty  
26 contracts which are subject to tax under this  
27 subsection.

28 If the optional service or warranty contract is a  
29 computer software maintenance or support service  
30 contract and there is no separately stated fee for the  
31 taxable personal property or for the nontaxable  
32 service, the tax imposed by this subsection shall be  
33 imposed on fifty percent of the sales price from the  
34 sale of such contract. If the contract provides for  
35 technical support services only, no tax shall be  
36 imposed under this subsection. The provisions of this  
37 subparagraph (4) also apply to the use tax.

38 (5) Renting of rooms, apartments, or sleeping  
39 quarters in a hotel, motel, inn, public lodging house,  
40 rooming house, mobile home which is tangible personal  
41 property, or tourist court, or in any place where  
42 sleeping accommodations are furnished to transient  
43 guests for rent, whether with or without meals.  
44 "Renting" and "rent" include any kind of direct or  
45 indirect charge for such rooms, apartments, or  
46 sleeping quarters, or their use. However, the tax  
47 does not apply to the sales price from the renting of  
48 a room, apartment, or sleeping quarters while rented  
49 by the same person for a period of more than thirty-  
50 one consecutive days.

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1 b. Sales of building materials, supplies, and  
2 equipment to owners, contractors, subcontractors, or  
3 builders for the erection of buildings or the  
4 alteration, repair, or improvement of real property  
5 are retail sales of tangible personal property in  
6 whatever quantity sold. Where the owner, contractor,  
7 subcontractor, or builder is also a retailer holding a  
8 retail sales tax permit and transacting retail sales  
9 of building materials, supplies, and equipment, the  
10 person shall purchase such items of tangible personal  
11 property without liability for the tax if such  
12 property will be subject to the tax at the time of  
13 resale or at the time it is withdrawn from inventory  
14 for construction purposes. The sales tax shall be due  
15 in the reporting period when the materials, supplies,  
16 and equipment are withdrawn from inventory for  
17 construction purposes or when sold at retail. The tax  
18 shall not be due when materials are withdrawn from  
19 inventory for use in construction outside of Iowa and  
20 the tax shall not apply to tangible personal property  
21 purchased and consumed by the manufacturer as building  
22 materials in the performance by the manufacturer or  
23 its subcontractor of construction outside of Iowa.  
24 The sale of carpeting is not a sale of building  
25 materials. The sale of carpeting to owners,  
26 contractors, subcontractors, or builders shall be  
27 treated as the sale of ordinary tangible personal  
28 property and subject to the tax imposed under this  
29 subsection and the use tax.

30 c. The use within this state of tangible personal  
31 property by the manufacturer thereof, as building  
32 materials, supplies, or equipment, in the performance  
33 of construction contracts in Iowa, shall, for the  
34 purpose of this subchapter, be construed as a sale at  
35 retail of tangible personal property by the  
36 manufacturer who shall be deemed to be the consumer of  
37 such tangible personal property. The tax shall be  
38 computed upon the cost to the manufacturer of the  
39 fabrication or production of the tangible personal  
40 property.

41 2. A tax of five percent is imposed upon the sales  
42 price of the sale or furnishing of gas, electricity,  
43 water, heat, pay television service, and communication  
44 service, including the sales price from such sales by  
45 any municipal corporation or joint water utility  
46 furnishing gas, electricity, water, heat, pay  
47 television service, and communication service to the  
48 public in its proprietary capacity, except as  
49 otherwise provided in this subchapter, when sold at  
50 retail in the state to consumers or users.

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1 3. A tax of five percent is imposed upon the sales  
2 price of all sales of tickets or admissions to places  
3 of amusement, fairs, and athletic events except those  
4 of elementary and secondary educational institutions.  
5 A tax of five percent is imposed on the sales price of  
6 an entry fee or like charge imposed solely for the  
7 privilege of participating in an activity at a place  
8 of amusement, fair, or athletic event unless the sales  
9 price of tickets or admissions charges for observing  
10 the same activity are taxable under this subchapter.

11 A tax of five percent is imposed upon that part of  
12 private club membership fees or charges paid for the  
13 privilege of participating in any athletic sports  
14 provided club members.

15 4. A tax of five percent is imposed upon the sales  
16 price derived from the operation of all forms of  
17 amusement devices and games of skill, games of chance,  
18 raffles, and bingo games as defined in chapter 99B,  
19 operated or conducted within the state, the tax to be  
20 collected from the operator in the same manner as for  
21 the collection of taxes upon the sales price of  
22 tickets or admission as provided in this section.  
23 Nothing in this subsection shall legalize any games of  
24 skill or chance or slot-operated devices which are now  
25 prohibited by law.

26 The tax imposed under this subsection covers the  
27 total amount from the operation of games of skill,  
28 games of chance, raffles, and bingo games as defined  
29 in chapter 99B, and musical devices, weighing  
30 machines, shooting galleries, billiard and pool  
31 tables, bowling alleys, pinball machines, slot-  
32 operated devices selling merchandise not subject to  
33 the general sales taxes and on the total amount from  
34 devices or systems where prizes are in any manner  
35 awarded to patrons and upon the receipts from fees  
36 charged for participation in any game or other form of  
37 amusement, and generally upon the sales price from any  
38 source of amusement operated for profit, not specified  
39 in this section, and upon the sales price from which  
40 tax is not collected for tickets or admission, but tax  
41 shall not be imposed upon any activity exempt from  
42 sales tax under section 423.3, subsection 78. Every  
43 person receiving any sales price from the sources  
44 described in this section is subject to all provisions  
45 of this subchapter relating to retail sales tax and  
46 other provisions of this chapter as applicable.

47 5. There is imposed a tax of five percent upon the  
48 sales price from the furnishing of services as defined  
49 in section 423.1.

50 6. The sales price of any of the following

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1 enumerated services is subject to the tax imposed by  
2 subsection 5: alteration and garment repair; armored  
3 car; vehicle repair; battery, tire, and allied;  
4 investment counseling; service charges of all  
5 financial institutions; barber and beauty; boat  
6 repair; vehicle wash and wax; campgrounds; carpentry;  
7 roof, shingle, and glass repair; dance schools and  
8 dance studios; dating services; dry cleaning,  
9 pressing, dyeing, and laundering; electrical and  
10 electronic repair and installation; excavating and  
11 grading; farm implement repair of all kinds; flying  
12 service; furniture, rug, carpet, and upholstery repair  
13 and cleaning; fur storage and repair; golf and country  
14 clubs and all commercial recreation; gun and camera  
15 repair; house and building moving; household  
16 appliance, television, and radio repair; janitorial  
17 and building maintenance or cleaning; jewelry and  
18 watch repair; lawn care, landscaping, and tree  
19 trimming and removal; limousine service, including  
20 driver; machine operator; machine repair of all kinds;  
21 motor repair; motorcycle, scooter, and bicycle repair;  
22 oilers and lubricators; office and business machine  
23 repair; painting, papering, and interior decorating;  
24 parking facilities; pay television; pet grooming; pipe  
25 fitting and plumbing; wood preparation; executive  
26 search agencies; private employment agencies,  
27 excluding services for placing a person in employment  
28 where the principal place of employment of that person  
29 is to be located outside of the state; reflexology;  
30 security and detective services; sewage services for  
31 nonresidential commercial operations; sewing and  
32 stitching; shoe repair and shoeshine; sign  
33 construction and installation; storage of household  
34 goods, mini-storage, and warehousing of raw  
35 agricultural products; swimming pool cleaning and  
36 maintenance; tanning beds or salons; taxidermy  
37 services; telephone answering service; test  
38 laboratories, including mobile testing laboratories  
39 and field testing by testing laboratories, and  
40 excluding tests on humans or animals; termite, bug,  
41 roach, and pest eradicators; tin and sheet metal  
42 repair; Turkish baths, massage, and reducing salons,  
43 excluding services provided by massage therapists  
44 licensed under chapter 152C; water conditioning and  
45 softening; weighing; welding; well drilling; wrapping,  
46 packing, and packaging of merchandise other than  
47 processed meat, fish, fowl, and vegetables; wrecking  
48 service; wrecker and towing.  
49 For the purposes of this subsection, the sales  
50 price of a lease or rental includes rents, royalties,

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1 and copyright and license fees. For the purposes of  
2 this subsection, “financial institutions” means all  
3 national banks, federally chartered savings and loan  
4 associations, federally chartered savings banks,  
5 federally chartered credit unions, banks organized  
6 under chapter 524, savings and loan associations and  
7 savings banks organized under chapter 534, and credit  
8 unions organized under chapter 533.

9 7. a. A tax of five percent is imposed upon the  
10 sales price from the sales, furnishing, or service of  
11 solid waste collection and disposal service.

12 For purposes of this subsection, “solid waste”  
13 means garbage, refuse, sludge from a water supply  
14 treatment plant or air contaminant treatment facility,  
15 and other discarded waste materials and sludges, in  
16 solid, semisolid, liquid, or contained gaseous form,  
17 resulting from nonresidential commercial operations,  
18 but does not include auto hulks; street sweepings;  
19 ash; construction debris; mining waste; trees; tires;  
20 lead acid batteries; used oil; hazardous waste; animal  
21 waste used as fertilizer; earthen fill, boulders, or  
22 rock; foundry sand used for daily cover at a sanitary  
23 landfill; sewage sludge; solid or dissolved material  
24 in domestic sewage or other common pollutants in water  
25 resources, such as silt, dissolved or suspended solids  
26 in industrial waste water effluents or discharges  
27 which are point sources subject to permits under  
28 section 402 of the federal Water Pollution Control  
29 Act, or dissolved materials in irrigation return  
30 flows; or source, special nuclear, or by-product  
31 material defined by the federal Atomic Energy Act of  
32 1954.

33 A recycling facility that separates or processes  
34 recyclable materials and that reduces the volume of  
35 the waste by at least eighty-five percent is exempt  
36 from the tax imposed by this subsection if the waste  
37 exempted is collected and disposed of separately from  
38 other solid waste.

39 b. A person who transports solid waste generated  
40 by that person or another person without compensation  
41 shall pay the tax imposed by this subsection at the  
42 collection or disposal facility based on the disposal  
43 charge or tipping fee. However, the costs of a  
44 service or portion of a service to collect and manage  
45 recyclable materials separated from solid waste by the  
46 waste generator are exempt from the tax imposed by  
47 this subsection.

48 8. a. A tax of five percent is imposed upon the  
49 sales price from sales of bundled services contracts.  
50 For purposes of this subsection, a “bundled services

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1 contract” means an agreement providing for a  
2 retailer’s performance of services, one or more of  
3 which is a taxable service enumerated in this section  
4 and one or more of which is not, in return for a  
5 consumer’s or user’s single payment for the  
6 performance of the services, with no separate  
7 statement to the consumer or user of what portion of  
8 that payment is attributable to any one service which  
9 is a part of the contract.

10 b. For purposes of the administration of the tax  
11 on bundled services contracts, the director may enter  
12 into agreements of limited duration with individual  
13 retailers, groups of retailers, or organizations  
14 representing retailers of bundled services contracts.  
15 Such an agreement shall impose the tax rate only upon  
16 that portion of the sales price from a bundled  
17 services contract which is attributable to taxable  
18 services provided under the contract.

19 9. A tax of five percent is imposed upon the sales  
20 price from any mobile telecommunications service which  
21 this state is allowed to tax by the provisions of the  
22 federal Mobile Telecommunications Sourcing Act, Pub.  
23 L. No. 106-252, 4 U.S.C. } 116 et seq. For purposes  
24 of this subsection, taxes on mobile telecommunications  
25 service, as defined under the federal Mobile  
26 Telecommunications Sourcing Act that are deemed to be  
27 provided by the customer’s home service provider,  
28 shall be paid to the taxing jurisdiction whose  
29 territorial limits encompass the customer’s place of  
30 primary use, regardless of where the mobile  
31 telecommunications service originates, terminates, or  
32 passes through and shall in all other respects be  
33 taxed in conformity with the federal Mobile  
34 Telecommunications Sourcing Act. All other provisions  
35 of the federal Mobile Telecommunications Sourcing Act  
36 are adopted by the state of Iowa and incorporated into  
37 this subsection by reference. With respect to mobile  
38 telecommunications service under the federal Mobile  
39 Telecommunications Sourcing Act, the director shall,  
40 if requested, enter into agreements consistent with  
41 the provisions of the federal Act.

42 10. All revenues arising under the operation of  
43 the provisions of this section shall be deposited into  
44 the general fund of the state.

45 Sec. 105. NEW SECTION. 423.3 EXEMPTIONS.

46 There is exempted from the provisions of this  
47 subchapter and from the computation of the amount of  
48 tax imposed by it the following:

49 1. The sales price from sales of tangible personal  
50 property and services furnished which this state is

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1 prohibited from taxing under the Constitution or laws  
2 of the United States or under the Constitution of this  
3 state.

4 2. The sales price of sales for resale of tangible  
5 personal property or taxable services, or for resale  
6 of tangible personal property in connection with the  
7 furnishing of taxable services.

8 3. The sales price of agricultural breeding  
9 livestock and domesticated fowl.

10 4. The sales price of commercial fertilizer.

11 5. The sales price of agricultural limestone,  
12 herbicide, pesticide, insecticide, including  
13 adjuvants, surfactants, and other products directly  
14 related to the application enhancement of those  
15 products, food, medication, or agricultural drain  
16 tile, including installation of agricultural drain  
17 tile, any of which are to be used in disease control,  
18 weed control, insect control, or health promotion of  
19 plants or livestock produced as part of agricultural  
20 production for market.

21 6. The sales price of tangible personal property  
22 which will be consumed as fuel in creating heat,  
23 power, or steam for grain drying, or for providing  
24 heat or cooling for livestock buildings or for  
25 greenhouses or buildings or parts of buildings  
26 dedicated to the production of flowering, ornamental,  
27 or vegetable plants intended for sale in the ordinary  
28 course of business, or for use in cultivation of  
29 agricultural products by aquaculture, or in implements  
30 of husbandry engaged in agricultural production.

31 7. The sales price of services furnished by  
32 specialized flying implements of husbandry used for  
33 agricultural aerial spraying.

34 8. The sales price exclusive of services of farm  
35 machinery and equipment, including auxiliary  
36 attachments which improve the performance, safety,  
37 operation, or efficiency of the machinery and  
38 equipment and replacement parts, if the following  
39 conditions are met:

40 a. The farm machinery and equipment shall be  
41 directly and primarily used in production of  
42 agricultural products.

43 b. The farm machinery and equipment shall  
44 constitute self-propelled implements or implements  
45 customarily drawn or attached to self-propelled  
46 implements or the farm machinery or equipment is a  
47 grain dryer.

48 c. The replacement part is essential to any repair  
49 or reconstruction necessary to the farm machinery's or  
50 equipment's exempt use in the production of

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- 1 agricultural products.
- 2 Vehicles subject to registration, as defined in
- 3 section 423.1, or replacement parts for such vehicles,
- 4 are not eligible for this exemption.
- 5 9. The sales price of wood chips, sawdust, hay,
- 6 straw, paper, or other materials used for bedding in
- 7 the production of agricultural livestock or fowl.
- 8 10. The sales price of gas, electricity, water, or
- 9 heat to be used in implements of husbandry engaged in
- 10 agricultural production.
- 11 11. The sales price exclusive of services of farm
- 12 machinery and equipment, including auxiliary
- 13 attachments which improve the performance, safety,
- 14 operation, or efficiency of the machinery and
- 15 equipment and replacement parts, if all of the
- 16 following conditions are met:
  - 17 a. The implement, machinery, or equipment is
  - 18 directly and primarily used in livestock or dairy
  - 19 production, aquaculture production, or the production
  - 20 of flowering, ornamental, or vegetable plants.
  - 21 b. The implement is not a self-propelled implement
  - 22 or implement customarily drawn or attached to self-
  - 23 propelled implements.
  - 24 c. The replacement part is essential to any repair
  - 25 or reconstruction necessary to the farm machinery's or
  - 26 equipment's exempt use in livestock or dairy
  - 27 production, aquaculture production, or the production
  - 28 of flowering, ornamental, or vegetable plants.
- 29 12. The sales price, exclusive of services, from
- 30 sales of irrigation equipment used in farming
- 31 operations.
- 32 13. The sales price from the sale or rental of
- 33 irrigation equipment, whether installed above or below
- 34 ground, to a contractor or farmer if the equipment
- 35 will be primarily used in agricultural operations.
- 36 14. The sales price from the sales of horses,
- 37 commonly known as draft horses, when purchased for use
- 38 and so used as draft horses.
- 39 15. The sales price from the sale of property
- 40 which is a container, label, carton, pallet, packing
- 41 case, wrapping, baling wire, twine, bag, bottle,
- 42 shipping case, or other similar article or receptacle
- 43 sold for use in agricultural, livestock, or dairy
- 44 production.
- 45 16. The sales price from the sale of feed and feed
- 46 supplements and additives when used for consumption by
- 47 farm deer or bison.
- 48 17. The sales price of all goods, wares, or
- 49 merchandise, or services, used for educational
- 50 purposes sold to any private nonprofit educational

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1 institution in this state. For the purpose of this  
2 subsection, “educational institution” means an  
3 institution which primarily functions as a school,  
4 college, or university with students, faculty, and an  
5 established curriculum. The faculty of an educational  
6 institution must be associated with the institution  
7 and the curriculum must include basic courses which  
8 are offered every year. “Educational institution”  
9 includes an institution primarily functioning as a  
10 library.

11 18. The sales price of tangible personal property  
12 sold, or of services furnished, to the following  
13 nonprofit corporations:

14 a. Residential care facilities and intermediate  
15 care facilities for persons with mental retardation  
16 and residential care facilities for persons with  
17 mental illness licensed by the department of  
18 inspections and appeals under chapter 135C.

19 b. Residential facilities licensed by the  
20 department of human services pursuant to chapter 237,  
21 other than those maintained by individuals as defined  
22 in section 237.1, subsection 7.

23 c. Rehabilitation facilities that provide  
24 accredited rehabilitation services to persons with  
25 disabilities which are accredited by the commission on  
26 accreditation of rehabilitation facilities or the  
27 accreditation council for services for persons with  
28 mental retardation and other persons with  
29 developmental disabilities and adult day care services  
30 approved for reimbursement by the state department of  
31 human services.

32 d. Community mental health centers accredited by  
33 the department of human services pursuant to chapter  
34 225C.

35 e. Community health centers as defined in 42  
36 U.S.C. } 254(c) and migrant health centers as defined  
37 in 42 U.S.C. } 254(b).

38 19. The sales price of tangible personal property  
39 sold to a nonprofit organization which was organized  
40 for the purpose of lending the tangible personal  
41 property to the general public for use by them for  
42 nonprofit purposes.

43 20. The sales price of tangible personal property  
44 sold, or of services furnished, to nonprofit legal aid  
45 organizations.

46 21. The sales price of goods, wares, or  
47 merchandise, or of services, used for educational,  
48 scientific, historic preservation, or aesthetic  
49 purpose sold to a nonprofit private museum.

50 22. The sales price from sales of goods, wares, or

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- 1 merchandise, or from services furnished, to a  
2 nonprofit private art center to be used in the  
3 operation of the art center.
- 4 23. The sales price of tangible personal property  
5 sold, or of services furnished, by a fair society  
6 organized under chapter 174.
- 7 24. The sales price from services furnished by the  
8 notification center established pursuant to section  
9 480.3, and the vendor selected pursuant to section  
10 480.3 to provide the notification service.
- 11 25. The sales price of food and beverages sold for  
12 human consumption by a nonprofit organization which  
13 principally promotes a food or beverage product for  
14 human consumption produced, grown, or raised in this  
15 state and whose income is exempt from federal taxation  
16 under section 501(c) of the Internal Revenue Code.
- 17 26. The sales price of tangible personal property  
18 sold, or of services furnished, to a statewide  
19 nonprofit organ procurement organization, as defined  
20 in section 142C.2.
- 21 27. The sales price of tangible personal property  
22 sold, or of services furnished, to a nonprofit  
23 hospital licensed pursuant to chapter 135B to be used  
24 in the operation of the hospital.
- 25 28. The sales price of tangible personal property  
26 sold, or of services furnished, to a freestanding  
27 nonprofit hospice facility which operates a hospice  
28 program as defined in 42 C.F.R., ch. IV, § 418.3,  
29 which property or services are to be used in the  
30 hospice program.
- 31 29. The sales price of all goods, wares, or  
32 merchandise sold, or of services furnished, which are  
33 used in the fulfillment of a written construction  
34 contract with a nonprofit hospital licensed pursuant  
35 to chapter 135B if all of the following apply:
- 36 a. The sales and delivery of the goods, wares, or  
37 merchandise, or the services furnished occurred  
38 between July 1, 1998, and December 31, 2001.
- 39 b. The written construction contract was entered  
40 into prior to December 31, 1999, or bonds to fund the  
41 construction were issued prior to December 31, 1999.
- 42 c. The sales or services were purchased by a  
43 contractor as the agent for the hospital or were  
44 purchased directly by the hospital.
- 45 30. The sales price of livestock ear tags sold by  
46 a nonprofit organization whose income is exempt from  
47 federal taxation under section 501(c)(6) of the  
48 Internal Revenue Code where the proceeds are used in  
49 bovine research programs selected or approved by such  
50 organization.

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1 31. The sales price of goods, wares, or  
2 merchandise sold to and of services furnished, and  
3 used for public purposes sold to a tax-certifying or  
4 tax-levying body of the state or a governmental  
5 subdivision of the state, including regional transit  
6 systems, as defined in section 324A.1, the state board  
7 of regents, department of human services, state  
8 department of transportation, any municipally owned  
9 solid waste facility which sells all or part of its  
10 processed waste as fuel to a municipally owned public  
11 utility, and all divisions, boards, commissions,  
12 agencies, or instrumentalities of state, federal,  
13 county, or municipal government which have no earnings  
14 going to the benefit of an equity investor or  
15 stockholder, except any of the following:

16 a. The sales price of goods, wares, or merchandise  
17 sold to, or of services furnished, and used by or in  
18 connection with the operation of any municipally owned  
19 public utility engaged in selling gas, electricity,  
20 heat, or pay television service to the general public.

21 b. The sales price of furnishing of sewage  
22 services to a county or municipality on behalf of  
23 nonresidential commercial operations.

24 c. The furnishing of solid waste collection and  
25 disposal service to a county or municipality on behalf  
26 of nonresidential commercial operations located within  
27 the county or municipality.

28 The exemption provided by this subsection shall  
29 also apply to all such sales of goods, wares, or  
30 merchandise or of services furnished and subject to  
31 use tax.

32 32. The sales price of tangible personal property  
33 sold, or of services furnished, by a county or city.  
34 This exemption does not apply to any of the following:

35 a. The tax specifically imposed under section  
36 423.2 on the sales price from sales or furnishing of  
37 gas, electricity, water, heat, pay television service,  
38 or communication service to the public by a municipal  
39 corporation in its proprietary capacity.

40 b. The sale or furnishing of solid waste  
41 collection and disposal service to nonresidential  
42 commercial operations.

43 c. The sale or furnishing of sewage service for  
44 nonresidential commercial operations.

45 d. Fees paid to cities and counties for the  
46 privilege of participating in any athletic sports.

47 33. The sales price of mementos and other items  
48 relating to Iowa history and historic sites, the  
49 general assembly, and the state capitol, sold by the  
50 legislative service bureau and its legislative

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1 information office on the premises of property under  
2 the control of the legislative council, at the state  
3 capitol, and on other state property.

4 34. The sales price from sales of mementos and  
5 other items relating to Iowa history and historic  
6 sites by the department of cultural affairs on the  
7 premises of property under its control and at the  
8 state capitol.

9 35. The sales price from sales or services  
10 furnished by the state fair organized under chapter  
11 173.

12 36. The sales price from sales of tangible  
13 personal property or of the sale or furnishing of  
14 electrical energy, natural or artificial gas, or  
15 communication service to another state or political  
16 subdivision of another state if the other state  
17 provides a similar reciprocal exemption for this state  
18 and political subdivision of this state.

19 37. The sales price of services on or connected  
20 with new construction, reconstruction, alteration,  
21 expansion, remodeling, or the services of a general  
22 building contractor, architect, or engineer.

23 38. The sales price from the sale of building  
24 materials, supplies, or equipment sold to rural water  
25 districts organized under chapter 504A as provided in  
26 chapter 357A and used for the construction of  
27 facilities of a rural water district.

28 39. The sales price from “casual sales”.

29 “Casual sales” means:

30 a. Sales of tangible personal property, or the  
31 furnishing of services, of a nonrecurring nature, by  
32 the owner, if the seller, at the time of the sale, is  
33 not engaged for profit in the business of selling  
34 tangible personal property or services taxed under  
35 section 423.2.

36 b. The sale of all or substantially all of the  
37 tangible personal property or services held or used by  
38 a seller in the course of the seller’s trade or  
39 business for which the seller is required to hold a  
40 sales tax permit when the seller sells or otherwise  
41 transfers the trade or business to another person who  
42 shall engage in a similar trade or business.

43 40. The sales price from the sale of automotive  
44 fluids to a retailer to be used either in providing a  
45 service which includes the installation or application  
46 of the fluids in or on a motor vehicle, which service  
47 is subject to section 423.2, subsection 6, or to be  
48 installed in or applied to a motor vehicle which the  
49 retailer intends to sell, which sale is subject to  
50 section 423.26. For purposes of this subsection,

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1 automotive fluids are all those which are refined,  
2 manufactured, or otherwise processed and packaged for  
3 sale prior to their installation in or application to  
4 a motor vehicle. They include but are not limited to  
5 motor oil and other lubricants, hydraulic fluids,  
6 brake fluid, transmission fluid, sealants,  
7 undercoatings, antifreeze, and gasoline additives.

8 41. The sales price from the rental of motion  
9 picture films, video and audio tapes, video and audio  
10 discs, records, photos, copy, scripts, or other media  
11 used for the purpose of transmitting that which can be  
12 seen, heard, or read, if either of the following  
13 conditions are met:

14 a. The lessee imposes a charge for the viewing of  
15 such media and the charge for the viewing is subject  
16 to taxation under this subchapter or is subject to use  
17 tax.

18 b. The lessee broadcasts the contents of such  
19 media for public viewing or listening.

20 42. The sales price from the sale of tangible  
21 personal property consisting of advertising material  
22 including paper to a person in Iowa if that person or  
23 that person's agent will, subsequent to the sale, send  
24 that advertising material outside this state and the  
25 material is subsequently used solely outside of Iowa.  
26 For the purpose of this subsection, "advertising  
27 material" means any brochure, catalog, leaflet, flyer,  
28 order form, return envelope, or similar item used to  
29 promote sales of property or services.

30 43. The sales price from the sale of property or  
31 of services performed on property which the retailer  
32 transfers to a carrier for shipment to a point outside  
33 of Iowa, places in the United States mail or parcel  
34 post directed to a point outside of Iowa, or  
35 transports to a point outside of Iowa by means of the  
36 retailer's own vehicles, and which is not thereafter  
37 returned to a point within Iowa, except solely in the  
38 course of interstate commerce or transportation. This  
39 exemption shall not apply if the purchaser, consumer,  
40 or their agent, other than a carrier, takes physical  
41 possession of the property in Iowa.

42 44. The sales price from the sale of property  
43 which is a container, label, carton, pallet, packing  
44 case, wrapping paper, twine, bag, bottle, shipping  
45 case, or other similar article or receptacle sold to  
46 retailers or manufacturers for the purpose of  
47 packaging or facilitating the transportation of  
48 tangible personal property sold at retail or  
49 transferred in association with the maintenance or  
50 repair of fabric or clothing.

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1 45. The sales price from sales or rentals to a  
2 printer or publisher of the following: acetate; anti-  
3 halation backing; antistatic spray; back lining; base  
4 material used as a carrier for light sensitive  
5 emulsions; blankets; blow-ups; bronze powder; carbon  
6 tissue; codas; color filters; color separations;  
7 contacts; continuous tone separations; creative art;  
8 custom dies and die cutting materials; dampener  
9 sleeves; dampening solution; design and styling; diazo  
10 coating; dot etching; dot etching solutions; drawings;  
11 drawsheets; driers; duplicate films or prints;  
12 electronically digitized images; electrotypes; end  
13 product of image modulation; engravings; etch  
14 solutions; film; finished art or final art; fix;  
15 fixative spray; flats; flying pasters; foils;  
16 goldenrod paper; gum; halftones; illustrations; ink;  
17 ink paste; keylines; lacquer; lasering images;  
18 layouts; lettering; line negatives and positives;  
19 linotypes; lithographic offset plates; magnesium and  
20 zinc etchings; masking paper; masks; masters; mats;  
21 mat service; metal toner; models and modeling; mylar;  
22 negatives; nonoffset spray; opaque film process paper;  
23 opaquing; padding compound; paper stock; photographic  
24 materials: acids, plastic film, desensitizer  
25 emulsion, exposure chemicals, fix, developers, and  
26 paper; photography, day rate; photopolymer coating;  
27 photographs; photostats; photo-display tape;  
28 phototypesetter materials; ph-indicator sticks;  
29 positives; press pack; printing cylinders; printing  
30 plates, all types; process lettering; proof paper;  
31 proofs and proof processes, all types; pumice powder;  
32 purchased author alterations; purchased composition;  
33 purchased phototypesetting; purchased stripping and  
34 pasteups; red litho tape; reducers; roller covering;  
35 screen tints; sketches; stepped plates; stereotypes;  
36 strip types; substrate; tints; tissue overlays;  
37 toners; transparencies; tympan; typesetting;  
38 typography; varnishes; veloxes; wood mounts; and any  
39 other items used in a like capacity to any of the  
40 above enumerated items by the printer or publisher to  
41 complete a finished product for sale at retail.  
42 Expendable tools and supplies which are not enumerated  
43 in this subsection are excluded from the exemption.  
44 "Printer" means that portion of a person's business  
45 engaged in printing that completes a finished product  
46 for ultimate sale at retail or means that portion of a  
47 person's business used to complete a finished printed  
48 packaging material used to package a product for  
49 ultimate sale at retail. "Printer" does not mean an  
50 in-house printer who prints or copyrights its own

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- 1 materials.
- 2 46. a. The sales price from the sale or rental of  
3 computers, machinery, and equipment, including  
4 replacement parts, and materials used to construct or  
5 self-construct computers, machinery, and equipment if  
6 such items are any of the following:
- 7 (1) Directly and primarily used in processing by a  
8 manufacturer.
- 9 (2) Directly and primarily used to maintain the  
10 integrity of the product or to maintain unique  
11 environmental conditions required for either the  
12 product or the computers, machinery, and equipment  
13 used in processing by a manufacturer, including test  
14 equipment used to control quality and specifications  
15 of the product.
- 16 (3) Directly and primarily used in research and  
17 development of new products or processes of  
18 processing.
- 19 (4) Computers used in processing or storage of  
20 data or information by an insurance company, financial  
21 institution, or commercial enterprise.
- 22 (5) Directly and primarily used in recycling or  
23 reprocessing of waste products.
- 24 (6) Pollution-control equipment used by a  
25 manufacturer, including but not limited to that  
26 required or certified by an agency of this state or of  
27 the United States government.
- 28 b. The sales price from the sale of fuel used in  
29 creating heat, power, steam, or for generating  
30 electrical current, or from the sale of electricity,  
31 consumed by computers, machinery, or equipment used in  
32 an exempt manner described in paragraph “a”,  
33 subparagraph (1), (2), (3), (5), or (6).
- 34 c. The sales price from the sale or rental of the  
35 following shall not be exempt from the tax imposed by  
36 this subchapter:
- 37 (1) Hand tools.
- 38 (2) Point-of-sale equipment and computers.
- 39 (3) Industrial machinery, equipment, and  
40 computers, including pollution-control equipment  
41 within the scope of section 427A.1, subsection 1,  
42 paragraphs “h” and “i”.
- 43 (4) Vehicles subject to registration, except  
44 vehicles subject to registration which are directly  
45 and primarily used in recycling or reprocessing of  
46 waste products.
- 47 d. As used in this subsection:
- 48 (1) “Commercial enterprise” includes businesses  
49 and manufacturers conducted for profit and centers for  
50 data processing services to insurance companies,

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1 financial institutions, businesses, and manufacturers,  
2 but excludes professions and occupations and nonprofit  
3 organizations.

4 (2) “Financial institution” means as defined in  
5 section 527.2.

6 (3) “Insurance company” means an insurer organized  
7 or operating under chapter 508, 514, 515, 518, 518A,  
8 519, or 520, or authorized to do business in Iowa as  
9 an insurer or an insurance producer under chapter  
10 522B.

11 (4) “Manufacturer” means as defined in section  
12 428.20, but also includes contract manufacturers. A  
13 contract manufacturer is a manufacturer that otherwise  
14 falls within the definition of manufacturer under  
15 section 428.20, except that a contract manufacturer  
16 does not sell the tangible personal property the  
17 contract manufacturer processes on behalf of other  
18 manufacturers. A business engaged in activities  
19 subsequent to the extractive process of quarrying or  
20 mining, such as crushing, washing, sizing, or blending  
21 of aggregate materials, is a manufacturer with respect  
22 to these activities.

23 (5) “Processing” means a series of operations in  
24 which materials are manufactured, refined, purified,  
25 created, combined, or transformed by a manufacturer,  
26 ultimately into tangible personal property.  
27 Processing encompasses all activities commencing with  
28 the receipt or producing of raw materials by the  
29 manufacturer and ending at the point products are  
30 delivered for shipment or transferred from the  
31 manufacturer. Processing includes but is not limited  
32 to refinement or purification of materials; treatment  
33 of materials to change their form, context, or  
34 condition; maintenance of the quality or integrity of  
35 materials, components, or products; maintenance of  
36 environmental conditions necessary for materials,  
37 components, or products; quality control activities;  
38 and construction of packaging and shipping devices,  
39 placement into shipping containers or any type of  
40 shipping devices or medium, and the movement of  
41 materials, components, or products until shipment from  
42 the processor.

43 (6) “Receipt or producing of raw materials” means  
44 activities performed upon tangible personal property  
45 only. With respect to raw materials produced from or  
46 upon real estate, the receipt or producing of raw  
47 materials is deemed to occur immediately following the  
48 severance of the raw materials from the real estate.

49 47. The sales price from the furnishing of the  
50 design and installation of new industrial machinery or

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- 1 equipment, including electrical and electronic  
2 installation.
- 3 48. The sales price from the sale of carbon  
4 dioxide in a liquid, solid, or gaseous form,  
5 electricity, steam, and other taxable services when  
6 used by a manufacturer of food products to produce  
7 marketable food products for human consumption,  
8 including but not limited to treatment of material to  
9 change its form, context, or condition, in order to  
10 produce the food product, maintenance of quality or  
11 integrity of the food product, changing or maintenance  
12 of temperature levels necessary to avoid spoilage or  
13 to hold the food product in marketable condition,  
14 maintenance of environmental conditions necessary for  
15 the safe or efficient use of machinery and material  
16 used to produce the food product, sanitation and  
17 quality control activities, formation of packaging,  
18 placement into shipping containers, and movement of  
19 the material or food product until shipment from the  
20 building of manufacture.
- 21 49. The sales price of sales of electricity,  
22 steam, or any taxable service when purchased and used  
23 in the processing of tangible personal property  
24 intended to be sold ultimately at retail.
- 25 50. The sales price of tangible personal property  
26 sold for processing. Tangible personal property is  
27 sold for processing within the meaning of this  
28 subsection only when it is intended that the property  
29 will, by means of fabrication, compounding,  
30 manufacturing, or germination, become an integral part  
31 of other tangible personal property intended to be  
32 sold ultimately at retail; or for generating electric  
33 current; or the property is a chemical, solvent,  
34 sorbent, or reagent, which is directly used and is  
35 consumed, dissipated, or depleted, in processing  
36 tangible personal property which is intended to be  
37 sold ultimately at retail or consumed in the  
38 maintenance or repair of fabric or clothing, and which  
39 may not become a component or integral part of the  
40 finished product. The distribution to the public of  
41 free newspapers or shoppers guides is a retail sale  
42 for purposes of the processing exemption set out in  
43 this subsection and in subsection 49.
- 44 51. The sales price from the sale of argon and  
45 other similar gases to be used in the manufacturing  
46 process.
- 47 52. The sales price from the sale of electricity  
48 to water companies assessed for property tax pursuant  
49 to sections 428.24, 428.26, and 428.28 which is used  
50 solely for the purpose of pumping water from a river

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1 or well.

2 53. The sales price from the sale of wind energy  
3 conversion property to be used as an electric power  
4 source and the sale of the materials used to  
5 manufacture, install, or construct wind energy  
6 conversion property used or to be used as an electric  
7 power source.

8 For purposes of this subsection, “wind energy  
9 conversion property” means any device, including, but  
10 not limited to, a wind charger, windmill, wind  
11 turbine, tower and electrical equipment, pad mount  
12 transformers, power lines, and substation, which  
13 converts wind energy to a form of usable energy.

14 54. The sales price from the sales of newspapers,  
15 free newspapers, or shoppers guides and the printing  
16 and publishing of such newspapers and shoppers guides,  
17 and envelopes for advertising.

18 55. The sales price from the sale of motor fuel  
19 and special fuel consumed for highway use or in  
20 watercraft or aircraft where the fuel tax has been  
21 imposed and paid and no refund has been or will be  
22 allowed and the sales price from the sales of ethanol  
23 blended gasoline, as defined in section 452A.2.

24 56. The sales price from all sales of food and  
25 food ingredients. However, as used in this  
26 subsection, “food” does not include alcoholic  
27 beverages, candy, dietary supplements, food sold  
28 through vending machines, prepared food, soft drinks,  
29 and tobacco.

30 For the purposes of this subsection:

31 a. “Alcoholic beverages” means beverages that are  
32 suitable for human consumption and contain one-half of  
33 one percent or more of alcohol by volume.

34 b. “Candy” means a preparation of sugar, honey, or  
35 other natural or artificial sweeteners in combination  
36 with chocolate, fruits, nuts, or other ingredients or  
37 flavorings in the form of bars, drops, or pieces.  
38 Candy shall not include any preparation containing  
39 flour and shall require no refrigeration.

40 c. “Dietary supplement” means any product, other  
41 than tobacco, intended to supplement the diet that  
42 contains one or more of the following dietary  
43 ingredients:

44 (1) A vitamin.

45 (2) A mineral.

46 (3) An herb or other botanical.

47 (4) An amino acid.

48 (5) A dietary substance for use by humans to  
49 supplement the diet by increasing the total dietary  
50 intake.

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1 (6) A concentrate, metabolite, constituent,  
2 extract, or combination of any of the ingredients in  
3 subparagraphs (1) through (5) that is intended for  
4 ingestion in tablet, capsule, powder, softgel, gelcap,  
5 or liquid form, or if not intended for ingestion in  
6 such a form, is not represented as conventional food  
7 and is not represented for use as a sole item of a  
8 meal or of the diet; and is required to be labeled as  
9 a dietary supplement, identifiable by the “supplement  
10 facts” box found on the label and as required pursuant  
11 to 21 C.F.R. } 101.36.

12 d. “Food and food ingredients” means substances,  
13 whether in liquid, concentrated, solid, frozen, dried,  
14 or dehydrated form, that are sold for ingestion or  
15 chewing by humans and are consumed for their taste or  
16 nutritional value.

17 e. “Food sold through vending machines” means food  
18 dispensed from a machine or other mechanical device  
19 that accepts payment, other than food which would be  
20 qualified for exemption under subsection 57 if  
21 purchased with a coupon described in subsection 57.

22 f. “Prepared food” means any of following:

23 (1) Food sold in a heated state or heated by the  
24 seller, including food sold by a caterer.

25 (2) Two or more food ingredients mixed or combined  
26 by the seller for sale as a single item.

27 (3) “Prepared food”, for the purposes of this  
28 paragraph, does not include food that is any of the  
29 following:

30 (a) Only cut, repackaged, or pasteurized by the  
31 seller.

32 (b) Eggs, fish, meat, poultry, and foods  
33 containing these raw animal foods requiring cooking by  
34 the consumer as recommended by the United States food  
35 and drug administration in chapter 3, part 401.11 of  
36 its food code, so as to prevent food borne illnesses.

37 (c) Bakery items sold by the seller which baked  
38 them. The words “bakery items” includes but is not  
39 limited to breads, rolls, buns, biscuits, bagels,  
40 croissants, pastries, donuts, Danish, cakes, tortes,  
41 pies, tarts, muffins, bars, cookies, and tortillas.

42 (d) Food sold without eating utensils provided by  
43 the seller in an unheated state as a single item which  
44 is priced by weight or volume.

45 (4) Food sold with eating utensils provided by the  
46 seller, including plates, knives, forks, spoons,  
47 glasses, cups, napkins, or straws. A plate does not  
48 include a container or packaging used to transport  
49 food.

50 g. “Soft drinks” means nonalcoholic beverages that

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1 contain natural or artificial sweeteners. “Soft  
2 drinks” does not include beverages that contain milk  
3 or milk products; soy, rice, or similar milk  
4 substitutes; or greater than fifty percent of  
5 vegetable or fruit juice by volume.

6 f. “Tobacco” means cigarettes, cigars, chewing or  
7 pipe tobacco, or any other item that contains tobacco.

8 57. The sales price from the sale of items  
9 purchased with coupons issued under the federal Food  
10 Stamp Act of 1977, 7 U.S.C. } 2011 et seq.

11 58. In transactions in which tangible personal  
12 property is traded toward the sales price of other  
13 tangible personal property, that portion of the sales  
14 price which is not payable in money to the retailer is  
15 exempted from the taxable amount if the following  
16 conditions are met:

17 a. The tangible personal property traded to the  
18 retailer is the type of property normally sold in the  
19 regular course of the retailer’s business.

20 b. The tangible personal property traded to the  
21 retailer is intended by the retailer to be ultimately  
22 sold at retail or is intended to be used by the  
23 retailer or another in the remanufacturing of a like  
24 item.

25 59. The sales price from the sale or rental of  
26 prescription drugs or medical devices intended for  
27 human use or consumption.

28 For the purposes of this subsection:

29 a. “Drug” means a compound, substance, or  
30 preparation, and any component of a compound,  
31 substance, or preparation, other than food and food  
32 ingredients, dietary supplements, or alcoholic  
33 beverages which is any of the following:

34 (1) Recognized in the official United States  
35 pharmacopoeia, official homeopathic pharmacopoeia of  
36 the United States, or official national formulary, and  
37 supplement to any of them.

38 (2) Intended for use in the diagnosis, cure,  
39 mitigation, treatment, or prevention of disease.

40 (3) Intended to affect the structure or any  
41 function of the body.

42 b. “Medical device” means equipment or a supply,  
43 intended to be prescribed by a practitioner, including  
44 orthopedic or orthotic devices. However, “medical  
45 device” also includes prosthetic devices, ostomy,  
46 urological, and tracheostomy equipment and supplies,  
47 and diabetic testing materials, hypodermic syringes  
48 and needles, anesthesia trays, biopsy trays and biopsy  
49 needles, cannula systems, catheter trays and invasive  
50 catheters, dialyzers, drug infusion devices, fistula

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1 sets, hemodialysis devices, insulin infusion devices,  
2 intraocular lenses, irrigation solutions, intravenous  
3 administering sets, solutions and stopcocks, myelogram  
4 trays, nebulizers, small vein infusion kits, spinal  
5 puncture trays, transfusion sets, venous blood sets,  
6 and oxygen equipment, intended to be dispensed for  
7 human use with or without a prescription to an  
8 ultimate user.

9 c. "Practitioner" means a practitioner as defined  
10 in section 155A.3, or a person licensed to prescribe  
11 drugs.

12 d. "Prescription drug" means a drug intended to be  
13 dispensed to an ultimate user pursuant to a  
14 prescription drug order, formula, or recipe issued in  
15 any form of oral, written, electronic, or other means  
16 of transmission by a duly licensed practitioner, or  
17 oxygen or insulin dispensed for human consumption with  
18 or without a prescription drug order or medication  
19 order.

20 e. "Prosthetic device" means a replacement,  
21 corrective, or supportive device including repair and  
22 replacement parts for the same worn on or in the body  
23 to do any of the following:

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

26 (2) Prevent or correct physical deformity or  
27 malfunction.

28 (3) Support a weak or deformed portion of the  
29 body.

30 f. "Ultimate user" means an individual who has  
31 lawfully obtained and possesses a prescription drug or  
32 medical device for the individual's own use or for the  
33 use of a member of the individual's household, or an  
34 individual to whom a prescription drug or medical  
35 device has been lawfully supplied, administered,  
36 dispensed, or prescribed.

37 60. The sales price from services furnished by  
38 aerial commercial and charter transportation services.

39 61. The sales price from the sale of raffle  
40 tickets for a raffle licensed pursuant to section  
41 99B.5.

42 62. The sales price from the sale of tangible  
43 personal property which will be given as prizes to  
44 players in games of skill, games of chance, raffles,  
45 and bingo games as defined in chapter 99B.

46 63. The sales price from the sale of a modular  
47 home, as defined in section 435.1, to the extent of  
48 the portion of the purchase price of the modular home  
49 which is not attributable to the cost of the tangible  
50 personal property used in the processing of the

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1 modular home. For purposes of this exemption, the  
2 portion of the purchase price which is not  
3 attributable to the cost of the tangible personal  
4 property used in the processing of the modular home is  
5 forty percent.

6 64. The sales price from charges paid to a  
7 provider for access to on-line computer services. For  
8 purposes of this subsection, “on-line computer  
9 service” means a service that provides or enables  
10 computer access by multiple users to the internet or  
11 to other information made available through a computer  
12 server.

13 65. The sales price from the sale or rental of  
14 information services. “Information services” means  
15 every business activity, process, or function by which  
16 a seller or its agent accumulates, prepares,  
17 organizes, or conveys data, facts, knowledge,  
18 procedures, and like services to a buyer or its agent  
19 of such information through any tangible or intangible  
20 medium. Information accumulated, prepared, or  
21 organized for a buyer or its agent is an information  
22 service even though it may incorporate preexisting  
23 components of data or other information. “Information  
24 services” includes, but is not limited to, database  
25 files, mailing lists, subscription files, market  
26 research, credit reports, surveys, real estate  
27 listings, bond rating reports, abstracts of title, bad  
28 check lists, broadcasting rating services, wire  
29 services, and scouting reports, or other similar  
30 items.

31 66. The sales price of a sale at retail if the  
32 substance of the transaction is delivered to the  
33 purchaser digitally, electronically, or utilizing  
34 cable, or by radio waves, microwaves, satellites, or  
35 fiber optics.

36 67. a. The sales price from the sale of an  
37 article of clothing designed to be worn on or about  
38 the human body if all of the following apply:

39 (1) The sales price of the article is less than  
40 one hundred dollars.

41 (2) The sale takes place during a period beginning  
42 at 12:01 a.m. on the first Friday in August and ending  
43 at midnight on the following Saturday.

44 b. This subsection does not apply to any of the  
45 following:

46 (1) Sport or recreational equipment and protective  
47 equipment.

48 (2) Clothing accessories or equipment.

49 (3) The rental of clothing.

50 c. For purposes of this subsection:

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1 (1) “Clothing” means all human wearing apparel  
2 suitable for general use. “Clothing” includes, but is  
3 not limited to the following: aprons, household and  
4 shop; athletic supporters; baby receiving blankets;  
5 bathing suits and caps; beach capes and coats; belts  
6 and suspenders; boots; coats and jackets; costumes;  
7 diapers (children and adults, including disposable  
8 diapers); earmuffs; footlets; formal wear; garters and  
9 garter belts; girdles; gloves and mittens for general  
10 use; hats and caps; hosiery; insoles for shoes; lab  
11 coats; neckties; overshoes; pantyhose; rainwear;  
12 rubber pants; sandals; scarves; shoes and shoelaces;  
13 slippers; sneakers; socks and stockings; steel-toed  
14 shoes; underwear; uniforms, athletic and nonathletic;  
15 and wedding apparel.

16 “Clothing” does not include the following: belt  
17 buckles sold separately; costume masks sold  
18 separately; patches and emblems sold separately;  
19 sewing equipment and supplies (including, but not  
20 limited to, knitting needles, patterns, pins,  
21 scissors, sewing machines, sewing needles, tape  
22 measures, and thimbles); and sewing materials that  
23 become part of clothing (including, but not limited  
24 to, buttons, fabric, lace, thread, yarn, and zippers).

25 (2) “Clothing accessories or equipment” means  
26 incidental items worn on the person or in conjunction  
27 with clothing. “Clothing accessories or equipment”  
28 includes, but is not limited to, the following:  
29 briefcases; cosmetics; hair notions (including, but  
30 not limited to, barrettes, hair bows, and hair nets);  
31 handbags; handkerchiefs; jewelry; sunglasses,  
32 nonprescription; umbrellas; wallets; watches; and wigs  
33 and hairpieces.

34 (3) “Protective equipment” means items for human  
35 wear and designed as protection for the wearer against  
36 injury or disease or as protection against damage or  
37 injury of other persons or property but not suitable  
38 for general use. “Protective equipment” includes, but  
39 is not limited to, the following: breathing masks;  
40 clean room apparel and equipment; ear and hearing  
41 protectors; face shields; hard hats; helmets; paint or  
42 dust respirators; protective gloves; safety glasses  
43 and goggles; safety belts; tool belts; and welders  
44 gloves and masks.

45 (4) “Sport or recreational equipment” means items  
46 designed for human use and worn in conjunction with an  
47 athletic or recreational activity that are not  
48 suitable for general use. “Sport or recreational  
49 equipment” includes, but is not limited to, the  
50 following: ballet and tap shoes; cleated or spiked

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1 athletic shoes; gloves (including, but not limited to,  
2 baseball, bowling, boxing, hockey, and golf); goggles;  
3 hand and elbow guards; life preservers and vests;  
4 mouth guards; roller and ice skates; shin guards;  
5 shoulder pads; ski boots; waders; and wetsuits and  
6 fins.

7 68. a. Subject to paragraph “b”, the sales price  
8 from the sale or furnishing of metered gas,  
9 electricity, and fuel, including propane and heating  
10 oil, to residential customers which is used to provide  
11 energy for residential dwellings and units of  
12 apartment and condominium complexes used for human  
13 occupancy.

14 b. The exemption in this subsection shall be  
15 phased in by means of a reduction in the tax rate as  
16 follows:

17 (1) If the date of the utility billing or meter  
18 reading cycle of the residential customer for the sale  
19 or furnishing of metered gas and electricity is on or  
20 after January 1, 2002, through December 31, 2002, or  
21 if the sale or furnishing of fuel for purposes of  
22 residential energy and the delivery of the fuel occurs  
23 on or after January 1, 2002, through December 31,  
24 2002, the rate of tax is four percent of the sales  
25 price.

26 (2) If the date of the utility billing or meter  
27 reading cycle of the residential customer for the sale  
28 or furnishing of metered gas and electricity is on or  
29 after January 1, 2003, through June 30, 2008, or if  
30 the sale or furnishing of fuel for purposes of  
31 residential energy and the delivery of the fuel occurs  
32 on or after January 1, 2003, through June 30, 2008,  
33 the rate of tax is three percent of the sales price.

34 (3) If the date of the utility billing or meter  
35 reading cycle of the residential customer for the sale  
36 or furnishing of metered gas and electricity is on or  
37 after July 1, 2008, through June 30, 2009, or if the  
38 sale or furnishing of fuel for purposes of residential  
39 energy and the delivery of the fuel occurs on or after  
40 July 1, 2008, through June 30, 2009, the rate of tax  
41 is two percent of the sales price.

42 (4) If the date of the utility billing or meter  
43 reading cycle of the residential customer for the sale  
44 or furnishing of metered gas and electricity is on or  
45 after July 1, 2009, through June 30, 2010, or if the  
46 sale or furnishing of fuel for purposes of residential  
47 energy and the delivery of the fuel occurs on or after  
48 July 1, 2009, through June 30, 2010, the rate of tax  
49 is one percent of the sales price.

50 (5) If the date of the utility billing or meter

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1 reading cycle of the residential customer for the sale  
2 or furnishing of metered gas and electricity is on or  
3 after July 1, 2010, or if the sale, furnishing, or  
4 service of fuel for purposes of residential energy and  
5 the delivery of the fuel occurs on or after July 1,  
6 2010, the rate of tax is zero percent of the sales  
7 price.

8 c. The exemption in this subsection does not apply  
9 to local option sales and services tax imposed  
10 pursuant to chapters 423B and 423E.

11 69. The sales price from charges paid for the  
12 delivery of electricity or natural gas if the sale or  
13 furnishing of the electricity or natural gas or its  
14 use is exempt from the tax on sales prices imposed  
15 under this subchapter or from the use tax imposed  
16 under subchapter III.

17 70. The sales price from the sales, furnishing, or  
18 service of transportation service except the rental of  
19 recreational vehicles or recreational boats, except  
20 the rental of motor vehicles subject to registration  
21 which are registered for a gross weight of thirteen  
22 tons or less for a period of sixty days or less, and  
23 except the rental of aircraft for a period of sixty  
24 days or less. This exemption does not apply to the  
25 transportation of electric energy or natural gas.

26 71. The sales price from sales of tangible  
27 personal property used or to be used as railroad  
28 rolling stock for transporting persons or property, or  
29 as materials or parts therefor.

30 72. The sales price from the sales of special fuel  
31 for diesel engines consumed or used in the operation  
32 of ships, barges, or waterborne vessels which are used  
33 primarily in or for the transportation of property or  
34 cargo, or the conveyance of persons for hire on rivers  
35 bordering on the state if the fuel is delivered by the  
36 seller to the purchaser's barge, ship, or waterborne  
37 vessel while it is afloat upon such a river.

38 73. The sales price from sales of vehicles subject  
39 to registration or subject only to the issuance of a  
40 certificate of title and sales of aircraft subject to  
41 registration under section 328.20.

42 74. The sales price from the sale of aircraft for  
43 use in a scheduled interstate federal aviation  
44 administration certificated air carrier operation.

45 75. The sales price from the sale or rental of  
46 aircraft; the sale or rental of tangible personal  
47 property permanently affixed or attached as a  
48 component part of the aircraft, including but not  
49 limited to repair or replacement materials or parts;  
50 and the sales price of all services used for aircraft

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1 repair, remodeling, and maintenance services when such  
2 services are performed on aircraft, aircraft engines,  
3 or aircraft component materials or parts. For the  
4 purposes of this exemption, “aircraft” means aircraft  
5 used in a scheduled interstate federal aviation  
6 administration certificated air carrier operation.

7 76. The sales price from the sale or rental of  
8 tangible personal property permanently affixed or  
9 attached as a component part of the aircraft,  
10 including but not limited to repair or replacement  
11 materials or parts; and the sales price of all  
12 services used for aircraft repair, remodeling, and  
13 maintenance services when such services are performed  
14 on aircraft, aircraft engines, or aircraft component  
15 materials or parts. For the purposes of this  
16 exemption, “aircraft” means aircraft used in  
17 nonscheduled interstate federal aviation  
18 administration certificated air carrier operation  
19 operating under 14 C.F.R. ch. 1, pt. 135.

20 77. The sales price from the sale of aircraft to  
21 an aircraft dealer who in turn rents or leases the  
22 aircraft if all of the following apply:

23 a. The aircraft is kept in the inventory of the  
24 dealer for sale at all times.

25 b. The dealer reserves the right to immediately  
26 take the aircraft from the renter or lessee when a  
27 buyer is found.

28 c. The renter or lessee is aware that the dealer  
29 will immediately take the aircraft when a buyer is  
30 found.

31 If an aircraft exempt under this subsection is used  
32 for any purpose other than leasing or renting, or the  
33 conditions in paragraphs “a”, “b”, and “c” are not  
34 continuously met, the dealer claiming the exemption  
35 under this subsection is liable for the tax that would  
36 have been due except for this subsection. The tax  
37 shall be computed upon the original purchase price.

38 78. The sales price from sales or rental of  
39 tangible personal property, or services rendered by  
40 any entity where the profits from the sales or rental  
41 of the tangible personal property, or services  
42 rendered are used by or donated to a nonprofit entity  
43 which is exempt from federal income taxation pursuant  
44 to section 501(c)(3) of the Internal Revenue Code, a  
45 government entity, or a nonprofit private educational  
46 institution, and where the entire proceeds from the  
47 sales, rental, or services are expended for any of the  
48 following purposes:

49 a. Educational.

50 b. Religious.

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1 c. Charitable. A charitable act is an act done  
2 out of goodwill, benevolence, and a desire to add to  
3 or to improve the good of humankind in general or any  
4 class or portion of humankind, with no pecuniary  
5 profit inuring to the person performing the service or  
6 giving the gift.

7 This exemption does not apply to the sales price  
8 from games of skill, games of chance, raffles, and  
9 bingo games as defined in chapter 99B. This exemption  
10 is disallowed on the amount of the sales price only to  
11 the extent the profits from the sales, rental, or  
12 services are not used by or donated to the appropriate  
13 entity and expended for educational, religious, or  
14 charitable purposes.

15 79. The sales price from the sale or rental of  
16 tangible personal property or from services furnished  
17 to a recognized community action agency as provided in  
18 section 216A.93 to be used for the purposes of the  
19 agency.

20 80. a. For purposes of this subsection,  
21 “designated exempt entity” means an entity which is  
22 designated in section 423.4, subsection 1.

23 b. If a contractor, subcontractor, or builder is  
24 to use building materials, supplies, and equipment in  
25 the performance of a construction contract with a  
26 designated exempt entity, the person shall purchase  
27 such items of tangible personal property without  
28 liability for the tax if such property will be used in  
29 the performance of the construction contract and a  
30 purchasing agent authorization letter and an exemption  
31 certificate, issued by the designated exempt entity,  
32 are presented to the retailer.

33 c. Where the owner, contractor, subcontractor, or  
34 builder is also a retailer holding a retail sales tax  
35 permit and transacting retail sales of building  
36 materials, supplies, and equipment, the tax shall not  
37 be due when materials are withdrawn from inventory for  
38 use in construction performed for a designated exempt  
39 entity if an exemption certificate is received from  
40 such entity.

41 d. Tax shall not apply to tangible personal  
42 property purchased and consumed by a manufacturer as  
43 building materials, supplies, or equipment in the  
44 performance of a construction contract for a  
45 designated exempt entity, if a purchasing agent  
46 authorization letter and an exemption certificate are  
47 received from such entity and presented to a retailer.

48 81. The sales price from the sales of lottery  
49 tickets or shares pursuant to chapter 99G.

50 82. The sales price from the sale or rental of

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1 core and mold making equipment and sand handling  
2 equipment directly and primarily used in the mold  
3 making process by a foundry.

4 83. The sales price from noncustomer point of sale  
5 or noncustomer automated teller machine access or  
6 service charges assessed by a financial institution.  
7 For purposes of this subsection, “financial  
8 institution” means the same as defined in section  
9 527.2.

10 Sec. 106. NEW SECTION. 423.4 REFUNDS.

11 1. A private nonprofit educational institution in  
12 this state, nonprofit private museum in this state,  
13 tax-certifying or tax-levying body or governmental  
14 subdivision of the state, including the state board of  
15 regents, state department of human services, state  
16 department of transportation, a municipally owned  
17 solid waste facility which sells all or part of its  
18 processed waste as fuel to a municipally owned public  
19 utility, and all divisions, boards, commissions,  
20 agencies, or instrumentalities of state, federal,  
21 county, or municipal government which do not have  
22 earnings going to the benefit of an equity investor or  
23 stockholder, may make application to the department  
24 for the refund of the sales or use tax upon the sales  
25 price of all sales of goods, wares, or merchandise, or  
26 from services furnished to a contractor, used in the  
27 fulfillment of a written contract with the state of  
28 Iowa, any political subdivision of the state, or a  
29 division, board, commission, agency, or  
30 instrumentality of the state or a political  
31 subdivision, a private nonprofit educational  
32 institution in this state, or a nonprofit private  
33 museum in this state if the property becomes an  
34 integral part of the project under contract and at the  
35 completion of the project becomes public property, is  
36 devoted to educational uses, or becomes a nonprofit  
37 private museum; except goods, wares, or merchandise,  
38 or services furnished which are used in the  
39 performance of any contract in connection with the  
40 operation of any municipal utility engaged in selling  
41 gas, electricity, or heat to the general public or in  
42 connection with the operation of a municipal pay  
43 television system; and except goods, wares, and  
44 merchandise used in the performance of a contract for  
45 a “project” under chapter 419 as defined in that  
46 chapter other than goods, wares, or merchandise used  
47 in the performance of a contract for a “project” under  
48 chapter 419 for which a bond issue was approved by a  
49 municipality prior to July 1, 1968, or for which the  
50 goods, wares, or merchandise becomes an integral part

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1 of the project under contract and at the completion of  
2 the project becomes public property or is devoted to  
3 educational uses.

4 a. Such contractor shall state under oath, on  
5 forms provided by the department, the amount of such  
6 sales of goods, wares, or merchandise, or services  
7 furnished and used in the performance of such  
8 contract, and upon which sales or use tax has been  
9 paid, and shall file such forms with the governmental  
10 unit, private nonprofit educational institution, or  
11 nonprofit private museum which has made any written  
12 contract for performance by the contractor. The forms  
13 shall be filed by the contractor with the governmental  
14 unit, educational institution, or nonprofit private  
15 museum before final settlement is made.

16 b. Such governmental unit, educational  
17 institution, or nonprofit private museum shall, not  
18 more than one year after the final settlement has been  
19 made, make application to the department for any  
20 refund of the amount of the sales or use tax which  
21 shall have been paid upon any goods, wares, or  
22 merchandise, or services furnished, the application to  
23 be made in the manner and upon forms to be provided by  
24 the department, and the department shall forthwith  
25 audit the claim and, if approved, issue a warrant to  
26 the governmental unit, educational institution, or  
27 nonprofit private museum in the amount of the sales or  
28 use tax which has been paid to the state of Iowa under  
29 the contract.

30 Refunds authorized under this subsection shall  
31 accrue interest at the rate in effect under section  
32 421.7 from the first day of the second calendar month  
33 following the date the refund claim is received by the  
34 department.

35 c. Any contractor who willfully makes a false  
36 report of tax paid under the provisions of this  
37 subsection is guilty of a simple misdemeanor and in  
38 addition shall be liable for the payment of the tax  
39 and any applicable penalty and interest.

40 2. The refund of sales and use tax paid on  
41 transportation construction projects let by the state  
42 department of transportation is subject to the special  
43 provisions of this subsection.

44 a. A contractor awarded a contract for a  
45 transportation construction project is considered the  
46 consumer of all building materials, building supplies,  
47 and equipment and shall pay sales tax to the supplier  
48 or remit consumer use tax directly to the department.

49 b. The contractor is not required to file  
50 information with the state department of

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1 transportation stating the amount of goods, wares, or  
2 merchandise, or services rendered, furnished, or  
3 performed and used in the performance of the contract  
4 or the amount of sales or use tax paid.

5 c. The state department of transportation shall  
6 file a refund claim based on a formula that considers  
7 the following:

8 (1) The quantity of material to complete the  
9 contract, and quantities of items of work.

10 (2) The estimated cost of these materials included  
11 in the items of work, and the state sales or use tax  
12 to be paid on the tax rate in effect in section 423.2.  
13 The quantity of materials shall be determined after  
14 each letting based on the contract quantities of all  
15 items of work let to contract. The quantity of  
16 individual component materials required for each item  
17 shall be determined and maintained in a database. The  
18 total quantities of materials shall be determined by  
19 multiplying the quantities of component materials for  
20 each contract item of work by the total quantities of  
21 each contract item for each letting. Where variances  
22 exist in the cost of materials, the lowest cost shall  
23 be used as the base cost.

24 d. Only the state sales or use tax is refundable.  
25 Local option taxes paid by the contractor are not  
26 refundable.

27 3. A relief agency may apply to the director for  
28 refund of the amount of sales or use tax imposed and  
29 paid upon sales to it of any goods, wares,  
30 merchandise, or services furnished, used for free  
31 distribution to the poor and needy.

32 a. The refunds may be obtained only in the  
33 following amounts and manner and only under the  
34 following conditions:

35 (1) On forms furnished by the department, and  
36 filed within the time as the director shall provide by  
37 rule, the relief agency shall report to the department  
38 the total amount or amounts, valued in money, expended  
39 directly or indirectly for goods, wares, merchandise,  
40 or services furnished, used for free distribution to  
41 the poor and needy.

42 (2) On these forms the relief agency shall  
43 separately list the persons making the sales to it or  
44 to its order, together with the dates of the sales,  
45 and the total amount so expended by the relief agency.

46 (3) The relief agency must prove to the  
47 satisfaction of the director that the person making  
48 the sales has included the amount thereof in the  
49 computation of the sales price of such person and that  
50 such person has paid the tax levied by this subchapter

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1 or subchapter III, based upon such computation of the  
2 sales price.

3 b. If satisfied that the foregoing conditions and  
4 requirements have been complied with, the director  
5 shall refund the amount claimed by the relief agency.

### 6 SUBCHAPTER III

#### 7 USE TAX

8 Sec. 107. NEW SECTION. 423.5 IMPOSITION OF TAX.

9 An excise tax at the rate of five percent of the  
10 purchase price or installed purchase price is imposed  
11 on the following:

12 1. The use in this state of tangible personal  
13 property as defined in section 423.1, including  
14 aircraft subject to registration under section 328.20,  
15 purchased for use in this state. For the purposes of  
16 this subchapter, the furnishing or use of the  
17 following services is also treated as the use of  
18 tangible personal property: optional service or  
19 warranty contracts, except residential service  
20 contracts regulated under chapter 523C, vulcanizing,  
21 recapping, or retreading services, engraving,  
22 photography, retouching, printing, or binding  
23 services, and communication service when furnished or  
24 delivered to consumers or users within this state.

25 2. The use of manufactured housing in this state,  
26 on the purchase price if the manufactured housing is  
27 sold in the form of tangible personal property or on  
28 the installed purchase price if the manufactured  
29 housing is sold in the form of realty.

30 3. The use of leased vehicles, on the amount  
31 subject to tax as calculated pursuant to section  
32 423.27.

33 4. Purchases of tangible personal property made  
34 from the government of the United States or any of its  
35 agencies by ultimate consumers shall be subject to the  
36 tax imposed by this section. Services purchased from  
37 the same source or sources shall be subject to the  
38 service tax imposed by this subchapter and apply to  
39 the user of the services.

40 5. The use in this state of services enumerated in  
41 section 423.2. This tax is applicable where services  
42 are furnished in this state or where the product or  
43 result of the service is used in this state.

44 6. The excise tax is imposed upon every person  
45 using the property within this state until the tax has  
46 been paid directly to the county treasurer, the state  
47 department of transportation, a retailer, or the  
48 department. This tax is imposed on every person using  
49 the services or the product of the services in this  
50 state until the user has paid the tax either to an

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1 Iowa use tax permit holder or to the department.  
2 7. For the purpose of the proper administration of  
3 the use tax and to prevent its evasion, evidence that  
4 tangible personal property was sold by any person for  
5 delivery in this state shall be prima facie evidence  
6 that such tangible personal property was sold for use  
7 in this state.

8 Sec. 108. NEW SECTION. 423.6 EXEMPTIONS.

9 The use in this state of the following tangible  
10 personal property and services is exempted from the  
11 tax imposed by this subchapter:

12 1. Tangible personal property and enumerated  
13 services, the sales price from the sale of which are  
14 required to be included in the measure of the sales  
15 tax, if that tax has been paid to the department or  
16 the retailer. This exemption does not include  
17 vehicles subject to registration or subject only to  
18 the issuance of a certificate of title.

19 2. The sale of tangible personal property or the  
20 furnishing of services in the regular course of  
21 business.

22 3. Property used in processing. The use of  
23 property in processing within the meaning of this  
24 subsection shall mean and include any of the  
25 following:

26 a. Any tangible personal property including  
27 containers which it is intended shall, by means of  
28 fabrication, compounding, manufacturing, or  
29 germination, become an integral part of other tangible  
30 personal property intended to be sold ultimately at  
31 retail, and containers used in the collection,  
32 recovery, or return of empty beverage containers  
33 subject to chapter 455C.

34 b. Fuel which is consumed in creating power, heat,  
35 or steam for processing or for generating electric  
36 current.

37 c. Chemicals, solvents, sorbents, or reagents,  
38 which are directly used and are consumed, dissipated,  
39 or depleted in processing tangible personal property  
40 which is intended to be sold ultimately at retail, and  
41 which may not become a component or integral part of  
42 the finished product.

43 d. The distribution to the public of free  
44 newspapers or shoppers guides shall be deemed a retail  
45 sale for purposes of the processing exemption in this  
46 subsection.

47 4. All articles of tangible personal property  
48 brought into the state of Iowa by a nonresident  
49 individual for the individual's use or enjoyment while  
50 within the state.

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1 5. Services exempt from taxation by the provisions  
2 of section 423.3.

3 6. Tangible personal property or services the  
4 sales price of which is exempt from the sales tax  
5 under section 423.3, except subsections 39 and 73, as  
6 it relates to the sale, but not the lease or rental,  
7 of vehicles subject to registration or subject only to  
8 the issuance of a certificate of title and as it  
9 relates to aircraft subject to registration under  
10 section 328.20.

11 7. Advertisement and promotional material and  
12 matter, seed catalogs, envelopes for same, and other  
13 similar material temporarily stored in this state  
14 which are acquired outside of Iowa and which,  
15 subsequent to being brought into this state, are sent  
16 outside of Iowa, either singly or physically attached  
17 to other tangible personal property sent outside of  
18 Iowa.

19 8. Vehicles, as defined in section 321.1,  
20 subsections 41, 64A, 71, 85, and 88, except such  
21 vehicles subject to registration which are designed  
22 primarily for carrying persons, when purchased for  
23 lease and actually leased to a lessee for use outside  
24 the state of Iowa and the subsequent sole use in Iowa  
25 is in interstate commerce or interstate  
26 transportation.

27 9. Tangible personal property which, by means of  
28 fabrication, compounding, or manufacturing, becomes an  
29 integral part of vehicles, as defined in section  
30 321.1, subsections 41, 64A, 71, 85, and 88,  
31 manufactured for lease and actually leased to a lessee  
32 for use outside the state of Iowa and the subsequent  
33 sole use in Iowa is in interstate commerce or  
34 interstate transportation. Vehicles subject to  
35 registration which are designed primarily for carrying  
36 persons are excluded from this subsection.

37 10. Vehicles subject to registration which are  
38 transferred from a business or individual conducting a  
39 business within this state as a sole proprietorship,  
40 partnership, or limited liability company to a  
41 corporation formed by the sole proprietorship,  
42 partnership, or limited liability company for the  
43 purpose of continuing the business when all of the  
44 stock of the corporation so formed is owned by the  
45 sole proprietor and the sole proprietor's spouse, by  
46 all the partners in the case of a partnership, or by  
47 all the members in the case of a limited liability  
48 company. This exemption is equally available where  
49 the vehicles subject to registration are transferred  
50 from a corporation to a sole proprietorship,

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1 partnership, or limited liability company formed by  
2 that corporation for the purpose of continuing the  
3 business when all of the incidents of ownership are  
4 owned by the same person or persons who were  
5 stockholders of the corporation.

6 This exemption also applies where the vehicles  
7 subject to registration are transferred from a  
8 corporation as part of the liquidation of the  
9 corporation to its stockholders if within three months  
10 of such transfer the stockholders retransfer those  
11 vehicles subject to registration to a sole  
12 proprietorship, partnership, or limited liability  
13 company for the purpose of continuing the business of  
14 the corporation when all of the incidents of ownership  
15 are owned by the same person or persons who were  
16 stockholders of the corporation.

17 10A. Vehicles subject to registration which are  
18 transferred from a corporation that is primarily  
19 engaged in the business of leasing vehicles subject to  
20 registration to a corporation that is primarily  
21 engaged in the business of leasing vehicles subject to  
22 registration when the transferor and transferee  
23 corporations are part of the same controlled group for  
24 federal income tax purposes.

25 11. Vehicles registered or operated under chapter  
26 326 and used substantially in interstate commerce,  
27 section 423.5, subsection 7, notwithstanding. For  
28 purposes of this subsection, “substantially in  
29 interstate commerce” means that a minimum of twenty-  
30 five percent of the miles operated by the vehicle  
31 accrues in states other than Iowa. This subsection  
32 applies only to vehicles which are registered for a  
33 gross weight of thirteen tons or more.

34 For purposes of this subsection, trailers and  
35 semitrailers registered or operated under chapter 326  
36 are deemed to be used substantially in interstate  
37 commerce and to be registered for a gross weight of  
38 thirteen tons or more.

39 For the purposes of this subsection, if a vehicle  
40 meets the requirement that twenty-five percent of the  
41 miles operated accrues in states other than Iowa in  
42 each year of the first four-year period of operation,  
43 the exemption from use tax shall continue until the  
44 vehicle is sold or transferred. If the vehicle is  
45 found to have not met the exemption requirements or  
46 the exemption was revoked, the value of the vehicle  
47 upon which the use tax shall be imposed is the book or  
48 market value, whichever is less, at the time the  
49 exemption requirements were not met or the exemption  
50 was revoked.

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1 12. Mobile homes and manufactured housing the use  
2 of which has previously been subject to the tax  
3 imposed under this subchapter and for which that tax  
4 has been paid.

5 13. Mobile homes to the extent of the portion of  
6 the purchase price of the mobile home which is not  
7 attributable to the cost of the tangible personal  
8 property used in the processing of the mobile home,  
9 and manufactured housing to the extent of the purchase  
10 price or the installed purchase price of the  
11 manufactured housing which is not attributable to the  
12 cost of the tangible personal property used in the  
13 processing of the manufactured housing. For purposes  
14 of this exemption, the portion of the purchase price  
15 which is not attributable to the cost of the tangible  
16 personal property used in the processing of the mobile  
17 home is forty percent and the portion of the purchase  
18 price or installed purchase price which is not  
19 attributable to the cost of the tangible personal  
20 property used in the processing of the manufactured  
21 housing is forty percent.

22 14. Tangible personal property used or to be used  
23 as a ship, barge, or waterborne vessel which is used  
24 or to be used primarily in or for the transportation  
25 of property or cargo for hire on the rivers bordering  
26 the state or as materials or parts of such ship,  
27 barge, or waterborne vessel.

28 15. Vehicles subject to registration in any state  
29 when purchased for rental or registered and titled by  
30 a motor vehicle dealer licensed pursuant to chapter  
31 322 for rental use, and held for rental for a period  
32 of one hundred twenty days or more and actually rented  
33 for periods of sixty days or less by a person  
34 regularly engaged in the business of renting vehicles  
35 including, but not limited to, motor vehicle dealers  
36 licensed pursuant to chapter 322 who rent automobiles  
37 to users, if the rental of the vehicles is subject to  
38 taxation under chapter 423C.

39 16. Motor vehicles subject to registration which  
40 were registered and titled between July 1, 1982, and  
41 July 1, 1992, to a motor vehicle dealer licensed under  
42 chapter 322 and which were rented to a user as defined  
43 in section 423C.2 if the following occurred:

44 a. The dealer kept the vehicle on the inventory of  
45 vehicles for sale at all times.

46 b. The vehicle was to be immediately taken from  
47 the user of the vehicle when a buyer was found.

48 c. The user was aware of this situation.

49 17. Vehicles subject to registration under chapter  
50 321, with a gross vehicle weight rating of less than

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1 sixteen thousand pounds, excluding motorcycles and  
2 motorized bicycles, when purchased for lease and  
3 titled by the lessor licensed pursuant to chapter 321F  
4 and actually leased for a period of twelve months or  
5 more if the lease of the vehicle is subject to  
6 taxation under section 423.27.

7 A lessor may maintain the exemption from use tax  
8 under this subsection for a qualifying lease that  
9 terminates at the conclusion or prior to the  
10 contracted expiration date, if the lessor does not use  
11 the vehicle for any purpose other than for lease.  
12 Once the vehicle is used by the lessor for a purpose  
13 other than for lease, the exemption from use tax under  
14 this subsection no longer applies and, unless there is  
15 an exemption from the use tax, use tax is due on the  
16 fair market value of the vehicle determined at the  
17 time the lessor uses the vehicle for a purpose other  
18 than for lease, payable to the department. If the  
19 lessor holds the vehicle exclusively for sale, use tax  
20 is due and payable on the purchase price of the  
21 vehicle at the time of purchase pursuant to this  
22 subchapter.

23 18. Aircraft for use in a scheduled interstate  
24 federal aviation administration certificated air  
25 carrier operation.

26 19. Aircraft; tangible personal property  
27 permanently affixed or attached as a component part of  
28 the aircraft, including but not limited to repair or  
29 replacement materials or parts; and all services used  
30 for aircraft repair, remodeling, and maintenance  
31 services when such services are performed on aircraft,  
32 aircraft engines, or aircraft component materials or  
33 parts. For the purposes of this exemption, "aircraft"  
34 means aircraft used in a scheduled interstate federal  
35 aviation administration certificated air carrier  
36 operation.

37 20. Tangible personal property permanently affixed  
38 or attached as a component part of the aircraft,  
39 including but not limited to repair or replacement  
40 materials or parts; and all services used for aircraft  
41 repair, remodeling, and maintenance services when such  
42 services are performed on aircraft, aircraft engines,  
43 or aircraft component materials or parts. For the  
44 purposes of this exemption, "aircraft" means aircraft  
45 used in a nonscheduled interstate federal aviation  
46 administration certificated air carrier operation  
47 operating under 14 C.F.R., ch. 1, pt. 135.

48 21. Aircraft sold to an aircraft dealer who in  
49 turn rents or leases the aircraft if all of the  
50 following apply:

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1 a. The aircraft is kept in the inventory of the  
2 dealer for sale at all times.

3 b. The dealer reserves the right to immediately  
4 take the aircraft from the renter or lessee when a  
5 buyer is found.

6 c. The renter or lessee is aware that the dealer  
7 will immediately take the aircraft when a buyer is  
8 found.

9 If an aircraft exempt under this subsection is used  
10 for any purpose other than leasing or renting, or the  
11 conditions in paragraphs “a”, “b”, and “c” are not  
12 continuously met, the dealer claiming the exemption  
13 under this subsection is liable for the tax that would  
14 have been due except for this subsection. The tax  
15 shall be computed upon the original purchase price.

16 22. The use in this state of building materials,  
17 supplies, or equipment, the sale or use of which is  
18 not treated as a retail sale or a sale at retail under  
19 section 423.2, subsection 1.

20 23. Exempted from the purchase price of any  
21 vehicle subject to registration is:

22 a. The amount of any cash rebate which is provided  
23 by a motor vehicle manufacturer to the purchaser of  
24 the vehicle subject to registration so long as the  
25 rebate is applied to the purchase price of the  
26 vehicle.

27 b. That in transactions, except those subject to  
28 paragraph “c”, in which tangible personal property is  
29 traded toward the purchase price of other tangible  
30 personal property the purchase price is only that  
31 portion of the purchase price which is payable in  
32 money to the retailer if the following conditions are  
33 met:

34 (1) The tangible personal property traded to the  
35 retailer is the type of property normally sold in the  
36 regular course of the retailer’s business.

37 (2) The tangible personal property traded to the  
38 retailer is intended by the retailer to be ultimately  
39 sold at retail or is intended to be used by the  
40 retailer or another in the remanufacturing of a like  
41 item.

42 c. In a transaction between persons, neither of  
43 which is a retailer of vehicles subject to  
44 registration, in which a vehicle subject to  
45 registration is traded toward the purchase price of  
46 another vehicle subject to registration, the amount of  
47 the trade-in value allowed on the vehicle subject to  
48 registration traded.

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1 Sec. 109. NEW SECTION. 423.7 TITLE.

2 This subchapter shall be known and may be cited as  
3 the “Uniform Sales and Use Tax Administration Act”.

4 Sec. 110. NEW SECTION. 423.8 LEGISLATIVE FINDING  
5 AND INTENT.

6 The general assembly finds that Iowa should enter  
7 into an agreement with one or more states to simplify  
8 and modernize sales and use tax administration in  
9 order to substantially reduce the burden of tax  
10 compliance for all sellers and for all types of  
11 commerce. It is the intent of the general assembly  
12 that entering into this agreement will lead to  
13 simplification and modernization of the sales and use  
14 tax law and not to the imposition of new taxes or an  
15 increase or decrease in the existing number of  
16 exemptions, unless such a result is unavoidable under  
17 the terms of the agreement.

18 Sec. 111. NEW SECTION. 423.9 AUTHORITY TO ENTER  
19 AGREEMENT AND TO REPRESENT THE STATE.

20 The director is authorized and directed to enter  
21 into the streamlined sales and use tax agreement with  
22 one or more states to simplify and modernize sales and  
23 use tax administration in order to substantially  
24 reduce the burden of tax compliance for all sellers  
25 and for all types of commerce.

26 The director is further authorized to take other  
27 actions reasonably required to implement the  
28 provisions set forth in this chapter. Other actions  
29 authorized by this section include, but are not  
30 limited to, the adoption of rules and the joint  
31 procurement, with other member states, of goods and  
32 services in furtherance of the cooperative agreement.

33 The director or the director’s designee is  
34 authorized to be a member of the governing board  
35 established pursuant to the agreement and to represent  
36 Iowa before that body.

37 Sec. 112. NEW SECTION. 423.10 RELATIONSHIP TO  
38 STATE LAW.

39 Entry into the agreement by the director does not  
40 amend or modify any law of this state. Implementation  
41 of any condition of the agreement in this state,  
42 whether adopted before, at, or after membership of  
43 this state in the agreement, shall be by action of the  
44 general assembly.

45 Sec. 113. NEW SECTION. 423.11 AGREEMENT  
46 REQUIREMENTS.

47 The director shall not enter into the agreement  
48 unless the agreement requires each state to abide by  
49 the following requirements:

50 1. UNIFORM STATE RATE. The agreement must set

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- 1 restrictions to achieve more uniform state rates
- 2 through the following:
- 3 a. Limiting the number of state rates.
- 4 b. Limiting the application of maximums on the
- 5 amount of state tax that is due on a transaction.
- 6 c. Limiting the application of thresholds on the
- 7 application of state tax.
- 8 2. UNIFORM STANDARDS. The agreement must
- 9 establish uniform standards for the following:
- 10 a. The sourcing of transactions to taxing
- 11 jurisdictions.
- 12 b. The administration of exempt sales.
- 13 c. The allowances a seller can take for bad debts.
- 14 d. Sales and use tax returns and remittances.
- 15 3. UNIFORM DEFINITIONS. The agreement must
- 16 require states to develop and adopt uniform
- 17 definitions of sales and use tax terms. The
- 18 definitions must enable a state to preserve its
- 19 ability to make policy choices not inconsistent with
- 20 the uniform definitions.
- 21 4. CENTRAL REGISTRATION. The agreement must
- 22 provide a central, electronic registration system that
- 23 allows a seller to register to collect and remit sales
- 24 and use taxes for all member states.
- 25 5. NO NEXUS ATTRIBUTION. The agreement must
- 26 provide that registration with the central
- 27 registration system and the collection of sales and
- 28 use taxes in the member states must not be used as a
- 29 factor in determining whether the seller has nexus
- 30 with a state for any tax.
- 31 6. LOCAL SALES AND USE TAXES. The agreement must
- 32 provide for reduction of the burdens of complying with
- 33 local sales and use taxes through the following:
- 34 a. Restricting variances between the state and
- 35 local tax bases.
- 36 b. Requiring states to administer any sales and
- 37 use taxes levied by local jurisdictions within the
- 38 state so that sellers collecting and remitting these
- 39 taxes must not have to register or file returns with,
- 40 remit funds to, or be subject to independent audits
- 41 from local taxing jurisdictions.
- 42 c. Restricting the frequency of changes in the
- 43 local sales and use tax rates and setting effective
- 44 dates for the application of local jurisdictional
- 45 boundary changes to local sales and use taxes.
- 46 d. Providing notice of changes in local sales and
- 47 use tax rates and of changes in the boundaries of
- 48 local taxing jurisdictions.
- 49 7. MONETARY ALLOWANCES. The agreement must
- 50 outline any monetary allowances that are to be

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1 provided by the states to sellers or certified service  
2 providers.

3 8. STATE COMPLIANCE. The agreement must require  
4 each state to certify compliance with the terms of the  
5 agreement prior to joining and to maintain compliance,  
6 under the laws of the member state, with all  
7 provisions of the agreement while a member.

8 9. CONSUMER PRIVACY. The agreement must require  
9 each state to adopt a uniform policy for certified  
10 service providers that protects the privacy of  
11 consumers and maintains the confidentiality of tax  
12 information.

13 10. ADVISORY COUNCILS. The agreement must provide  
14 for the appointment of an advisory council of private  
15 sector representatives and an advisory council of  
16 nonmember state representatives to consult with in the  
17 administration of the agreement.

18 Sec. 114. NEW SECTION. 423.12 LIMITED BINDING  
19 AND BENEFICIAL EFFECT.

20 1. The agreement binds and inures only to the  
21 benefit of Iowa and the other member states. A  
22 person, other than a member state, is not an intended  
23 beneficiary of the agreement. Any benefit to a person  
24 other than a member state is established by the law of  
25 Iowa and not by the terms of the agreement.

26 2. A person shall not have any cause of action or  
27 defense under the agreement or by virtue of this  
28 state's entry into the agreement. A person may not  
29 challenge, in any action brought under any provision  
30 of law, any action or inaction by any department,  
31 agency, or other instrumentality of this state, or any  
32 political subdivision of this state on the ground that  
33 the action or inaction is inconsistent with the  
34 agreement.

35 3. A law of this state, or the application of it,  
36 shall not be declared invalid as to any such person or  
37 circumstance on the ground that the provision or  
38 application is inconsistent with the agreement.

#### 39 SUBCHAPTER V

40 SALES AND USE TAX ACT -- ADMINISTRATION OF  
41 RETAILERS NOT REGISTERED UNDER THE AGREEMENT AND OF  
42 CONSUMERS OBLIGATED TO PAY USE TAX DIRECTLY

43 Sec. 115. NEW SECTION. 423.13 PURPOSE OF THIS  
44 SUBCHAPTER.

45 The purpose of this subchapter is to provide for  
46 the administration and collection of sales or use tax  
47 on the part of retailers who are not registered under  
48 the agreement and for the collection of use tax on the  
49 part of consumers who are obligated to pay that tax  
50 directly. Any application of the sections of this

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1 subchapter to retailers registered under the agreement  
2 is only by way of incorporation by reference into  
3 subchapter VI of this chapter.

4 Sec. 116. NEW SECTION. 423.14 SALES AND USE TAX  
5 COLLECTION.

6 1. a. Sales tax, other than that described in  
7 paragraph “c”, shall be collected by sellers who are  
8 retailers or by their agents. Sellers or their agents  
9 shall, as far as practicable, add the sales tax, or  
10 the average equivalent thereof, to the sales price or  
11 charge, less trade-ins allowed and taken and when  
12 added such tax shall constitute a part of the sales  
13 price or charge, shall be a debt from consumer or user  
14 to seller or agent until paid, and shall be  
15 recoverable at law in the same manner as other debts.

16 b. In computing the tax to be collected as the  
17 result of any transaction, the tax computation must be  
18 carried to the third decimal place. Whenever the  
19 third decimal place is greater than four, the tax must  
20 be rounded up to the next whole cent; whenever the  
21 third decimal place is four or less, the tax must be  
22 rounded downward to a whole cent. Sellers may elect  
23 to compute the tax due on transactions on an item or  
24 invoice basis. Sellers are not required to use a  
25 bracket system.

26 c. The tax imposed upon those sales of motor  
27 vehicle fuel which are subject to tax and refund under  
28 chapter 452A shall be collected by the state treasurer  
29 by way of deduction from refunds otherwise allowable  
30 under that chapter. The treasurer shall transfer the  
31 amount of such deductions from the motor vehicle fuel  
32 tax fund to the special tax fund.

33 2. Use tax shall be collected in the following  
34 manner:

35 a. The tax upon the use of all vehicles subject to  
36 registration or subject only to the issuance of a  
37 certificate of title or the tax upon the use of  
38 manufactured housing shall be collected by the county  
39 treasurer or the state department of transportation  
40 pursuant to sections 423.26 and 423.27. The county  
41 treasurer shall retain one dollar from each tax  
42 payment collected, to be credited to the county  
43 general fund.

44 b. The tax upon the use of all tangible personal  
45 property other than that enumerated in paragraph “a”,  
46 which is sold by a seller who is a retailer  
47 maintaining a place of business in this state, or by  
48 such other retailer or agent as the director shall  
49 authorize pursuant to section 423.30, shall be  
50 collected by the retailer or agent and remitted to the

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1 department, pursuant to the provisions of paragraph  
2 “e”, and sections 423.24, 423.29, 423.30, 423.32, and  
3 423.33.

4 c. The tax upon the use of all tangible personal  
5 property not paid pursuant to paragraphs “a” and “b”  
6 shall be paid to the department directly by any person  
7 using the property within this state, pursuant to the  
8 provisions of section 423.34.

9 d. The tax imposed on the use of services  
10 enumerated in section 423.5 shall be collected,  
11 remitted, and paid to the department of revenue and  
12 finance in the same manner as use tax on tangible  
13 personal property is collected, remitted, and paid  
14 under this subchapter.

15 e. All persons obligated by paragraph “a”, “b”, or  
16 “d”, to collect use tax shall, as far as practicable,  
17 add that tax, or the average equivalent thereof, to  
18 the purchase price, less trade-ins allowed and taken,  
19 and when added the tax shall constitute a part of the  
20 purchase price. Use tax which this section requires  
21 to be collected by a retailer and any tax collected  
22 pursuant to this section by a retailer shall  
23 constitute a debt owed by the retailer to this state.  
24 Tax which must be paid directly to the department,  
25 pursuant to paragraph “c” or “d”, is to be computed  
26 and added by the consumer or user to the purchase  
27 price in the same manner as this paragraph requires a  
28 seller to compute and add the tax. The tax shall be a  
29 debt from the consumer or user to the department until  
30 paid, and shall be recoverable at law in the same  
31 manner as other debts.

32 Sec. 117. NEW SECTION. 423.15 GENERAL SOURCING  
33 RULES.

34 All sellers obligated to collect Iowa sales or use  
35 tax shall use the standards set out in this section to  
36 determine where sales of products occur, excluding  
37 sales enumerated in section 423.16. These provisions  
38 apply regardless of the characterization of a product  
39 as tangible personal property, a digital good, or a  
40 service, excluding telecommunications services. This  
41 section only applies to determine a seller’s  
42 obligation to pay or collect and remit a sales or use  
43 tax with respect to the seller’s sale of a product.  
44 This section does not affect the obligation of a  
45 purchaser or lessee to remit tax on the use of the  
46 product to the taxing jurisdictions in which the use  
47 occurs. A seller’s obligation to collect Iowa sales  
48 tax or Iowa use tax only occurs if the sale is sourced  
49 to this state. The application of whether Iowa sales  
50 tax applies to sales sourced to Iowa depends upon

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1 where the sale is consummated by delivery.  
2 1. Sales, excluding leases or rentals other than  
3 leases or rentals set out in subsection 2, of products  
4 shall be sourced as follows.  
5 a. When the product is received by the purchaser  
6 at a business location of the seller, the sale is  
7 sourced to that business location.  
8 b. When the product is not received by the  
9 purchaser at a business location of the seller, the  
10 sale is sourced to the location where receipt by the  
11 purchaser or the purchaser's donee, designated as such  
12 by the purchaser, occurs, including the location  
13 indicated by instructions for delivery to the  
14 purchaser or donee, known to the seller.  
15 c. When paragraphs "a" and "b" do not apply, the  
16 sale is sourced to the location indicated by an  
17 address for the purchaser that is available from the  
18 business records of the seller that are maintained in  
19 the ordinary course of the seller's business when use  
20 of this address does not constitute bad faith.  
21 d. When paragraphs "a", "b", and "c" do not apply,  
22 the sale is sourced to the location indicated by an  
23 address for the purchaser obtained during the  
24 consummation of the sale, including the address of a  
25 purchaser's payment instrument, if no other address is  
26 available, when use of this address does not  
27 constitute bad faith.  
28 e. When paragraphs "a", "b", "c", and "d" do not  
29 apply, including the circumstance where the seller is  
30 without sufficient information to apply the previous  
31 rules, then the location will be determined by the  
32 address from which tangible personal property was  
33 shipped, from which the digital good or the computer  
34 software delivered electronically was first available  
35 for transmission by the seller, or from which the  
36 service was provided disregarding for these purposes  
37 any location that merely provided the digital transfer  
38 of the product sold.  
39 2. The lease or rental of tangible personal  
40 property, other than property identified in subsection  
41 3 or section 423.16, shall be sourced as follows:  
42 a. For a lease or rental that requires recurring  
43 periodic payments, the first periodic payment is  
44 sourced the same as a retail sale in accordance with  
45 the provisions of subsection 1. Periodic payments  
46 made subsequent to the first payment are sourced to  
47 the primary property location for each period covered  
48 by the payment. The primary property location shall  
49 be as indicated by an address for the property  
50 provided by the lessee that is available to the lessor

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1 from its records maintained in the ordinary course of  
2 business, when use of this address does not constitute  
3 bad faith. The property location shall not be altered  
4 by intermittent use at different locations, such as  
5 use of business property that accompanies employees on  
6 business trips and service calls.

7 b. For a lease or rental that does not require  
8 recurring periodic payments, the payment is sourced  
9 the same as a retail sale in accordance with the  
10 provisions of subsection 1.

11 c. This subsection does not affect the imposition  
12 or computation of sales or use tax on leases or  
13 rentals based on a lump sum or accelerated basis, or  
14 on the acquisition of property for lease.

15 3. The retail sale, including lease or rental, of  
16 transportation equipment shall be sourced the same as  
17 a retail sale in accordance with the provisions of  
18 subsection 1, notwithstanding the exclusion of lease  
19 or rental in that subsection. “Transportation  
20 equipment” means any of the following:

21 a. Locomotives or railcars that are utilized for  
22 the carriage of persons or property in interstate  
23 commerce.

24 b. Trucks and truck-tractors with a gross vehicle  
25 weight rating of ten thousand one pounds or greater,  
26 trailers, semitrailers, or passenger buses that meet  
27 both of the following requirements:

28 (1) Are registered through the international  
29 registration plan.

30 (2) Are operated under authority of a carrier  
31 authorized and certificated by the United States  
32 department of transportation or another federal  
33 authority to engage in the carriage of persons or  
34 property in interstate commerce.

35 c. Aircraft that are operated by air carriers  
36 authorized and certificated by the United States  
37 department of transportation or another federal or a  
38 foreign authority to engage in the carriage of persons  
39 or property in interstate or foreign commerce.

40 d. Containers designed for use on and component  
41 parts attached or secured on the items set forth in  
42 paragraphs “a” through “c”.

43 Sec. 118. **NEW SECTION. 423.16 TRANSACTIONS TO**  
44 **WHICH THE GENERAL SOURCING RULES DO NOT APPLY.**

45 Section 423.15 does not apply to sales or use taxes  
46 levied on the following:

47 1. The retail sale or transfer of watercraft,  
48 modular homes, manufactured housing, or mobile homes,  
49 and the retail sale, excluding lease or rental, of  
50 motor vehicles, trailers, semitrailers, or aircraft

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1 that do not qualify as transportation equipment, as  
2 defined in section 423.15, subsection 3.

3 2. The lease or rental of motor vehicles,  
4 trailers, semitrailers, or aircraft that do not  
5 qualify as transportation equipment, as defined in  
6 section 423.15, subsection 3, which shall be sourced  
7 in accordance with section 423.17.

8 3. Transactions to which the multiple points use  
9 exemption is applicable, which shall be sourced in  
10 accordance with section 423.18.

11 4. Transactions to which direct mail sourcing is  
12 applicable, which shall be sourced in accordance with  
13 section 423.19.

14 5. Telecommunications services, as set out in  
15 section 423.20, which shall be sourced in accordance  
16 with section 423.20, subsection 2.

17 Sec. 119. NEW SECTION. 423.17 SOURCING RULES FOR  
18 VARIOUS TYPES OF LEASED OR RENTED EQUIPMENT WHICH IS  
19 NOT TRANSPORTATION EQUIPMENT.

20 The lease or rental of motor vehicles, trailers,  
21 semitrailers, or aircraft that do not qualify as  
22 transportation equipment, as defined in section  
23 423.15, subsection 3, shall be sourced as follows:

24 1. For a lease or rental that requires recurring  
25 periodic payments, each periodic payment is sourced to  
26 the primary property location. The primary property  
27 location shall be as indicated by an address for the  
28 property provided by the lessee that is available to  
29 the lessor from its records maintained in the ordinary  
30 course of business, when use of this address does not  
31 constitute bad faith. This location shall not be  
32 altered by intermittent use at different locations.

33 2. For a lease or rental that does not require  
34 recurring periodic payments, the payment is sourced  
35 the same as a retail sale in accordance with the  
36 provisions of section 423.15, subsection 1.

37 3. This section does not affect the imposition or  
38 computation of sales or use tax on leases or rentals  
39 based on a lump sum or accelerated basis, or on the  
40 acquisition of property for lease.

41 Sec. 120. NEW SECTION. 423.18 MULTIPLE POINTS OF  
42 USE EXEMPTION FORMS.

43 A business purchaser that is not a holder of a  
44 direct pay tax permit pursuant to section 423.36 that  
45 knows at the time of its purchase of a digital good,  
46 computer software delivered electronically, or a  
47 service that the digital good, computer software  
48 delivered electronically, or service will be  
49 concurrently available for use in more than one  
50 jurisdiction shall deliver to the seller in

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1 conjunction with its purchase a “multiple points of  
2 use” or “MPU” exemption form disclosing this fact.  
3 1. Upon receipt of the MPU exemption form, the  
4 seller is relieved of all obligation to collect, pay,  
5 or remit the applicable tax and the purchaser shall be  
6 obligated to collect, pay, or remit the applicable tax  
7 on a direct pay basis.

8 2. A purchaser delivering the MPU exemption form  
9 may use any reasonable, but consistent and uniform,  
10 method of apportionment that is supported by the  
11 purchaser’s business records as they exist at the time  
12 of the consummation of the sale.

13 3. The MPU exemption form will remain in effect  
14 for all future sales by the seller to the purchaser  
15 except as to the subsequent sale’s specific  
16 apportionment that is governed by the principle of  
17 subsection 2 and the facts existing at the time of the  
18 sale until it is revoked in writing.

19 4. A holder of a direct pay tax permit under  
20 section 423.36 shall not be required to deliver an MPU  
21 exemption form to the seller. A direct pay tax permit  
22 holder shall follow the provisions of subsection 2 in  
23 apportioning the tax due on a digital good, computer  
24 software delivered electronically, or service that  
25 will be concurrently available for use in more than  
26 one jurisdiction.

27 Sec. 121. **NEW SECTION. 423.19 DIRECT MAIL**  
28 **SOURCING.**

29 1. Notwithstanding section 423.15, a purchaser of  
30 direct mail that is not a holder of a direct pay tax  
31 permit pursuant to section 423.36 shall provide to the  
32 seller in conjunction with the purchase either a  
33 direct mail form or information to show the  
34 jurisdictions to which the direct mail is delivered to  
35 recipients.

36 a. Upon receipt of the direct mail form, the  
37 seller is relieved of all obligations to collect, pay,  
38 or remit the applicable tax and the purchaser is  
39 obligated to pay or remit the applicable tax on a  
40 direct pay basis. A direct mail form shall remain in  
41 effect for all future sales of direct mail by the  
42 seller to the purchaser until it is revoked in  
43 writing.

44 b. Upon receipt of information from the purchaser  
45 showing the jurisdictions to which the direct mail is  
46 delivered to recipients, the seller shall collect the  
47 tax according to the delivery information provided by  
48 the purchaser. In the absence of bad faith, the  
49 seller is relieved of any further obligation to  
50 collect tax on any transaction where the seller has

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1 collected tax pursuant to the delivery information  
2 provided by the purchaser.  
3 2. If the purchaser of direct mail does not have a  
4 direct pay tax permit and does not provide the seller  
5 with either a direct mail form or delivery  
6 information, as required by subsection 1, the seller  
7 shall collect the tax according to section 423.15,  
8 subsection 1, paragraph “e”. Nothing in this  
9 subsection shall limit a purchaser’s obligation for  
10 sales or use tax to any state to which the direct mail  
11 is delivered.

12 3. If a purchaser of direct mail provides the  
13 seller with documentation of direct pay authority, the  
14 purchaser shall not be required to provide a direct  
15 mail form or delivery information to the seller.

16 Sec. 122. NEW SECTION. 423.20 TELECOMMUNICATIONS  
17 SERVICE SOURCING.

18 1. As used in this section:

19 a. “Air-to-ground radiotelephone service” means a  
20 radio service, as that term is used in 47 C.F.R. }  
21 22.99, in which common carriers are authorized to  
22 offer and provide radio telecommunications service for  
23 hire to subscribers in aircraft.

24 b. “Call-by-call basis” means any method of  
25 charging for the telecommunications service where the  
26 price is measured by individual calls.

27 c. “Communications channel” means a physical or  
28 virtual path of communications over which signals are  
29 transmitted between or among customer channel  
30 termination points.

31 d. “Customer” means the person or entity that  
32 contracts with the seller of the telecommunications  
33 service. If the end user of the telecommunications  
34 service is not the contracting party, the end user of  
35 the telecommunications service is the customer of the  
36 telecommunications service, but this sentence only  
37 applies for the purpose of sourcing sales of the  
38 telecommunications service under this section.

39 “Customer” does not include a reseller of a  
40 telecommunications service or for mobile  
41 telecommunications service of a serving carrier under  
42 an agreement to serve the customer outside the home  
43 service provider’s licensed service area.

44 e. “Customer channel termination point” means the  
45 location where the customer either inputs or receives  
46 the communications.

47 f. “End user” means the person who utilizes the  
48 telecommunications service. In the case of an entity,  
49 “end user” means the individual who utilizes the  
50 service on behalf of the entity.

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- 1 g. “Home service provider” means the same as that  
2 term is defined in the federal Mobile  
3 Telecommunications Sourcing Act, Pub. L. No. 106-252,  
4 4 U.S.C. } 124(5).
- 5 h. “Mobile telecommunications service” means the  
6 same as that term is defined in federal Mobile  
7 Telecommunications Sourcing Act, Pub. L. No. 106-252,  
8 4 U.S.C. } 124(7).
- 9 i. “Place of primary use” means the street address  
10 representative of where the customer’s use of the  
11 telecommunications service primarily occurs, which  
12 must be the residential street address or the primary  
13 business street address of the customer. In the case  
14 of mobile telecommunications service, “place of  
15 primary use” must be within the licensed service area  
16 of the home service provider.
- 17 j. “Postpaid calling service” means the  
18 telecommunications service obtained by making a  
19 payment on a call-by-call basis either through the use  
20 of a credit card or payment mechanism such as a bank  
21 card, travel card, credit card, or debit card, or by  
22 charge made to a telephone number which is not  
23 associated with the origination or termination of the  
24 telecommunications service. A “postpaid calling  
25 service” includes a telecommunications service that  
26 would be a prepaid calling service except it is not  
27 exclusively a telecommunications service.
- 28 k. “Prepaid calling service” means the right to  
29 access exclusively telecommunications services, which  
30 must be paid for in advance and which enables the  
31 origination of calls using an access number or  
32 authorization code, whether manually or electronically  
33 dialed, and that is sold in predetermined units or  
34 dollars of which the amount declines with use in a  
35 known amount.
- 36 l. “Private communication service” means a  
37 telecommunications service that entitles the customer  
38 to exclusive or priority use of a communications  
39 channel or group of channels between or among  
40 termination points, regardless of the manner in which  
41 such channel or channels are connected, and includes  
42 switching capacity, extension lines, stations, and any  
43 other associated services that are provided in  
44 connection with the use of such channel or channels.
- 45 m. “Service address” means one of the following:
- 46 (1) The location of the telecommunications  
47 equipment to which a customer’s call is charged and  
48 from which the call originates or terminates,  
49 regardless of where the call is billed or paid.
- 50 (2) If the location in subparagraph (1) is not

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- 1 known, “service address” means the origination point  
2 of the signal of the telecommunications service first  
3 identified by either the seller’s telecommunications  
4 system or in information received by the seller from  
5 its service provider, where the system used to  
6 transport such signals is not that of the seller.
- 7 (3) If the locations in subparagraphs (1) and (2)  
8 are not known, the “service address” means the  
9 location of the customer’s place of primary use.
- 10 2. Sales of telecommunications services shall be  
11 sourced in the following manner:
- 12 a. Except for the defined telecommunications  
13 services in paragraph “c”, the sale of  
14 telecommunications services sold on a call-by-call  
15 basis shall be sourced to one of the following:
- 16 (1) Each level of taxing jurisdiction where the  
17 call originates and terminates in that jurisdiction.
- 18 (2) Each level of taxing jurisdiction where the  
19 call either originates or terminates and in which the  
20 service address is also located.
- 21 b. Except for the defined telecommunications  
22 services in paragraph “c”, a sale of  
23 telecommunications services sold on a basis other than  
24 a call-by-call basis is sourced to the customer’s  
25 place of primary use.
- 26 c. Sale of the following telecommunications  
27 services shall be sourced to each level of taxing  
28 jurisdiction as follows:
- 29 (1) A sale of mobile telecommunications services  
30 other than air-to-ground radiotelephone service or  
31 prepaid calling service is sourced to the customer’s  
32 place of primary use as required by the federal Mobile  
33 Telecommunications Sourcing Act.
- 34 (2) A sale of postpaid calling service is sourced  
35 to the origination point of the telecommunications  
36 signal as first identified by either of the following:
- 37 (a) The seller’s telecommunications system.
- 38 (b) Information received by the seller from its  
39 service provider, where the system used to transport  
40 such signals is not that of the seller.
- 41 (3) A sale of prepaid calling service is sourced  
42 in accordance with section 423.15. However, in the  
43 case of a sale of mobile telecommunications services  
44 that is a prepaid telecommunications service, the rule  
45 provided in section 423.15, subsection 1, paragraph  
46 “e”, shall include as an option the location  
47 associated with the mobile telephone number.
- 48 (4) A sale of a private telecommunications service  
49 is sourced as follows:
- 50 (a) Service for a separate charge related to a

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1 customer channel termination point is sourced to each  
2 level of jurisdiction in which such customer channel  
3 termination point is located.

4 (b) Service where all customer termination points  
5 are located entirely within one jurisdiction or level  
6 of jurisdiction is sourced in such jurisdiction in  
7 which the customer channel termination points are  
8 located.

9 (c) Service for segments of a channel between two  
10 customer channel termination points located in  
11 different jurisdictions and which segments of a  
12 channel are separately charged is sourced fifty  
13 percent in each level of jurisdiction in which the  
14 customer channel termination points are located.

15 (d) Service for segments of a channel located in  
16 more than one jurisdiction or levels of jurisdiction  
17 and which segments are not separately billed is  
18 sourced in each jurisdiction based on the percentage  
19 determined by dividing the number of customer channel  
20 termination points in such jurisdiction by the total  
21 number of customer channel termination points.

22 Sec. 123. NEW SECTION. 423.21 BAD DEBT  
23 DEDUCTIONS.

24 1. For the purposes of this section, “bad debt”  
25 means an amount properly calculated pursuant to  
26 section 166 of the Internal Revenue Code then adjusted  
27 to exclude financing charges or interest, sales or use  
28 taxes charged on the purchase price, uncollectible  
29 amounts on property that remain in the possession of  
30 the seller until the full purchase price is paid,  
31 expenses incurred in attempting to collect any debt,  
32 and repossessed property.

33 2. In computing the amount of tax due, a seller  
34 may deduct bad debts from the total amount upon which  
35 the tax is calculated for any return. Any deduction  
36 taken or refund paid which is attributed to bad debts  
37 shall not include interest.

38 3. A seller may deduct bad debts on the return for  
39 the period during which the bad debt is written off as  
40 uncollectible in the seller’s books and records and is  
41 eligible to be deducted for federal income tax  
42 purposes. For purposes of this subsection, a seller  
43 who is not required to file federal income tax returns  
44 may deduct a bad debt on a return filed for the period  
45 in which the bad debt is written off as uncollectible  
46 in the seller’s books and records and would be  
47 eligible for a bad debt deduction for federal income  
48 tax purposes if the seller were required to file a  
49 federal income tax return.

50 4. If a deduction is taken for a bad debt and the

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1 seller subsequently collects the debt in whole or in  
2 part, the tax on the amount so collected must be paid  
3 and reported on the return filed for the period in  
4 which the collection is made.

5 5. A seller may obtain a refund of tax on any  
6 amount of bad debt that exceeds the amount of taxable  
7 sales within the period allowed for refund claims by  
8 section 423.47. However, the period allowed for  
9 refund claims shall be measured from the due date of  
10 the return on which the bad debt could first be  
11 claimed.

12 6. For the purposes of computing a bad debt  
13 deduction or reporting a payment received on a  
14 previously claimed bad debt, any payments made on a  
15 debt or account shall be applied first to the price of  
16 the property or service and tax thereon,  
17 proportionally, and secondly to interest, service  
18 charges, and any other charges.

19 Sec. 124. NEW SECTION. 423.22 TAXATION IN  
20 ANOTHER STATE.

21 If any person who causes tangible personal property  
22 to be brought into this state or who uses in this  
23 state services enumerated in section 423.2 has already  
24 paid a tax in another state in respect to the sale or  
25 use of the property or the performance of the service,  
26 or an occupation tax in respect to the property or  
27 service, in an amount less than the tax imposed by  
28 subchapter II or III, the provisions of those  
29 subchapters shall apply, but at a rate measured by the  
30 difference only between the rate fixed by subchapter  
31 II or III and the rate by which the previous tax on  
32 the sale or use, or the occupation tax, was computed.  
33 If the tax imposed and paid in the other state is  
34 equal to or more than the tax imposed by those  
35 subchapters, then a tax is not due in this state on  
36 the personal property or service.

37 Sec. 125. NEW SECTION. 423.23 SELLERS'  
38 AGREEMENTS.

39 Agreements between competing sellers, or the  
40 adoption of appropriate rules and regulations by  
41 organizations or associations of sellers to provide  
42 uniform methods for adding sales or use tax or the  
43 average equivalent thereof, and which do not involve  
44 price-fixing agreements otherwise unlawful, are  
45 expressly authorized and shall be held not in  
46 violation of chapter 553 or other antitrust laws of  
47 this state. The director shall cooperate with  
48 sellers, organizations, or associations in formulating  
49 agreements and rules.

50 Sec. 126. NEW SECTION. 423.24 ABSORBING TAX

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1 PROHIBITED.

2 A seller shall not advertise or hold out or state  
3 to the public or to any purchaser, consumer, or user,  
4 directly or indirectly, that the taxes or any parts  
5 thereof imposed by subchapter II or III will be  
6 assumed or absorbed by the seller or the taxes will  
7 not be added to the sales price of the property sold,  
8 or if added that the taxes or any part thereof will be  
9 refunded. Any person violating any of the provisions  
10 of this section within this state is guilty of a  
11 simple misdemeanor.

12 Sec. 127. NEW SECTION. 423.25 DIRECTOR'S POWER  
13 TO ADOPT RULES.

14 The director shall have the power to adopt rules  
15 for adding the taxes imposed by subchapters II and  
16 III, or the average equivalents thereof, by providing  
17 different methods applying uniformly to retailers  
18 within the same general classification for the purpose  
19 of enabling the retailers to add and collect, as far  
20 as practicable, the amounts of those taxes.

21 Sec. 128. NEW SECTION. 423.26 VEHICLES SUBJECT  
22 TO REGISTRATION OR ONLY TO THE ISSUANCE OF TITLE --  
23 MANUFACTURED HOUSING.

24 The use tax imposed upon the use of vehicles  
25 subject to registration or subject only to the  
26 issuance of a certificate of title or imposed upon the  
27 use of manufactured housing shall be paid by the owner  
28 of the vehicle or of the manufactured housing to the  
29 county treasurer or the state department of  
30 transportation from whom the registration receipt or  
31 certificate of title is obtained. A registration  
32 receipt for a vehicle subject to registration or  
33 certificate of title shall not be issued until the tax  
34 has been paid. The county treasurer or the state  
35 department of transportation shall require every  
36 applicant for a registration receipt for a vehicle  
37 subject to registration or certificate of title to  
38 supply information as the county treasurer or the  
39 director deems necessary as to the time of purchase,  
40 the purchase price, installed purchase price, and  
41 other information relative to the purchase of the  
42 vehicle or manufactured housing. On or before the  
43 tenth day of each month, the county treasurer or the  
44 state department of transportation shall remit to the  
45 department the amount of the taxes collected during  
46 the preceding month.

47 A person who willfully makes a false statement in  
48 regard to the purchase price of a vehicle subject to  
49 taxation under this section is guilty of a fraudulent  
50 practice. A person who willfully makes a false

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1 statement in regard to the purchase price of such a  
2 vehicle with the intent to evade the payment of tax  
3 shall be assessed a penalty of seventy-five percent of  
4 the amount of tax unpaid and required to be paid on  
5 the actual purchase price less trade-in allowance.

6 Sec. 129. NEW SECTION. 423.27 MOTOR VEHICLE  
7 LEASE TAX.

8 1. The use tax imposed upon the use of leased  
9 vehicles subject to registration under chapter 321,  
10 with gross vehicle weight ratings of less than sixteen  
11 thousand pounds, excluding motorcycles and motorized  
12 bicycles, which are leased by a lessor licensed  
13 pursuant to chapter 321F for a period of twelve months  
14 or more shall be paid by the owner of the vehicle to  
15 the county treasurer or state department of  
16 transportation from whom the registration receipt or  
17 certificate of title is obtained. A registration  
18 receipt for a vehicle subject to registration or  
19 issuance of a certificate of title shall not be issued  
20 until the tax is paid in the initial instance. Tax on  
21 the lease transaction that does not require titling or  
22 registration of the vehicle shall be remitted to the  
23 department. Tax and the reporting of tax due to the  
24 department shall be remitted on or before fifteen days  
25 from the last day of the month that the vehicle lease  
26 tax becomes due. Failure to timely report or remit  
27 any of the tax when due shall result in a penalty and  
28 interest being imposed on the tax due pursuant to  
29 section 423.40, subsection 1, and section 423.42,  
30 subsection 1.

31 2. The amount subject to tax shall be computed on  
32 each separate lease transaction by taking the total of  
33 the lease payments, plus the down payment, and  
34 excluding all of the following:

- 35 a. Title fee.
- 36 b. Registration fees.
- 37 c. Vehicle lease tax pursuant to this section.
- 38 d. Federal excise taxes attributable to the sale  
39 of the vehicle to the owner or to the lease of the  
40 vehicle by the owner.
- 41 e. Optional service or warranty contracts subject  
42 to tax pursuant to section 423.2, subsection 1.
- 43 f. Insurance.
- 44 g. Manufacturer's rebate.
- 45 h. Refundable deposit.
- 46 i. Finance charges, if any, on items listed in  
47 paragraphs "a" through "h".

48 If any or all of the items in paragraphs "a"  
49 through "i" are excluded from the taxable lease price,  
50 the owner shall maintain adequate records of the

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1 amounts of those items. If the parties to a lease  
2 enter into an agreement providing that the tax imposed  
3 under this statute is to be paid by the lessee or  
4 included in the monthly lease payments to be paid by  
5 the lessee, the total cost of the tax shall not be  
6 included in the computation of lease price for the  
7 purpose of taxation under this section. The county  
8 treasurer, the state department of transportation, or  
9 the department of revenue and finance shall require  
10 every applicant for a registration receipt for a  
11 vehicle subject to tax under this section to supply  
12 information as the county treasurer or director deems  
13 necessary as to the date of the lease transaction, the  
14 lease price, and other information relative to the  
15 lease of the vehicle.

16 3. On or before the tenth day of each month, the  
17 county treasurer or the state department of  
18 transportation shall remit to the department the  
19 amount of the taxes collected during the preceding  
20 month.

21 4. If the lease is terminated prior to the  
22 termination date contained in the lease agreement, no  
23 refund shall be allowed for tax previously paid under  
24 this section, except as provided in section 322G.4.

25 Sec. 130. NEW SECTION. 423.28 SALES TAX REPORT  
26 -- DEDUCTION.

27 Motor vehicle or trailer dealers, in making their  
28 reports and returns to the department for the purpose  
29 of paying the sales tax, shall be permitted to deduct  
30 all sales prices from retail sales of vehicles subject  
31 to registration or subject only to the issuance of a  
32 certificate of title. Sales prices from sales of  
33 vehicles subject to registration or subject only to  
34 the issuance of a certificate of title are exempted  
35 from the sales tax, but, if required by the director,  
36 the sales prices shall be included in the returns made  
37 by motor vehicle or trailer dealers under subchapter  
38 II, and proper deductions taken pursuant to this  
39 section.

40 Sec. 131. NEW SECTION. 423.29 COLLECTIONS BY  
41 SELLERS.

42 Every seller who is a retailer and who is making  
43 taxable sales of tangible personal property in Iowa  
44 shall, at the time of selling the property, collect  
45 the sales tax. Every seller who is a retailer  
46 maintaining a place of business in this state and  
47 selling tangible personal property for use in Iowa  
48 shall, at the time of making the sale, whether within  
49 or without the state, collect the use tax. Sellers  
50 required to collect sales or use tax shall give to any

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1 purchaser a receipt for the tax collected in the  
2 manner and form prescribed by the director.

3 Every seller who is a retailer furnishing taxable  
4 services in Iowa and every seller who is a retailer  
5 maintaining a place of business in this state and  
6 furnishing taxable services in Iowa or services  
7 outside Iowa if the product or result of the service  
8 is used in Iowa shall be subject to the provisions of  
9 the preceding paragraph.

10 Sec. 132. NEW SECTION. 423.30 FOREIGN SELLERS  
11 NOT REGISTERED UNDER THE AGREEMENT.

12 The director may, upon application, authorize the  
13 collection of the use tax by any seller who is a  
14 retailer not maintaining a place of business within  
15 this state and not registered under the agreement,  
16 who, to the satisfaction of the director, furnishes  
17 adequate security to ensure collection and payment of  
18 the tax. Such sellers shall be issued, without  
19 charge, permits to collect tax subject to any  
20 regulations which the director shall prescribe. When  
21 so authorized, it shall be the duty of foreign sellers  
22 to collect the tax upon all tangible personal property  
23 sold, to the retailer's knowledge, for use within this  
24 state, in the same manner and subject to the same  
25 requirements as a retailer maintaining a place of  
26 business within this state. The authority and permit  
27 may be canceled when, at any time, the director  
28 considers the security inadequate, or that tax can  
29 more effectively be collected from the person using  
30 property in this state.

31 The discretionary power granted in this section is  
32 extended to apply in the case of foreign retailers  
33 furnishing services enumerated in section 423.2.

34 Sec. 133. NEW SECTION. 423.31 FILING OF SALES  
35 TAX RETURNS AND PAYMENT OF SALES TAX.

36 1. Each person subject to this section and section  
37 423.36 and in accordance with the provisions of this  
38 section and section 423.36 shall, on or before the  
39 last day of the month following the close of each  
40 calendar quarter during which such person is or has  
41 become or ceased being subject to the provisions of  
42 this section and section 423.36, make, sign, and file  
43 a return for the calendar quarter in the form as may  
44 be required. Returns shall show information relating  
45 to sales prices including goods, wares, and services  
46 converted to the use of such person, the amounts of  
47 sales prices excluded and exempt from the tax, the  
48 amounts of sales prices subject to tax, a calculation  
49 of tax due, and any other information for the period  
50 covered by the return as may be required. Returns

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1 shall be signed by the retailer or the retailer's  
2 authorized agent and must be certified by the retailer  
3 to be correct in accordance with forms and rules  
4 prescribed by the director.

5 2. Persons required to file, or committed to file  
6 by reason of voluntary action or by order of the  
7 department, deposits of taxes due under this  
8 subchapter shall be entitled to take credit against  
9 the total quarterly amount of tax due such amount as  
10 shall have been deposited by such persons during that  
11 calendar quarter. The balance remaining due after  
12 such credit for deposits shall be entered on the  
13 return. However, such person may be granted an  
14 extension of time not exceeding thirty days for filing  
15 the quarterly return, upon a proper showing of  
16 necessity. If an extension is granted, such person  
17 shall have paid by the twentieth day of the month  
18 following the close of such quarter ninety percent of  
19 the estimated tax due.

20 3. The sales tax forms prescribed by the director  
21 shall be referred to as "retailers tax deposit".  
22 Deposit forms shall be signed by the retailer or the  
23 retailer's duly authorized agent, and shall be duly  
24 certified by the retailer or agent to be correct. The  
25 director may authorize incorporated banks and trust  
26 companies or other depositories authorized by law  
27 which are depositories or financial agents of the  
28 United States, or of this state, to receive any sales  
29 tax imposed under this chapter, in the manner, at the  
30 times, and under the conditions the director  
31 prescribes. The director shall prescribe the manner,  
32 times, and conditions under which the receipt of the  
33 tax by those depositories is to be treated as payment  
34 of the tax to the department.

35 4. Every retailer at the time of making any return  
36 required by this section shall compute and pay to the  
37 department the tax due for the preceding period. The  
38 tax on sales prices from the sale or rental of  
39 tangible personal property under a consumer rental  
40 purchase agreement as defined in section 537.3604,  
41 subsection 8, is payable in the tax period of receipt.

42 5. Upon making application and receiving approval  
43 from the director, a parent corporation and its  
44 affiliated corporations that make retail sales of  
45 tangible personal property or taxable enumerated  
46 services may make deposits and file a consolidated  
47 sales tax return for the affiliated group, pursuant to  
48 rules adopted by the director. A parent corporation  
49 and each affiliate corporation that files a  
50 consolidated return are jointly and severally liable

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1 for all tax, penalty, and interest found due for the  
2 tax period for which a consolidated return is filed or  
3 required to be filed.

4 A business required to file a consolidated sales  
5 tax return shall file a form entitled "schedule of  
6 consolidated business locations" with its quarterly  
7 sales tax return that shows the taxpayer's  
8 consolidated permit number, the permit number for each  
9 Iowa business location, the state sales tax amount by  
10 business location, and the amount of state sales tax  
11 due on goods consumed that are not assigned to a  
12 specific business location. Consolidated quarterly  
13 sales tax returns that are not accompanied by the  
14 schedule of consolidated business locations form are  
15 considered incomplete and are subject to penalty under  
16 section 421.27.

17 6. If necessary or advisable in order to insure  
18 the payment of the tax, the director may require  
19 returns and payment of the tax to be made for other  
20 than quarterly periods, the provisions of this  
21 section, or other provision to the contrary  
22 notwithstanding.

23 Sec. 134. NEW SECTION. 423.32 FILING OF USE TAX  
24 RETURNS AND PAYMENT OF USE TAX.

25 1. A retailer maintaining a place of business in  
26 this state who is required to collect or a user who is  
27 required to pay the use tax or a foreign retailer  
28 authorized, pursuant to section 423.30, to collect the  
29 use tax, shall remit to the department the amount of  
30 tax on or before the last day of the month following  
31 each calendar quarterly period. However, a retailer  
32 who collects or owes more than fifteen hundred dollars  
33 in use taxes in a month shall deposit with the  
34 department or in a depository authorized by law and  
35 designated by the director, the amount collected or  
36 owed, with a deposit form for the month as prescribed  
37 by the director.

38 a. The deposit form is due on or before the  
39 twentieth day of the month following the month of  
40 collection, except a deposit is not required for the  
41 third month of the calendar quarter, and the total  
42 quarterly amount, less the amounts deposited for the  
43 first two months of the quarter, is due with the  
44 quarterly report on the last day of the month  
45 following the month of collection. At that time, the  
46 retailer shall file with the department a return for  
47 the preceding quarterly period in the form prescribed  
48 by the director showing the purchase price of the  
49 tangible personal property sold by the retailer during  
50 the preceding quarterly period, the use of which is

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1 subject to the use tax imposed by this chapter, and  
2 other information the director deems necessary for the  
3 proper administration of the use tax.

4 b. The return shall be accompanied by a remittance  
5 of the use tax for the period covered by the return.  
6 If necessary in order to ensure payment to the state  
7 of the tax, the director may in any or all cases  
8 require returns and payments to be made for other than  
9 quarterly periods. The director, upon request and a  
10 proper showing of necessity, may grant an extension of  
11 time not to exceed thirty days for making any return  
12 and payment. Returns shall be signed, in accordance  
13 with forms and rules prescribed by the director, by  
14 the retailer or the retailer's authorized agent, and  
15 shall be certified by the retailer or agent to be  
16 correct.

17 2. If it is reasonably expected, as determined by  
18 rules prescribed by the director, that a retailer's  
19 annual sales or use tax liability will not exceed one  
20 hundred twenty dollars for a calendar year, the  
21 retailer may request and the director may grant  
22 permission to the retailer, in lieu of the quarterly  
23 filing and remitting requirements set out elsewhere in  
24 this section, to file the return required by and remit  
25 the sales or use tax due under this section on a  
26 calendar-year basis. The return and tax are due and  
27 payable no later than January 31 following each  
28 calendar year in which the retailer carries on  
29 business.

30 3. The director, in cooperation with the  
31 department of management, may periodically change the  
32 filing and remittance thresholds by administrative  
33 rule if in the best interests of the state and  
34 taxpayer to do so.

35 Sec. 135. NEW SECTION. 423.33 LIABILITY OF  
36 PERSONS OTHER THAN RETAILERS FOR PAYMENT OF SALES OR  
37 USE TAX.

38 1. LIABILITY OF PURCHASER FOR SALES TAX. If a  
39 purchaser fails to pay sales tax to the retailer  
40 required to collect the tax, then in addition to all  
41 of the rights, obligations, and remedies provided, the  
42 tax is payable by the purchaser directly to the  
43 department, and sections 423.31, 423.32, 423.37,  
44 423.38, 423.39, 423.40, 423.41, and 423.42 apply to  
45 the purchaser. For failure to pay, the retailer and  
46 purchaser are liable, unless the circumstances  
47 described in section 421.60, subsection 2, paragraph  
48 "m", or section 423.45, subsection 4, paragraph "b" or  
49 "e", or subsection 5, paragraph "c" or "e", are  
50 applicable.

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1 2. IMMEDIATE SUCCESSOR LIABILITY FOR SALES OR USE  
2 TAX. If a retailer sells the retailer's business or  
3 stock of goods or quits the business, the retailer  
4 shall prepare a final return and pay all sales or use  
5 tax due within the time required by law. The  
6 immediate successor to the retailer, if any, shall  
7 withhold a sufficient portion of the purchase price,  
8 in money or money's worth, to pay the amount of  
9 delinquent tax, interest, or penalty due and unpaid.  
10 If the immediate successor of the business or stock of  
11 goods intentionally fails to withhold the amount due  
12 from the purchase price as provided in this  
13 subsection, the immediate successor is personally  
14 liable for the payment of delinquent taxes, interest,  
15 and penalty accrued and unpaid on account of the  
16 operation of the business by the immediate former  
17 retailer, except when the purchase is made in good  
18 faith as provided in section 421.28. However, a  
19 person foreclosing on a valid security interest or  
20 retaking possession of premises under a valid lease is  
21 not an "immediate successor" for purposes of this  
22 section. The department may waive the liability of  
23 the immediate successor under this subsection if the  
24 immediate successor exercised good faith in  
25 establishing the amount of the previous liability.

26 3. EVENT SPONSOR'S LIABILITY FOR SALES TAX. A  
27 person sponsoring a flea market or a craft, antique,  
28 coin, or stamp show or similar event shall obtain from  
29 every retailer selling tangible personal property or  
30 taxable services at the event proof that the retailer  
31 possesses a valid sales tax permit or secure from the  
32 retailer a statement, taken in good faith, that  
33 property or services offered for sale are not subject  
34 to sales tax. Failure to do so renders a sponsor of  
35 the event liable for payment of any sales tax,  
36 interest, and penalty due and owing from any retailer  
37 selling property or services at the event. Sections  
38 423.31, 423.32, 423.37, 423.38, 423.39, 423.40,  
39 423.41, and 423.42 apply to the sponsors. For  
40 purposes of this subsection, a person sponsoring a  
41 flea market or a craft, antique, coin, or stamp show  
42 or similar event does not include an organization  
43 which sponsors an event less than three times a year  
44 or a state, county, or district agricultural fair.

45 Sec. 136. NEW SECTION. 423.34 LIABILITY OF USER.  
46 Any person who uses any property or services  
47 enumerated in section 423.2 upon which the use tax has  
48 not been paid, either to the county treasurer or to a  
49 retailer or direct to the department as required by  
50 this subchapter, shall be liable for the payment of

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1 tax, and shall on or before the last day of the month  
2 next succeeding each quarterly period pay the use tax  
3 upon all property or services used by the person  
4 during the preceding quarterly period in the manner  
5 and accompanied by such returns as the director shall  
6 prescribe. All of the provisions of sections 423.32  
7 and 423.33 with reference to the returns and payments  
8 shall be applicable to the returns and payments  
9 required by this section.

10 Sec. 137. NEW SECTION. 423.35 POSTING OF BOND TO  
11 SECURE PAYMENT.

12 The director may, when necessary and advisable in  
13 order to secure the collection of the sales or use  
14 tax, authorize any person subject to either tax, and  
15 any retailer required or authorized to collect those  
16 taxes pursuant to the provisions of section 423.14, to  
17 file with the department a bond, issued by a surety  
18 company authorized to transact business in this state  
19 and approved by the insurance commissioner as to  
20 solvency and responsibility, in an amount as the  
21 director may fix, to secure the payment of any tax,  
22 interest, or penalties due or which may become due  
23 from such person. In lieu of a bond, securities  
24 approved by the director, in an amount which the  
25 director may prescribe, may be deposited with the  
26 department, which securities shall be kept in the  
27 custody of the department and may be sold by the  
28 director at public or private sale, without notice to  
29 the depositor, if it becomes necessary to do so in  
30 order to recover any tax, interest, or penalties due.  
31 Upon the sale, the surplus, if any, above the amounts  
32 due under this chapter shall be returned to the person  
33 who deposited the securities.

34 Sec. 138. NEW SECTION. 423.36 PERMITS REQUIRED  
35 TO COLLECT SALES OR USE TAX -- APPLICATIONS --  
36 REVOCATION.

37 1. A person shall not engage in or transact  
38 business as a retailer making taxable sales of  
39 tangible personal property or furnishing services  
40 within this state or as a retailer making taxable  
41 sales of tangible personal property or furnishing  
42 services for use within this state, unless a permit  
43 has been issued to the retailer under this section,  
44 except as provided in subsection 6. Every person  
45 desiring to engage in or transact business as a  
46 retailer shall file with the department an application  
47 for a permit to collect sales or use tax. Every  
48 application for a sales or use tax permit shall be  
49 made upon a form prescribed by the director and shall  
50 set forth any information the director may require.

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1 The application shall be signed by an owner of the  
2 business if a natural person; in the case of a  
3 retailer which is an association or partnership, by a  
4 member or partner; and in the case of a retailer which  
5 is a corporation, by an executive officer or some  
6 person specifically authorized by the corporation to  
7 sign the application, to which shall be attached the  
8 written evidence of the person's authority.

9 2. To collect sales or use tax, the applicant must  
10 have a permit for each place of business in the state  
11 of Iowa. The department may deny a permit to an  
12 applicant who is substantially delinquent in paying a  
13 tax due, or the interest or penalty on the tax,  
14 administered by the department at the time of  
15 application. If the applicant is a partnership, a  
16 permit may be denied if a partner is substantially  
17 delinquent in paying any delinquent tax, penalty, or  
18 interest. If the applicant is a corporation, a permit  
19 may be denied if any officer having a substantial  
20 legal or equitable interest in the ownership of the  
21 corporation owes any delinquent tax, penalty, or  
22 interest.

23 3. The department shall grant and issue to each  
24 applicant a permit for each place of business in this  
25 state where sales or use tax is collected. A permit  
26 is not assignable and is valid only for the person in  
27 whose name it is issued and for the transaction of  
28 business at the place designated or at a place of  
29 relocation within the state if the ownership remains  
30 the same.

31 If an applicant is making sales outside Iowa for  
32 use in this state or furnishing services outside Iowa,  
33 the product or result of which will be used in this  
34 state, that applicant shall be issued one use tax  
35 permit by the department applicable to these out-of-  
36 state sales or services.

37 4. Permits issued under this section are valid and  
38 effective until revoked by the department.

39 5. If the holder of a permit fails to comply with  
40 any of the provisions of this subchapter or of  
41 subchapter II or III or any order or rule of the  
42 department adopted under those subchapters or is  
43 substantially delinquent in the payment of a tax  
44 administered by the department or the interest or  
45 penalty on the tax, or if the person is a corporation  
46 and if any officer having a substantial legal or  
47 equitable interest in the ownership of the corporation  
48 owes any delinquent tax of the permit-holding  
49 corporation, or interest or penalty on the tax,  
50 administered by the department, the director may

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1 revoke the permit. The director shall send notice by  
2 mail to a permit holder informing that person of the  
3 director's intent to revoke the permit and of the  
4 permit holder's right to a hearing on the matter. If  
5 the permit holder petitions the director for a hearing  
6 on the proposed revocation, after giving ten days'  
7 notice of the time and place of the hearing in  
8 accordance with section 17A.18, subsection 3, the  
9 matter may be heard and a decision rendered. The  
10 director may restore permits after revocation. The  
11 director shall adopt rules setting forth the period of  
12 time a retailer must wait before a permit may be  
13 restored or a new permit may be issued. The waiting  
14 period shall not exceed ninety days from the date of  
15 the revocation of the permit.

16 6. Sellers who are not regularly engaged in  
17 selling at retail and do not have a permanent place of  
18 business, but who are temporarily engaged in selling  
19 from trucks, portable roadside stands, concessionaires  
20 at state, county, district, or local fairs, carnivals,  
21 or the like, shall report and remit the sales tax on a  
22 temporary basis, under rules the director shall  
23 provide for the efficient collection of the sales tax.  
24 This subsection applies to sellers who are temporarily  
25 engaged in furnishing services.

26 Persons engaged in selling tangible personal  
27 property or furnishing services shall not be required  
28 to obtain or retain a sales tax permit for a place of  
29 business at which taxable sales of tangible personal  
30 property or taxable performance of services will not  
31 occur.

32 7. The provisions of subsection 1, dealing with  
33 the lawful right of a retailer to transact business,  
34 as applicable, apply to persons having receipts from  
35 furnishing services enumerated in section 423.2,  
36 except that a person holding a permit pursuant to  
37 subsection 1 shall not be required to obtain any  
38 separate sales tax permit for the purpose of engaging  
39 in business involving the services.

40 8. a. Except as provided in paragraph "b",  
41 purchasers, users, and consumers of tangible personal  
42 property or enumerated services taxed pursuant to  
43 subchapter II or III of this chapter or chapters 423B  
44 and 423E may be authorized, pursuant to rules adopted  
45 by the director, to remit tax owed directly to the  
46 department instead of the tax being collected and paid  
47 by the seller. To qualify for a direct pay tax  
48 permit, the purchaser, user, or consumer must accrue a  
49 tax liability of more than four thousand dollars in  
50 tax under subchapters II and III in a semimonthly

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1 period and make deposits and file returns pursuant to  
2 section 423.31. This authority shall not be granted  
3 or exercised except upon application to the director  
4 and then only after issuance by the director of a  
5 direct pay tax permit.

6 b. The granting of a direct pay tax permit is not  
7 authorized for any of the following:

8 (1) Taxes imposed on the sales, furnishing, or  
9 service of gas, electricity, water, heat, pay  
10 television service, and communication service.

11 (2) Taxes imposed under sections 423.26 and 423.27  
12 and chapter 423C.

13 Sec. 139. NEW SECTION. 423.37 FAILURE TO FILE  
14 SALES OR USE TAX RETURNS -- INCORRECT RETURNS.

15 1. As soon as practicable after a return is filed  
16 and in any event within three years after the return  
17 is filed, the department shall examine it, assess and  
18 determine the tax due if the return is found to be  
19 incorrect, and give notice to the person liable for  
20 the tax of the assessment and determination as  
21 provided in subsection 2. The period for the  
22 examination and determination of the correct amount of  
23 tax is unlimited in the case of a false or fraudulent  
24 return made with the intent to evade tax or in the  
25 case of a failure to file a return.

26 2. If a return required by this subchapter is not  
27 filed, or if a return when filed is incorrect or  
28 insufficient and the maker fails to file a corrected  
29 or sufficient return within twenty days after the same  
30 is required by notice from the department, the  
31 department shall determine the amount of tax due from  
32 information as the department may be able to obtain  
33 and, if necessary, may estimate the tax on the basis  
34 of external indices, such as number of employees of  
35 the person concerned, rentals paid by the person,  
36 stock on hand, or other factors. The department shall  
37 give notice of the determination to the person liable  
38 for the tax. The determination shall fix the tax  
39 unless the person against whom it is assessed shall,  
40 within sixty days after the giving of notice of the  
41 determination, apply to the director for a hearing or  
42 unless the taxpayer contests the determination by  
43 paying the tax, interest, and penalty and timely  
44 filing a claim for refund. At the hearing evidence  
45 may be offered to support the determination or to  
46 prove that it is incorrect. After the hearing the  
47 director shall give notice of the decision to the  
48 person liable for the tax.

49 3. The three-year period of limitation provided in  
50 subsection 1 may be extended by a taxpayer by signing

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1 a waiver agreement form to be provided by the  
2 department. The agreement shall stipulate the period  
3 of extension and the tax period to which the extension  
4 applies. The agreement shall also provide that a  
5 claim for refund may be filed by the taxpayer at any  
6 time during the period of extension.

7 Sec. 140. NEW SECTION. 423.38 JUDICIAL REVIEW.

8 1. Judicial review of actions of the director may  
9 be sought in accordance with the terms of the Iowa  
10 administrative procedure Act.

11 2. For cause and upon a showing by the director  
12 that collection of the tax in dispute is in doubt, the  
13 court may order the petitioner to file with the clerk  
14 a bond for the use of the respondent, with sureties  
15 approved by the clerk, in the amount of tax appealed  
16 from, conditioned that the petitioner shall perform  
17 the orders of the court.

18 3. An appeal may be taken by the taxpayer or the  
19 director to the supreme court of this state  
20 irrespective of the amount involved.

21 Sec. 141. NEW SECTION. 423.39 SERVICE OF  
22 NOTICES.

23 1. A notice authorized or required under this  
24 subchapter may be given by mailing the notice to the  
25 person for whom it is intended, addressed to that  
26 person at the address given in the last return filed  
27 by the person pursuant to this subchapter, or if no  
28 return has been filed, then to any address obtainable.  
29 The mailing of the notice is presumptive evidence of  
30 the receipt of the notice by the person to whom  
31 addressed. Any period of time which is determined  
32 according to this subchapter by the giving of notice  
33 commences to run from the date of mailing of the  
34 notice.

35 2. The provisions of the Code relative to the  
36 limitation of time for the enforcement of a civil  
37 remedy shall not apply to any proceeding or action  
38 taken to levy, appraise, assess, determine, or enforce  
39 the collection of any tax or penalty provided by this  
40 chapter.

41 Sec. 142. NEW SECTION. 423.40 PENALTIES --  
42 OFFENSES -- LIMITATION.

43 1. In addition to the sales or use tax or  
44 additional sales or use tax, the taxpayer shall pay a  
45 penalty as provided in section 421.27. The taxpayer  
46 shall also pay interest on the sales or use tax or  
47 additional sales or use tax at the rate in effect  
48 under section 421.7 for each month counting each  
49 fraction of a month as an entire month, computed from  
50 the date the semimonthly or monthly tax deposit form

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1 or return was required to be filed. The penalty and  
2 interest shall be paid to the department and disposed  
3 of in the same manner as other receipts under this  
4 subchapter. Unpaid penalties and interest may be  
5 enforced in the same manner as the taxes imposed by  
6 this chapter.

7 2. a. Any person who knowingly sells tangible  
8 personal property, tickets or admissions to places of  
9 amusement and athletic events, or gas, water,  
10 electricity, or communication service at retail, or  
11 engages in the furnishing of services enumerated in  
12 section 423.2, in this state without procuring a  
13 permit to collect tax, as provided in section 423.36,  
14 or who violates section 423.24 and the officers of any  
15 corporation who so act are guilty of a serious  
16 misdemeanor.

17 b. A person who knowingly sells tangible personal  
18 property, tickets or admissions to places of amusement  
19 and athletic events, or gas, water, electricity, or  
20 communication service at retail, or engages in the  
21 furnishing of services enumerated in section 423.2, in  
22 this state after the person's sales tax permit has  
23 been revoked and before it has been restored as  
24 provided in section 423.36, subsection 5, and the  
25 officers of any corporation who so act are guilty of  
26 an aggravated misdemeanor.

27 3. A person who willfully attempts in any manner  
28 to evade any tax imposed by this chapter or the  
29 payment of the tax or a person who makes or causes to  
30 be made a false or fraudulent semimonthly or monthly  
31 tax deposit form or return with intent to evade any  
32 tax imposed by subchapter II or III or the payment of  
33 the tax is guilty of a class "D" felony.

34 4. The certificate of the director to the effect  
35 that a tax has not been paid, that a return has not  
36 been filed, or that information has not been supplied  
37 pursuant to the provisions of this subchapter shall be  
38 prima facie evidence thereof.

39 5. A person required to pay sales or use tax, or  
40 to make, sign, or file a tax deposit form or return or  
41 supplemental return, who willfully makes a false or  
42 fraudulent tax deposit form or return, or willfully  
43 fails to pay at least ninety percent of the tax or  
44 willfully fails to make, sign, or file the tax deposit  
45 form or return, at the time required by law, is guilty  
46 of a fraudulent practice.

47 6. A prosecution for an offense specified in this  
48 section shall be commenced within six years after its  
49 commission.

50 Sec. 143. NEW SECTION. 423.41 BOOKS --

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1 EXAMINATION.

2 Every retailer required or authorized to collect  
3 taxes imposed by this chapter and every person using  
4 in this state tangible personal property, services, or  
5 the product of services shall keep records, receipts,  
6 invoices, and other pertinent papers as the director  
7 shall require, in the form that the director shall  
8 require, for as long as the director has the authority  
9 to examine and determine tax due. The director or any  
10 duly authorized agent of the department may examine  
11 the books, papers, records, and equipment of any  
12 person either selling tangible personal property or  
13 services or liable for the tax imposed by this  
14 chapter, and investigate the character of the business  
15 of any person in order to verify the accuracy of any  
16 return made, or if a return was not made by the  
17 person, ascertain and determine the amount due under  
18 this chapter. These books, papers, and records shall  
19 be made available within this state for examination  
20 upon reasonable notice when the director deems it  
21 advisable and so orders. The preceding requirements  
22 shall likewise apply to users and persons furnishing  
23 services enumerated in section 423.2.

24 Sec. 144. NEW SECTION. 423.42 STATUTES  
25 APPLICABLE.

26 1. The director shall administer the taxes imposed  
27 by subchapters II and III in the same manner and  
28 subject to all the provisions of, and all of the  
29 powers, duties, authority, and restrictions contained  
30 in, section 422.25, subsection 4, section 422.30, and  
31 sections 422.67 through 422.75.

32 2. All the provisions of section 422.26 shall  
33 apply in respect to the taxes and penalties imposed by  
34 subchapters II and III and this subchapter, except  
35 that, as applied to any tax imposed by subchapters II  
36 and III, the lien provided in section 422.26 shall be  
37 prior and paramount over all subsequent liens upon any  
38 personal property within this state, or right to such  
39 personal property, belonging to the taxpayer without  
40 the necessity of recording as provided in section  
41 422.26. The requirements for recording shall, as  
42 applied to the taxes imposed by subchapters II and  
43 III, apply only to the liens upon real property. When  
44 requested to do so by any person from whom a taxpayer  
45 is seeking credit, or with whom the taxpayer is  
46 negotiating the sale of any personal property, or by  
47 any other person having a legitimate interest in such  
48 information, the director shall, upon being satisfied  
49 that such a situation exists, inform that person as to  
50 the amount of unpaid taxes due by such taxpayer under

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1 the provisions of subchapters II and III. The giving  
2 of this information under these circumstances shall  
3 not be deemed a violation of section 422.72 as applied  
4 to subchapters II and III.  
5 Sec. 145. NEW SECTION. 423.43 DEPOSIT OF REVENUE  
6 -- APPROPRIATIONS.  
7 Except as otherwise provided in section 312.2,  
8 subsection 15, all revenues derived from the use tax  
9 on motor vehicles, trailers, and motor vehicle  
10 accessories and equipment as collected pursuant to  
11 sections 423.26 and 423.27 shall be deposited and  
12 credited to the road use tax fund and shall be used  
13 exclusively for the construction, maintenance, and  
14 supervision of public highways.  
15 1. Notwithstanding any provision of this section  
16 which provides that all revenues derived from the use  
17 tax on motor vehicles, trailers, and motor vehicle  
18 accessories and equipment as collected pursuant to  
19 sections 423.26 and 423.27 shall be deposited and  
20 credited to the road use tax fund, eighty percent of  
21 the revenues shall be deposited and credited as  
22 follows:  
23 a. Twenty-five percent of all such revenue, up to  
24 a maximum of four million two hundred fifty thousand  
25 dollars per quarter, shall be deposited into and  
26 credited to the Iowa comprehensive petroleum  
27 underground storage tank fund created in section  
28 455G.3, and the moneys so deposited are a continuing  
29 appropriation for expenditure under chapter 455G, and  
30 moneys so appropriated shall not be used for other  
31 purposes.  
32 b. Any such revenues remaining shall be credited  
33 to the road use tax fund.  
34 2. Notwithstanding any other provision of this  
35 section that provides that all revenue derived from  
36 the use tax on motor vehicles, trailers, and motor  
37 vehicle accessories and equipment as collected  
38 pursuant to section 423.26 shall be deposited and  
39 credited to the road use tax fund, twenty percent of  
40 the revenues shall be credited and deposited as  
41 follows: one-half to the road use tax fund and one-  
42 half to the primary road fund to be used for the  
43 commercial and industrial highway network.  
44 3. All other revenue arising under the operation  
45 of this chapter shall be credited to the general fund  
46 of the state.  
47 Sec. 146. NEW SECTION. 423.44 REIMBURSEMENT FOR  
48 PRIMARY ROAD FUND.  
49 From moneys deposited into the road use tax fund,  
50 the department may credit to the primary road fund any

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1 amount of revenues derived from the use tax on motor  
2 vehicles, trailers, and motor vehicle accessories and  
3 equipment as collected pursuant to sections 423.26 and  
4 423.27 to the extent necessary to reimburse that fund  
5 for the expenditures not otherwise eligible to be made  
6 from the primary road fund, which are made for  
7 repairing, improving, and maintaining bridges over the  
8 rivers bordering the state. Expenditures for those  
9 portions of bridges within adjacent states may be  
10 included when they are made pursuant to an agreement  
11 entered into under section 313.63, 313A.34, or 314.10.  
12 Sec. 147. NEW SECTION. 423.45 REFUNDS --  
13 EXEMPTION CERTIFICATES.

14 1. If an amount of tax represented by a retailer  
15 to a consumer or user as constituting tax due is  
16 computed upon a sales price that is not taxable or the  
17 amount represented is in excess of the actual taxable  
18 amount and the amount represented is actually paid by  
19 the consumer or user to the retailer, the excess  
20 amount of tax paid shall be returned to the consumer  
21 or user upon notification to the retailer by the  
22 department that an excess payment exists.

23 2. If an amount of tax represented by a retailer  
24 to a consumer or user as constituting tax due is  
25 computed upon a sales price that is not taxable or the  
26 amount represented is in excess of the actual taxable  
27 amount and the amount represented is actually paid by  
28 the consumer or user to the retailer, the excess  
29 amount of tax paid shall be returned to the consumer  
30 or user upon proper notification to the retailer by  
31 the consumer or user that an excess payment exists.  
32 "Proper" notification is written notification which  
33 allows a retailer at least sixty days to respond and  
34 which contains enough information to allow a retailer  
35 to determine the validity of a consumer's or user's  
36 claim that an excess amount of tax has been paid. No  
37 cause of action shall accrue against a retailer for  
38 excess tax paid until sixty days after proper notice  
39 has been given the retailer by the consumer or user.

40 3. In the circumstances described in subsections 1  
41 and 2, a retailer has the option to either return any  
42 excess amount of tax paid to a consumer or user, or to  
43 remit the amount which a consumer or user has paid to  
44 the retailer to the department.

45 4. a. The department shall issue or the seller  
46 may separately provide exemption certificates in the  
47 form prescribed by the director, including  
48 certificates not made of paper, which conform to the  
49 requirements of paragraph "c", to assist retailers in  
50 properly accounting for nontaxable sales of tangible

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1 personal property or services to purchasers for a  
2 nontaxable purpose. The department shall also allow  
3 the use of exemption certificates for those  
4 circumstances in which a sale is taxable but the  
5 seller is not obligated to collect tax from the buyer.

6 b. The sales tax liability for all sales of  
7 tangible personal property and all sales of services  
8 is upon the seller and the purchaser unless the seller  
9 takes in good faith from the purchaser a valid  
10 exemption certificate stating under penalty of perjury  
11 that the purchase is for a nontaxable purpose and is  
12 not a retail sale as defined in section 423.1, or the  
13 seller is not obligated to collect tax due, or unless  
14 the seller takes a fuel exemption certificate pursuant  
15 to subsection 5. If the tangible personal property or  
16 services are purchased tax free pursuant to a valid  
17 exemption certificate which is taken in good faith by  
18 the seller, and the tangible personal property or  
19 services are used or disposed of by the purchaser in a  
20 nonexempt manner, the purchaser is solely liable for  
21 the taxes and shall remit the taxes directly to the  
22 department and sections 423.31, 423.32, 423.37,  
23 423.38, 423.39, 423.40, 423.41, and 423.42 shall apply  
24 to the purchaser.

25 c. A valid exemption certificate is an exemption  
26 certificate which is complete and correct according to  
27 the requirements of the director.

28 d. A valid exemption certificate is taken in good  
29 faith by the seller when the seller has exercised that  
30 caution and diligence which honest persons of ordinary  
31 prudence would exercise in handling their own business  
32 affairs, and includes an honesty of intention and  
33 freedom from knowledge of circumstances which ought to  
34 put one upon inquiry as to the facts. In order for a  
35 seller to take a valid exemption certificate in good  
36 faith, the seller must exercise reasonable prudence to  
37 determine the facts supporting the valid exemption  
38 certificate, and if any facts upon such certificate  
39 would lead a reasonable person to further inquiry,  
40 such inquiry must be made with an honest intent to  
41 discover the facts.

42 e. If the circumstances change and as a result the  
43 tangible personal property or services are used or  
44 disposed of by the purchaser in a nonexempt manner or  
45 the purchaser becomes obligated to pay the tax, the  
46 purchaser is liable solely for the taxes and shall  
47 remit the taxes directly to the department in  
48 accordance with this subsection.

49 5. a. The department shall issue or the seller  
50 may separately provide fuel exemption certificates in

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1 the form prescribed by the director.  
2 b. For purposes of this subsection:  
3 (1) “Fuel” includes gas, electricity, water, heat,  
4 steam, and any other tangible personal property  
5 consumed in creating heat, power, or steam.  
6 (2) “Fuel consumed in processing” means fuel used  
7 or consumed for processing including grain drying, for  
8 providing heat or cooling for livestock buildings or  
9 for greenhouses or buildings or parts of buildings  
10 dedicated to the production of flowering, ornamental,  
11 or vegetable plants intended for sale in the ordinary  
12 course of business, for use in aquaculture production,  
13 or for generating electric current, or in implements  
14 of husbandry engaged in agricultural production.  
15 (3) “Fuel exemption certificate” means an  
16 exemption certificate given by the purchaser under  
17 penalty of perjury to assist retailers in properly  
18 accounting for nontaxable sales of fuel consumed in  
19 processing.  
20 (4) “Substantial change” means a change in the use  
21 or disposition of tangible personal property and  
22 services by the purchaser such that the purchaser pays  
23 less than ninety percent of the purchaser’s actual  
24 sales tax liability. A change includes a misstatement  
25 of facts in an application made pursuant to paragraph  
26 “d” or in a fuel exemption certificate.  
27 c. The seller may accept a completed fuel  
28 exemption certificate, as prepared by the purchaser,  
29 for three years unless the purchaser files a new  
30 completed exemption certificate. If the fuel is  
31 purchased tax free pursuant to a fuel exemption  
32 certificate which is taken by the seller, and the fuel  
33 is used or disposed of by the purchaser in a nonexempt  
34 manner, the purchaser is solely liable for the taxes,  
35 and shall remit the taxes directly to the department  
36 and sections 423.31, 423.32, 423.37, 423.38, 423.39,  
37 423.40, 423.41, and 423.42 shall apply to the  
38 purchaser.  
39 d. The purchaser may apply to the department for  
40 its review of the fuel exemption certificate. In this  
41 event, the department shall review the fuel exemption  
42 certificate within twelve months from the date of  
43 application and determine the correct amount of the  
44 exemption. If the amount determined by the department  
45 is different than the amount that the purchaser claims  
46 is exempt, the department shall promptly notify the  
47 purchaser of the determination. Failure of the  
48 department to make a determination within twelve  
49 months from the date of application shall constitute a  
50 determination that the fuel exemption certificate is

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1 correct as submitted. A determination of exemption by  
2 the department is final unless the purchaser appeals  
3 to the director for a revision of the determination  
4 within sixty days after the date of the notice of  
5 determination. The director shall grant a hearing,  
6 and upon the hearing, the director shall determine the  
7 correct exemption and notify the purchaser of the  
8 decision by mail. The decision of the director is  
9 final unless the purchaser seeks judicial review of  
10 the director's decision under section 423.38 within  
11 sixty days after the date of the notice of the  
12 director's decision. Unless there is a substantial  
13 change, the department shall not impose penalties  
14 pursuant to section 423.40 both retroactively to  
15 purchases made after the date of application and  
16 prospectively until the department gives notice to the  
17 purchaser that a tax or additional tax is due, for  
18 failure to remit any tax due which is in excess of a  
19 determination made under this section. A  
20 determination made by the department pursuant to this  
21 subsection does not constitute an audit for purposes  
22 of section 423.37.

23 e. If the circumstances change and the fuel is  
24 used or disposed of by the purchaser in a nonexempt  
25 manner, the purchaser is solely liable for the taxes  
26 and shall remit the taxes directly to the department  
27 in accordance with paragraph "c".

28 f. The purchaser shall attach documentation to the  
29 fuel exemption certificate which is reasonably  
30 necessary to support the exemption for fuel consumed  
31 in processing. If the purchaser files a new exemption  
32 certificate with the seller, documentation shall not  
33 be required if the purchaser previously furnished the  
34 seller with this documentation and substantial change  
35 has not occurred since that documentation was  
36 furnished or if fuel consumed in processing is  
37 separately metered and billed by the seller.

38 6. Nothing in this section authorizes any cause of  
39 action by any person to recover sales or use taxes  
40 directly from the state or extends any person's time  
41 to seek a refund of sales or use taxes which have been  
42 collected and remitted to the state.

43 Sec. 148. NEW SECTION. 423.46 RATE AND BASE  
44 CHANGES.

45 The department shall make a reasonable effort to  
46 provide sellers with as much advance notice as  
47 practicable of a rate change and to notify sellers of  
48 legislative changes in the tax base and amendments to  
49 sales and use tax rules. Failure of a seller to  
50 receive notice or failure of this state to provide

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1 notice or limit the effective date of a rate change  
2 shall not relieve the seller of its obligation to  
3 collect sales or use taxes for this state.

4 Sec. 149. NEW SECTION. 423.47 REFUNDS AND  
5 CREDITS.

6 If it shall appear that, as a result of mistake, an  
7 amount of tax, penalty, or interest has been paid  
8 which was not due under the provisions of this  
9 chapter, such amount shall be credited against any tax  
10 due, or to become due, on the books of the department  
11 from the person who made the erroneous payment, or  
12 such amount shall be refunded to such person by the  
13 department. A claim for refund or credit that has not  
14 been filed with the department within three years  
15 after the tax payment for which a refund or credit is  
16 claimed became due, or one year after such tax payment  
17 was made, whichever time is the later, shall not be  
18 allowed by the director.

#### 19 SUBCHAPTER VI

#### 20 SALES AND USE TAX ACT -- ADMINISTRATION OF 21 RETAILERS REGISTERED VOLUNTARILY UNDER THE 22 AGREEMENT

23 Sec. 150. NEW SECTION. 423.48 RESPONSIBILITIES  
24 AND RIGHTS OF SELLERS REGISTERED UNDER THE AGREEMENT.

25 1. By registering under the agreement, the seller  
26 agrees to collect and remit sales and use taxes for  
27 all its taxable Iowa sales. Iowa's withdrawal from  
28 the agreement or revocation of its membership in the  
29 agreement shall not relieve a seller from its  
30 responsibility to remit taxes previously collected on  
31 behalf of this state.

32 2. The following provisions apply to any seller  
33 who registers under the agreement:

34 a. The seller may register on-line.

35 b. Registration under the agreement and the  
36 collection of Iowa sales and use taxes shall not be  
37 used as factors in determining whether the seller has  
38 nexus with Iowa for any tax.

39 c. If registered under the agreement with any  
40 other member state, the seller is considered to be  
41 registered in Iowa.

42 d. The seller is not required to pay registration  
43 fees or other charges.

44 e. A written signature from the seller is not  
45 required.

46 f. The seller may register by way of an agent.  
47 The agent's appointment shall be in writing and  
48 submitted to the department if requested by the  
49 department.

50 g. The seller may cancel its registration at any

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1 time under procedures adopted by the governing board  
2 established pursuant to the agreement. Cancellation  
3 does not relieve the seller of its liability for  
4 remitting any Iowa taxes collected.

5 3. The following additional responsibilities and  
6 rights apply to model sellers:

7 a. A model 1 seller's obligation to calculate,  
8 collect, and remit sales and use taxes shall be  
9 performed by its certified service provider, except  
10 for the seller's obligation to remit tax on its own  
11 purchases. As the seller's agent, the certified  
12 service provider is liable for its model 1 seller's  
13 sales and use tax due Iowa on all sales transactions  
14 it processes for the seller except as set out in this  
15 section. A seller that contracts with a certified  
16 service provider is not liable to the state for sales  
17 or use tax due on transactions processed by the  
18 certified service provider unless the seller  
19 misrepresents the types of items or services it sells  
20 or commits fraud. In the absence of probable cause to  
21 believe that the seller has committed fraud or made a  
22 material misrepresentation, the seller is not subject  
23 to audit on the transactions processed by the  
24 certified service provider. A model 1 seller is  
25 subject to audit for transactions not processed by the  
26 certified service provider. The director is  
27 authorized to perform a system check of the model 1  
28 seller and review the seller's procedures to determine  
29 if the certified service provider's system is  
30 functioning properly and the extent to which the  
31 seller's transactions are being processed by the  
32 certified service provider.

33 b. A model 2 seller shall calculate the amount of  
34 tax due on a transaction by the use of a certified  
35 automated system, but shall collect and remit tax on  
36 its own sales. A person that provides a certified  
37 automated system is responsible for the proper  
38 functioning of that system and is liable to this state  
39 for underpayments of tax attributable to errors in the  
40 functioning of the certified automated system. A  
41 seller that uses a certified automated system remains  
42 responsible and is liable to the state for reporting  
43 and remitting tax.

44 c. A model 3 seller shall use its own proprietary  
45 automated system to calculate tax due and collect and  
46 remit tax on its own sales. A model 3 seller is  
47 liable for the failure of its proprietary automated  
48 system to meet the applicable performance standard.

49 Sec. 151. NEW SECTION. 423.49 RETURNS.

50 1. All model 1, 2, or 3 sellers are subject to all

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1 of the following return requirements:

2 a. The seller is required to file only one return  
3 per month for this state and for all taxing  
4 jurisdictions within this state.

5 b. The date for filing returns shall be determined  
6 under rules adopted by the director. However, in no  
7 case shall the return be due earlier than the  
8 twentieth day of the following month.

9 c. The director shall request additional  
10 information returns. These returns shall not be  
11 required more frequently than every six months.

12 2. Any registered seller which does not have a  
13 legal obligation to register in this state and is not  
14 a model 1, 2, or 3 seller is subject to all of the  
15 following return requirements:

16 a. The seller is required to file a return within  
17 one year of the month of initial registration and  
18 shall file a return on an annual basis in succeeding  
19 years.

20 b. In addition to the return required in paragraph  
21 "a", if the seller accumulates more than one thousand  
22 dollars in total state and local tax, the seller is  
23 required to file a return in the following month.

24 c. The format of the return and the due date of  
25 the initial return and the annual return shall be  
26 determined under rules adopted by the department.

27 Sec. 152. NEW SECTION. 423.50 REMITTANCE OF  
28 FUNDS.

29 1. Only one remittance of tax per return is  
30 required except as provided in this subsection.  
31 Sellers that collect more than thirty thousand dollars  
32 in sales and use taxes for this state during the  
33 preceding calendar year shall be required to make  
34 additional remittances as required under rules adopted  
35 by the director. The filing of a return is not  
36 required with an additional remittance.

37 2. All remittances shall be remitted  
38 electronically.

39 3. Electronic payments may be made either by  
40 automated clearinghouse credit or automated  
41 clearinghouse debit. Any data accompanying a  
42 remittance must be formatted using uniform tax type  
43 and payment codes approved by the governing board  
44 established pursuant to the agreement. An alternative  
45 method for making same-day payments shall be  
46 determined under rules adopted by the director.

47 4. If a due date falls on a legal banking holiday  
48 in this state, the taxes are due on the succeeding  
49 business day.

50 Sec. 153. NEW SECTION. 423.51 ADMINISTRATION OF

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1 EXEMPTIONS.

2 1. The following provisions shall apply when a  
3 purchaser claims an exemption:  
4 a. The seller shall obtain identifying information  
5 of the purchaser and the reason for claiming a tax  
6 exemption at the time of the purchase as determined by  
7 the member states acting jointly.

8 b. A purchaser is not required to provide a  
9 signature to claim an exemption from tax unless a  
10 paper certificate is used.

11 c. The seller shall use the standard form for  
12 claiming an exemption electronically as adopted  
13 jointly by the member states.

14 d. The seller shall obtain the same information  
15 for proof of a claimed exemption regardless of the  
16 medium in which the transaction occurred.

17 e. The department may authorize a system wherein  
18 the purchaser exempt from the payment of the tax is  
19 issued an identification number which shall be  
20 presented to the seller at the time of the sale.

21 f. The seller shall maintain proper records of  
22 exempt transactions and provide them to the department  
23 when requested.

24 g. The department shall administer entity-based  
25 and use-based exemptions when practicable through a  
26 direct pay tax permit, an exemption certificate, or  
27 another means that does not burden sellers. For the  
28 purposes of this paragraph:

29 (1) An “entity-based exemption” is an exemption  
30 based on who purchases the product or who sells the  
31 product.

32 (2) A “use-based exemption” is an exemption based  
33 on the purchaser’s use of the product.

34 2. Sellers that follow the requirements of this  
35 section are relieved from any tax otherwise applicable  
36 if it is determined that the purchaser improperly  
37 claimed an exemption and that the purchaser is liable  
38 for the nonpayment of tax. This relief from liability  
39 does not apply to a seller who fraudulently fails to  
40 collect the tax or solicits purchasers to participate  
41 in the unlawful claim of an exemption.

42 Sec. 154. NEW SECTION. 423.52 RELIEF FROM  
43 LIABILITY FOR SELLERS AND CERTIFIED SERVICE PROVIDERS.

44 Sellers and certified service providers are  
45 relieved from liability to this state or its local  
46 taxing jurisdictions for having charged and collected  
47 the incorrect amount of sales or use tax resulting  
48 from the seller or certified service provider relying  
49 on erroneous data provided by this state on tax rates,  
50 boundaries, or taxing jurisdiction assignments. If

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1 this state provides an address-based system for  
2 assigning taxing jurisdictions whether or not pursuant  
3 to the federal Mobile Telecommunications Sourcing Act,  
4 the director is not required to provide liability  
5 relief for errors resulting from reliance on the  
6 information provided by this state.

7 Sec. 155. NEW SECTION. 423.53 BAD DEBTS AND  
8 MODEL 1 SELLERS.

9 A certified service provider may claim, on behalf  
10 of a model 1 seller, any bad debt deduction as  
11 provided in section 423.21. The certified service  
12 provider must credit or refund the full amount of any  
13 bad debt deduction or refund received to the seller.

14 Sec. 156. NEW SECTION. 423.54 AMNESTY FOR  
15 REGISTERED SELLERS.

16 1. Subject to the limitations in subsections 2  
17 through 6, the following provisions apply:

18 a. Amnesty is provided for uncollected or unpaid  
19 sales or use tax to a seller who registers to pay or  
20 to collect and remit applicable sales or use tax on  
21 sales made to purchasers in this state in accordance  
22 with the terms of the agreement, provided the seller  
23 was not so registered in this state in the twelve-  
24 month period preceding the commencement of Iowa's  
25 participation in the agreement.

26 b. Amnesty precludes assessment of the seller for  
27 uncollected or unpaid sales or use tax together with  
28 penalty or interest for sales made during the period  
29 the seller was not registered in this state, provided  
30 registration occurs within twelve months of the  
31 commencement of Iowa's participation in the agreement.

32 c. Amnesty shall be provided to any seller  
33 lawfully registered under the agreement by any other  
34 member state prior to the date of the commencement of  
35 Iowa's participation in the agreement.

36 2. Amnesty is not available to a seller with  
37 respect to any matter or matters for which the seller  
38 received notice of the commencement of an audit and  
39 which audit is not yet finally resolved, including any  
40 related administrative and judicial processes.

41 3. Amnesty is not available for sales or use taxes  
42 already paid or remitted or to taxes collected by the  
43 seller.

44 4. Amnesty is fully effective absent the seller's  
45 fraud or intentional misrepresentation of a material  
46 fact as long as the seller continues registration and  
47 continues payment or collection and remittance of  
48 applicable sales or use taxes for a period of at least  
49 thirty-six months. The statute of limitations  
50 applicable to asserting a tax liability is tolled

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1 during this thirty-six month period.  
2 5. Amnesty is applicable only to sales or use  
3 taxes due from a seller in its capacity as a seller  
4 and not to sales or use taxes due from a seller in its  
5 capacity as a buyer.

6 6. The director may allow amnesty on terms and  
7 conditions more favorable to a seller than the terms  
8 required by this section.

9 Sec. 157. NEW SECTION. 423.55 DATABASES.

10 The department shall provide and maintain databases  
11 required by the agreement for the benefit of sellers  
12 registered under the agreement.

13 Sec. 158. NEW SECTION. 423.56 CONFIDENTIALITY

14 AND PRIVACY PROTECTIONS UNDER MODEL 1.

15 1. As used in this section:

16 a. “Anonymous data” means information that does  
17 not identify a person.

18 b. “Confidential taxpayer information” means all  
19 information that is protected under this state’s laws,  
20 rules, and privileges.

21 c. “Personally identifiable information” means  
22 information that identifies a person.

23 2. With very limited exceptions, a certified  
24 service provider shall perform its tax calculation,  
25 remittance, and reporting functions without retaining  
26 the personally identifiable information of consumers.

27 3. A certified service provider may perform its  
28 services in this state only if the certified service  
29 provider certifies that:

30 a. Its system has been designed and tested to  
31 ensure that the fundamental precept of anonymity is  
32 respected.

33 b. Personally identifiable information is only  
34 used and retained to the extent necessary for the  
35 administration of model 1 sellers with respect to  
36 exempt purchasers.

37 c. It provides consumers clear and conspicuous  
38 notice of its information practices, including what  
39 information it collects, how it collects the  
40 information, how it uses the information, how long, if  
41 at all, it retains the information, and whether it  
42 discloses the information to member states. This  
43 notice shall be satisfied by a written privacy policy  
44 statement accessible by the public on the official web  
45 site of the certified service provider.

46 d. Its collection, use, and retention of  
47 personally identifiable information is limited to that  
48 required by the member states to ensure the validity  
49 of exemptions from taxation that are claimed by reason  
50 of a consumer’s status or the intended use of the

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- 1 goods or services purchased.
- 2 e. It provides adequate technical, physical, and  
3 administrative safeguards so as to protect personally  
4 identifiable information from unauthorized access and  
5 disclosure.
- 6 4. The department shall provide public  
7 notification of its practices relating to the  
8 collection, use, and retention of personally  
9 identifiable information.
- 10 5. When any personally identifiable information  
11 that has been collected and retained by the department  
12 or certified service provider is no longer required  
13 for the purposes set forth in subsection 3, paragraph  
14 “d”, that information shall no longer be retained by  
15 the department or certified service provider.
- 16 6. When personally identifiable information  
17 regarding an individual is retained by or on behalf of  
18 this state, this state shall provide reasonable access  
19 by such individual to his or her own information in  
20 the state’s possession and a right to correct any  
21 inaccurately recorded information.
- 22 7. This privacy policy is subject to enforcement  
23 by the department and the attorney general.
- 24 8. This state’s laws and rules regarding the  
25 collection, use, and maintenance of confidential  
26 taxpayer information remain fully applicable and  
27 binding. Without limitation, the agreement does not  
28 enlarge or limit the state’s or department’s authority  
29 to:
- 30 a. Conduct audits or other review as provided  
31 under the agreement and state law.
- 32 b. Provide records pursuant to its examination of  
33 public records law, disclosure laws of individual  
34 governmental agencies, or other regulations.
- 35 c. Prevent, consistent with state law, disclosures  
36 of confidential taxpayer information.
- 37 d. Prevent, consistent with federal law,  
38 disclosures or misuse of federal return information  
39 obtained under a disclosure agreement with the  
40 internal revenue service.
- 41 e. Collect, disclose, disseminate, or otherwise  
42 use anonymous data for governmental purposes.
- 43 9. This privacy policy does not preclude the  
44 certification of a certified service provider whose  
45 privacy policy is more protective of confidential  
46 taxpayer information or personally identifiable  
47 information than is required by the agreement.
- 48 Sec. 159. NEW SECTION. 423.57 STATUTES  
49 APPLICABLE.
- 50 The director shall administer this subchapter as it

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1 relates to the taxes imposed in this chapter in the  
 2 same manner and subject to all the provisions of, and  
 3 all of the powers, duties, authority, and restrictions  
 4 contained in sections 423.14, 423.15, 423.16, 423.17,  
 5 423.18, 423.19, 423.20, 423.21, 423.22, 423.23,  
 6 423.24, 423.25, 423.28, 423.29, 423.31, 423.32,  
 7 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,  
 8 423.40, 423.41, and 423.42, section 423.43, subsection  
 9 3, and sections 423.45, 423.46, and 423.47.

10 Sec. 160.

11 1. Sections 422.42 through 422.59, Code 2003, are  
12 repealed.

13 2. Chapter 423, Code 2003, is repealed.

14 COORDINATING AMENDMENTS

15 Sec. 161. Section 15.331A, Code 2003, is amended  
16 to read as follows:

17 15.331A SALES, SERVICES, AND USE TAX REFUND --  
18 CONTRACTOR OR SUBCONTRACTOR.

19 The eligible business or a supporting business  
 20 shall be entitled to a refund of the sales and use  
 21 taxes paid under ~~chapters 422 and~~ chapter 423 for gas,  
 22 electricity, water, or sewer utility services, goods,  
 23 wares, or merchandise, or on services rendered,  
 24 furnished, or performed to or for a contractor or  
 25 subcontractor and used in the fulfillment of a written  
 26 contract relating to the construction or equipping of  
 27 a facility within the economic development area of the  
 28 eligible business or a supporting business. Taxes  
 29 attributable to intangible property and furniture and  
 30 furnishings shall not be refunded.

31 To receive the refund a claim shall be filed by the  
32 eligible business or a supporting business with the  
33 department of revenue and finance as follows:

34 1. The contractor or subcontractor shall state  
 35 under oath, on forms provided by the department, the  
 36 amount of the sales of goods, wares, or merchandise or  
 37 services rendered, furnished, or performed including  
 38 water, sewer, gas, and electric utility services for  
 39 use in the economic development area upon which sales  
 40 or use tax has been paid prior to the project  
 41 completion, and shall file the forms with the eligible  
 42 business or supporting business before final  
 43 settlement is made.

44 2. The eligible business or a supporting business  
 45 shall, not more than one year after project  
 46 completion, make application to the department for any  
 47 refund of the amount of the sales and use taxes paid  
 48 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,  
 49 or merchandise, or services rendered, furnished, or  
 50 performed, including water, sewer, gas, and electric

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1 utility services. The application shall be made in  
2 the manner and upon forms to be provided by the  
3 department, and the department shall audit the claim  
4 and, if approved, issue a warrant to the eligible  
5 business or supporting business in the amount of the  
6 sales or use tax which has been paid to the state of  
7 Iowa under a contract. A claim filed by the eligible  
8 business or a supporting business in accordance with  
9 this section shall not be denied by reason of a  
10 limitation provision set forth in chapter 421, ~~422~~, or  
11 423.

12 3. A contractor or subcontractor who willfully  
13 makes a false report of tax paid under the provisions  
14 of this section is guilty of a simple misdemeanor and  
15 in addition is liable for the payment of the tax and  
16 any applicable penalty and interest.

17 Sec. 162. Section 15.334A, Code 2003, is amended  
18 to read as follows:

19 15.334A SALES AND USE TAX EXEMPTION.

20 An eligible business may claim an exemption from  
21 sales and use taxation under section ~~422.45~~ 423.3,  
22 subsection ~~27~~ 46, for property which is exempt from  
23 taxation under section 15.334, notwithstanding the  
24 requirements of section ~~422.45~~ 423.3, subsection ~~27~~  
25 46, or any other provision of the Code to the  
26 contrary.

27 Sec. 163. Section 15A.9, subsections 5, 6, and 7,  
28 Code 2003, are amended to read as follows:

29 5. PROPERTY TAX EXEMPTION.

30 a. All property, as defined in section 427A.1,  
31 subsection 1, paragraphs “e” and “j”, Code 1993, used  
32 by the primary business or a supporting business and  
33 located within the zone, shall be exempt from property  
34 taxation for a period of twenty years beginning with  
35 the year it is first assessed for taxation. In order  
36 to be eligible for this exemption, the property shall  
37 be acquired or leased by the primary business or a  
38 supporting business or relocated by the primary  
39 business or a supporting business to the zone from  
40 outside the state prior to project completion.

41 b. Property which is exempt for property tax  
42 purposes under this subsection is eligible for the  
43 sales and use tax exemption under section ~~422.45~~  
44 423.3, subsection ~~27~~ 46, notwithstanding that  
45 subsection or any other provision of the Code to the  
46 contrary.

47 6. SALES, SERVICES, AND USE TAX REFUND. Taxes  
48 paid pursuant to chapter ~~422~~ or 423 on the ~~gross~~  
49 ~~receipts~~ sales price or rental price of property  
50 purchased or rented by the primary business or a

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1 supporting business for use by the primary business or  
 2 a supporting business within the zone or on gas,  
 3 electricity, water, and sewer utility services prior  
 4 to project completion shall be refunded to the primary  
 5 business or supporting business if the item was  
 6 purchased or the service was performed or received  
 7 prior to project completion. Claims under this  
 8 section shall be submitted on forms provided by the  
 9 department of revenue and finance not later than six  
 10 months after project completion. The refund in this  
 11 subsection shall not apply to furniture or  
 12 furnishings, or intangible property.

13 7. SALES, SERVICES, AND USE TAX REFUND --  
 14 CONTRACTOR OR SUBCONTRACTOR. The primary business or  
 15 a supporting business shall be entitled to a refund of  
 16 the sales and use taxes paid under ~~chapters 422 and~~  
 17 chapter 423 for gas, electricity, water, or sewer  
 18 utility services, goods, wares, or merchandise, or on  
 19 services rendered, furnished, or performed to or for a  
 20 contractor or subcontractor and used in the  
 21 fulfillment of a written contract relating to the  
 22 construction or equipping of a facility within the  
 23 zone of the primary business or a supporting business.  
 24 Taxes attributable to intangible property and  
 25 furniture and furnishings shall not be refunded.

26 To receive the refund a claim shall be filed by the  
 27 primary business or a supporting business with the  
 28 department of revenue and finance as follows:

29 a. The contractor or subcontractor shall state  
 30 under oath, on forms provided by the department, the  
 31 amount of the sales of goods, wares, or merchandise or  
 32 services rendered, furnished, or performed including  
 33 water, sewer, gas, and electric utility services for  
 34 use in the zone upon which sales or use tax has been  
 35 paid prior to the project completion, and shall file  
 36 the forms with the primary business or supporting  
 37 business before final settlement is made.

38 b. The primary business or a supporting business  
 39 shall, not more than six months after project  
 40 completion, make application to the department for any  
 41 refund of the amount of the sales and use taxes paid  
 42 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,  
 43 or merchandise, or services rendered, furnished, or  
 44 performed, including water, sewer, gas, and electric  
 45 utility services. The application shall be made in  
 46 the manner and upon forms to be provided by the  
 47 department, and the department shall audit the claim  
 48 and, if approved, issue a warrant to the primary  
 49 business or supporting business in the amount of the  
 50 sales or use tax which has been paid to the state of

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1 Iowa under a contract. A claim filed by the primary  
2 business or a supporting business in accordance with  
3 this subsection shall not be denied by reason of a  
4 limitation provision set forth in chapter 421, 422, or  
5 423.

6 c. A contractor or subcontractor who willfully  
7 makes a false report of tax paid under the provisions  
8 of this subsection is guilty of a simple misdemeanor  
9 and in addition is liable for the payment of the tax  
10 and any applicable penalty and interest.

11 Sec. 164. Section 28A.17, unnumbered paragraph 1,  
12 Code 2003, is amended to read as follows:

13 If an authority is established as provided in  
14 section 28A.6 and after approval of a referendum by a  
15 simple majority of votes cast in each metropolitan  
16 area in favor of the sales and services tax, the  
17 governing board of a county in this state within a  
18 metropolitan area which is part of the authority shall  
19 impose, at the request of the authority, a local sales  
20 and services tax at the rate of one-fourth of one  
21 percent on ~~gross receipts~~ the sales price taxed by  
22 this state under ~~chapter 422, division IV section~~  
23 ~~423.2~~, within the metropolitan area located in this  
24 state. The referendum shall be called by resolution  
25 of the board and shall be held as provided in section  
26 28A.6 to the extent applicable. The ballot  
27 proposition shall contain a statement as to the  
28 specific purpose or purposes for which the revenues  
29 shall be expended and the date of expiration of the  
30 tax. The local sales and services tax shall be  
31 imposed on the same basis, with the same exceptions,  
32 and following the same administrative procedures as  
33 provided for a county under sections 422B.8 and  
34 422B.9. The amount of the sale, for the purposes of  
35 determining the amount of the local sales and services  
36 tax under this section, does not include the amount of  
37 any local sales and services tax imposed under  
38 sections 422B.8 and 422B.9.

39 Sec. 165. Section 29C.15, Code 2003, is amended to  
40 read as follows:

41 29C.15 TAX-EXEMPT PURCHASES.

42 All purchases under the provisions of this chapter  
43 shall be exempt from the taxes imposed by sections  
44 ~~422.43 423.2~~ and ~~423.2 423.5~~.

45 Sec. 166. Section 99E.10, subsection 1, paragraph  
46 b, Code 2003, is amended to read as follows:

47 b. An amount equal to the product of the state  
48 sales tax rate under section ~~422.43 423.2~~ multiplied  
49 by the gross sales price of each ticket or share sold  
50 shall be deducted as the sales tax on the sale of that

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1 ticket or share, remitted to the treasurer of state  
2 and deposited into the state general fund.  
3 Sec. 167. Section 123.187, subsection 2, Code  
4 2003, is amended to read as follows:  
5 2. A winery licensed or permitted pursuant to laws  
6 regulating alcoholic beverages in a state which  
7 affords this state an equal reciprocal shipping  
8 privilege may ship into this state by private common  
9 carrier, to a person twenty-one years of age or older,  
10 not more than eighteen liters of wine per month, for  
11 consumption or use by the person. Such wine shall not  
12 be resold. Shipment of wine pursuant to this  
13 subsection is not subject to sales tax under section  
14 ~~422.43~~ 423.2, use tax under section ~~423.2~~ 423.5, or  
15 the wine gallonage tax under section 123.183, and does  
16 not require a refund value for beverage container  
17 control purposes under chapter 455C.  
18 Sec. 168. Section 262.54, Code 2003, is amended to  
19 read as follows:  
20 262.54 COMPUTER SALES.  
21 Sales, by an institution under the control of the  
22 board of regents, of computer equipment, computer  
23 software, and computer supplies to students and  
24 faculty at the institution are retail sales under  
25 chapter ~~422, division IV~~ 423.  
26 Sec. 169. Section 303.9, subsection 2, Code 2003,  
27 is amended to read as follows:  
28 2. The department may sell mementos and other  
29 items relating to Iowa history and historic sites on  
30 the premises of property under control of the  
31 department and at the state capitol. Notwithstanding  
32 sections 18.12 and 18.16, the department may directly  
33 and independently enter into rental and lease  
34 agreements with private vendors for the purpose of  
35 selling mementos. All fees and income produced by the  
36 sales and rental or lease agreements shall be credited  
37 to the account of the department. The mementos and  
38 other items sold by the department or vendors under  
39 this subsection are exempt from section 18.6. ~~The~~  
40 ~~department is not a retailer under chapter 422 and the~~  
41 ~~sale of such mementos and other items by the~~  
42 ~~department is not a retail sale under chapter 422 and~~  
43 ~~is exempt from the sales tax.~~  
44 Sec. 170. Section 312.1, subsection 4, Code 2003,  
45 is amended to read as follows:  
46 4. To the extent provided in section ~~423.24~~  
47 423.43, subsection 1, paragraph “b”, from revenue  
48 derived from the use tax, under chapter 423 on motor  
49 vehicles, trailers, and motor vehicle accessories and  
50 equipment.

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1 Sec. 171. Section 312.2, subsections 14 and 16,  
2 Code 2003, are amended to read as follows:

3 14. The treasurer of state, before making the  
4 allotments provided for in this section, shall credit  
5 monthly from the road use tax fund to the general fund  
6 of the state from revenue credited to the road use tax  
7 fund under section ~~423.24~~ 423.43, subsection 1,  
8 paragraph “b”, an amount equal to one-twentieth of  
9 eighty percent of the revenue from the operation of  
10 section ~~423.7~~ 423.26.

11 There is appropriated from the general fund of the  
12 state for each fiscal year to the state department of  
13 transportation the amount of revenues credited to the  
14 general fund of the state during the fiscal year under  
15 this subsection to be used for purposes of public  
16 transit assistance under chapter 324A.

17 16. The treasurer of state, before making the  
18 allotments provided for in this section, shall credit  
19 monthly from the road use tax fund to the motorcycle  
20 rider education fund established in section 321.180B,  
21 an amount equal to one dollar per year of license  
22 validity for each issued or renewed driver’s license  
23 which is valid for the operation of a motorcycle.  
24 Moneys credited to the motorcycle rider education fund  
25 under this subsection shall be taken from moneys  
26 credited to the road use tax fund under section ~~423.24~~  
27 423.43.

28 Sec. 172. Section 321.20, subsection 5, Code 2003,  
29 is amended to read as follows:

30 5. The amount of tax to be paid under section  
31 ~~423.7~~ 423.26.

32 Sec. 173. Section 321.24, subsections 1 and 3,  
33 Code 2003, are amended to read as follows:

34 1. Upon receipt of the application for title and  
35 payment of the required fees for a motor vehicle,  
36 trailer, or semitrailer, the county treasurer or the  
37 department shall, when satisfied as to the  
38 application’s genuineness and regularity, and, in the  
39 case of a mobile home or manufactured home, that taxes  
40 are not owing under chapter 435, issue a certificate  
41 of title and, except for a mobile home or manufactured  
42 home, a registration receipt, and shall file the  
43 application, the manufacturer’s or importer’s  
44 certificate, the certificate of title, or other  
45 evidence of ownership, as prescribed by the  
46 department. The registration receipt shall be  
47 delivered to the owner and shall contain upon its face  
48 the date issued, the name and address of the owner,  
49 the registration number assigned to the vehicle, the  
50 amount of the fee paid, the amount of tax paid

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1 pursuant to section ~~423.7~~ 423.26, the type of fuel  
2 used, and a description of the vehicle as determined  
3 by the department, and upon the reverse side a form  
4 for notice of transfer of the vehicle. The name and  
5 address of any lessee of the vehicle shall not be  
6 printed on the registration receipt or certificate of  
7 title. Up to three owners may be listed on the  
8 registration receipt and certificate of title.

9 3. The certificate of title shall contain upon its  
10 face the identical information required upon the face  
11 of the registration receipt. In addition, the  
12 certificate of title shall contain a statement of the  
13 owner's title, the title number assigned to the owner  
14 or owners of the vehicle, the amount of tax paid  
15 pursuant to section ~~423.7~~ 423.26, the name and address  
16 of the previous owner, and a statement of all security  
17 interests and encumbrances as shown in the  
18 application, upon the vehicle described, including the  
19 nature of the security interest, date of notation, and  
20 name and address of the secured party.

21 Sec. 174. Section 321.34, subsection 7, paragraph  
22 c, Code 2003, is amended to read as follows:

23 c. The fees for a collegiate registration plate  
24 are as follows:

25 (1) A registration fee of twenty-five dollars.

26 (2) A special collegiate registration fee of  
27 twenty-five dollars.

28 These fees are in addition to the regular annual  
29 registration fee. The fees collected by the director  
30 under this subsection shall be paid monthly to the  
31 treasurer of state and credited by the treasurer of  
32 state to the road use tax fund. Notwithstanding  
33 section ~~423.24~~ 423.43 and prior to the revenues being  
34 credited to the road use tax fund under section ~~423.24~~  
35 423.43, subsection 1, paragraph "b", the treasurer of  
36 state shall credit monthly from those revenues  
37 respectively, to Iowa state university of science and  
38 technology, the university of northern Iowa, and the  
39 state university of Iowa, the amount of the special  
40 collegiate registration fees collected in the previous  
41 month for collegiate registration plates designed for  
42 the university. The moneys credited are appropriated  
43 to the respective universities to be used for  
44 scholarships for students attending the universities.

45 Sec. 175. Section 321.34, subsection 11, paragraph  
46 c, Code 2003, is amended to read as follows:

47 c. The special natural resources fee for letter  
48 number designated natural resources plates is thirty-  
49 five dollars. The fee for personalized natural  
50 resources plates is forty-five dollars which shall be

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1 paid in addition to the special natural resources fee  
2 of thirty-five dollars. The fees collected by the  
3 director under this subsection shall be paid monthly  
4 to the treasurer of state and credited to the road use  
5 tax fund. Notwithstanding section ~~423.24~~ 423.43, and  
6 prior to the crediting of revenues to the road use tax  
7 fund under section ~~423.24~~ 423.43, subsection 1,  
8 paragraph “b”, the treasurer of state shall credit  
9 monthly from those revenues to the Iowa resources  
10 enhancement and protection fund created pursuant to  
11 section 455A.18, the amount of the special natural  
12 resources fees collected in the previous month for the  
13 natural resources plates.

14 Sec. 176. Section 321.34, subsection 11A,  
15 paragraph c, Code 2003, is amended to read as follows:

16 c. The special fee for letter number designated  
17 love our kids plates is thirty-five dollars. The fee  
18 for personalized love our kids plates is twenty-five  
19 dollars, which shall be paid in addition to the  
20 special love our kids fee of thirty-five dollars. The  
21 fees collected by the director under this subsection  
22 shall be paid monthly to the treasurer of state and  
23 credited to the road use tax fund. Notwithstanding  
24 section ~~423.24~~ 423.43, and prior to the crediting of  
25 revenues to the road use tax fund under section ~~423.24~~  
26 423.43, subsection 1, paragraph “b”, the treasurer of  
27 state shall transfer monthly from those revenues to  
28 the Iowa department of public health the amount of the  
29 special fees collected in the previous month for the  
30 love our kids plates. Notwithstanding section 8.33,  
31 moneys transferred under this subsection shall not  
32 revert to the general fund of the state.

33 Sec. 177. Section 321.34, subsection 11B,  
34 paragraph c, Code 2003, is amended to read as follows:

35 c. The special fee for letter number designated  
36 motorcycle rider education plates is thirty-five  
37 dollars. The fee for personalized motorcycle rider  
38 education plates is twenty-five dollars, which shall  
39 be paid in addition to the special motorcycle rider  
40 education fee of thirty-five dollars. The fees  
41 collected by the director under this subsection shall  
42 be paid monthly to the treasurer of state and credited  
43 to the road use tax fund. Notwithstanding section  
44 ~~423.24~~ 423.43, and prior to the crediting of revenues  
45 to the road use tax fund under section ~~423.24~~ 423.43,  
46 subsection 1, paragraph “b”, the treasurer of state  
47 shall transfer monthly from those revenues to the  
48 department for use in accordance with section  
49 321.180B, subsection 6, the amount of the special fees  
50 collected in the previous month for the motorcycle

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1 rider education plates.

2 Sec. 178. Section 321.34, subsection 13, paragraph

3 d, Code 2003, is amended to read as follows:

4 d. A state agency may submit a request to the  
5 department recommending a special registration plate.

6 The alternate fee for letter number designated plates

7 is thirty-five dollars with a ten dollar annual

8 special renewal fee. The fee for personalized plates

9 is twenty-five dollars which is in addition to the

10 alternative fee of thirty-five dollars with an annual

11 personalized plate renewal fee of five dollars which

12 is in addition to the special renewal fee of ten

13 dollars. The alternate fees are in addition to the

14 regular annual registration fee. The alternate fees

15 collected under this paragraph shall be paid monthly

16 to the treasurer of state and credited to the road use

17 tax fund. Notwithstanding section ~~423.24~~ 423.43, and

18 prior to the crediting of the revenues to the road use

19 tax fund under section ~~423.24~~ 423.43, subsection 1,

20 paragraph “b”, the treasurer of state shall credit

21 monthly the amount of the alternate fees collected in

22 the previous month to the state agency that

23 recommended the special registration plate.

24 Sec. 179. Section 321.34, subsection 21, paragraph

25 c, Code 2003, is amended to read as follows:

26 c. The special fees collected by the director

27 under this subsection shall be paid monthly to the

28 treasurer of state and credited to the road use tax

29 fund. Notwithstanding section ~~423.24~~ 423.43, and

30 prior to the crediting of revenues to the road use tax

31 fund under section ~~423.24~~ 423.43, subsection 1,

32 paragraph “b”, the treasurer of state shall credit

33 monthly to the Iowa heritage fund created under

34 section 303.9A the amount of the special fees

35 collected in the previous month for the Iowa heritage

36 plates.

37 Sec. 180. Section 321.34, subsection 22, paragraph

38 b, Code 2003, is amended to read as follows:

39 b. The special school transportation fee for

40 letter number designated education plates is thirty-

41 five dollars. The fee for personalized education

42 plates is twenty-five dollars, which shall be paid in

43 addition to the special school transportation fee of

44 thirty-five dollars. The annual special school

45 transportation fee is ten dollars for letter number

46 designated registration plates and is fifteen dollars

47 for personalized registration plates which shall be

48 paid in addition to the regular annual registration

49 fee. The fees collected by the director under this

50 subsection shall be paid monthly to the treasurer of

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1 state and credited to the road use tax fund.  
2 Notwithstanding section ~~423.24~~ 423.43, and prior to  
3 the crediting of revenues to the road use tax fund  
4 under section ~~423.24~~ 423.43, subsection 1, paragraph  
5 “b”, the treasurer of state shall transfer monthly  
6 from those revenues to the school budget review  
7 committee in accordance with section 257.31,  
8 subsection 17, the amount of the special school  
9 transportation fees collected in the previous month  
10 for the education plates.

11 Sec. 181. Section 321F.9, Code 2003, is amended to  
12 read as follows:

13 321F.9 OPTION TO PURCHASE -- DEALER'S LICENSE.

14 Any person engaged in business in this state shall  
15 not enter into any agreement for the use of a motor  
16 vehicle under the terms of which ~~such that~~ person  
17 grants to another an option to purchase ~~such the~~ motor  
18 vehicle without first having obtained a motor vehicle  
19 dealer's license under the provisions of chapter 322,  
20 and all sales of motor vehicles under such options  
21 shall be subject to sales or use taxes imposed under  
22 the provisions of ~~chapters 422 and chapter~~ chapter 423.  
23 Nothing contained in this section shall require such  
24 person to have a place of business as provided by  
25 section 322.6, subsection 8.

26 Sec. 182. Section 327I.26, Code 2003, is amended  
27 to read as follows:

28 327I.26 APPROPRIATION TO AUTHORITY.

29 Notwithstanding section ~~423.24~~ 423.43, and prior to  
30 the application of section ~~423.24~~ 423.43, subsection  
31 1, paragraph “b”, there shall be deposited into the  
32 general fund of the state and is appropriated to the  
33 authority from eighty percent of the revenues derived  
34 from the operation of section ~~423.7~~ 423.26, the  
35 amounts certified by the authority under section  
36 327I.25. However, the total amount deposited into the  
37 general fund and appropriated to the Iowa railway  
38 finance authority under this section shall not exceed  
39 two million dollars annually. Moneys appropriated to  
40 the Iowa railway finance authority under this section  
41 are appropriated only for the payment of principal and  
42 interest on obligations or the payment of leases  
43 guaranteed by the authority as provided under section  
44 327I.25.

45 Sec. 183. Section 328.26, unnumbered paragraph 2,  
46 Code 2003, is amended to read as follows:

47 When an aircraft is registered to a person for the  
48 first time the fee submitted to the department shall  
49 include the tax imposed by section ~~422.43~~ 423.2 or  
50 section ~~423.2~~ 423.5 or evidence of the exemption of

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1 the aircraft from the tax imposed under section ~~422.43~~  
2 423.2 or ~~423.2~~ 423.5.

3 Sec. 184. Section 331.557, subsection 3, Code  
4 2003, is amended to read as follows:

5 3. Collect the use tax on vehicles subject to  
6 registration as provided in sections ~~423.6, 423.7, and~~  
7 423.7A, 423.14, 423.26, and 423.27.

8 Sec. 185. Section 357A.15, unnumbered paragraph 2,  
9 Code 2003, is amended to read as follows:

10 A rural water district organized under chapter 504A  
11 shall receive a refund of sales or use taxes upon  
12 submitting an application to the department of revenue  
13 and finance for ~~such the~~ refund of taxes imposed upon  
14 the ~~gross receipts~~ sales price of all sales of  
15 building materials, supplies, or equipment sold to a  
16 contractor or used in the fulfillment of a written  
17 contract for the construction of facilities for ~~such~~  
18 the rural water district to the same extent as a rural  
19 water district organized under this chapter may obtain  
20 a refund under section ~~422.45~~ 423.4, subsection ~~7~~ 1.

21 Sec. 186. Section 421.10, Code 2003, is amended to  
22 read as follows:

23 421.10 APPEAL PERIOD -- APPLICABILITY.

24 The appeal period for revision of assessment of  
25 tax, interest, and penalties set out under section  
26 ~~422.28, 422.54~~ 423.37, 437A.9, 437A.22, 452A.64,  
27 453A.29, or 453A.46 applies to appeals to notices from  
28 the department denying changes in filing methods,  
29 denying refund claims, and denying portions of refund  
30 claims for the tax covered by that section, and  
31 notices of any department action directed to a  
32 specific taxpayer, other than licensing, which  
33 involves a calculation.

34 Sec. 187. Section 421.17, subsection 22B, Code  
35 2003, is amended to read as follows:

36 22B. ~~Enter~~ To enter into agreements or compacts  
37 with remote sellers, retailers, or third-party  
38 providers for the voluntary collection of Iowa sales  
39 or use taxes attributable to sales into Iowa ~~and to~~  
40 enter. The director has the authority to enter into  
41 and perform all duties required of the office of  
42 director by multistate agreements or compacts that  
43 provide for the ~~voluntary~~ collection of sales and use  
44 taxes, including joint audits with other states or  
45 audits on behalf of other states. The agreements or  
46 compacts shall generally conform to the provisions of  
47 Iowa sales and use tax statutes. All fees for  
48 services, reimbursements, remuneration, incentives,  
49 and costs incurred by the department associated with  
50 these agreements or compacts may be paid or reimbursed

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1 from the additional revenue generated. An amount is  
2 appropriated from amounts generated to pay or  
3 reimburse all costs associated with this subsection.  
4 Persons entering into an agreement or compact with the  
5 department pursuant to this subsection are subject to  
6 the requirements and penalties of the confidentiality  
7 laws of this state regarding tax information.  
8 Notwithstanding any other provisions of law, the  
9 contract, agreement, or compact shall provide for the  
10 registration, collection, report, and verification of  
11 amounts subject to this subsection.

12 Sec. 188. Section 421.17, subsection 29, paragraph  
13 j, Code 2003, is amended to read as follows:

14 j. The department's existing right to credit  
15 against tax due or to become due under section 422.73  
16 or 423.47 is not to be impaired by a right granted to  
17 or a duty imposed upon the department or other state  
18 agency by this subsection. This subsection is not  
19 intended to impose upon the department any additional  
20 requirement of notice, hearing, or appeal concerning  
21 the right to credit against tax due under section  
22 422.73 or 423.47.

23 Sec. 189. Section 421.17, subsection 34, paragraph  
24 i, Code 2003, is amended to read as follows:

25 i. The director may distribute to credit reporting  
26 entities and for publication the names, addresses, and  
27 amounts of indebtedness owed to or being collected by  
28 the state if the indebtedness is subject to the  
29 centralized debt collection procedure established in  
30 this subsection. The director shall adopt rules to  
31 administer this paragraph, and the rules shall provide  
32 guidelines by which the director shall determine which  
33 names, addresses, and amounts of indebtedness may be  
34 distributed for publication. The director may  
35 distribute information for publication pursuant to  
36 this paragraph, notwithstanding sections 422.20,  
37 422.72, and ~~423.23~~ 423.42, or any other provision of  
38 state law to the contrary pertaining to  
39 confidentiality of information.

40 Sec. 190. Section 421.26, Code 2003, is amended to  
41 read as follows:

42 421.26 PERSONAL LIABILITY FOR TAX DUE.

43 If a licensee or other person under section  
44 452A.65, a retailer or purchaser under chapter 422A or  
45 422B, or section ~~422.52~~ 423.31 or 423.33, or a  
46 retailer or purchaser under section ~~423.13~~ 423.32 or a  
47 user under section ~~423.14~~ 423.34 fails to pay a tax  
48 under those sections when due, an officer of a  
49 corporation or association, notwithstanding sections  
50 490A.601 and 490A.602, a member or manager of a

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1 limited liability company, or a partner of a  
2 partnership, having control or supervision of or the  
3 authority for remitting the tax payments and having a  
4 substantial legal or equitable interest in the  
5 ownership of the corporation, association, limited  
6 liability company, or partnership, who has  
7 intentionally failed to pay the tax is personally  
8 liable for the payment of the tax, interest, and  
9 penalty due and unpaid. However, this section shall  
10 not apply to taxes on accounts receivable. The  
11 dissolution of a corporation, association, limited  
12 liability company, or partnership shall not discharge  
13 a person's liability for failure to remit the tax due.

14 Sec. 191. Section 421.28, Code 2003, is amended to  
15 read as follows:

16 421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.

17 The immediate successor to a licensee's or  
18 retailer's business or stock of goods under chapter  
19 422A or 422B, or section ~~422.52, 423.13, 423.14,~~  
20 ~~423.33~~ or 452A.65, is not personally liable for the  
21 amount of delinquent tax, interest, or penalty due and  
22 unpaid if the immediate successor shows that the  
23 purchase of the business or stock of goods was made in  
24 good faith that no delinquent tax, interest, or  
25 penalty was due and unpaid. For purposes of this  
26 section the immediate successor shows good faith by  
27 evidence that the department had provided the  
28 immediate successor with a certified statement that no  
29 delinquent tax, interest, or penalty is unpaid, or  
30 that the immediate successor had taken in good faith a  
31 certified statement from the licensee, retailer, or  
32 seller that no delinquent tax, interest, or penalty is  
33 unpaid. When requested to do so by a person with whom  
34 the licensee or retailer is negotiating the sale of  
35 the business or stock of goods, the director of  
36 revenue and finance shall, upon being satisfied that  
37 such a situation exists, inform that person as to the  
38 amount of unpaid delinquent tax, interest, or penalty  
39 due by the licensee or the retailer. The giving of  
40 the information under this circumstance is not a  
41 violation of section 422.20, 422.72, or 452A.63.

42 Sec. 192. Section 421B.11, unnumbered paragraph 3,  
43 Code 2003, is amended to read as follows:

44 Judicial review of the actions of the director may  
45 be sought in accordance with the terms of the Iowa  
46 administrative procedure Act, and section ~~422.55~~  
47 ~~423.38~~.

48 Sec. 193. Section 422.7, subsection 21, paragraph  
49 a, subparagraph (1), unnumbered paragraph 1, Code  
50 2003, is amended to read as follows:

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1 Net capital gain from the sale of real property  
2 used in a business, in which the taxpayer materially  
3 participated for ten years, as defined in section  
4 469(h) of the Internal Revenue Code, and which has  
5 been held for a minimum of ten years, or from the sale  
6 of a business, as defined in section ~~422.42~~ 423.1, in  
7 which the taxpayer was employed or in which the  
8 taxpayer materially participated for ten years, as  
9 defined in section 469(h) of the Internal Revenue  
10 Code, and which has been held for a minimum of ten  
11 years. The sale of a business means the sale of all  
12 or substantially all of the tangible personal property  
13 or service of the business.

14 Sec. 194. Section 422.73, subsection 1, Code 2003,  
15 is amended by striking the subsection.

16 Sec. 195. Section 422A.1, unnumbered paragraphs 1,  
17 3, 7, and 8, Code 2003, are amended to read as  
18 follows:

19 A city or county may impose by ordinance of the  
20 city council or by resolution of the board of  
21 supervisors a hotel and motel tax, at a rate not to  
22 exceed seven percent, which shall be imposed in  
23 increments of one or more full percentage points upon  
24 the ~~gross receipts~~ sales price from the renting of  
25 sleeping rooms, apartments, or sleeping quarters in a  
26 hotel, motel, inn, public lodging house, rooming  
27 house, manufactured or mobile home which is tangible  
28 personal property, or tourist court, or in any place  
29 where sleeping accommodations are furnished to  
30 transient guests for rent, whether with or without  
31 meals; except the ~~gross receipts~~ sales price from the  
32 renting of sleeping rooms in dormitories and in  
33 memorial unions at all universities and colleges  
34 located in the state of Iowa and the guests of a  
35 religious institution if the property is exempt under  
36 section 427.1, subsection 8, and the purpose of  
37 renting is to provide a place for a religious retreat  
38 or function and not a place for transient guests  
39 generally. The tax when imposed by a city shall apply  
40 only within the corporate boundaries of that city and  
41 when imposed by a county shall apply only outside  
42 incorporated areas within that county. "Renting" and  
43 "rent" include any kind of direct or indirect charge  
44 for such sleeping rooms, apartments, or sleeping  
45 quarters, or their use. However, the tax does not  
46 apply to the ~~gross receipts~~ sales price from the  
47 renting of a sleeping room, apartment, or sleeping  
48 quarters while rented by the same person for a period  
49 of more than thirty-one consecutive days.

50 A local hotel and motel tax shall be imposed on

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1 January 1, April 1, July 1, or October 1, following  
2 the notification of the director of revenue and  
3 finance. Once imposed, the tax shall remain in effect  
4 at the rate imposed for a minimum of one year. A  
5 local hotel and motel tax shall terminate only on  
6 March 31, June 30, September 30, or December 31. At  
7 least ~~forty five~~ sixty days prior to the tax being  
8 effective or prior to a revision in the tax rate, or  
9 prior to the repeal of the tax, a city or county shall  
10 provide notice by mail of such action to the director  
11 of revenue and finance.

12 No tax permit other than the state sales tax permit  
13 required under section ~~422.53~~ 423.36 may be required  
14 by local authorities.

15 The tax levied shall be in addition to any state  
16 sales tax imposed under section ~~422.43~~ 423.2. Section  
17 422.25, subsection 4, sections 422.30, ~~422.48 to~~  
18 ~~422.52, 422.54 to 422.58,~~ 422.67, and 422.68, section  
19 422.69, subsection 1, and sections 422.70 to 422.75,  
20 section 423.14, subsection 1, and sections 423.23,  
21 423.24, 423.25, 423.31, 423.33, 423.35, 423.37 to  
22 423.42, and 423.47, consistent with the provisions of  
23 this chapter, apply with respect to the taxes  
24 authorized under this chapter, in the same manner and  
25 with the same effect as if the hotel and motel taxes  
26 were retail sales taxes within the meaning of those  
27 statutes. Notwithstanding this paragraph, the  
28 director shall provide for quarterly filing of returns  
29 ~~as prescribed in section 422.51~~ and for other than  
30 quarterly filing of returns both as prescribed in  
31 section ~~422.51, subsection 2~~ 423.31. The director may  
32 require all persons, as defined in section ~~422.42~~  
33 423.1, who are engaged in the business of deriving  
34 ~~gross receipts~~ any sales price subject to tax under  
35 this chapter, to register with the department.

36 Sec. 196. Section 422B.8, Code 2003, is amended to  
37 read as follows:

38 422B.8 LOCAL SALES AND SERVICES TAX.

39 A local sales and services tax at the rate of not  
40 more than one percent may be imposed by a county on  
41 the ~~gross receipts~~ sales price taxed by the state  
42 under chapter ~~422~~ 423, ~~division IV subchapter II~~. A  
43 local sales and services tax shall be imposed on the  
44 same basis as the state sales and services tax or in  
45 the case of the use of natural gas, natural gas  
46 service, electricity, or electric service on the same  
47 basis as the state use tax and shall not be imposed on  
48 the sale of any property or on any service not taxed  
49 by the state, except the tax shall not be imposed on  
50 the ~~gross receipts~~ sales price from the sale of motor

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1 fuel or special fuel as defined in chapter 452A which  
2 is consumed for highway use or in watercraft or  
3 aircraft if the fuel tax is paid on the transaction  
4 and a refund has not or will not be allowed, on the  
5 ~~gross receipts~~ sales price from the rental of rooms,  
6 apartments, or sleeping quarters which are taxed under  
7 chapter 422A during the period the hotel and motel tax  
8 is imposed, on the ~~gross receipts~~ sales price from the  
9 sale of equipment by the state department of  
10 transportation, on the ~~gross receipts~~ sales price from  
11 the sale of self-propelled building equipment, pile  
12 drivers, motorized scaffolding, or attachments  
13 customarily drawn or attached to self-propelled  
14 building equipment, pile drivers, and motorized  
15 scaffolding, including auxiliary attachments which  
16 improve the performance, safety, operation, or  
17 efficiency of the equipment and replacement parts and  
18 are directly and primarily used by contractors,  
19 subcontractors, and builders for new construction,  
20 reconstruction, alterations, expansion, or remodeling  
21 of real property or structures, and on the ~~gross~~  
22 ~~receipts~~ sales price from the sale of a lottery ticket  
23 or share in a lottery game conducted pursuant to  
24 chapter 99E and except the tax shall not be imposed on  
25 the ~~gross receipts~~ sales price from the sale or use of  
26 natural gas, natural gas service, electricity, or  
27 electric service in a city or county where the ~~gross~~  
28 ~~receipts~~ sales price from the sale of natural gas or  
29 electric energy are subject to a franchise fee or user  
30 fee during the period the franchise or user fee is  
31 imposed. A local sales and services tax is applicable  
32 to transactions within those incorporated and  
33 unincorporated areas of the county where it is imposed  
34 and shall be collected by all persons required to  
35 collect state ~~gross receipts~~ sales taxes. However, a  
36 person required to collect state retail sales tax  
37 under chapter ~~422~~ 423, ~~division IV subchapter V or VI~~,  
38 is not required to collect local sales and services  
39 tax on transactions delivered within the area where  
40 the local sales and services tax is imposed unless the  
41 person has physical presence in that taxing area. All  
42 cities contiguous to each other shall be treated as  
43 part of one incorporated area and the tax would be  
44 imposed in each of those contiguous cities only if the  
45 majority of those voting in the total area covered by  
46 the contiguous cities favor its imposition.  
47 The amount of the sale, for purposes of determining  
48 the amount of the local sales and services tax, does  
49 not include the amount of any state ~~gross receipts~~  
50 ~~taxes~~ sales tax.

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1 A tax permit other than the state sales tax permit  
2 required under section ~~422.53 or 423.10~~ 423.36 shall  
3 not be required by local authorities.

4 If a local sales and services tax is imposed by a  
5 county pursuant to this chapter, a local excise tax at  
6 the same rate shall be imposed by the county on the  
7 purchase price of natural gas, natural gas service,  
8 electricity, or electric service subject to tax under  
9 chapter 423, subchapter III, and not exempted from tax  
10 by any provision of chapter 423, subchapter III. The  
11 local excise tax is applicable only to the use of  
12 natural gas, natural gas service, electricity, or  
13 electric service within those incorporated and  
14 unincorporated areas of the county where it is imposed  
15 and, except as otherwise provided in this chapter,  
16 shall be collected and administered in the same manner  
17 as the local sales and services tax. For purposes of  
18 this chapter, "local sales and services tax" shall  
19 also include the local excise tax.

20 Sec. 197. Section 422B.9, subsections 1 and 2,  
21 Code 2003, are amended to read as follows:

22 1. a. A local sales and services tax shall be  
23 imposed either January 1 or July 1 following the  
24 notification of the director of revenue and finance  
25 but not sooner than ninety days following the  
26 favorable election and not sooner than sixty days  
27 following notice to sellers, as defined in section  
28 423.1. However, a jurisdiction which has voted to  
29 continue imposition of the tax may impose that tax  
30 without repeal of the prior tax.

31 b. A local sales and services tax shall be  
32 repealed only on June 30 or December 31 but not sooner  
33 than ninety days following the favorable election if  
34 one is held. However, a local sales and services tax  
35 shall not be repealed before the tax has been in  
36 effect for one year. At least forty days before the  
37 imposition or repeal of the tax, a county shall  
38 provide notice of the action by certified mail to the  
39 director of revenue and finance.

40 c. The imposition of or a rate change for a local  
41 sales and service tax shall not be applied to  
42 purchases from a printed catalog wherein a purchaser  
43 computes the local tax based on rates published in the  
44 catalog unless a minimum of one hundred twenty days'  
45 notice of the imposition or rate change has been given  
46 to the seller from the catalog and the first day of a  
47 calendar quarter has occurred on or after the one  
48 hundred twentieth day.

49 e. d. If a local sales and services tax has been  
50 imposed prior to April 1, 2000, and at the time of the

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1 election a date for repeal was specified on the  
2 ballot, the local sales and services tax may be  
3 repealed on that date, notwithstanding paragraph “b”.

4 2. a. The director of revenue and finance shall  
5 administer a local sales and services tax as nearly as  
6 possible in conjunction with the administration of  
7 state ~~gross receipts~~ sales tax laws. The director  
8 shall provide appropriate forms or provide on the  
9 regular state tax forms for reporting local sales and  
10 services tax liability.

11 b. The ordinance of a county board of supervisors  
12 imposing a local sales and services tax shall adopt by  
13 reference the applicable provisions of the appropriate  
14 sections of ~~chapter 422, division IV, and~~ chapter 423.  
15 All powers and requirements of the director to  
16 administer the state ~~gross receipts~~ sales tax law and  
17 use tax law are applicable to the administration of a  
18 local sales and services tax law and the local excise  
19 tax, including but not limited to, the provisions of  
20 section 422.25, subsection 4, sections 422.30, ~~422.48~~  
21 ~~to 422.52, 422.54 to 422.58, 422.67, and~~ 422.68,  
22 section 422.69, subsection 1, sections 422.70 to  
23 422.75, 423.6, subsections 2 to 4, and sections 423.11  
24 ~~to 423.18, and 423.21~~ section 423.14, subsection 1 and  
25 subsection 2, paragraphs “b” through “e”, and sections  
26 423.15, 423.23, 423.24, 423.25, 423.31 to 423.35,  
27 423.37 to 423.42, 423.46, and 423.47. Local officials  
28 shall confer with the director of revenue and finance  
29 for assistance in drafting the ordinance imposing a  
30 local sales and services tax. A certified copy of the  
31 ordinance shall be filed with the director as soon as  
32 possible after passage.

33 c. Frequency of deposits and quarterly reports of  
34 a local sales and services tax with the department of  
35 revenue and finance are governed by the tax provisions  
36 in section ~~422.52~~ 423.31. Local tax collections shall  
37 not be included in computation of the total tax to  
38 determine frequency of filing under section ~~422.52~~  
39 423.31.

40 d. The director shall apply a boundary change of a  
41 county or city imposing or collecting the local sales  
42 and service tax to the imposition or collection of  
43 that tax only on the first day of a calendar quarter  
44 which occurs sixty days or more after the director has  
45 given notice of the boundary change to sellers.

46 Sec. 198. Section 422C.2, subsections 4 and 6,  
47 Code 2003, are amended to read as follows:

48 4. “Person” means person as defined in section  
49 ~~422.42~~ 423.1.

50 6. “Rental price” means the consideration for

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1 renting an automobile valued in money, and means the  
 2 same as "~~gross taxable services~~" "sales price" as  
 3 defined in section ~~422.42~~ 423.1.

4 Sec. 199. Section 422C.3, Code 2003, is amended to  
 5 read as follows:

6 422C.3 TAX ON RENTAL OF AUTOMOBILES.

7 1. A tax of five percent is imposed upon the  
 8 rental price of an automobile if the rental  
 9 transaction is subject to the sales and services tax  
 10 under chapter ~~422~~ 423, ~~division IV subchapter II~~, or  
 11 the use tax under chapter ~~423~~, subchapter III. The  
 12 tax shall not be imposed on any rental transaction not  
 13 taxable under the state sales and services tax, as  
 14 provided in section ~~422.45~~ 423.3, or the state use  
 15 tax, as provided in section ~~422.4~~ 423.6, on automobile  
 16 rental receipts.

17 2. The lessor shall collect the tax by adding the  
 18 tax to the rental price of the automobile.

19 3. The tax, when collected, shall be stated as a  
 20 distinct item separate and apart from the rental price  
 21 of the automobile and the sales and services tax  
 22 imposed under chapter ~~422~~ 423, ~~division IV subchapter~~  
 23 II, or the use tax imposed under chapter ~~423~~,  
 24 subchapter III.

25 Sec. 200. Section 422C.4, Code 2003, is amended to  
 26 read as follows:

27 422C.4 ADMINISTRATION AND ENFORCEMENT.

28 All powers and requirements of the director of  
 29 revenue and finance to administer the state ~~gross~~  
 30 ~~receipts~~ sales tax law under chapter ~~422~~, ~~division IV~~,  
 31 423 are applicable to the administration of the tax  
 32 imposed under section 422C.3, including but not  
 33 limited to section 422.25, subsection 4, sections  
 34 422.30, ~~422.48 through 422.52~~, ~~422.54 through 422.58~~,  
 35 422.67, and 422.68, section 422.69, subsection 1, and  
 36 sections 422.70 through 422.75, section 423.14,  
 37 subsection 1, and sections 423.15, 423.23, 423.24,  
 38 423.25, 423.31, 423.33, 423.35 and 423.37 through  
 39 423.42, 423.45, 423.46, and 423.47. However, as an  
 40 exception to the powers specified in section ~~422.52~~,  
 41 ~~subsection 1~~ 423.31, the director shall only require  
 42 the filing of quarterly reports.

43 Sec. 201. Section 422E.1, subsection 1, is amended  
 44 to read as follows:

45 1. A local sales and services tax for school  
 46 infrastructure purposes may be imposed by a county on  
 47 behalf of school districts as provided in this  
 48 chapter.

49 If a local sales and services tax for school  
 50 infrastructure is imposed by a county pursuant to this

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1 chapter, a local excise tax for school infrastructure  
2 at the same rate shall be imposed by the county on the  
3 purchase price of natural gas, natural gas service,  
4 electricity, or electric service subject to tax under  
5 chapter 423, subchapter III, and not exempted from tax  
6 by any provision of chapter 423, subchapter III. The  
7 local excise tax for school infrastructure is  
8 applicable only to the use of natural gas, natural gas  
9 service, electricity, or electric service within those  
10 incorporated and unincorporated areas of the county  
11 where it is imposed and, except as otherwise provided  
12 in this chapter, shall be collected and administered  
13 in the same manner as the local sales and services tax  
14 for school infrastructure. For purposes of this  
15 chapter, "local sales and services tax for school  
16 infrastructure" shall also include the local excise  
17 tax for school infrastructure.

18 Sec. 202. Section 422E.3, subsections 1, 2, and 3,  
19 Code 2003, are amended to read as follows:

20 1. If a majority of those voting on the question  
21 of imposition of a local sales and services tax for  
22 school infrastructure purposes favors imposition of  
23 the tax, the tax shall be imposed by the county board  
24 of supervisors within the county pursuant to section  
25 422E.2, at the rate specified for a ten-year duration  
26 on the ~~gross receipts~~ sales price taxed by the state  
27 under chapter ~~422~~ 423, ~~division IV~~ subchapter II.  
28 2. The tax shall be imposed on the same basis as  
29 the state sales and services tax or in the case of the  
30 use of natural gas, natural gas service, electricity,  
31 or electric service on the same basis as the state use  
32 tax and shall not be imposed on the sale of any  
33 property or on any service not taxed by the state,  
34 except the tax shall not be imposed on the ~~gross~~  
35 ~~receipts~~ sales price from the sale of motor fuel or  
36 special fuel as defined in chapter 452A which is  
37 consumed for highway use or in watercraft or aircraft  
38 if the fuel tax is paid on the transaction and a  
39 refund has not or will not be allowed, on the ~~gross~~  
40 ~~receipts~~ sales price from the rental of rooms,  
41 apartments, or sleeping quarters which are taxed under  
42 chapter 422A during the period the hotel and motel tax  
43 is imposed, on the ~~gross receipts~~ sales price from the  
44 sale of equipment by the state department of  
45 transportation, on the ~~gross receipts~~ sales price from  
46 the sale of self-propelled building equipment, pile  
47 drivers, motorized scaffolding, or attachments  
48 customarily drawn or attached to self-propelled  
49 building equipment, pile drivers, and motorized  
50 scaffolding, including auxiliary attachments which

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1 improve the performance, safety, operation, or  
 2 efficiency of the equipment, and replacement parts and  
 3 are directly and primarily used by contractors,  
 4 subcontractors, and builders for new construction,  
 5 reconstruction, alterations, expansion, or remodeling  
 6 of real property or structures, and on the ~~gross~~  
 7 ~~receipts sales price~~ from the sale of a lottery ticket  
 8 or share in a lottery game conducted pursuant to  
 9 chapter 99E and except the tax shall not be imposed on  
 10 the ~~gross receipts sales price~~ from the sale or use of  
 11 natural gas, natural gas service, electricity, or  
 12 electric service in a city or county where the ~~gross~~  
 13 ~~receipts sales price~~ from the sale of natural gas or  
 14 electric energy are subject to a franchise fee or user  
 15 fee during the period the franchise or user fee is  
 16 imposed.

17 3. The tax is applicable to transactions within  
 18 the county where it is imposed and shall be collected  
 19 by all persons required to collect state ~~gross~~  
 20 ~~receipts sales~~ or local excise taxes. However, a  
 21 person required to collect state ~~retail~~ sales tax  
 22 under chapter ~~422, division IV, 423~~ is not required to  
 23 collect local sales and services tax on transactions  
 24 delivered within the area where the local sales and  
 25 services tax is imposed unless the person has physical  
 26 presence in that taxing area. The amount of the sale,  
 27 for purposes of determining the amount of the tax,  
 28 does not include the amount of any state ~~gross~~  
 29 ~~receipts sales taxes~~ or excise taxes or other local  
 30 option sales or excise taxes. A tax permit other than  
 31 the state tax permit required under section ~~422.53 or~~  
 32 ~~423.10 423.36~~ shall not be required by local  
 33 authorities.

34 Sec. 203. Section 425.30, Code 2003, is amended to  
 35 read as follows:

36 425.30 NOTICES.

37 Section ~~422.57 423.39~~, subsection 1, shall apply to  
 38 all notices under this division.

39 Sec. 204. Section 425.31, Code 2003, is amended to  
 40 read as follows:

41 425.31 APPEALS.

42 Any person aggrieved by an act or decision of the  
 43 director of revenue and finance or the department of  
 44 revenue and finance under this division shall have the  
 45 same rights of appeal and review as provided in  
 46 sections 421.1 and ~~422.55 423.38~~ and the rules of the  
 47 department of revenue and finance.

48 Sec. 205. Section 452A.66, unnumbered paragraph 1,  
 49 Code 2003, is amended to read as follows:

50 The appropriate state agency shall administer the

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1 taxes imposed by this chapter in the same manner as  
2 and subject to section 422.25, subsection 4 and  
3 section ~~422.52, subsection 3~~ 423.35.

4 Sec. 206. Section 455B.455, Code 2003, is amended  
5 to read as follows:

6 455B.455 SURCHARGE IMPOSED.

7 A land burial surcharge tax of two percent is  
8 imposed on the fee for land burial of a hazardous  
9 waste. The owner of the land burial facility shall  
10 remit the tax collected to the director of revenue and  
11 finance after consultation with the director according  
12 to rules that the director shall adopt. The director  
13 shall forward a copy of the site license to the  
14 director of revenue and finance which shall be the  
15 appropriate license for the collection of the land  
16 burial surcharge tax and shall be subject to  
17 suspension or revocation if the site license holder  
18 fails to collect or remit the tax collected under this  
19 section. The provisions of ~~sections~~ section 422.25,  
20 subsection 4, ~~sections~~ 422.30, ~~422.48 to 422.52,~~  
21 ~~422.54 to 422.58,~~ 422.67, and 422.68, section 422.69,  
22 subsection 1, and sections 422.70 to 422.75, section  
23 423.14, subsection 1, and sections 423.23, 423.24,  
24 423.25, 423.31, 423.33, 423.35, 423.37 to 423.42, and  
25 423.47, consistent with the provisions of this part 6

26 of division IV, shall apply with respect to the taxes  
27 authorized under this part, in the same manner and  
28 with the same effect as if the land burial surcharge  
29 tax were ~~retail~~ sales taxes within the meaning of  
30 those statutes. Notwithstanding the provisions of  
31 this ~~paragraph~~ section, the director shall provide for  
32 only quarterly filing of returns as prescribed in  
33 section ~~422.51~~ 423.31. Taxes collected by the  
34 director of revenue and finance under this section  
35 shall be deposited in the general fund of the state.

36 Sec. 207. Section 455G.3, subsection 1, Code 2003,  
37 is amended to read as follows:

38 1. The Iowa comprehensive petroleum underground  
39 storage tank fund is created as a separate fund in the  
40 state treasury, and any funds remaining in the fund at  
41 the end of each fiscal year shall not revert to the  
42 general fund but shall remain in the Iowa  
43 comprehensive petroleum underground storage tank fund.  
44 Interest or other income earned by the fund shall be  
45 deposited in the fund. The fund shall include moneys  
46 credited to the fund under this section, section  
47 ~~423.24~~ 423.43, subsection 1, paragraph "a", and  
48 sections 455G.8, 455G.9, and 455G.11, and other funds  
49 which by law may be credited to the fund. The moneys  
50 in the fund are appropriated to and for the purposes

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1 of the board as provided in this chapter. Amounts in  
2 the fund shall not be subject to appropriation for any  
3 other purpose by the general assembly, but shall be  
4 used only for the purposes set forth in this chapter.  
5 The treasurer of state shall act as custodian of the  
6 fund and disburse amounts contained in it as directed  
7 by the board including automatic disbursements of  
8 funds as received pursuant to the terms of bond  
9 indentures and documents and security provisions to  
10 trustees and custodians. The treasurer of state is  
11 authorized to invest the funds deposited in the fund  
12 at the direction of the board and subject to any  
13 limitations contained in any applicable bond  
14 proceedings. The income from such investment shall be  
15 credited to and deposited in the fund. The fund shall  
16 be administered by the board which shall make  
17 expenditures from the fund consistent with the  
18 purposes of the programs set out in this chapter  
19 without further appropriation. The fund may be  
20 divided into different accounts with different  
21 depositories as determined by the board and to fulfill  
22 the purposes of this chapter.

23 Sec. 208. Section 455G.6, subsection 4, Code 2003,  
24 is amended to read as follows:

25 4. Grant a mortgage, lien, pledge, assignment, or  
26 other encumbrance on one or more improvements,  
27 revenues, asset of right, accounts, or funds  
28 established or received in connection with the fund,  
29 including revenues derived from the use tax under  
30 section ~~423.24~~ 423.43, subsection 1, paragraph “a”,  
31 and deposited in the fund or an account of the fund.

32 Sec. 209. Section 455G.8, subsection 2, Code 2003,  
33 is amended to read as follows:

34 2. USE TAX. The revenues derived from the use tax  
35 imposed under chapter 423, subchapter III. The  
36 proceeds of the use tax under section ~~423.24~~ 423.43,  
37 subsection 1, paragraph “a”, shall be allocated,  
38 consistent with this chapter, among the fund’s  
39 accounts, for debt service and other fund expenses,  
40 according to the fund budget, resolution, trust  
41 agreement, or other instrument prepared or entered  
42 into by the board or authority under direction of the  
43 board.

44 Sec. 210. Section 455G.9, subsection 2, Code 2003,  
45 is amended to read as follows:

46 2. REMEDIAL ACCOUNT FUNDING. The remedial account  
47 shall be funded by that portion of the proceeds of the  
48 use tax imposed under chapter 423, subchapter III, and  
49 other moneys and revenues budgeted to the remedial  
50 account by the board.

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1 Sec. 211. Section 2.67, Code 2003, is repealed.  
2 Sec. 212. CODE EDITOR DIRECTIVE. The Code editor  
3 is directed to transfer Code chapter 423A to Code  
4 chapter 421A and to transfer Code chapters 422A, 422B,  
5 422C, and 422E to Code chapters 423A, 423B, 423C, and  
6 423E, respectively. The Code editor is directed to  
7 correct Code references as required due to the changes  
8 made in this Act.

9 SALES TAX ADVISORY COUNCIL

10 Sec. 213. IOWA STREAMLINED SALES TAX ADVISORY  
11 COUNCIL.

12 1. An Iowa streamlined sales tax advisory council  
13 is created. The advisory council shall review, study,  
14 and submit recommendations to the Iowa streamlined  
15 sales and use tax delegation regarding the proposed  
16 streamlined sales and use tax agreement formalized by  
17 the project's implementing sales on November 12, 2002,  
18 the proposed language conforming Iowa's sales and use  
19 tax to the national agreement, and the following  
20 issues:

21 a. Uniform definitions proposed in the current  
22 streamlined sales and use tax agreement and future  
23 proposals.  
24 b. Effects upon taxability of items newly defined  
25 in Iowa.  
26 c. Impacts upon business as a result of the  
27 streamlined sales and use tax.  
28 d. Technology implementation issues.  
29 e. Any other issues that are brought before the  
30 streamlined sales and use tax implementing state or  
31 the streamlined sales and use tax governing board.

32 2. The department shall provide administrative  
33 support to the Iowa streamlined sales tax advisory  
34 council. The advisory council shall be representative  
35 of Iowa's business community and economy when  
36 reviewing and recommending solutions to streamlined  
37 sales and use tax issues. The advisory council shall  
38 provide the general assembly and the governor with  
39 final recommendations made to the Iowa streamlined  
40 sales and use tax delegation upon the conclusion of  
41 each calendar year.

42 3. The director of revenue, in consultation with  
43 the Iowa taxpayers association and the Iowa  
44 association of business and industry, shall appoint  
45 members to the Iowa streamlined sales tax advisory  
46 council, which shall consist of the following members:

47 a. One member from the department of revenue and  
48 finance.  
49 b. Three members representing small Iowa  
50 businesses, at least one of whom must be a retailer,

- 1 and at least one of whom shall be a supplier.
- 2 c. Three members representing medium Iowa
- 3 businesses, at least one of whom shall be a retailer,
- 4 and at least one of whom shall be a supplier.
- 5 d. Three members representing large Iowa
- 6 businesses, at least one of whom shall be a retailer,
- 7 and at least one of whom shall be a supplier.
- 8 e. One member representing taxpayers as a whole.
- 9 f. One member representing the retail community as
- 10 a whole.
- 11 g. Any other member the director of revenue and
- 12 finance deems appropriate.
- 13 Sec. 214. EFFECTIVE DATE. Except for the section
- 14 creating the Iowa streamlined sales tax advisory
- 15 council, this division of this Act takes effect July
- 16 1, 2004.

DIVISION XVI

WIND ENERGY PRODUCTION TAX CREDIT

19 Sec. 215. NEW SECTION. 422.11H WIND ENERGY  
20 PRODUCTION TAX CREDIT.

21 The taxes imposed under this division, less the  
22 credits allowed under sections 422.12 and 422.12B,  
23 shall be reduced by a wind energy production tax  
24 credit allowed under chapter 476B.

25 Sec. 216. Section 422.33, Code 2003, is amended by  
26 adding the following new subsection:

27 NEW SUBSECTION. 14. The taxes imposed under this  
28 division shall be reduced by a wind energy production  
29 tax credit allowed under chapter 476B.

30 Sec. 217. Section 422.60, Code 2003, is amended by  
31 adding the following new subsection:

32 NEW SUBSECTION. 7. The taxes imposed under this  
33 division shall be reduced by a wind energy production  
34 tax credit allowed under chapter 476B.

35 Sec. 218. NEW SECTION. 432.12D WIND ENERGY  
36 PRODUCTION TAX CREDIT.

37 The taxes imposed under this chapter shall be  
38 reduced by a wind energy production tax credit allowed  
39 under chapter 476B.

40 Sec. 219. NEW SECTION. 476B.1 DEFINITIONS.

41 For purposes of this chapter, unless the context  
42 otherwise requires:

- 43 1. "Board" means the utilities board within the
- 44 utilities division of the department of commerce.
- 45 2. "Department" means the department of revenue
- 46 and finance.
- 47 3. "Qualified electricity" means electricity
- 48 produced from wind at a qualified facility.
- 49 4. "Qualified facility" means an electrical
- 50 production facility that meets all of the following:

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- 1 a. Produces electricity from wind.
- 2 b. Is located in Iowa.
- 3 c. Was originally placed in service on or after
- 4 July 1, 2004, but before July 1, 2007.
- 5 Sec. 220. NEW SECTION. 476B.2 GENERAL RULE.
- 6 The owner of a qualified facility shall, for each
- 7 kilowatt-hour of qualified electricity that the owner
- 8 sells during the ten-year period beginning on the date
- 9 the qualified facility was originally placed in
- 10 service, be allowed a wind energy production tax
- 11 credit to the extent provided in this chapter against
- 12 the tax imposed in chapter 422, divisions II, III, and
- 13 V, and chapter 432.
- 14 Sec. 221. NEW SECTION. 476B.3 CREDIT AMOUNT.
- 15 The wind energy production tax credit allowed under
- 16 this chapter equals the product of one cent multiplied
- 17 by the number of kilowatt-hours of qualified
- 18 electricity sold by the owner during the taxable year.
- 19 Sec. 222. NEW SECTION. 476B.4 LIMITATIONS.
- 20 1. a. The wind energy production tax credit shall
- 21 not be allowed for any kilowatt-hour of electricity
- 22 produced on wind energy conversion property for which
- 23 the owner has claimed or otherwise received for that
- 24 property the benefit of special valuation under
- 25 section 427B.26 or section 441.21, subsection 8, or
- 26 the exemption from retail sales tax under section
- 27 422.45, subsection 48.
- 28 b. The disallowance of the tax credit pursuant to
- 29 paragraph “a” does not apply to an owner of a
- 30 qualified facility that owns, directly or indirectly,
- 31 in the aggregate, a total annual turbine nameplate
- 32 capacity of all such property of less than one
- 33 megawatt.
- 34 2. The wind energy production tax credit shall not
- 35 be allowed for any kilowatt-hour of electricity that
- 36 is sold to a related person. For purpose of this
- 37 subsection, persons shall be treated as related to
- 38 each other if such persons would be treated as a
- 39 single employer under the regulations prescribed under
- 40 section 52(b) of the Internal Revenue Code. In the
- 41 case of a corporation that is a member of an
- 42 affiliated group of corporations filing a consolidated
- 43 return, such corporation shall be treated as selling
- 44 electricity to an unrelated person if such electricity
- 45 is sold to such a person by another member of such
- 46 group.
- 47 Sec. 223. NEW SECTION. 476B.5 APPLICATION FOR
- 48 TAX CREDIT CERTIFICATES.
- 49 1. To receive the wind energy production tax
- 50 credit, an owner of the qualified facility must submit

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1 an application for a tax credit certificate to the  
2 board not later than thirty days after the close of  
3 its taxable year. The owner's application must  
4 contain, but need not be limited to, all of the  
5 following information: the owner's name, tax  
6 identification number, and address, the number of  
7 kilowatt-hours of qualified electricity sold by the  
8 owner during the preceding taxable year, the address  
9 of the qualified facility at which the qualified  
10 electricity was produced, a certified statement of the  
11 number, if any, of kilowatt-hours of electricity  
12 produced on wind energy conversion property for which  
13 the owner has claimed or otherwise received for that  
14 property the benefit of special valuation under  
15 section 427B.26 or section 441.21, subsection 8, or  
16 the exemption from the retail sales tax under section  
17 422.45, subsection 48, and the denomination that each  
18 tax credit certificate is to carry.

19 1A. In addition to the information required in  
20 subsection 1, the application shall specify the amount  
21 of property taxes imposed by the school district,  
22 city, and county on the wind energy conversion  
23 property payable during the owner's taxable year. The  
24 amount of property taxes imposed by the school  
25 district, city, and county on such property that is  
26 payable during the owner's taxable year shall be  
27 computed as follows:

28 a. If the fiscal year for which such property  
29 taxes are imposed ends during the taxable year, divide  
30 the property taxes imposed by the school district,  
31 city, and county payable in that fiscal year by twelve  
32 and multiply the resulting quotient by the number of  
33 months of the fiscal year ending in the taxable year.

34 b. If the fiscal year for which such property  
35 taxes are imposed begins, but does not end, during the  
36 taxable year, divide the property taxes imposed by the  
37 school district, city, and county payable in that  
38 fiscal year by twelve and multiply the resulting  
39 quotient by the number of months of the fiscal year  
40 ending in the taxable year.

41 c. Add the amounts determined pursuant to  
42 paragraphs "a" and "b".

43 The application shall also contain the name of the  
44 school district, city or cities, and county and the  
45 portion of the total amount of paragraph "c" that was  
46 imposed by each jurisdiction.

47 2. The board shall, in conjunction with the  
48 department, prescribe appropriate forms and  
49 instructions to enable owners to claim the tax credit  
50 allowed under this chapter. If the board prescribes

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1 these forms and instructions, an owner's application  
2 for a tax credit certificate shall not be valid unless  
3 made on and in accordance with these forms and  
4 instructions.

5 3. Within thirty days of the end of the owner's  
6 eleventh and twelfth taxable years with respect to the  
7 ownership of the qualified facility for which the  
8 owner had previously received a tax credit, the owner  
9 shall file with the board an "extra two year  
10 information form". The form shall contain all  
11 property tax information in subsection 1A and other  
12 information deemed appropriate by the board or  
13 treasurer of state for the owner's eleventh or twelfth  
14 taxable year, as applicable.

15 Sec. 224. NEW SECTION. 476B.6 ISSUANCE OF TAX  
16 CREDIT CERTIFICATES.

17 1. If the owner meets the criteria for eligibility  
18 for the wind energy production tax credit, the board  
19 shall determine the validity of the application and if  
20 valid, shall issue one or more tax credit certificates  
21 to the owner not later than thirty days after the  
22 application is submitted to the board. Each tax  
23 credit certificate must contain the owner's name,  
24 address, and tax identification number, amount of tax  
25 credits, and the expiration date of the tax credit  
26 certificate, which shall be seven years from its date  
27 of issuance and any other information required by the  
28 department. Once issued by the board, the tax credit  
29 certificate shall be binding on the board and the  
30 department and shall not be modified, terminated, or  
31 rescinded. Upon the issuance of the tax credit  
32 certificate, the board shall forward to the treasurer  
33 of state a copy of the information provided pursuant  
34 to section 476B.5, subsection 1A, containing the  
35 amount of property taxes payable during the owner's  
36 taxable year which were levied on wind energy  
37 conversion property for which the tax credit  
38 certificates were issued. The board shall also  
39 forward to the treasurer of state information provided  
40 pursuant to section 476B.5, subsection 3, containing  
41 the amount of property taxes payable during the  
42 eleventh or twelfth taxable year.

43 2. If the tax credit application is filed by a  
44 partnership, limited liability company, S corporation,  
45 estate, trust, or other reporting entity all of the  
46 income of which is taxed directly to its equity  
47 holders or beneficiaries, the tax credit certificate  
48 may, at the election of the owner, be issued directly  
49 to equity holders or beneficiaries of the owner in  
50 proportion to their pro rata share of the income of

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1 such entity. If the owner elects to have the tax  
2 credit certificate issued directly to its equity  
3 holders or beneficiaries, the owner must, in the  
4 application made under section 476B.5, identify its  
5 equity holders or beneficiaries, and the amount of  
6 such entity's income that is allocable to each equity  
7 holder or beneficiary.

8 Sec. 225. NEW SECTION. 476B.7 TRANSFER OF TAX  
9 CREDIT CERTIFICATES.

10 Wind energy production tax credit certificates  
11 issued under this chapter may be transferred to any  
12 person or entity. Within thirty days of transfer, the  
13 transferee must submit the transferred tax credit  
14 certificate to the board along with a statement  
15 containing the transferee's name, tax identification  
16 number, and address, and the denomination that each  
17 replacement tax credit certificate is to carry and any  
18 other information required by the department. Within  
19 thirty days of receiving the transferred tax credit  
20 certificate and the transferee's statement, the board  
21 shall issue one or more replacement tax credit  
22 certificates to the transferee. Each replacement  
23 certificate must contain the information required  
24 under section 476B.6 and must have the same expiration  
25 date that appeared in the transferred tax credit  
26 certificate. Tax credit certificate amounts of less  
27 than the minimum amount established by rule of the  
28 board shall not be transferable. A tax credit shall  
29 not be claimed by a transferee under this chapter  
30 until a replacement tax credit certificate identifying  
31 the transferee as the proper holder has been issued.  
32 The tax credit shall only be transferred once. The  
33 transferee may use the amount of the tax credit  
34 transferred against the taxes imposed under chapter  
35 422, divisions II, III, and V, and chapter 432 for any  
36 tax year the original transferor could have claimed  
37 the tax credit. Any consideration received for the  
38 transfer of the tax credit shall not be included as  
39 income under chapter 422, divisions II, III, and V.  
40 Any consideration paid for the transfer of the tax  
41 credit shall not be deducted from income under chapter  
42 422, divisions II, III, and V.

43 Sec. 226. NEW SECTION. 476B.8 USE OF TAX CREDIT  
44 CERTIFICATES.

45 To claim a wind energy production tax credit under  
46 this chapter, a taxpayer must attach one or more tax  
47 credit certificates to the taxpayer's tax return. A  
48 tax credit certificate shall not be used or attached  
49 to a return filed prior to July 1, 2005. The tax  
50 credit certificate or certificates attached to the

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1 taxpayer's tax return shall be issued in the  
2 taxpayer's name, expire on or after the last day of  
3 the taxable year for which the taxpayer is claiming  
4 the tax credit, and show a tax credit amount equal to  
5 or greater than the tax credit claimed on the  
6 taxpayer's tax return. Any tax credit in excess of  
7 the taxpayer's tax liability for the taxable year may  
8 be credited to the taxpayer's tax liability for the  
9 following seven taxable years or until depleted,  
10 whichever is the earlier.

11 Sec. 227. NEW SECTION. 476B.9 REGISTRATION OF  
12 TAX CREDIT CERTIFICATES.

13 The board shall, in conjunction with the  
14 department, develop a system for the registration of  
15 the wind energy production tax credit certificates  
16 issued or transferred under this chapter and a system  
17 that permits verification that any tax credit claimed  
18 on a tax return is valid and that transfers of the tax  
19 credit certificates are made in accordance with the  
20 requirements of this chapter. The tax credit  
21 certificates issued under this chapter shall not be  
22 classified as a security pursuant to chapter 502.

23 Sec. 228. NEW SECTION. 476B.10 PAYMENT TO STATE  
24 OF PROPERTY TAXES COLLECTED.

25 1. a. By March 15 and September 15 of each year,  
26 the treasurer of state shall notify each school  
27 district, city, and county of the amount of property  
28 taxes imposed by the jurisdiction on wind energy  
29 conversion property for which tax credit certificates  
30 have been issued under this chapter. The amount of  
31 property taxes contained on the notice to the school  
32 district, city, or county shall equal the amounts  
33 received by the treasurer of state from the board  
34 since the treasurer of state last sent out notices  
35 pursuant to this subsection. The sending of a notice  
36 shall constitute a demand for the payment of an amount  
37 equal to the property taxes imposed on the wind energy  
38 conversion property as specified in the notice.

39 b. In addition to the amount of property taxes  
40 referred to in paragraph "a", the treasurer of state  
41 shall notify each school district, city, and county of  
42 the property taxes imposed on wind energy conversion  
43 property for the owner's eleventh or twelfth taxable  
44 year as specified pursuant to section 476B.5,  
45 subsection 3.

46 2. A school district, city, or county to which a  
47 notice under subsection 1 is sent shall remit to the  
48 treasurer of state the amount of property taxes  
49 imposed in the wind energy conversion property  
50 specified in the notice by the end of the third month

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1 following the month in which the notice is sent.  
 2 Interest for late payment shall be assessed at the  
 3 rate specified in section 421.7 for each month,  
 4 counting a part of a month a whole month, after the  
 5 due date. Failure of the school district, city, or  
 6 county to receive the notice is not a defense to the  
 7 payment of the amount specified in the notice or for  
 8 any interest for late payment.

9 3. A school district, city, or county that remits  
 10 payments to the treasurer of state pursuant to  
 11 subsection 2 in a fiscal year may adjust its budget or  
 12 certified budget, notwithstanding any provision of  
 13 law, to compensate for such payments.

14 Sec. 229. EFFECTIVE AND APPLICABILITY DATES.

15 1. Except for subsection 2, this division of this  
 16 Act applies to tax years beginning on or after January  
 17 1, 2004.

18 2. The section of this division of this Act  
 19 enacting new Code section 476B.10, takes effect  
 20 January 1, 2005.

21 DIVISION XVII  
 22 EFFECTIVE DATE

23 Sec. 230. EFFECTIVE DATE. Unless otherwise  
 24 provided in this Act, this Act takes effect July 1,  
 25 2003.”

26 \_\_\_\_\_. Title page, by striking lines 1 through 15  
 27 and inserting the following: “An Act relating to  
 28 economic development, financial, taxation, and  
 29 regulatory matters, making and revising  
 30 appropriations, modifying penalties, providing a fee,  
 31 and including effective, applicability, and  
 32 retroactive applicability provisions.””

NEAL SCHUERER

**S-3409**

HOUSE AMENDMENT TO  
 SENATE AMENDMENT TO  
 HOUSE FILE 683

1 Amend the Senate amendment, H-1616, to House File  
 2 683, as amended, passed, and reprinted by the House,  
 3 as follows:

4 1. Page 3, by inserting after line 8 the  
 5 following:

6 “DEPARTMENT OF HUMAN SERVICES

7 Sec. \_\_\_\_\_. COUNTY HOSPITALS. There is appropriated  
 8 from the general fund of the state to the department  
 9 of human services for the fiscal year beginning July

10 1, 2003, and ending June 30, 2004, the following  
11 amount, or so much thereof as is necessary, for the  
12 purpose designated:

13 For support of mental health care services provided  
14 to persons who are elderly or poor by county hospitals  
15 in counties having a population of two hundred twenty-  
16 five thousand or more:

17 ..... \$ 312,000”

18 2. Page 3, by inserting before line 9 the  
19 following:

20 “Sec. \_\_. 2003 Iowa Acts, House File 667, section  
21 13, subsection 2, is amended to read as follows:

22 2. The department may either continue or reprocure  
23 the contract existing on June 30, 2003, with the  
24 department’s fiscal agent. If the department  
25 initiates reprocurement of the contract, of the amount  
26 appropriated in this Act for the medical assistance  
27 program, up to \$500,000 may be used to begin the  
28 implementation process.”

29 3. Page 6, by inserting after line 7 the  
30 following:

31 “Sec. \_\_. Section 7J.1, subsection 1, as enacted  
32 by 2003 Iowa Acts, Senate File 453, section 32, and  
33 amended by 2003 Iowa Acts, Senate File 458, section  
34 85, is amended to read as follows:

35 1. DESIGNATION OF CHARTER AGENCIES -- PURPOSE.

36 The governor may, by executive order, designate state  
37 departments or agencies, as described in section 7E.5,  
38 or the Iowa lottery authority established in chapter  
39 99G, other than the department of administrative  
40 services, if the department is established in law, or  
41 the department of management, as a charter agency by  
42 July 1, 2003. The designation of a charter agency  
43 shall be for a period of five years which shall  
44 terminate as of June 30, 2008. The purpose of  
45 designating a charter agency is to grant the agency  
46 additional authority as provided by this chapter while  
47 reducing the total appropriations to the agency.”

48 4. Page 9, by inserting after line 35 the  
49 following:

50 “Sec. \_\_. Section 422E.3A, subsection 3,

Page 2

1 paragraph a, as enacted by 2003 Iowa Acts, Senate File  
2 445, is amended to read as follows:

3 a. The director of revenue and finance by June 1  
4 preceding each fiscal year shall compute the  
5 guaranteed school infrastructure amount for each  
6 school district, each school district’s sales tax  
7 capacity per student for each county, ~~the statewide~~  
8 ~~tax revenues per student~~, and the supplemental school

9 infrastructure amount for the coming fiscal year.  
 10 Sec. \_\_\_\_ Section 422E.3A, subsection 3, paragraph  
 11 b, subparagraph (3), as enacted by 2003 Iowa Acts,  
 12 Senate File 445, is amended by striking the  
 13 subparagraph and inserting in lieu thereof the  
 14 following:

15 (3) “Statewide tax revenues per student” means  
 16 five hundred seventy-five dollars per student. The  
 17 general assembly shall review this amount annually to  
 18 determine its appropriateness.

19 Sec. \_\_\_\_ Section 422E.3A, subsection 5, as  
 20 enacted by 2003 Iowa Acts, Senate File 445, is amended  
 21 to read as follows:

22 5. In the case of a deficiency in the fund to pay  
 23 the supplemental school infrastructure amounts in  
 24 full, the amount available in the fund less the sales  
 25 and services tax revenues for school infrastructure  
 26 purposes attributed to each school district should be  
 27 allocated ~~based on the proportion of actual enrollment~~  
 28 ~~in the district to the combined actual enrollment in~~  
 29 ~~the counties where the sales and services tax for~~  
 30 ~~school infrastructure purposes has been imposed and~~  
 31 ~~the school districts in the counties qualify for the~~  
 32 supplemental school infrastructure amount first to  
 33 increase the school district with the lowest sales tax  
 34 capacity per student to an amount equal to the school  
 35 district or school districts with the next lowest  
 36 sales tax capacity per student and then increase the  
 37 school districts to an amount equal to the school  
 38 district or school districts with the next lowest  
 39 sales tax capacity per student and continue on in this  
 40 manner until money is no longer available or all  
 41 school districts reach their guaranteed school  
 42 infrastructure amount.

43 Sec. \_\_\_\_ Section 422E.3A, subsection 6,  
 44 unnumbered paragraph 1, as enacted by 2003 Iowa Acts,  
 45 Senate File 445, is amended to read as follows:

46 A school district ~~with less than two hundred fifty~~  
 47 ~~actual enrollment or less than one hundred actual~~  
 48 ~~enrollment in the high school~~ shall not expend the  
 49 supplemental school infrastructure amount received for  
 50 new construction or for payments for bonds issued for

Page 3

1 new construction against the supplemental school  
 2 infrastructure amount without prior application to the  
 3 department of education and receipt of a certificate  
 4 of need pursuant to this subsection. However, a  
 5 certificate of need is not required for the payment of  
 6 outstanding bonds issued for new construction pursuant  
 7 to section 296.1, before April 1, 2003. A certificate

8 of need is also not required for repairing  
9 schoolhouses or buildings, equipment, technology, or  
10 transportation equipment for transporting students as  
11 provided in section 298.3, or for construction  
12 necessary for compliance with the federal Americans  
13 With Disabilities Act pursuant to 42 U.S.C. } 12101-  
14 12117. In determining whether a certificate of need  
15 shall be issued or denied, the department shall  
16 consider all of the following:”

17 5. Page 10, by striking lines 32 through 49.

18 6. By striking page 11, line 34 through page 13,  
19 line 8.

20 7. Page 16, by striking lines 9 through 17.

21 8. Page 17, by striking lines 41 and 42.

22 9. By striking page 18, line 7 through page 21,  
23 line 26.

24 10. By striking page 29, line 27, through page  
25 44, line 4, and inserting the following:

26 “DIVISION VII

27 ECONOMIC DEVELOPMENT APPROPRIATIONS

28 Sec. \_\_\_\_ MARKETING APPROPRIATION.

29 1. There is appropriated from the grow Iowa values  
30 fund created in section 15G.107, if enacted by 2003  
31 Iowa Acts, House File 692 or another Act, to the  
32 department of economic development, for the fiscal  
33 period beginning July 1, 2003, and ending June 30,  
34 2006, the following amounts, or so much thereof as is  
35 necessary, to be used for the purpose designated:

36 For implementing and administering the marketing  
37 strategy approved under section 15G.108, if enacted by  
38 2003 Iowa Acts, House File 692 or another Act:

39 FY 2003–2004 .....	\$ 2,500,000
40 FY 2004–2005 .....	\$ 7,500,000
41 FY 2005–2006 .....	\$ 10,000,000

42 2. Notwithstanding section 8.33, moneys that  
43 remain unexpended at the end of a fiscal year shall  
44 not revert to any fund but shall remain available for  
45 expenditure for the designated purposes during the  
46 succeeding fiscal year.

47 Sec. \_\_\_\_ DEPARTMENT OF ECONOMIC DEVELOPMENT  
48 APPROPRIATION.

49 1. There is appropriated from the grow Iowa values  
50 fund created in section 15G.107, if enacted by 2003

1 Iowa Acts, House File 692 or another Act, to the  
2 department of economic development for the fiscal  
3 period beginning July 1, 2003, and ending June 30,  
4 2007, the following amounts, or so much thereof as is  
5 necessary, to be used for the purpose designated:  
6 For programs administered by the department of

7	economic development:	
8	FY 2003–2004 .....	\$ 45,000,000
9	FY 2004–2005 .....	\$ 41,000,000
10	FY 2005–2006 .....	\$ 44,000,000
11	FY 2006–2007 .....	\$ 48,000,000

12 2. Notwithstanding section 8.33, moneys that  
 13 remain unexpended at the end of a fiscal year shall  
 14 not revert to any fund but shall remain available for  
 15 expenditure for the designated purposes during the  
 16 succeeding fiscal year.

17 3. Each year that moneys are appropriated under  
 18 this section, the grow Iowa values board shall  
 19 allocate a percentage of the moneys for each of the  
 20 following types of activities:

- 21 a. Business start-ups.
- 22 b. Business expansion.
- 23 c. Business modernization.
- 24 d. Business attraction.
- 25 e. Business retention.
- 26 f. Marketing.

27 4. An applicant for moneys appropriated under this  
 28 section shall be required by the department to include  
 29 in the application a statement regarding the intended  
 30 return on investment. A recipient of moneys  
 31 appropriated under this section shall annually submit  
 32 a statement to the department regarding the progress  
 33 achieved on the intended return on investment stated  
 34 in the application. The department, in cooperation  
 35 with the department of revenue and finance, shall  
 36 develop a method of identifying and tracking each new  
 37 job created through financial assistance from moneys  
 38 appropriated under this section.

39 5. The department may use moneys appropriated  
 40 under this section to procure technical assistance  
 41 from either the public or private sector, for  
 42 information technology purposes, and for rail, air, or  
 43 river port transportation-related purposes. The use  
 44 of moneys appropriated for rail, air, or river port  
 45 transportation-related purposes must be directly  
 46 related to an economic development project and the  
 47 moneys must be used to leverage other financial  
 48 assistance moneys.

49 6. Of the moneys appropriated under this section,  
 50 the department may use one-half of one percent for

Page 5

- 1 administrative purposes.
- 2 7. The grow Iowa values board is required to
- 3 approve or deny applications for financial assistance
- 4 from moneys appropriated under this section.
- 5 Sec. \_\_\_. UNIVERSITY AND COLLEGE FINANCIAL

6 ASSISTANCE APPROPRIATION.

7 1. There is appropriated from the grow Iowa values  
 8 fund created in section 15G.107, if enacted by 2003  
 9 Iowa Acts, House File 692 or another Act, to the grow  
 10 Iowa values board for the fiscal period beginning July  
 11 1, 2003, and ending June 30, 2007, the following  
 12 amounts, or so much thereof as is necessary, to be  
 13 used for the purposes designated:

14 For financial assistance for institutions of higher  
 15 learning under the control of the state board of  
 16 regents and for accredited private institutions as  
 17 defined in section 261.9 for multiuse, goods  
 18 manufacturing processes approved by the food and drug  
 19 administration of the United States department of  
 20 health and human services, protein purification  
 21 facilities for plant, animal, and chemical  
 22 manufactured proteins; accelerating new business  
 23 creation; innovation accelerators and business parks;  
 24 incubator facilities; upgrading food and drug  
 25 administration drug approval laboratories in Iowa City  
 26 to a larger multiclient, goods manufacturing processes  
 27 facility; crop and animal livestock facilities for the  
 28 growing of transgenic crops and livestock, protein  
 29 extraction facilities, containment facilities, and  
 30 bioanalytical, biochemical, chemical, and  
 31 microbiological support facilities; a national center  
 32 for food safety and security; and advanced laboratory  
 33 space:

34 FY 2003–2004 .....	\$	6,000,000
35 FY 2004–2005 .....	\$	7,000,000
36 FY 2005–2006 .....	\$	7,000,000
37 FY 2006–2007 .....	\$	7,000,000

38 2. Notwithstanding section 8.33, moneys that  
 39 remain unexpended at the end of a fiscal year shall  
 40 not revert to any fund but shall remain available for  
 41 expenditure for the designated purposes during the  
 42 succeeding fiscal year.

43 3. In the distribution of moneys appropriated  
 44 pursuant to this section, the grow Iowa values board  
 45 shall examine the potential for using moneys  
 46 appropriated pursuant to this section to leverage  
 47 other moneys for financial assistance to accredited  
 48 private institutions.

49 4. In awarding moneys appropriated pursuant to  
 50 this section, the grow Iowa values board shall

1 consider whether the purchase of suitable existing  
 2 infrastructure is more cost-efficient than building  
 3 new infrastructure.

4 5. An institution of higher learning under the

5 control of the state board of regents may apply to use  
 6 financial assistance moneys under this section for  
 7 purposes of a public and private joint venture to  
 8 acquire infrastructure assets or research facilities  
 9 or to leverage moneys in a manner consistent with  
 10 meeting the goals and performance measures provided in  
 11 section 15G.106, if enacted by 2003 Iowa Acts, House  
 12 File 692 or another Act.

13 6. Of the moneys appropriated under this section  
 14 and provided applications are submitted meeting the  
 15 requirements of the grow Iowa values board, not less  
 16 than \$10,000,000 in financial assistance shall be  
 17 awarded to the university of Iowa, not less than  
 18 \$10,000,000 in financial assistance shall be awarded  
 19 to Iowa state university of science and technology,  
 20 and not less than \$5,000,000 in financial assistance  
 21 shall be awarded to the university of northern Iowa.

22 Sec. \_\_\_\_ REHABILITATION PROJECT TAX CREDITS  
 23 APPROPRIATION.

24 1. There is appropriated from the grow Iowa values  
 25 fund created in section 15G.107, if enacted by 2003  
 26 Iowa Acts, House File 692 or another Act, to the  
 27 general fund of the state, for the fiscal period  
 28 beginning July 1, 2005, and ending June 30, 2007, the  
 29 following amounts, or so much thereof as is necessary,  
 30 to be used for the purpose designated:

31 For payment of tax credits approved pursuant to  
 32 section 404A.4 for projects located in certified  
 33 cultural and entertainment districts:

34 FY 2005–2006 .....	\$	500,000
35 FY 2006–2007 .....	\$	500,000

36 2. Notwithstanding section 8.33, moneys that  
 37 remain unexpended at the end of a fiscal year shall  
 38 not revert to any fund but shall remain available for  
 39 expenditure for the designated purposes during the  
 40 succeeding fiscal year.

41 Sec. \_\_\_\_ LOAN AND CREDIT GUARANTEE FUND  
 42 APPROPRIATION.

43 1. There is appropriated from the grow Iowa values  
 44 fund created in section 15G.107, if enacted by 2003  
 45 Iowa Acts, House File 692 or another Act, to the  
 46 department of economic development for the fiscal  
 47 period beginning July 1, 2003, and ending June 30,  
 48 2007, the following amounts, or so much thereof as is  
 49 necessary, to be used for the purpose designated:

50 For deposit in the loan and credit guarantee fund

1 created in section 15E.227:		
2 FY 2003–2004 .....	\$	2,500,000
3 FY 2004–2005 .....	\$	5,000,000

4 FY 2005–2006 .....\$ 7,500,000  
 5 FY 2006–2007 .....\$ 7,500,000

6 2. Notwithstanding section 8.33, moneys that  
 7 remain unexpended at the end of a fiscal year shall  
 8 not revert to any fund but shall remain available for  
 9 expenditure for the designated purpose during the  
 10 succeeding fiscal year.

11 Sec. \_\_\_\_ ENDOW IOWA TAX CREDITS.

12 1. There is appropriated from the grow Iowa values  
 13 fund created in section 15G.107, if enacted by 2003  
 14 Iowa Acts, House File 692 or another Act, to the  
 15 general fund of the state, for the fiscal period  
 16 beginning July 1, 2004, and ending June 30, 2007, the  
 17 following amounts, or so much thereof as is necessary,  
 18 to be used for the purpose designated:

19 For payment of endow Iowa tax credits authorized  
 20 pursuant to section 15E.305:

21 FY 2004–2005 .....\$ 250,000  
 22 FY 2005–2006 .....\$ 250,000  
 23 FY 2006–2007 .....\$ 500,000

24 2. Notwithstanding section 8.33, moneys that  
 25 remain unexpended at the end of a fiscal year shall  
 26 not revert to any fund but shall remain available for  
 27 expenditure for the designated purposes during the  
 28 succeeding fiscal year.

29 Sec. \_\_\_\_ ENDOW IOWA GRANTS APPROPRIATION.

30 1. There is appropriated from the grow Iowa values  
 31 fund created in section 15G.107, if enacted by 2003  
 32 Iowa Acts, House File 692 or another Act, to the  
 33 department of economic development for the fiscal  
 34 period beginning July 1, 2004, and ending June 30,  
 35 2007, the following amounts, or so much thereof as is  
 36 necessary, to be used for the purpose designated:

37 For endow Iowa grants to lead philanthropic  
 38 entities pursuant to section 15E.304:

39 FY 2004–2005 .....\$ 250,000  
 40 FY 2005–2006 .....\$ 250,000  
 41 FY 2006–2007 .....\$ 500,000

42 2. Notwithstanding section 8.33, moneys that  
 43 remain unexpended at the end of a fiscal year shall  
 44 not revert to any fund but shall remain available for  
 45 expenditure for the designated purposes during the  
 46 succeeding fiscal year.

47 Sec. \_\_\_\_ STATE PARKS AND DESTINATION PARKS  
 48 APPROPRIATION.

49 1. There is appropriated from the grow Iowa values  
 50 fund created in section 15G.107, if enacted by 2003

3 1, 2003, and ending June 30, 2007, the following  
4 amount, or so much thereof as is necessary, to be used  
5 for the purpose designated:

6	For the purpose of providing financial assistance	
7	for projects in targeted state parks and destination	
8	parks:	
9	FY 2003–2004 .....	\$ 500,000
10	FY 2004–2005 .....	\$ 0
11	FY 2005–2006 .....	\$ 0
12	FY 2006–2007 .....	\$ 500,000

13 2. Notwithstanding section 8.33, moneys that  
14 remain unexpended at the end of a fiscal year shall  
15 not revert to any fund but shall remain available for  
16 expenditure for the designated purposes during the  
17 succeeding fiscal year.

18 3. The department of natural resources, in  
19 cooperation with the department of economic  
20 development, shall submit a plan to the grow Iowa  
21 values board for the expenditure of moneys  
22 appropriated under this section. The plan shall focus  
23 on improving state parks and destination parks for  
24 economic development purposes. Based on the report  
25 submitted, the grow Iowa values board shall provide  
26 financial assistance to the department of natural  
27 resources for support of state parks and destination  
28 parks.

29 Sec. \_\_\_\_. IOWA CULTURAL TRUST FUND APPROPRIATION.

30 1. There is appropriated from the grow Iowa values  
31 fund created in section 15G.107, if enacted by 2003  
32 Iowa Acts, House File 692 or another Act, to the  
33 office of the treasurer of state, for the fiscal  
34 period beginning July 1, 2003, and ending June 30,  
35 2007, the following amount, or so much thereof as is  
36 necessary, to be used for the purpose designated:

37	For deposit in the Iowa cultural trust fund created	
38	in section 303A.4:	
39	FY 2003–2004 .....	\$ 500,000
40	FY 2004–2005 .....	\$ 0
41	FY 2005–2006 .....	\$ 0
42	FY 2006–2007 .....	\$ 500,000

43 2. Notwithstanding section 8.33, moneys that  
44 remain unexpended at the end of a fiscal year shall  
45 not revert to any fund but shall remain available for  
46 expenditure for the designated purposes during the  
47 succeeding fiscal year.

48 Sec. \_\_\_\_. ANTICIPATED FEDERAL MONEYS --  
49 APPROPRIATION.

50 1. There is appropriated from the fund created by

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1 section 8.41, for the fiscal period beginning July 1,  
 2 2003, and ending June 30, 2005, the following amounts  
 3 to be used for the purpose designated:

4 For deposit in the grow Iowa values fund created in  
 5 section 15G.107, if enacted by 2003 Iowa Acts, House  
 6 File 692 or another Act:

7 FY 2003–2004 .....	\$ 59,000,000
8 FY 2004–2005 .....	\$ 41,000,000

9 2. Moneys appropriated in this section are moneys  
 10 anticipated to be received from the federal government  
 11 for state and local government fiscal relief under the  
 12 federal Jobs and Growth Tax Relief Reconciliation Act  
 13 of 2003 and shall be expended as provided in the  
 14 federal law making the moneys available and in  
 15 conformance with chapter 17A.

16 3. Notwithstanding section 8.33, moneys that  
 17 remain unexpended at the end of a fiscal year shall  
 18 not revert to any fund but shall remain available for  
 19 expenditure for the designated purposes during the  
 20 succeeding fiscal year.

21 Sec. \_\_\_\_ STREAMLINED SALES AND USE TAX REVENUE --  
 22 APPROPRIATION.

23 1. There is appropriated from the general fund of  
 24 the state from moneys credited to the general fund of  
 25 the state as a result of entering into the streamlined  
 26 sales and use tax agreement, for the fiscal period  
 27 beginning July 1, 2003, and ending June 30, 2010, the  
 28 following amounts to be used for the purpose  
 29 designated:

30 For deposit in the grow Iowa values fund created in  
 31 section 15G.107, if enacted by 2003 Iowa Acts, House  
 32 File 692 or another Act:

33 FY 2003–2004 .....	\$ 5,000,000
34 FY 2004–2005 .....	\$ 23,000,000
35 FY 2005–2006 .....	\$ 75,000,000
36 FY 2006–2007 .....	\$ 75,000,000
37 FY 2007–2008 .....	\$ 75,000,000
38 FY 2008–2009 .....	\$ 75,000,000
39 FY 2009–2010 .....	\$ 75,000,000

40 2. For purposes of this section, “moneys credited  
 41 to the general fund of the state as a result of  
 42 entering into the streamlined sales and use tax  
 43 agreement” means the amount of sales and use tax  
 44 receipts credited to the general fund of the state  
 45 during a fiscal year that exceeds by two percent or  
 46 more the total sales and use tax receipts credited to  
 47 the general fund of the state during the previous  
 48 fiscal year.

49 a. If the moneys credited to the general fund of  
 50 the state as a result of entering into the streamlined

1 sales and use tax agreement during a fiscal year total  
2 less than the amount appropriated in this section, the  
3 appropriation in this section shall be reduced to  
4 equal the total amount of the moneys so credited.

5 b. If the appropriation for a fiscal year is  
6 reduced pursuant to paragraph “a”, all appropriations  
7 made from the grow Iowa values fund for the same  
8 fiscal year shall be reduced proportionately to the  
9 amount reduced due to paragraph “a”.

10 3. Notwithstanding section 8.33, moneys that  
11 remain unexpended at the end of a fiscal year shall  
12 not revert to any fund but shall remain available for  
13 expenditure for the designated purposes during the  
14 succeeding fiscal year.

15 DIVISION VIII

16 WORKFORCE-RELATED ISSUES

17 Sec. \_\_\_\_ NEW SECTION. 260C.18A WORKFORCE  
18 TRAINING AND ECONOMIC DEVELOPMENT FUNDS.

19 1. a. A workforce training and economic  
20 development fund is created for each community  
21 college. Moneys shall be deposited and expended from  
22 a fund as provided under this section.

23 b. Moneys in the funds shall consist of any moneys  
24 appropriated by the general assembly and any other  
25 moneys available to and obtained or accepted by the  
26 department of economic development from federal  
27 sources or private sources for placement in the funds.  
28 Notwithstanding section 8.33, moneys in the funds at  
29 the end of each fiscal year shall not revert to any  
30 other fund but shall remain in the funds for  
31 expenditure in subsequent fiscal years.

32 2. On July 1 of each year for the fiscal year  
33 beginning July 1, 2003, and for every fiscal year  
34 thereafter, moneys from the grow Iowa values fund  
35 created in section 15G.107, if enacted by 2003 Iowa  
36 Acts, House File 692 or another Act, are appropriated  
37 to the department of economic development for deposit  
38 in the workforce training and economic development  
39 funds in amounts determined pursuant to subsection 3.  
40 Moneys deposited in the funds and disbursed to  
41 community colleges for a fiscal year shall be expended  
42 for the following purposes, provided seventy percent  
43 of the moneys shall be used on projects in the areas  
44 of advanced manufacturing, information technology and  
45 insurance, and life sciences which include the areas  
46 of biotechnology, health care technology, and nursing  
47 care technology:

48 a. Projects in which an agreement between a  
49 community college and an employer located within the  
50 community college’s merged area meet all of the

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- 1 requirements of the accelerated career education  
2 program under chapter 260G.
- 3 b. Projects in which an agreement between a  
4 community college and a business meet all the  
5 requirements of the Iowa jobs training Act under  
6 chapter 260F.
- 7 c. For the development and implementation of  
8 career academies designed to provide new career  
9 preparation opportunities for high school students  
10 that are formally linked with postsecondary career and  
11 technical education programs. For purposes of this  
12 section, “career academy” means a program of study  
13 that combines a minimum of two years of secondary  
14 education with an associate degree, or the equivalent,  
15 career preparatory program in a nonduplicative,  
16 sequential course of study that is standards based,  
17 integrates academic and technical instruction,  
18 utilizes work-based and worksite learning where  
19 appropriate and available, utilizes an individual  
20 career planning process with parent involvement, and  
21 leads to an associate degree or postsecondary diploma  
22 or certificate in a career field that prepares an  
23 individual for entry and advancement in a high-skill  
24 and reward career field and further education. The  
25 department of economic development, in conjunction  
26 with the state board of education and the division of  
27 community colleges and workforce preparation of the  
28 department of education, shall adopt administrative  
29 rules for the development and implementation of such  
30 career academies pursuant to section 256.11,  
31 subsection 5, paragraph “h”, section 260C.1, and Title  
32 II of Pub. L. No. 105-332, Carl D. Perkins Vocational  
33 and Technical Education Act of 1998.
- 34 d. Programs and courses that provide vocational  
35 and technical training, and programs for in-service  
36 training and retraining under section 260C.1,  
37 subsections 2 and 3.
- 38 e. Job retention projects under section 260F.9.
- 39 3. Of the moneys appropriated in this section, for  
40 the fiscal period beginning July 1, 2003, and ending  
41 June 30, 2006, the following amounts shall be  
42 designated for the purposes of funding job retention  
43 projects under section 260F.9:
- 44 a. One million dollars for the fiscal year  
45 beginning July 1, 2003.
- 46 b. One million dollars for the fiscal year  
47 beginning July 1, 2004.
- 48 c. One million dollars for the fiscal year  
49 beginning July 1, 2005.
- 50 4. The maximum cumulative total amount of moneys

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1 that may be deposited in all the workforce training  
2 and economic development funds for distribution to  
3 community colleges in a fiscal year shall be  
4 determined as follows:  
5 a. Five million dollars for the fiscal year  
6 beginning July 1, 2003.  
7 b. Five million dollars for the fiscal year  
8 beginning July 1, 2004.  
9 c. Five million dollars for the fiscal year  
10 beginning July 1, 2005.  
11 d. Ten million dollars for the fiscal year  
12 beginning July 1, 2006.  
13 e. For the fiscal year beginning July 1, 2007, and  
14 each succeeding fiscal year, the grow Iowa values  
15 board shall make a determination if sufficient moneys  
16 exist in the grow Iowa values fund to distribute to  
17 community colleges.  
18 5. The department of economic development shall  
19 allocate the moneys appropriated pursuant to this  
20 section to the community college workforce training  
21 and economic development funds utilizing the same  
22 distribution formula used for the allocation of state  
23 general aid to the community colleges.  
24 6. Each community college shall do all of the  
25 following:  
26 a. Adopt a two-year workforce training and  
27 economic development fund plan outlining the community  
28 college's proposed use of moneys appropriated under  
29 subsection 2.  
30 b. Update the two-year plan annually.  
31 c. Prepare an annual progress report on the two-  
32 year plan's implementation.  
33 d. Annually submit the two-year plan and progress  
34 report to the department of economic development in a  
35 manner prescribed by rules adopted by the department  
36 pursuant to chapter 17A and annually file a copy of  
37 the plan and progress report with the grow Iowa values  
38 board. For the fiscal year beginning July 1, 2004,  
39 and each fiscal year thereafter, a community college  
40 shall not have moneys deposited in the workforce  
41 training and economic development fund of that  
42 community college unless the grow Iowa values board  
43 approves the annual progress report of the community  
44 college.  
45 7. Any individual project using over one million  
46 dollars of moneys from a workforce training and  
47 economic development fund shall require prior approval  
48 from the grow Iowa values board.  
49 Sec. \_\_. NEW SECTION. 260F.9 JOB RETENTION  
50 PROGRAM.

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1 1. The department of economic development shall  
2 administer the job retention program. The department  
3 shall adopt rules pursuant to chapter 17A necessary  
4 for the administration of this section. By January 15  
5 of each year, the department shall submit a written  
6 report to the general assembly and the governor  
7 regarding the activities of the job retention program  
8 during the previous calendar year.

9 2. A community college and the department may  
10 enter into an agreement to establish a job retention  
11 project. A job retention project agreement shall  
12 include, but not be limited to, the following:

13 a. The date of the agreement.

14 b. The anticipated number of employees to be  
15 trained.

16 c. The estimated cost of training.

17 d. A statement regarding the number of employees  
18 employed by the participating business on the date of  
19 the agreement which must equal at least the lesser of  
20 one thousand employees or four percent or more of the  
21 county's resident labor force based on the most recent  
22 annual labor force statistics from the department of  
23 workforce development.

24 e. A commitment that the participating business  
25 shall invest at least fifteen million dollars to  
26 retool the workplace and upgrade the facilities of the  
27 participating business.

28 f. A commitment that the participating business  
29 shall not move the business operation out of this  
30 state or close the business operation for at least ten  
31 years following the date of the agreement.

32 g. Other criteria established by the department of  
33 economic development.

34 3. A job retention project agreement entered into  
35 pursuant to this section must be approved by the board  
36 of trustees of the applicable community college, the  
37 department of economic development, and the  
38 participating business.

39 Sec. \_\_. NEW SECTION. 260F.101 REPORTING.

40 A community college entering into an agreement  
41 pursuant to this chapter shall submit an annual  
42 written report by the end of each calendar year with  
43 the grow Iowa values board created in section 15G.102,  
44 if enacted by 2003 Iowa Acts, House File 692 or  
45 another Act. The report shall provide information  
46 regarding how the agreement affects the achievement of  
47 the goals and performance measures provided in section  
48 15G.106, if enacted by 2003 Iowa Acts, House File 692  
49 or another Act.

50 Sec. \_\_. Section 260G.3, subsection 2, Code 2003,

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1 is amended to read as follows:

2 2. An agreement may include reasonable and  
3 necessary provisions to implement the accelerated  
4 career education program. If an agreement that  
5 utilizes program job credits is entered into, the  
6 community college and the employer shall notify the  
7 department of revenue and finance as soon as possible.  
8 The community college shall also file a copy of the  
9 agreement with the department of economic development  
10 as required in section 260G.4B. The agreement shall  
11 provide for program costs, including deferred costs,  
12 which may be paid from any of the following sources:

13 a. Program job credits which the employer receives  
14 based on the number of program job positions agreed to  
15 by the employer to be available under the agreement.

16 b. Cash or in-kind contributions by the employer  
17 toward the program cost. At a minimum, the employer  
18 contribution shall be twenty percent of the program  
19 costs.

20 c. Tuition, student fees, or special charges fixed  
21 by the board of directors to defray program costs.

22 d. Guarantee by the employer of payments to be  
23 received under paragraphs “a” and “b”.

24 e. Moneys from a workforce training and economic  
25 development fund created in section 260C.18A, based on  
26 the number of program job positions agreed to by the  
27 employer to be available under the agreement, the  
28 amount of which shall be calculated in the same manner  
29 as the program job credits provided for in section  
30 260G.4A.

31 Sec. \_\_. NEW SECTION. 260G.101 REPORTING.

32 A community college entering into an agreement  
33 pursuant to this chapter shall submit an annual  
34 written report by the end of each calendar year with  
35 the grow Iowa values board created in section 15G.102,  
36 if enacted by 2003 Iowa Acts, House File 692 or  
37 another Act. The report shall provide information  
38 regarding how the agreement affects the achievement of  
39 the goals and performance measures provided in section  
40 15G.106, if enacted by 2003 Iowa Acts, House File 692  
41 or another Act.

42 DIVISION IX

43 LOAN AND CREDIT GUARANTEE FUND

44 Sec. \_\_. NEW SECTION. 15E.227 LOAN AND CREDIT  
45 GUARANTEE FUND.

46 1. A loan and credit guarantee fund is created and  
47 established as a separate and distinct fund in the  
48 state treasury. Moneys in the fund shall only be used  
49 for purposes provided in this section. The moneys in  
50 the fund are appropriated to the department to be used

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- 1 for all of the following purposes:  
2 a. Payment of claims pursuant to loan and credit  
3 guarantee agreements entered into under this division.  
4 b. Payment of administrative costs of the  
5 department for actual and necessary administrative  
6 expenses incurred by the department in administering  
7 the program.  
8 c. Purchase or buyout of superior or prior liens,  
9 mortgages, or security interests.  
10 d. Purchase of insurance to cover the default of  
11 loans made pursuant to the requirements of the loan  
12 and credit guarantee program.  
13 2. Moneys in the loan and credit guarantee fund  
14 shall consist of all of the following:  
15 a. Moneys appropriated by the general assembly for  
16 that purpose and any other moneys available to and  
17 obtained or accepted by the department for placement  
18 in the fund.  
19 b. Proceeds from collateral assigned to the  
20 department, fees for guarantees, gifts, and moneys  
21 from any grant made to the fund by any federal agency.  
22 c. Moneys appropriated from the grow Iowa values  
23 fund created in section 15G.107, if enacted by 2003  
24 Iowa Acts, House File 692 or another Act.  
25 3. Moneys in the fund are not subject to section  
26 8.33. Notwithstanding section 12C.7, interest or  
27 earnings on the moneys in the fund shall be credited  
28 to the fund.  
29 4. a. The department shall only pledge moneys in  
30 the loan and credit guarantee fund and not any other  
31 moneys of the department. In a fiscal year, the  
32 department may pledge an amount not to exceed the  
33 total amount appropriated to the fund for the same  
34 fiscal year to assure the repayment of loan and credit  
35 guarantees or other extensions of credit made to or on  
36 behalf of qualified businesses or targeted industry  
37 businesses for eligible project costs.  
38 b. The department shall not pledge the credit or  
39 taxing power of this state or any political  
40 subdivision of this state or make debts payable out of  
41 any moneys except for those in the loan and credit  
42 guarantee fund.

43 DIVISION X

44 UNIVERSITY-BASED RESEARCH UTILIZATION  
45 PROGRAM APPROPRIATION

46 Sec. \_\_. NEW SECTION. 262B.12 APPROPRIATION.

47 On July 1 of each year there is appropriated from  
48 the general fund of the state to each university under  
49 the control of the state board of regents, an amount  
50 equal to the amount determined by the department of

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1 economic development pursuant to section 262B.11,  
2 subsection 4, paragraph "c", subparagraph (2), if  
3 enacted by 2003 Iowa Acts, House File 692 or another  
4 Act.

5 DIVISION XI  
6 ENDOW IOWA TAX CREDIT

7 Sec. \_\_\_\_ NEW SECTION. 15E.305 ENDOW IOWA TAX  
8 CREDIT.

9 1. For tax years beginning on or after January 1,  
10 2003, a tax credit shall be allowed against the taxes  
11 imposed in chapter 422, divisions II, III, and V, and  
12 in chapter 432, and against the moneys and credits tax  
13 imposed in section 533.24 equal to twenty percent of a  
14 taxpayer's endowment gift to a qualified community  
15 foundation. An individual may claim a tax credit  
16 under this section of a partnership, limited liability  
17 company, S corporation, estate, or trust electing to  
18 have income taxed directly to the individual. The  
19 amount claimed by the individual shall be based upon  
20 the pro rata share of the individual's earnings from  
21 the partnership, limited liability company, S  
22 corporation, estate, or trust. A tax credit shall be  
23 allowed only for an endowment gift made to a qualified  
24 community foundation for a permanent endowment fund  
25 established to benefit a charitable cause in this  
26 state. Any tax credit in excess of the taxpayer's tax  
27 liability for the tax year may be credited to the tax  
28 liability for the following five years or until  
29 depleted, whichever occurs first. A tax credit shall  
30 not be carried back to a tax year prior to the tax  
31 year in which the taxpayer claims the tax credit.

32 2. The aggregate amount of tax credits authorized  
33 pursuant to this section shall not exceed a total of  
34 two million dollars. The maximum amount of tax  
35 credits granted to a taxpayer shall not exceed five  
36 percent of the aggregate amount of tax credits  
37 authorized.

38 3. A tax credit shall not be transferable to any  
39 other taxpayer.

40 4. A tax credit shall not be authorized pursuant  
41 to this section after December 31, 2005.

42 5. The department shall develop a system for  
43 registration and authorization of tax credits under  
44 this section and shall control the distribution of all  
45 tax credits to taxpayers providing an endowment gift  
46 subject to this section. The department shall adopt  
47 administrative rules pursuant to chapter 17A for the  
48 qualification and administration of endowment gifts.

49 Sec. \_\_\_\_ NEW SECTION. 422.11H ENDOW IOWA TAX  
50 CREDIT.

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1 The tax imposed under this division, less the  
2 credits allowed under sections 422.12 and 422.12B,  
3 shall be reduced by an endow Iowa tax credit  
4 authorized pursuant to section 15E.305.

5 Sec. \_\_\_\_ Section 422.33, Code 2003, is amended by  
6 adding the following new subsection:

7 NEW SUBSECTION. 14. The taxes imposed under this  
8 division shall be reduced by an endow Iowa tax credit  
9 authorized pursuant to section 15E.305.

10 Sec. \_\_\_\_ Section 422.60, Code 2003, is amended by  
11 adding the following new subsection:

12 NEW SUBSECTION. 7. The taxes imposed under this  
13 division shall be reduced by an endow Iowa tax credit  
14 authorized pursuant to section 15E.305.

15 Sec. \_\_\_\_ NEW SECTION. 432.12D ENDOW IOWA TAX  
16 CREDIT.

17 The tax imposed under this chapter shall be reduced  
18 by an endow Iowa tax credit authorized pursuant to  
19 section 15E.305.

20 Sec. \_\_\_\_ Section 533.24, Code 2003, is amended by  
21 adding the following new unnumbered paragraph:

22 NEW UNNUMBERED PARAGRAPH. The moneys and credits  
23 tax imposed under this section shall be reduced by an  
24 endow Iowa tax credit authorized pursuant to section  
25 15E.305.

26 Sec. \_\_\_\_ EFFECTIVE AND RETROACTIVE APPLICABILITY  
27 DATES. This division of this Act, being deemed of  
28 immediate importance, takes effect upon enactment and  
29 is retroactively applicable to January 1, 2003, for  
30 tax years beginning on or after that date.

#### 31 DIVISION XII

#### 32 REHABILITATION PROJECT TAX CREDITS

33 Sec. \_\_\_\_ Section 404A.4, subsection 4, Code 2003,  
34 is amended to read as follows:

35 4. The total amount of tax credits that may be  
36 approved for a fiscal year under this chapter shall  
37 not exceed two million four hundred thousand dollars.  
38 For the fiscal years beginning July 1, 2005, and July  
39 1, 2006, an additional five hundred thousand dollars  
40 of tax credits may be approved each fiscal year for  
41 purposes of projects located in cultural and  
42 entertainment districts certified pursuant to section  
43 303.3B, if enacted by 2003 Iowa Acts, House File 692  
44 or another Act. Any of the additional tax credits  
45 allocated for projects located in certified cultural  
46 and entertainment districts that are not approved  
47 during a fiscal year may be carried over to the  
48  succeeding fiscal year. Tax credit certificates shall  
49 be issued on the basis of the earliest awarding of  
50 certifications of completion as provided in subsection

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1 1. The departments of economic development and  
2 revenue and finance shall each adopt rules to jointly  
3 administer this subsection and shall provide by rule  
4 for the method to be used to determine for which  
5 fiscal year the tax credits are approved.”

6 11. Page 44, by striking lines 10 through 12 and  
7 inserting the following: “rebuild Iowa infrastructure  
8 fund to the secure an advanced vision for education  
9 fund created in section 422E.3A, for”.

10 12. Page 44, by striking lines 23 through 25 and  
11 inserting the following: “streamlined sales and use  
12 tax agreement to the secure an advanced vision for  
13 education fund created in section 422E.3A, the”.

14 13. Page 119, line 5, by striking the figure “15”  
15 and inserting the following: “14”.

16 14. By striking page 155, line 14, through page  
17 161, line 17.

18 15. Page 161, by inserting before line 18 the  
19 following:

20 “DIVISION \_\_\_\_  
21 CAPITOL COMPLEX PARKING STRUCTURE  
22 Sec. \_\_\_\_ NEW SECTION. 18A.8 CAPITOL COMPLEX  
23 PARKING STRUCTURE REVOLVING FUND.

24 A capitol complex parking structure revolving fund  
25 is created in the state treasury. The capitol complex  
26 parking structure revolving fund shall be administered  
27 by the department of administrative services and shall  
28 consist of moneys collected by the department as  
29 parking fees, moneys appropriated to the fund by the  
30 general assembly, and any other moneys obtained or  
31 accepted by the department for deposit in the  
32 revolving fund. The proceeds of the revolving fund  
33 are appropriated to and shall be used by the  
34 department for costs associated with the management,  
35 operation, and maintenance of the capitol complex  
36 parking structure located at the intersection of  
37 Pennsylvania and Grand avenues in Des Moines. The  
38 department shall submit an annual report not later  
39 than January 31 to the members of the general assembly  
40 and the legislative services agency, of the activities  
41 funded by and expenditures made from the revolving  
42 fund during the preceding fiscal year. Section 8.33  
43 does not apply to any moneys in the revolving fund  
44 and, notwithstanding section 12C.7, subsection 2,  
45 earnings or interest on moneys deposited in the  
46 revolving fund shall be credited to the revolving  
47 fund.

48 Sec. \_\_\_\_ CAPITOL COMPLEX PARKING STRUCTURE  
49 MANAGEMENT -- REQUEST FOR PROPOSALS. The department  
50 of administrative services shall issue a request for

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1 proposals for the management, operation, and  
 2 maintenance of the state-owned parking structure  
 3 located at the intersection of Pennsylvania and Grand  
 4 avenues in Des Moines. The request for proposals  
 5 shall include all of the following services:  
 6 1. The collection of parking fees and  
 7 administration of parking permits.  
 8 2. Daily janitorial maintenance and necessary  
 9 annual maintenance, pursuant to standards outlined in  
 10 the parking garage maintenance manual published by the  
 11 parking consultants council of the national parking  
 12 association.  
 13 3. Long-term structural maintenance.  
 14 Awarding of a contract for the management,  
 15 operation, and maintenance of the parking structure is  
 16 subject to approval by the general assembly.  
 17 Sec. \_\_. CAPITOL COMPLEX PARKING STRUCTURE --  
 18 EMPLOYEE PARKING FEES. The department of  
 19 administrative services shall establish reasonable  
 20 parking fees for state employees for the use of the  
 21 state-owned parking structure located at the  
 22 intersection of Pennsylvania and Grand avenues in Des  
 23 Moines. Parking fees shall not be established or  
 24 collected for use of the parking structure by members  
 25 of the general public. Such fees shall be deposited  
 26 in the capitol complex parking structure revolving  
 27 fund created in section 18A.8, as enacted by this  
 28 Act.”  
 29 16. By renumbering, relettering, or redesignating  
 30 and correcting internal references as necessary.

**S-3410**

HOUSE AMENDMENT TO  
 SENATE AMENDMENT TO  
 HOUSE FILE 692

1 Amend the Senate amendment, H-1615, to House File  
 2 692, as amended, passed, and reprinted by the House,  
 3 as follows:  
 4 1. Page 5, line 23, by striking the word “or”.  
 5 2. By striking page 23, line 23, through page 24,  
 6 line 14, and inserting the following:  
 7 “a. On all taxable income from  
 8 zero through one thousand dollars,  
 9 ~~thirty-six hundredths of one~~  
 10 ~~percent~~..... .35% .34% .32%  
 11 b. On all taxable income exceeding  
 12 one thousand dollars but not  
 13 exceeding two thousand dollars;

14	<del>seventy two hundredths of one</del>			
15	<del>percent.</del> .....	.70%	.68%	.65%
16	c. On all taxable income exceeding			
17	two thousand dollars but not			
18	exceeding four thousand dollars,			
19	<del>two and forty three hundredths</del>			
20	<del>percent.</del> .....	2.36%	2.30%	2.19%
21	d. On all taxable income exceeding			
22	four thousand dollars but not			
23	exceeding nine thousand dollars,			
24	<del>four and one half percent.</del> .....	4.37%	4.27%	4.05%
25	e. On all taxable income exceeding			
26	nine thousand dollars but not			
27	exceeding fifteen thousand			
28	dollars, <del>six and twelve hundredths</del>			
29	<del>percent.</del> .....	5.94%	5.80%	5.51%
30	f. On all taxable income exceeding			
31	fifteen thousand dollars but not			
32	exceeding twenty thousand			
33	dollars, <del>six and forty eight hundredths</del>			
34	<del>percent.</del> .....	6.29%	6.14%	5.84%
35	g. On all taxable income exceeding			
36	twenty thousand dollars but not			
37	exceeding thirty thousand			
38	dollars, <del>six and eight tenths</del>			
39	<del>percent.</del> .....	6.60%	6.45%	6.13%
40	h. On all taxable income exceeding			
41	thirty thousand dollars but not			
42	exceeding forty-five thousand			
43	dollars, <del>seven and ninety two hundredths</del>			
44	<del>percent.</del> .....	7.68%	7.51%	7.14%
45	i. On all taxable income exceeding			
46	forty-five thousand dollars, <del>eight</del>			
47	<del>and ninety eight hundredths</del>			
48	<del>percent.</del> .....	8.71%	8.51%	8.09%
49	3. By striking page 24, line 28, through page 25,			
50	line 19, and inserting the following:			

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1	“a. On all taxable income from			
2	zero through one thousand dollars,			
3	<del>thirty six hundredths of one</del>			
4	<del>percent.</del> .....	.31%		
5	b. On all taxable income exceeding			
6	one thousand dollars but not			
7	exceeding two thousand dollars,			
8	<del>seventy two hundredths of one</del>			
9	<del>percent.</del> .....	.62%		
10	c. On all taxable income exceeding			
11	two thousand dollars but not			
12	exceeding four thousand dollars,			

13	<del>two and forty three hundredths</del>	
14	<del>percent</del> .....	2.09%
15	d. On all taxable income exceeding	
16	four thousand dollars but not	
17	exceeding nine thousand dollars,	
18	<del>four and one half percent</del> .....	3.87%
19	e. On all taxable income exceeding	
20	nine thousand dollars but not	
21	exceeding fifteen thousand	
22	dollars, <del>six and twelve hundredths</del>	
23	<del>percent</del> .....	5.26%
24	f. On all taxable income exceeding	
25	fifteen thousand dollars but not	
26	exceeding twenty thousand	
27	dollars, <del>six and forty eight hundredths</del>	
28	<del>percent</del> .....	5.57%
29	g. On all taxable income exceeding	
30	twenty thousand dollars but not	
31	exceeding thirty thousand	
32	dollars, <del>six and eight tenths</del>	
33	<del>percent</del> .....	5.84%
34	h. On all taxable income exceeding	
35	thirty thousand dollars but not	
36	exceeding forty-five thousand	
37	dollars, <del>seven and ninety two hundredths</del>	
38	<del>percent</del> .....	6.80%
39	i. On all taxable income exceeding	
40	forty-five thousand dollars, <del>eight</del>	
41	<del>and ninety eight hundredths</del>	
42	<del>percent</del> .....	7.71%
43	4. Page 26, line 12, by striking the words “two	
44	and five” and inserting the following: “one and	
45	eighty-five”.	
46	5. Page 26, line 15, by striking the word “sixty-	
47	five” and inserting the following: “seventy-five”.	
48	6. Page 26, line 17, by striking the word “nine-	
49	tenths” and inserting the following: “ninety-nine	
50	hundredths”.	

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- 1 7. By striking page 39, line 5 through page 65,
- 2 line 1 and inserting the following:
- 3 “DIVISION \_\_\_\_
- 4 GROW IOWA VALUES BOARD AND FUND
- 5 Sec. \_\_\_\_ Section 15.108, subsection 9, Code 2003,
- 6 is amended by adding the following new paragraph:
- 7 NEW PARAGRAPH. g. Administer the marketing
- 8 strategy selected pursuant to section 15G.108.
- 9 Sec. \_\_\_\_ NEW SECTION. 15G.101 DEFINITIONS.
- 10 As used in this chapter, unless the context
- 11 otherwise requires:

12 1. "Board" means the grow Iowa values board  
 13 established in section 15G.102.  
 14 2. "Department" means the Iowa department of  
 15 economic development created in section 15.105.  
 16 3. "Director" means the director of the department  
 17 of economic development.  
 18 4. "Fund" means the grow Iowa values fund created  
 19 in section 15G.107.  
 20 5. "Grow Iowa values geographic regions" means the  
 21 geographic regions defined in section 15G.105.  
 22 Sec. \_\_. NEW SECTION. 15G.102 GROW IOWA VALUES  
 23 BOARD.

24 1. The grow Iowa values board is established  
 25 consisting of eleven voting members and four ex  
 26 officio, nonvoting members. The grow Iowa values  
 27 board shall be located for administrative purposes  
 28 within the department and the director shall provide  
 29 office space, staff assistance, and necessary supplies  
 30 and equipment for the board. The director shall  
 31 budget moneys to pay the compensation and expenses of  
 32 the board. In performing its functions, the board is  
 33 performing a public function on behalf of the state  
 34 and is a public instrumentality of the state.  
 35 2. a. The eleven voting members of the board  
 36 shall be appointed by the governor, subject to  
 37 confirmation by the senate.  
 38 b. The four ex officio, nonvoting members shall be  
 39 appointed as follows:  
 40 (1) One member appointed by the president of the  
 41 senate.  
 42 (2) One member appointed by the minority leader of  
 43 the senate.  
 44 (3) One member appointed by the speaker of the  
 45 house of representatives.  
 46 (4) One member appointed by the minority leader of  
 47 the house of representatives.  
 48 c. All appointments shall comply with sections  
 49 69.16 and 69.16A.  
 50 d. At least one member of the board shall be from

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1 each grow Iowa values geographic region.  
 2 e. Each of the following areas of expertise shall  
 3 be represented by at least one member of the board who  
 4 has professional experience in that area of expertise:  
 5 (1) Finance and investment banking.  
 6 (2) Advanced manufacturing.  
 7 (3) Statewide agriculture.  
 8 (4) Life sciences.  
 9 (5) Small business development.  
 10 (6) Information technology.

11 (7) Economics.

12 (8) Labor.

13 (9) Marketing.

14 (10) Entrepreneurship.

15 f. At least nine voting members of the board shall  
16 be actively employed in the private, for-profit sector  
17 of the economy.

18 g. The board membership shall be balanced between  
19 representation by employers with less than two hundred  
20 employees and employers with two hundred or more  
21 employees.

22 3. The chairperson and vice chairperson shall be  
23 elected by the voting members of the board from the  
24 membership of the board. In the case of the absence  
25 or disability of the chairperson and vice chairperson,  
26 the voting members of the board shall elect a  
27 temporary chairperson by a majority vote of those  
28 voting members who are present and voting, provided a  
29 quorum is present.

30 4. The members of the board shall be appointed to  
31 three-year staggered terms and the terms shall  
32 commence and end as provided in section 69.19. If a  
33 vacancy occurs, a successor shall be appointed in the  
34 same manner and subject to the same qualifications as  
35 the original appointment to serve the unexpired term.

36 5. A majority of the voting members of the board  
37 constitutes a quorum.

38 6. A member of the board shall abstain from voting  
39 on the provision of financial assistance to a project  
40 which is located in the county in which the member of  
41 the board resides.

42 7. The members of the board are entitled to  
43 receive reimbursement for actual expenses incurred  
44 while engaged in the performance of official duties.  
45 A board member may also be eligible to receive  
46 compensation as provided in section 7E.6.

47 Sec. \_\_\_\_ NEW SECTION. 15G.103 BOARD DUTIES.

48 The board shall do all of the following:

49 1. Organize.

50 2. Receive advice and recommendations from the due

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1 diligence committee, the economic development  
2 marketing board, and the grow Iowa values review  
3 commission.

4 3. Assist the department in implementing programs  
5 and activities in a manner designed to achieve the  
6 goals set out in section 15G.106.

7 4. By December 15 of each year, submit a written  
8 report to the general assembly reviewing the  
9 activities of the board during the calendar year. The

10 report shall include information necessary for the  
 11 review of the goals and performance measures set out  
 12 in section 15G.106. State agencies and other entities  
 13 receiving moneys from the fund shall cooperate with  
 14 and assist the board in compilation of the report.

15 5. Adopt administrative rules pursuant to chapter  
 16 17A necessary to administer this chapter. This  
 17 delegation shall be construed narrowly.

18 6. Adopt a strategic plan pursuant to section  
 19 8E.204 by July 1, 2004.

20 Sec. \_\_. NEW SECTION. 15G.104 DUE DILIGENCE  
 21 COMMITTEE.

22 1. A due diligence committee is established  
 23 consisting of five members and is located for  
 24 administrative purposes within the department. The  
 25 director of the department shall provide office space,  
 26 staff assistance, and necessary supplies and equipment  
 27 for the committee. The director shall budget moneys  
 28 to pay the compensation and expenses of the committee.  
 29 In performing its functions, the committee is  
 30 performing a public function on behalf of the state  
 31 and is a public instrumentality of the state.

32 2. a. Membership of the due diligence committee  
 33 shall consist of five voting members of the grow Iowa  
 34 values board elected annually by the voting members of  
 35 the board. Committee members shall have expertise in  
 36 the areas of banking and entrepreneurship.

37 b. The chairperson and vice chairperson of the  
 38 committee shall be elected by and from the committee  
 39 members. The terms of the members shall commence and  
 40 end as provided by section 69.19. If a vacancy  
 41 occurs, a successor shall be appointed in the same  
 42 manner and subject to the same qualifications as the  
 43 original appointment to serve the unexpired term. A  
 44 majority of the committee constitutes a quorum.

45 3. The committee, after a thorough review, shall  
 46 determine whether a proposed project using moneys from  
 47 the grow Iowa values fund is practical and shall  
 48 provide recommendations to the grow Iowa values board  
 49 regarding any moneys proposed to be expended from the  
 50 grow Iowa values fund, with the exception of moneys

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1 appropriated for purposes of the loan and credit  
 2 guarantee program and regarding whether a proposed  
 3 project is practical. The recommendations shall be  
 4 based on whether the expenditure would make the  
 5 achievement of the goals in accordance with the  
 6 performance measures set out in section 15G.106 more  
 7 likely. The recommendations may include conditions or  
 8 that a proposed expenditure be rejected.

9 4. The members of the committee are entitled to  
10 receive reimbursement for actual expenses incurred  
11 while engaged in the performance of official duties.  
12 A committee member may also be eligible to receive  
13 compensation as provided in section 7E.6.  
14 Sec. \_\_. NEW SECTION. 15G.104A GROW IOWA VALUES  
15 REVIEW COMMISSION.

16 1. A grow Iowa values review commission is  
17 established consisting of three members and is located  
18 for administrative purposes within the office of the  
19 auditor of state. The auditor of state shall provide  
20 office space, staff assistance, and necessary supplies  
21 and equipment for the review commission. The auditor  
22 of state shall budget moneys to pay the compensation  
23 and expenses of the commission, including the actual  
24 expenses of the auditor of state incurred while  
25 engaged in the performance of official commission  
26 duties. In performing its functions, the review  
27 commission is performing a public function on behalf  
28 of the state and is a public instrumentality of the  
29 state.

30 2. Membership of the review commission shall  
31 include the auditor of state, one member appointed by  
32 the governor subject to confirmation by the senate,  
33 and one member appointed by the legislative council.  
34 The members appointed by the governor and the  
35 legislative council shall possess experience and  
36 expertise in the field of economics. The appointments  
37 shall comply with sections 69.16 and 69.16A. The  
38 chairperson of the review commission shall be the  
39 auditor of state. The members shall be appointed to  
40 three-year staggered terms and the terms shall  
41 commence and end as provided by section 69.19. If a  
42 vacancy occurs, a successor shall be appointed in the  
43 same manner and subject to the same qualifications as  
44 the original appointment to serve the unexpired term.  
45 A majority of the review commission constitutes a  
46 quorum.

47 3. The review commission shall analyze all annual  
48 reports of the grow Iowa values board for purposes of  
49 determining if the goals and performance measures set  
50 out in section 15G.106 have been met. By January 1,

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1 2007, the review commission shall submit a report to  
2 the grow Iowa values board, the department, and the  
3 general assembly. The report shall include findings,  
4 itemized by grow Iowa values geographic regions,  
5 regarding whether the goals and performance measures  
6 were met. The report shall also include  
7 recommendations regarding the continuation,

8 elimination, or modification of any programs receiving  
 9 moneys from the grow Iowa values fund and whether  
 10 moneys should continue to be appropriated to and from  
 11 the grow Iowa values fund. The recommendations shall  
 12 be based on whether the goals in accordance with the  
 13 performance measures are being achieved.

14 4. The members of the commission, including the  
 15 auditor of state, are entitled to receive  
 16 reimbursement for actual expenses incurred while  
 17 engaged in the performance of official duties. A  
 18 commission member may also be eligible to receive  
 19 compensation as provided in section 7E.6.

20 Sec. \_\_\_\_ NEW SECTION. 15G.105 GROW IOWA VALUES  
 21 GEOGRAPHIC REGIONS.

22 For purposes of applying the goals and performance  
 23 measurements, the state shall be divided into five  
 24 grow Iowa values geographic regions. The regions  
 25 shall be the following:

26 1. The northwest region shall include the counties  
 27 of Lyon, Osceola, Dickinson, Emmet, Kossuth,  
 28 Winnebago, Sioux, O'Brien, Clay, Palo Alto, Hancock,  
 29 Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt,  
 30 Wright, Woodbury, Ida, Sac, Calhoun, Webster, and  
 31 Hamilton.

32 2. The northeast region shall include the counties  
 33 of Worth, Mitchell, Howard, Winneshiek, Allamakee,  
 34 Cerro Gordo, Floyd, Chickasaw, Fayette, Clayton,  
 35 Franklin, Butler, Bremer, Hardin, Grundy, Black Hawk,  
 36 Buchanan, Delaware, Dubuque, Tama, Benton, Linn,  
 37 Jones, and Jackson.

38 3. The southeast region shall include the counties  
 39 of Poweshiek, Iowa, Johnson, Cedar, Clinton, Scott,  
 40 Muscatine, Mahaska, Keokuk, Washington, Louisa,  
 41 Monroe, Wapello, Jefferson, Henry, Des Moines,  
 42 Appanoose, Davis, Van Buren, and Lee.

43 4. The southwest region shall include the counties  
 44 of Monona, Crawford, Carroll, Greene, Harrison,  
 45 Shelby, Audubon, Guthrie, Pottawattamie, Cass, Adair,  
 46 Mills, Montgomery, Adams, Union, Clarke, Lucas,  
 47 Fremont, Page, Taylor, Ringgold, Decatur, and Wayne.

48 5. The central region shall include the counties  
 49 of Boone, Story, Marshall, Dallas, Polk, Jasper,  
 50 Madison, Warren, and Marion.

1 Sec. \_\_\_\_ NEW SECTION. 15G.106 GOALS --  
 2 PERFORMANCE MEASURES.

3 1. In performing the duties provided in this  
 4 chapter, chapter 15, and chapter 15E, the grow Iowa  
 5 values board, the due diligence committee, the  
 6 economic development marketing board, the grow Iowa

7 values review commission, and the department shall  
8 achieve the goals of expanding and stimulating the  
9 state economy, increasing the wealth of Iowans, and  
10 increasing the population of the state. For purposes  
11 of this section, “upper midwest region” includes the  
12 states of Iowa, Kansas, Minnesota, Missouri, Nebraska,  
13 North Dakota, and South Dakota.

14 2. Goal achievement shall be examined on a  
15 regional basis using the grow Iowa values geographic  
16 regions on a statewide basis. Family farm performance  
17 indicators shall be calculated separately. The  
18 performance of the grow Iowa values geographic regions  
19 shall be compared to the performance of the state, the  
20 upper midwest region, and the United States. The  
21 baseline year shall be the calendar year 2002. In  
22 each grow Iowa values geographic region, the goal  
23 shall be to increase the baseline performance measure  
24 of Iowa’s gross state product at a rate equal to or  
25 greater than the national economy.

26 3. a. In determining whether the goal of  
27 expanding and stimulating the state economy has been  
28 met, and using the calendar year 2002 as a baseline,  
29 performance measures shall be considered, including  
30 but not limited to the following, on a statewide basis  
31 or of those businesses that receive moneys originating  
32 from the grow Iowa values fund, as appropriate:

33 (1) A net increase in a business’s supplier  
34 network.

35 (2) A net increase in business start-ups.

36 (3) A net increase in business expansion.

37 (4) A net increase in business modernization.

38 (5) A net increase in attracting new businesses to  
39 the state.

40 (6) A net increase in business retention.

41 (7) A net increase in job creation and retention.

42 (8) A decrease in Iowa of the ratio of the  
43 government employment as a percentage share of the  
44 total employment in Iowa at a rate at least equal to  
45 the ratio of the upper midwest region.

46 b. By December 15 of each year, the department  
47 shall submit a report to the grow Iowa values review  
48 commission and the grow Iowa values board that  
49 identifies information pertinent to the performance  
50 measures in paragraph “a”, subparagraphs (3), (4), and

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1 (6), that the department gains through interviews with  
2 businesses in the state that close all or a portion of  
3 operations in the state. By December 15 of each year,  
4 based on the same interviews, the department shall  
5 submit a report to the general assembly providing

6 suggested amendments to the Code of Iowa and the Iowa  
7 administrative code designed to stimulate and expand  
8 the state's economy.

9 c. By December 15 of each year the department  
10 shall submit a report to the grow Iowa values review  
11 commission and the grow Iowa values board that  
12 identifies prospective lost business development  
13 opportunities information pertinent to the performance  
14 measures in paragraph "a", subparagraphs (2) and (5),  
15 which indicate that the state has not been successful  
16 in the performance measures in paragraph "a",  
17 subparagraphs (2) and (5).

18 d. For purposes of the performance measure in  
19 paragraph "a", subparagraph (7), the department of  
20 economic development, in consultation with the  
21 department of workforce development and the auditor of  
22 state, shall determine average annual job creation and  
23 retention rates based on the ten years prior to 2003,  
24 for the state and the upper midwest region. During  
25 the fiscal years beginning July 1, 2003, July 1, 2004,  
26 and July 1, 2005, the department of economic  
27 development shall report the job creation and  
28 retention rate of those businesses that receive moneys  
29 originating from the grow Iowa values fund and the job  
30 creation and retention rate of those businesses that  
31 do not receive moneys originating from the grow Iowa  
32 values fund. The ten-year average annual job creation  
33 and retention rate shall be compared to the job  
34 creation and retention rates determined under this  
35 paragraph for the fiscal years beginning July 1, 2003,  
36 July 1, 2004, and July 1, 2005. The department of  
37 economic development shall assist the department of  
38 workforce development in maintaining detailed  
39 employment statistics on businesses that receive  
40 moneys originating from the grow Iowa values fund, on  
41 businesses that do not receive moneys originating from  
42 the grow Iowa values fund, and on industries in Iowa  
43 that those businesses represent. The auditor of state  
44 shall audit the reliability and validity of the  
45 statistics compiled pursuant to this paragraph.

46 4. In determining whether the goal of increasing  
47 the wealth of Iowans has been met, the following  
48 earning performance measures shall be considered:

49 a. The per capita personal income in Iowa shall  
50 equal or exceed the average per capita personal income

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1 for the upper midwest region.

2 b. The average earnings per job in Iowa shall  
3 equal or exceed the average earnings per job in the  
4 upper midwest region.

5 c. The average manufacturing earnings per employee  
6 in Iowa shall equal or exceed the average  
7 manufacturing earnings per employee in the upper  
8 midwest region.

9 d. The average service earnings per employee in  
10 Iowa shall equal or exceed the average service  
11 earnings per employee in the upper midwest region.

12 e. The average earnings per employee in the  
13 financial, insurance, and real estate industries in  
14 Iowa shall equal or exceed the average earnings per  
15 employee in the financial, insurance, and real estate  
16 industries in the upper midwest region.

17 5. In determining whether the goal of increasing  
18 the population of the state has been met, the  
19 following performance measures shall be considered:

20 a. Using the calendar year 2002 as a baseline  
21 year, a net increase in the retention of Iowa high  
22 school graduates that are employed in the Iowa  
23 workforce following a higher education degree.

24 b. The increase in higher education graduates.

25 Sec. \_\_. NEW SECTION. 15G.107 GROW IOWA VALUES  
26 FUND.

27 A grow Iowa values fund is created in the state  
28 treasury under the control of the grow Iowa values  
29 board consisting of moneys appropriated to the grow  
30 Iowa values board. Moneys in the fund are not subject  
31 to section 8.33. Notwithstanding section 12C.7,  
32 interest or earnings on moneys in the fund shall be  
33 credited to the fund. The fund shall be administered  
34 by the grow Iowa values board, which shall make  
35 expenditures from the fund consistent with this  
36 chapter and pertinent Acts of the general assembly.  
37 Any financial assistance provided using moneys from  
38 the fund may be provided over a period of time of more  
39 than one year. Payments of interest, repayments of  
40 moneys loaned pursuant to this chapter, and recaptures  
41 of grants or loans shall be deposited in the fund.

42 Sec. \_\_. NEW SECTION. 15G.108 ECONOMIC  
43 DEVELOPMENT MARKETING BOARD -- MARKETING STRATEGIES.

44 1. a. An economic development marketing board is  
45 established consisting of seven members and is located  
46 for administrative purposes within the department.  
47 The director of the department shall provide office  
48 space, staff assistance, and necessary supplies and  
49 equipment for the board. The director shall budget  
50 moneys to pay the compensation and expenses of the

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1 board. In performing its functions, the board is  
2 performing a public function on behalf of the state  
3 and is a public instrumentality of the state.

4 b. The membership of the board shall consist of  
5 seven members appointed by the governor, subject to  
6 confirmation by the senate. Five of the members shall  
7 have significant demonstrated experience in marketing  
8 or advertising. Two members of the board shall also  
9 be members of the grow Iowa values board.

10 c. The appointments shall comply with sections  
11 69.16 and 69.16A.

12 d. The chairperson and vice chairperson of the  
13 board shall be elected by and from the board members.  
14 In case of the absence or disability of the  
15 chairperson and vice chairperson, the members of the  
16 board shall elect a temporary chairperson by a  
17 majority vote of those members who are present and  
18 voting.

19 e. The members shall be appointed to three-year  
20 staggered terms and the terms shall commence and end  
21 as provided by section 69.19. If a vacancy occurs, a  
22 successor shall be appointed to serve the unexpired  
23 term. A successor shall be appointed in the same  
24 manner and subject to the same qualifications as the  
25 original appointment to serve the unexpired term.

26 f. A majority of the board constitutes a quorum.

27 2. The board shall administer and implement the  
28 approval process for marketing strategies provided in  
29 subsection 3.

30 3. The economic development marketing board shall  
31 accept proposals for marketing strategies for purposes  
32 of selecting a strategy for the department to  
33 administer. The marketing strategies shall be  
34 designed to market Iowa as a lifestyle, increase the  
35 population of the state, increase the wealth of  
36 Iowans, and expand and stimulate the state economy.  
37 The economic development marketing board shall submit  
38 a recommendation regarding the proposal to the grow  
39 Iowa values board. In selecting a marketing strategy  
40 for recommendation, the economic development marketing  
41 board shall base the selection on the goals and  
42 performance measures provided in section 15G.106. The  
43 grow Iowa values board shall either approve or deny  
44 the recommendation.

45 4. The department shall implement and administer  
46 the marketing strategy approved by the grow Iowa  
47 values board as provided in subsection 3. The  
48 department shall provide the economic development  
49 marketing board with assistance in implementing  
50 administrative functions of the board and provide

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1 technical assistance to the board.

2 5. The members of the board are entitled to

3 receive reimbursement for actual expenses incurred  
 4 while engaged in the performance of official duties.  
 5 A board member may also be eligible to receive  
 6 compensation as provided in section 7E.6.

7 Sec. \_\_. NEW SECTION. 15G.109 FUTURE  
 8 CONSIDERATION.

9 Not later than February 1, 2007, the legislative  
 10 services agency shall prepare and deliver to the  
 11 secretary of the senate and the chief clerk of the  
 12 house of representatives identical bills that repeal  
 13 the provisions of this chapter. It is the intent of  
 14 this section that the general assembly shall bring the  
 15 bill to a vote in either the senate or the house of  
 16 representatives expeditiously. It is further the  
 17 intent of this chapter that if the bill is approved by  
 18 the first house in which it is considered, it shall  
 19 expeditiously be brought to a vote in the second  
 20 house.

21 DIVISION \_\_

22 VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES  
 23 FINANCIAL ASSISTANCE PROGRAM

24 Sec. \_\_. Section 15E.111, subsection 1, Code  
 25 2003, is amended to read as follows:

26 1. a. The department shall establish a value-  
 27 added agricultural products and processes financial  
 28 assistance program. The department shall consult with  
 29 ~~the Iowa corn growers association and the Iowa soybean~~  
 30 ~~association Iowa commodity groups.~~ The purpose of the  
 31 program is to encourage the increased utilization of  
 32 agricultural commodities produced in this state. The  
 33 program shall assist in efforts to revitalize rural  
 34 regions of this state, by committing resources to  
 35 provide financial assistance to new or existing value-  
 36 added production facilities. The department of  
 37 economic development may consult with other state  
 38 agencies regarding any possible future environmental,  
 39 health, or safety issues linked to technology related  
 40 to the biotechnology industry. In awarding financial  
 41 assistance, the department shall prefer producer-  
 42 owned, value-added businesses and public and private  
 43 joint ventures involving an institution of higher  
 44 learning under the control of the state board of  
 45 regents or a private college or university acquiring  
 46 assets, research facilities, and leveraging moneys in  
 47 a manner that meets the goals of the grow Iowa values  
 48 fund and shall commit resources to assist the  
 49 following:

50 ~~⊖~~ (1) Facilities which are involved in the

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1 development of new innovative products and processes  
2 related to agriculture. The facility must do either  
3 of the following: produce a good derived from an  
4 agricultural commodity, if the good is not commonly  
5 produced from an agricultural commodity; or use a  
6 process to produce a good derived from an agricultural  
7 process, if the process is not commonly used to  
8 produce the good.

9 ~~b.~~ (2) Renewable fuel production facilities. As  
10 used in this section, “renewable fuel” means an energy  
11 source which is derived from an organic compound  
12 capable of powering machinery, including an engine or  
13 power plant.

14 (3) Agricultural business facilities in the  
15 agricultural biotechnology industry, agricultural  
16 biomass industry, and alternative energy industry.  
17 For purposes of this subsection:

18 (a) “Agricultural biomass industry” means  
19 businesses that utilize agricultural commodity crops,  
20 agricultural by-products, or animal feedstock in the  
21 production of chemicals, protein products, or other  
22 high-value products.

23 (b) “Agricultural biotechnology industry” means  
24 businesses that utilize scientifically enhanced plants  
25 or animals that can be raised by producers and used in  
26 the production of high-value products.

27 (c) “Alternative energy industry” includes  
28 businesses involved in the production of ethanol,  
29 including gasoline with a mixture of seventy percent  
30 or more ethanol, biodiesel, biomass, hydrogen, or in  
31 the production of wind energy.

32 (4) Facilities that add value to Iowa agricultural  
33 commodities through further processing and development  
34 of organic products and emerging markets.

35 (5) Producer-owned, value-added businesses,  
36 education of producers and management boards in value-  
37 added businesses, and other activities that would  
38 support the infrastructure in the development of  
39 value-added agriculture. Public and private joint  
40 ventures involving an institution of higher learning  
41 under the control of the state board of regents or a  
42 private college or university to acquire assets,  
43 research facilities, and leverage moneys in a manner  
44 that meets the goals of the grow Iowa values fund.  
45 For purposes of this subsection, “producer-owned,  
46 valued-added business” means a person who holds an  
47 equity interest in the agricultural business and is  
48 personally involved in the production of crops or  
49 livestock on a regular, continuous, and substantial  
50 basis.

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1 b. Financial assistance awarded under this section  
 2 may be in the form of a loan, loan guarantee, grant,  
 3 production incentive payment, or a combination of  
 4 financial assistance. The department shall not award  
 5 more than twenty-five percent of the amount allocated  
 6 to the value-added agricultural products and processes  
 7 financial assistance fund during any fiscal year to  
 8 support a single person. The department may finance  
 9 any size of facility. However, the department ~~shall~~  
 10 may reserve up to fifty percent of the total amount  
 11 allocated to the fund, for purposes of assisting  
 12 persons requiring ~~one~~ five hundred thousand dollars or  
 13 less in financial assistance. The amount shall be  
 14 reserved until the end of the third quarter of the  
 15 fiscal year. The department shall not provide  
 16 financial assistance to support a value-added  
 17 production facility if the facility or a person owning  
 18 a controlling interest in the facility has  
 19 demonstrated a continuous and flagrant disregard for  
 20 the health and safety of its employees or the quality  
 21 of the environment. Evidence of such disregard shall  
 22 include a history of serious or uncorrected violations  
 23 of state or federal law protecting occupational health  
 24 and safety or the environment, including but not  
 25 limited to serious or uncorrected violations of  
 26 occupational safety and health standards enforced by  
 27 the division of labor services of the department of  
 28 workforce development pursuant to chapter 84A, or  
 29 rules enforced by the department of natural resources  
 30 pursuant to chapter 455B or 459, subchapters II and  
 31 III.

32 DIVISION \_\_\_\_

33 ENDOW IOWA GRANTS

34 Sec. \_\_\_\_ NEW SECTION. 15E.301 SHORT TITLE.

35 This division shall be known as and may be cited as  
 36 the “Endow Iowa Program Act”.

37 Sec. \_\_\_\_ NEW SECTION. 15E.302 PURPOSE.

38 The purpose of this division is to enhance the  
 39 quality of life for citizens of this state through  
 40 increased philanthropic activity by providing capital  
 41 to new and existing citizen groups of this state  
 42 organized to establish endowment funds that will  
 43 address community needs. The purpose of this division  
 44 is also to encourage individuals, businesses, and  
 45 organizations to invest in community foundations.

46 Sec. \_\_\_\_ NEW SECTION. 15E.303 DEFINITIONS.

47 As used in this division, unless the context  
 48 otherwise requires:

49 1. “Board” means the governing board of the lead  
 50 philanthropic entity identified by the department

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- 1 pursuant to section 15E.304.
- 2 2. “Business” means a business operating within  
3 the state and includes individuals operating a sole  
4 proprietorship or having rental, royalty, or farm  
5 income in this state and includes a consortium of  
6 businesses.
- 7 3. “Community affiliate organization” means a  
8 group of five or more community leaders or advocates  
9 organized for the purpose of increasing philanthropic  
10 activity in an identified community or geographic area  
11 in this state with the intention of establishing a  
12 community affiliate endowment fund.
- 13 4. “Endowment gift” means an irrevocable  
14 contribution to a permanent endowment held by a  
15 qualified community foundation.
- 16 5. “Lead philanthropic entity” means the entity  
17 identified by the department pursuant to section  
18 15E.304.
- 19 6. “Qualified community foundation” means a  
20 community foundation organized or operating in this  
21 state that meets or exceeds the national standards  
22 established by the national council on foundations.
- 23 Sec. \_\_. NEW SECTION. 15E.304 ENDOW IOWA  
24 GRANTS.
- 25 1. The department shall identify a lead  
26 philanthropic entity for purposes of encouraging the  
27 development of qualified community foundations in this  
28 state. A lead philanthropic entity shall meet all of  
29 the following qualifications:
- 30 a. The entity shall be a nonprofit entity which is  
31 exempt from federal income taxation pursuant to  
32 section 501(c)(3) of the Internal Revenue Code.
- 33 b. The entity shall be a statewide organization  
34 with membership consisting of organizations, such as  
35 community, corporate, and private foundations, whose  
36 principal function is the making of grants within the  
37 state of Iowa.
- 38 c. The entity shall have a minimum of forty  
39 members and that membership shall include qualified  
40 community foundations.
- 41 2. A lead philanthropic entity may receive a grant  
42 from the department. The board shall use the grant  
43 moneys to award endow Iowa grants to new and existing  
44 qualified community foundations and to community  
45 affiliate organizations that do all of the following:
- 46 a. Provide the board with all information required  
47 by the board.
- 48 b. Demonstrate a dollar-for-dollar funding match  
49 in a form approved by the board.
- 50 c. Identify a qualified community foundation to

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1 hold all funds. A qualified community foundation  
2 shall not be required to meet this requirement.  
3 d. Provide a plan to the board demonstrating the  
4 method for distributing grant moneys received from the  
5 board to organizations within the community or  
6 geographic area as defined by the qualified community  
7 foundation or the community affiliate organization.  
8 3. Endow Iowa grants awarded to new and existing  
9 qualified community foundations and to community  
10 affiliate organizations shall not exceed twenty-five  
11 thousand dollars per foundation or organization unless  
12 a foundation or organization demonstrates a multiple  
13 county or regional approach. Endow Iowa grants may be  
14 awarded on an annual basis with not more than three  
15 grants going to one county in a fiscal year.  
16 4. In ranking applications for grants, the board  
17 shall consider a variety of factors including the  
18 following:  
19 a. The demonstrated need for financial assistance.  
20 b. The potential for future philanthropic activity  
21 in the area represented by or being considered for  
22 assistance.  
23 c. The proportion of the funding match being  
24 provided.  
25 d. For community affiliate organizations, the  
26 demonstrated need for the creation of a community  
27 affiliate endowment fund in the applicant's geographic  
28 area.  
29 e. The identification of community needs and the  
30 manner in which additional funding will address those  
31 needs.  
32 f. The geographic diversity of awards.  
33 5. Of any moneys received by a lead philanthropic  
34 entity from the state, not more than five percent of  
35 such moneys shall be used by the entity for  
36 administrative purposes.  
37 Sec. \_\_\_\_ NEW SECTION. 15E.306 REPORTS --  
38 AUDITS.  
39 By January 31 of each year, the lead philanthropic  
40 entity, in cooperation with the department, shall  
41 publish an annual report of the activities conducted  
42 pursuant to this division during the previous calendar  
43 year and shall submit the report to the governor and  
44 the general assembly. The annual report shall include  
45 a listing of endowment funds and the amount of tax  
46 credits authorized by the department.  
47 Sec. \_\_\_\_ EFFECTIVE AND RETROACTIVE APPLICABILITY  
48 DATES. This division of this Act, being deemed of  
49 immediate importance, takes effect upon enactment and  
50 is retroactively applicable to January 1, 2003, for

1 tax years beginning on or after that date.

2 DIVISION \_\_\_\_

3 COMMERCIALIZATION OF RESEARCH ISSUES

4 Sec. \_\_\_\_ Section 262.9, Code 2003, is amended by

5 adding the following new subsection:

6 NEW SUBSECTION. 29. By January 15 of each year,

7 submit a report to the governor, through the director

8 of technology in the office of the governor, and the

9 general assembly containing information from the

10 previous calendar year regarding all of the following:

11 a. Patents secured or applied for by each

12 university under the control of the board delineated

13 by university and by faculty member and staff member

14 responsible for the research or activity that resulted

15 in the patent. In the initial report filed by January

16 15, 2004, the board shall include an inventory of

17 patent portfolios with details concerning which

18 patents are creating financial benefit and the amount

19 of financial benefit and which patents are not

20 creating financial benefit and the amount invested in

21 those patents.

22 b. Research grants secured by each university

23 under the control of the board from both public and

24 private sources delineated by university and by

25 faculty member and staff member. The board shall also

26 include the same information for grant applications

27 that are denied.

28 c. The number of faculty members and staff members

29 at each university under the control of the board

30 involved in a start-up company.

31 d. The number of grant applications for research

32 received by each university under the control of the

33 board for start-up companies, the number of

34 applications approved, and the number of applications

35 denied.

36 e. The number of agreements entered into by

37 faculty members and staff members at each university

38 under the control of the board with foundations

39 affiliated with the universities relating to business

40 start-ups.

41 f. An accounting of the financial gain received by

42 each university under the control of the board

43 relating to patents sold, royalties received,

44 licensing fees, and any other remuneration received by

45 the university related to technology transfer.

46 g. The number of professional employees at each

47 university under the control of the board who assist

48 in the transfer of technology and research to

49 commercial application.

50 Sec. \_\_\_\_ Section 262B.1, Code 2003, is amended to

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1 read as follows:

2 262B.1 TITLE.

3 This chapter shall be known and may be cited as the  
4 ~~“University Based Research and Economic Development~~  
5 ~~“Commercialization of Research for Iowa Act”~~.

6 Sec. \_\_\_\_ Section 262B.2, Code 2003, is amended by  
7 striking the section and inserting in lieu thereof the  
8 following:

9 262B.2 LEGISLATIVE INTENT.

10 It is the intent of the general assembly that the  
11 three universities under the control of the state  
12 board of regents have as part of their mission the use  
13 of their universities' expertise to expand and  
14 stimulate economic growth across the state. This  
15 activity may be accomplished through a wide variety of  
16 partnerships, public and private joint ventures, and  
17 cooperative endeavors, primarily in the area of high  
18 technology, and may result in investments by the  
19 private sector for commercialization of the  
20 technology. It is imperative that the investments and  
21 job creation be in Iowa, but need not be in the  
22 proximity of the universities. The purpose is to  
23 expand and stimulate Iowa's economy, increase the  
24 wealth of Iowans, and increase the population of Iowa,  
25 which may be accomplished through research conducted  
26 within the state that will competitively position Iowa  
27 on an economic basis with other states and create  
28 high-wage, high-growth employers and jobs. It is also  
29 the intent of the general assembly that real or  
30 virtual research parks will be established and  
31 maintained by the universities in close enough  
32 proximity to the ventures that cooperation between the  
33 academic, research, and commercialization phases will  
34 be encouraged. It is the intent of the general  
35 assembly that satellites of the research parks will  
36 expand and stimulate economic growth in other areas of  
37 the state.

38 Sec. \_\_\_\_ Section 262B.3, Code 2003, is amended to  
39 read as follows:

40 262B.3 ESTABLISHMENT OF CONSORTIUM DUTIES AND  
41 RESPONSIBILITIES.

42 1. The state board of regents or the universities  
43 under its jurisdiction, as part of its mission and  
44 strategic plan, shall establish consortiums mechanisms  
45 for the purpose of carrying out the intent of this  
46 chapter. ~~The majority of consortium members shall be~~  
47 ~~from the university community and the balance of~~  
48 ~~members shall be from private industry. The members~~  
49 ~~of the consortium shall be appointed by the president~~  
50 ~~of the convening university and will serve at the~~

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1 ~~pleasure of the president.~~ In addition to other board  
 2 initiatives, the board shall work with the department  
 3 of economic development, other state agencies, and the  
 4 private sector to facilitate the commercialization of  
 5 research.

6 2. Activities to implement this chapter may  
 7 include:

8 a. Developing strategies to market university  
 9 research for commercialization in Iowa.

10 b. Matching university resources with the needs of  
 11 existing Iowa firms or start-up opportunities.

12 c. Evaluating university research for  
 13 commercialization potential, where relevant.

14 d. Developing a plan to improve private sector  
 15 access to the university licenses and patent  
 16 information and the transfer of technology from the  
 17 university to the private sector.

18 e. Disseminating information on research  
 19 activities of the university.

20 f. Identifying research needs of existing Iowa  
 21 businesses and recommending ways in which the  
 22 universities can meet these needs.

23 g. Linking research and instruction activities to  
 24 economic development.

25 h. Reviewing and monitoring activities related to  
 26 technology transfer.

27 i. Coordinating activities to facilitate a focus  
 28 on research in the state's targeted industry clusters.

29 j. Surveying of similar activities in other states  
 30 and at other universities.

31 k. Establishing a single point of contact to  
 32 facilitate commercialization of research.

33 Sec. \_\_\_\_. Section 262B.5, Code 2003, is amended to  
 34 read as follows:

35 262B.5 REGENTS AND DEPARTMENT OF ECONOMIC  
 36 DEVELOPMENT REPORTING.

37 The state board of regents and the Iowa department  
 38 of economic development shall enter into an agreement  
 39 under chapter 28E to coordinate and facilitate the  
 40 activities of the consortiums. The state board of  
 41 regents ~~and~~ with input from the Iowa department of  
 42 economic development shall report annually to the  
 43 governor and the general assembly concerning the  
 44 activities ~~of the consortiums~~ conducted pursuant to  
 45 this chapter.

46 Sec. \_\_\_\_. NEW SECTION. 262B.6 DIRECTOR OF  
 47 TECHNOLOGY -- TECHNOLOGY TRANSFER AGENTS.

48 1. The governor shall appoint a director of  
 49 technology to serve within the office of the governor.

50 A position is created for a deputy director of

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1 technology within the office of the governor. The  
2 director and the deputy director shall be responsible  
3 for advancing technology transfer and  
4 commercialization issues in the state and shall  
5 coordinate the related activities at the institutions  
6 of higher learning under the control of the state  
7 board of regents. The director shall have  
8 demonstrated expertise and experience in the areas of  
9 business, industry, and academics.

10 2. Each institution of higher learning under the  
11 control of the state board of regents shall designate  
12 an employee to serve as a technology transfer agent to  
13 coordinate the activities of the institution with the  
14 director of technology within the office of the  
15 governor.

16 3. By December 1, 2004, the director shall conduct  
17 a study and develop recommendations for the  
18 advancement of technology transfer and  
19 commercialization issues. The director shall compile  
20 and submit the recommendations in written form to the  
21 general assembly by December 1, 2004. The  
22 recommendations shall include specific and detailed  
23 proposed amendments to the Code of Iowa necessary to  
24 advance the proposed recommendations.

25 Sec. \_\_\_\_ Section 262B.4, Code 2003, is repealed.

26 DIVISION \_\_\_\_

27 IOWA ECONOMIC DEVELOPMENT  
28 LOAN AND CREDIT GUARANTEE FUND

29 Sec. \_\_\_\_ NEW SECTION. 15E.221 SHORT TITLE.

30 This division shall be known and may be cited as  
31 the "Iowa Economic Development Loan and Credit  
32 Guarantee Fund Act".

33 Sec. \_\_\_\_ NEW SECTION. 15E.222 LEGISLATIVE  
34 FINDING -- PURPOSES.

35 1. The general assembly finds all of the  
36 following:

37 a. That small and medium-sized businesses, in  
38 general, and certain targeted industry businesses and  
39 other qualified businesses, in particular, may not  
40 qualify for conventional financing.

41 b. That the limited availability of credit for  
42 export transactions limits the ability of small and  
43 medium-sized businesses in this state to compete in  
44 international markets.

45 c. That, to enhance competitiveness and foster  
46 economic development, this state must focus on growth  
47 in certain specific targeted industry businesses and  
48 other qualified businesses, especially during a time  
49 of war.

50 d. That the challenge for the public economic

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1 sector is to create an atmosphere conducive to  
2 economic growth, in conjunction with financial  
3 institutions in the private sector, which fill the  
4 gaps in credit availability and export finance, and  
5 that allow the private sector to identify the lending  
6 opportunities and foster decision making at the local  
7 level.

8 2. The general assembly declares the purposes of  
9 this division to be all of the following:

10 a. To create incentives and assistance to increase  
11 the flow of private capital to targeted industry  
12 businesses and other qualified businesses.

13 b. To promote industrial modernization and  
14 technology adoption.

15 c. To encourage the retention and creation of  
16 jobs.

17 d. To encourage the export of goods and services  
18 sold by Iowa businesses in national and international  
19 markets.

20 Sec. \_\_. NEW SECTION. 15E.223 DEFINITIONS.

21 As used in this division, unless the context  
22 otherwise requires:

23 1. “Financial institution” means an institution  
24 listed in section 422.61, subsection 1, or such other  
25 financial institution as defined by the department for  
26 purposes of this division.

27 2. “Program” means the loan and credit guarantee  
28 program established in this division.

29 3. “Qualified business” means an existing or  
30 proposed business entity with an annual average number  
31 of employees not exceeding two hundred employees.

32 “Qualified business” does not include businesses  
33 engaged primarily in retail sales, real estate, or the  
34 provision of health care or other professional  
35 services. “Qualified business” includes professional  
36 services businesses that provide services to targeted  
37 industry businesses or other entities.

38 4. “Targeted industry business” means an existing  
39 or proposed business entity, including an emerging  
40 small business or qualified business which is operated  
41 for profit and which has a primary business purpose of  
42 doing business in at least one of the targeted  
43 industries designated by the department which include  
44 life sciences, software and information technology,  
45 advanced manufacturing, value-added agriculture, and  
46 any other industry designated as a targeted industry  
47 by the loan and credit guarantee advisory board.

48 Sec. \_\_. NEW SECTION. 15E.224 LOAN AND CREDIT  
49 GUARANTEE PROGRAM.

50 1. The department shall, with the advice of the

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1 loan and credit guarantee advisory board, establish  
2 and administer a loan and credit guarantee program.  
3 The department, pursuant to agreements with financial  
4 institutions, shall provide loan and credit  
5 guarantees, or other forms of credit guarantees for  
6 qualified businesses and targeted industry businesses  
7 for eligible project costs. A loan or credit  
8 guarantee provided under the program may stand alone  
9 or may be used in conjunction with or to enhance other  
10 loans or credit guarantees, offered by private, state,  
11 or federal entities. The department may purchase  
12 insurance to cover defaulted loans meeting the  
13 requirements of the program. However, the department  
14 shall not in any manner directly or indirectly pledge  
15 the credit of the state. Eligible project costs  
16 include expenditures for productive equipment and  
17 machinery, working capital for operations and export  
18 transactions, research and development, marketing, and  
19 such other costs as the department may so designate.

20 2. A loan or credit guarantee or other form of  
21 credit guarantee provided under the program to a  
22 participating financial institution for a single  
23 qualified business or targeted industry business shall  
24 not exceed one million dollars in value. Loan or  
25 credit guarantees or other forms of credit guarantees  
26 provided under the program to more than one  
27 participating financial institution for a single  
28 qualified business or targeted industry business shall  
29 not exceed ten million dollars in value.

30 3. In administering the program, the department  
31 shall consult and cooperate with financial  
32 institutions in this state and with the loan and  
33 credit guarantee advisory board. Administrative  
34 procedures and application procedures, as practicable,  
35 shall be responsive to the needs of qualified  
36 businesses, targeted industry businesses, and  
37 financial institutions, and shall be consistent with  
38 prudent investment and lending practices and criteria.

39 4. Each participating financial institution shall  
40 identify and underwrite potential lending  
41 opportunities with qualified businesses and targeted  
42 industry businesses. Upon a determination by a  
43 participating financial institution that a qualified  
44 business or targeted industry business meets the  
45 underwriting standards of the financial institution,  
46 subject to the approval of a loan or credit guarantee,  
47 the financial institution shall submit the  
48 underwriting information and a loan or credit  
49 guarantee application to the department.

50 5. The department, with the advice of the loan and

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1 credit guarantee advisory board, shall adopt a loan or  
2 credit guarantee application procedure for a financial  
3 institution on behalf of a qualified business or  
4 targeted industry business.

5 6. Upon approval of a loan or credit guarantee,  
6 the department shall enter into a loan or credit  
7 guarantee agreement with the participating financial  
8 institution. The agreement shall specify all of the  
9 following:

10 a. The fee to be charged to the financial  
11 institution.

12 b. The evidence of debt assurance of, and security  
13 for, the loan or credit guarantee.

14 c. A loan or credit guarantee that does not exceed  
15 fifteen years.

16 d. Any other terms and conditions considered  
17 necessary or desirable by the department.

18 7. The department, with the advice of the loan and  
19 credit guarantee advisory board, may adopt loan and  
20 credit guarantee application procedures that allow a  
21 qualified business or targeted industry business to  
22 apply directly to the department for a preliminary  
23 guarantee commitment. A preliminary guarantee  
24 commitment may be issued by the department subject to  
25 the qualified business or targeted industry business  
26 securing a commitment for financing from a financial  
27 institution. The application procedures shall specify  
28 the process by which a financial institution may  
29 obtain a final loan and credit guarantee.

30 Sec. \_\_. NEW SECTION. 15E.225 TERMS -- FEES.

31 1. When entering into a loan or credit guarantee  
32 agreement, the department, with the advice of the loan  
33 and credit guarantee advisory board, shall establish  
34 fees and other terms for participation in the program  
35 by qualified businesses and targeted industry  
36 businesses.

37 2. The department, with due regard for the  
38 possibility of losses and administrative costs and  
39 with the advice of the loan and credit guarantee  
40 advisory board, shall set fees and other terms at  
41 levels sufficient to assure that the program is self-  
42 financing.

43 3. For a preliminary guarantee commitment, the  
44 department may charge a qualified business or targeted  
45 industry business a preliminary guarantee commitment  
46 fee. The application fee shall be in addition to any  
47 other fees charged by the department under this  
48 section and shall not exceed one thousand dollars for  
49 an application.

50 Sec. \_\_. NEW SECTION. 15E.226 LOAN AND CREDIT

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1 GUARANTEE ADVISORY BOARD.

2 A loan and credit guarantee advisory board is  
3 established consisting of seven members appointed by  
4 the governor, subject to confirmation by the senate.  
5 The advisory board shall provide the department with  
6 technical advice regarding the administration of the  
7 program, including the adoption of administrative  
8 rules pursuant to chapter 17A. The advisory board  
9 shall review and provide recommendations regarding all  
10 applications under the program. Members of the  
11 advisory board are entitled to receive reimbursement  
12 for actual expenses incurred while engaged in the  
13 performance of official duties. Advisory board  
14 members may also be eligible to receive compensation  
15 as provided in section 7E.6. The director of the  
16 department shall budget moneys to pay the compensation  
17 and expenses of the advisory board. The provisions of  
18 this section relating to the adoption of  
19 administrative rules shall be construed narrowly.

20 DIVISION \_\_\_\_

21 ECONOMIC DEVELOPMENT ASSISTANCE AND DATA COLLECTION  
22 Sec. \_\_\_\_ NEW SECTION. 15E.118 BUSINESS START-UP  
23 INFORMATION -- INTERNET WEB SITE.

24 The department shall provide information through an  
25 internet web site and a toll-free telephone service to  
26 assist persons interested in establishing a commercial  
27 facility or engaging in a commercial activity. The  
28 information shall include all of the following:

- 29 1. Assistance, information, and guidance for  
30 start-up businesses.
- 31 2. Information gathered by the department pursuant  
32 to section 15E.17, subsection 2.
- 33 3. Personal and corporate income tax information.
- 34 4. Information regarding financial assistance and  
35 incentives available to businesses.
- 36 5. Workforce availability in the state presented  
37 in a regional format.

38 Sec. \_\_\_\_ NEW SECTION. 15E.119 ECONOMIC  
39 DEVELOPMENT-RELATED DATA COLLECTION.

- 40 1. The department shall interview any business  
41 that considered locating in Iowa but decided to locate  
42 elsewhere. The department shall attempt to determine  
43 factors that affected the location decision of the  
44 business.
- 45 2. The department shall interview any business  
46 that closes major operations in the state or dissolves  
47 the business's corporate status in an effort to  
48 identify factors that led to the closure or  
49 dissolution.
- 50 3. By January 15 of each year, the department

1 shall submit a written report to the general assembly  
 2 that summarizes the information collected pursuant to  
 3 this section and provides suggested amendments to the  
 4 Code of Iowa and the Iowa administrative code designed  
 5 to stimulate and expand the state's economy.  
 6 Sec. \_\_\_. INTERNET WEB SITE DEVELOPMENT. In  
 7 developing the internet web site required in section  
 8 15E.118, the department of economic development shall  
 9 examine similar efforts in other states and  
 10 incorporate the best practices.

11 DIVISION \_\_\_  
 12 CULTURAL AND ENTERTAINMENT DISTRICTS  
 13 Sec. \_\_\_. NEW SECTION. 303.3B CULTURAL AND  
 14 ENTERTAINMENT DISTRICTS.

15 1. The department of cultural affairs shall  
 16 establish and administer a cultural and entertainment  
 17 district certification program. The program shall  
 18 encourage the growth of communities through the  
 19 development of areas within a city or county for  
 20 public and private uses related to cultural and  
 21 entertainment purposes.

22 2. A city or county may create and designate a  
 23 cultural and entertainment district subject to  
 24 certification by the department of cultural affairs,  
 25 in consultation with the department of economic  
 26 development. A cultural and entertainment district  
 27 shall consist of a geographic area not exceeding one  
 28 square mile in size. A cultural and entertainment  
 29 district certification shall remain in effect for ten  
 30 years following the date of certification. Two or  
 31 more cities or counties may apply jointly for  
 32 certification of a district that extends across a  
 33 common boundary. Through the adoption of  
 34 administrative rules, the department of cultural  
 35 affairs shall develop a certification application for  
 36 use in the certification process. The provisions of  
 37 this subsection relating to the adoption of  
 38 administrative rules shall be construed narrowly.

39 3. The department of cultural affairs shall  
 40 encourage development projects and activities located  
 41 in certified cultural and entertainment districts  
 42 through incentives under cultural grant programs  
 43 pursuant to section 303.3, chapter 303A, and any other  
 44 grant programs.

45 DIVISION \_\_\_  
 46 UNIVERSITY-BASED RESEARCH UTILIZATION PROGRAM  
 47 Sec. \_\_\_. NEW SECTION. 262B.11 UNIVERSITY-BASED  
 48 RESEARCH UTILIZATION PROGRAM.

49 1. The department of economic development shall  
 50 establish and administer a university-based research

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1 utilization program for purposes of encouraging the  
2 utilization of university-based research, primarily in  
3 the area of high technology, in new or existing  
4 businesses. The program shall include the three  
5 universities under the control of the state board of  
6 regents and all accredited private universities  
7 located in the state.

8 2. A new or existing business that utilizes a  
9 technology developed by an employee at a university  
10 under the control of the state board of regents may  
11 apply to the department of economic development for  
12 approval to participate in the university-based  
13 research utilization program. The department shall  
14 approve an applicant if the applicant meets all of the  
15 following criteria:

16 a. The applicant utilizes a technology developed  
17 by an employee at a university under the control of  
18 the state board of regents, provided that the  
19 technology has received a patent after the effective  
20 date of this Act. If the applicant has been in  
21 existence more than one year prior to applying, the  
22 applicant shall organize a separate company to utilize  
23 the technology. For purposes of this section, the  
24 separate company shall be considered the applicant  
25 and, if approved, the approved business.

26 b. The applicant develops a five-year business  
27 plan approved by the department. The plan shall  
28 include information concerning the applicant's Iowa  
29 employment goals and projected impact on the Iowa  
30 economy. The department shall only approve plans  
31 showing sufficient potential impact on Iowa employment  
32 and economic development.

33 c. The applicant meets a minimum-size business  
34 standard determined by the department.

35 d. The applicant provides annual reports to the  
36 department that include employment statistics for the  
37 applicant and the total taxable wages paid to Iowa  
38 employees and reported to the department of revenue  
39 and finance pursuant to section 422.16.

40 3. A business approved under the program and the  
41 university employee responsible for the development of  
42 the technology utilized by the approved business shall  
43 be eligible for a tax credit. The credit shall be  
44 allowed against the taxes imposed in chapter 422,  
45 divisions II and III. An individual may claim a tax  
46 credit under this section of a partnership, limited  
47 liability company, S corporation, estate, or trust  
48 electing to have income taxed directly to the  
49 individual. The amount claimed by the individual  
50 shall be based upon the pro rata share of the

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1 individual's earnings from the partnership, limited  
2 liability company, S corporation, estate, or trust. A  
3 tax credit shall not be claimed under this subsection  
4 unless a tax credit certificate issued by the  
5 department of economic development is attached to the  
6 taxpayer's tax return for the tax year for which the  
7 tax credit is claimed. The amount of a tax credit  
8 allowed under this subsection shall equal the amount  
9 listed on a tax credit certificate issued by the  
10 department of economic development pursuant to  
11 subsection 4. A tax credit certificate shall not be  
12 transferable. Any tax credit in excess of the  
13 taxpayer's liability for the tax year may be credited  
14 to the taxpayer's tax liability for the following five  
15 years or until depleted, whichever occurs first. A  
16 tax credit shall not be carried back to a tax year  
17 prior to the tax year in which the taxpayer redeems  
18 the tax credit.

19 4. For the five tax years following the tax year  
20 in which a business is approved under the program, the  
21 department of revenue and finance shall provide the  
22 department of economic development with information  
23 required by the department of economic development  
24 from each tax return filed by the approved business.  
25 Upon receiving the tax return-related information, the  
26 department of economic development shall do all of the  
27 following:

28 a. Review the information provided by the  
29 department of revenue and finance pursuant to this  
30 subsection and the annual report submitted by the  
31 applicant pursuant to subsection 2, paragraph "d". If  
32 the department determines that the business activities  
33 of the applicant are not providing the benefits to  
34 Iowa employment and economic development projected in  
35 the applicant's approved five-year business plan, the  
36 department shall not issue tax credit certificates for  
37 that year to the applicant or university employee and  
38 shall determine any related university share to be  
39 equal to zero for that year.

40 b. Effective for the fiscal year beginning July 1,  
41 2004, and for subsequent fiscal years, issue a tax  
42 credit certificate to the approved business and the  
43 university employee responsible for the development of  
44 the technology utilized by the approved business in an  
45 amount determined pursuant to subsection 5. A tax  
46 credit certificate shall contain the taxpayer's name,  
47 address, tax identification number, the amount of the  
48 tax credit, and other information required by the  
49 department of revenue and finance.

50 c. (1) Determine the university share which is

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1 equal to the value of thirty percent of the tax  
2 liability of the approved business for purposes of  
3 making an appropriation pursuant to section 262B.12,  
4 if enacted by 2003 Iowa Acts, House File 683 or  
5 another Act, to the university where the technology  
6 utilized by the approved business was developed. A  
7 university share shall not exceed two hundred twenty-  
8 five thousand dollars per year per technology  
9 utilized. For each technology utilized, the aggregate  
10 university share over a five-year period shall not  
11 exceed six hundred thousand dollars.

12 (2) The department shall maintain records for each  
13 university during each fiscal year regarding the  
14 university share each university is entitled to  
15 receive through the appropriation in section 262B.12,  
16 if enacted by 2003 Iowa Acts, House File 683 or  
17 another Act. A university shall be entitled to  
18 receive the total university share for that particular  
19 university during the previous fiscal year.

20 d. For the fiscal year beginning July 1, 2004, not  
21 more than two million dollars worth of certificates  
22 shall be issued pursuant to paragraph "b". For the  
23 fiscal year beginning July 1, 2005, and every fiscal  
24 year thereafter, not more than ten million dollars  
25 worth of certificates shall be issued pursuant to  
26 paragraph "b".

27 5. The tax credit certificates issued by the  
28 department for each of the five years following the  
29 tax year in which the business is approved under the  
30 program shall be for the following amounts:

31 a. For the approved business, the value of the tax  
32 credit certificate shall equal thirty percent of the  
33 tax liability of the approved business. The value of  
34 a certificate issued to an approved business shall not  
35 exceed two hundred twenty-five thousand dollars. The  
36 total aggregate value of certificates issued over a  
37 five-year period to an approved business shall not  
38 exceed six hundred thousand dollars.

39 b. For the university employee responsible for the  
40 development of the technology utilized by the approved  
41 business, the value of the tax credit certificate  
42 shall equal ten percent of the tax liability of the  
43 approved business. If more than one employee is  
44 responsible for the development of the technology, the  
45 value equal to ten percent of the tax liability of the  
46 approved business shall be divided equally and  
47 individual tax credit certificates shall be issued to  
48 each employee responsible for the development of the  
49 technology. Each year, the total value of a  
50 certificate or certificates issued for a utilized

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1 technology shall not exceed seventy-five thousand  
2 dollars. For each technology utilized, the total  
3 aggregate value of certificates issued over a five-  
4 year period to the university employee responsible for  
5 the development of the technology shall not exceed two  
6 hundred thousand dollars.

7 6. The department of economic development shall  
8 notify the department of revenue and finance when a  
9 tax credit certificate is issued pursuant to  
10 subsection 4. The notification shall include the name  
11 and tax identification number appearing on any tax  
12 credit certificate.

13 Sec. \_\_\_\_ NEW SECTION. 422.11H UNIVERSITY-BASED  
14 RESEARCH UTILIZATION PROGRAM TAX CREDIT.

15 The taxes imposed under this division, less the  
16 credits allowed under sections 422.12 and 422.12B,  
17 shall be reduced by a university-based research  
18 utilization program tax credit authorized pursuant to  
19 section 262B.11.

20 Sec. \_\_\_\_ Section 422.33, Code 2003, is amended by  
21 adding the following new subsection:

22 NEW SUBSECTION. 14. The taxes imposed under this  
23 division shall be reduced by a university-based  
24 research utilization program tax credit authorized  
25 pursuant to section 262B.11.”

26 8. Page 65, by inserting after line 15 the  
27 following:

28 “Sec. \_\_\_\_ Section 625A.9, Code 2003, is amended  
29 to read as follows:

30 625A.9 EXECUTION ON UNSTAYED PART OF JUDGMENT ∴  
31 SUPERSEDEAS BOND WAIVED.

32 1. The taking of the appeal from part of a  
33 judgment or order, and the filing of a bond ~~as above~~  
34 ~~directed~~, does not stay execution as to that part of  
35 the judgment or order not appealed from.

36 2. If the judgment or order appealed from is for  
37 money, such bond shall not exceed one hundred ten  
38 percent of the amount of the money judgment.

39 3. Upon motion and for good cause shown, the  
40 district court may stay all proceedings under the  
41 order or judgment being appealed and permit the state  
42 or any of its political subdivisions to appeal a  
43 judgment or order to the supreme court without the  
44 filing of a supersedeas bond.”

45 9. By striking page 66, line 46 through page 67,  
46 line 16.

47 10. Page 67, by inserting after line 44 the  
48 following:

49 “Sec. \_\_\_\_ Section 86.12, Code 2003, is amended to  
50 read as follows:

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1 86.12 FAILURE TO REPORT.

2 The workers' compensation commissioner may require  
3 any employer to supply the information required by  
4 section 86.10 or to file a report required by section  
5 86.11 ~~or 86.13~~ or by agency rule, by written demand  
6 sent to the employer's last known address. Upon  
7 failure to supply such information or file such report  
8 within ~~twenty~~ thirty days, the employer may be ordered  
9 to appear and show cause why the employer should not  
10 be subject to civil penalty assessment of one ~~hundred~~  
11 ~~thousand~~ dollars for each occurrence. Upon such  
12 hearing, the workers' compensation commissioner shall  
13 enter a finding of fact and may enter an order  
14 requiring such ~~penalty assessment~~ to be paid into the  
15 second injury fund created by sections 85.63 to 85.69.  
16 In the event the ~~civil penalty assessed~~ assessment is  
17 not voluntarily paid within thirty days the workers'  
18 compensation commissioner may file a certified copy of  
19 such finding and order with the clerk of the court for  
20 the district in which the employer maintains a place  
21 of business. If the employer maintains no place of  
22 business in this state service shall be made as  
23 provided in chapter 85 for nonresident employers. In  
24 such case the finding and order may be filed in any  
25 court of competent jurisdiction within this state.

26 The workers' compensation commissioner may  
27 thereafter petition the court for entry of judgment  
28 upon such order, serving notice of such petition on  
29 the employer and any other person in default. If the  
30 court finds the order valid, the court shall enter  
31 judgment against the person or persons in default for  
32 the amount due under the order. No fees shall be  
33 required for the filing of the order or for the  
34 petition for judgment, or for the entry of judgment or  
35 for any enforcement procedure thereupon. No  
36 supersedeas shall be granted by any court to a  
37 judgment entered under this section.

38 When a report is required under section 86.11 or  
39 86.13 or by agency rule, and ~~that report has been~~  
40 ~~submitted to the employer's insurance carrier and no~~  
41 ~~report of injury has been filed with the workers'~~  
42 ~~compensation commissioner~~ possesses the information  
43 necessary to file the report, the insurance carrier  
44 shall be responsible for filing the report ~~of injury~~  
45 in the same manner and to the same extent as an  
46 employer under this section.

47 Sec. \_\_\_\_ NEW SECTION. 86.13A COMPLIANCE  
48 MONITORING AND ENFORCEMENT.

49 The workers' compensation commissioner shall  
50 monitor the rate of compliance of each employer and

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- 1 each insurer with the requirement to commence benefit  
2 payments within the time specified in section 85.30.  
3 The commissioner shall determine the percentage of  
4 reported injuries where the statutory standard was met  
5 and the average number of days that commencement of  
6 voluntary benefits was delayed for each employer and  
7 each insurer individually, and for all employers and  
8 all insurers as separate groups.  
9 If during any fiscal year commencing after June 30,  
10 2005, the general business practices of an employer or  
11 insurer result in the delay of the commencement of  
12 voluntary weekly compensation payments after the date  
13 specified in section 85.30 more frequently and for a  
14 longer number of days than the average number of days  
15 for the entire group of employers or insurers, the  
16 commissioner may impose an assessment on the employer  
17 or insurer payable to the second injury fund created  
18 in section 85.66. The amount of the assessment shall  
19 be ten dollars, multiplied by the average number of  
20 days that weekly compensation payments were delayed  
21 after the date specified in section 85.30, and  
22 multiplied by the number of injuries the employer or  
23 insurer reported during the fiscal year.  
24 Notwithstanding the foregoing, an assessment shall not  
25 be imposed if the employer or insurer commenced  
26 voluntary weekly compensation benefits within the time  
27 specified in section 85.30 for more than seventy-five  
28 percent of the injuries reported by the employer or  
29 insurer.  
30 The commissioner may waive or reduce an assessment  
31 under this section if an employer or insurer  
32 demonstrates to the commissioner that atypical events  
33 during the fiscal year, including but not limited to a  
34 small number of cases, made the statistical data for  
35 that employer or insurer unrepresentative of the  
36 actual payout practices of the employer or insurer for  
37 that year.”  
38 11. Page 71, by striking lines 11 through 23.  
39 12. By striking page 72, line 18, through page  
40 78, line 20.  
41 13. Page 78, lines 33 and 34, by striking the  
42 words “and school infrastructure assistance.”  
43 14. By renumbering as necessary.

# RESOLUTIONS ADOPTED

## EIGHTIETH GENERAL ASSEMBLY 2003 REGULAR SESSION

### SENATE JOINT RESOLUTIONS

**SENATE JOINT RESOLUTION 1:** filed January 28, 2003; adopted by the Senate on February 3, 2003; adopted by the House on April 2, 2003; printed on Senate Journal page 160.

**SENATE JOINT RESOLUTION 4:** filed March 11, 2003; adopted by the Senate on April 8, 2003; printed on Senate Journal page 803.

**SENATE JOINT RESOLUTION 5:** filed April 24, 2003; adopted by the Senate on April 28, 2003; adopted by the House on April 30, 2003; printed on Senate Journal page 1135.

### SENATE CONCURRENT RESOLUTIONS

**SENATE CONCURRENT RESOLUTION 1:** filed January 27, 2003; adopted by the Senate on February 6, 2003; adopted by the House on March 13, 2003.

1           SENATE CONCURRENT RESOLUTION 1  
2   By: Seymour, Angelo, Beall, Behn, Black, Boettger,  
3   Bolkcom, Brunkhorst, Connolly, Courtney, Dearden,  
4   Dotzler, Drake, Dvorsky, Fraise, Gaskill, Gronstal,  
5   Hatch, Holveck, Horn, Hosch, Houser, Iverson, Johnson,  
6   Kettering, Kibbie, Kreiman, Lamberti, Lundby, McCoy,  
7   McKibben, McKinley, Miller, Putney, Quirnbach, Ragan,  
8   Redfern, Rehberg, Schuerer, Seng, Shull, Sievers,  
9   Stewart, Tinsman, Veenstra, Warnstadt,  
10   Wieck, and Zieman  
11 A concurrent resolution relating to the federal Medicare  
12   program and requesting assistance from the federal  
13   government.  
14 WHEREAS, the federal Medicare program provides  
15 health care coverage for more than 485,000 Iowa senior  
16 citizens and disabled persons; and  
17 WHEREAS, all Americans equally contribute payroll  
18 taxes to fund the federal Medicare program; and  
19 WHEREAS, Iowa has a disproportionately large number

20 of federal Medicare enrollees, making Iowa health care  
 21 providers particularly dependent on federal Medicare  
 22 payments as a revenue source; and  
 23 WHEREAS, according to the Centers for Medicare and  
 24 Medicaid Services of the United States Department of  
 25 Health and Human Services, Iowa hospitals provide the  
 26 eighth highest quality care of any state in the  
 27 nation; and  
 28 WHEREAS, the current federal Medicare funding  
 29 formula has created inequitable payments, leaving Iowa  
 30 with the lowest per-enrollee payment level in the

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1 nation; and  
 2 WHEREAS, Iowa's unfairly low federal Medicare  
 3 payments are a drain on Iowa's economy, costing the  
 4 state of Iowa approximately \$1 billion annually in  
 5 Medicare reimbursement funding that could aid in the  
 6 payment of health care costs of Medicare-eligible  
 7 residents; and  
 8 WHEREAS, Iowa's unfairly low federal Medicare  
 9 payments make it difficult to recruit physicians,  
 10 nurses, and other health care professionals, who are  
 11 in great demand throughout Iowa and the nation; and  
 12 WHEREAS, the United States Congress has the  
 13 authority to pass legislation to address Iowa's  
 14 Medicare equity concerns; NOW THEREFORE,  
 15 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
 16 REPRESENTATIVES CONCURRING, That the General Assembly  
 17 of the State of Iowa urges the United States Congress  
 18 to pass legislation that addresses Iowa's Medicare  
 19 equity concerns; and  
 20 BE IT FURTHER RESOLVED, That copies of this  
 21 resolution be sent by the Secretary of the Senate to  
 22 the President of the United States, the President of  
 23 the United States Senate, the Speaker of the United  
 24 States House of Representatives, and to all members of  
 25 Iowa's congressional delegation.

**SENATE CONCURRENT RESOLUTION 2:** filed January 29,  
 2003; adopted by the Senate on February 12; amended and adopted  
 by the House on March 24, 2003; concurred and adopted by the  
 Senate on April 24, 2003.

1 SENATE CONCURRENT RESOLUTION 2  
 2 By: Committee on Rules and Administration  
 3 A concurrent resolution relating to the compensation  
 4 of chaplains, officers and employees of the  
 5 eightieth general assembly.

6 WHEREAS, section 2.11 of the Code provides that  
 7 “The compensation of the chaplains, officers, and  
 8 employees of the general assembly shall be fixed by  
 9 joint action of the house and senate by resolution at  
 10 the opening of each session, or as soon thereafter as  
 11 conveniently can be done.”, NOW THEREFORE,  
 12 BE IT RESOLVED BY THE SENATE, THE HOUSE CONCURRING,  
 13 That the compensation for the following officers for  
 14 the period commencing ~~January 8, 2001~~ January 13, 2003  
 15 and ending ~~January 13, 2003~~ January 10, 2005, shall be  
 16 within the following ranges:  
 17 Secretary of the Senate and Chief  
 18 Clerk of the House .....~~\$50,404 to \$94,994~~  
 19 \$63,024 to \$100,581  
 20 Within the indicated ranges the exact compensation  
 21 shall be set or adjusted for the senate officers by  
 22 the senate rules and administration committee and for  
 23 the house officers by the house administration and  
 24 rules committee. The committees shall report the  
 25 exact compensation assigned to each position on the  
 26 next legislative day, or, if such action is during the  
 27 interim, on the first day the senate or house shall  
 28 convene. Any action by the senate or house to  
 29 disapprove or amend the report shall be effective the  
 30 day after the action.

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1 BE IT FURTHER RESOLVED, That the compensation of  
 2 the employees of the ~~seventy ninth~~ eightieth general  
 3 assembly is set, effective from ~~January 8, 2001~~  
 4 January 13, 2003, until ~~January 13, 2003~~ January 10,  
 5 2005, in accordance with the following salary  
 6 schedule:

7	#9				
8	\$14,913.60				
9	<u>7.17</u>				
10					
11	#10	#11	#12	#13	#14
12	<del>\$15,745.60</del>	<del>\$16,556.80</del>	<del>\$17,388.80</del>	<del>\$18,241.60</del>	<del>\$19,198.40</del>
13	<del>7.57</del>	<del>7.96</del>	<del>8.36</del>	<del>8.77</del>	<del>9.23</del>
14					
15	#15	#16	#17	#18	#19
16	<del>\$20,238.40</del>	<del>\$21,236.80</del>	<del>\$22,172.80</del>	<del>\$23,275.20</del>	<del>\$24,336.00</del>
17	<del>9.73</del>	<del>10.21</del>	<del>10.66</del>	<del>11.19</del>	<del>11.70</del>
18					
19	#20	#21	#22	#23	#24
20	<del>\$25,604.80</del>	<del>\$26,728.00</del>	<del>\$28,059.20</del>	<del>\$29,452.80</del>	<del>\$30,784.00</del>
21	<del>12.31</del>	<del>12.85</del>	<del>13.49</del>	<del>14.16</del>	<del>14.80</del>
22					
23	#25	#26	#27	#28	#29
24	<del>\$32,323.20</del>	<del>\$33,820.80</del>	<del>\$35,464.00</del>	<del>\$37,211.20</del>	<del>\$38,979.20</del>

25	<u>15.54</u>	<u>16.26</u>	<u>17.05</u>	<u>17.89</u>	<u>18.74</u>
26					
27	<u>#30</u>	<u>#31</u>	<u>#32</u>	<u>#33</u>	<u>#34</u>
28	<u>\$40,851.20</u>	<u>\$42,848.00</u>	<u>\$44,824.00</u>	<u>\$47,049.60</u>	<u>\$49,254.40</u>
29	<u>19.64</u>	<u>20.60</u>	<u>21.55</u>	<u>22.62</u>	<u>23.68</u>
30					

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1	<u>#35</u>	<u>#36</u>	<u>#37</u>	<u>#38</u>	<u>#39</u>
2	<u>\$51,604.80</u>	<u>\$54,100.80</u>	<u>\$56,721.60</u>	<u>\$59,404.80</u>	<u>\$62,296.00</u>
3	<u>24.81</u>	<u>26.01</u>	<u>27.27</u>	<u>28.56</u>	<u>29.95</u>
4					
5	<u>#40</u>	<u>#41</u>	<u>#42</u>	<u>#43</u>	<u>#44</u>
6	<u>\$65,312.00</u>	<u>\$68,432.00</u>	<u>\$71,780.80</u>	<u>\$75,108.80</u>	<u>\$78,790.40</u>
7	<u>31.40</u>	<u>32.90</u>	<u>34.51</u>	<u>36.11</u>	<u>37.88</u>
8					
9	<u>#45</u>	<u>#46</u>	<u>#47</u>	<u>#48</u>	<u>#49</u>
10	<u>\$82,576.00</u>	<u>\$86,507.20</u>	<u>\$90,646.40</u>	<u>\$94,993.60</u>	<u>\$99,507.20</u>
11	<u>39.70</u>	<u>41.59</u>	<u>43.58</u>	<u>45.67</u>	<u>47.84</u>
12	<u>#9</u>				
13	<u>\$15,828.80</u>				
14	<u>7.61</u>				
15					
16	<u>#10</u>	<u>#11</u>	<u>#12</u>	<u>#13</u>	<u>#14</u>
17	<u>\$16,702.40</u>	<u>\$17,576.00</u>	<u>\$18,449.60</u>	<u>\$19,344.00</u>	<u>\$20,384.00</u>
18	<u>8.03</u>	<u>8.45</u>	<u>8.87</u>	<u>9.30</u>	<u>9.80</u>
19					
20	<u>#15</u>	<u>#16</u>	<u>#17</u>	<u>#18</u>	<u>#19</u>
21	<u>\$21,465.60</u>	<u>\$22,547.20</u>	<u>\$23,524.80</u>	<u>\$24,710.40</u>	<u>\$25,812.80</u>
22	<u>10.32</u>	<u>10.84</u>	<u>11.31</u>	<u>11.88</u>	<u>12.41</u>
23					
24	<u>#20</u>	<u>#21</u>	<u>#22</u>	<u>#23</u>	<u>#24</u>
25	<u>\$27,164.80</u>	<u>\$28,371.20</u>	<u>\$29,764.80</u>	<u>\$31,241.60</u>	<u>\$32,656.00</u>
26	<u>13.06</u>	<u>13.64</u>	<u>14.31</u>	<u>15.02</u>	<u>15.70</u>
27					
28	<u>#25</u>	<u>#26</u>	<u>#27</u>	<u>#28</u>	<u>#29</u>
29	<u>\$34,299.20</u>	<u>\$35,880.00</u>	<u>\$37,627.20</u>	<u>\$39,478.40</u>	<u>\$41,350.40</u>
30	<u>16.49</u>	<u>17.25</u>	<u>18.09</u>	<u>18.98</u>	<u>19.88</u>

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1					
2	<u>#30</u>	<u>#31</u>	<u>#32</u>	<u>#33</u>	<u>#34</u>
3	<u>\$43,347.20</u>	<u>\$45,468.80</u>	<u>\$47,569.60</u>	<u>\$49,920.00</u>	<u>\$52,249.60</u>
4	<u>20.84</u>	<u>21.86</u>	<u>22.87</u>	<u>24.00</u>	<u>25.12</u>
5					
6	<u>#35</u>	<u>#36</u>	<u>#37</u>	<u>#38</u>	<u>#39</u>
7	<u>\$54,745.60</u>	<u>\$57,387.20</u>	<u>\$60,174.40</u>	<u>\$63,024.00</u>	<u>\$66,102.40</u>
8	<u>26.32</u>	<u>27.59</u>	<u>28.93</u>	<u>30.30</u>	<u>31.78</u>
9					

#40	#41	#42	#43	#44
\$69,284.80	\$72,612.80	\$76,169.60	\$79,684.80	\$83,595.200
33.31	34.91	36.62	38.31	40.19

  

#45	#46	#47	#48	#49
\$87,609.60	\$91,790.40	\$96,179.20	\$100,580.80	\$110,739.20
42.12	44.13	46.24	50.76	53.24

17 In this schedule, each numbered block shall be the  
18 yearly and hourly compensation for the pay grade of  
19 the number heading the block. Within each grade there  
20 shall be six steps numbered “1” through “6”. In the  
21 above schedule the steps for all grades are determined  
22 in the following manner. Each numbered block is  
23 counted as the “1” step for that grade. The next  
24 higher block is counted as the “2” step; the next  
25 higher block is the “3” step; the next higher block is  
26 the “4” step; the next higher block is the “5” step;  
27 the next higher block is the “6” step.  
28 Alternatively, the senate rules and administration  
29 committee for senate employees, and the house  
30 administration and rules committee for house employees

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1 may allow their employees’ compensation to be flexibly  
2 set anywhere between steps “1” through “6” for an  
3 employee’s prescribed pay grade.  
4 All employees shall be available to work daily  
5 until completion of the senate’s and house of  
6 representatives’ business. The employee’s division  
7 supervisor shall schedule all employees’ working hours  
8 to, as far as possible, maintain regular working  
9 hours.  
10 All employees, other than those designated “part-  
11 time”, shall be compensated for 40 hours of work in a  
12 one-week pay period. Secretaries to senators and  
13 representatives are presumed to have ~~40~~ 36 hours of  
14 work each week the legislature is in session and shall  
15 be paid only on that basis. ~~Except for the personnel~~  
16 ~~designated to the contrary in this resolution, Full-~~  
17 time employees who are required to work in excess of  
18 ~~40~~ 80 hours in a ~~one-week~~ two-week pay period shall  
19 ~~either be compensated at a rate of pay equal to one~~  
20 ~~and one-half times the hourly pay provided in this~~  
21 ~~resolution or allowed compensatory time off at a rate~~  
22 ~~of one and one-half hours~~ hour for each hour of  
23 overtime up to a maximum of 120 hours of compensatory  
24 time. Joint security employees of the senate and  
25 house of representatives may be compensated for each  
26 hour of overtime at a rate of pay equal to one-and-  
27 one-half times the hourly pay provided.  
28 The following personnel shall not be paid an

29 ~~overtime premium:~~

30 ~~Secretary of the Senate~~

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1 ~~Chief Clerk of the House~~  
 2 ~~Assistant Secretary of the Senate~~  
 3 ~~Assistant Chief Clerk of the House~~  
 4 ~~Senate Legal Counsel~~  
 5 ~~House Legal Counsel~~  
 6 ~~Senior Finance Officer I~~  
 7 ~~Senior Finance Officer II~~  
 8 ~~Senior Journal Editor~~  
 9 ~~Senior Indexer~~  
 10 ~~All Administrative Assistants~~  
 11 ~~All Research Analysts~~  
 12 ~~All Research Assistants~~  
 13 ~~All Secretaries to Senators and Representatives~~  
 14 ~~All Caucus Staff Directors~~  
 15 ~~All Caucus Secretaries~~  
 16 ~~Administrative, Executive, and Confidential~~  
 17 ~~Secretaries to President, Speaker, Leader or~~  
 18 ~~Secretary of Senate or Chief Clerk of House~~  
 19 ~~This list may be modified pursuant to the annual~~  
 20 ~~review authorized in this resolution.~~

21 BE IT FURTHER RESOLVED, That part-time employees  
 22 shall be compensated at the scheduled hourly rate for  
 23 their pay grade and step.

24 ~~BE IT FURTHER RESOLVED, That compensatory time off~~  
 25 ~~shall be granted to employees not eligible for the~~  
 26 ~~overtime premium in a uniform manner for all~~  
 27 ~~legislative employees as determined by the legislative~~  
 28 ~~council.~~

29 BE IT FURTHER RESOLVED, That in the event the  
 30 salary schedule for employees of the State of Iowa as

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1 promulgated by the personnel commission pursuant to  
 2 section 19A.9, subsection 2 is revised upward at any  
 3 time during the ~~seventy-ninth~~ eightieth general  
 4 assembly, such revised schedule shall simultaneously  
 5 be adopted for the compensation of the employees of  
 6 the ~~seventy-ninth~~ eightieth general assembly assigned  
 7 a grade by this resolution. The pay ranges of those  
 8 positions specifically listed on page one of this  
 9 resolution shall be automatically adjusted to reflect  
 10 any cost of living increases granted to those  
 11 employees not included in the collective bargaining  
 12 agreements made final under chapter 20 of the Code and  
 13 increases provided by the legislative council for  
 14 agency directors.

15 BE IT FURTHER RESOLVED, That adjustments in the  
 16 positions and compensation listed in this resolution  
 17 may be made through an annual interim review of all  
 18 legislative employees for internal equity and to  
 19 assure compliance with appropriate legal standards for  
 20 granting of overtime and compensatory time off. Such  
 21 review shall be conducted by a legislative committee  
 22 made up of members of the service committee of  
 23 legislative council and the appropriate salary  
 24 subcommittees of the senate and house. Only one such  
 25 review may be done in any fiscal year and adjustments  
 26 suggested must be approved by the appropriate hiring  
 27 body.  
 28 BE IT FURTHER RESOLVED, That the employees of the  
 29 ~~seventy-ninth~~ eightieth general assembly be placed in  
 30 the following pay grades:

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EMPLOYEES OF THE HOUSE

1		
2	Sr. Assistant Chief Clerk of the House.....	Grade 41
3	Assistant Chief Clerk of the House III.....	Grade 38
4	Assistant Chief Clerk of the House II.....	Grade 35
5	Assistant Chief Clerk of the House I.....	Grade 32
6	Legal Counsel II.....	Grade 35
7	Legal Counsel I.....	Grade 32
8	Legal Counsel.....	Grade 30
9	Sr. Caucus Staff Director .....	Grade 41
10	Caucus Staff Director .....	Grade 38
11	Administrative Assistant to Leader	
12	or Speaker .....	Grade 27
13	Administrative Assistant I to Leader	
14	or Speaker .....	Grade 29
15	Administrative Assistant II to Leader	
16	or Speaker .....	Grade 32
17	Administrative Assistant III to Leader	
18	or Speaker .....	Grade 35
19	Sr. Administrative Assistant to	
20	Leader or Speaker.....	Grade 38
21	Research Assistant .....	Grade 24
22	Legislative Research Analyst.....	Grade 27
23	Legislative Research Analyst I .....	Grade 29
24	Legislative Research Analyst II.....	Grade 32
25	Legislative Research Analyst III .....	Grade 35
26	Sr. Legislative Research Analyst.....	Grade 38
27	Secretary to Leader or Speaker .....	Grade 19
28	Caucus Secretary .....	Grade 21
29	Senior Caucus Secretary .....	Grade 24
30	Administrative Secretary to Leader,	

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1	Speaker, or Chief Clerk .....	Grade 21
2	Executive Secretary to Leader,	
3	Speaker or Chief Clerk .....	Grade 24
4	Confidential Secretary to Leader,	
5	Speaker, or Chief Clerk .....	Grade 27
6	Confidential Secretary II to Leader, Speaker	
7	or Chief Clerk.....	Grade 32
8	Clerk to Chief Clerk.....	Grade 16
9	Supervisor of Secretaries.....	Grade 21
10	Supervisor of Secretaries I.....	Grade 24
11	Supervisor of Secretaries II.....	Grade 27
12	Senior Editor.....	Grade 30
13	Editor II.....	Grade 25
14	Editor I.....	Grade 22
15	Assistant Editor.....	Grade 19
16	Compositor/Desk Top Specialist .....	Grade 17
17	Sr. Text Processor.....	Grade 25
18	Text Processor II.....	Grade 22
19	Text Processor I.....	Grade 19
20	Senior Finance Officer II.....	Grade 35
21	Senior Finance Officer I.....	Grade 31
22	Finance Officer II.....	Grade 27
23	Finance Officer I.....	Grade 24
24	Assistant Finance Officer.....	Grade 21
25	Recording Clerk II.....	Grade 24
26	Recording Clerk I.....	Grade 21
27	Assistant Legal Counsel.....	Grade 27
28	Engrossing & Enrolling Processor.....	Grade 27
29	Assistant to the Legal Counsel.....	Grade 19
30	Senior Indexer.....	Grade 28

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1	Indexer II .....	Grade 25
2	Indexer I.....	Grade 22
3	Indexing Assistant.....	Grade 19
4	Supply Clerk .....	Grade 16
5	Switchboard Operator .....	Grade 14
6	Legislative Secretary .....	Grade 15
7	Legislative Committee Secretary.....	Grade 17
8	Bill Clerk .....	Grade 14
9	Assistant Bill Clerk .....	Grade 12
10	Postmaster .....	Grade 12
11	Sergeant-at-Arms II .....	Grade 20
12	Sergeant-at-Arms I.....	Grade 17
13	Assistant Sergeant-at-Arms.....	Grade 14
14	Chief Doorkeeper .....	Grade 12
15	Doorkeepers .....	Grade 11
16	Pages .....	Grade 9

17	EMPLOYEES OF THE SENATE	
18	Sr. Assistant Secretary of the Senate.....	Grade 41
19	Assistant Secretary of the Senate III .....	Grade 38
20	Assistant Secretary of the Senate II.....	Grade 35
21	Assistant Secretary of the Senate I.....	Grade 32
22	Legal Counsel II.....	Grade 35
23	Legal Counsel I.....	Grade 32
24	Legal Counsel.....	Grade 30
25	Sr. Caucus Staff Director .....	Grade 41
26	Caucus Staff Director .....	Grade 38
27	Administrative Assistant to Leader	
28	or President.....	Grade 27
29	Administrative Assistant I to Leader	
30	or President.....	Grade 29

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1	Administrative Assistant II to Leader	
2	or President.....	Grade 32
3	Administrative Assistant III to Leader	
4	or President.....	Grade 35
5	Sr. Administrative Assistant to	
6	Leader or President .....	Grade 38
7	Research Assistant .....	Grade 24
8	Legislative Research Analyst.....	Grade 27
9	Legislative Research Analyst I .....	Grade 29
10	Legislative Research Analyst II.....	Grade 32
11	Legislative Research Analyst III .....	Grade 35
12	Sr. Legislative Research Analyst.....	Grade 38
13	Caucus Secretary .....	Grade 21
14	Senior Caucus Secretary .....	Grade 24
15	Secretary to Leader or President.....	Grade 19
16	Administrative Secretary to Leader, President,	
17	or Secretary of the Senate .....	Grade 21
18	Executive Secretary to Leader, President,	
19	or Secretary of the Senate .....	Grade 24
20	Confidential Secretary to Leader, President,	
21	or Secretary of the Senate .....	Grade 27
22	Confidential Secretary II to Leader, President,	
23	or Secretary of the Senate.....	Grade 32
24	Supervisor of Secretaries.....	Grade 21
25	Supervisor of Secretaries I.....	Grade 24
26	Supervisor of Secretaries II.....	Grade 27
27	Senior Editor.....	Grade 30
28	Editor II.....	Grade 25
29	Editor I .....	Grade 22
30	Assistant Editor.....	Grade 19

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1	Compositor/Desk Top Specialist .....	Grade 17
2	Assistant Legal Counsel.....	Grade 27

3	Assistant to the Legal Counsel .....	Grade 19
4	Proofreader.....	Grade 16
5	Senior Finance Officer II.....	Grade 35
6	Senior Finance Officer I .....	Grade 31
7	Finance Officer II.....	Grade 27
8	Finance Officer I.....	Grade 24
9	Assistant Finance Officer.....	Grade 21
10	Recording Clerk II .....	Grade 24
11	Recording Clerk I.....	Grade 21
12	Senior Indexer.....	Grade 28
13	Indexer II .....	Grade 25
14	Indexer I.....	Grade 22
15	Indexing Assistant.....	Grade 19
16	Records and Supply Clerk.....	Grade 18
17	Switchboard Operator .....	Grade 14
18	Legislative Secretary .....	Grade 15
19	Legislative Committee Secretary.....	Grade 17
20	Bill Clerk .....	Grade 14
21	Assistant Bill Clerk .....	Grade 12
22	Postmaster .....	Grade 12
23	Sergeant-at-Arms II .....	Grade 20
24	Sergeant-at-Arms I.....	Grade 17
25	Assistant Sergeant-at-Arms.....	Grade 14
26	Chief Doorkeeper .....	Grade 12
27	Doorkeepers .....	Grade 11
28	Pages .....	Grade 9
29	JOINT SENATE/HOUSE EMPLOYEES	
30	Facilities Manager I .....	Grade 35

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1	Facilities Manager II.....	Grade 38
2	Sr. Facilities Manager .....	Grade 41
3	Legislative Security Secretary.....	Grade 19
4	Legislative Security Officer I.....	Grade 20
5	Legislative Security Officer II.....	Grade 23
6	Conservation/Restoration Specialist II.....	Grade 31
7	BE IT FURTHER RESOLVED, That there shall be four	
8	classes of appointments as employees of the general	
9	assembly:	
10	A “permanent full-time” or “permanent part-time”	
11	employee is one who is employed the year around and	
12	eligible to receive state benefits.	
13	An “exempt full-time” employee is one who is	
14	employed for the period of the sessions with	
15	extensions post-session and pre-session as scheduled.	
16	This class is eligible to receive state benefits with	
17	the cost of benefits to the state to be paid by the	
18	employee when not on the payroll.	
19	A “session-only” employee is one who is employed	
20	for only a portion of the year, usually the	
21	legislative session. This class is not eligible for	

22 state benefits, except IPERS, and insurance as  
23 provided in section 2.40.

24 A “part-time” employee is one who is employed to  
25 work less than 40 hours per week. This class is not  
26 eligible for state benefits, except IPERS if eligible.

27 BE IT FURTHER RESOLVED, That the exact  
28 classification for individuals in a job series created  
29 by this resolution shall be set or changed for senate  
30 employees by the senate rules and administration

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1 committee and for the house employees by the house  
2 administration and rules committee. The committees  
3 shall base the classification upon the following  
4 factors:

5 1. The extent of formal education required of the  
6 position; and,

7 2. The extent of the responsibilities to be  
8 assigned to the position; and,

9 3. The amount of supervision placed over the  
10 position; and,

11 4. The number of persons the position is assigned  
12 to supervise and ~~skill~~ skills and responsibilities of  
13 those positions supervised.

14 The committees shall report the exact  
15 classifications assigned to each individual on the  
16 next legislative day, or, if such action is during the  
17 interim, on the first day the senate or house shall  
18 convene. Any action by the senate or house to  
19 disapprove a report or a portion of a report shall be  
20 effective the day after the action.

21 Recommendations for a pay grade for a new position  
22 shall be developed in accordance with the factor  
23 scores in the comparable worth report. Beginning in  
24 1999, every four years the senate rules and  
25 administration committee, the house administration and  
26 rules committee, and the legislative council ~~shall~~ may  
27 review all positions in the legislative branch to  
28 assure conformity to comparable worth.

29 BE IT FURTHER RESOLVED, That a senator or  
30 representative may employ a secretary who in the

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1 judgment of the senator or representative employing  
2 such person, possesses the necessary skills to perform  
3 the duties such senator or representative shall  
4 designate, under the administrative direction, as  
5 appropriate, of the secretary of the senate or the  
6 chief clerk of the house.

7 Each standing committee chairperson, ethics

8 committee chairperson, and each appropriations  
9 subcommittee chairperson shall designate a secretary  
10 who is competent to perform the following duties:  
11 prepare committee minutes, committee reports, type  
12 committee correspondence, maintain committee records,  
13 and otherwise assist the committee. Such duties shall  
14 be performed in accordance with standards which shall  
15 be provided by the secretary of the senate and chief  
16 clerk of the house. In making the designation,  
17 chairpersons shall consider persons for possible  
18 designation as the secretary to the committee in the  
19 following order:

20 First: The secretary to the chairperson.

21 Second: The secretary to the committee's vice-  
22 chairperson.

23 Third: The secretary to any other member of the  
24 committee.

25 Fourth: The secretary to any other member in the  
26 same house as the committee.

27 BE IT FURTHER RESOLVED, That a Legal Counsel II  
28 shall be a person who has graduated from an accredited  
29 school of law and is admitted to practice in Iowa as  
30 an Attorney and Counselor at Law and possesses either

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1 a Masters of Law degree or has at least two years of  
2 legal experience after admission to practice.

3 A Legal Counsel I shall be a person who has  
4 graduated from an accredited school of law and is  
5 admitted to practice in Iowa as an Attorney and  
6 Counselor at Law.

7 BE IT FURTHER RESOLVED, That employees of the  
8 general assembly may be eligible for either:

9 a) increases in salary grade or step based on  
10 evaluation of their job performance and  
11 recommendations of their administrative officers,  
12 subject to approval of the senate committee on rules  
13 and administration or the house committee on  
14 administration and rules, as appropriate, provided,  
15 however, that for promotions between classes with a  
16 three or more pay grade difference, the employee shall  
17 be given a two-step increase in pay or the employee's  
18 salary shall be adjusted to the entry level in the  
19 grade of the new position, whichever is greater; or

20 b) mobility within a pay grade at the discretion  
21 of the chief clerk of the house upon recommendation by  
22 the employee's division supervisor on the part of the  
23 house, and the discretion of the employee's division  
24 supervisor on the part of the senate, subject to the  
25 approval of the house committee on administration and  
26 rules or the senate committee on rules and

27 administration, as appropriate -- either in accord  
 28 with a flexible pay plan approved by the senate rules  
 29 and administration committee or the house  
 30 administration and rules committee, or in accord with

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1 the following schedule:

2 (1) Progression from step "1" to "2" for a newly  
 3 hired employee -- six months of actual employment.

4 (2) Progression from step "1" to "2" following  
 5 promotion within a job series -- twelve months of  
 6 actual employment in that position.

7 (3) Progression from step "2" to "3", and step "3"  
 8 to "4", and step "4" to "5", and step "5" to "6" --  
 9 twelve months of actual employment at the lower step.

10 BE IT FURTHER RESOLVED, that in addition to the  
 11 steps provided in the preceding paragraph, that  
 12 secretaries to senators and representatives who were  
 13 employees of the senate or house of representatives  
 14 during any general assembly prior to January 9, 1989,  
 15 and who have received certification for passing a  
 16 typing and shorthand performance examination shall be  
 17 eligible for two additional steps.

18 BE IT FURTHER RESOLVED, That in addition to the  
 19 steps provided in the preceding paragraph, that  
 20 secretaries to senators and representatives shall be  
 21 eligible for a maximum of three additional grades  
 22 beyond grade 15, in any combination, as provided in  
 23 this paragraph:

24 1. One additional grade for a secretary to a  
 25 standing committee chair, ethics committee chair or  
 26 appropriations subcommittee chair who is not the  
 27 designated committee secretary.

28 2. One additional grade for a secretary to a vice-  
 29 chairperson or ranking member of a standing committee,  
 30 ethics committee or appropriations subcommittee.

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1 3. One additional grade for a secretary to the  
 2 chairperson of the chaplain's committee.

3 4. Two additional grades for a secretary to an  
 4 assistant floor leader or speaker pro tempore or  
 5 president pro tempore.

6 5. One additional grade for a designated committee  
 7 secretary who is also the designated committee  
 8 secretary for an additional standing committee, ethics  
 9 committee, or appropriations subcommittee.

10 BE IT FURTHER RESOLVED, That in the event the  
 11 secretary to the chairperson of the chaplain's  
 12 committee is the secretary to the president, president

13 pro tempore, speaker, speaker pro tempore, or the  
14 majority or minority leader, such secretary shall  
15 receive one additional step.  
16 BE IT FURTHER RESOLVED, That the entrance salary  
17 for employees of the general assembly shall be at step  
18 1 in the grade of the position held. Such employee  
19 may be hired above the entrance step if possessing  
20 outstanding and unusual experience for the position,  
21 provided that the entrance is not beyond step 3. Such  
22 employee who is hired above the entrance step shall be  
23 mobile above that step in the same period of time as  
24 other employees in that same step. An officer or  
25 employee who is moved to another position may be  
26 considered for partial or full credit for their  
27 experience in the former position in determining the  
28 step in the new grade.  
29 The entry level for the position of research  
30 analyst shall be Legislative Research Analyst, unless

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1 extraordinary conditions justify increasing that entry  
2 level; however, that entry level may not be increased  
3 beyond Legislative Research Analyst I. A research  
4 analyst must have shown knowledge of legislative rules  
5 and procedures as well as the Code of Iowa to be  
6 considered at any level above a Legislative Research  
7 Analyst.  
8 BE IT FURTHER RESOLVED, That a pay increase for  
9 employees of one step within the pay grade for the  
10 position may be made for exceptionally meritorious  
11 service in addition to step increases provided for in  
12 this resolution, at the discretion of the chief clerk  
13 upon recommendation by the employee's division  
14 supervisor on the part of the house, and upon  
15 recommendation by the employee's division supervisor  
16 on the part of the senate, and the approval of the  
17 senate committee on rules and administration or the  
18 house committee on administration and rules.  
19 Exceptionally meritorious service pay increases shall  
20 be governed by the following:  
21 a. The employee must have served in the position  
22 for at least twelve months;  
23 b. Written justification, setting forth in detail  
24 the nature of the exceptionally meritorious service  
25 rendered, must be submitted to the senate rules and  
26 administration committee or house administration and  
27 rules committee and approved in advance of granting  
28 the pay increase;  
29 c. No more than one exceptionally meritorious  
30 service pay increase may be granted in any twelve-

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1 month period.  
2 d. Such meritorious service pay increase shall not  
3 be granted beyond the six-step maximum for that  
4 position.  
5 BE IT FURTHER RESOLVED, That the senate rules and  
6 administration committee and the house administration  
7 and rules committee shall both hire officers and  
8 employees for their respective bodies and fill any  
9 vacancies which may occur, to be effective at such  
10 time as they shall set. The committee shall report  
11 the names of those it has hired for the positions  
12 specified in this resolution or the filling of any  
13 vacancies on the next legislative day or, if such  
14 action is during the interim, on the first day the  
15 senate or house shall convene. Any action by the  
16 senate or house to amend or disapprove a report or a  
17 portion of a report shall be effective the day after  
18 the action.  
19 The chief clerk of the house shall submit to the  
20 house committee on administration and rules and the  
21 secretary of the senate shall submit to the senate  
22 committee on rules and administration the list of  
23 names, or amendments thereto, of employee  
24 classifications and recommended pay step for each  
25 officer and employee. Such list shall include  
26 recommendations for the pay step for all employees.  
27 Each respective committee shall approve or amend the  
28 list of recommended classifications and pay steps and  
29 publish said list in the journal.  
30 BE IT FURTHER RESOLVED, That permanent employees of

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1 the general assembly shall receive vacation  
2 allowances, sick leave, health and accident insurance,  
3 life insurance, and disability income insurance as are  
4 provided for full-time permanent state employees. The  
5 computations shall be maintained by the finance  
6 officers in each house and coordinated with the  
7 department of revenue and finance.  
8 BE IT FURTHER RESOLVED, That should any employee  
9 have a grievance, the grievance shall be resolved as  
10 provided by procedures determined by the senate rules  
11 and administration committee for senate employees or  
12 the house administration and rules committee for house  
13 employees.  
14 BE IT FURTHER RESOLVED, That the legislative  
15 council adopt a resolution similar to this resolution  
16 which provides for the compensation and benefits of  
17 all legislative central staff agency employees for the

18 ~~seventy-ninth~~ eightieth general assembly. The  
 19 resolution shall be adopted as soon as practicable  
 20 after the convening of the ~~seventy-ninth~~ eightieth  
 21 general assembly, and published in the journals of the  
 22 senate and house.

23 BE IT FURTHER RESOLVED, That the compensation of  
 24 chaplains officiating at the opening of the daily  
 25 sessions of the house of representatives and the  
 26 senate of the ~~seventy-ninth~~ eightieth general assembly  
 27 be fixed at ten dollars for each house of the general  
 28 assembly, and that mileage for chaplains be fixed at  
 29 the rate of twenty-nine cents per mile to and from the  
 30 State Capitol.

**SENATE CONCURRENT RESOLUTION 3:** filed January 30,  
 2003; adopted by the Senate on February 6, 2003, adopted by the  
 House on March 3, 2003.

1 SENATE CONCURRENT RESOLUTION 3

2 By: Kibbie and Drake

3 A resolution requesting the establishment of standing  
 4 Senate and House subcommittees on veterans affairs.

5 WHEREAS, approximately 280,000 veterans reside in  
 6 the State of Iowa; and

7 WHEREAS, important public policy issues relating to  
 8 veterans are often considered and acted upon by state  
 9 legislatures; and

10 WHEREAS, the current procedures require that the  
 11 Iowa veterans council and the commission of veterans  
 12 affairs, in cooperation with one another, present  
 13 veterans' issues to legislative committees which are  
 14 often unfamiliar with the specific problems and needs  
 15 of Iowa veterans; and

16 WHEREAS, 30 other states have established  
 17 legislative committees to address public policy issues  
 18 relating to veterans; NOW THEREFORE,

19 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
 20 REPRESENTATIVES CONCURRING, That, to facilitate  
 21 consideration of public policy issues relating to  
 22 Iowa's veterans, the chairpersons of the Senate and  
 23 House standing committees on State Government are  
 24 requested to establish standing subcommittees on  
 25 veterans affairs and to allow the subcommittees to  
 26 meet jointly to review veterans issues.

27 BE IT FURTHER RESOLVED, That the Rules and  
 28 Administration Committee of the Senate is requested to  
 29 consider recommending to the Senate a change to the  
 30 Senate Rules to provide for the establishment of a

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- 1 permanent Senate subcommittee on veterans affairs
- 2 within the State Government standing committee.

**SENATE CONCURRENT RESOLUTION 5:** filed February 18, 2003; adopted by the Senate on February 26, 2003.

1           SENATE CONCURRENT RESOLUTION 5  
2 By: Committee on Agriculture  
3 (SUCCESSOR TO SSB 1065)  
4 A concurrent resolution requesting that the United  
5 States Congress take all action required to preserve  
6 free and private enterprise, prevent monopoly, and  
7 protect consumers by immediately enacting  
8 legislation to prohibit livestock packers from  
9 owning, controlling, or feeding livestock to such an  
10 extent that producers can no longer materially  
11 participate in the management of their livestock  
12 operations as provided in Senate Bill 27 introduced by  
13 the Honorable Senator Charles E. Grassley and  
14 cosponsored by the Honorable Senator Tom Harkin and others.  
15 WHEREAS, the production and processing of livestock  
16 represent a key component of this nation's food  
17 security, welfare, and prosperity by providing an  
18 abundant supply of value-added products upon which  
19 this nation depends; and  
20 WHEREAS, the State of Iowa is a leading livestock-  
21 producing state in the nation, which has ranked among  
22 the top third of states in red meat production and  
23 which has for generations been the principal pork-  
24 producing state in the nation; and  
25 WHEREAS, the State of Iowa, like many neighboring  
26 Midwestern states, has a long-standing public policy  
27 of preserving farming, farmland, free enterprise, and  
28 open access to markets for its independent livestock  
29 producers; and  
30 WHEREAS, the independence and vitality of livestock

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1 producers in this state and in other agricultural  
2 states are facing increasing anticompetitive forces in  
3 the meat packing industry, which forces are  
4 accelerating consolidation among companies and are  
5 resulting in a growing prevalence by these  
6 consolidated companies to integrate all aspects of  
7 livestock production under their control from the farm  
8 and ranch to the consumer's table; and  
9 WHEREAS, these consolidated companies in the meat  
10 packing industry have virtually unlimited means to

11 challenge long-standing legislative barriers designed  
12 to preserve competition in agriculture for all  
13 producers and consumers against the self-serving  
14 practices of some of these companies; and  
15 WHEREAS, this challenge to state statutes, if not  
16 restrained by federal legislative action, threatens to  
17 impair the independence and ingenuity of this nation's  
18 family farmers and ranchers, to eliminate the  
19 opportunity to exercise entrepreneurial and risk-  
20 taking decisions that are at the core of what it means  
21 to be a family farmer or family rancher, and to  
22 endanger the viability of communities in which they  
23 live; and  
24 WHEREAS, the Honorable Senator Charles E. Grassley  
25 and the Honorable Senator Tom Harkin from Iowa have  
26 long and distinguished records defending independent  
27 farmers and ranchers, the economies of local  
28 communities, and the welfare of consumers by leading  
29 congressional efforts to prohibit companies in the  
30 meat packing industry from owning, controlling, or

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1 feeding livestock to such an extent that livestock  
2 producers no longer have an opportunity to materially  
3 participate in the management of their operations; and  
4 WHEREAS, during debate on the federal farm bill in  
5 2002, the United States Senate approved amendments  
6 sponsored by Senators Grassley and Harkin together  
7 with the honorable Senator Tim Johnson from South  
8 Dakota to ban the vertical integration of the meat  
9 packing industry; and  
10 WHEREAS, since the conference committee that  
11 considered the federal farm bill eliminated the  
12 protections offered by these amendments, consolidated  
13 companies in the meat packing industry are now in a  
14 position to use their captive supplies of livestock to  
15 limit access to markets, to manipulate prices paid to  
16 independent farmers and ranchers and charged to  
17 consumers, and to devastate this nation's traditional  
18 system of open and free markets; NOW THEREFORE,  
19 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
20 REPRESENTATIVES CONCURRING, That the United States  
21 Congress is urged to immediately enact Senate Bill 27,  
22 as introduced by Senator Grassley and cosponsored by  
23 Senator Harkin and others, which amends the federal  
24 Packers and Stockyards Act, 1921 to prohibit livestock  
25 packers from owning, controlling, or feeding livestock  
26 to such an extent that livestock producers no longer  
27 have the opportunity to materially participate in the  
28 management of their operations; and

29 BE IT FURTHER RESOLVED, That a copy of this  
30 resolution be sent by the Secretary of the Senate to

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1 the Honorable Senator Charles E. Grassley and the  
2 Honorable Senator Tom Harkin, together with Iowa's  
3 congressional delegation in the House of  
4 Representatives; and

5 BE IT FURTHER RESOLVED, That a copy of this  
6 resolution be sent to the President of the Senate of  
7 the United States; the Speaker of the House of  
8 Representatives of the United States; the Chair of the  
9 United States Senate Committee on Agriculture,  
10 Nutrition, and Forestry; and the Chair of the United  
11 States House of Representatives Committee on  
12 Agriculture; and

13 BE IT FURTHER RESOLVED, That a copy of this  
14 resolution be sent to the President of the United  
15 States; the Secretary of Agriculture, United States  
16 Department of Agriculture; and the Administrator of  
17 the Grain Inspection, Packers and Stockyards  
18 Administration, United States Department of  
19 Agriculture.

**SENATE CONCURRENT RESOLUTION 8:** filed February 27,  
2003; adopted by the Senate on April 7, 2003; adopted by the House  
on April 23, 2003.

1 SENATE CONCURRENT RESOLUTION 8  
2 By: Hosch, Beall, Quirnbach, Warnstadt, Hatch,  
3 Dotzler, Gronstal, Stewart, Connolly, Kibbie,  
4 Veenstra, Houser, Wieck, Seymour, Johnson, Rehberg,  
5 Ziemann, Brunkhorst, Putney, Lundby, Kettering,  
6 Schuerer, Behn, Sievers, Gaskill, Redfern, McKibben,  
7 and Iverson

8 A concurrent resolution supporting the completion of  
9 U.S. Highway 20 across northern Iowa and requesting  
10 federal assistance.

11 WHEREAS, the Iowa General Assembly finds that a  
12 critical need exists to complete U.S. Highway 20 as a  
13 four-lane, high priority corridor across the state of  
14 Iowa; and

15 WHEREAS, the road known as U.S. Highway 20 was one  
16 of the first coast-to-coast highways in the United  
17 States, beginning in downtown Boston and continuing  
18 across the country to the Pacific Coast in Oregon; and

19 WHEREAS, U.S. Highway 20 connects all north-south  
20 interstates in Iowa and is an arterial link to the  
21 North American Free Trade Act (NAFTA) corridor; and

22 WHEREAS, Iowa has three north-south interstate

23 highways, but only one east-west interstate highway,  
 24 and the distance from northwest Iowa to Chicago via  
 25 Interstate 80 is approximately 100 miles farther than  
 26 the distance via U.S. Highway 20; and  
 27 WHEREAS, most northwest Iowa businesses and farms  
 28 are located 60 to 90 miles from a four-lane highway,  
 29 limiting the region's potential for economic growth;  
 30 and

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1 WHEREAS, an estimated 50 percent of the millions of  
 2 bushels of corn and soybeans grown in the region are  
 3 shipped out of northwest Iowa by truck; and  
 4 WHEREAS, more than 6,500 businesses are located in  
 5 the 10 Iowa counties along the U.S. Highway 20  
 6 corridor, and of the 109 Iowa companies with 1,000 or  
 7 more employees, 30 are located or have a presence in  
 8 those counties; and  
 9 WHEREAS, more than 11,000 businesses are located in  
 10 the 19 Iowa counties that U.S. Highway 20 serves as an  
 11 arterial highway connecting to Interstate 29 and  
 12 Interstate 35; and  
 13 WHEREAS, the environmentally friendly bridge built  
 14 over the Iowa river near Iowa Falls at a cost of \$20  
 15 million demonstrates the corridor's promise as a  
 16 showcase for Iowa's natural beauty; and  
 17 WHEREAS, the estimated cost to complete the  
 18 construction of U.S. Highway 20 as a four-lane highway  
 19 from Fort Dodge, Iowa, to Merville, Iowa, is \$450  
 20 million; and  
 21 WHEREAS, the completion of U.S. Highway 20 as a  
 22 high priority, east-west corridor is a good investment  
 23 for all of Iowa and the nation; NOW THEREFORE,  
 24 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
 25 REPRESENTATIVES CONCURRING, That the Iowa General  
 26 Assembly supports the completion of U.S. Highway 20 as  
 27 a high priority corridor across the northern half of  
 28 Iowa; and  
 29 BE IT FURTHER RESOLVED, That the Iowa General  
 30 Assembly supports inclusion of U.S. Highway 20 as a

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1 high priority corridor in the upcoming reauthorization  
 2 of the federal Transportation Equity Act for the 21st  
 3 Century and in the federal appropriation request by  
 4 the State Department of Transportation for fiscal year  
 5 2004; and  
 6 BE IT FURTHER RESOLVED, That a copy of this  
 7 resolution be sent to the Director of the United  
 8 States Department of Transportation, the Director of

9 the State Department of Transportation, and to the  
10 members of Iowa's congressional delegation.

**SENATE CONCURRENT RESOLUTION 9:** filed March 11,  
2003; adopted by the Senate on March 13, 2003.

1           SENATE CONCURRENT RESOLUTION 9  
2 By: Ragan and Kramer  
3 (COMPANION TO LSB 3033HH BY JACOBS)  
4 A concurrent resolution designating March 2003 as  
5 Iowa Women's History Month.  
6 WHEREAS, Iowa women of every race, class, and  
7 ethnic background have made historic contributions to  
8 the growth and strength of our state and nation in  
9 countless recorded and unrecorded ways, including  
10 through the struggle for women's rights; and  
11 WHEREAS, Iowa women have played and continue to  
12 play a critical economic, cultural, and social role by  
13 constituting a significant portion of the labor force  
14 working inside and outside the home despite being  
15 underpaid; and  
16 WHEREAS, Iowa women were particularly important in  
17 the establishment of early charitable, philanthropic,  
18 and cultural institutions in our state and nation; and  
19 WHEREAS, Iowa women and men amended the  
20 Constitution of the State of Iowa to provide that "All  
21 men and women are, by nature, free and equal, and have  
22 certain inalienable rights. . ."; and  
23 WHEREAS, Iowa women have been leaders in the  
24 abolitionist movement, the emancipation movement, the  
25 industrial labor movement, the civil rights movement,  
26 the peace movement, and the women's suffrage movement,  
27 which have created a more fair and just society for  
28 all people; and  
29 WHEREAS, despite these contributions, and those of  
30 women throughout the world, the role of women has been

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1 consistently overlooked and undervalued in the  
2 literature, teaching, and study of history; NOW  
3 THEREFORE,  
4 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
5 REPRESENTATIVES CONCURRING, That the General Assembly  
6 designates the month of March 2003 as Iowa Women's  
7 History Month and invites the citizens of Iowa to  
8 continue to uncover the roles women have played  
9 throughout history.

**SENATE CONCURRENT RESOLUTION 12:** filed March 25, 2003; adopted by the Senate on April 30, 2003.

1 SENATE CONCURRENT RESOLUTION 12  
 2 By: Black  
 3 A concurrent resolution supporting the United Nations'  
 4 recognition of the Republic of China on Taiwan.  
 5 WHEREAS, the Republic of China was a founding  
 6 member of the United Nations in 1945, and was  
 7 consistently faithful to the goals and objectives of  
 8 the United Nations for 26 years; and  
 9 WHEREAS, in 1971, the United Nations General  
 10 Assembly excluded the Republic of China in order to  
 11 recognize the mainland People's Republic of China; and  
 12 WHEREAS, the United Nations has allowed other  
 13 divided countries such as East and West Germany and  
 14 North and South Korea to be equal members of the  
 15 United Nations organization; and  
 16 WHEREAS, on August 6, 1993, seven Central American  
 17 countries presented an initiative to the Secretary  
 18 General of the United Nations, calling for the  
 19 Republic of China's readmission to the United Nations;  
 20 and  
 21 WHEREAS, readmission of the Republic of China would  
 22 be in keeping with the primary mission of the United  
 23 Nations of promoting international peace and security;  
 24 and  
 25 WHEREAS, the state of Iowa and several cities in  
 26 Iowa have established formal sister state and sister  
 27 city relationships with regions and cities in the  
 28 Republic of China; and  
 29 WHEREAS, the United States and Iowa are significant  
 30 trading partners as evidenced by the fact that the

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1 Republic of China has purchased more than \$16 billion  
 2 in American products this past year; NOW THEREFORE,  
 3 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
 4 REPRESENTATIVES CONCURRING, That the Iowa General  
 5 Assembly supports the United Nations' recognition and  
 6 readmission of the Republic of China.  
 7 BE IT FURTHER RESOLVED, That a copy of this  
 8 resolution be transmitted to the United Nations  
 9 General Assembly and the Honorable George W. Bush,  
 10 President of the United States.

**SENATE CONCURRENT RESOLUTION 17:** filed April 17, 2003; adopted by the Senate on May 1, 2003.

1           SENATE CONCURRENT RESOLUTION 17  
 2 By: Sievers, Behn, Kettering, Putney, Angelo, Hosch,  
 3 Larson, Boettger, Seymour, Schuerer, Iverson,  
 4 McKibben, Stewart, Beall, Bolkcom, Quirmbach,  
 5 Seng, Dvorsky, Horn, Warnstadt, Black, and Courtney  
 6 A concurrent resolution supporting the widening,  
 7 improvement, and enhancement of U.S. Highway 30  
 8 across central Iowa and requesting federal  
 9 assistance.  
 10 WHEREAS, the road known as U.S. Highway 30 closely  
 11 follows the historic route known as the Lincoln  
 12 Highway across central Iowa; and  
 13 WHEREAS, the Lincoln Highway, extending from New  
 14 York City to San Francisco, was the first  
 15 transcontinental paved highway in the United States  
 16 and the first such road conceived specifically for the  
 17 automobile; and  
 18 WHEREAS, the Lincoln Highway continues to generate  
 19 historic and nostalgic interest among the American  
 20 public, and Iowa communities stand to benefit from  
 21 tourism opportunities along that route; and  
 22 WHEREAS, U.S. Highway 30 intersects all north-south  
 23 interstates in Iowa and serves as an important  
 24 alternate east-west route to heavily traveled  
 25 Interstate 80; and  
 26 WHEREAS, U.S. Highway 30 functions as an important  
 27 conduit for the movement of Iowa commodities, value-  
 28 added agricultural products, and manufactured goods;  
 29 and  
 30 WHEREAS, U.S. Highway 30 is the primary route for

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1 many rural and urban commuters to their jobs in large  
 2 and small educational and commercial centers; and  
 3 WHEREAS, in western Iowa, U.S. Highway 30 provides  
 4 a close connection to Omaha, Nebraska, and, in eastern  
 5 Iowa, the highway is within 19 miles of Illinois  
 6 Interstate 88, serving Chicago and the world markets  
 7 beyond; and  
 8 WHEREAS, U.S. Highway 30 provides an arterial link  
 9 to highways leading to Canada and Mexico; and  
 10 WHEREAS, truck and automobile traffic on U.S.  
 11 Highway 30 has increased over the last several years,  
 12 giving rise to issues of safety; and  
 13 WHEREAS, the Iowa General Assembly finds that there  
 14 is a critical need to complete expansion of U.S.  
 15 Highway 30 to four lanes as part of Iowa's Commercial

16 and Industrial Network; NOW THEREFORE,  
 17 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
 18 REPRESENTATIVES CONCURRING, That the Iowa General  
 19 Assembly supports the completion of four-lane  
 20 construction and improvements and enhancements to U.S.  
 21 Highway 30; and  
 22 BE IT FURTHER RESOLVED, That the Iowa General  
 23 Assembly requests the designation of U.S. Highway 30  
 24 as a high priority corridor in the upcoming  
 25 reauthorization of the federal Transportation Equity  
 26 Act for the 21st Century and in the federal  
 27 appropriation request by the State Department of  
 28 Transportation for fiscal year 2004; and  
 29 BE IT FURTHER RESOLVED, That a copy of this  
 30 resolution be sent to the Director of the United

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1 States Department of Transportation, the Director of  
 2 the State Department of Transportation, and the  
 3 members of Iowa's congressional delegation.

**SENATE CONCURRENT RESOLUTION 19:** filed April 30,  
 2003; adopted by the Senate on May 1, 2003.

1 SENATE CONCURRENT RESOLUTION 19  
 2 By: Dotzler, Rehberg, Hosch, Seymour, McKinley,  
 3 Warnstadt, Dvorsky, McKibben, Gaskill, Courtney,  
 4 Stewart, and Beall  
 5 A concurrent resolution relating to federal funding  
 6 for fire and emergency services and homeland security  
 7 costs.  
 8 WHEREAS, a threat continues to exist that  
 9 terrorists may initiate further attacks on the United  
 10 States; and  
 11 WHEREAS, local fire fighters, emergency medical  
 12 technicians, state and local law enforcement officers,  
 13 and other first responders will be the first to deal  
 14 with the consequences of terrorist attacks on the  
 15 United States; and  
 16 WHEREAS, Ellen Gordon, the Director of Iowa's  
 17 Emergency Management Division of the Department of  
 18 Public Defense and the head of Iowa's homeland  
 19 security efforts, has completed the preliminary  
 20 strategic planning to immediately put a portion of any  
 21 federal dollars obtained for fire and emergency  
 22 services and homeland security to use at the state and  
 23 local level in Iowa; NOW THEREFORE,  
 24 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
 25 REPRESENTATIVES CONCURRING, That the General Assembly  
 26 of the State of Iowa supports efforts of Iowa's

27 congressional delegation to obtain federal moneys for  
28 Iowa from federal fire and emergency service network  
29 and training funds, police officer service network and  
30 training funds, and other funds available or that

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1 become available in federal homeland security  
2 legislation; and  
3 BE IT FURTHER RESOLVED, That copies of this  
4 resolution be sent by the Secretary of the Senate to  
5 the President of the United States, the President of  
6 the United States Senate, the Speaker of the United  
7 States House of Representatives, and to all members of  
8 Iowa's congressional delegation.

**SENATE CONCURRENT RESOLUTION 20:** filed April 30,  
2003; adopted by the Senate on May 1, 2003; adopted by the House on  
May 1, 2003.

1 SENATE CONCURRENT RESOLUTION 20  
2 By: Hosch  
3 A concurrent resolution recognizing Richard and Joyce  
4 Lynch, the first recipients of the Good Neighbor Award  
5 presented by the Department of Agriculture and Land  
6 Stewardship.  
7 WHEREAS, the Good Neighbor Award is presented by  
8 the Department of Agriculture and Land Stewardship to  
9 Iowa livestock producers who demonstrate a high regard  
10 for the land and their livestock, who are devoted  
11 stewards of the environment, who are staunch  
12 supporters of their communities, and who care for the  
13 welfare of their neighbors; and  
14 WHEREAS, the first recipients of the Good Neighbor  
15 Award to be presented on May 1, 2003, are Richard and  
16 Joyce Lynch who are parents to seven children, and who  
17 operate a dairy and feeder cattle operation in Jones  
18 County near Cascade; and  
19 WHEREAS, Richard and Joyce Lynch, who are deserving  
20 of the Good Neighbor Award, who live on their land and  
21 within their community in a manner that exemplifies  
22 the finest qualities of Iowa's rural way of life, and  
23 who will provide a priceless legacy to their families  
24 and future generations; NOW THEREFORE,  
25 BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
26 REPRESENTATIVES CONCURRING, That the Iowa General  
27 Assembly recognize Richard and Joyce Lynch for their  
28 lifetime achievement, and congratulate them as the  
29 first recipients of the Good Neighbor Award presented  
30 by the Department of Agriculture and Land Stewardship;

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- 1 and  
 2 BE IT FURTHER RESOLVED, That the Secretary of the  
 3 Senate prepare an appropriate copy of this resolution  
 4 for delivery to Richard and Joyce Lynch.

**SENATE CONCURRENT RESOLUTION 21:** filed May 1, 2003;  
 adopted by the Senate on May 1, 2003; adopted by the House on May 1,  
 2003.

- 1 SENATE CONCURRENT RESOLUTION 21  
 2 By: Committee on Rules and Administration  
 3 A concurrent resolution to provide for  
 4 adjournment sine die.  
 5 BE IT RESOLVED BY THE SENATE, THE HOUSE CONCURRING,  
 6 That when adjournment is had on Thursday, May 1, 2003,  
 7 it be the final adjournment of the 2003 Regular  
 8 Session of the Eightieth General Assembly.

## SENATE RESOLUTIONS

**SENATE RESOLUTION 1:** filed January 13, 2003; adopted by  
 the Senate on January 15, 2003.

- 1 SENATE RESOLUTION 1  
 2 By: Committee on Rules and Administration  
 3 A resolution relating to permanent rules of the  
 4 senate for the eightieth general assembly.  
 5 BE IT RESOLVED BY THE SENATE, That the permanent  
 6 rules of the senate for the eightieth general assembly  
 7 be as follows:

### RULES OF THE SENATE

- 8 Rule 1  
 9 Quorum  
 10 A constitutional majority shall constitute a quorum  
 11 of the senate. Any senator may insist a quorum be  
 12 present.  
 13

### Rule 2

- 14 Adoption and Amendment of Rules  
 15 Whenever the senate is operating under temporary  
 16 rules, the rules may be amended or repealed, or  
 17 permanent rules may be adopted, by a constitutional  
 18 majority of the senators. After adoption of permanent  
 19 rules of the senate during any general assembly, the  
 20 rules may be amended or repealed by a constitutional  
 21 majority of the senators voting on a simple  
 22 resolution.  
 23

- 24 Rule 3  
 25 Rules of Parliamentary Procedure  
 26 In cases not covered by senate rules or joint  
 27 rules, Mason's Manual of Legislative Procedure shall  
 28 govern.  
 29 Rule 4  
 30 Sessions of the General Assembly

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- 1 The election of officers, organization, hiring and  
 2 compensation of employees, and committees of the  
 3 senate shall carry over from the first to the second  
 4 regular sessions and to any extraordinary sessions of  
 5 the same general assembly.  
 6 All bills and resolutions introduced in the first  
 7 regular session of a general assembly which are not  
 8 withdrawn, lost, or indefinitely postponed shall carry  
 9 over into the second regular session and to any  
 10 extraordinary session of the same general assembly.  
 11 Appointments received from the governor for senate  
 12 confirmation during any session of a general assembly  
 13 shall be acted upon prior to adjournment of that  
 14 session as provided by section 2.32 of the Code.  
 15 Except as provided by this rule, upon the adjournment  
 16 of the first regular session and any extraordinary  
 17 session, each bill or resolution shall be  
 18 automatically referred back to the committee to which  
 19 it was originally assigned. The secretary of the  
 20 senate shall publish in the Journal a list of the  
 21 bills returned to committee under this rule. Within  
 22 seven days after the first committee meeting after the  
 23 convening of the second regular session, committees  
 24 shall either authorize the chair to refer such bills  
 25 and resolutions to a subcommittee for consideration,  
 26 indefinitely postpone further consideration of such  
 27 bills, or report them out to the floor and place them  
 28 on the calendar. If the subcommittee is different  
 29 than that appointed during the first session, the  
 30 committee chair shall report to the senate the bill or

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- 1 resolution number and the names of the subcommittee  
 2 members.  
 3 Bills and resolutions which have been voted upon on  
 4 final passage by either house in any session shall  
 5 remain on the calendar in the same status as at the  
 6 end of the session at any subsequent regular or  
 7 extraordinary session.  
 8 Rule 5  
 9 Regular Order of Daily Business

10 The following order shall govern, subject to any  
 11 special order:  
 12 1. Correction of the journal.  
 13 2. Senators to be excused.  
 14 3. Communications to the Senate.  
 15 4. Introduction of bills and resolutions.  
 16 ~~5. Points of personal privilege.~~  
 17 ~~6. 5. Consideration of senate calendar.~~  
 18 Points of personal privilege may be made at the  
 19 time designated each legislative day by the majority  
 20 leader.

21 Rule 6

22 Senate Calendar

23 1. Each legislative day the secretary of the  
 24 senate shall prepare a listing of bills to be known as  
 25 the "Senate Calendar".  
 26 2. The senate calendar may contain a listing under  
 27 the category "Special Order" which shall be placed at  
 28 the head of the calendar. Bills in such category  
 29 shall be those which are specifically set for debate  
 30 by the majority leader with the consent of the senate

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1 on a certain date and time. Bills shall be listed by  
 2 the secretary in ~~the numerical order they are set for~~  
 3 ~~debate.~~  
 4 3. The senate calendar shall include separate  
 5 listings for any bills and resolutions in the  
 6 following categories:  
 7 a. Conference Committee Report  
 8 b. Bills in Conference Committee  
 9 c. House Amendment to Senate Amendment to House  
 10 File  
 11 d. House Refuses to Concur in Senate Amendment to  
 12 House File  
 13 e. Senate Files Amended by the House  
 14 f. Unfinished Business  
 15 g. Motions to Reconsider  
 16 h. Administrative Rules Nullification Resolutions  
 17 i. Veto Messages from the Governor  
 18 4. The secretary shall list bills and resolutions  
 19 in the above categories in ~~the numerical order they~~  
 20 ~~are received.~~ Upon their first publication in the  
 21 calendar, bills and resolutions in the above  
 22 categories may be called up for debate at any time by  
 23 the majority leader. Motions to reconsider shall be  
 24 called up as provided by Rule 24.  
 25 5. The senate calendar shall include a listing of  
 26 senate appropriations committee bills and bills  
 27 reported out by the senate appropriations committee.  
 28 The list shall be known as the "Appropriations

29 Calendar”. The secretary shall list the bills in ~~the~~  
 30 numerical order ~~they are received~~. Upon their first

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1 publication in the calendar, bills on the  
 2 appropriations calendar may be called up for debate at  
 3 any time by the majority leader provided they are  
 4 eligible under Rule 8.

5 6. The senate calendar shall include a listing of  
 6 bills which pertain to the levy, assessment or  
 7 collection of taxes sponsored by or initially assigned  
 8 to and reported out by the senate ways and means  
 9 committee. The list shall be known as the “Ways and  
 10 Means Calendar”. The secretary shall list the bills  
 11 in ~~the numerical~~ order ~~they are received~~. Upon their  
 12 first publication in the calendar, bills on the ways  
 13 and means calendar may be called up for debate at any  
 14 time by the majority leader provided they are eligible  
 15 under Rule 8.

16 7. The senate calendar shall include a list of  
 17 bills and resolutions, known as the “Regular  
 18 Calendar”, which shall consist of bills and  
 19 resolutions reported out by a senate committee. The  
 20 bills and resolutions reported out each day shall be  
 21 ~~placed listed in the numerical~~ order ~~of their file~~  
 22 ~~numbers and following those reported out on previous~~  
 23 ~~days~~. Priority shall be given to senate over house  
 24 bills and resolutions ~~and to joint resolutions over~~  
 25 ~~bills~~. Upon their first publication in the calendar,  
 26 bills on the regular calendar may be called up for  
 27 debate at any time by the majority leader, provided  
 28 they are eligible under Rule 8.

29 A bill reported out of committee which is  
 30 subsequently referred to the ways and means or

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1 appropriations committee and then reported out of that  
 2 committee, shall be returned to the regular calendar  
 3 ~~and retain its original place thereon in numerical~~  
 4 order.

5 8. The senate calendar shall include a listing of  
 6 the governor’s appointees to state boards,  
 7 commissions, and other offices requiring senate  
 8 confirmation. This listing shall be known as the  
 9 “Confirmation Calendar”. Names on the confirmation  
 10 calendar may be called up for confirmation at any time  
 11 by the majority leader provided they are eligible  
 12 under rule 59.

13 9. The majority leader, or in the absence of the  
 14 majority leader the assistant majority leaders, may

15 select from among the bills on the previous  
16 legislative day's Senate calendar and from the bills  
17 selected create a new listing which shall be known as  
18 the "Debate Calendar". The debate calendar shall list  
19 bills as the majority leader expects to take them up  
20 during the following week. A bill or resolution on  
21 the debate calendar may be debated only when eligible  
22 under Rule 8.

23 10. The majority leader, or in the absence of the  
24 majority leader the assistant majority leaders, may  
25 create a list of bills or resolutions about which no  
26 controversy is believed to exist which shall be known  
27 as the "Proposed Noncontroversial Calendar". Bills or  
28 resolutions included on this listing may be debated at  
29 any time upon being called up for debate by the  
30 majority leader. Any bill or resolution which

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1 appeared on the previous day's Senate calendar may be  
2 placed by any senator on the proposed noncontroversial  
3 calendar, which shall be published. Any bill or  
4 resolution on the proposed noncontroversial calendar  
5 shall be stricken from the list if any senator files a  
6 written objection with the secretary of the senate on  
7 the first or second legislative day after it appears  
8 on the proposed noncontroversial calendar. Any bill  
9 stricken from the proposed noncontroversial calendar  
10 shall be returned to its former place on the Senate  
11 calendar. The secretary shall prepare the  
12 noncontroversial calendar which shall consist of all  
13 bills or resolutions on the proposed noncontroversial  
14 calendar to which no objection was received.

15 11. If the senate shall not be in session on a day  
16 assigned in paragraphs nine and ten for action upon a  
17 calendar, such assigned action shall occur on the next  
18 succeeding legislative day.

19 12. On any bill called up for debate from any  
20 calendar, debate may continue from day to day until it  
21 is adopted, fails, or is postponed or deferred. If  
22 further debate is postponed or deferred without a time  
23 to continue being set, except for bills on the debate  
24 calendar, the bill shall be listed as unfinished  
25 business. Bills which are returned to the committee  
26 of first referral or to a different committee after  
27 being considered by the senate and classified as  
28 unfinished business shall be returned to the  
29 unfinished business calendar by that committee when  
30 the bill is reported out of committee. The unfinished

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1 business date on the calendar shall be the date on  
2 which the bill was returned to committee. Bills on  
3 the debate calendar upon which further debate is  
4 postponed or deferred without a time to continue being  
5 set shall return to the regular calendar.

6 Rule 7

7 Steering Committee

8 The senate may authorize the appointment of  
9 steering committee. The majority leader shall appoint  
10 the majority party members to the steering committee.  
11 The minority leader shall appoint the minority party  
12 members to the steering committee. The function of  
13 the steering committee shall be to create its own  
14 calendar from the bills and resolutions on the regular  
15 calendar. Bills and resolutions on the steering  
16 committee calendar shall have priority over bills and  
17 resolutions on all other calendars, except the  
18 appropriations calendar.

19 Rule 8

20 When Eligible for Consideration

21 Bills, resolutions, and appointments shall be  
22 eligible for consideration by the senate as follows:

- 23 1. An appointment by the governor which requires  
24 senate confirmation shall be eligible on the  
25 legislative day after it is first printed in the  
26 senate calendar as provided by Rule 59.  
27 2. A house or individually sponsored bill or  
28 resolution reported out by a committee shall be  
29 eligible on the legislative day after it is first  
30 printed in the senate calendar.

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1 3. A committee bill or resolution sponsored by the  
2 appropriations committee shall be eligible on the  
3 legislative day after it is first printed in the  
4 senate calendar.

5 4. Any committee bill or resolution, other than a  
6 bill or resolution sponsored by the appropriations  
7 committee, shall be eligible on the third legislative  
8 day it is printed in the senate calendar.

9 5. A bill that has been reported out to the senate  
10 calendar, referred to a different committee and  
11 reported out by that committee is eligible for  
12 consideration by the senate on the day it would have  
13 been eligible under subsection 2, 3, or 4, whichever  
14 is applicable, as if the bill had been printed in the  
15 calendar after having been reported out by the first  
16 committee.

17 6. Any bill or resolution placed on the steering

18 committee calendar is eligible for consideration on  
19 the day of its placement on that calendar.

20 When a bill or resolution on the calendar is not  
21 yet eligible, the date when it will become eligible  
22 shall be printed in the calendar.

23 Rule 9

24 Debate and Decorum

25 Before addressing the senate, the senator shall  
26 request recognition by depressing the “speak” device  
27 and, when recognized, rise and respectfully address  
28 the chair.

29 The senator shall confine all remarks to the  
30 question under debate and shall avoid discussing

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1 personalities or implication of improper motives. No  
2 questions except by the senator recognized shall be  
3 entertained after a senator is recognized to give  
4 final remarks.

5 Rule 10

6 Point of Personal Privilege

7 A point of personal privilege shall only be  
8 recognized when there is no motion pending or other  
9 business being considered by the senate. Senators  
10 speaking on a point of personal privilege shall be  
11 limited to ten minutes at the time designated each  
12 legislative day by the majority leader.

13 Rule 11

14 Introduction and Presentation of Guests

15 Only former members of the senate and former and  
16 present members of Congress shall be presented to the  
17 senate, except that the president of the senate may  
18 present a visitor whose presence is of special  
19 significance to the senate. The presence of school  
20 groups accompanied by school officials shall be  
21 announced by the president of the senate and shall be  
22 recorded in the journal upon written request of a  
23 member of the senate.

24 Rule 12

25 Form and Withdrawal of Motions, Amendments and Signatures

26 Motions need not be in writing unless required by  
27 the president or by the senate. No motion requires a  
28 second. Any amendment, motion (including a motion to  
29 reconsider), or resolution may be withdrawn by the  
30 mover if it has not been amended by the senate and if

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1 no amendment is pending. All amendments to bills,  
2 resolutions, and reports shall be in writing and filed  
3 before being acted upon by the senate.

4 No amendment, resolution, bill, or conference  
5 committee report shall be considered by the senate  
6 without a copy of the amendment, resolution, bill, or  
7 conference committee report being on the desks of the  
8 entire membership of the senate prior to  
9 consideration.

10 All amendments, reports, petitions or other  
11 documents requiring a signature shall have the name  
12 typed under the place for the signature. Once a  
13 signature is affixed and the document containing the  
14 signature filed with the recording clerk in the well,  
15 that signature shall not be removed.

16 When an amendment to a main amendment is filed that  
17 would negate the effect of the main amendment and  
18 thereby leave the bill unchanged, the presiding  
19 officer shall have the authority to declare the  
20 amendment to the main amendment out of order, subject  
21 to an appeal to the full senate.

22 When a house amendment to a senate file is before  
23 the senate, an amendment to the house amendment shall  
24 be considered an amendment in the first degree.

25 Regardless of its origin, an amendment in the third  
26 degree shall be ruled out of order.

27 When a ruling on germaneness is issued by the  
28 presiding officer, it shall be accompanied by an  
29 explanation of the ruling.

30 Rule 13

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1 Order and Precedence of Motions and Amendments

2 When a question is under debate, no motion shall be  
3 received but to adjourn, to recess, questions of  
4 privilege, to lay on the table, for the previous  
5 question, to postpone to a day certain, to refer, to  
6 amend, to postpone indefinitely, to defer, or  
7 incidental motions. A substitute is not in order  
8 unless it is in the form of a motion to substitute.

9 Such motions shall have precedence in the order in  
10 which they are named. No motion to postpone to a day  
11 certain, to refer, or postpone indefinitely, being  
12 decided, shall be again allowed on the same day with  
13 regard to the same question. A motion to strike out  
14 the enacting clause of a bill shall have precedence  
15 over all amendments and, if carried, shall be  
16 considered equivalent to the rejection of the bill.

17 A motion to strike everything after the enacting  
18 clause has precedence over a committee amendment and  
19 all other amendments except one to strike the enacting  
20 clause. A committee amendment has precedence over all  
21 other amendments except as provided in this rule.

22 A motion to rerefer a bill to committee may specify

23 when the committee shall report the bill to the  
 24 senate. If the motion is adopted in such form, the  
 25 committee must report the bill by the date and time  
 26 specified with or without recommendation or the bill  
 27 shall automatically be returned to the calendar. When  
 28 the bill is returned to the calendar, it shall occupy  
 29 the same position it occupied at the time the bill was  
 30 rereferred to the committee. If the committee to

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1 which the bill is rereferred submits an amendment in  
 2 its report, that committee amendment shall take  
 3 precedence over other amendments except if that  
 4 committee amendment is in conflict with amendments  
 5 previously adopted, the committee amendment shall not  
 6 be considered until consideration of motions to  
 7 reconsider the previously adopted amendments result in  
 8 removing the conflict. A committee may not file an  
 9 amendment to a bill unless the bill is in the  
 10 committee's possession.

11 Rule 14

12 MOTIONS BEFORE THE SENATE

13 Motions before the senate shall be displayed on the  
 14 electronic voting system display boards.

15 Rule 15

16 Nondebatable Motions

17 The following motions are not debatable:  
 18 Adjourn  
 19 Recess  
 20 Call of the Senate  
 21 Lay on Table or Take from Table  
 22 Previous Question  
 23 Reconsider vote by which bill was placed on last reading.  
 24 A Motion to Reconsider and Lay the Motion to Reconsider  
 25 on the Table (Double-barreled Motion).

26 Rule 16

27 Division of the Question

28 Any senator may call for a division of a question,  
 29 which shall be divided if it includes propositions so  
 30 distinct that if one is taken away, a substantive

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1 proposition shall remain in a technically proper form  
 2 for the decision of the senate. A motion to strike  
 3 out and insert is indivisible; but a motion to strike  
 4 out, if lost, shall not preclude amendments to the  
 5 matter attempted to be stricken or a motion to strike  
 6 out and insert.

7 Rule 17

8 The Previous Question

9 The previous question shall be in this form:  
 10 “Shall debate be closed on the pending question?” A  
 11 motion for the previous question may be adopted by a  
 12 majority of the senators present and voting. Its  
 13 effect shall be to put an end to debate and bring the  
 14 senate to a direct vote upon the pending question.  
 15 However, any senator who has not previously spoken on  
 16 the pending question and who, after the main question  
 17 is taken up and before the motion for the previous  
 18 question has been made, requested recognition by  
 19 depressing the “speak” device may speak no longer than  
 20 five minutes on the pending question. If action on  
 21 the pending question continues into another  
 22 legislative day or is deferred, the previous question  
 23 shall apply and the requests to be recognized shall be  
 24 honored.  
 25 When the motion applies to an amendment, the  
 26 senator proposing the amendment shall have five  
 27 minutes to close debate on the amendment.  
 28 The senator handling the measure under  
 29 consideration shall have ten minutes to close debate  
 30 on the main question.

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#### 1 Rule 18

##### 2 Call of the Senate

3 Ten senators may file in writing a call of the  
 4 senate on any single item of legislative business. A  
 5 call of the senate requires the presence of every  
 6 senator and is in order at any time prior to the vote  
 7 being announced by the president. The sergeant-at-  
 8 arms shall return promptly all absent senators.  
 9 Debate on the item may continue while absent senators  
 10 are returning, but no vote on the item is in order on  
 11 it until all have returned. Adoption of a motion to  
 12 recess or adjourn to a specific time will not lift the  
 13 call. The call may be lifted, or a senator may be  
 14 excused from the call without lifting the call, by a  
 15 vote of a constitutional majority of the senators.  
 16 Those senators excused prior to the filing of the call  
 17 are excused from the call.

#### 18 Rule 19

##### 19 Committee of the Whole

20 The senate may resolve itself into a committee of  
 21 the whole senate when it wishes to permit more free  
 22 and informal discussion. Persons other than senators  
 23 may appear and present information.  
 24 Any senator may move “that the senate now resolve  
 25 itself into a committee of the whole to consider” a  
 26 stated subject.  
 27 The president of the senate shall be chair of the

28 committee of the whole unless otherwise ordered by the  
29 senate.

30 The procedure in committee of the whole is subject

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1 to the rules of the senate. The previous question and  
2 the motion to reconsider shall be in order.

3 The committee of the whole cannot take any final  
4 action and its power is limited to recommendation to  
5 the senate. The proceedings of the committee of the  
6 whole, including any roll call vote, shall be printed  
7 in the journal.

8 Any senator may at any time, except while voting or  
9 while a senator has the floor, move that “the  
10 committee rise” which is equivalent to a motion to  
11 adjourn.

12 After adoption of the motion to rise, the chair may  
13 report to the senate in the same manner as other  
14 committee reports are given.

#### 15 Rule 20

##### 16 Last Reading and Passage of Bills

17 When a motion to place a bill on its last reading  
18 is lost, the same motion shall be in order at any  
19 later time. After the last reading of a bill, no  
20 amendment shall be received. The vote on final  
21 passage shall be taken immediately without debate.

#### 22 Rule 21

##### 23 Engrossment of Bills

24 An engrossment is a proofreading and verification  
25 in order to be certain that a bill before the senate  
26 is identical with the original bill as introduced with  
27 all amendments which have been adopted correctly  
28 inserted.

29 In an engrossed bill, all obvious typographical,  
30 spelling or other clerical errors are corrected and

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1 section or paragraph numbers and internal references  
2 are changed as required to conform the original bill  
3 to any amendments which have been adopted. All such  
4 corrections or changes shall be reported in the  
5 journal by the secretary of the senate. The engrossed  
6 bill shall be placed in the bill file with the  
7 original bill and amendments.

#### 8 Rule 22

##### 9 Manner of Voting

10 On voice vote, the question shall be distinctly put  
11 in this form: “Those in favor of (the question) say  
12 “aye.” “Those opposed to (the question) say “no.””

13 A non-record or record roll call vote may be

14 requested by any senator or ordered by the president  
15 any time before the results are announced. A non-  
16 record roll call shall be requested by asking for a  
17 “division”. A record roll call shall be requested by  
18 asking for a “record”. Upon request for a non-record  
19 or record roll call vote, the president shall announce  
20 that such a non-record or record roll call vote has  
21 been requested and shall state the question to be put  
22 to the senate. The president then shall direct the  
23 secretary of the senate to receive the votes.

24 Senators present may cast their votes, either by  
25 operating the voting mechanism located at their  
26 assigned desk or by signaling the president if they  
27 are unable to vote at their assigned desk. The  
28 president shall enter the votes of senators signaling  
29 their votes.

30 After sufficient time has elapsed for all senators

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1 present to record their votes, the president shall  
2 direct the secretary of the senate to close the voting  
3 system. The president shall still enter the senators’  
4 votes at any time prior to directing the secretary of  
5 the senate to lock the voting system. The president  
6 shall then immediately announce the vote.

7 During a non-record or record roll call vote, both  
8 individual votes and vote totals shall be indicated  
9 openly on the display boards. On non-record roll  
10 calls, only vote totals shall be printed in the  
11 journal.

12 In the event the electronic voting system is not in  
13 operating order, the president shall direct the  
14 secretary of the senate to take the non-record or  
15 record roll call by calling the names of the senators  
16 in alphabetical order.

#### 17 Rule 23

#### 18 Duty of Voting

19 Every senator present when a question is put shall  
20 vote “aye”, “no” or “present” unless previously  
21 excused by the senate. Upon demand being made by any  
22 senator, the secretary of the senate shall call in  
23 alphabetical order the names of the senators not  
24 voting or voting “present”. Those senators called  
25 shall vote “aye” or “no” unless the senator states a  
26 personal interest in the question or concludes that he  
27 or she should not vote under the senate code of  
28 ethics.

#### 29 Rule 24

#### 30 Reconsideration

Page 19

1 When a main motion has been decided by the senate,  
2 any senator having voted on the prevailing side may  
3 move to reconsider the vote on the same or next  
4 legislative day. Motions to reconsider the vote on a  
5 bill or resolution shall be in writing and filed with  
6 the secretary of the senate.  
7 Notwithstanding any time limitations applicable to  
8 motions to reconsider main motions, a motion to  
9 reconsider the vote on an amendment may be made at any  
10 time before final disposition of the motion to be  
11 amended. Such motion shall be in writing and filed  
12 with the secretary of the senate. A motion to  
13 reconsider an amendment to a main motion shall be  
14 taken up for consideration only prior to the  
15 disposition of the main motion or upon reconsideration  
16 of the main motion.  
17 A constitutional majority by a record roll call is  
18 necessary to reconsider a bill or joint resolution.  
19 During three legislative days from the date the motion  
20 to reconsider a bill or resolution is filed, only the  
21 mover may call it up. Thereafter, any senator may  
22 call up the motion. If a date for adjournment has  
23 been set by resolution of the senate, any senator may  
24 call up a motion to reconsider at any time within  
25 three days prior to the date set for adjournment.  
26 If the motion to reconsider a bill or resolution  
27 prevails, motions to reconsider amendments thereto  
28 shall be in order and shall be disposed of without  
29 delay.  
30 A motion that any action taken by the senate be

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1 reconsidered and the motion to reconsider be laid upon  
2 the table shall be a single and indivisible motion,  
3 known as the double-barreled motion, which, if  
4 carried, shall have the effect of preventing  
5 reconsideration unless a motion to take from the table  
6 prevails. A constitutional majority is necessary for  
7 the double-barreled motion to prevail on a bill or  
8 joint resolution. The double-barreled motion can only  
9 be made from the floor after the vote is announced and  
10 the member who moved the final reading shall have  
11 priority in making it.  
12 A motion to reconsider and lay on the table shall  
13 have priority over a motion to reconsider if they are  
14 both filed on the same legislative day.  
15 In the event that a motion to reconsider is pending  
16 at the end of the first session or any extraordinary  
17 session of any general assembly, or the general

18 assembly adjourns sine die, and the motion has not  
 19 been voted upon by the senate, it shall be determined  
 20 to have failed.

21 Rule 25

22 Suspension of Rules and Taking from Table  
 23 No standing rule or rules incorporated by reference  
 24 under Rule 3 or order of the senate shall be rescinded  
 25 or suspended, nor shall any matter, tabled upon  
 26 motion, be taken up, except by an affirmative vote of  
 27 a constitutional majority of the senate.

28 INTRODUCTION AND FORM OF BILLS

29 Rule 26

30 Time and Method of Introducing Bills and Amendments

Page 21

1 All bills to be introduced in the senate shall be  
 2 typed in proper form by the legislative service bureau  
 3 and shall be filed with the recording clerk.

4 All amendments shall be typed in proper form and  
 5 filed with the recording clerk not later than 4:30  
 6 p.m., or adjournment, whichever is later, in order to  
 7 be listed in the following day's clip sheet.

8 An "impact amendment" is an amendment which  
 9 reasonably could have an annual effect of at least one  
 10 hundred thousand dollars or a combined total effect  
 11 within five years after enactment of five hundred  
 12 thousand dollars or more on the aggregate revenues,  
 13 expenditures or fiscal liability of the state or its  
 14 subdivisions.

15 An impact amendment to a bill which has been on the  
 16 special order calendar for at least three full  
 17 legislative days prior to its consideration shall not  
 18 be taken up by the senate unless:

19 1) a fiscal note is attached, and the amendment is  
 20 filed at least one legislative day prior to the date  
 21 set for consideration of the bill; or

22 2) the amendment is an appropriation or other  
 23 measure where the total effect is stated in dollar  
 24 amounts.

25 Rule 27

26 Limit on Introduction of Bills

27 No bill or joint resolution, except bills and joint  
 28 resolutions cosponsored by the majority and minority  
 29 floor leaders, or companion bills and joint  
 30 resolutions sponsored by the majority floor leaders of

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1 both houses, shall be introduced in the senate after  
 2 4:30 p.m. on Friday of the sixth week of the first  
 3 regular session of a general assembly unless a written

4 request for drafting the bill has been filed with the  
 5 legislative service bureau before that time. After  
 6 adjournment of the first regular session, bills may be  
 7 prefiled at any time before the convening of the  
 8 second regular session. No bill shall be introduced  
 9 after 4:30 p.m. on Friday of the first week of the  
 10 second regular session of a general assembly unless a  
 11 written request for drafting the bill has been filed  
 12 with the legislative service bureau before that time.  
 13 However, standing committees may introduce bills and  
 14 joint resolutions at any time. A bill which relates  
 15 to departmental rules sponsored by the administrative  
 16 rules review committee and approved by a majority of  
 17 the members of the committee in each house may be  
 18 introduced at any time and must be referred to a  
 19 standing committee which must take action on the bill  
 20 within three weeks. Senate and concurrent resolutions  
 21 may be introduced at any time.

22 No bill, joint resolution, concurrent resolution or  
 23 senate resolution shall be introduced at any  
 24 extraordinary session unless sponsored by a standing  
 25 committee, the majority and minority floor leaders, or  
 26 the committee of the whole.

#### 27 Rule 28

28 Introduction, Reading and Form of Bills and Resolutions  
 29 Every senate bill and resolution shall be  
 30 introduced by one or more senators or by any standing

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1 committee of the senate and shall at once be given its  
 2 first reading.

3 If the senate is in session when a bill or  
 4 resolution is introduced, the first reading shall  
 5 consist of reading its file number, the title and  
 6 sponsor of the bill. If the senate is not in session  
 7 but a journal is published for the day, the first  
 8 reading shall consist of a journal entry of the bill's  
 9 file number, title, sponsor and the notation "Read  
 10 first time under Rule 28."

11 Any bill or resolution approved for introduction by  
 12 a standing committee during an interim period between  
 13 sessions of one General Assembly shall be introduced  
 14 without further action by the committee at the next  
 15 succeeding regular session of the same General  
 16 Assembly and placed immediately upon the regular  
 17 calendar.

18 Every bill and resolution referred to committee  
 19 shall have received two readings before its passage.

20 The subject of every bill shall be expressed in its  
 21 title.

22

#### Rule 29

23

## Explanations

24 No bill, except appropriation committee bills and  
 25 simple or concurrent resolutions, shall be introduced  
 26 unless a concise and accurate explanation is attached.  
 27 The chief sponsor or a committee to which the bill has  
 28 been referred may add a revised explanation at any  
 29 time before the last reading, and it shall be included  
 30 in the daily clip sheet.

Page 24

1

## Rule 30

2

## Resolutions

3 A "senate resolution" is a resolution acted upon  
 4 only by the senate which expresses sentiment or is  
 5 used for the appointment of special committees within  
 6 the senate. A senate resolution requires the  
 7 affirmative vote of a majority of the senators present  
 8 and voting. A senate resolution shall be filed with  
 9 the secretary of the senate. A senate resolution  
 10 shall be printed in the bound journal after its  
 11 adoption and in the daily journal upon written request  
 12 to the secretary of the senate by the sponsor of the  
 13 resolution.

14

## Rule 31

15

## Nullification Resolutions

16 A nullification resolution may be introduced by a  
 17 standing committee, the administrative rules review  
 18 committee, or any member of the senate. A  
 19 nullification resolution introduced by the  
 20 administrative rules review committee or a member of  
 21 the senate shall be referred to the same standing  
 22 committee it would be referred to if it was a bill.  
 23 Any nullification resolution may be referred to the  
 24 administrative rules review committee by a majority  
 25 vote of the standing committee which introduced it or  
 26 to which it was referred. The administrative rules  
 27 review committee may seek an agreement with the  
 28 affected administrative agency wherein the agency  
 29 agrees to voluntarily rescind or modify a rule or  
 30 rules relating to the subject matter of the

Page 25

1 nullification resolution. An agreement to voluntarily  
 2 rescind or modify an administrative agency rule shall  
 3 be in writing and signed by the chief administrative  
 4 officer of the administrative agency and a majority of  
 5 the administrative rules review committee members of  
 6 each house and shall be placed on file in the offices  
 7 of the chief clerk of the house, the secretary of the  
 8 senate and the secretary of state. If an agreement is

9 not reached, or the nullification resolution is not  
 10 approved by a majority of the administrative rules  
 11 review committee members of each house, within two  
 12 weeks of the date the resolution is referred to the  
 13 administrative rules review committee, the resolution  
 14 shall be placed on the calendar. If the nullification  
 15 resolution is approved by the administrative rules  
 16 review committee it shall be placed on the calendar.  
 17 A nullification resolution is subject to a motion to  
 18 withdraw the nullification resolution as provided in  
 19 rule 42.

20 A nullification resolution is debatable, but cannot  
 21 be amended on the floor of the senate.

#### 22 Rule 32

#### 23 Resolutions, Applicable Rules

24 All rules applicable to bills shall apply to  
 25 resolutions, except as otherwise provided in the  
 26 rules.

#### 27 Rule 33

#### 28 Study Bills

29 1. A study bill is any matter which a senator  
 30 wishes to have considered by a standing committee or

Page 26

1 appropriations subcommittee for introduction as a  
 2 committee bill or resolution. The term “study bill”  
 3 includes “proposed bills” provided for in Rule 37 and  
 4 departmental requests prefiled in the manner specified  
 5 in section 2.16 of the Code.

6 2. A study bill shall bear the name of the member  
 7 who wishes to have the bill considered. A study bill  
 8 proposed by a state agency shall bear the name of the  
 9 agency. A committee chair may submit a study bill in  
 10 the name of that committee.

11 3. Upon first receiving a study bill from a  
 12 senator, a committee chairperson shall submit three  
 13 copies to the secretary of the senate. Study bills  
 14 received in the secretary of the senate’s office  
 15 before 3:00 p.m. shall be filed, numbered, and  
 16 reported in the journal for that day. Study bills  
 17 received in the secretary of the senate’s office after  
 18 3:00 p.m. shall be filed, numbered, and reported in  
 19 the journal for the subsequent day. The secretary  
 20 shall number such bills in consecutive order. The  
 21 secretary shall maintain a record of all study bills  
 22 and their assigned number. Committee records shall  
 23 refer to study bills by the number assigned by the  
 24 secretary.

25 4. The secretary shall file a report in the  
 26 journal of each study bill received. The report shall  
 27 show the study bill number, its title or subject

28 matter and the committee which is considering it. If  
 29 a study bill is referred to a subcommittee, then the  
 30 committee chairperson shall report in the journal the

Page 27

1 names of the subcommittee members to which it is  
 2 assigned.

3 5. If a committee bill or resolution is introduced  
 4 which was not previously the subject of a study bill  
 5 in the sponsoring committee, the majority leader may  
 6 re-refer the bill back to the committee.

7 6. A study bill not prepared by the legislative  
 8 service bureau may be submitted to a standing  
 9 committee, but shall not be considered by the full  
 10 committee unless reviewed and typed in proper form by  
 11 the legislative service bureau.

#### 12 COMMITTEES AND COMMITMENT

##### 13 Rule 34

##### 14 Committee Appointments

15 Committee appointments shall be made by the  
 16 majority leader for majority party members, after  
 17 consultation with the president, and by the minority  
 18 leader for minority party members, after consultation  
 19 with the president. No senator shall serve on more  
 20 than five standing committees. The majority leader,  
 21 after consultation with the president, shall designate  
 22 the chairperson and vice-chairperson of each standing  
 23 committee. The minority leader, after consultation  
 24 with the president, shall designate the ranking member  
 25 of each standing committee from the minority  
 26 membership of that committee.

##### 27 Rule 35

##### 28 Standing Committees

29 The names of the standing committees of the senate  
 30 shall be:

Page 28

1 Agriculture  
 2 Appropriations  
 3 Business and labor relations  
 4 Commerce  
 5 Economic growth  
 6 Education  
 7 Government oversight  
 8 Human resources  
 9 Judiciary  
 10 Local government  
 11 Natural resources & Environment  
 12 Rules and administration  
 13 ~~Small business, economic development, and tourism~~

14 State government  
 15 Transportation  
 16 Ways and means  
 17 Rule 36  
 18 Committee on Rules and Administration  
 19 The committee on rules and administration shall  
 20 recommend rules and rule changes to the senate, shall  
 21 hire senate employees, shall recommend salary scales  
 22 for all senate employees, and shall oversee senate  
 23 budget and administration matters.  
 24 The committee on rules and administration will  
 25 select, for senate approval, an individual to serve as  
 26 secretary of the senate.  
 27 Upon authorization being given by the committee on  
 28 rules and administration, the minority party members  
 29 of the committee will select, for senate approval, an  
 30 individual to serve as assistant parliamentarian.

Page 29

1 The committee shall have the following standing  
 2 subcommittees:  
 3 1. Joint Rules  
 4 2. Senate Rules  
 5 3. Administrative Services  
 6 4. Caucus Services.  
 7 The majority leader shall serve as chair of the  
 8 rules and administration committee and as chair of the  
 9 standing subcommittee on caucus services. The  
 10 president of the senate shall serve as vice-chair of  
 11 the rules and administration committee, and as chair  
 12 of the subcommittee on administrative services.  
 13 Rule 37  
 14 Appropriations Committee  
 15 The appropriations committee shall receive bills  
 16 committed to it and shall assign each to one of the  
 17 appropriations subcommittees.  
 18 The appropriations subcommittees shall be named:  
 19 Administration & Regulation  
 20 Agriculture and Natural Resources  
 21 Economic Development  
 22 Education  
 23 ~~Health and Human Rights~~  
 24 Health and Human Services  
 25 Justice System  
 26 ~~Oversight & Communications~~  
 27 Transportation, Infrastructure & Capitals  
 28 The appropriations subcommittees shall receive  
 29 bills assigned to them or may originate proposed bills  
 30 within the subcommittee's jurisdiction as defined by

Page 30

1 the appropriations committee for consideration by the  
2 appropriations committee. Each subcommittee may  
3 submit amendments to bills together with the  
4 subcommittee's recommended action to the  
5 appropriations committee.

6 If a bill or proposed bill is submitted to the  
7 appropriations committee by an appropriations  
8 subcommittee the appropriations committee may:  
9 1. report the bill or approve the proposed bill  
10 for introduction by the appropriations committee;  
11 2. report the bill with any appropriations  
12 committee-approved amendments incorporated;  
13 3. draft a new bill for sponsorship by the  
14 appropriations committee and report it; or  
15 4. re-refer it together with the appropriations  
16 committee's objections to the appropriations  
17 subcommittee from which it was originally referred or  
18 which originated the draft bill.

19 The appropriations committee and subcommittees may  
20 meet jointly with the appropriations committee of the  
21 house of representatives.

22 Rule 38  
23 First Reading and Commitment

24 Upon the first reading of an individual bill or  
25 resolution, or a house committee bill or resolution,  
26 the president shall refer the bill or resolution to an  
27 appropriate standing committee unless otherwise  
28 ordered by the senate. If the bill or resolution is a  
29 senate committee bill or resolution, the president  
30 shall place it on the calendar after its first

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1 reading. If the subject of the bill or resolution is  
2 not germane to the title of the committee presenting  
3 it, the president of the senate may refer it to a  
4 committee deemed appropriate.

5 All bills carrying an appropriation for any purpose  
6 or involving the expenditure of state funds shall be  
7 referred to the committee on appropriations.

8 All bills pertaining to the levy, assessment or  
9 collection of taxes or fees shall be referred to the  
10 committee on ways and means.

11 Any bill which provides for a new state board,  
12 commission, agency or department or makes separate or  
13 autonomous an existing state board, commission, agency  
14 or department, shall be referred to the committee on  
15 state government. This rule shall also apply when  
16 such a provision is added to a bill or resolution by  
17 amendment adopted by the senate. If the bill or

18 resolution is so referred after being sponsored or  
 19 reported out by another committee, and if the  
 20 committee on state government does not report out the  
 21 bill or resolution within ten legislative days after  
 22 referral, the bill or resolution shall automatically  
 23 be restored to the calendar with the same priority it  
 24 had immediately before referral.

#### 25 Rule 39

#### 26 Rules for Standing Committees

27 The following rules shall govern all standing  
 28 committees of the senate. Any committee may adopt  
 29 additional rules which are consistent with these  
 30 rules:

Page 32

1 1. A majority of the members shall constitute a  
 2 quorum.  
 3 2. The chair of a committee shall refer each bill  
 4 and resolution to a subcommittee within seven days  
 5 after the bill or resolution has been referred to the  
 6 committee. The chair may appoint subcommittees for  
 7 study of bills and resolutions without calling a  
 8 meeting of the committee, but the subcommittee must be  
 9 announced at the next meeting of the committee. No  
 10 bill or resolution shall be reported out of a  
 11 committee until the next meeting after the  
 12 subcommittee is announced, except that the chair of  
 13 the appropriations committee may make the announcement  
 14 of the assignment to a subcommittee by placing a  
 15 notice in the journal. Any bill so assigned by the  
 16 appropriations committee chair shall be eligible for  
 17 consideration by the committee upon report of the  
 18 subcommittee but not sooner than three legislative  
 19 days following the publication of the announcement in  
 20 the journal.  
 21 When a bill or resolution has been assigned to a  
 22 subcommittee, the chair shall report to the senate the  
 23 bill or resolution number and the names of the  
 24 subcommittee members and such reports shall be  
 25 reported in the journal. Subcommittee assignments  
 26 shall be reported to the journal daily. Reports filed  
 27 before 3:00 p.m. shall be printed in the journal for  
 28 that day; reports filed after 3:00 p.m. shall be  
 29 printed in the journal for the subsequent day.  
 30 Where standing subcommittees of any committee have

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1 been named, the names of the members and the title of  
 2 the subcommittee shall be published once and  
 3 thereafter publication of assignments may be made by

- 4 indicating the title of the subcommittee.
- 5 3. No bill or resolution shall be considered by a  
6 committee until it has been referred to a subcommittee  
7 and the subcommittee has made its report unless  
8 otherwise ordered by a majority of the members.
- 9 4. The rules adopted by a committee, including  
10 subsections 2, 3, 9, 10, 11, and 12 of this rule, may  
11 be suspended by an affirmative vote of a majority of  
12 the members of the committee.
- 13 5. The affirmative vote of a majority of the  
14 members of a committee is needed to sponsor a  
15 committee bill or resolution or to report a bill or  
16 resolution out for passage.
- 17 6. The vote on all bills and resolutions shall be  
18 by roll call unless a short-form vote is unanimously  
19 agreed to by the committee. A record shall be kept by  
20 the secretary.
- 21 7. No committee, except a conference committee or  
22 the steering committee, is authorized to meet when the  
23 senate is in session.
- 24 8. A subcommittee shall not report a bill to the  
25 committee unless the bill has been typed into proper  
26 form by the legislative service bureau.
- 27 9. A bill or resolution shall not be voted upon  
28 the same day a public hearing called under subsection  
29 10 is held on that bill or resolution.
- 30 10. Public hearings may be called at the

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- 1 discretion of the chair. The chair shall call a  
2 public hearing upon the written request of one-half  
3 the membership of the committee. The chair shall set  
4 the time and place of the public hearing.
- 5 11. A subcommittee chair must notify the committee  
6 chair not later than one legislative day prior to  
7 bringing the bill or resolution before the committee.  
8 The committee cannot vote on a bill or resolution for  
9 at least one full day following the receipt of the  
10 subcommittee report by the chairperson.
- 11 12. A motion proposing action on a bill or  
12 resolution that has been defeated by a committee shall  
13 not be voted upon again at the same meeting of the  
14 committee.
- 15 13. Committee meetings shall be open.
- 16 Rule 40  
17 Voting in Committee
- 18 All committee meetings shall be open at all times.  
19 Voting by secret ballot is prohibited. Roll call  
20 votes shall be taken in each committee when final  
21 action on any bill or resolution is voted, unless a  
22 short-form vote is unanimously agreed to by the

23 committee. A roll call vote also shall be taken in  
 24 each committee at the request of a member upon any  
 25 amendment or motion. All results shall be entered in  
 26 the minutes which shall be public records. Records of  
 27 these votes shall be made available by the chair or  
 28 the committee secretary at any time. This rule also  
 29 applies to the steering committee and appropriations  
 30 subcommittees.

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1 The committee shall not authorize the introduction  
 2 of a committee bill or resolution until the members  
 3 have received final copies of the bill or resolution  
 4 with amendments or changes incorporated, and typed  
 5 into proper form by the legislative service bureau.  
 6 The committee may, by unanimous consent, dispense with  
 7 this requirement ~~when only nonsubstantive amendments~~  
 8 ~~or changes are necessary to correct the bill or~~  
 9 ~~resolution, or when a study bill or individually~~  
 10 ~~sponsored bill is voted out as a committee bill with~~  
 11 ~~no change in the text of the bill or the title. The~~  
 12 ~~and instruct the~~ legislative service bureau ~~shall to~~  
 13 file a report with the committee members detailing the  
 14 amendments or changes and this report shall become a  
 15 part of the committee report.

#### 16 Rule 41

#### 17 Announcement of Committee Meetings

18 It shall be in order for the chair of any committee  
 19 to announce to the senate the time and place of  
 20 committee meetings. The announcement shall include a  
 21 proposed agenda for the meeting. The sergeant-at-arms  
 22 shall post at the rear of the chamber the daily  
 23 schedule of committee meetings.

#### 24 Rule 42

#### 25 Withdrawal of Bills and Resolutions from Committee

26 The secretary of the senate shall note on each bill  
 27 and resolution the date of its reference to committee.  
 28 No bill or resolution shall be withdrawn from any  
 29 committee within fifteen legislative days after the  
 30 bill or resolution has been referred to the committee

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1 and thereafter only upon written petition for the  
 2 withdrawal of such bill or resolution signed by a  
 3 constitutional majority of the senators, except as  
 4 provided in Rule 38. Only senators may circulate such  
 5 a petition.

#### 6 Rule 43

#### 7 Committee Reports

8 All committees shall file a report of committee

- 9 meetings. Such reports shall contain the following  
 10 information:
- 11 a. The time the meeting convened;
  - 12 b. Those senators who were present and absent at  
 13 the time the meeting convened, as well as the time any  
 14 senator, who was not present at the time the meeting  
 15 convened, arrives for the meeting;
  - 16 c. The vote on any bill or resolution reported out  
 17 of the committee for floor action;
  - 18 d. The title of the bill;
  - 19 e. The file number of the bill or resolution (if  
 20 known);
  - 21 f. Whether the committee recommends that the bill  
 22 or resolution be passed, amended and passed,  
 23 indefinitely postponed, or considered without  
 24 committee recommendation;
  - 25 g. An indication of other bills or matters  
 26 discussed;
  - 27 h. Such other matters as the committee chair shall  
 28 direct; and
  - 29 i. The time the meeting adjourned.
- 30 No committee report shall be read, but all

Page 37

- 1 committee reports shall be printed in the journal.  
 2 Upon printing, all committee reports shall then stand  
 3 approved unless the senate directs otherwise.  
 4
- Rule 44
- 5 Bills or Resolutions Recommended for Indefinite Postponement  
 6 No senate bill or resolution recommended for  
 7 indefinite postponement shall be considered in the  
 8 absence of the chief sponsor or, if a house bill or  
 9 resolution, in the absence of the senator representing  
 10 the district in which the sponsor resides. When a  
 11 question is postponed indefinitely, it shall not be  
 12 again acted upon during that session of the general  
 13 assembly.

#### GENERAL RULES

- 14
- Rule 45
- 15
- Access to Senate Chamber and Decorum
- 16 The persons who shall have access to the senate  
 17 chamber, and the times access shall be available, and  
 18 the rules governing activities in the chamber and  
 19 other areas controlled by the senate shall be as  
 20 prescribed by the rules and administration committee  
 21 pursuant to a written policy adopted by the committee  
 22 and filed with the secretary of the senate.  
 23

#### Rule 46

- 24
- Legislative Interns and Aides
- 25 Legislative interns for senators shall be allowed  
 26 on the floor of the senate in accordance with Rule 45;  
 27

28 provided that each intern first has obtained a name  
 29 badge from the secretary of the senate. The secretary  
 30 of the senate shall issue an appropriate badge to all

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1 interns for senators.

2 In addition, those persons designated as “aides to  
 3 senators” shall be allowed on the floor of the senate.  
 4 The secretary of the senate shall issue an appropriate  
 5 badge for such individuals.

6

Rule 47

7 Clearing of Lobby and Gallery

8 In case of disturbance or disorderly conduct in the  
 9 lobby or gallery, the presiding officer may order it  
 10 cleared.

11

Rule 48

12 Presentation of Petitions

13 Each petition shall contain a brief statement of  
 14 its subject matter and the name of the senator  
 15 presenting it. Petitions shall be filed with the  
 16 secretary of the senate and noted in the journal.

17

Rule 49

18 Distribution of Printed Material

19 No general distribution of printed material in the  
 20 senate shall be allowed unless authorized by the  
 21 secretary of the senate or by a senator.

22

Rule 50

23 Concerning the Printing of Papers

24 Any paper, other than that contemplated by Section  
 25 10, Article III of the Constitution of the State of  
 26 Iowa, presented to the senate may, with the consent of  
 27 a constitutional majority, be printed in the journal.

28

Rule 51

29 Reprinting of Documents

30 When any bill has been substantially amended by the

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1 senate, the secretary of the senate shall order the  
 2 bill reprinted on paper of a different color. All  
 3 adopted amendments inserting new material shall be  
 4 distinguishable.

5 The secretary of the senate may order the printing  
 6 of a reasonable number of additional copies of bills,  
 7 resolutions, amendments or journals.

8

OFFICERS AND EMPLOYEES

9

Rule 52

10 Duties of the President

11 The senate shall elect, from its membership, a  
 12 president. The president shall call the senate to  
 13 order at the hour to which the senate is adjourned.

14 Unless otherwise ordered by the senate, the president  
 15 shall proceed with the regular order of daily  
 16 business. The president shall preserve order and  
 17 decorum and decide all questions of order and  
 18 corrections to the journal, subject to an appeal to  
 19 the senate. The president shall direct voting as  
 20 provided in rule 22. When a ruling on germaneness is  
 21 issued by the presiding officer, it shall be  
 22 accompanied by an explanation of the ruling. The  
 23 president of the senate shall be the chair of the  
 24 committee of the whole unless otherwise ordered by the  
 25 senate, under rule 19.  
 26 Upon the first reading of an individual bill or  
 27 resolution, or a house committee bill or resolution,  
 28 the president shall refer the bill or resolution to  
 29 the appropriate standing committee unless otherwise  
 30 ordered by the senate. If the bill or resolution is a

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1 senate committee bill or resolution, the president  
 2 shall place it on the calendar after its first  
 3 reading. If the subject of the bill or resolution is  
 4 not germane to the title of the committee presenting  
 5 it, the president of the senate may refer it to the  
 6 appropriate committee.  
 7 The president shall sign legislative enactments  
 8 upon their enrolling.  
 9 The president of the senate shall serve as a member  
 10 of the legislative council and the senate rules and  
 11 administration committee. The president shall serve  
 12 on the rules and administration committee as chair of  
 13 the standing subcommittee designated to supervise the  
 14 secretary of the senate and other employees of the  
 15 administrative services division of the senate.

#### 16 Rule 53

#### 17 The President Pro Tempore

18 The senate shall elect, from its membership, a  
 19 president pro tempore. When the president is absent,  
 20 the president pro tempore shall preside, except when  
 21 the chair is filled by temporary appointment by the  
 22 president or the majority leader.

23 The president pro tempore, when presiding, shall  
 24 perform duties as prescribed in rule 52, paragraphs 1  
 25 and 2.

26 The president pro tempore shall serve as a member  
 27 of the legislative council and as a member of the  
 28 senate committee on rules and administration.

#### 29 Rule 54

#### 30 Secretary of the Senate

Page 41

- 1 The secretary of the senate shall be an officer of
- 2 the senate and shall:
- 3 1. Serve as chief administrative officer of the
- 4 senate.
- 5 2. Have charge of the secretary’s desk.
- 6 3. Be responsible for the custody and safekeeping
- 7 of all bills, resolutions, and amendments filed,
- 8 except while they are in the custody of a committee.
- 9 4. Have charge of the daily journal.
- 10 5. Have control of all rooms assigned for the use
- 11 of the senate.
- 12 6. Keep a detailed record of senate action on all
- 13 bills and resolutions.
- 14 7. Insert adopted amendments into bills before
- 15 transmittal to the house of representatives and prior
- 16 to final enrollment.
- 17 8. Prescribe the duties of and supervise all
- 18 senate employees.
- 19 9. Authorize all expenditures of funds within the
- 20 senate budget.
- 21 The secretary of the senate shall also act as
- 22 senate parliamentarian and shall:
- 23 1. Advise the presiding officer of the senate
- 24 about parliamentary procedures during deliberations of
- 25 the senate.
- 26 2. Perform other duties as prescribed by the
- 27 committee on rules and administration.
- 28 3. Process the handling of amendments when filed
- 29 and during the floor consideration of bills.

30 Rule 55

Page 42

1 Legal Counsel

- 2 The legal counsel shall be a contractual employee
- 3 of the senate and shall:
- 4 1. Serve as attorney and counselor for the senate.
- 5 2. At the request of the majority and minority
- 6 leaders, research any legal issue in which the senate
- 7 has an interest. However, the legal counsel shall not
- 8 issue nor venture any opinions on unresolved questions
- 9 of law unless permitted by both the majority and
- 10 minority leaders.

11 Rule 56

12 Sergeant-at-Arms

- 13 The sergeant-at-arms shall be an employee of the
- 14 senate and shall:
- 15 1. Wear the appropriate badge of his or her
- 16 office.
- 17 2. Attend the senate during its sessions.

- 18 3. Aid in the enforcement of order under the  
19 direction of the president of the senate and the  
20 secretary of the senate.
- 21 4. Execute the commands of the senate.
- 22 5. See that no unauthorized person disturbs the  
23 contents of the senators' desks.
- 24 6. Supervise the doorkeepers, the assistant  
25 sergeant-at-arms, and pages.
- 26 7. Announce all delegations from the governor or  
27 house.
- 28 8. Supervise the seating of visitors and press  
29 representatives.

30 Rule 57

Page 43

1 Senate Secretaries

2 Every senator shall be permitted to employ for each  
3 session of a general assembly a personally selected  
4 secretary.

5 Rule 58

6 Use of Electronic Voting System

7 Any officer or employee of the senate, other than a  
8 duly elected member of the senate, who operates the  
9 electronic voting machine mechanism located at the  
10 desk of said member of the senate shall be subject to  
11 immediate termination from employment. The provisions  
12 of this paragraph only shall apply during the taking  
13 of a record or non-record roll call vote utilizing the  
14 electronic voting system.

15 CONFIRMATION OF APPOINTMENTS

16 Rule 59

17 Appointments

18 The secretary of the senate shall:

19 a. send, to each appointee submitted by the  
20 governor for senate confirmation, a copy of a senate  
21 questionnaire as approved by the rules and  
22 administration committee;

23 b. receive completed questionnaires from  
24 appointees and forward copies of the completed  
25 questionnaires to appropriate committee members;

26 c. maintain "Confirmation Calendar" categories on  
27 the senate calendar as directed under this rule,  
28 senate rule 6, and by the committee on rules and  
29 administration. No appointee shall be listed as  
30 eligible on the confirmation calendar until the

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1 secretary has received the appointee's completed  
2 senate questionnaire.

3 As soon as possible after the convening of a

4 session, and again within one week following March 15,  
5 the secretary of the senate shall publish in the  
6 senate journal the names of all nominees submitted for  
7 confirmation. The secretary of the senate shall  
8 maintain a file of all appointments received from the  
9 governor for confirmation. The file shall contain a  
10 description of the duties and the compensation for  
11 each nominee. The file shall show the date an  
12 appointment was received from the governor, the date  
13 the appointment was published in the journal, whether  
14 the nominee has been introduced, whether a committee  
15 report has been filed, when the senate questionnaire  
16 was sent to the appointee, and shall include a copy of  
17 the appointee's completed senate questionnaire, upon  
18 receipt.

19 INVESTIGATING COMMITTEES. All appointments  
20 received from the governor shall be referred to the  
21 rules and administration committee by the secretary of  
22 the senate on the same day they are published in the  
23 senate journal. The rules and administration  
24 committee shall establish an en bloc confirmation  
25 calendar which must be filed with the secretary of the  
26 senate. Within three (3) legislative days after  
27 receiving an appointment, the committee shall either  
28 place a nominee on the en bloc confirmation calendar  
29 or assign the nominee to an appropriate standing  
30 committee for further investigation, publishing notice

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1 of such assignment in the senate journal for the next  
2 legislative day. If the rules and administration  
3 committee fails to take action on a nominee within the  
4 three days, the nominee shall automatically be placed  
5 on the en bloc confirmation calendar.

6 Within the three (3) legislative days after an  
7 appointment has been referred to the rules and  
8 administration committee, any ten senators may require  
9 that the nominee be assigned to an appropriate  
10 standing committee by filing a written, signed request  
11 therefor with the chairperson of the rules and  
12 administration committee. The committee chair shall  
13 refer the appointment to a subcommittee within one (1)  
14 legislative day after a standing committee receives an  
15 appointment for further investigation, publishing  
16 notice of such assignment in the senate journal for  
17 the next legislative day. Within ten (10) legislative  
18 days after a standing committee receives an  
19 appointment for further investigation the subcommittee  
20 shall file its report with the standing committee.

21 Within fourteen (14) legislative days after a  
22 standing committee receives an appointment for further

23 investigation, the committee shall conduct an  
24 investigation of the nominee and file its report  
25 thereon with the secretary of the senate, who shall  
26 then place the nominee on the en bloc calendar or  
27 individual confirmation calendar as directed by the  
28 committee. The failure of a committee to file its  
29 report within the prescribed time means that the  
30 nominee is to be automatically placed, without

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1 recommendation, upon the individual confirmation  
2 calendar.  
3 Any individual nominated to head a department or  
4 agency of state government, whose appointment is  
5 subject to senate confirmation, must be introduced to  
6 the full senate prior to a vote on confirmation of the  
7 nominee. Additionally, any five (5) senators may  
8 request that any nominee be introduced to the senate  
9 by filing a written request with the secretary of the  
10 senate within ten (10) legislative days of the  
11 nominee's name appearing in the journal. Any  
12 individual nominated to a position requiring senate  
13 confirmation may request to be introduced to the full  
14 senate by notifying the secretary of the senate at  
15 least one (1) legislative day in advance of their  
16 appearance. If an individual is nominated both to  
17 fill a vacancy for an unexpired term and is also  
18 nominated for reappointment to that position during  
19 the same session, a single introduction is sufficient  
20 for eligibility for confirmation to both terms.  
21 HEARINGS. Any member of a committee investigating  
22 an appointment may, within five (5) legislative days  
23 after the committee receives the appointment, obtain  
24 a hearing with the nominee by filing a written request  
25 with the secretary of the senate who shall forward it  
26 to the chair of the standing committee and the chair  
27 of the subcommittee. Notice of the hearing shall be  
28 published in the journal at least two (2) legislative  
29 days prior to the hearing. At the hearing, which  
30 shall be before the subcommittee, the nominee may be

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1 questioned as to his or her qualifications to fulfill  
2 the office to which nominated and further questioned  
3 as to his or her viewpoints on issues facing the  
4 office to which nominated. Any senator may at the  
5 discretion of the chair of the subcommittee be  
6 permitted to submit oral questions. The public may, at  
7 the discretion of the investigating committee, be  
8 permitted to submit oral or written statements as to

9 the qualifications of the nominee.  
 10 Also, within five (5) legislative days after the  
 11 subcommittee receives an appointment for  
 12 investigation, any senator may submit written  
 13 questions to be answered by the nominee prior to  
 14 consideration of the nominee's confirmation by the  
 15 senate.  
 16 INFORMATIONAL MEETINGS. After a nominee has been  
 17 placed on the calendar and prior to the vote on  
 18 confirmation, any senator may request an informational  
 19 meeting on the nomination which shall be held before  
 20 the subcommittee.  
 21 VOTING ON CONFIRMATIONS. Upon the motion of the  
 22 majority leader or his or her designee, the nominees  
 23 on the en bloc confirmation calendar shall be  
 24 confirmed en bloc by the affirmative vote of two-  
 25 thirds of the members elected to the senate. The  
 26 journal shall reflect a single roll call accompanied  
 27 by a statement of the names of those individuals  
 28 subject to the en bloc confirmation vote.  
 29 Prior to an en bloc vote, any senator may request,  
 30 either in writing or from the floor, an individual

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1 vote on any nominee on the en bloc confirmation  
 2 calendar. The senate shall vote separately on the  
 3 nominee.  
 4 Nominees on the individual confirmation calendar  
 5 shall be confirmed by a two-thirds vote; however, the  
 6 senate shall take a separate roll call on each  
 7 nominee, unless by unanimous consent, it determines to  
 8 take one vote on all nominees under consideration. In  
 9 any case, the journal shall reflect a single roll call  
 10 vote for each nominee.

11 If an individual is nominated both to fill a  
 12 vacancy for an unexpired term and is also nominated  
 13 for reappointment to that position, and such  
 14 appointment and reappointment appear on the senate  
 15 calendar as eligible at the same time, a single vote  
 16 is sufficient for confirmation to both terms.

#### 17 Rule 60

#### 18 Time of Committee Passage and Consideration of Bills

19 1. This rule does not apply to concurrent or  
 20 simple resolutions, joint resolutions nullifying  
 21 administrative rules, senate confirmations, bills  
 22 embodying redistricting plans prepared by the  
 23 legislative service bureau pursuant to chapter 42, or  
 24 bills passed by both houses in different forms.  
 25 Subsection 2 of this rule does not apply to  
 26 appropriations bills, ways and means bills, legalizing  
 27 acts, administrative rules review committee bills,

28 bills sponsored by standing committees in response to  
29 a referral from the president of the senate or the  
30 speaker of the house of representatives relating to an

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1 administrative rule whose effective date has been  
2 delayed until the adjournment of the next regular  
3 session of the general assembly by the administrative  
4 rules review committee, bills cosponsored by the  
5 majority and minority floor leaders of the senate,  
6 bills in conference committee, and companion bills  
7 sponsored by the majority floor leaders of both houses  
8 after consultation with the respective minority floor  
9 leaders. For the purposes of this rule, a joint  
10 resolution is considered as a bill. To be considered  
11 an appropriations or ways and means bill for the  
12 purposes of this rule, the appropriations committee or  
13 the ways and means committee must either be the  
14 sponsor of the bill or the committee of first referral  
15 in the senate.

16 2. To be placed on the calendar in the senate a  
17 senate bill must be first reported out of a standing  
18 committee by Friday of the 10th week of the first  
19 session and the 6th week of the second session. A  
20 house bill must be first reported out of a standing  
21 committee by Friday of the 13th week of the first  
22 session and the 9th week of the second session to be  
23 placed on the senate calendar.

24 3. During the 11th week of the first session and  
25 the 7th week of the second session, the senate shall  
26 consider only bills originating in the senate and  
27 unfinished business. During the 14th week of the  
28 first session and the 10th week of the second session,  
29 the senate shall consider only bills originating in  
30 the house and unfinished business. Beginning with the

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1 15th week of the first session and the 11th week of  
2 the second session, the senate shall consider only  
3 bills passed by both houses, bills exempt from  
4 subsection 2 and unfinished business.

5 4. A motion to reconsider filed and not disposed  
6 of on an action taken on a bill or resolution which is  
7 subject to a deadline under this rule may be called up  
8 at any time before or after the day of the deadline by  
9 the person filing the motion or after the deadline by  
10 the majority floor leader, notwithstanding any other  
11 rule to the contrary.

12 BE IT FURTHER RESOLVED, That should a system of  
13 deadlines for the time of committee passage and

14 consideration of bills be adopted by joint action of  
 15 the senate and house at any time during the ~~seventy-~~  
 16 ~~ninth~~ eightieth general assembly, those provisions  
 17 shall supersede the provisions of rule 60.

**SENATE RESOLUTION 3:** filed January 28, 2003; adopted by  
 the Senate on February 6, 2003.

1                                   SENATE RESOLUTION 3  
 2 By: Committee on Ethics  
 3 (SUCCESSOR TO SSB 1015)  
 4 A resolution relating to the Senate Code of Ethics  
 5 governing the conduct of members of the Senate in  
 6 relation to their senatorial duties during the  
 7 Eightieth General Assembly.  
 8 BE IT RESOLVED BY THE SENATE, That the Senate Code  
 9 of Ethics for the ~~Seventy-ninth~~ Eightieth General  
 10 Assembly shall be amended to read as follows:  
 11                                   SENATE CODE OF ETHICS  
 12 PREAMBLE. Every legislator owes a duty to uphold  
 13 the integrity and honor of the general assembly, to  
 14 encourage respect for the law and for the general  
 15 assembly and the members thereof, and to observe the  
 16 legislative code of ethics.  
 17 In doing so, members of the senate have a duty to  
 18 conduct themselves so as to reflect credit on the  
 19 general assembly, and to inspire the confidence,  
 20 respect, and trust of the public, and to strive to  
 21 avoid both unethical and illegal conduct and the  
 22 appearance of unethical and illegal conduct.  
 23 Recognizing that service in the Iowa general  
 24 assembly is a part-time endeavor and that members of  
 25 the general assembly are honorable individuals who are  
 26 active in the affairs of their localities and  
 27 elsewhere and that it is necessary that they maintain  
 28 a livelihood and source of income apart from their  
 29 legislative compensation, the following rules are  
 30 adopted pursuant to section 68B.31, to assist the

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1 members in the conduct of their legislative affairs.  
 2 1. ECONOMIC INTEREST OF SENATOR. Taking into  
 3 account that legislative service is part-time, a  
 4 senator shall not accept economic or investment  
 5 opportunity, under circumstances where the senator  
 6 knows, or should know, that there is a reasonable  
 7 possibility that the opportunity is being afforded the  
 8 senator with intent to influence the senator's conduct  
 9 in the performance of official duties.  
 10 2. DIVESTITURE. Where a senator learns that an

11 economic or investment opportunity previously accepted  
12 was offered with the intent of influencing the  
13 senator's conduct in the performance of official  
14 duties, the senator shall take steps to divest that  
15 senator of that investment or economic opportunity,  
16 and shall report the facts of the situation to the  
17 senate ethics committee.

18 3. CHARGES FOR SERVICES. A senator shall not  
19 charge to or accept from a person, corporation,  
20 partnership, or association known to have a  
21 legislative interest a price, fee, compensation, or  
22 other consideration for the sale or lease of any  
23 property or the furnishing of services which is in  
24 excess of that which the senator would charge another.

25 4. USE OF CONFIDENTIAL INFORMATION. A senator in  
26 order to further the senator's own economic or other  
27 interests, or those of any other person, shall not  
28 disclose or use confidential information acquired in  
29 the course of official duties.

30 5. HONORARIA. A senator shall not accept an

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1 honorarium from a restricted donor for a speech,  
2 writing for publication, or other similar activity,  
3 except as otherwise provided in section 68B.23.

4 6. EMPLOYMENT. A senator shall not accept  
5 employment, either directly or indirectly, from a  
6 political action committee. A senator may accept  
7 employment from a political party, but shall disclose  
8 the employment relationship in writing to the  
9 secretary of the senate within ten days after the  
10 beginning of each legislative session. If a senator  
11 accepts employment from a political party during a  
12 legislative session, the senator shall disclose the  
13 employment relationship within ten days after  
14 acceptance of the employment.

15 For the purpose of this rule, a political action  
16 committee means a committee, but not a candidate's  
17 committee, which accepts contributions, makes  
18 expenditures, or incurs indebtedness in the aggregate  
19 of more than ~~five~~ seven hundred ~~fifty~~ dollars in any  
20 one calendar year to expressly advocate the  
21 nomination, election, or defeat of a candidate for  
22 public office or to expressly advocate the passage or  
23 defeat of a ballot issue or influencing legislative  
24 action, or an association, lodge, society,  
25 cooperative, union, fraternity, sorority, educational  
26 institution, civic organization, labor organization,  
27 religious organization, or professional organization  
28 which makes contributions in the aggregate of more

29 than ~~five~~ seven hundred fifty dollars in any one  
 30 calendar year to expressly advocate the nomination,

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1 election, or defeat of a candidate for public office  
 2 or ballot issue or influencing legislative action.  
 3 7. ECONOMIC INTERESTS OF LOBBYIST. With the  
 4 exception of exercising unfettered discretion in  
 5 supporting or refusing to support proposed  
 6 legislation, a senator shall not take action intended  
 7 to affect the economic interests of a lobbyist or  
 8 citizen supporting or opposing proposed legislation.  
 9 8. APPEARANCE BEFORE GOVERNMENTAL AGENCY. A  
 10 senator may appear before a governmental agency or  
 11 board in any representation case, except that the  
 12 senator shall not act as a lobbyist. Whenever a  
 13 senator appears before a governmental agency or board,  
 14 the senator shall carefully avoid all conduct which  
 15 might in any way lead members of the general public to  
 16 conclude that the senator is using the senator's  
 17 official position to further the senator's  
 18 professional success or personal financial interest.  
 19 9. CONFLICTS OF INTERESTS. In order to permit the  
 20 general assembly to function effectively, a senator  
 21 will sometimes be required to vote on bills and  
 22 participate in committee work which will affect the  
 23 senator's employment and other monetary interests. In  
 24 making a decision relative to the senator's activity  
 25 on given bills or committee work which are subject to  
 26 the code, the following factors shall be considered:  
 27 a. Whether a substantial threat to the senator's  
 28 independence of judgment has been created by the  
 29 conflict situation.  
 30 b. The effect of the senator's participation on

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1 public confidence in the integrity of the legislature.  
 2 c. The need for the senator's particular  
 3 contribution, such as special knowledge of the subject  
 4 matter, to the effective functioning of the  
 5 legislature.  
 6 A senator with a conflict of interest may  
 7 participate in floor debate if prior to debate the  
 8 senator indicates the conflict of interest.  
 9 10. GIFTS. Except as otherwise provided in  
 10 section 68B.22, a senator, or that person's immediate  
 11 family member, shall not, directly or indirectly,  
 12 accept or receive any gift or series of gifts from a  
 13 restricted donor.  
 14 11. DISCLOSURE REQUIRED. Each senator shall file

15 with the secretary of the senate within ten days after  
16 the adoption of the code of ethics by the senate, and  
17 within ten days after the convening of the second  
18 session of the general assembly, a statement under  
19 section 68B.35 on forms provided by the secretary of  
20 the senate setting forth the following information:  
21 The nature of each business in which the senator is  
22 engaged and the nature of the business of each company  
23 in which the senator has a financial interest. A  
24 senator shall not be required to file a report or be  
25 assumed to have a financial interest if the annual  
26 income derived from the investment in stocks, bonds,  
27 bills, notes, mortgages, or other securities offered  
28 for sale through recognized financial brokers is less  
29 than one thousand dollars.  
30 Disclosures required under this rule shall be as of

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1 the date filed unless provided to the contrary, and  
2 shall be amended to include interests and changes  
3 encompassed by this rule that occur while the general  
4 assembly is in session. All filings under this rule  
5 shall be open to public inspection in the office of  
6 the secretary of the senate at all reasonable times.

7 The secretary of the senate shall inform the ethics  
8 committee of the statements which are filed and shall  
9 report to the ethics committee the names of any  
10 senators who appear not to have filed complete  
11 statements. The chairperson of the ethics committee  
12 shall request in writing that a senator who has failed  
13 to complete the report or appears to have filed an  
14 incomplete report do so within five days, and, upon  
15 the failure of the senator to comply, the ethics  
16 committee shall require the senator to appear before  
17 the committee.

18 12. STATUTORY VIOLATIONS. Members of the general  
19 assembly are urged to familiarize themselves with  
20 chapters 68B, 721, and 722.

21 13. CHARGE ACCOUNTS. Senators shall not charge  
22 any amount or item to any charge account to be paid  
23 for by any lobbyist or any client the lobbyist  
24 represents.

25 14. TRAVEL EXPENSES. A senator shall not charge  
26 to the state of Iowa amounts for travel and expenses  
27 unless the senator actually has incurred those mileage  
28 and expense costs. Senators shall not file the  
29 vouchers for weekly mileage reimbursement required by  
30 section 2.10, subsection 1, unless the travel was

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1 actually incurred at commensurate expense to the  
2 senator.  
3 15. COMPLAINTS. Complaints or charges against any  
4 senator or any lobbyist shall be in writing, made  
5 under oath, and filed with the secretary of the senate  
6 or the chairperson of the ethics committee. If filed  
7 with the secretary of the senate, the secretary shall  
8 immediately advise the chairperson of the ethics  
9 committee of the receipt of the complaint.  
10 Complaint forms shall be available from the  
11 secretary of the senate, or the chairperson of the  
12 ethics committee, but a complaint shall not be  
13 rejected for failure to use an approved form if the  
14 complaint substantially complies with senate  
15 requirements.  
16 A complainant may submit exhibits and affidavits  
17 attached to the complaint.  
18 16. FILING OF COMPLAINTS.  
19 a. Persons entitled. Complaints may be filed by  
20 any person believing that a senator or lobbyist has  
21 violated the senate ethics code, the senate rules  
22 governing lobbyists, or chapter 68B of the Iowa Code.  
23 A violation of the criminal law may be considered to  
24 be a violation of this code of ethics if the violation  
25 constitutes a serious misdemeanor or greater, or a  
26 repetitive and flagrant violation of the law.  
27 b. Committee complaint. The ethics committee may,  
28 upon its own motion, initiate a complaint,  
29 investigation, or disciplinary action.  
30 c. Timeliness of filing. A complaint will be

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1 considered to be timely filed if it is filed within  
2 three years of the occurrence of the alleged violation  
3 of the ethics code.  
4 17. PERMANENT RECORD. The secretary of the senate  
5 shall maintain a permanent record of all complaints  
6 filed, evidence received by the committee, and any  
7 transcripts or other recordings made of committee  
8 proceedings, including a separate card file containing  
9 the date filed, name and address of the complainant,  
10 name and address of the respondent, a brief statement  
11 of the charges made, and ultimate disposition of the  
12 complaint. The secretary shall keep each such  
13 complaint confidential until public disclosure is made  
14 by the ethics committee.  
15 18. PREHEARING PROCEDURE.  
16 a. Defective complaint. Upon receipt of a  
17 complaint, the chairperson and ranking member of the

18 ethics committee shall determine whether the complaint  
 19 substantially complies with the requirements of this  
 20 code of ethics and section 68B.31, subsection 6. If  
 21 the complaint does not substantially comply with the  
 22 requirements for formal sufficiency under the code of  
 23 ethics, the complaint may be returned to the  
 24 complainant with a statement that the complaint is not  
 25 in compliance with the code and a copy of the code.  
 26 If the complainant fails to amend the complaint to  
 27 comply with the code within a reasonable time, the  
 28 chair and ranking member may dismiss the complaint  
 29 with prejudice for failure to prosecute.  
 30 b. Service of complaint on respondent. Upon

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1 receipt of any complaint substantially complying with  
 2 the requirements of this code of ethics, the  
 3 chairperson of the ethics committee shall cause a copy  
 4 of the complaint and any supporting information to be  
 5 delivered promptly to the respondent, requesting a  
 6 written response to be filed within ten days. The  
 7 response may do any of the following:  
 8 (1) Admit or deny the allegation or allegations.  
 9 (2) Object that the allegation fails to allege a  
 10 violation of chapter 68B or the code of ethics.  
 11 (3) Object to the jurisdiction of the committee.  
 12 (4) Request a more specific statement of the  
 13 allegation or allegations.  
 14 c. Objection to member. In addition to the items  
 15 which may be included in a response pursuant to  
 16 paragraph “b”, the response may also include an  
 17 objection to the participation of any member of the  
 18 committee in the consideration of the allegation or  
 19 allegations on the grounds that the member cannot  
 20 render an impartial and unbiased decision.  
 21 d. Extension of time. At the request of the  
 22 respondent and upon a showing of good cause, the  
 23 committee, or the chairperson and ranking member, may  
 24 extend the time for response, not to exceed ten  
 25 additional days.  
 26 e. Confidentiality. If a complaint is not  
 27 otherwise made public, the members of the committee  
 28 shall treat the complaint and all supporting  
 29 information as confidential until the written response  
 30 is received from the respondent.

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1 f. Communications with ethics committee. After a  
 2 complaint has been filed or an investigation has been  
 3 initiated, a party to the complaint or investigation

4 shall not communicate, or cause another to  
 5 communicate, as to the merits of the complaint or  
 6 investigation with a member of the committee, except  
 7 under the following circumstances:

8 (1) During the course of any meetings or other  
 9 official proceedings of the committee regarding the  
 10 complaint or investigation.

11 (2) In writing, if a copy of the writing is  
 12 delivered to the adverse party or the designated  
 13 representative for the adverse party.

14 (3) Orally, if adequate prior notice of the  
 15 communication is given to the adverse party or the  
 16 designated representative for the adverse party.

17 (4) As otherwise authorized by statute, the senate  
 18 code of ethics, the senate rules governing lobbyists,  
 19 or vote of the committee.

20 g. Scheduling hearing. Upon receipt of the  
 21 response, the committee shall schedule a public  
 22 meeting to review the complaint and available  
 23 information, and shall:

24 (1) Notify the complainant that no further action  
 25 will be taken, unless further substantiating  
 26 information is produced, or

27 (2) Dismiss the complaint for failure to meet the  
 28 statutory and code of ethics requirements for valid  
 29 complaints, or

30 (3) Request that the chief justice of the supreme

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1 court appoint an independent special counsel to  
 2 conduct an investigation of the complaint and  
 3 supporting information, to make a determination of  
 4 probable cause, and to report the findings to the  
 5 committee, which shall be received within a reasonable  
 6 time.

7 h. Public hearing. If independent special counsel  
 8 is appointed, upon receipt of the report of  
 9 independent special counsel's findings, the committee  
 10 shall schedule a public meeting to review the report  
 11 and shall do either of the following:

12 (1) Cause the complaint to be scheduled for a  
 13 public hearing.

14 (2) Dismiss the complaint based upon a  
 15 determination by independent special counsel and the  
 16 committee that insufficient evidence exists to support  
 17 a finding of probable cause.

#### 18 19. HEARING PROCEDURE.

19 a. Notice of hearing. If the committee causes a  
 20 complaint to be scheduled for a public hearing, notice  
 21 of the hearing date and time shall be given to the  
 22 complainant and respondent in writing, and of the

23 respondent's right to appear in person, be represented  
24 by legal counsel, present statements and evidence, and  
25 examine and cross-examine witnesses. The committee  
26 shall not be bound by formal rules of evidence, but  
27 shall receive relevant evidence, subject to  
28 limitations on repetitiveness. Any evidence taken  
29 shall be under oath.  
30 b. Subpoena power. The committee may require, by

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1 subpoena or otherwise, the attendance and testimony of  
2 witnesses and the production of such books, records,  
3 correspondence, memoranda, papers, documents, and any  
4 other things it deems necessary to the conduct of the  
5 inquiry.

6 c. Ex post facto. An investigation shall not be  
7 undertaken by the committee of a violation of a law,  
8 rule, or standard of conduct that is not in effect at  
9 the time of violation.

10 d. Disqualification of member. Members of the  
11 committee may disqualify themselves from participating  
12 in any investigation of the conduct of another person  
13 upon submission of a written statement that the member  
14 cannot render an impartial and unbiased decision in a  
15 case. A member may also be disqualified by a  
16 unanimous vote of the remaining eligible members of  
17 the committee.

18 A member of the committee is ineligible to  
19 participate in committee meetings, as a member of the  
20 committee, in any proceeding relating to the member's  
21 own official conduct.

22 If a member of the committee is disqualified or  
23 ineligible to act, the majority or minority leader who  
24 appointed the member shall appoint a replacement  
25 member to serve as a member of the committee during  
26 the period of disqualification or ineligibility.

27 e. Hearing. At the hearing, the chairperson shall  
28 open the hearing by stating the charges, the purpose  
29 of the hearing, and its scope. The burden of proof  
30 rests upon the complainant to establish the facts as

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1 alleged, by clear and convincing evidence. However,  
2 questioning of witnesses shall be conducted by the  
3 members of the committee, by independent special  
4 counsel, or by a senator. The chairperson shall also  
5 permit questioning by legal counsel representing the  
6 complainant or respondent.

7 The chairperson or other member of the committee  
8 presiding at a hearing shall rule upon procedural

9 questions or any question of admissibility of evidence  
10 presented to the committee. Rulings may be reversed  
11 by a majority vote of the committee members present.  
12 The committee may continue the hearing to a future  
13 date if necessary for appropriate reasons or purposes.  
14 f. Committee action. Upon receipt of all relevant  
15 evidence and arguments, the committee shall consider  
16 the same and recommend to the senate:  
17 (1) That the complaint be dismissed, or  
18 (2) That the senator or lobbyist be censured or  
19 reprimanded, and recommend the appropriate form of  
20 censure or reprimand, or  
21 (3) Any other appropriate sanction, including  
22 suspension or expulsion from membership in the senate,  
23 or suspension of lobbying privileges.  
24 g. Disposition resolution. By appropriate  
25 resolution, the senate may amend, adopt, or reject the  
26 report of the ethics committee, including the  
27 committee's recommendations regarding disciplinary  
28 action.  
29 20. COMMITTEE AUTHORIZED TO MEET. The senate  
30 ethics committee is authorized to meet at the

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1 discretion of the chairperson to conduct hearings and  
2 other business that properly may come before it. If  
3 the committee submits a report seeking senate action  
4 against a senator or lobbyist after the second regular  
5 session of a general assembly has adjourned sine die,  
6 the report shall be submitted to and considered by the  
7 subsequent general assembly. However, the report may  
8 be submitted to and considered during any special  
9 session which may take place after the second regular  
10 session of a general assembly has adjourned sine die,  
11 but before the convening of the next general assembly.  
12 20A. ADVISORY OPINIONS.  
13 a. Requests for formal opinions. A request for a  
14 formal advisory opinion may be filed by any person who  
15 is subject to the authority of the ethics committee.  
16 The ethics committee may also issue a formal advisory  
17 opinion on its own motion, without having previously  
18 received a formal request for an opinion, on any issue  
19 that is within the jurisdiction of the committee.  
20 Requests shall be filed with either the secretary of  
21 the senate or the chairperson of the ethics committee.  
22 b. Form and contents of requests. A request for a  
23 formal advisory opinion shall be in writing and may  
24 pertain to any subject matter that is related to the  
25 application of the senate code of ethics, the senate  
26 rules governing lobbyists, or chapter 68B of the Code  
27 to any person who is subject to the authority of the

28 ethics committee. Requests shall contain one or more  
 29 specific questions and shall relate either to future  
 30 conduct or be stated in the hypothetical. A request

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1 for an advisory opinion shall not specifically name  
 2 any individual or contain any other specific  
 3 identifying information, unless the request relates to  
 4 the requester's own conduct. However, any request may  
 5 contain information which identifies the kind of  
 6 individual who may be affected by the subject matter  
 7 of the request. Examples of this latter kind of  
 8 identifying information may include references to  
 9 conduct of a category of individuals, such as but not  
 10 limited to conduct of legislators, legislative staff,  
 11 or lobbyists.

12 c. Confidentiality of formal requests and  
 13 opinions. Requests for formal opinions are not  
 14 confidential and any deliberations of the committee  
 15 regarding a request for a formal opinion shall be  
 16 public. Opinions issued in response to requests for  
 17 formal opinions are not confidential, shall be in  
 18 writing, and shall be placed on file in the office of  
 19 the secretary of the senate. Persons requesting  
 20 formal opinions shall personally receive a copy of the  
 21 written formal opinion that is issued in response to  
 22 the request.

23 20B. CALCULATION OF TIME -- DAYS. For purposes of  
 24 these rules, unless the context otherwise requires,  
 25 the word "day" or "days" shall mean a calendar day  
 26 except that if the day is the last day of a specific  
 27 time period and falls upon a Saturday, Sunday, or  
 28 legal holiday, the time prescribed shall be extended  
 29 so as to include the whole of the next day in which  
 30 the offices of the senate and the general assembly are

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1 open for official business.  
 2 21. COMPLAINT FILING FORM. The following form  
 3 shall be used to file a complaint under these rules:  
 4 THE SENATE  
 5 Ethics Complaint Form  
 6 Re: \_\_\_\_\_ (Senator/Lobbyist),  
 7 of \_\_\_\_\_, Iowa.  
 8 I, \_\_\_\_\_ (Complainant), residing  
 9 at \_\_\_\_\_, in the City of \_\_\_\_\_,  
 10 State of \_\_\_\_\_, hereby complain that  
 11 \_\_\_\_\_ (Senator/Lobbyist), whose  
 12 address is \_\_\_\_\_,  
 13 has violated the Senate Code of Ethics or Senate

14 Rules Governing Lobbyists in that:

15 (Explain the basis for the complaint here. Use addi-  
16 tional pages, if necessary.)

17 Under penalty of perjury, I certify that the above  
18 complaint is true and correct as I verily believe.

19 \_\_\_\_\_  
20 Signature of Complainant  
21 SUBSCRIBED AND AFFIRMED to before me this \_\_\_\_\_  
22 day of \_\_\_\_\_, \_\_\_\_\_.

23 \_\_\_\_\_  
24 Notary Public in and for the  
25 State of \_\_\_\_\_

26 22. COMPLAINT NOTICE FORM. The following form  
27 shall be used for notice of a complaint under these  
28 rules:

29 STATE OF IOWA  
30 THE SENATE

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1 COMMITTEE ON ETHICS )  
2 IOWA STATE SENATE )  
3 )  
4 On The Complaint Of ) NOTICE OF COMPLAINT  
5 )  
6 \_\_\_\_\_ )  
7 )  
8 And Involving )  
9 )  
10 \_\_\_\_\_ )  
11 )

12 TO \_\_\_\_\_,  
13 Senator or Lobbyist named above:

14 You are hereby notified that there is now on file  
15 with the Secretary of the Senate, State Capitol, Des  
16 Moines, Iowa, a complaint which alleges that you have  
17 committed a violation of the Senate's Code of Ethics  
18 or Senate Rules Governing Lobbyists.

19 A copy of the complaint and the Senate rules for  
20 processing the same are attached hereto and made a  
21 part of this notice.

22 You are further notified and requested to file your  
23 written answer to the complaint within ten days of the  
24 date upon which the notice was caused to be delivered  
25 to you, (date) \_\_\_\_\_, \_\_\_\_\_. Your  
26 answer is to be filed with the Secretary of the Senate,  
27 State Capitol, Des Moines, Iowa.

28 Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
29 \_\_\_\_\_

30 Chair, Senate Ethics Committee,

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1 or Secretary of the Senate  
2 23. HEARING NOTICE FORM. The following form shall  
3 be used for notice of a hearing under these rules:

4 STATE OF IOWA  
5 THE SENATE  
6 COMMITTEE ON ETHICS )  
7 IOWA STATE SENATE )  
8 )  
9 On The Complaint Of ) NOTICE OF HEARING  
10 )  
11 \_\_\_\_\_ )  
12 )  
13 And Involving )  
14 )  
15 \_\_\_\_\_ )  
16 )  
17 TO \_\_\_\_\_,

18 Senator or Lobbyist named above:  
19 You are hereby notified that there is now on file  
20 with the Secretary of the Senate, State Capitol, Des  
21 Moines, Iowa, a complaint which alleges that you have  
22 committed a violation of the Senate’s Code of Ethics  
23 or Senate Rules Governing Lobbyists.

24 A copy of the complaint and the Senate rules for  
25 processing the same are attached hereto and made a  
26 part of this notice.

27 You are further notified that, after preliminary  
28 review, the committee has caused a public hearing to  
29 be scheduled on (date) \_\_\_\_\_,  
30 \_\_\_\_\_, at (hour) \_\_\_\_\_ (a.m.) (p.m.),

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1 in Room \_\_\_\_, State Capitol, Des Moines, Iowa.  
2 At the hearing, you will have the right to appear  
3 in person, be represented by legal counsel at your own  
4 expense, present statements and evidence, and examine  
5 and cross-examine witnesses. The committee shall not  
6 be bound by formal rules of evidence, but shall  
7 receive relevant evidence, subject to limitations on  
8 repetitiveness. Any evidence taken shall be under  
9 oath.

10 The committee may continue the hearing to a future  
11 date if necessary for appropriate reasons or purposes.

12 You are further notified that the committee will  
13 receive such evidence and take such action as  
14 warranted by the evidence.

15 Dated this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

16 \_\_\_\_\_  
17 Chair, Senate Ethics Committee,

18 or Secretary of the Senate  
 19 24. PERSONAL FINANCIAL DISCLOSURE FORM. The  
 20 following form shall be used for disclosure of  
 21 economic interests under these rules and section  
 22 68B.35:  
 23 STATEMENT OF ECONOMIC INTERESTS  
 24 Name: \_\_\_\_\_  
 25 (Last) (First) (Middle Initial)  
 26 Address: \_\_\_\_\_  
 27 (Street Address, Apt.# - P.O. Box)  
 28 \_\_\_\_\_  
 29 (City) (State) (Zip)  
 30 Phone:(Home) \_\_\_\_-\_\_\_\_-\_\_\_\_ (Business) \_\_\_\_-\_\_\_\_-\_\_\_\_

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1 \*\*\*\*\*  
 2 a. Please list each business, occupation, or  
 3 profession in which you are engaged. In listing the  
 4 business, occupation, or profession, it is not  
 5 necessary that your employer or the name of the  
 6 business be listed, although all businesses,  
 7 occupations, or professions must be listed, regardless  
 8 of the amount of income derived or time spent  
 9 participating in the activity. (Examples of types of  
 10 businesses, occupations, or professions that may be  
 11 listed: teacher, lawyer, legislator, real estate  
 12 agent, insurance adjuster, salesperson, ...)  
 13 (1) \_\_\_\_\_  
 14 (2) \_\_\_\_\_  
 15 (3) \_\_\_\_\_  
 16 (4) \_\_\_\_\_  
 17 (5) \_\_\_\_\_  
 18 b. Please list the nature of each of the  
 19 businesses, occupations, or professions which you  
 20 listed in paragraph “a”, above, unless the nature of  
 21 the business, occupation, or profession is already  
 22 apparent from the information indicated above. The  
 23 descriptions in this paragraph should correspond by  
 24 number to the numbers for each of the businesses,  
 25 occupations, or professions listed in paragraph “a”.  
 26 (Examples: If you indicated, for example, that you  
 27 were a salesperson in subparagraph (1) of paragraph  
 28 “a”, you should list in subparagraph (1) of this  
 29 paragraph the types of goods or services sold in this  
 30 item. If you indicated that you were a teacher in

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1 subparagraph (2) of paragraph “a”, you should indicate  
 2 in subparagraph (2) of this paragraph the type of  
 3 school or institution in which you provide instruction

4 or whether the instruction is provided on a private  
 5 basis. If you indicated that you were a lawyer in  
 6 subparagraph (3) of paragraph “a”, you should indicate  
 7 your areas of practice and whether you are in private,  
 8 corporate, or government practice in subparagraph (3)  
 9 of this paragraph. If you indicated in subparagraph  
 10 (4) of paragraph “a” that you were a consultant, in  
 11 subparagraph (4) of this paragraph you should indicate  
 12 the kind of services provided and types of clients  
 13 served.)

- 14 (1) \_\_\_\_\_  
 15 (2) \_\_\_\_\_  
 16 (3) \_\_\_\_\_  
 17 (4) \_\_\_\_\_  
 18 (5) \_\_\_\_\_

19 c. Please list each source, by general  
 20 description, from which you receive, or which  
 21 generates, more than one thousand dollars in gross  
 22 annual income in the categories listed below. For  
 23 purposes of this item, a source produces gross annual  
 24 income if the revenue produced by the source is  
 25 subject to federal or state income taxes. In  
 26 completing this item, it is not necessary to list the  
 27 name of the company, business, financial institution,  
 28 corporation, partnership, or other entity which  
 29 constitutes the source of the income and the amount or  
 30 value of the holding should not be listed.

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1 (1) Securities (Here for example, you need not  
 2 state that you own X number of shares of any specific  
 3 company by brand or corporate name, or that the stock  
 4 is of a certain value, but may instead state that you  
 5 possess stock in a company and indicate the nature of  
 6 the company’s business.):

- 7 \_\_\_\_\_  
 8 \_\_\_\_\_  
 9 \_\_\_\_\_  
 10 \_\_\_\_\_  
 11 \_\_\_\_\_

12 (2) Instruments of Financial Institutions (You  
 13 need not indicate, for example, in which institutions  
 14 you hold certificates of deposit that produce annual  
 15 income over the one thousand dollar threshold, but  
 16 simply listing the nature of the institution will  
 17 suffice, e.g., bank, credit union, or savings and loan  
 18 association.):

- 19 \_\_\_\_\_  
 20 \_\_\_\_\_  
 21 \_\_\_\_\_  
 22 \_\_\_\_\_

23 \_\_\_\_\_  
 24 (3) Trusts (The name of the particular trust need  
 25 not be listed. However, if the income is received  
 26 from a charitable trust/foundation, such as the Pugh  
 27 Charitable Trust, in the form of a grant, the fact  
 28 that the trust is a charitable trust should be noted  
 29 here.):  
 30 \_\_\_\_\_

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1 \_\_\_\_\_  
 2 \_\_\_\_\_  
 3 \_\_\_\_\_  
 4 \_\_\_\_\_  
 5 (4) Real Estate (When listing real estate, it is  
 6 not necessary to list the location of the property,  
 7 but the general nature of the real estate interest  
 8 should be indicated, e.g. residential leasehold  
 9 interest or farm leasehold interest.):  
 10 \_\_\_\_\_  
 11 \_\_\_\_\_  
 12 \_\_\_\_\_  
 13 \_\_\_\_\_  
 14 \_\_\_\_\_

15 (5) Retirement Systems (When listing retirement  
 16 benefits, it is not necessary to list the name of the  
 17 particular pension system or company, but rather the  
 18 type of benefit should be listed, e.g., health  
 19 benefits, life insurance benefits, private pension, or  
 20 government pension.):  
 21 \_\_\_\_\_  
 22 \_\_\_\_\_  
 23 \_\_\_\_\_  
 24 \_\_\_\_\_  
 25 \_\_\_\_\_

26 (6) Other Income Categories Specified in State or  
 27 Federal Income Tax Regulations (List description of  
 28 other sources of income producing over one thousand  
 29 dollars in annual income not previously reported  
 30 above, but which must be reported for income tax

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1 purposes.):  
 2 \_\_\_\_\_  
 3 \_\_\_\_\_  
 4 \_\_\_\_\_  
 5 \_\_\_\_\_  
 6 \_\_\_\_\_  
 7 \_\_\_\_\_

8 \_\_\_\_\_  
 9 (Signature of filer) (Date)

**SENATE RESOLUTION 4:** filed January 28, 2003; adopted by the Senate on February 6, 2003.

1 SENATE RESOLUTION 4

2 By: Committee on Ethics

3 (SUCCESSOR TO SSB 1014)

4 A resolution relating to the Senate Rules Governing

5 Lobbyists and their interactions with the Senate and

6 members of the Senate during the Eightieth General Assembly.

7 BE IT RESOLVED BY THE SENATE, That the ~~senate rules~~

8 ~~governing lobbyists~~ Senate Rules Governing Lobbyists

9 for the ~~seventy-ninth general assembly~~ Eightieth

10 General Assembly shall be as follows:

11 SENATE RULES GOVERNING LOBBYISTS

12 1. DEFINITIONS. As used in these rules, “client”,

13 “gift”, “honoraria” or “honorarium”, “immediate family

14 member” and “lobbyist” have the meaning provided in

15 chapter 68B. As used in these rules the term

16 “political action committee” means a committee, but

17 not a candidate’s committee, which accepts

18 contributions, makes expenditures, or incurs

19 indebtedness in the aggregate of more than ~~five~~ seven

20 hundred fifty dollars in any one calendar year to

21 expressly advocate the nomination, election, or defeat

22 of a candidate for public office or to expressly

23 advocate the passage or defeat of a ballot issue or

24 influencing legislative action, or an association,

25 lodge, society, cooperative, union, fraternity,

26 sorority, educational institution, civic organization,

27 labor organization, religious organization, or

28 professional or other organization which makes

29 contributions in the aggregate of more than ~~five~~ seven

30 hundred fifty dollars in any one calendar year to

Page 2

1 expressly advocate the nomination, election, or defeat

2 of a candidate for public office or to expressly

3 advocate the passage or defeat of a ballot issue or

4 influencing legislative action.

5 2. APPLICABILITY. These rules are only applicable

6 to lobbying activities involving the Iowa general

7 assembly.

8 3. REGISTRATION REQUIRED. All lobbyists shall, on

9 or before the day their lobbying activity begins,

10 register in the manner provided under section 68B.36

11 by filing a completed lobbyist’s registration form

12 with the person or ~~person~~ persons designated by the

13 chief clerk of the house and the secretary of the

14 senate to receive lobbyist registration statements.  
15 Lobbyist registration forms shall be available in the  
16 office of the chief clerk of the house and the  
17 secretary of the senate. In addition, the lobbyist  
18 shall file with the secretary of the senate a  
19 statement of the general subjects of legislation in  
20 which the lobbyist is or may be interested, the  
21 numbers of the bills and resolutions and the bill  
22 number of study bills (if known) which will be  
23 lobbied, whether the lobbyist intends to lobby for or  
24 against each bill, resolution, or study bill (if  
25 known), and on whose behalf the lobbyist is lobbying  
26 the bill, resolution, or study bill.  
27 Any change in or addition to the foregoing  
28 information shall be registered with the person or  
29 persons designated by the chief clerk of the house and  
30 the secretary of the senate to receive lobbyist

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1 registration statements within ten days after the  
2 change or addition is known to the lobbyist.  
3 Registration expires upon the commencement of the  
4 next regular session of the general assembly, except  
5 that the secretary of the senate may adopt and  
6 implement a reasonable pre-registration procedure in  
7 advance of each regular session during which persons  
8 may register for that session and the following  
9 legislative interim.  
10 **4. CANCELLATION OF REGISTRATION.** If a lobbyist's  
11 service on behalf of a particular employer, client, or  
12 cause is concluded prior to the end of the calendar  
13 year, the lobbyist may cancel the registration on  
14 appropriate forms supplied by the secretary of the  
15 senate. Upon cancellation of registration, a lobbyist  
16 is prohibited from engaging in any lobbying activity  
17 on behalf of that particular employer, client, or  
18 cause until reregistering and complying with these  
19 rules. A lobbyist's registration is valid for only  
20 one session of a general assembly.  
21 **5. AMENDMENT OF REGISTRATION.** If a registered  
22 lobbyist represents more than one employer, client, or  
23 cause and the lobbyist's services are concluded on  
24 behalf of a particular employer, client, or cause  
25 after the lobbyist registers but before the first day  
26 of the next legislative session, the lobbyist shall  
27 file an amendment to the lobbyist's registration  
28 indicating which employer, client, or cause is no  
29 longer represented by the lobbyist and the date upon  
30 which the representation concluded.

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1 If a lobbyist is retained by one or more additional  
2 employers, clients, or causes after the lobbyist  
3 registers but before the first day of the next  
4 legislative session, the lobbyist shall file an  
5 amendment to the lobbyist's registration indicating  
6 the employer, client, or cause to be added and the  
7 date upon which the representation begins.  
8 Amendments to a lobbyist's registration regarding  
9 changes which occur during the time that the general  
10 assembly is in session shall be filed within one  
11 working day after the date upon which the change in  
12 the lobbyist's representation becomes effective.  
13 6. PUBLIC ACCESS. All information filed by a  
14 lobbyist or a client of a lobbyist under chapter 68B  
15 of the Code is a public record and open to public  
16 inspection at any reasonable time.  
17 7. LOBBYIST AND CLIENT REPORTING. Each lobbyist  
18 registered with the senate and each lobbyist's client  
19 shall file the reports required under sections 68B.37  
20 and 68B.38 with the secretary of the senate.  
21 For purposes of this rule, and the reports required  
22 under sections 68B.37 and 68B.38, "services enumerated  
23 under section 68B.2, subsection 13, paragraph "a" and  
24 "lobbying purposes" include, but are not limited to,  
25 the following:  
26 a. Time spent by the lobbyist at the state capitol  
27 building commencing with the first day of a  
28 legislative session and ending with the day of final  
29 adjournment of each legislative session as indicated  
30 by the journals of the house and senate.

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1 b. Time spent by the lobbyist attending meetings  
2 or hearings which results in the lobbyist  
3 communicating with members of the general assembly or  
4 legislative employees about current or proposed  
5 legislation.  
6 c. Time spent by the lobbyist researching and  
7 drafting proposed legislation with the intent to  
8 submit the legislation to a member of the general  
9 assembly or a legislative employee.  
10 d. Time spent by the lobbyist actually  
11 communicating with members of the general assembly and  
12 legislative employees about current or proposed  
13 legislation.  
14 8. GOVERNMENT OFFICIALS. All federal, state, and  
15 local officials or employees representing their  
16 departments, commissions, boards, or agencies shall  
17 present to the secretary of the senate a letter of

18 authorization from their department or agency heads  
 19 prior to the commencement of their lobbying. The  
 20 lobbyist registration statement of these officials and  
 21 employees shall not be deemed complete until the  
 22 letter of authorization is attached. Federal, state,  
 23 and local officials who wish to lobby in opposition to  
 24 their departments, commissions, boards, or agencies  
 25 must indicate such on their lobbyist registration  
 26 statements.

27 9. CHARGE ACCOUNTS AND LOANS. Lobbyists and the  
 28 organizations they represent shall not allow any  
 29 senators to charge any amounts or items to any charge  
 30 account to be paid for by those lobbyists or by the

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1 organizations they represent. A lobbyist shall not  
 2 make a loan to a senator unless the loan is made in  
 3 the ordinary course of business, the lobbyist is in  
 4 the business of making loans, and the terms and  
 5 conditions of the loan are the same or substantially  
 6 similar to the finance charges and loan terms that are  
 7 available to members of the general public.

8 10. OFFERS OF ECONOMIC OPPORTUNITY. A lobbyist,  
 9 an employer of a lobbyist, or a political action  
 10 committee shall not offer economic or investment  
 11 opportunity or promise of employment to any senator  
 12 with intent to influence the senator's conduct in the  
 13 performance of official duties.

14 A lobbyist shall not take action intended to  
 15 negatively affect the economic interests of a senator.

16 For purposes of this rule, supporting or opposing a  
 17 candidate for office or supporting or opposing a bill,  
 18 amendment, or resolution shall not be considered to be  
 19 action intended to negatively affect the economic  
 20 interests of a senator.

21 11. MEMBERSHIP CONTRIBUTIONS. A lobbyist, or  
 22 employer of a lobbyist, shall not pay for membership  
 23 in or contributions to clubs or organizations on  
 24 behalf of a senator.

25 12. ACCESS TO SENATE FLOOR. Lobbyists shall not  
 26 be permitted on the floor of the senate while the  
 27 senate is in session. Elected state officials, except  
 28 the governor, lieutenant governor, and the members of  
 29 the house of representatives, shall not be permitted  
 30 on the floor of the senate while the senate is in

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1 session to encourage the passage, defeat, or  
 2 modification of legislation.

3 13. EFFECTIVE PERIOD. These rules governing

4 lobbyists shall be in effect throughout the calendar  
5 year, whether or not the general assembly is in  
6 session.  
7 14. GIFTS. A lobbyist or the client of a lobbyist  
8 shall not, directly or indirectly, offer or make a  
9 gift or a series of gifts to a senator, except as  
10 otherwise provided in section 68B.22.  
11 15. HONORARIA. A lobbyist or client of a lobbyist  
12 shall not give an honorarium to a member or employee  
13 of the senate, except as otherwise provided in section  
14 68B.23.  
15 16. COMPLAINTS. Rules 15 through 23 of the senate  
16 code of ethics apply to complaints and procedures  
17 regarding violations of these rules.

**SENATE RESOLUTION 5:** filed January 28, 2003; adopted by  
the Senate on January 29, 2003.

1                                   SENATE RESOLUTION 5  
2 By: Iverson and Gronstal  
3 A resolution designating January 29, 2003, as Iowa  
4 Insurance Day.  
5 WHEREAS, the Iowa insurance industry, through its  
6 employees and agents, has made a historic contribution  
7 to the economic growth and strength of our state and  
8 nation; and  
9 WHEREAS, all Iowans benefit from the financial  
10 protections offered by the Iowa insurance industry  
11 through the provision of mechanisms to insure the  
12 health, life, property, and retirement income of  
13 Iowans; and  
14 WHEREAS, two hundred fifty-seven insurance  
15 companies are headquartered in Iowa; and  
16 WHEREAS, more than 40,000 Iowans work in Iowa's  
17 insurance industry, with over 27,000 agents and  
18 brokers representing the insurance industry in every  
19 county in the state; and  
20 WHEREAS, the yearly insurance industry payroll for  
21 its Iowa employees exceeds \$1.5 billion, 5 percent of  
22 the total payroll for all Iowa employees; and  
23 WHEREAS, Iowa's insurance industry currently  
24 accounts for 4 percent of the gross state product, at  
25 over \$3.1 billion; NOW THEREFORE,  
26 BE IT RESOLVED BY THE SENATE, That the Iowa Senate  
27 designates the day of January 29, 2003, as Iowa  
28 Insurance Day and invites the citizens of Iowa to  
29 discover and honor the important economic  
30 contributions made by the Iowa insurance industry.



16 to ensure that the people of Taiwan are represented in  
17 an organization which establishes and oversees an  
18 international framework for the control of disease and  
19 the promotion of universal health; and  
20 WHEREAS, Taiwan has made substantial progress in  
21 the health field, has one of the highest life  
22 expectancy rates in Asia, has maternal and infant  
23 mortality rates comparable to those in western  
24 countries, has eradicated infectious diseases such as  
25 cholera, smallpox, and the plague, and has been the  
26 first country in the region to eradicate polio and  
27 provide children with hepatitis B vaccinations; and  
28 WHEREAS, Taiwan has expressed a willingness in  
29 recent years to provide financial and technological  
30 assistance in international aid and health activities

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1 supported by the World Health Organization; NOW  
2 THEREFORE,  
3 BE IT RESOLVED BY THE SENATE, That the Senate  
4 supports the granting of observer status to Taiwan  
5 during the World Health Assembly to be held in May  
6 2003; and  
7 BE IT FURTHER RESOLVED, That an official copy of  
8 this resolution be prepared and forwarded by the  
9 Secretary of the Senate to the governing authority and  
10 member states of the World Health Organization, the  
11 World Health Assembly, and the governments of Taiwan  
12 and of the People's Republic of China.

**SENATE RESOLUTION 8:** filed February 5, 2003; adopted by  
the Senate on February 6, 2003.

1 SENATE RESOLUTION 8  
2 By: Committee on Rules and Administration  
3 A resolution to recognize February 6 as Ronald  
4 Reagan Day in the State of Iowa.  
5 WHEREAS, President Ronald Wilson Reagan, a man of  
6 humble background, worked throughout his life serving  
7 freedom and advancing the public good, having been  
8 employed as an entertainer, union leader, corporate  
9 spokesman, Governor of California, and President of  
10 the United States; and  
11 WHEREAS, Ronald Reagan started his professional  
12 career working in both Davenport for WOC radio station  
13 and Des Moines for WHO radio station, and returned to  
14 Iowa during his Presidency with fond memories of his  
15 years spent living in Iowa; and  
16 WHEREAS, Ronald Reagan served with honor and  
17 distinction for two terms as the fortieth President of

18 the United States of America, the second term of which  
 19 he earned the confidence of sixty percent of the  
 20 electorate and was victorious in forty-nine of the  
 21 fifty states in the general election, a record  
 22 unsurpassed in the history of American presidential  
 23 elections; and

24 WHEREAS, in 1981, when Ronald Reagan was  
 25 inaugurated President, he inherited a disillusioned  
 26 nation shackled by rampant inflation and high  
 27 unemployment; and

28 WHEREAS, during Mr. Reagan's presidency, he worked  
 29 in a bipartisan manner to enact his bold agenda of  
 30 restoring accountability and common sense to

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1 government which led to an unprecedented economic  
 2 expansion and opportunity for millions of Americans;  
 3 and

4 WHEREAS, Mr. Reagan's commitment to an active  
 5 social policy agenda for the nation's children helped  
 6 lower crime and drug use in the nation's communities  
 7 and neighborhoods; and

8 WHEREAS, President Reagan's commitment to the  
 9 nation's armed forces contributed to the restoration  
 10 of pride in America, American values and those  
 11 cherished by the free world, and prepared America's  
 12 armed forces to win the Gulf War; and

13 WHEREAS, President Reagan's vision of "peace  
 14 through strength" led to the end of the Cold War and  
 15 the ultimate demise of the Soviet Union, guaranteeing  
 16 basic human rights for millions of people; and

17 WHEREAS, on February 6, 2003, Ronald Reagan will  
 18 have reached the age of ninety-two years; NOW  
 19 THEREFORE,

20 BE IT RESOLVED BY THE SENATE, That the Iowa State  
 21 Senate hereby recognizes February 6, 2003, and  
 22 subsequent annual anniversaries of that date, as  
 23 Ronald Reagan Day.

**SENATE RESOLUTION 9:** filed February 10, 2003; adopted by  
 the Senate on February 26, 2003.

1 SENATE RESOLUTION 9

2 By: Holveck, Beall, Black, Bolkcom, Connolly,

3 Courtney, Dearden, Dotzler, Dvorsky, Fraise,

4 Gronstal, Hatch, Horn, Kibbie, Kreiman, McCoy,

5 Quirnbach, Ragan, Seng, Stewart, and Warnstadt

6 A resolution to honor former President Jimmy Carter for  
 7 winning the Nobel Peace Prize for the year 2002.

8 WHEREAS, the Norwegian Nobel Committee has awarded

9 the Nobel Peace Prize for 2002 to former President  
 10 Jimmy Carter for his decades of untiring effort to  
 11 find peaceful solutions to international conflicts, to  
 12 advance democracy and human rights, and to promote  
 13 economic and social development; and  
 14 WHEREAS, through his Carter Center, founded in  
 15 1982, President Carter has traveled throughout the  
 16 world mediating conflicts, monitoring elections,  
 17 promoting human rights, building homes for the poor  
 18 through the Habitat for Humanity organization, and  
 19 providing health care and food to the world's poor;  
 20 and  
 21 WHEREAS, as the 39th President of the United  
 22 States, Carter brokered the Camp David peace agreement  
 23 of 1978 between Israel and Egypt, established full  
 24 diplomatic relations with the People's Republic of  
 25 China, and negotiated the SALT II nuclear limitation  
 26 treaty with the Soviet Union; and  
 27 WHEREAS, it is fitting and proper that the valiant  
 28 efforts of former President Carter be recognized and  
 29 honored; NOW THEREFORE,  
 30 BE IT RESOLVED BY THE SENATE, That the Senate

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1 recognizes the efforts of former President Jimmy  
 2 Carter to promote peace, democracy, and human rights  
 3 throughout the world.  
 4 BE IT FURTHER RESOLVED, That upon adoption, a copy  
 5 of this resolution be sent to former President Jimmy  
 6 Carter.

**SENATE RESOLUTION 10:** filed February 10, 2003; adopted by  
 the Senate on April 14, 2003.

1 SENATE RESOLUTION 10  
 2 By: Shull and Quirmbach  
 3 A resolution to recognize February 12, 2003, as  
 4 City Day in the State of Iowa.  
 5 WHEREAS, Iowa has 950 cities that are called home  
 6 by more than 77 percent of Iowa's total population;  
 7 and  
 8 WHEREAS, all 150 members of the Iowa General  
 9 Assembly have one or more cities in their legislative  
 10 districts; and  
 11 WHEREAS, Iowa's 950 cities have collaborative  
 12 partners in state government and in the 99 counties on  
 13 issues ranging from airports to zoning; and  
 14 WHEREAS, the General Assembly recognizes the  
 15 critical roles that cities play in providing essential  
 16 services to their shared constituency ranging from

17 clean water and paved streets to public safety and  
 18 affordable housing development; and  
 19 WHEREAS, cities across Iowa and the nation are key  
 20 players in the states' economic growth programs; NOW  
 21 THEREFORE,  
 22 BE IT RESOLVED BY THE SENATE, That the Senate  
 23 recognizes the day of February 12, 2003, as City Day  
 24 and invites the citizens of Iowa to discover and honor  
 25 the important contributions made by cities throughout  
 26 Iowa every day.

**SENATE RESOLUTION 11:** filed February 13, 2003; adopted by  
 the Senate on February 13, 2003.

1                                   SENATE RESOLUTION 11  
 2 By: Committee on Rules and Administration  
 3 A resolution relating to gubernatorial appointments  
 4 and other appointments requiring Senate confirmation.  
 5 WHEREAS, section 2.32, subsection 7, requires the  
 6 Governor to provide the Secretary of the Senate with a  
 7 list of all gubernatorial appointments requiring  
 8 Senate confirmation during this session by February 1;  
 9 and  
 10 WHEREAS, this information has been submitted and is  
 11 on file in the office of the Secretary of the Senate;  
 12 and  
 13 WHEREAS, section 2.32, subsection 7, also requires  
 14 that the Senate by resolution approve the list of  
 15 gubernatorial appointments or request corrections by  
 16 February 15; NOW THEREFORE,  
 17 BE IT RESOLVED BY THE SENATE, That the list of  
 18 appointment positions submitted by the Governor and  
 19 others pursuant to section 2.32, subsections 7 and 9,  
 20 and on file with the Secretary of the Senate, is  
 21 approved.

**SENATE RESOLUTION 14:** filed February 20, 2003; adopted by  
 the Senate on February 24, 2003.

1                                   SENATE RESOLUTION 14  
 2 By: Kramer, Angelo, Beall, Behn, Black, Boettger,  
 3 Bolkcom, Brunkhorst, Connolly, Courtney, Dearden,  
 4 Dotzler, Drake, Dvorsky, Fraise, Gaskill, Gronstal,  
 5 Hatch, Holveck, Horn, Hosch, Houser, Iverson, Johnson,  
 6 Kettering, Kibbie, Kreiman, Lamberti, Larson, Lundby,  
 7 McCoy, McKibben, McKinley, Miller, Putney, Quirmbach,  
 8 Ragan, Redfern, Rehberg, Schuerer, Seng, Seymour,  
 9 Shull, Sievers, Stewart, Tinsman, Veenstra, Warnstadt,  
 10 Wieck, and Zieman  
 11 A resolution honoring Iowa State University student-

12 athlete Jack Trice during Black History Month.  
13 WHEREAS, Jack Trice was the first African-American  
14 student-athlete at Iowa State University in 1923; and  
15 WHEREAS, Jack Trice died at a young age from  
16 injuries sustained in only his second varsity football  
17 game; and  
18 WHEREAS, Jack Trice stood for honor, determination,  
19 devotion, commitment, and courage; and  
20 WHEREAS, his story continues to serve as an  
21 inspiration for all students at Iowa State University;  
22 and  
23 WHEREAS, a statue of Jack Trice stands outside the  
24 football stadium of Iowa State University that bears  
25 his name, serving as a reminder to everyone of the  
26 ideals for which Jack Trice stood, lived, and died;  
27 and  
28 WHEREAS, Jack Trice was an extremely important  
29 person in the history and development of Iowa State  
30 University as one of the nation's leading land-grant

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1 universities; NOW THEREFORE,  
2 BE IT RESOLVED, That in recognition of Black  
3 History Month, the Senate honors the memory of Jack  
4 Trice, Iowa State University's first African-American  
5 student-athlete, and his exemplification of the heroic  
6 qualities of honor, determination, devotion,  
7 commitment, and courage.

**SENATE RESOLUTION 15:** filed February 20, 2003; adopted by  
the Senate on February 24, 2003.

1 SENATE RESOLUTION 15  
2 By: Iverson, Redfern, Kramer, Angelo, Behn,  
3 Hosch, Tinsman, Veenstra, Miller, Zieman,  
4 Seymour, Wieck, Lundby, Larson, Houser,  
5 Boettger, Shull, Drake, Schuerer, McKinley,  
6 Johnson, Putney, Brunkhorst, Lamberti,  
7 Kettering, Gaskill, Rehberg, McKibben, and  
8 Sievers  
9 A resolution to support the efforts of President  
10 George W. Bush and the United States Armed Forces  
11 to disarm Iraq.  
12 WHEREAS, twelve years ago, Saddam Hussein faced the  
13 prospect of being the last casualty in a war he had  
14 started and lost; and  
15 WHEREAS, to spare himself, Saddam Hussein agreed to  
16 eliminate all weapons of mass destruction from his  
17 country's arsenal, but, for the next 12 years, he  
18 instead pursued the acquisition and stockpiling of

19 chemical, biological, and nuclear weapons, even while  
20 international weapons inspectors were in his country;  
21 and  
22 WHEREAS, nothing to date has restrained Saddam  
23 Hussein from his pursuit of these weapons -- not  
24 economic sanctions, not isolation from the civilized  
25 world, and not even cruise missile strikes on his  
26 military facilities; and  
27 WHEREAS, the United Nations concluded that Saddam  
28 Hussein had sufficient materials to produce more than  
29 38,000 liters of botulinum toxin, enough to cause the  
30 death of millions of people by respiratory failure,

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1 and that Saddam Hussein has never accounted for those  
2 materials and has not produced evidence that those  
3 materials have been destroyed; and  
4 WHEREAS, American intelligence officials estimate  
5 that Saddam Hussein also had as much as 500 tons of  
6 sarin, mustard, and VX nerve agents that have been  
7 accounted for and have not been shown by Saddam  
8 Hussein to have been destroyed; and  
9 WHEREAS, United States intelligence indicates that  
10 Saddam Hussein had upwards of 30,000 munitions capable  
11 of delivering chemical agents, 16 of which were  
12 discovered recently by inspectors, despite Iraq's  
13 declaration denying the existence of those munitions,  
14 and that Saddam Hussein has not accounted for the  
15 remaining 29,984 of those prohibited munitions, and  
16 has not produced evidence that they have been  
17 destroyed; and  
18 WHEREAS, three Iraqi defectors have stated that, in  
19 the late 1990s, Iraq had several mobile biological  
20 weapons laboratories, designed to produce germ warfare  
21 agents and capable of being moved from place to place  
22 to evade inspectors, the existence of which Saddam  
23 Hussein has not disclosed and the destruction of which  
24 he has not produced any evidence; and  
25 WHEREAS, the International Atomic Energy Agency  
26 confirmed in the 1990s that Saddam Hussein had an  
27 advanced nuclear weapons development program, had a  
28 design for a nuclear weapon, and was working on five  
29 different methods of enriching uranium for a bomb; the  
30 British government has learned that Saddam Hussein

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1 recently sought significant quantities of uranium from  
2 Africa; and American intelligence sources report that  
3 Saddam Hussein has attempted to purchase high-strength  
4 aluminum tubes suitable for nuclear weapons

5 production, and that Saddam Hussein has not given a  
6 credible explanation for these activities and  
7 consequently has much to conceal; and  
8 WHEREAS, intelligence sources have informed the  
9 United States that thousands of Iraqi security  
10 personnel are at work concealing documents and  
11 materials from the United Nations inspectors,  
12 sanitizing inspection sites, and monitoring the  
13 inspectors themselves, and that Iraqi officials  
14 accompany the inspectors in order to intimidate  
15 witnesses; and  
16 WHEREAS, this dictator who is assembling the  
17 world's most dangerous weapons has already used them  
18 on whole villages -- leaving thousands of his own  
19 citizens dead, blind, or disfigured; and  
20 WHEREAS, Iraqi refugees report that forced  
21 confessions are obtained by torturing children while  
22 their parents are made to watch and international  
23 human rights groups have catalogued other evil, cruel,  
24 and horrible methods used in the torture chambers of  
25 Iraq, including electric shock, burning with hot  
26 irons, dripping acid on the skin, mutilation with  
27 electric drills, cutting out tongues, and rape; and  
28 WHEREAS, almost three months ago, the United  
29 Nations Security Council unanimously adopted  
30 Resolution 1441, giving Saddam Hussein his final

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1 chance to disarm, but, instead, he has chosen to show  
2 utter contempt for the United Nations and for the  
3 opinion of the world; and  
4 WHEREAS, the United States has continuously  
5 consulted with other nations regarding the best policy  
6 for disarming Iraq and over 20 nations, including the  
7 United Kingdom, Spain, and Italy, fully support the  
8 United States policy on Iraq; and  
9 WHEREAS, the United States Armed Forces that would  
10 be engaged in any hostility in Iraq are the finest  
11 troops ever assembled and many of these troops,  
12 including thousands of Iowans serving either on active  
13 duty or as part of a national guard or reserve unit  
14 that has been activated, are assembling in or near the  
15 Middle East; and  
16 WHEREAS, some crucial days and hours may lay ahead  
17 in which the success of the cause to disarm Iraq will  
18 depend on these troops, the excellent training they  
19 receive, the call to honor that guides them, their  
20 belief in America and their knowledge that America  
21 supports and believes in them; and  
22 WHEREAS, sending Americans into battle is the most  
23 profound decision a President can make, for while the

24 technologies of war have changed, the risks and  
 25 suffering of war have not; and  
 26 WHEREAS, for the brave Americans who bear the risk,  
 27 no victory is free from sorrow, and even though this  
 28 nation fights reluctantly, the nation knows the costs  
 29 and dreads the days of mourning that always come; NOW  
 30 THEREFORE,

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1 BE IT RESOLVED BY THE SENATE, That the Iowa Senate  
 2 expresses support for President George W. Bush, the  
 3 President's cabinet, and the men and women of the  
 4 United States Armed Forces for their courage and  
 5 commitment to disarming the nation of Iraq and  
 6 removing Saddam Hussein from power.

**SENATE RESOLUTION 16:** filed February 24, 2003; adopted by  
 the Senate on February 25, 2003.

1 SENATE RESOLUTION 16  
 2 By: Fraise  
 3 (COMPANION TO LSB 2305HH BY HEATON)  
 4 A resolution honoring Iowa Wesleyan College and its  
 5 Responsible Social Involvement Program.  
 6 WHEREAS, Iowa Wesleyan College, founded in 1842 in  
 7 Mt. Pleasant, Iowa, is one of the oldest, private,  
 8 coeducational colleges west of the Mississippi River;  
 9 and  
 10 WHEREAS, Iowa Wesleyan College has adopted a unique  
 11 vision that focuses on integrating academic curriculum  
 12 with the learning of real life skills through  
 13 community service; and  
 14 WHEREAS, on February 27, 2003, Iowa Wesleyan  
 15 College will be celebrating one million hours of  
 16 volunteer community service through the College's  
 17 Responsible Social Involvement Program; and  
 18 WHEREAS, as part of the Responsible Social  
 19 Involvement Program, students at Iowa Wesleyan have  
 20 contributed to meeting the needs of innumerable  
 21 persons, assisted worthy organizations, and developed  
 22 partnerships and programs in various communities,  
 23 while granting the students academic credit and also  
 24 providing them with hands-on experience that cannot be  
 25 found in any textbook or classroom; and  
 26 WHEREAS, the State of Iowa takes great pride in the  
 27 success and achievements of the Responsible Social  
 28 Involvement Program at Iowa Wesleyan College in Mt.  
 29 Pleasant, Iowa; NOW THEREFORE,  
 30 BE IT RESOLVED BY THE SENATE, That the Senate

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1 recognize and honor Iowa Wesleyan College for its  
 2 contributions to the State of Iowa and to its  
 3 students, and extend congratulations to Iowa Wesleyan  
 4 College on one million hours of community service.  
 5 BE IT FURTHER RESOLVED, That an official copy of  
 6 this resolution be prepared and presented to the  
 7 President of Iowa Wesleyan College and representatives  
 8 of the student body.

**SENATE RESOLUTION 19:** filed March 3, 2003; adopted by the  
 Senate on March 4, 2003.

1 SENATE RESOLUTION 19  
 2 By: McKibben  
 3 A resolution honoring the City of Marshalltown on its  
 4 sesquicentennial year.  
 5 WHEREAS, the City of Marshalltown, founded in 1853  
 6 by Henry Anson, who exclaimed, “I’ve found the  
 7 prettiest place in Iowa”, is celebrating its 150th  
 8 anniversary; and  
 9 WHEREAS, Marshalltown is Iowa’s fifteenth largest  
 10 city and is home to several century businesses  
 11 including Lennox Industries and Fisher Controls; and  
 12 WHEREAS, since 1887, Iowa veterans have called  
 13 Marshalltown home at the Iowa Veterans Home; and  
 14 WHEREAS, Marshalltown has one of the finest  
 15 Impressionist and Post-Impressionist art collections  
 16 in the country at the Fisher Art Gallery; and  
 17 WHEREAS, Marshalltown is the home of the Iowa State  
 18 High School Baseball Tournament, the Iowa  
 19 International Go-cart Raceway, the Big Tree House, and  
 20 will soon be home of the Heart of Iowa Cultural and  
 21 Recreation Center; and  
 22 WHEREAS, Marshalltown is the hometown of Jeff  
 23 Clement, the national high school home run record  
 24 holder, and Professional Baseball Hall of Fame  
 25 inductee “Cap” Anson; and  
 26 WHEREAS, Marshalltown is the hometown of film stars  
 27 Jean Seberg, Mary Beth Hurt, and Toby Huss; NOW  
 28 THEREFORE,  
 29 BE IT RESOLVED BY THE SENATE, That the Senate  
 30 recognizes and extends its congratulations to the City

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1 of Marshalltown on its sesquicentennial anniversary  
 2 year and for its 150 years of service to its citizens  
 3 and to the State of Iowa.  
 4 BE IT FURTHER RESOLVED, That an official copy of

5 this resolution be prepared and presented to the  
 6 Honorable Floyd Harthun, Mayor of the City of  
 7 Marshalltown.

**SENATE RESOLUTION 20:** filed March 3, 2003; adopted by the  
 Senate on April 14, 2003.

1                                   SENATE RESOLUTION 20  
 2 By: Houser  
 3 (COMPANION TO LSB 2661HH BY BOGGESS)  
 4 A resolution honoring the City of Clarinda on its  
 5 sesquicentennial year.  
 6 WHEREAS, the City of Clarinda, first platted in  
 7 1853, is celebrating its 150th anniversary; and  
 8 WHEREAS, Clarinda is the birthplace of big band  
 9 leader Glenn Miller, actor Billy Aaron Brown, and  
 10 actress Marvel Marilyn Maxwell, and is the boyhood  
 11 hometown of television personality Johnny Carson and  
 12 former U.S. Congressman William Hepburn; and  
 13 WHEREAS, Clarinda is the home to the Clarinda A's  
 14 collegiate baseball organization, the Nodaway Valley  
 15 Historical Museum, and is the birthplace of the 4-H  
 16 International Movement; and  
 17 WHEREAS, the economic development in Clarinda is  
 18 based in such dynamic and long-standing businesses as  
 19 the Lisle Corporation, NSK & NSK/AKS, the Clarinda  
 20 Treatment Complex, the Clarinda Academy, H & H Cargo,  
 21 Weil's Clothing, Taylor Pharmacy, and Easter's True  
 22 Value; and  
 23 WHEREAS, Clarinda is committed to its future and  
 24 its youth through the Clarinda Community School  
 25 District, the Clarinda Lutheran School, Iowa Western  
 26 Community College, the Clarinda Lied Recreation  
 27 Center, and the Clarinda Conservation Service; and  
 28 WHEREAS, Clarinda will celebrate its 150th  
 29 anniversary during a three-day festival, August 29-31,  
 30 2003, featuring an all-class reunion, parade, pancake

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1 feed, tractor show, and quilt show; NOW THEREFORE,  
 2 BE IT RESOLVED BY SENATE, That the Senate recognize  
 3 and extend its congratulations to the City of Clarinda  
 4 on its sesquicentennial anniversary year and for its  
 5 150 years of service to its citizens and to the State  
 6 of Iowa.  
 7 BE IT FURTHER RESOLVED, That an official copy of  
 8 this resolution be prepared and presented to the  
 9 Honorable Frank Snyder, Mayor of the City of Clarinda.

**SENATE RESOLUTION 22:** filed March 17, 2003; adopted by the Senate on April 14, 2003.

1                                   SENATE RESOLUTION 22  
 2 By: Connolly and Rehberg  
 3 A resolution relating to support of Best Buddies Iowa  
 4 and urging continued federal funding of the program.  
 5 WHEREAS, there are more than 7.5 million people  
 6 with intellectual disabilities in the United States  
 7 and as many as 250 million worldwide; and  
 8 WHEREAS, individuals with intellectual disabilities  
 9 often experience isolation and exclusion from  
 10 community activities because of limited opportunities  
 11 to associate with persons other than their immediate  
 12 family and paid workers; and  
 13 WHEREAS, Best Buddies is a nonprofit organization  
 14 dedicated to enhancing the lives of people with  
 15 intellectual disabilities by providing opportunities  
 16 for one-to-one friendships and integrated employment;  
 17 and  
 18 WHEREAS, Best Buddies has grown from one chapter on  
 19 one college campus to a vibrant, international  
 20 organization involving participants annually on more  
 21 than 750 middle school, high school, and college  
 22 campuses in the United States, Canada, Cuba, Egypt,  
 23 Greece, Ireland, and Sweden; and  
 24 WHEREAS, Best Buddies has touched the lives of over  
 25 175,000 individuals in its 13-year existence; and  
 26 WHEREAS, Best Buddies Iowa currently serves nine  
 27 college chapters and nine high school chapters within  
 28 our state and has a long-term goal of involving all  
 29 schools within Iowa in its mission to bring  
 30 friendships to individuals with intellectual

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1 disabilities; NOW THEREFORE,  
 2 BE IT RESOLVED BY THE SENATE, That the Iowa Senate  
 3 appreciates the work that Best Buddies Iowa performs  
 4 and urges the federal government to continue to fund  
 5 this program; and  
 6 BE IT FURTHER RESOLVED, That the Iowa Senate  
 7 encourages state agencies, county central points of  
 8 coordination, education providers, and area education  
 9 agencies to work with Best Buddies Iowa to find  
 10 additional funding for a middle school program and to  
 11 further expand its current programs into additional  
 12 communities; and  
 13 BE IT FURTHER RESOLVED, That copies of this  
 14 resolution be sent by the Secretary of the Senate to  
 15 the President of the United States, the President of



9 knowledge-based economy and society of the 21st  
 10 century; and  
 11 WHEREAS, for the past 100 years, Iowa State  
 12 University has been helping Iowans become their best  
 13 and is ready and anxious to begin its next 100 years  
 14 of service to the state; NOW THEREFORE,  
 15 BE IT RESOLVED BY THE SENATE, That the Senate  
 16 honors Iowa State University Extension for 100 years  
 17 of cooperative services and programs to Iowa and joins  
 18 in celebrating April 7, 2003, as the kickoff date for  
 19 Iowa State University Extension's inaugural  
 20 celebration of its creation 100 years ago.

**SENATE RESOLUTION 24:** filed March 20, 2003; adopted by  
 the Senate on April 10, 2003.

1                               SENATE RESOLUTION 24  
 2 By: Iverson, Angelo, Kramer,  
 3 McKibben, and Larson  
 4 A resolution reaffirming Iowa's commitment to freedom  
 5 and democracy and calling for an end to terrorism.  
 6 WHEREAS, Iowa joins the United States and fellow  
 7 democratic nations in their commitment to freedom and  
 8 their support of self-government; and  
 9 WHEREAS, Iowa and free nations abroad share a  
 10 dedication to ridding the world of terrorism; and  
 11 WHEREAS, Iowa stands together with the United  
 12 States, Israel, and other free nations to oppose  
 13 individuals and states that practice, condone, or  
 14 support terrorism or unconventional warfare directed  
 15 toward a democracy or its people; and  
 16 WHEREAS, Iowa supports American foreign policy that  
 17 includes, as a core principle, an unwavering  
 18 commitment to protecting and preserving democratic  
 19 governments; NOW THEREFORE,  
 20 BE IT RESOLVED BY THE SENATE, That the Iowa Senate  
 21 commends the people of democratic nations for  
 22 reaffirming their dedication to democratic ideals; and  
 23 BE IT FURTHER RESOLVED, That the Iowa Senate  
 24 conveys both its respect for the freely expressed will  
 25 of the people of fellow free nations, and its  
 26 intention to engage in constructive relations with  
 27 governments devoted to democracy, and urges the  
 28 international community to do so as well; and  
 29 BE IT FURTHER RESOLVED, That the Iowa Senate  
 30 reaffirms the close bonds of friendship that have

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1 bound the people of the United States and the people  
 2 of other free nations together through turbulent

3 times; and  
 4 BE IT FURTHER RESOLVED, That the Iowa Senate urges  
 5 organizations, individuals, and states who are  
 6 encouraging or aiding terrorist acts against free  
 7 nations to dismantle the terrorist infrastructure, end  
 8 incitement to violence in official media, and embrace  
 9 democracy; and  
 10 BE IT FURTHER RESOLVED, That the Iowa Senate  
 11 restates Iowa's commitment to a secure peace for free  
 12 nations fighting terrorism.

**SENATE RESOLUTION 25:** filed March 24, 2003; adopted by  
 the Senate on April 14, 2003.

1 SENATE RESOLUTION 25  
 2 By: Lundby  
 3 A resolution honoring the town of Troy Mills on  
 4 its sesquicentennial year.  
 5 WHEREAS, the town of Troy Mills, founded in 1853,  
 6 is celebrating its 150th anniversary; and  
 7 WHEREAS, Troy Mills is a small rural community rich  
 8 in history and friendly people; and  
 9 WHEREAS, the economic development in Troy Mills is  
 10 based in such dynamic businesses as Brislawm Logging,  
 11 Carson Grain, Gary's Auto, and the Troy Store; and  
 12 WHEREAS, Troy Mills will celebrate its 150th  
 13 anniversary during a three-day festival, July 4–6,  
 14 2003, featuring a parade, car show, rodeo, frog-  
 15 jumping contest, tractor pull, talent show, and  
 16 fireworks; NOW THEREFORE,  
 17 BE IT RESOLVED BY THE SENATE, That the Senate  
 18 recognizes and extends its congratulations to the town  
 19 of Troy Mills on its sesquicentennial anniversary year  
 20 and for its 150 years of service to its citizens and  
 21 to the State of Iowa; and  
 22 BE IT FURTHER RESOLVED, That an official copy of  
 23 this resolution be prepared and presented to Jack  
 24 Andrews and Carol Brislawm, citizens of the town of  
 25 Troy Mills.

**SENATE RESOLUTION 26:** filed March 24, 2003; adopted by  
 the Senate on April 14, 2003.

1 SENATE RESOLUTION 26  
 2 By: Ragan  
 3 A resolution honoring the City of Mason City on its  
 4 sesquicentennial year.  
 5 WHEREAS, the City of Mason City, first settled in  
 6 1853, is celebrating its 150th anniversary; and  
 7 WHEREAS, Mason City is the hometown of Meredith

8 Willson, composer of the Broadway musical “The Music  
 9 Man”, and of his older sister Dixie Willson, writer  
 10 and poet, is the home of the Music Man Square, and is  
 11 the host of the annual North Iowa Band Festival; and  
 12 WHEREAS, Mason City is the home to one of the most  
 13 famous Prairie School residential developments  
 14 featuring three Frank Lloyd Wright structures  
 15 including the Park Inn Hotel, the last remaining hotel  
 16 designed by Frank Lloyd Wright in the world; and  
 17 WHEREAS, Mason City is the home of the Charles H.  
 18 MacNider Art Museum which holds one of the finest  
 19 American Art collections in the country, and the Mason  
 20 City Public Library, one of the most beautiful  
 21 libraries in the country, and is the hometown of Bil  
 22 Baird, the master puppeteer; and  
 23 WHEREAS, Mason City is the birthplace of Hanford  
 24 MacNider, a businessman and philanthropist who served  
 25 as assistant secretary of war, minister to Canada, and  
 26 is Iowa’s most decorated soldier; and  
 27 WHEREAS, for almost 100 years, Mason City has been  
 28 a regional center for the production of cement,  
 29 employing local workers in a variety of locally,  
 30 nationally, and internationally owned businesses; and

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1 WHEREAS, Mason City continues to contribute to the  
 2 culture, well-being, and prosperity of Iowa, the  
 3 nation, and the world; NOW THEREFORE,  
 4 BE IT RESOLVED BY THE SENATE, That the Senate  
 5 recognizes and extends its congratulations to the City  
 6 of Mason City on its sesquicentennial anniversary year  
 7 and for its 150 years of service to its citizens and  
 8 to the State of Iowa; and  
 9 BE IT FURTHER RESOLVED, That, upon adoption, an  
 10 official copy of this resolution be prepared and  
 11 presented to the Honorable Jean Marinos, Mayor of  
 12 Mason City.

**SENATE RESOLUTION 27:** filed March 27, 2003; adopted by  
 the Senate on April 22, 2003.

1 SENATE RESOLUTION 27  
 2 By: Dvorsky, Bolkcom, Angelo, Beall, Behn, Black,  
 3 Boettger, Brunkhorst, Connolly, Courtney, Dearden,  
 4 Dotzler, Drake, Fraise, Gaskill, Gronstal, Hatch,  
 5 Holveck, Horn, Hosch, Houser, Iverson, Johnson,  
 6 Kettering, Kibbie, Kramer, Kreiman, Lamberti, Larson,  
 7 Lundby, McCoy, McKibben, McKinley, Miller, Putney,  
 8 Quirnbach, Ragan, Redfern, Rehberg, Schuerer, Seng,  
 9 Seymour, Shull, Sievers, Stewart, Tinsman, Veenstra,

10 Warnstadt, Wieck, and Ziemann

11 A resolution honoring the University of Iowa Football  
12 Team and Coach Kirk Ferentz.

13 WHEREAS, the citizens of Iowa are justifiably proud  
14 that the University of Iowa Hawkeyes Football Team  
15 finished its regular season as cochampions of the Big  
16 Ten Conference and participated in the Orange Bowl of  
17 the Bowl Championship Series; and

18 WHEREAS, the Iowa Football Team finished its season  
19 with a record of 11 wins and two losses and a perfect  
20 eight wins and zero losses in the Big Ten Conference;  
21 and

22 WHEREAS, the Iowa Football Team placed a school-  
23 record 11 different players on the two First Team All-  
24 Big Ten Conference squads, placed five players on the  
25 Associated Press All-American Team, was the highest  
26 scoring team in the Big Ten Conference, and finished  
27 the season ranked eighth nationally; and

28 WHEREAS, Coach Kirk Ferentz was named the 2002–2003  
29 Associated Press Coach of the Year and the Big Ten  
30 Conference Coach of the Year, and Ron Aiken was named

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1 NCAA Division I Assistant Football Coach of the Year;  
2 and

3 WHEREAS, senior quarterback Brad Banks was named  
4 the Big Ten Offensive Player of the Year, the  
5 Associated Press National College Football Player of  
6 the Year, and finished second in the voting for the  
7 Heisman Trophy, and Dallas Clark was winner of the  
8 2002 John Mackey Award as the nation's top tight-end,  
9 and Nate Kaeding was winner of the 2002 Lou Groza  
10 Award as the nation's top placekicker, and Eric  
11 Steinbach was named the Big Ten Offensive Lineman of  
12 the Year; and

13 WHEREAS, it having been made known to the Senate  
14 that the University of Iowa Football Team deserves  
15 recognition for all of its accomplishments during the  
16 2002–2003 season; NOW THEREFORE,

17 BE IT RESOLVED BY THE SENATE, That the Senate  
18 congratulates the University of Iowa Football Team,  
19 Coach Kirk Ferentz, and the coaching staff, on their  
20 successful season and thanks them for the honor and  
21 recognition they have brought to the University of  
22 Iowa and to the State of Iowa; and

23 BE IT FURTHER RESOLVED, That, upon adoption, the  
24 Secretary of the Senate shall prepare an official copy  
25 of this resolution for presentation to Coach Kirk  
26 Ferentz and the University of Iowa Football Team.

**SENATE RESOLUTION 28:** filed April 1, 2003; adopted by the Senate on May 1, 2003.

1                                   SENATE RESOLUTION 28  
2 By: McKibben, Larson, Boettger, Sievers, Redfern,  
3 Veenstra, Wieck, Johnson, Putney, Brunkhorst, Angelo,  
4 McKinley, Hosch, Kettering, Seymour, Behn, Lamberti,  
5 Shull, Gaskill, Kramer, Drake, Houser, Rehberg,  
6 Schuerer, Tinsman, Iverson, Zieman, Lundby, and Miller  
7 A resolution supporting the nomination of  
8 federal court of appeals judicial nominee Miguel  
9 A. Estrada.  
10 WHEREAS, on May 9, 2001, President George W. Bush  
11 nominated Miguel A. Estrada to fill a vacancy on the  
12 United States Court of Appeals for the District of  
13 Columbia Circuit; and  
14 WHEREAS, Mr. Estrada's credentials go uncontested;  
15 upon his arrival to the United States as an immigrant  
16 from Honduras, he mastered the English language and  
17 embraced American culture, and graduated magna cum  
18 laude from Columbia University and Harvard Law School;  
19 and  
20 WHEREAS, more than one and one-half years have  
21 passed without a vote on the Senate floor regarding  
22 Mr. Estrada's nomination; and  
23 WHEREAS, the Senate Judiciary Committee has issued  
24 a favorable report to the United States Senate, yet  
25 because of partisan politics Democratic Senators  
26 threaten to filibuster a Senate floor vote; and  
27 WHEREAS, Mr. Estrada has received support from  
28 liberal and conservative colleagues alike who attest  
29 that he is one of the most brilliant and effective  
30 appellate lawyers in the country; and

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1 WHEREAS, organizations who support Mr. Estrada  
2 include the League of United Latin American Citizens,  
3 U.S. Hispanic Chamber of Commerce, Hispanic National  
4 Bar Association, Hispanic Business Roundtable, and the  
5 Latino Coalition; and  
6 WHEREAS, Mr. Estrada would be the first Hispanic in  
7 the country to sit on the United States Court of  
8 Appeals District of Columbia Circuit, an important and  
9 prestigious position within the nation's Courts of  
10 Appeals; NOW THEREFORE,  
11 BE IT RESOLVED BY THE SENATE, That the Senate of  
12 the State of Iowa requests that the United States  
13 Senate work to allow a vote on the appointment of Mr.  
14 Estrada on the floor of the United States Senate.

**SENATE RESOLUTION 29:** filed April 2, 2003; adopted by the Senate on April 3, 2003.

1                                   SENATE RESOLUTION 29  
 2 By: Dotzler and Redfern  
 3 A resolution honoring the East Waterloo High School  
 4 Boys' Basketball Team.  
 5 WHEREAS, the fans of the East Waterloo High School  
 6 Boys' Basketball Team and the citizens of Iowa have  
 7 enjoyed the team's exciting season leading up to the  
 8 state tournament; and  
 9 WHEREAS, the East Waterloo Boys' Basketball Team  
 10 demonstrated an exceptional combination of talent,  
 11 tenacity, and team spirit that earned them the right  
 12 to compete in the 2003 Iowa Boys' State High School  
 13 Basketball Tournament; and  
 14 WHEREAS, the East Waterloo Boys' Basketball Team  
 15 survived the four-round tournament to win the Class 4A  
 16 championship game by a decisive score of 72-52; and  
 17 WHEREAS, the East Waterloo team made its fans  
 18 particularly proud by earning the Class 4A  
 19 sportsmanship award; and  
 20 WHEREAS, the team's accomplishment was further  
 21 enhanced when two of its players were named to the  
 22 all-tournament team; and  
 23 WHEREAS, the tournament win also signaled a  
 24 milestone in the career of Coach Steve McGraw,  
 25 bringing him his 500th career victory and his second  
 26 East Waterloo state championship; and  
 27 WHEREAS, by their impressive effort throughout the  
 28 basketball season and their outstanding performance at  
 29 the 2003 state tournament, the individual members of  
 30 the East Waterloo Boys' Basketball Team have

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1 demonstrated the kind of character and competitive  
 2 spirit valued by their high school, their community,  
 3 and the State of Iowa; NOW THEREFORE,  
 4 BE IT RESOLVED BY THE SENATE, That the Iowa Senate  
 5 congratulates Coach Steve McGraw and the members of  
 6 the East Waterloo High School Boys' Basketball Team on  
 7 their successful season and thanks them for the honor  
 8 and excitement they brought to their fans and the rest  
 9 of the citizens of the State of Iowa; and  
 10 BE IT FURTHER RESOLVED, That, upon passage of this  
 11 resolution, the Secretary of the Senate shall prepare  
 12 a copy of the enrolled Resolution for presentation to  
 13 Coach Steve McGraw and the East Waterloo High School  
 14 Boys' Basketball Team.

**SENATE RESOLUTION 30:** filed April 2, 2003; adopted by the Senate on April 23, 2003.

1                                   SENATE RESOLUTION 30  
2    By: Iverson  
3    A resolution relating to the shortage of nursing home  
4    administrators and requesting the State Board of  
5    Examiners for Nursing Home Administrators to make  
6    recommendations for addressing the shortage.  
7    WHEREAS, there are fewer than 700 actively licensed  
8    nursing home administrators in this state to serve 439  
9    nursing facilities; and  
10   WHEREAS, many of the licensed nursing home  
11   administrators have retired, but have maintained an  
12   active license; and  
13   WHEREAS, less than 4 percent of all actively  
14   licensed nursing home administrators in this state are  
15   between the ages of 21 to 29, and more than 47 percent  
16   are over the age of 50; and  
17   WHEREAS, since the adoption of new licensure  
18   requirements in 1999, the state has experienced a  
19   dramatic decrease of approximately 60 percent in the  
20   number of individuals entering the field of nursing  
21   home administration; and  
22   WHEREAS, a majority of licensed nursing home  
23   administrators have indicated they would not enter the  
24   field of nursing home administration today if they  
25   were required to meet current education and practicum  
26   requirements; and  
27   WHEREAS, seventy-six percent of licensed nursing  
28   home administrators recently surveyed identified  
29   excessive regulation as their primary reason for  
30   leaving the profession, and cited as an additional

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1    reason the inability to find adequate staff amid a  
2    shrinking pool of health care workers; NOW THEREFORE,  
3    BE IT RESOLVED BY THE SENATE, That the State Board  
4    of Examiners for Nursing Home Administrators address  
5    the shortage of nursing home administrators in this  
6    state by reviewing current educational and practicum  
7    requirements for nursing home administration and  
8    comparing those requirements with the requirements of  
9    surrounding states; and  
10   BE IT FURTHER RESOLVED, That the State Board of  
11   Examiners for Nursing Home Administrators consider the  
12   development of rules allowing an individual with a  
13   four-year degree in either health, business, or human  
14   services who has passed the national administrator  
15   board examination to obtain a one-year temporary

16 nursing home administrator license and to work under  
 17 the supervision of a licensed nursing home  
 18 administrator while obtaining a permanent license.

**SENATE RESOLUTION 31:** filed April 2, 2003; adopted by the Senate on April 21, 2003.

1                               SENATE RESOLUTION 31  
 2 By: Redfern and Dotzler  
 3 A resolution congratulating the University of Northern  
 4 Iowa Panthers Women's Volleyball Team.  
 5 WHEREAS, the University of Northern Iowa Panthers  
 6 Women's Volleyball Team was the 2002 Missouri Valley  
 7 regular season champion, their fifth consecutive  
 8 season title, with an overall record of 34-3, a top-  
 9 ten ranking in the final Division I Coaches poll, and  
 10 a number 1 regional seed and number 4 seed overall in  
 11 the National Collegiate Athletic Association (NCAA)  
 12 Division I Championship Tournament; and  
 13 WHEREAS, the University of Northern Iowa Panthers  
 14 Women's Volleyball Team was also champion of the 2002  
 15 Missouri Valley Conference Tournament, George Mason  
 16 Tournament, Minnesota Diet Coke Classic Tournament,  
 17 and Southeastern Conference Challenge Tournament and  
 18 advanced to the Sweet 16 in the NCAA Division I  
 19 Tournament; and  
 20 WHEREAS, the Panthers defeated five top 20 rated  
 21 teams, including number 3 Florida, number 7 University  
 22 of California at Los Angeles, number 8 Pepperdine,  
 23 number 20 Minnesota, and number 20 Missouri; and  
 24 WHEREAS, Panther Coach Bobbi Petersen, herself a  
 25 star player on the Panthers team during her student  
 26 years, was named Central Region Coach of the Year in  
 27 2001 and 2002 and 2002 National Coach of the Year in  
 28 her second full season as head coach; and  
 29 WHEREAS, various Panther players received athletic  
 30 honors, with one player selected as the Missouri

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1 Valley Conference Player of the Year and as an All-  
 2 American Third Team player, three players selected as  
 3 All-Region First Team Players, five players selected  
 4 as Missouri Valley Conference First or Second Team  
 5 Players, three players selected as Missouri Valley  
 6 Conference Scholar-Athletes First Team Players, one  
 7 player selected to CoSIDA/Verizon Academic District  
 8 and All-American Teams, one player selected to the  
 9 Missouri Valley Conference All-Newcomer Team, three  
 10 players selected to the Missouri Valley Conference  
 11 All-Tournament Team including one player selected as

12 most valuable player, and one player invited to join  
13 with the United States of America Volleyball Women's  
14 National Training Team in spring 2003; NOW THEREFORE,  
15 BE IT RESOLVED BY THE SENATE, That the Senate  
16 congratulates the University of Northern Iowa Panthers  
17 Women's Volleyball Team, Head Coach Bobbi Petersen,  
18 and the coaching staff on their successful season,  
19 thanks them for the honor and excitement they brought  
20 to the State of Iowa, and wishes them the very best in  
21 the future; and  
22 BE IT FURTHER RESOLVED, That, upon adoption, the  
23 President of the Senate shall prepare a copy of this  
24 resolution for presentation to Coach Bobbi Petersen  
25 and the University of Northern Iowa Panthers Women's  
26 Volleyball Team.

**SENATE RESOLUTION 33:** filed April 10, 2003; adopted by the Senate on May 1, 2003.

1 SENATE RESOLUTION 33  
2 By: Ragan  
3 A resolution honoring the city of St. Ansgar and the  
4 First Lutheran Church on their sesquicentennial year.  
5 WHEREAS, the city of St. Ansgar, founded in 1853 by  
6 Reverend Claus L. Clausen, a Danish minister, is  
7 celebrating its 150th anniversary; and  
8 WHEREAS, St. Ansgar is the home of the First  
9 Lutheran Church which was also founded by Reverend  
10 Claus L. Clausen and is celebrating its 150th  
11 anniversary; and  
12 WHEREAS, the First Lutheran Church is the oldest  
13 Norwegian Lutheran church west of the Mississippi  
14 River that has been in continuous use, and is on the  
15 National Register of Historic Places; and  
16 WHEREAS, St. Ansgar, which means "God's spear", was  
17 named by Reverend Clausen for a French missionary who  
18 took Christianity to the Scandinavian countries and is  
19 the only known city with that name in the world; and  
20 WHEREAS, the city of St. Ansgar is known as "The  
21 Garden Spot of Iowa"; and  
22 WHEREAS, St. Ansgar is a proud community with many  
23 modern services and accomplishments in industry,  
24 medical care, recreation, retirement, education,  
25 churches, fire protection, and merchandising; and  
26 WHEREAS, St. Ansgar and the First Lutheran Church  
27 are proud of their heritage and will be celebrating  
28 their 150th anniversary June 21–22, 2003; NOW  
29 THEREFORE,  
30 BE IT RESOLVED BY THE SENATE, That the Senate

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1 recognizes and extends its congratulations to the city  
2 of St. Ansgar on its sesquicentennial anniversary year  
3 and for its 150 years of service to its citizens and  
4 to the State of Iowa; and  
5 BE IT FURTHER RESOLVED, That the Senate extends its  
6 congratulations to the First Lutheran Church for its  
7 150 years of service; and  
8 BE IT FURTHER RESOLVED, That an official copy of  
9 this resolution be prepared and presented to the  
10 Honorable Marion Neeley, Mayor of the city of St.  
11 Ansgar, and to Mr. Richard Sherman, chairman of the  
12 congregation of the First Lutheran Church.

**SENATE RESOLUTION 34:** filed April 16, 2003; adopted by the Senate on April 28, 2003.

1 SENATE RESOLUTION 34  
2 By: Angelo and McKinley  
3 A resolution urging the United States Postal Service  
4 to issue a commemorative postage stamp honoring  
5 America's coal miners.  
6 WHEREAS, United States coal miners perform a unique  
7 and vital service for the nation because without a man  
8 or woman at the controls of a dragline or working in a  
9 darkened mine shaft, coal would not tumble into the  
10 trucks and barges that crisscross the country to power  
11 the boilers that generate over 50 percent of the  
12 nation's electricity; and  
13 WHEREAS, coal miners keep the nation supplied with  
14 an energy resource that produces electricity at low  
15 cost which makes possible the country's unmatched  
16 productivity and prosperity as well as buffering the  
17 nation from a dangerous dependence on foreign energy  
18 fuels; and  
19 WHEREAS, the coal industry in Iowa played an  
20 important role in the state's social and economic  
21 history by fueling the expansion of railroads, making  
22 travel and the shipment of supplies much easier across  
23 Iowa; and  
24 WHEREAS, the coal mines in central and southern  
25 Iowa stimulated industrial activity in an otherwise  
26 largely agricultural state and employed thousands of  
27 immigrating miners and their descendants, thereby  
28 establishing a cultural diversity that remains to this  
29 day; and  
30 WHEREAS, coal miners in Iowa and throughout the

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1 nation benefited from the labors of John L. Lewis,  
2 born in Lucas, Iowa, in 1880, whose organization of  
3 coal miners brought better working conditions, wages,  
4 benefits, and increased safety to miners across the  
5 country, and whose legacy is preserved in the John L.  
6 Lewis Memorial Museum of Mining and Labor located in  
7 Lucas, Iowa; and  
8 WHEREAS, it is fitting and proper that the  
9 contributions and sacrifices of these citizens of the  
10 United States and Iowa be recognized and honored; NOW  
11 THEREFORE,  
12 BE IT RESOLVED BY THE SENATE, That the Senate urges  
13 the United States Postal Service to issue a  
14 commemorative postage stamp honoring America's coal  
15 miners; and  
16 BE IT FURTHER RESOLVED, That upon adoption, a copy  
17 of this resolution be sent to the United States  
18 Postmaster General and to the Citizens' Stamp Advisory  
19 Committee, c/o Stamp Development, U.S. Postal Service,  
20 475 L'Enfant SW, Room 5670, Washington, D.C. 20260-  
21 2437.

**SENATE RESOLUTION 35:** filed April 21, 2003; adopted by the  
Senate on April 28, 2003.

1 SENATE RESOLUTION 35  
2 By: Courtney  
3 A resolution calling for the observance of Workers  
4 Memorial Day.  
5 WHEREAS, each year, workers across the nation set  
6 aside a special day to commemorate those among them  
7 who have died while on the job; and  
8 WHEREAS, in spite of the efforts of Iowa workers  
9 and employers to improve the safety of the workplace,  
10 accidental death in the workplace continues to occur  
11 in our state; and  
12 WHEREAS, in the year 2002, 52 Iowa workers died  
13 while at work, either from violence, falls, vehicle  
14 accidents, or as the result of unsafe working  
15 conditions; and  
16 WHEREAS, this tragic loss of life reinforces the  
17 resolve of Iowans to continue to foster a safe working  
18 environment; and  
19 WHEREAS, this year, Workers Memorial Day will be  
20 observed on April 28, 2003, with a memorial service at  
21 noon at the east side of the Iowa Workforce  
22 Development Office at 1000 Grand Avenue in Des Moines;  
23 NOW THEREFORE,  
24 BE IT RESOLVED BY THE SENATE, That the Iowa Senate

25 honors the 52 Iowa workers whose lives were lost in  
 26 2002 and calls for the observance of Workers Memorial  
 27 Day on April 28, 2003.

**SENATE RESOLUTION 36:** filed April 22, 2003; adopted by the  
 Senate on April 29, 2003.

1                                   SENATE RESOLUTION 36  
 2 By: Kramer  
 3 A resolution honoring the Iowa members of the United  
 4 States Naval Armed Guard who served during World War II.  
 5 WHEREAS, In October 1941 the United States Navy  
 6 organized an Armed Guard to provide gun crews for duty  
 7 aboard the nation's merchant ships, just as it had  
 8 done in World War I; and  
 9 WHEREAS, the 144,970 men who volunteered for duty  
 10 in the Naval Armed Guard Service in World War II  
 11 played a key role in ensuring the delivery of  
 12 essential cargo and supplies to the Allied forces; and  
 13 WHEREAS, the Naval Armed Guard manned 6,236  
 14 American and Allied ships during the war, many of them  
 15 slow-moving ships packed with explosives or tankers  
 16 carrying aviation fuel, and 710 of those ships were  
 17 sunk as a result of enemy action; and  
 18 WHEREAS, the members of the Naval Armed Guard were  
 19 generally regarded as some of the finest officers, gun  
 20 crewmen, signalmen, and radiomen in the entire Navy,  
 21 and they performed an exceptionally dangerous duty  
 22 with courage, honor, and commitment; and  
 23 WHEREAS, by the end of the war, as many as 1,810 of  
 24 those heroic men were killed or lost at sea, and many  
 25 more were wounded; and  
 26 WHEREAS, there are 225 surviving members of the  
 27 Naval Armed Guard living here in Iowa today who have  
 28 earned the admiration and gratitude of all Americans;  
 29 NOW THEREFORE,  
 30 BE IT RESOLVED BY THE SENATE, That the Iowa Senate

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1 recognizes the service and sacrifice of the officers  
 2 and men of the United States Naval Armed Guard Service  
 3 who valiantly defended the essential supply lines of  
 4 the Allied forces all over the world and at every  
 5 battle of World War II; and  
 6 BE IT FURTHER RESOLVED, That the citizens of Iowa  
 7 are especially indebted to the Iowa members of the  
 8 Naval Armed Guard for the exceptional contribution  
 9 they made in the service of their country.



15 themselves as a well-led, well-trained, and highly  
 16 motivated organization in providing emergency services  
 17 and disaster relief to the citizens of the State of  
 18 Iowa; and

19 WHEREAS, the Iowa Wing of the United States Air  
 20 Force Auxiliary Civil Air Patrol has served the  
 21 citizens of Iowa by aiding in the development of  
 22 Iowa's youth, performing local, state, and national  
 23 emergency and humanitarian missions, and educating our  
 24 citizens on the impact of aviation and space; NOW

25 THEREFORE,

26 BE IT RESOLVED BY THE SENATE, That the Senate  
 27 recognize and honor the senior and cadet members of  
 28 the Iowa Wing of the United States Air Force Auxiliary  
 29 Civil Air Patrol for their dedication and outstanding  
 30 performance of duty, and further that the Senate

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1 expresses its appreciation to their families.

2 BE IT FURTHER RESOLVED, That an official copy of  
 3 this resolution be prepared and presented to the Wing  
 4 Commander and to all senior and cadet members of the  
 5 Iowa Wing of the United States Air Force Auxiliary  
 6 Civil Air Patrol.

**SENATE RESOLUTION 40:** filed May 1, 2003; adopted by the  
 Senate on May 1, 2003.

1 SENATE RESOLUTION 40

2 By: Iverson, Gaskill, Veenstra, Johnson, Fraise,  
 3 Kibbie, and Gronstal

4 A resolution requesting the Department of Economic  
 5 Development and the department's director to  
 6 continue efforts to foster and grow the animal life  
 7 science product industry in Iowa.

8 WHEREAS, the animal life science product industry  
 9 has enterprises located in Iowa; and

10 WHEREAS, the animal life science product sector of  
 11 the economy can become an even greater part of the  
 12 Iowa economy; and

13 WHEREAS, the State of Iowa has a strong interest in  
 14 fostering and growing the animal life science product  
 15 industry in the state; and

16 WHEREAS, the Department of Economic Development has  
 17 made efforts to foster and grow the animal life  
 18 science product industry in the State of Iowa; NOW  
 19 THEREFORE,

20 BE IT RESOLVED BY THE SENATE, That the Senate  
 21 requests the Department of Economic Development and  
 22 the department's director to continue and to enhance

23 efforts to foster and grow the animal life science  
24 product industry in the State of Iowa and, where  
25 appropriate, to target the activities of the  
26 department toward these efforts.

**EIGHTIETH GENERAL ASSEMBLY  
2003 EXTRAORDINARY SESSION**

**SENATE CONCURRENT RESOLUTION**

**SENATE CONCURRENT RESOLUTION 22:** filed May 30,  
2003; adopted by the Senate on May 30, 2003; adopted by the House  
on May 30, 2003.

1           SENATE CONCURRENT RESOLUTION 22  
2    By: Committee on Rules and Administration  
3    A concurrent resolution to provide for a  
4    temporary adjournment for the purpose of resolving  
5    outstanding issues.  
6    BE IT RESOLVED BY THE SENATE, THE HOUSE OF  
7    REPRESENTATIVES CONCURRING, That for the purpose of  
8    resolving the differences between the Senate and the  
9    House of Representatives on outstanding issues, the  
10   houses will be adjourned until a date agreed upon by  
11   the majority leader and the president of the senate  
12   and the majority leader and the speaker of the house,  
13   in consultation with the minority leaders of each  
14   house.

**SENATE RESOLUTIONS**

**SENATE RESOLUTION 41:** filed May 29, 2003; adopted by the  
Senate on May 29, 2003.

1           SENATE RESOLUTION 41  
2    By: Redfern and Dotzler  
3    A resolution honoring former Senator Barton L. Schwieger.  
4    WHEREAS, Senator Barton L. Schwieger in 1974  
5    retired from state legislative office after completing  
6    one term in office as a State Senator and one term in  
7    office as a member of the House of Representatives in  
8    order to run for the United States House of  
9    Representatives; and  
10   WHEREAS, Senator Schwieger's distinguished career  
11   as a State Senator included service in the Sixty-  
12   Fourth General Assembly as Chairperson of the Human  
13   Resources Committee; and as a member of the  
14   Appropriations and State Government Committees; and

15 WHEREAS, Senator Schwieger, as a member of the  
 16 House of Representatives, served in the Sixty-Fifth  
 17 General Assembly as Chairperson of the House  
 18 Transportation Committee and also served on the  
 19 Constitutional Amendments and Reapportionment, Iowa  
 20 Development, and Social Services Committees and was an  
 21 influential and devoted legislator in this state; and  
 22 WHEREAS, Senator Schwieger served honorably and  
 23 unselfishly gave of his time and efforts to further  
 24 the interests of the State of Iowa and to provide  
 25 beneficial programs for the citizens of Iowa; and  
 26 WHEREAS, Senator Schwieger, after leaving the Iowa  
 27 General Assembly, pursued a successful career as a  
 28 member of a Waterloo law firm, as a campaign  
 29 chairperson for notable Iowa and national  
 30 officeholders, and as a gubernatorial appointee to

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1 numerous committees and posts; and  
 2 WHEREAS, Senator Schwieger has, with his love of  
 3 life, positive attitude, and support from family and  
 4 friends, valiantly lived for the past five years with  
 5 amyotrophic lateral sclerosis, a debilitating disease;  
 6 and  
 7 WHEREAS, Senator Schwieger has remained keenly  
 8 interested in politics and world events and has  
 9 witnessed the success of his wife, daughter, and son  
 10 in their educational endeavors, and in his son's  
 11 recent service as a Senate Page for the 2003 Regular  
 12 Session; NOW THEREFORE,  
 13 BE IT RESOLVED BY THE SENATE, That the Senate pay  
 14 tribute to Senator Barton L. Schwieger for his devoted  
 15 service to the Iowa General Assembly and the citizens  
 16 of this state; and  
 17 BE IT FURTHER RESOLVED, That an official copy of  
 18 this resolution be prepared and presented to former  
 19 Senator Schwieger.

**SENATE RESOLUTION 42:** filed May 29, 2003; adopted by the Senate on May 29, 2003. Printed on Senate Journal page 1238.

**SENATE RESOLUTION 43:** filed May 29, 2003; adopted by the Senate on May 29, 2003.

1 SENATE RESOLUTION 43  
 2 By: Iverson  
 3 A resolution recognizing Tom Cope for his service to the  
 4 Iowa Senate and to the Iowa General Assembly.  
 5 WHEREAS, Tom Cope is resigning from the Senate

6 staff after completing seven sessions of faithful  
7 legislative service in the Majority Leader's Office,  
8 most recently as the Senior Administrative Aide to the  
9 Majority Leader; and

10 WHEREAS, Tom has performed his responsibilities  
11 with integrity, enthusiasm, and intelligence; and

12 WHEREAS, Tom has not only served the members of his  
13 own caucus but has demonstrated a commitment to all  
14 members of the General Assembly, members of other  
15 legislative staffs, and to the legislative  
16 institution; and

17 WHEREAS, in addition to his stellar service to the  
18 General Assembly, Tom is also an accomplished  
19 individual who recently completed his law degree and  
20 passed the Iowa bar examination; NOW THEREFORE,

21 BE IT RESOLVED BY THE SENATE, That the Senate pay  
22 tribute and express its gratitude to Tom Cope for his  
23 devoted service to the Iowa Senate and to the Iowa  
24 General Assembly and wish him the very best in his  
25 future endeavors; and

26 BE IT FURTHER RESOLVED, That an official copy of  
27 this resolution be prepared and presented to Tom Cope.



# MEMORIALS

## IN MEMORIAM

### Senators

- Earl G. Bass ..... March 30, 1915 – September 18, 2002
- C. Joseph Coleman..... March 14, 1923 – July 26, 2002
- Lyle E. Zieman ..... March 12, 1921 – January 25, 2003

## EARL G. BASS

Earl G. Bass was born on March 30, 1915, in Strahan, Iowa, to Zeno and Rena (Gipe) Bass, Jr. He passed away on September 18, 2002, at the age of eighty-seven. He is survived by daughters Pamela Obrecht and husband LaVerne of Malvern and Cindy Brewbaker and husband William of Indianola; stepchildren Carolyn Amengual and husband Michael of Scottsdale, Arizona, Dona Dashner of Shenandoah, and Douglas Dashner and wife Nancy of DeKalb, Illinois; four grandchildren; one great-grandchild; five step-grandchildren; four step-great-grandchildren; and sister Anna Rose Coddinton of Lake Beaverton, Oregon.

Bass grew up in Strahan and graduated from Strahan High School. He received his higher education at the University of Nebraska in Lincoln and Tarkio College in Missouri. It was at Tarkio that he met Helen Louise Christensen, and they were married in Pittsburg, Kansas, on September 1, 1934. After their college days, the couple joined Bass's parents in their livestock and farming operation in Strahan. After being blessed with their two daughters, the family moved to Malvern.

Bass was an active member of the Malvern Methodist Church and served in many offices. He was a charter member of the Mills County Extension Council when it was formed in 1955 and was on the first board of the Malvern village. He served on the Malvern School Board before it was reorganized into the Malvern Community School District. Both Bass and his wife helped to organize the Nishnabotna Girl Scout Council and were active members in the Mills County Flying Club. Bass served as chairman for the Mills County and the Malvern planning and zoning committees.

In 1958, Bass entered the grain storage business. He expanded the Earl Bass Elevator from Clark Station to the south edge of Malvern, where he built a large storage facility. He was an active member of the Mills County Historical Society and a strong supporter of the 4-H program.

Bass enjoyed flying his own plane, golfing, and traveling throughout the United States and overseas.

After fifty-nine years of marriage, Helen Bass died on June 11, 1994. On March 18, 1995, Earl married Marjorie Ruth (Donner) Dashner. They had been married for four years when she died on July 24, 1999.

Earl G. Bass was a Mills County Republican. He served in the Senate for three years, from 1970 to 1972, during the second half of the 63rd and 64th General Assemblies.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE EIGHTIETH GENERAL ASSEMBLY OF IOWA: That in the passing of the Honorable Earl G. Bass, the State has lost an honored citizen and faithful and useful public servant, and that the Senate by this resolution expresses its appreciation of his service to the State and tenders its sympathy and kindest regards to the members of his family.

BE IT FURTHER RESOLVED: That a copy of this resolution be spread upon the Journal of the Senate and that the Secretary of the Senate be instructed to forward an enrolled copy to the family of the deceased.

HUBERT HOUSER  
JEFF ANGELO  
MICHAEL E. GRONSTAL  
Committee

### C. JOSEPH COLEMAN

C. Joseph Coleman was born on March 14, 1923, in Fort Dodge, Iowa, to Daniel and Geneva Coleman. He passed away on Friday, July 26, 2002, at the age of seventy-nine. He is survived his wife Polly of forty-eight years; sons, C. Joseph Coleman, Jr., and Kerry Coleman, both of Fort Dodge, and Kevin Gerard of Lenox, Massachusetts; five sisters, Delores Roe of Des Moines, Denise Ritschel of Peoria, Illinois, Patricia Coleman of Fort Dodge, Marcia Castricone of Las Vegas, and Karen Tuohy of Fort Wayne, Indiana; and eight grandchildren. He was preceded in death by his first wife, Katherine.

Coleman lived in Clare, Iowa, all his life. He attended St. Matthew's elementary and high school in Clare, attended Iowa State University, and graduated from Bradley University in Illinois. After college, he went to work for the Iowa Conservation Service. On October 27, 1945, Coleman married Katherine Ann Burken of Des Moines. Katherine passed away of cancer in December of 1950. On January 16, 1954, he married Polly Pflanz of Des Moines.

Coleman was an active and lifelong member of the St. Matthew's Catholic Church. He served as President Pro Tempore of the Iowa Senate and was on the Iowa Development Commission. He also served on the Appropriations Committee for thirty years. In 1967, he procured \$1 million for the Brushy Creek Project, a conservation and recreation area southeast of Fort Dodge.

Coleman served as president of the Iowa Soybean Association and was a charter member of the 520 Highway Association. He was a bank director of Bank of America in Fort Dodge. He was a member of Knights of Columbus.

C. Joseph Coleman was a Webster County Democrat. He served in the Senate for thirty-four years, from 1957 to 1990, during the 57th, 58th, 59th, 60th, 60th Extraordinary, 61st, 62nd, 63rd, 64th, 65th, 66th, 67th, 67th Extraordinary, 68th, 69th, 69th Extraordinary, 69th Second Extraordinary, 70th, 71st, 72nd, 72nd Extraordinary, 72nd Second Extraordinary, and 73rd General Assemblies.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE EIGHTIETH GENERAL ASSEMBLY OF IOWA: That in the passing of the Honorable C. Joseph Coleman, the State has lost an honored citizen and faithful and useful public servant, and that the Senate by this resolution expresses its appreciation of his service to the State and tenders its sympathy and kindest regards to the members of his family.

BE IT FURTHER RESOLVED: That a copy of this resolution be spread upon the Journal of the Senate and that the Secretary of the Senate be instructed to forward an enrolled copy to the family of the deceased.

JOHN P. KIBBIE  
DAVID JOHNSON  
E. THURMAN GASKILL  
Committee

### LYLE E. ZIEMAN

Lyle E. Zieman was born on March 12, 1921, in Clayton County to Elmer and Adaila Meyer Zieman. He passed away on January 25, 2003, at the age of eighty-one. He is survived by his wife, Beverly; four sons; Mark of Postville, Nile and James of Luana, and John of St. Simons Island, Georgia; a daughter, Sue Miro of Urbandale; two step-daughters, Gayle Cedar of Cherokee and Linda Johnson of Cincinnati, Ohio; a sister, Gretchen Stuhr of Cedar Rapids; twelve grandchildren; four step-grandchildren; and five great-grandchildren. He was preceded in death by his first wife, Leah.

Zieman attended the Bailey County School in Grand Meadow Township and graduated from Postville High School in 1939. Lyle was married to Leah Harris on October 19, 1941, in the parsonage of St. Paul Lutheran Church. The couple farmed in Grand Meadow Township until 1976 when they moved to Postville. From 1941–1977, Zieman worked on the farm as a dairy and hog farmer. He became the director of Postville State Bank in 1957 and continued to serve on the board for forty-six years. He was also an Allamakee County supervisor for fourteen years. In 1987, his wife Leah passed away, and on June 26, 1992, Lyle married Beverly Anderson in the Bethlehem Lutheran Church in Cherokee.

Zieman was a lifelong member of St. Paul's Lutheran Church in Postville. Very active in his community, he had served on the boards of the Postville Telephone Co., Allamakee County Substance Abuse, Allamakee Civil Defense, Good Samaritan Society, Economic Development for both Postville and Allamakee, the Explorerland Regional Planning Commission Executive Board, Five County Mental Health Properties, and Eight County NE Iowa Regional Coordinating Council. He was a dedicated member of the Postville Community School Board for twenty-five years. Zieman was also a member of the Farm Bureau, Postville Commercial Club, Steering Committee for Rural Economic Development for the Association of Counties, Postville Lions Club, Postville Improvement Corporation, PIC, Citizens for Responsible Energy, Agriculture Council of America, and the Allamakee County Republican Central Committee.

Zieman enjoyed playing cards with his family and friends, especially the game of "Five Hundred."

While serving in the Senate, Zieman was Chairperson of the Senate Local Government Committee and Vice Chairperson of the Senate Health and Human Rights Appropriation Subcommittee, as well as serving on the Agriculture; Business and Labor; Human Resources; Local Government; Natural Resources and Environment; and Small Business, Economic Development, and Tourism Committees; and the Economic Development Appropriations Subcommittee.

Lyle E. Zieman was a Allamakee County Republican. He served in the Senate for eight years, from 1993 to 2000, during the 75th, 76th, 77th, and 78th General Assemblies.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE EIGHTIETH GENERAL ASSEMBLY OF IOWA: That in the passing of the Honorable Lyle E. Zieman, the State has lost an honored citizen and faithful and useful public servant, and that the Senate by this resolution expresses its appreciation of his service to the State and tenders its sympathy and kindest regards to the members of his family.

BE IT FURTHER RESOLVED: That a copy of this resolution be spread upon the Journal of the Senate and that the Secretary of the Senate be instructed to forward an enrolled copy to the family of the deceased.

MARK ZIEMAN  
KITTY REHBERG  
AMANDA RAGAN  
Committee



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- Amendments offered — 678, 797, 798, 1017, 1063, 1069
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- Amendments offered — 300, 1106, 1190, 1253
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- Bills introduced — 65, 122, 220, 231, 303, 348, 359, 372, 406, 408, 420, 513, 628, 651, 1142
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- Amendments offered — 642, 986, 1014–1016, 1042, 1043, 1104, 1252
- Amendments withdrawn — 1042
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## HORN, WALLY E. — Senator, Seventeenth District

- Amendments filed — 60, 61, 330, 547, 792, 793, 866–868, 917, 918, 925, 1043, 1044, 1072, 1104, 1129, 1189, 1191, 1244, 1252, 1253
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- Senate committee appointments — 95
- Statutory appointments — 405

## HOSCH, JULIE M. — Senator, Sixteenth District

- Amendments filed — 336, 746, 821, 1072, 1091
- Amendments offered — 336
- Bills introduced — 128, 220, 257, 271, 431, 441, 443
- Certificates of recognition — 638, 1215
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- Presiding at sessions of the Senate — 1168
- Resolutions introduced — 128, 283, 284, 347, 509, 681, 714, 772, 1005, 1157, 1263
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- Amendments offered — 644, 871, 1070, 1187
- Amendments withdrawn — 1187
- Bills introduced — 145, 230, 231, 240, 271, 285, 311, 420, 432, 441
- Certification of election — 8
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Bills introduced — 135, 231, 271, 651, 1142

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- Bills introduced — 35, 36, 47, 86, 182, 209, 256, 311, 358, 441, 639
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- Bills referred to — 48, 122, 123, 129, 158, 181, 249, 256, 257, 271, 279, 280, 320, 340, 341, 348, 360, 367, 368, 374, 408, 417, 433, 441, 443, 527, 541, 603, 604, 606, 614, 641, 664, 665, 679, 1004, 1114
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**KETTERING, STEVE** — Senator, Twenty-sixth District

Amendments filed — 289, 531, 746, 821, 853, 1072

Amendments offered — 910

Bills introduced — 128, 271, 358, 360, 441

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**KIBBIE, JOHN P.** — Senator, Fourth District; Assistant Minority Leader

Amendments filed — 60, 61, 330, 747, 759, 792, 838, 866–868, 917, 918, 925, 956, 967, 1040, 1043, 1044, 1050, 1081, 1104, 1128, 1129, 1181, 1185, 1188, 1189, 1191, 1192, 1242, 1244, 1251–1254

Amendments offered — 330, 826, 868, 1028, 1185, 1189, 1242, 1251, 1254

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Presentations — 450, 451

Resolutions introduced — 128, 157, 208, 283, 311, 323, 347, 509, 681, 1211

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Resolutions introduced — 283, 284, 440, 509, 598, 681, 714, 1034, 1263

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- Amendments withdrawn — 531, 821, 970, 1178
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- Explanations of votes — 277
- Petitions presented — 217
- Resolutions introduced — 128, 208, 283, 311, 323, 509, 681
- Senate committee appointments — 96
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## LAMBERTI, JEFF — Senator, Thirty-fifth District

- Amendments filed — 580, 705, 737, 925, 1051, 1072, 1107, 1130, 1182, 1185, 1188, 1190, 1193–1195, 1205, 1207
- Amendments offered — 1107, 1130, 1185, 1188, 1190, 1193–1195, 1205, 1207
- Amendments withdrawn — 1185
- Bills introduced — 71, 123, 145, 311, 406, 408, 441
- Certificates of recognition — 508
- Certification of election — 8
- Resolutions introduced — 128, 283, 284, 681, 714, 1116
- Senate committee appointments — 96
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## LARSON, CHARLES W., JR. — Senator, Nineteenth District

- Amendments filed — 555, 705, 821, 926, 1072, 1081, 1182
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Amendments offered — 542, 549, 550, 746, 1072, 1127, 1192

Amendments withdrawn — 550, 1165

Bills introduced — 102, 122, 136, 137, 145, 158, 172, 199, 220, 231, 232, 249, 270, 284, 303, 349, 375, 376, 406, 432, 513

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## McCOY, MATT — Senator, Thirty-first District

Amendments filed — 330, 411, 792, 793, 821, 866–868, 917, 918, 1043, 1044, 1104, 1129, 1130, 1244, 1252, 1253

Amendments offered — 946

Bills introduced — 65, 199, 241, 303, 304, 311, 348, 375, 513, 628

Certification of election — 8

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Resolutions introduced — 128, 172, 208, 239, 283, 311, 323, 509, 681

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McKIBBEN, LARRY — Senator, Twenty-second District

- Amendments filed — 601, 645, 821, 956, 1051, 1072, 1182, 1249
- Amendments offered — 645, 1072, 1166, 1244, 1249
- Amendments withdrawn — 645, 1066, 1121
- Bills introduced — 35, 66, 86, 158, 257, 360, 441
- Certificates of recognition — 109, 553, 574, 660, 1033, 1150
- Certification of election — 8
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- Resolutions introduced — 128, 283, 284, 347, 357, 598, 681, 714, 772, 1005, 1157
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- Amendments filed — 837, 1050, 1070, 1072
- Bills introduced — 128, 158, 271, 311, 441
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- Explanations of votes — 201, 1049
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Amendments offered — 933, 944, 945, 1096, 1103

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Bills introduced — 66, 121, 128, 256, 311, 348

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