

Iowa State Association of Counties

2006 Summary of Legislation

81st General Assembly, 2nd Session



ABOUT ISAC

The Iowa State Association of Counties (ISAC) is a private, nonprofit corporation. The organization was established by law on June 30, 1971, with the signing of Senate File 37. ISAC members are elected and appointed county officials from all 99 counties. ISAC is comprised of several statewide associations called affiliates. For example, all the county treasurers in the state have their own association, which is called the Iowa State County Treasurers Association and is cited as one of ISAC's affiliates. In total, there are 15 of these associations that are affiliated with ISAC.

The main purposes of ISAC are to secure and maintain cooperation among the counties and county officials, promote comprehensive study of local problems and find ways of solving them, provide methods of interchange of ideas among various county officials, and promote and work for the enactment of legislation that is most beneficial to the citizens of Iowa. Counties pay voluntary dues to belong to ISAC. In return, ISAC provides a number of services to member counties, such as training, benefit programs, education, technical assistance and intergovernmental services.

ISAC's mission is to promote effective and responsible county government for the people of Iowa. ISAC's vision is to be the principal, authoritative source of representation, information and services for and about county government in Iowa.



Contact Information:
Iowa State Association of Counties
501 SW 7th St., Ste. Q
Des Moines, IA 50309-4540
Phone: 515-244-7181
Fax: 515-244-6397
www.iowacounties.org

TABLE OF CONTENTS

Introduction	6
ISAC Priorities Update	7
County Administration & Organization	
HF 537	Public Fund Investments 8
HF 729	Iowa Public Employees Retirement System 8
HF 2050	Conduct of Elections 8
HF 2051	Voter Registration Lists 8
HF 2177	Evidence of Approval of Plat Names 9
HF 2240	Supervisor Vacancies 9
HF 2245	Iowa Public Employees Retirement System for Law Enforcement 9
HF 2282	City Council Vacancies 10
HF 2462	Text Book Election Petition 10
HF 2508	Direct Deposit of Wages 10
HF 2546	Urban Deer Control 10
HF 2590	Emergency Preparedness Information 10
HF 2665	Line-of-Duty Death Benefit 11
HF 2705	Income Tax Refund Setoff 11
HF 2706	Charitable Donation Records 11
HF 2713	Competitive Bidding 11
HF 2765	Maximum Interest Rate 13
HF 2775	Hospital Lien Book 13
HJR 5	"Idiots" Voting Constitutional Amendment 13
SF 2194	Consolidated Claim Publishing 13
SF 2207	Publication in English Language Newspapers 13
SF 2264	Recorders' and Auditors' Technical Bill 13
SF 2304	Indigent Defense Fund 14
SF 2333	Veterans Commemorative Property 14
SF 2410	Government Accountability 14
Environment & Public Health	
HF 2493	Establishment of a Viral Hepatitis Program and Study 16
HF 2571	Confidentiality of Intelligence Assessment and Data 16
SF 2076	Manure Management Documents 16
SF 2319	Littering Fines 16
SF 2322	Communicable and Infectious Diseases 16
SF 2363	Water Quality 16
SF 2377	Manure Management Plans 16
Human Services	
HF 2147	Temporary Appointment of Conservator for a Dependent Adult 17
HF 2319	Personal Needs Allowance 17
HF 2330	Mental Health Growth Formula Adjustment 17
HF 2363	Assessing Health Care Facility Residents for Veterans Benefits 17
HF 2492	State Cases 17
HF 2772	Brain Injury Services Program 17
HF 2780	MH/DD Redesign 17
SF 2217	DHS Compliance with Privacy Laws 18
SF 2289	Medical and Mental Health Vehicles 18
SF 2312	Injured Veterans Grant Program 18
SF 2341	State Psychiatric Papers 18
SF 2362	Involuntary Hospitalization Proceedings 18
Land Use & Rural Affairs	
HF 590	Crossbow Hunting 19
HF 2171	Group Fishing Permits 19
HF 2244	Hunting and Fishing for Veterans 19
HF 2351	Eminent Domain 19
HF 2611	Fish Iowa! 21
HF 2635	Drainage District Bids 21
SF 2364	Access to Burial Sites 21

TABLE OF CONTENTS

Public Safety

HF 540	Law Enforcement Officer Traffic Accidents	22
HF 2233	Executions	22
HF 2333	Vaporized Alcohol	22
HF 2522	Praecipes	22
HF 2562	Investigative Reports	22
HF 2695	Forcible Entry and Detainer	22
HF 2696	Disposal of Controlled Substances	22
HF 2697	Jail Medical Costs	22
HF 2768	State Medical Examiner Fees	22
HF 2786	Mortgage Foreclosures	23
HF 2789	Criminal Fines	23
SF 2219	Human Trafficking	23
SF 2285	Distribution of Pre-Sentence Investigation Reports	23
SF 2327	County Attorney Access to Confidential Information	23

Taxation & Finance

HF 2633	Waste Glass Recycling Exemption	24
HF 2654	County Treasurers' Duties	24
HF 2731	Withholding Tax Credit Pilot Project	25
HF 2751	Military Service Property Tax Exemption	25
HF 2764	Schools Sharing TIF Revenue	25
HF 2774	City Trust and Agency Fund	25
HF 2777	TIF Debt Reporting	26
HF 2791	Gambling Tax Distributions to Community Foundations	26
HF 2792	Education Policy and Finance	26
HF 2794	Tax Policy and Administration	26
SF 2147	Enterprise Zone Eligibility	27
SF 2183	Enterprise Zone Regulation	27
SF 2272	School Financial Information	27
SF 2299	Regulation of Public Funds in Credit Unions	28
SF 2391	Concrete Equipment Exemption	28
SF 2399	Renewable Energy Tax Credits	28
SF 2402	Soy-Based Transformer Fluid Tax Credit	28

Transportation

HF 2362	Salvage Vehicle Titles	29
HF 2515	Obstructions in Roadways	29
HF 2525	Department of Transportation	29
HF 2569	Operation of All-Terrain Vehicles	30
HF 2754	Bio-Diesel Fuels	30
HF 2759	Renewable Fuels Infrastructure Fund	31
SF 2394	Manufactured and Mobile Home Regulation	31

Appropriations

HF 2080	Veterans Programs Appropriations	32
HF 2238	Federal Block Grant Appropriations	32
HF 2459	Economic Development Appropriations	32
HF 2521	Administration and Regulation Appropriations	33
HF 2527	Education Appropriations	33
HF 2540	Agriculture and Natural Resources Appropriations	33
HF 2557	Judicial Branch Appropriations	34
HF 2558	Justice System Appropriations	34
HF 2734	Health and Human Services Appropriations	35
HF 2743	Appropriations from Tobacco Funds	37
HF 2782	Infrastructure Appropriations	38
HF 2797	Standing Appropriations	38
SF 2232	Transportation Appropriations	40
SF 2273	Supplemental Appropriations	41

2006 Bills that Failed	42
Steering Committee Chairs and Legislative Liaisons	44

INTRODUCTION

In 2006 Iowa counties participated with the 81st General Assembly in the development of many important public policy decisions. ISAC registered to lobby on 235 pieces of legislation this year. This summary contains (insert #) bills affecting counties that passed the legislative process. Affiliates of ISAC also requested that ISAC "track" another 66 bills without registering to lobby on them. In addition, ISAC notified affiliates of an estimated 291 bills on an "FYI" status and registered on or tracked those bills only when requested to do so by the affiliates. Last year, by comparison, ISAC registered on 326 bills and the summary contained 74 items.

These bill summaries are organized according to ISAC steering committees. In addition, most appropriations bills are located in the section entitled "Appropriations," regardless of the topics contained therein. All members should look through this section to see appropriations items that are of interest. Most appropriations bills contain multiple topics so there is probably something in there for everyone.

Generally, bill summaries should be easy to find since steering committee subjects are so distinct. For example, a bill dealing with mental health redesign would be found under "Human Services." However, there are some occasions where a bill could logically fit under more than one committee. We have cross-referenced those bills for your convenience.

Please note that text in shaded areas indicates bills or portions of bills that have been vetoed by the Governor.

At the end of each summary, you may find the effective date for the bill or certain portions of the bill. If no effective date is listed, the bill is effective July 1, 2006. On the title line of each summary you will find the initials of the ISAC staff member(s) who summarized the bill. Their initials are:

DV - David Vestal, General Counsel
DW - Deborah Westvold, Case Management Director
JE - John Easter, Director of Intergovernmental Affairs
JH - John Harrenstein, Legislative Intern
JS - Jay Syverson, Fiscal Analyst
LH - Linda Hinton, Assistant Legal Counsel
WRP - William Peterson, Executive Director

As always, this summary is not intended to report on every bill down to the smallest detail. As the name says, it is a "summary." While we strive for completeness and accuracy, time and space restrictions prevent us from including everything we want on a piece of legislation. If you think a bill might have some specific application for your office, please get a copy of the enrolled bill and review it in detail for yourself. You can get an enrolled bill by calling the Legislature's Public Information Office at (515) 281-5129 or via the Internet at <http://www.legis.state.ia.us>.

On page 44 we have listed the affiliate legislative liaisons. These individuals are the primary contact points between the ISAC staff and our affiliates during the session. They play a vital role in gathering and disseminating information and in strategy development and implementation on issues of importance to counties. This is a demanding job so don't forget to thank them for what they do for you.

We always want to improve this product. After you have read this book please let us know what additional information you would like to see in next year's summary book.

ISAC PRIORITIES UPDATE

Property Tax Reform

For the second year, ISAC and the Iowa League of Cities jointly proposed an overhaul of the property tax system. Our proposal was drafted as HSB 727 and SSB 3047. The plan eliminates the rollback, imposes a reasonable property tax limitation, and makes a number of changes to property tax credit programs and technical assessment practices. HSB 727 was considered in a House subcommittee but tabled in the full Ways and Means Committee, pending passage of legislation to transfer homestead credit funds into the school aid formula as directed in the bill.

Many other "competing" property tax bills backed by various groups were also introduced. HF 2771 and companion SSB 3085 coupled all classes of property together, abolished county compensation boards, and prohibited counties from cutting funding for certain "real-property related services," as identified in the bill, until they first cut funding for all other services. Another bill was designed to freeze property taxes for seniors. ISAC opposed all these bills.

Because there were so many rival proposals and the Senate is evenly split between the political parties, no consensus could be reached on property tax reform.

Auditors' Technical Elections Bill

The voters of Iowa expect and deserve an elections system that is beyond reproach. County auditors are the election commissioners in our state. Accordingly, the auditors affiliate proposed a package of technical elections updates designed to accommodate changing public demands in the conduct of this important process. HF 644, as passed by the Iowa House and the Senate State Government Committee last session, provided the best opportunity to meet this priority. However, because of the politics of the controversial voter-verified paper audit trail, passage of this legislation in 2006 was not possible.

Meanwhile, two fast-track elections bills became necessary to help county auditors to prepare for the 2006 primary elections. These bills contained some of the objectives included in HF 644. Specifically, HF 2050 removes the requirement that a room or area containing polling places for more than one precinct maintain separate entrances; it allows the auditor to draw names for ballot placement of non-partisan offices; and it provides that voters may sign the registrar to declare eligibility. HF 2051 allows redundancy for maintenance of voter registration files by allowing counties to continue to maintain such files until January 1, 2007. Both of these bills passed and have been signed by the Governor; together they represent significant progress for auditors' elections issues.

Adult Rehabilitation Option Audit

As a result of a federal audit of the Medicaid Adult Rehabilitation Option Program (ARO), the state was required to repay \$6.2 million in federal Medicaid funds. When ARO was added to Iowa's state Medicaid plan, the state reduced the counties' growth funds by the anticipated amount of program savings. Therefore it was the ISAC policy position that the funds to pay back the federal government should not come from the counties. The issue was ultimately resolved through a federal administrative decision to offset the \$6.2 million through a commensurate reduction in allowed claims for the quarter that ended on September 30, 2005.

Eminent Domain

In the U.S. Supreme Court's recent *Ke/o* ruling, the Court held that the use of eminent domain, or condemnation, is a matter for the individual states to regulate. The Court also concluded that the use of eminent domain for economic development must be of benefit to the general public. In response to that case, legislation was introduced in Iowa to stop the use of eminent domain for economic development purposes.

While several bills were introduced, the principal piece of legislation was HF 2351. As passed by the House, the bill went well beyond tightening the use of eminent domain for economic development and included numerous procedural changes that would interfere with the access of land for roads. HF 2351 narrowed the scope of county procedural exemptions from any "property" to just "agricultural land." ISAC worked in a coalition with other groups to successfully delete these provisions in the Senate. The Senate amendment also provides, with certain exceptions, that condemnation by a city for projects in the unincorporated area must first be approved by the county board of supervisors. The House accepted these Senate amendments, and the final bill basically addressed the economic development issues. ISAC was satisfied with this outcome.

Food Code Enforcement

Funding for food inspection programs is a growing problem for counties. Over time, fees have become inadequate to cover costs of inspections, regulations are outdated and two state departments are involved in the administration of the program. Several pieces of legislation were introduced that addressed these issues. These bills provided a good mechanism to educate lawmakers about the growing county concerns with food code enforcement. However, with 2006 being an election year, it was no time for any proposal that raises taxes or fees. All of the bills died in the first funnel.

COUNTY ADMINISTRATION & ORGANIZATION

HF 537 - Public Fund Investments

WRP County Attorneys, Supervisors, Treasurers

This bill relates to the investment of public funds by the treasurer of state, state agencies and political subdivisions. It allows public funds that are deposited in a depository but are not covered by federal deposit insurance to be invested in certificates of deposit issued by one or more federally-insured banks or savings associations, whether or not located in this state. The bill requires that the principal and accrued interest of each such certificate of deposit be covered by federal deposit insurance and that the depository act as custodian of the certificates of deposit. The bill also requires that on the day the certificates of deposit are issued to the public funds depositor, the depository must receive from customers of other financial institutions deposits eligible for federal deposit insurance in an amount equal to or greater than the amount of public funds initially deposited by the public funds depositor at the depository. The depository must issue certificates of deposit to the customers of the other financial institutions.

The bill provides that certificates of deposit for public funds issued by financial institutions other than the depository shall not be considered public funds deposits in the depository for purposes of calculating the amount of collateral the depository is required to pledge under Iowa Code §12C.22; similarly, one or more orders for the next business day settlement and issuance of such certificates of deposit that cover the uninsured portion of the public funds initially deposited by the public funds depositor shall not be considered public funds deposits under Iowa Code §12C.22.

The bill provides that when calculating uninsured public funds to determine the amount of an assessment pursuant to Iowa Code §12C.23A, a bank shall include all deposits from customers of other financial institutions as authorized under Iowa Code §12B.10, new subsection 7.

HF 590 - Crossbow Hunting - See Land Use & Rural Affairs

HF 729 - Iowa Public Employees Retirement System

WRP All County Officials

This bill makes changes to the Iowa Public Employees Retirement System (IPERS) and the Judicial Retirement System. The bill may include a state mandate, but the state mandate funding requirement in Iowa Code §25B.2 does not apply to public employee retirement systems.

Currently the IPERS contribution rate for employers is 5.75% of a member's covered wages; the rate for employees is 3.7%. The bill provides that for the fiscal period beginning July 1, 2007, and ending June 30, 2011, the base employer rate may increase by 0.3 percentage points per fiscal year and the base employee rate may increase by 0.2 percentage points per fiscal year. The bill provides that the increase in contribution rates for any fiscal year will occur only if the percentage rate IPERS determines would be sufficient to amortize the unfunded actuarial liability of the system in 10 years is greater

than the total employer and employee contribution rate for the prior fiscal year. If the rate to amortize the unfunded actuarial liability in 10 years is less than the total employer and employee contribution rate for the prior fiscal year, then the employer and employee rates will not increase for that year. The bill further provides that beginning July 1, 2011, the total employer and employee contribution rate shall be the same as for the prior fiscal year. Based on the bill, the maximum total contribution rate for both employers and employees could increase from the current 9.45% to 11.45% by July 1, 2011. The bill retains the current contribution rate calculation for special service members of IPERS.

The bill also requires the public retirement systems committee to conduct a review of pension flexibility issues and to submit its findings and recommendations to the Legislature by October 1, 2007. The pension flexibility review is charged to examine and consider various supplementary defined-contribution and hybrid retirement plans.

HF 2050 - Conduct of Elections

JE

Auditors

This bill makes changes relating to the conduct of elections. The bill removes the requirement that a room or area containing a polling place for more than one precinct maintain separate entrances for each precinct. It provides that on general election ballots the names of candidates for non-partisan offices shall be drawn by lot by the county commissioner of elections, rather than the board of supervisors. The bill also provides that the drawing shall be conducted on the first business day following the deadline for filing candidate nomination certificates or petitions with the county commissioner of elections. It provides that if a candidate withdraws or dies or if a candidate's name is removed from the ballot, the order of the remaining names shall not change.

The bill allows a county commissioner of elections to print the affidavit of eligibility on each page of the election register; the signature of the voter in the register next to the voter's printed name serves as that voter's declaration of eligibility. The state commissioner of elections is required to adopt rules providing an alternative method for observers allowed at the polling place to view a listing of those voters who have signed on the election register. The bill also provides that the state voter registration system shall be designed to accommodate affidavits and declarations of eligibility being printed and signed on the election register.

The bill is effective upon enactment and applies to elections held after the effective date March 1, 2006.

HF 2051 - Voter Registration Lists

JE

Auditors

The federal Help America Vote Act required each state to create, maintain and administer one centralized computerized voter registration file that contains the name and registration

COUNTY ADMINISTRATION & ORGANIZATION

information of every legally registered voter in the state by January 1, 2006. Voter registration lists generated by this computerized file are to be the official lists for purposes of conducting elections in the state. In implementing this requirement, state law provides for the state voter registration system to be in place by January 1, 2006, and also provides that on or after January 1, 2006, a county shall not establish or maintain a voter registration system separate from the state voter registration system. This bill extends to January 1, 2007, the time for this separate system prohibition to be in effect.

The bill is effective upon enactment.

HF 2171 - Group Fishing Permits - See *Land Use & Rural Affairs*

HF 2177 - Evidence of Approval of Plat Names JS *Auditors, Recorders*

Current law requires county auditors to approve the name or title of a subdivision plat. This bill simply requires that auditors evidence this approval in a statement that must accompany the subdivision plat when the subdivision plat is presented to the county recorder for recording.

HF 2240 - Supervisor Vacancies DV *Auditors, Supervisors*

This bill amends Iowa Code §331.214 in two important respects. First, it clarifies that a vacancy in office is not created when a county supervisor is absent from the county for 60 consecutive days if the absence is due to medical emergency; temporary active military duty; or temporary service with another government service, agency or department. This provision eliminates a conflict that had existed between two statutes. One suggested that a vacancy was created even though the absence was due to a medical emergency; the other expressly stated that no vacancy was created under that circumstance. Now we know for sure that if a county supervisor is absent for 60 days due to a medical emergency, no vacancy is created.

The second important change that this bill makes is to provide for the first time that county supervisors can be removed from office due to their physical or mental status. The bill provides that if the physical or mental status of a supervisor is in question, the board of supervisors shall decide whether the supervisor is fit to remain in office, using the following procedures:

- 1) The board shall give public notice of a hearing to determine the supervisor's status.
- 2) The board shall appoint one physician and the family of the supervisor under scrutiny shall appoint one physician. If the family does not appoint a physician, the board shall appoint a second physician. The two physicians shall examine the supervisor and submit a report to the board.
- 3) The board may only declare the seat vacant if both physicians concur that the supervisor is physically

or mentally incapable of performing the duties of office and there is reasonable cause to believe that the supervisor will not be able to perform the duties of office for the remainder of his or her term.

- 4) After the hearing, the board may by resolution declare the supervisor's seat vacant if the board determines either: a) that the supervisor is physically or mentally incapable of performing the duties of office according to the statutory definition; or b) that the supervisor refuses to undergo or is unavailable for the physician's examination. However, if the physicians concur that the supervisor is mentally incapable of performing the duties of office, the board shall not declare the office vacant for one year from the date of the hearing if the supervisor is receiving treatment for the mental incapacity.
- 5) A supervisor whose seat is declared vacant may appeal the board's decision to district court.

Finally, the bill stipulates that if there is a vacancy declared in the office of county supervisor due to the physical or mental status of the incumbent county supervisor, and the remaining balance of the incumbent supervisor's term is 2.5 years or more, the committee of county officers designated to fill the vacancy shall order a special election to fill the vacant seat. The special election shall be held at the earliest practicable date upon at least 32 days' notice. The special election shall be held on a Tuesday and shall not be held on the same day as a school election within the county. The person elected shall serve the balance of the unexpired term.

HF 2244 - Hunting and Fishing for Veterans - See *Land Use & Rural Affairs*

HF 2245 - Iowa Public Employees Retirement System for Law Enforcement WRP *Auditors, Sheriffs*

This bill makes changes to the Iowa Public Employees Retirement System (IPERS) in Iowa Code chapter 97B and the Statewide Fire and Police Retirement System in Iowa Code chapter 411.

Concerning the definition of three-year average covered wage, the bill eliminates the provision that would have changed this calculation from the highest three years of service to the highest 12 consecutive quarters of service effective July 1, 2008; thus, the calculation remains based on the highest three years of service.

The bill provides that IPERS shall submit its annual report to the governor by December 31, not the current December 15.

The bill provides that the maximum balance on inactive accounts that IPERS may distribute in a lump sum to a member who has had a break in service or to a beneficiary of a deceased member is set at the amount the Internal

COUNTY ADMINISTRATION & ORGANIZATION

Revenue Service (IRS) permits IPERS to distribute without establishing a rollover account for the distribution. Current law sets this amount at \$3,000, which is not based upon the distribution amount permitted by the IRS. The bill amends Iowa Code §97B.49C(1), which concerns eligible service for coverage in the sheriffs and deputy sheriffs category; the bill makes all service as a member in any protection occupation eligible for coverage. Current law only includes prior service as a marshal in a city or a city fire fighter or police officer as additional eligible service under the sheriffs category.

The provision of the bill relating to the distribution of inactive account balances is effective upon enactment and applies retroactively to January 1, 2006.

HF 2282 - City Council Vacancies

DV

Auditors

What does a city council do when there are concurrent vacancies and the remaining members do not constitute a quorum? This bill answers that question.

The bill provides that the remaining council members shall notify the auditor of the absence of a quorum. If there are no remaining council members, that duty shall fall to the clerk; if there is no clerk, it shall fall to the city attorney. Notice shall be given by the end of the following business day. Upon notification, the auditor shall call a special election to be held at the earliest practicable date. The bill provides that for any special election held to fill a city council vacancy, the council shall give the county auditor at least 32 days' written notice of the date chosen for the special election; the statute had required 60 days' notice. For a city where a primary election may be required, the city council shall give the county auditor at least 60 days' written notice of the date chosen for the special election; the statute had required 85 days' notice.

When there are concurrent city council vacancies and the remaining members do not constitute a quorum, the bill authorizes the city clerk to make payments for freight, express, postage, utilities, contractual services, salaries and payroll without the prior approval of the city council. If there is no city clerk, the county auditor shall make the payments without the prior approval of the city council. Following payment, the bills paid shall be submitted to the city council for review and approval at the next regular meeting at which a quorum of the council is present.

The bill also provides that a city may hold an election to change from a council-manager form of government to a mayor-council form of government. If a city adopts a resolution to that effect, then the county auditor shall put the proposal on the ballot for the next general election or the next city election, whichever occurs first. If the ballot measure is approved, it cannot be repealed for six years.

HF 2462 - Text Book Election Petition

JE

Auditors

This bill provides that a petition asking that the question of providing free textbooks to a school district's pupils be submitted to the voters at the next regular election must be signed by the greater of 100 eligible electors residing in the school district or a number of eligible electors equal to 10% of the number of voters in the last preceding regular school election. Current law requires the signatures of at least 10% of the registered voters in the school district on such a petition.

HF 2508 - Direct Deposit of Wages

WRP

Auditors

This bill provides a limited exception to the statement relating to hours worked, wages and deductions each employer is required to send or otherwise provide to employees on each regular payday. Under the bill an employer need not provide information on hours worked to exempt employees unless the employer has established a policy or practice of paying to or on behalf of these employees overtime, a bonus or a payment based on hours worked. If the employer has established such a policy or practice, the employer must send or otherwise provide to the employee a statement showing the hours worked by the employee or the payments made to the employee, as applicable.

The bill also provides that an employee hired on or after July 1, 2005, may be required to participate in direct deposit of their wages in a financial institution as a condition of employment.

The section of the bill allowing required participation in direct deposit by new hires is effective upon enactment and applies retroactively to July 1, 2005, for employees hired on or after that date.

HF 2546 - Urban Deer Control

JH

Recorders, Supervisors

This bill authorizes a city or county to adopt an ordinance authorizing trained volunteer hunters to hunt deer with bow and arrow for the purpose of urban deer control. This ordinance must be approved by the Department of Natural Resources. The definition of "land" is extended to private land located in a municipality. Liability protections are also granted to private land owners who allow access to their property for the purpose of urban deer control.

HF 2590 - Emergency Preparedness Information

DV

Emergency Management, Sheriffs, Supervisors

This bill strikes subsection 46 of Iowa Code §22.7, which had made confidential certain information concerning security procedures and emergency preparedness. (That subsection was passed after the September 11, 2001, trag-

COUNTY ADMINISTRATION & ORGANIZATION

edy to make sure that sensitive information did not fall into the wrong hands, and it was due to "sunset" on June 30, 2007.) In its place the bill enacts new language that makes confidential "information concerning security procedures or emergency preparedness information developed and maintained" by a county, but only "if disclosure could reasonably be expected to jeopardize" persons or property. Such information includes but is not limited to security and response plans, vulnerability assessments, and "information contained in records that if disclosed would significantly increase the vulnerability of critical physical systems or infrastructures of a government body to attack." The new language only applies to information held by a county that has adopted a "rule or policy identifying the specific records or class of records to which" the confidentiality protection applies.

HF 2611 - Fish Iowa! - See *Land Use & Rural Affairs*

HF 2654 - County Treasurers' Duties - See *Taxation & Finance*

HF 2665 - Line-of-Duty Death Benefit

WRP Conservation, Emergency Management, Sheriffs

This bill concerns the \$100,000 line-of-duty death benefit payable to eligible public safety employees under the Peace Officers Retirement System (PORS) in Iowa Code chapter 97A, the Iowa Public Employees Retirement System (IPERS) in Iowa Code chapter 97B, the Statewide Fire and Police Retirement System (MFPRSI) in Iowa Code chapter 411, and the volunteer emergency services provider death benefit in Iowa Code §100B.11.

The bill provides that the volunteer emergency services provider death benefit shall provide for the death benefit for all volunteer emergency services providers whether or not the provider may otherwise be covered under PORS, IPERS or MFPRSI. The bill provides that if a benefit is paid under Iowa Code §100B.11, no line of duty death benefit will be payable under the other retirement systems.

The bill also amends the definition of a volunteer emergency services provider to include persons performing the functions of an emergency medical care provider or emergency rescue technician who were not paid full-time by the entity for which such services were being performed at the time the incident giving rise to the death occurred.

HF 2705 - Income Tax Refund Setoff

DV Auditors, Sheriffs, Supervisors, Treasurers

This is a legislative change that may eventually mean more money in the pockets of all counties. The Department of Administrative Services (DAS) has for years run a program where if an individual owed the state money in the form of a "qualifying debt," such as someone who defaulted on a

student loan or someone who was behind in child support payments, then the DAS could subtract the amount owed to the state from the person's income tax refund.

In 2005 this program was expanded to include several pilot local governments and the program was used to collect debt owed to them. In Dubuque County, for instance, the program allowed the county to recover thousands of dollars owed to the county for jail room and board fees.

This bill, by changing the definition of "state agency" in Iowa Code §8A.504(1)(d), allows the DAS to offer the income tax refund setoff program to any political subdivision of the state, including all counties. It will take some time to expand the scope of the program, but counties should expect more information on this program from DAS in the future.

HF 2706 - Charitable Donation Records

DV Auditors, Supervisors

This bill adds an exception to the public records law for records relating to a charitable donation made to: 1) an institution governed by the state board of regents; 2) a private foundation organized for the support of a government body; or 3) an Endow Iowa qualified community foundation organized for the support of a government body. The records that are deemed confidential include records that disclose a donor's or potential donor's financial or estate planning matters, the identity of the donor, or information about the solicitation of the donation. Portions of a record that disclose the amount, date and purpose of the donation without revealing the name of the donor are still public records, as are documents related to written fundraising policies and practices.

HF 2713 - Competitive Bidding

DV Engineers, Supervisors

This bill makes a number of changes to the competitive bidding process for public entities. The most significant is that it increases the public bid threshold for "public improvements" from \$50,000 to \$100,000. The bill reflects a consensus achieved during numerous meetings with many stakeholders, including road contractors, building contractors, cities and counties.

The bill creates new Iowa Code chapter 38, the "Iowa Construction Bidding Procedures Act," and requires counties to comply with the new chapter whenever the estimated total cost of a public improvement, other than an improvement that can be paid for from the secondary roads fund, exceeds \$100,000. The new chapter only applies to "public improvements," which are defined as "building[s] or construction [works that are] constructed under the control" of the county and paid for by the county. The definition excludes emergency work; repair and maintenance work performed by county employees; and highway, bridge and culvert work. The bill defines "estimated total cost of the

COUNTY ADMINISTRATION & ORGANIZATION

public improvement" as the estimated cost to the county, including labor, materials, equipment and supplies but excluding the cost of architectural or engineering design services. If the estimated total cost of a project exceeds \$100,000, the bill requires counties to:

- Publish a notice to bidders once in a general circulation newspaper;
- Use an architect or engineer to prepare plans and specifications and calculate the costs of the improvement;
- Require bid security;
- Hold a public hearing;
- Publicly open, announce the amount of, and file each proposal; and
- Award the contract to the lowest responsive, responsible bidder unless the county rejects all bids and fixes a new date for receiving bids.

The bill allows boards of supervisors to delegate the duty of receiving and opening bids. It also stipulates that at the public hearing on a project, "any interested person may appear and file objections to the proposed plans." After the hearing, the board of supervisors "shall by resolution enter its decision on the plans."

For projects below the new public bid threshold of \$100,000, the bill introduces a new bidding concept called "competitive quotations." Under the bill, a county shall obtain at least two competitive quotations if the cost of a public improvement is less than \$100,000 but more than \$67,000. For projects that fall within that cost range:

- The county must "make a good faith effort" to get quotes from a minimum of two contractors;
- The county must provide a description of work to be performed and an opportunity to inspect the work site;
- The contractor must include in the quote the price for labor, materials, equipment and supplies required to perform the work;
- The county must designate the time, place and manner for filing quotes, which may be received by mail, fax or e-mail;
- The contract must be awarded to the contractor submitting the lowest responsive, responsible quote unless the county rejects all of the quotes;
- Counties may only self-perform the work if they submit a quote and either no other quotes are received to perform work or the county submits the lowest quote; and
- Architectural and engineering plans and specifications are not needed unless required elsewhere in the Iowa Code.

The bill requires the Iowa Department of Transportation (DOT) to adopt rules prescribing the manner in which counties shall administer the competitive quotation process. The DOT was chosen because it already has experience in working with competitive bidding.

The bill creates a "vertical infrastructure subcommittee" modeled after the existing "horizontal infrastructure subcommittee," which determines competitive bidding threshold increases for roads, bridges and culverts. The vertical infrastructure subcommittee is charged with "review(ing) the competitive bid thresholds applicable to governmental entities under [Iowa Code] chapter 38." The vertical infrastructure subcommittee is under the direction of the DOT. It meets a minimum of once every two years and consists of three vertical infrastructure contractors, three public entities and the DOT Director. Future threshold increases will be based upon changes in the construction price index, building cost index and material cost index. Any threshold revisions above \$100,000 are eligible to go into effect on or after January 1, 2012, if determined by subcommittee to be appropriate. Beginning July 1, 2006, the vertical infrastructure subcommittee shall make adjustments to the competitive quotation threshold for vertical infrastructure in accordance with the adjustments made by the horizontal infrastructure subcommittee for city and county highway, bridge and culvert projects.

The bill requires public entities to release funds to a contractor if a project is "substantially complete," which means:

- There is substantial completion of the project in general accordance with the contract terms;
- The county can occupy or utilize the public improvement for its intended purpose; or
- The project is certified to be complete by an architect, engineer or contracting authority authorized to make the certification.

The bill allows 200% of the value of the uncompleted portion of the project to be retained until the project is complete and it requires the contractor to notify all known subcontractors of the request to release funds.

The bill also enacts a number of miscellaneous provisions. It allows a public entity to enter into multiple annual contracts for structure demolition projects having a total estimated cost of \$100,000 or less. It also allows for publication of notice in relevant contractor organization publications and plan room services, as long as the notice is also posted on the governmental entity's website or a website of a statewide association representing the governmental entity. The bill allows an exemption from the competitive bid requirements if a project is built with donated funds. The bill clarifies that the DOT is to adopt rules prescribing cost accounting practices for counties regarding the construction or repair of any "highway, bridge, or culvert" within its jurisdiction; the previous language allowed rules to address construction or repair projects only "on highways" within its jurisdiction. The bill requires counties to obtain a contractor's bond if the contract price for a public improvement is more than \$25,000; the previous trigger was \$15,000. Finally, the bill applies the competitive bidding requirements of Iowa Code chapter 38 to water districts (Iowa Code chapter 357) and rural water districts (Iowa Code chapter 357A).

COUNTY ADMINISTRATION & ORGANIZATION

The provisions of the bill requiring the DOT to develop administrative rules regarding public improvement quotations, creating a horizontal infrastructure committee, and allowing the vertical infrastructure committee to make adjustments to the competitive quotation threshold are effective upon enactment. The remainder of the bill is effective on January 1, 2007, and applies to public improvement contracts entered into on or after that date.

HF 2765 - Maximum Interest Rate

DV

Treasurers

Current law provides that if a member of the military has an obligation or liability bearing interest at a rate greater than 6%, the interest rate shall not exceed 6% during the person's period of military service. This bill stipulates that in order for this cap to apply, the service member shall provide to the creditor written notice and a copy of the orders calling the person to military service within 180 days of his or her release from military service. Upon receiving such notice the creditor shall cap the interest charged, effective as of the date on which the service member was called to military service.

HF 2775 - Hospital Lien Book

DV

Auditors

Current law provides that every district court clerk shall, "at the expense of the county," provide a well-bound book to keep track of claims made by hospitals. This bill strikes the reference to counties so that the statute simply requires the clerk of court to "maintain" a hospital lien docket.

HJR 5 - "Idiots" Voting Constitutional Amendment

JS

All Elected Officials

This joint resolution proposes an amendment to Iowa's Constitution relating to persons who are disqualified from voting or holding elective office. The resolution removes the terms "idiot" and "insane" from the Constitution and substitutes the phrase "mentally incompetent to vote."

The resolution must also be adopted by the 82nd General Assembly in either 2007 or 2008 and then be ratified by the electorate before becoming effective.

SF 2194 - Consolidated Claim Publishing

JS

Auditors, Supervisors

This bill requires counties to list the reason for each claim in the publication of the schedule of the bills allowed. It also allows counties and other local governments to consolidate publishing of claims made by the same vendor, supplier or claimant if the reason for the claims is the same and the number of claims consolidated and the total consolidated claim amount are listed in the statement. Counties are required to maintain an unconsolidated list of claims and provide it upon request.

SF 2207 - Publication in English-Language Newspapers

JS

Auditors, Supervisors

Counties are required by law and ordinance to publish notices, proceedings and other official business matter in newspapers. This bill allows the publication of those materials in newspapers published primarily, rather than wholly, in English. The official matter must still be published in English.

SF 2264 - Recorders' and Auditors' Technical Bill

JE

Auditors, Recorders

This bill makes changes relating to the duties of county recorders and county auditors concerning instruments affecting real estate and other filings required to be recorded by the county recorder.

The bill strikes a requirement that the county recorder compile and forward to the inheritance tax division of the Department of Revenue a list of deeds that are dated or acknowledged more than six months before the date of recording.

The bill requires the recorder to cross-reference to the original document an instrument that makes subsequent reference to the original document.

The bill specifies that the recorder is to accept for recording all the military personnel documents listed for recording in Iowa Code §331.608, not just military discharges. Pertaining to recording of documents filed by veterans, the bill provides that "veteran" means the same as that term is defined in Iowa Code chapter 426A.

The bill changes the process by which an oil, gas or metallic mineral lease is forfeited by the lessor or released by the lessee. The bill requires that if a lessee fails to record with the county recorder a release of a lease, the owner of the land shall send to the lessee by restricted certified mail an affidavit of noncompliance. If the lessee disputes the forfeiture of the lease, the lessee must notify the owner of the land by restricted certified mail within 30 days of receiving the affidavit of noncompliance. The bill further provides that if the lessee does not so notify the owner of the land, the owner shall record the affidavit of noncompliance with the county recorder.

The bill makes changes relating to county recorders' duty to record instruments affecting real estate and county auditors' duty to note transfers of real estate. The bill repeals those sections that illustrate the endorsements to be made on instruments and the form of real estate transfer books and instead lists the information required to be noted on the instruments and in the transfer books. The bill defines "book," in the context of county auditors' transfer books, index books and plat books, to mean the method of data storage and retrieval used by the auditor.

COUNTY ADMINISTRATION & ORGANIZATION

The bill provides that notice of any surviving holder or successor in interest of a life estate that has been terminated through the death of the holder of the life estate may be made by affidavit filed for recording with the county recorder in lieu of a deed or change of title.

The bill strikes the requirement that records of homestead plats be indexed and recorded in a separate book and instead requires them to be indexed and recorded in the general system where all deeds and other instruments affecting real estate are recorded. The bill makes the same change regarding indexing and recording of notices filed to preserve an interest in property that has a marketable chain of title.

The bill strikes the option of making on the margin of an instrument a notation, witnessed by the county recorder indicating an extension of the debt maturity date relating to the real estate described in the instrument, and instead requires that such an extension agreement be filed with the county recorder for recording.

SF 2304 - Indigent Defense Fund

LH

Auditors, County Attorneys

This bill changes the way that reimbursement for juvenile cases is handled. Prior to this, counties paid bills for a variety of costs (e.g., witness fees, mileage fees) incurred at the request of a court-appointed attorney in juvenile court cases. The counties were responsible for paying these expenses up to their "base amount," as outlined in Iowa Code §232.141(3)(a). After this amount was reached in a given year, the counties continued to pay these claims and then sought compensation from the indigent defense fund.

This bill changes the process so that the counties pay their base amount into the indigent defense fund and the state pays the claims directly from this fund. The bill makes it clear that the indigent defense fund pays for service fees, mileage, foreign-language interpreters, court reporters/depositions, and experts requested by the indigent defendant's court-appointed attorney.

SF 2333 - Veterans Commemorative Property

JS

Veterans Affairs

This bill prohibits the unauthorized sale, trade or transfer of veterans commemorative property, which is defined as any type of memorial more than 75 years old that commemorates or identifies a veteran or group of veterans and rests in a cemetery. The bill excludes certain cemeteries from its provisions. A person is required to obtain authorization from the Iowa Department of Veterans Affairs in order to sell, trade or transfer such property. Authorization can only be granted under certain circumstances, including if the property is at risk of deteriorating or if the property must be sold so that the cemetery can be adequately maintained.

SF 2410 - Government Accountability

DV

All County Officials

This bill passed in the final days of the legislative session and was adopted in large part due to the Central Iowa Employment and Training Consortium (CIETC) scandal. The bill creates new Iowa Code chapter 8F; its purpose is to "monitor the utilization of public moneys by providing the greatest possible accountability for the expenditure of public moneys."

The bill does two major things: First, it requires 28E entities to comply with substantial reporting requirements, but only if: a) the 28E entity enters into a service contract with a state agency to provide services; b) the service contract exceeds \$500,000 annually; and c) the service contract is entered into or renewed on or after October 1, 2006. Because those requirements are fairly narrow, not many existing 28E entities will be affected by this bill. Second, and probably the most important aspect of the bill for counties, is that as of July 1, 2006, all existing 28E entities are subject to the Public Records Law and the Open Meetings Law. This means they must post a meeting notice 24 hours prior to a meeting and take minutes; they also have to publish the minutes of the meeting in a general circulation newspaper. This state mandate did not come with any money from the Legislature; nor was it excepted from the provisions of Iowa Code section 25B.2, which says that unfunded state mandates with a cumulative annual effect on all political subdivisions of \$100,000 or greater need not be followed. So county officials should consult with their county attorneys as to whether this publication requirement is legally binding.

The bill defines a number of terms; the most crucial are:

- "Agency," which means a unit of state government that is an authority, board, commission, committee, council, department, examining board or independent agency;
- "Oversight agency," which means an agency that contracts with and disburses state or federal moneys to a recipient entity;
- "Recipient entity," which means an intergovernmental entity or private agency that enters into a service contract with an oversight agency to provide services that will be paid for with local governmental, state or federal moneys; and
- "Service contract," which means a contract for at least \$500,000 annually where the predominant purpose of the contract is the provision of services.

The bill provides that as a condition of entering into a service contract with an oversight agency, a recipient entity shall certify that the recipient has the following information available for inspection by the oversight agency and the legislative services agency:

- Information documenting the legal status of the recipient entity, such as 28E agreements;

COUNTY ADMINISTRATION & ORGANIZATION

- Information regarding training and education received by the members of the governing body of the recipient entity;
- Information concerning procedures used by the governing body of the recipient entity for employee evaluation and salary review, internal accounting controls, legal compliance, and compliance with ethical and professional standards; and
- Information concerning the whistleblower protection policies of the recipient entity.

The required certification shall be signed by at least two directors of the recipient entity. Prior to entering into a service contract with a recipient entity, an oversight agency shall determine whether the recipient entity can "reasonably be expected" to comply with the requirements of the service contract.

The bill provides that as a condition of continuing to receive state or federal moneys through an oversight agency for a service contract, a recipient entity shall file an annual report with the oversight agency and with the legislative services agency. No report is required if the entity provides an IRS form 990 instead. The annual report shall include budget and actual expenditure information, financial information related to service contracts, reportable conditions included in external audit reports, corrective actions taken in response to reportable conditions, and a certification signed by a minimum of two directors stating that the annual report is accurate.

The bill requires that any new service contract awarded to a recipient entity provide that the oversight agency may terminate the service contract if the recipient entity fails to comply with the requirements of Iowa Code chapter 8F. In addition, the contract shall provide a mechanism for the forfeiture and recovery of state or federal funds spent improperly.

The bill stipulates that a separate legal entity created in a 28E agreement shall be subject to the Open Meetings Law and the Public Records Law. All proceedings of the legal entity, including a schedule of bills allowed, shall be published in a general circulation newspaper. A copy of the proceedings shall be provided to the newspaper within one week of adjournment of the meeting. Names and salaries of all persons regularly employed by the entity shall be published annually.

The bill gives the state auditor's office more authority to review the receipt and expenditure of state or federal funds by any entity. It also gives the state auditor's office access to confidential records needed to conduct its reviews, but requires that the state auditor's office maintain the confidentiality of the records.

The provisions related to service contracts apply to contracts entered into or renewed by an oversight agency on or after October 1, 2006. All other provisions are effective July 1, 2006.

ENVIRONMENT & PUBLIC HEALTH

HF 2493 - Establishment of a Viral Hepatitis Program and Study DW *Environmental Health, Public Health Nurses*

This bill provides for the establishment of a viral hepatitis program by the Iowa Department of Public Health (DPH), contingent upon the appropriation of sufficient funds by the General Assembly. (HF 2734 appropriates \$158,000 for the purpose outlined in this bill.) The objective of the program is to distribute information to citizens who are at increased risk for exposure to viral hepatitis. The information will focus on the higher incidence of hepatitis C exposure and infection among certain populations and the dangers presented by the disease, and will also include contacts for additional information and referrals. The bill also provides for hepatitis A and hepatitis B vaccinations and hepatitis C testing.

The bill directs the DPH to develop rules pertaining to the identification of categories of individuals considered at increased risk for hepatitis exposure; the form, manner, and method of distribution of hepatitis information; and the vaccination and testing program. In addition, the bill requires the DPH to conduct a study to provide an epidemiological profile of hepatitis C and assess its impact.

HF 2571 - Confidentiality of Intelligence Assessment and Data DW *Emergency Management, Environmental Health, Sheriffs*

This bill makes an intelligence assessment or intelligence data held by the Department of Public Safety (DPS) a confidential record under Iowa Code §22.7. Intelligence data is defined as "information on identifiable individuals compiled in an effort to anticipate, prevent, or monitor possible criminal activity." An intelligence assessment is defined as "an analysis of information based in whole or in part upon intelligence data." The bill provides that making an intelligence assessment or intelligence data a confidential record does not prohibit the DPS from disseminating information about a public health and safety threat advisory or alert.

HF 2743 - Appropriations from Tobacco Funds - See Appropriations

SF 2076 - Manure Management Documents JH *Auditors*

This bill relates to the filing of manure management plans and authorizes new individuals to sign manure application agreements. The bill requires the Department of Natural Resources to provide for the electronic processing and receipt of manure management documents by July 1, 2008; producers still maintain the option of filing the documents in paper form. Finally, the bill allows an individual renting land, rather than the owner, to sign an agreement authorizing the application of manure.

SF 2289 - Medical and Mental Health Vehicles - See Human Services

SF 2319 - Littering Fines JH *Conservation, Engineers, Sheriffs, Supervisors*

This bill increases littering fines and changes the allocation of fine revenue. The bill increases the civil penalty for illegally discarding solid waste from \$500 to \$1,000. One half of the money is directed to the Department of Transportation (DOT); the remaining half is directed to the county in which the violation occurred; this money is to be used exclusively for the cleanup and prevention of illegal dumping. The bill also requires fifty percent of money collected from fines for highway littering to be allocated to the DOT. Finally, the bill increases the fine for highway littering from \$35 to \$70 and increases the fine for littering grounds from \$15 to \$30.

SF 2322 - Communicable and Infectious Diseases LH *Emergency Management, Environmental Health, Public Health Nurses*

This bill clarifies the notification process that state and local officials must follow during the investigation and control of communicable and infectious diseases. The bill defines "area quarantine" and allows the Department of Public Health and local public health boards to impose and enforce area quarantine restrictions. It also extends liability protections to persons who, acting in good faith, release information or otherwise cooperate with an investigation.

SF 2363 - Water Quality JH *Conservation, Environmental Health, Supervisors*

The provisions of this bill of interest to counties relate to new regulations for wastewater treatment facilities. The bill affirms the "top down" rebuttal presumption that all waters of the state are fishable and swimmable unless a completed use attainability analysis proves otherwise. The bill requires the Department of Natural Resources (DNR) to conduct an economic analysis, before designating a particular use and issuing permits, to determine if a city would suffer substantial widespread economic and social impact when attempting to comply with new regulations. A use attainability analysis is to be conducted by the DNR or a professional designee in accordance with outlined criteria. A wastewater treatment financial assistance program is created to assist cities with low-interest, no-interest or forgivable loans or grants. This money will be directed toward disadvantaged communities to install or upgrade wastewater treatment facilities.

SF 2377 - Manure Management Plans JH *Auditors*

In large part this bill relates to the Department of Natural Resources' (DNR) ability to regulate confinement feeding operations. However, the bill also requires the DNR to provide for the electronic processing and receipt of manure management documents by July 1, 2009. After that date producers would be required to file manure management plans electronically. (Similar language regarding the electronic processing and receipt of manure management documents is contained in SF 2076, except that that bill sets the deadline at July 1, 2008.)

HUMAN SERVICES

HF 2147 - Temporary Appointment of Conservator for a Dependent Adult

LH

Community Services, County Attorneys

This bill allows the courts to appoint a temporary conservator in dependent adult abuse cases where there is probable cause to believe that the abuse is producing irreparable harm to the physical or financial resources or property of the dependent adult.

HF 2319 - Personal Needs Allowance

DW

Community Services

This bill allows residents of nursing facilities who participate in the Medical Assistance program to retain a personal needs allowance of \$50 per month. The current personal needs allowance is \$30 per month, per administrative rule.

HF 2330 - Mental Health Growth Formula Adjustment

JS

Auditors, Community Services, Supervisors

This bill amends the allocation formula for the FY06 mental health allowed growth distribution. The bill reinstates the requirement that a county levy at least 70% of its maximum allowed mental health levy in order to be eligible to receive mental health allowed growth payments from the state. To accommodate the reinstated minimum levy requirement, the bill sets the withholding factor for counties with mental health fund balance percentages between 10% and 25% at 28.043%, except that counties with ending fund balance percentages between 10% and 15% that also qualify for a distribution from the per capita fund shall have a withholding factor of 14.463%.

The bill is effective upon enactment and applies retroactively to July 1, 2005.

HF 2363 - Assessing Health Care Facility Residents for Veterans Benefits

LH

Community Services

This bill requires nursing homes to request information regarding a resident's veteran status. The names of those who are potentially veterans, along with the names of their spouses and dependents, are to be reported to the Iowa Department of Veterans Affairs (DVA). The DVA has the responsibility to verify the information provided.

HF 2492 - State Cases

LH

Community Services, Supervisors

This bill allows the Department of Human Services (DHS) to transfer state payment program funds to Medicaid to cover the nonfederal portion of home- and community-based waiver services for individuals who are funded through the state payment program but who are also eligible for - and appropriate for - services under the HCBS waiver. The bill directs the DHS to seek additional waiver slots to accommodate any state cases who are eligible for waiver services.

HF 2734 - Health and Human Services Appropriations - See Appropriations

HF 2743 - Appropriations from Tobacco Funds - See Appropriations

HF 2772 - Brain Injury Services Program

LH

Community Services, Supervisors

This bill creates a brain injury services program in the Department of Public Health. The program will serve individuals on the Medicaid home- and community-based waiver waiting list, plus individuals who have been denied Brain Injury Waiver funding due to financial or functional requirements. The latter group will receive the same services as offered under the waiver and will be required to share in the cost of those services. The \$2.4M appropriated for this program will also fund resource facilitators who will provide ongoing support for persons with brain injury and their families, by assisting them in accessing available service funding.

HF 2780 - MH/DD Redesign

LH

Community Service, Supervisors

This bill represents the work of the MH/MR/DD/BI Commission on redesign of the county-managed adult MH/MR service system. The bill sets 150% of federal poverty as the standard for 100% public funding of services. Those below that level may only be required to make a co-payment pursuant to rules adopted by the Commission.

The bill requires the transfer of management of the state payment program clients to the counties effective October 1, 2006. The state will review the cases of those believed to reside in each county with the county to determine an amount needed to fund ongoing services, provider rate increases and projected new services. If the aggregate amount determined is greater than what is appropriated, the state will maintain management of these cases. If the amount is less, the management along with a quarterly payment will be transferred to the county of residence on October 1. The state's liability is capped at the amount appropriated for this program (\$12,486,619).

The bill re-establishes a separate division of mental health and disability services within the Department of Human Services (DHS); HF 2734, the human services appropriations bill, appropriates \$500,000 for this purpose (for two FTEs with additional funds for technical assistance).

The bill requires the DHS to seek federal approval to amend the Medicaid state plan to increase reimbursement rates for in-patient mental health services, community mental health centers and psychiatrists beginning October 1, 2006. An estimated \$6.0M from one-time Iowa Plan funds will be used to match federal funds to accomplish this.

The bill also requires a legislative interim committee to study the formula used to distribute growth dollars to the counties as well as other public funding for services. The committee will be made up of six members of the senate, five members of the house, and four ex officio members: one appointed by DHS, one appointed by the MH/MR/DDBI commission and two appointed by ISAC.

HUMAN SERVICES

SF 2217 - DHS Compliance with Privacy Laws

LH

Community Services

This bill requires the Department of Human Services (DHS) to implement an alphanumerical client identifier for counties to use in place of the individual's name and social security number when reporting individual MH/MR/DD/BI data to the state. The bill also includes a variety of changes to human services programs including vehicle disregard for Medicaid eligibility, an electronic health records task force, foster parent training, preparation for adult living program for young adults in foster care, and family support subsidy and comprehensive family support programs.

the respondent can be submitted as evidence instead of a court appearance. If the court determines that the physician's testimony is necessary, the court may allow the physician to testify by phone.

This bill was amended by HF 2780 to clarify that licensed physicians and mental health professionals, both as defined in §228.1, as well as alcohol and drug counselors certified by the nongovernmental Iowa board of substance abuse, are subject to this legislation.

SF 2289 - Medical and Mental Health Vehicles

JS

*Community Services, Public Health
Nurses, Treasurers*

This bill allows publicly-owned motor vehicles used by medical and mental health professionals for off-site or in-home services to be issued regular license plates instead of government plates. Additionally, these vehicles are no longer required to be labeled as publicly-owned vehicles.

SF 2312 - Injured Veterans Grant Program

JS

Veterans Affairs

This bill creates an injured veterans grant program. It appropriates \$1,000,000 for the purpose of providing grants to veterans and their families to assist with travel expenses so that the families may be together while the injured veteran is receiving medical care or rehabilitating. Grants shall be paid in increments of \$2,500, up to a maximum of \$10,000 per veteran. The grant program applies to veterans injured in the line of duty since September 11, 2001.

SF 2341 - State Psychiatric Papers

LH

Community Services

This bill shifts the administration of the state psychiatric papers program from the courts to the counties. The county board of supervisors or its designee has the responsibility to conduct financial condition investigations of persons who are sent to the state psychiatric hospital for evaluation and treatment under state papers.

SF 2362 - Involuntary Hospitalization Proceedings

LH

Community Services, County Attorneys

This bill amends Iowa Code §125.82 regarding involuntary hospitalization hearings for chronic substance abusers. It allows evidence in support of the application to be presented by the applicant, the applicant's attorney or the county attorney. Previously the county attorney was required to present the evidence if the county attorney was the applicant.

In addition, the bill amends Iowa Code §§125.82 and 229.10 (mental health commitments) to provide that if the applicant, the respondent and the respondent's attorney agree, the court may find that the written report of the physician who examined

LAND USE & RURAL AFFAIRS

HF 590 - Crossbow Hunting

JE

Recorders

This bill allows Iowa residents who are at least 70 years of age to be issued one special senior statewide antlerless-deer-only crossbow hunting license to hunt deer during the regular deer hunting bow season. A person may obtain a crossbow deer hunting license under the new provision in addition to a statewide antlered or any-sex deer bow license. A person who obtains a license under the provision is not required to pay the wildlife habitat fee but must be otherwise qualified to hunt deer in this state and must have a resident hunting license.

The bill provides that season dates, shooting hours, limits, license quotas and other regulations for this license are the same as those set forth by the natural resources commission in rules for the deer hunting bow season. An unlimited number of licenses may be issued under the new provision. The daily and season bag and possession limit is one deer per license.

HF 2171 - Group Fishing Permits

JE

Recorders

This bill allows tenants of elder group homes licensed under Iowa Code chapter 231B; tenants of assisted living facilities licensed under Iowa Code chapter 231C; participants in adult day services programs licensed under Iowa Code chapter 231D; and participants in an authorized federal home- and community-based services waiver to fish as a supervised group without fishing licenses but with a group permit issued by the Department of Natural Resources. A person supervising such a group may fish with the group pursuant to the permit and is not required to obtain a fishing license. Currently such a permit is available only to residents of health care facilities licensed under Iowa Code chapter 135C and to persons cared for in juvenile shelter care homes under Iowa Code chapter 232.

HF 2244 - Hunting and Fishing for Veterans

JE

Recorders

This bill allows a resident who is a veteran, as defined in Iowa Code §35.1, or who has served in the armed forces of the United States for a minimum aggregate of 90 days of active federal service and who was disabled or was a prisoner of war during that military service to purchase a lifetime fishing license or a lifetime hunting and fishing combined license for \$5. Current law allows only those residents who served in the armed forces for 90 days or more and were disabled or a prisoner of war to purchase a lifetime hunting and fishing combined license.

HF 2351 - Eminent Domain

DV

Engineers, Supervisors, Zoning

Passed in response to the U.S. Supreme Court's *Kelo* decision, this bill restricts the eminent domain (condemnation) powers exercised by counties, cities and other agencies.

Some of the noteworthy changes in the bill are that it places the burden of proof (preponderance of the evidence) on a county to demonstrate the need for use of condemnation; it redefines the terms "public use," "public purpose," and "public improvement;" it changes eminent domain procedures to make them more favorable to the property owner; and it makes all governmental agencies with eminent domain power subject to one consistent body of law, now found in Iowa Code chapters 6A and 6B.

The bill stipulates that landowners who do not have a public or private way to land may take private property to create a way to their land. The law had been that the condemned public way could not exceed 40 feet in width. This bill keeps the public way limit at 40 feet for agricultural land or land with a single residence located on it but increases the maximum width for all other uses to 66 feet.

Current law provides that the limitation on the definitions of public use, public purpose, and public improvement does not apply to agricultural land acquired for industry; this bill stipulates that the limitation does apply to agricultural land acquired for industry. The bill allows a county to condemn private property through its eminent domain authority only for a public purpose, public use, or public improvement. An exception is included for an owner that consents to voluntary condemnation. The definition of "public use," "public purpose," or "public improvement" includes:

- Possession, occupation or enjoyment by the general public or a government entity;
- Property interest necessary to a utility, common carrier or function of an airport;
- Private use incidental to public use (as long as not condemned solely to facilitate the private use);
- Property acquired for land recycling and remediation; and
- Acquisition of property for redevelopment in an urban renewal area designated as slum and blight if each parcel sought is determined by the governing body to be in a slum or blighted condition.

The definition of "public use," "public purpose," or "public improvement" does not include:

- Economic development activities resulting in increased tax revenues;
- Increased employment opportunities;
- Privately-owned or privately-funded housing and residential developments;
- Privately-owned or privately-funded commercial or industrial developments; and
- The lease of publicly-owned property to a private party.

The bill allows land to be condemned for development of a lake, but only an amount of land justified as necessary for a surface drinking water source. Additionally, the government must first check for other "prudent and feasible alternatives" to the lake for drinking water and the lake created must meet seven specific criteria, including appropriate setback distances, necessary for a drinking water lake.

LAND USE & RURAL AFFAIRS

The bill prohibits the use of condemnation to acquire land in the unincorporated part of a county for an airport if the land is outside the jurisdiction of the acquiring municipality or county. An exception to this prohibition is granted if the improvement was ordered by the FAA or is included in a federally-approved airport plan; if the property is zoned by a city or county for an airport; or if the land is part of a federally-designated national plan for integrated airports and the land is located in a county where at least one of the participating cities is located.

The bill makes condemnation harder by establishing a more substantial burden of proof in the property owner's favor. A property owner may challenge the exercise of eminent domain authority or the condemnation proceedings. To do so, the owner must file a petition in district court within 30 days of notice of the intent to use eminent domain. The property owner, contract purchaser and tenant under a recorded lease all have standing to bring a challenge. If the property owner (or other challenger) is victorious, the county must pay the challenger's reasonable attorney fees. A county may seek a declaratory judgment by filing a petition in district court seeking determination that the taking meets the definition of public use, public purpose, or public improvement; the petition must identify all property owners and lessees and fully describe the property to be taken. The burden of proof is on the acquiring agency to prove its case by a preponderance of the evidence.

The bill requires the acquiring agency to make a good faith effort to negotiate with an owner to purchase his or her property prior to resorting to eminent domain. The bill also allows the acquiring agency to make an offer to the owner designed to eliminate the need for calculation of other expenses. Such an offer must be at least 130% of fair market value; if the owner accepts the offer he or she is barred from claiming payment for any other expenses allowed by law. The Department of Transportation (DOT) and local governments are not required to make the alternative purchase offer when the land is being acquired for road projects.

The acquiring agency must send a detailed notice of proposed action to each property owner and person in possession of a property subject to acquisition. The notice must be sent at least 14 days prior to the date of the meeting at which the acquisition will be discussed; it must include notice of the date, time and place of the meeting and a notice that the person has a right to attend the meeting and voice objection. These notice requirements do not apply to the DOT and local governments for road projects; those entities will follow the current procedures.

The condemnation law had provided that on a condemnation application, a county is not required to disclose information regarding an industrial prospect with which the county is currently negotiating. The bill eliminates that provision.

The bill requires a county to mail by certified mail or personally serve a copy of the application to any contract purchaser and to any tenant known to be occupying the property.

The bill allows a compensation commission to meet in closed session for deliberations. Closed sessions are closed to all

persons who are not commissioners except for sheriff's office personnel if requested by the commission. But if the commission is seeking further information from a party or a witness, the commission must invite the acquiring agency and property owner to that portion of the closed session. The bill provides that in determining the fair market value of a property, the compensation commission must consider more than just the assessed value of the property. The bill establishes that the cost of one appraisal should be added to costs paid by the acquiring agency. It also expands the list of categories of compensation that must be paid to a person displaced by eminent domain; new compensation categories include moving costs, personal property replacement, business re-establishment costs and storage costs.

The bill establishes a series of policies and procedures for acquiring agencies. These include:

- Just compensation shall be set at fair market value plus expenses;
- Agencies must make a "good faith" effort to acquire through negotiation;
- An alternative offer of 130% of fair market value preempts the need for calculating expenses;
- DOT and local road projects are generally exempted; and
- Owners shall be allowed to occupy the property on a rental basis for a short time after damages have been paid.

When property is acquired and used for the stated purpose, but then re-sold prior to the end of the fifth year after acquisition, the acquiring agency must first offer the property to the original owner. Acquired property that is ultimately not needed and thus re-sold must first be offered to the previous owner at the current appraised value or the fair market value at the time it was acquired plus any clean-up costs undertaken by the acquiring agency, whichever is less. However, the current appraised value shall be the purchase price if any other amount would jeopardize federal funding. If after five years the acquiring agency has not used the property taken for the purpose stated in the application for condemnation, then the acquiring agency must adopt a resolution reaffirming the purpose or must offer the land back to the owner. The previous owner may petition for such a resolution if the acquiring agency fails to adopt one; after 60 days an offer of sale is presumed if the resolution has not been adopted. The five-year time period for disposing of condemned property does not apply to county highway projects.

The bill stipulates that a condemnation will not be delayed based on lack of notice to a tenant occupying the property if the acquiring agency made a good faith effort to provide notice. The bill also stipulates that rent shall not be charged to a person in possession of the property until the entire compensation commission award has been paid to the condemnee.

The bill provides that any entity created by one or more political subdivisions and granted condemnation authority must obtain the approval of the board of supervisors of the county where the property is located before exercising condemnation authority outside the jurisdictional limits of the political

LAND USE & RURAL AFFAIRS

subdivisions participating in the entity. The bill grants an exception for entities authorized by statute to act as political subdivisions if this provision would limit their ability to comply with Internal Revenue Code requirements regarding tax-exempt bonds. Public agencies participating in an agreement authorizing the joint exercise of governmental power pursuant to Iowa Code chapter 28F are required to exercise their eminent domain powers pursuant to Iowa Code chapter 6B.

The bill stipulates that the following governmental agencies and government projects must all follow the procedures set forth in Iowa Code chapters 6A and 6B as they relate to exercising eminent domain authority:

- Railroad authorities;
- Aviation authorities;
- Joint city and county building projects;
- Joint water utilities;
- Urban renewal projects;
- Municipal housing projects under Iowa Code chapter 403A; and
- Levee and drainage districts.

The bill prohibits a city from using eminent domain to acquire property outside the city limits except for the following (the first three of these only apply to the extent that the city already had this power prior to July 1, 2006):

- A city utility;
- A city franchise;
- A combined utility system;
- A municipal airport;
- Landfills and solid waste disposal sites;
- Streets and highways; and
- A multi-state entity for drinking water.

The bill also prohibits a municipality from condemning agricultural land included within an economic development area for any use unless the owner of the land consents to the condemnation.

Finally, the bill prohibits real property belonging to a county from being acquired without the county's consent.

Provisions dealing with acquisition negotiations, compensation commission negotiations, 130% of fair market value, and notice requirements are effective January 1, 2007. Provisions dealing with appraisal of damages by the compensation commission, fair market value at the time acquired, and notice requirements of hearings involving the compensation commission are effective upon enactment. All other provisions are generally effective upon enactment and apply to applications for condemnation filed on or after the enactment date.

HF 2611 - Fish Iowa!

JE

Recorders

This bill codifies an existing program that is administered by the Department of Natural Resources (DNR). Fish Iowa! is an educational program designed to expose middle and high school students to the sport of fishing. The bill allows the DNR to issue permits to students at least 16 years of age to fish without a license as part of a school outing.

HF 2635 - Drainage District Bids

JS

Supervisors

This bill amends Iowa Code chapter 468 relating to the authority of a county board of supervisors to establish and administer drainage districts. Current law requires public notice and contract letting procedures to be followed if the cost of the proposed improvement to a drainage district exceeds \$10,000. Current law also allows boards to make a secondary publication in a contractor's journal of general circulation. The bill increases the public bid threshold to \$15,000 and eliminates language related to the secondary publication. The elimination of the language relating to secondary publication has no effect because the bill retains language allowing "additional advertisement and publication as the board may direct." The bill also increases to \$15,000 the public bid threshold for improvements involving a district created in cooperation with the United States government.

SF 2364 - Access to Burial Sites

JE

Supervisors

This lengthy bill was proposed by the Department of Commerce, Division of Insurance. Of specific interest to counties are the sections dealing with cemeteries and access to burial sites.

The bill provides that if a public or private organization enters into a written agreement with a governmental subdivision to preserve and protect a cemetery or burial site that is located on the property of another person within the jurisdiction of the governmental subdivision, the governmental subdivision shall notify the property owner of the location of the cemetery or burial site and that the property owner is required to permit members of the organization reasonable ingress and egress for the purposes of preserving and protecting the cemetery or burial site. The governmental subdivision shall not enter into an agreement with a public or private organization to preserve and protect the cemetery or burial site unless the property owner has been offered the opportunity to enter into such an agreement and has declined to do so. The bill specifies procedures for the timing and contents of the notification of the property owner prior to approval of an agreement between the governmental subdivision and a public or private organization.

The bill authorizes a governmental subdivision to expend public funds in any manner authorized by law in connection with such a cemetery or burial site. The bill limits the liability of the governmental subdivision as provided in Iowa Code chapter 670. The bill limits the liability of the landowner who is required to permit access to burial sites and outlines procedures for reasonable ingress and egress of the property.

The bill provides that the expenses, including association dues, of county officials who attend meetings of cemetery officials as delegates may be paid out of the cemetery fund of the township in an amount not exceeding \$25 for each delegate.

PUBLIC SAFETY

HF 540 - Law Enforcement Officer Traffic Accidents

DV

Emergency Management, Sheriffs

This bill relates to traffic accidents involving the operation of a motor vehicle by a certified law enforcement officer or emergency responder in the line of duty. If the driver's employer certifies to the Department of Transportation (DOT) that the accident occurred in the line of duty while the driver was either operating an official government vehicle or deploying on an emergency call, the DOT shall not include the accident on the officer's or responder's driving record. The bill does not relieve a law enforcement officer or emergency responder from the duty to drive with due regard for the safety of all persons. The bill defines "certified law enforcement officer" as someone certified through the Iowa Law Enforcement Academy; it defines "other emergency responder" as either a fire fighter I certified under Iowa Code chapter 100B and trained in emergency driving or an emergency medical responder certified under Iowa code chapter 147A and trained in emergency driving.

HF 2233 - Executions

DV

Sheriffs

This bill amends Iowa Code §626.16 to provide that sheriffs' offices now have 120 days to return an execution instead of 70 days. The bill benefits all plaintiffs who are trying to collect on their judgments, but for sheriffs' offices the main benefit of this bill is to allow for more time to process and serve the execution and collect on the judgment. Moving to 120 days was a compromise; collection agencies initially proposed making executions non-expiring, meaning that sheriffs' offices would have to hang on to them forever.

HF 2333 - Vaporized Alcohol

DV

Sheriffs, Supervisors

The bill prohibits a person or club holding a liquor control license or retail wine or beer permit from distributing or possessing machines used to vaporize an alcoholic beverage for consumption. Violation of this provision is a simple misdemeanor and is grounds for the suspension or revocation of the bar's liquor control license or retail wine or beer permit.

HF 2522 - Praecipies

DV

Sheriffs

A "praecipe" is an order to a clerk of court to issue an execution on a judgment. Under a 2005 law change, counties had to pay \$25 up front to the clerk of court in order to file a praecipe. This bill exempts counties from paying the up front fee. The clerk of court is now to take the \$25 out as additional court costs from any amount collected.

HF 2562 - Investigative Reports

DV

County Attorneys, Sheriffs

This bill specifically expands the confidentiality of peace officers' investigative reports to include email and telephone billing records of law enforcement agencies, as long as that information is part of an ongoing investigation. The e-mail

and telephone billing records of law enforcement agencies may be kept confidential only for as long as the statute of limitations would have run on a crime that is under investigation.

HF 2571 - Confidentiality of Intelligence Assessment and Data - See *Environment and Public Health*

HF 2665 - Line-of-Duty Death Benefit - See *County Administration and Organization*

HF 2695 - Forcible Entry and Detainer

DV

Sheriffs

This bill amends Iowa Code §648.10, which allows a petitioner to resort to service by publication following an attempt at personal service of a petition for forcible entry and detainer. Under the bill, personal service of the petition no longer has to be made exclusively by the sheriff; it can be made by any qualified individual.

HF 2696 - Disposal of Controlled Substances

JS

County Attorneys, Sheriffs

This bill allows law enforcement agencies to destroy large quantities of seized controlled substances under certain conditions. The bill requires agencies to retain for evidence purposes at least ten pounds of any marijuana seized and at least one pound of any other controlled substance seized. The bill requires agencies to photograph the controlled substance prior to destruction and prepare a written report detailing any relevant information about the destruction of the controlled substance. Additionally, agencies are required to notify any person arrested, attorney of record or other law enforcement agency involved in the seizure. Such persons are allowed to be present at the photographing of the controlled substance to be destroyed, and they may also file an application with the district court resisting the destruction of the controlled substance. Finally, the bill creates a rebuttal presumption that the portion of the controlled substance retained and any photographs and records made under this section and properly identified are admissible in any court proceeding for any purpose for which the destroyed controlled substance would have been admissible.

HF 2697 - Jail Medical Costs

JS

Sheriffs, Supervisors

This bill allows a county jail or municipal holding facility to charge a prisoner for any medical aid provided to that prisoner while in the custody of the county sheriff or municipality. Current law allows only administrative costs related to the arrest and booking and room and board costs to be charged to the prisoner.

HF 2768 - State Medical Examiner Fees

DV

County Attorneys, Sheriffs

This bill requires the state medical examiner to collect and retain fees for "medical examiner facility expenses and services related to tissue recovery." All fees collected remain with

PUBLIC SAFETY

the state medical examiner and do not revert to the general fund.

HF 2786 - Mortgage Foreclosures

DV

Sheriffs

This bill amends Iowa Code §626.80 related to sheriffs' sales. It provides that a party who has appeared in a foreclosure may submit a written bid, which shall include a facsimile number or electronic mail address, where the party can be notified of the results of the sale. If a party submitting a winning written bid does not pay the amount of the bid in certified funds in the manner in which the sheriff directs, either within 24 hours of notification of the sale results for an electronic funds transfer or 48 hours otherwise, such bid shall be deemed canceled and the sheriff shall certify the next highest bidder as the successful bidder of the sale.

A sheriff may refuse to accept written bids from a bidder other than the judgment creditor if the bidder or the bidder's agent in the action has demonstrated a "pattern of nonpayment on previously accepted bids."

HF 2789 - Criminal Fines

DV

County Attorneys, Sheriffs

This bill raises the hourly compensation for indigent defense cases and the minimum and maximum fine levels for certain offenses. As of July 1, 2006, the bill increases compensation for indigent defense cases involving Class A felonies from \$60 to \$65; for cases involving Class B felonies from \$55 to \$60; for cases involving misdemeanors from \$50 to \$60; and for all other cases from \$50 to \$55. The bill raises the minimum fine for simple misdemeanors from \$50 to \$65 and the maximum from \$500 to \$625. It also raises the minimum fine for serious misdemeanors from \$250 to \$315 and the maximum from \$1,500 to \$1,875.

SF 2219 - Human Trafficking

DV

Sheriffs

This bill requires the Iowa Law Enforcement Academy to provide training on the subject of human trafficking. It provides that a person who knowingly engages in human trafficking commits a class "D" felony. It also requests the Legislative Council to authorize an interim committee to conduct a study on human trafficking; the study would identify the needs of law enforcement in serving victims of human trafficking and would address other related issues.

SF 2285 - Distribution of Pre-Sentence Investigation Reports

JS

County Attorneys

A pre-sentence investigation report is a report detailing a criminal defendant's criminal and social history. This bill requires the court to provide access to the pre-sentence investigation report to the defendant's attorney and the county attorney at least three days prior to the sentencing hearing. Current law requires only that the court send a copy of the report by mail or

electronic means to the attorneys at least three days prior to the hearing.

SF 2304 - Indigent Defense Fund - See *County Administration & Organization*

SF 2327 - County Attorney Access to Confidential Information

JS

County Attorneys

This bill allows employees of a county attorney's office to have access to confidential arrest warrant information prior to the person being arrested. Previously, access was granted only to a peace officer, magistrate or other court employee.

SF 2362 - Involuntary Hospitalization Proceedings - See *Human Services*

TAXATION & FINANCE

HF 537 - Public Fund Investments - See *County Administration & Organization*

HF 729 - Iowa Public Employees Retirement System - See *County Administration & Organization*

HF 2245 - Iowa Public Employees Retirement System for Law Enforcement - See *County Administration & Organization*

HF 2330 - Mental Health Growth Formula Adjustment - See *Human Services*

HF 2633 - Waste Glass Recycling Exemption
JS Assessors

This bill makes recycling property that converts waste glass into new raw materials or products composed primarily of recycled material eligible for exemption from property taxation.

HF 2654 - County Treasurers' Duties
JE Treasurers

This bill makes various changes relating to the duties of county treasurers in relation to motor vehicles and property taxation.

The bill provides that the county treasurer is required to produce and count in the presence of an examining officer all moneys and funds on deposit in the safe or vault in the treasurer's office only if requested to do so by the board of supervisors.

The bill permits a firm, association or corporation that owns vehicles in more than one county to register a vehicle in the county where the primary user of the vehicle is located, rather than in the county of the owner's residence.

The bill clarifies registration provisions applying to owners of more than fifty commercial vehicles.

The bill eliminates an obsolete requirement that certificates of title and registration receipts for rebuilt vehicles and for wrecked or salvage vehicles that have been repaired be stamped with the rebuilt or salvage designation; the designation is now printed electronically by the vehicle registration and titling system.

The bill extends the period of time that a vehicle may be operated pending receipt of registration plates from 45 days to 60 days. Since current law allows vehicle dealers 30 days to forward an application for registration and title to the county treasurer, the bill extends the amount of time county treasurers have to issue the registration and title from a minimum of 15 days to a minimum of 30 days.

The bill authorizes county treasurers to revoke a person's vehicle registration if the registration fees are paid by an

electronic payment or credit card that is not honored by the person's financial institution or credit card company; such revocation is currently allowed for dishonored checks.

The bill permits prorated refunds of vehicle registration fees for travel trailers and fifth-wheel travel trailers when the vehicles are sold. Since these vehicles are not classified as motor vehicles, they are not covered under the current refunding provisions applicable to motor vehicles.

The bill allows funeral procession escort vehicles to display flashing or revolving red and amber lights visible to pedestrians in all directions. It also updates the Iowa Code with regard to funeral establishments in charge of funeral processions.

The bill increases from \$10 to \$20 the fee required to be collected by the county treasurer for issuance of a tax sale certificate and strikes the \$10 fee required to be collected for issuance of a certificate of redemption from tax sale.

The bill requires county treasurers to destroy mobile home and manufactured home tax lists after ten years have elapsed since the list was created. It also provides that county treasurers may dispose of the record of a suspended tax after ten years from the date of payment, abatement or cancellation of the suspended tax.

The bill allows a county treasurer's office that participates in driver licensing to create a deputy position for the person in charge of driver's license issuance.

The bill provides that a county treasurer is not required to publish a listing of warrants outstanding if the county issues checks in lieu of warrants and there are no remaining outstanding warrants issued by the county.

The bill specifies that the provision allowing taxes to be paid in two installments applies to property taxes and not to special assessments, rates or charges. It also provides that a notice of delinquency shall be mailed for all delinquent taxes, which includes special assessments, rates and charges.

The bill provides that if May 1 is a Saturday or Sunday, the notice of the annual tax sale shall be mailed not later than the first business day of May.

The bill provides that a county may adopt an ordinance providing for a public nuisance tax sale held on the same day as the annual tax sale. Parcels with delinquent taxes that may be offered for sale at the public nuisance tax sale are parcels that are abandoned property and that are assessed as residential property or commercial multifamily housing property, if the county or city has declared that the parcel is, or is likely to become, a public nuisance and that the parcel is suitable for use as housing following rehabilitation. A prospective bidder at a public nuisance tax sale is required to enter into an agreement with the county

TAXATION & FINANCE

or city stating that the bidder intends to rehabilitate the property for housing.

Current law provides that the holder of a tax sale certificate has three years from the date of issuance to take action to obtain a tax deed; if no action is taken during that time period, the sale is canceled. Current law also provides that when a tax sale certificate is assigned by a county, the three-year time period starts running from the date the assignment is recorded on the county system. The bill provides that in the case of public nuisance tax sale certificates issued or assigned, the time period to take action to obtain a tax deed is one year.

The bill provides that payment of taxes on a parcel by someone other than the taxpayer and subsequent to the issuance of a tax sale certificate for delinquent taxes on the parcel must be received by the county treasurer no later than 5:00 p.m. on the last business day of the month for interest for that month to be added to the redemption amount. The bill also specifies that the date of postmark of a subsequent payment shall not be used by a treasurer to determine whether interest on the subsequent payment should accrue.

The bill provides that a redemption payment must be received by the county treasurer on or before the last day of the month to avoid additional interest being added to the redemption amount. If the last day of the month is a Saturday, Sunday or holiday, the redemption payment must be received by the close of business on the first business day of the following month.

Current law provides that after a certain period of time has passed, a tax sale certificate holder is required to provide a notice of redemption to the owner of the property stating that if the amount necessary to redeem the property is not paid within ninety days, a tax deed for the property shall be issued to the tax sale certificate holder. The bill provides that if the 90th day of the redemption period falls on a Saturday, Sunday or holiday, the redemption amount must be received by the county treasurer before the close of business on the first business day following the 90th day. The bill also specifies that the date of postmark of a redemption payment shall not be used by a treasurer to determine time of payment.

The provisions of the bill relating to counting money in the presence of an examining officer, revoking registration if an electronic payment is not honored, fees relating to tax sale certificates, and publishing a list of warrants are effective upon enactment. The provisions relating to the 5:00 pm deadline for paying delinquent taxes and extending deadlines when the original deadline falls on a weekend or holiday are effective upon enactment and apply to tax sales held on or after June 1, 2006. The provision relating to prorated refunds for certain trailers is effective January 1, 2007. The provision extending the number of days treasurers have to issue a registration and title is effective July 1, 2007.

HF 2731 - Withholding Tax Credit Pilot Project

JS

Auditors, Supervisors

This bill allows four pilot project cities to assist in funding projects in their urban renewal areas by means of a targeted jobs credit from withholding taxes. Businesses must create ten new jobs or make \$500,000 in capital investment within an urban renewal area to be eligible. The credit is equal to three percent of the amount of gross wages paid for eligible jobs. The credit is to be paid to the pilot project city to be used to pay for debts incurred or assistance provided by the city for urban renewal projects. (In essence, the bill creates a new type of TIF arrangement in which the debt is retired with revenue from the withholding tax credit, rather than the incremental property taxes.) A city must match the credit dollar-for-dollar and use the match for the business projects. A city must apply by October 1, 2006, to be eligible to be designated as a pilot project city; cities must be located in border counties to be eligible.

HF 2751 - Military Service Property Tax Exemption

JS

Assessors

This bill reduces from three years to 18 months the length of active duty service required for veterans of the United States armed forces to be eligible to receive the military service property tax exemption. The bill waives the minimum 18-month active duty service requirement if a veteran is honorably discharged because of a service-related injury. Finally, the bill requires state funding of the expanded exemption.

The bill is effective upon enactment and applies to fiscal years beginning on or after July 1, 2006.

HF 2764 - Schools Sharing TIF Revenue

JS

Auditors, Recorders, Treasurers

This bill allows contiguous school districts to enter into 28E agreements to share tax revenue collected on TIF increment valuation that has been released by the municipality back to a school district. The bill stipulates that the school district in which the taxes are generated shall transfer the taxes to the other school district as provided in the agreement. The original draft of the bill required the county auditor to administer the tax-sharing as provided in the agreement, but that provision was deleted.

HF 2774 - City Trust and Agency Fund

JS

Auditors, Supervisors

Current law allows cities to establish "trust and agency funds" to account for the payment of pension and related employee benefits. Current law also allows cities to make contributions to alternate retirement systems for certain employees in lieu of making contributions to the trust and agency fund. This bill allows cities who contract with other government entities for the provision of public safety services (including police and fire protection, ambulance, and hazardous materials response) to contribute to pension and related employee benefits for personnel of the other

TAXATION & FINANCE

government entity in an amount not to exceed what the other entity would otherwise contribute for those benefits.

HF 2777 - TIF Debt Reporting

JS

Auditors

This bill requires municipalities to file separate debt certifications for each urban renewal area (rather than for the municipality in total) and include on the certifications the date each debt was originally approved by the municipality. It also specifies that a municipality shall certify debt to the county auditor only once – not annually as is sometimes being done now. Under the bill, TIF entities would certify debt to the auditor, who would then provide for the division of taxes in each subsequent year “without further certification” until the debt is paid off. TIF entities would file new debt certifications with the auditor only if new debt is incurred or if previously incurred debt is paid off with non-TIF revenues or otherwise reduced.

HF 2791 - Gambling Tax Distributions to Community Foundations

JS

All County Officials

This bill relates to the county endowment fund and Endow Iowa tax credits. Currently 0.5% of gambling tax revenues is deposited in the county endowment fund and allocated to eligible community foundations in counties that do not have a casino. The community foundations then distribute 75% of their allocation as grants for charitable purposes in the county and retain 25% to establish a permanent endowment fund. This bill increases the percentage of gambling tax revenues deposited in the county endowment fund to 0.8%. Further, it requires community foundations, when awarding grants to charities, to “give special consideration to grants for projects that include significant vertical infrastructure components designed to enhance quality of life aspects within local communities.” The bill also requires all charitable organizations that receive grants to have their governing bodies approve all expenditures of grant moneys and submit to a state audit upon request. Finally, the bill dedicates a total of 0.2% of the gambling tax revenues to cultural grants, regional tourism marketing and the Endow Iowa tax credit.

The bill is effective July 1, 2007.

HF 2792 - Education Policy and Finance

JS

Assessors, Auditors, Supervisors

This bill is primarily about education policy and finance reform; however, there are a few provisions that should interest counties. The bill creates a new form of state aid to school districts called adjusted additional property tax levy aid. The purpose of the assistance is to equalize property tax levy rates among school districts. The bill appropriates \$6 million in FY07; \$12 million in FY08; \$18 million in FY09; and \$24 million in FY10 and beyond, all of which is to be directed to so-called “property poor” school districts that have additional levy rates above the statewide average.

The bill calls for the Department of Management to annually calculate a statewide maximum adjusted additional property tax levy rate and to allocate the new funding to school districts above that rate. The bill creates an interim study committee to monitor the new funding mechanism and to “develop one or more proposals that will equalize property tax rates applicable pursuant to the basic school foundation aid formula.” The committee shall meet over the 2006 and 2007 interims and shall file its report with the General Assembly by January 1, 2008. The committee membership outlined in the bill does not include county officials, but does allow the legislative council or the chairpersons of the study committee to identify other interested parties to add to the committee at a later date.

The bill also makes a couple of changes to local option sales tax (LOST) policy. Under current law a county with a LOST imposed pursuant to Iowa Code chapter 423B may expend the money for “any lawful purpose.” This bill prohibits a county from spending LOST revenue “for the benefit of a school district located in whole or in part in the county unless” there is also a school local option tax imposed pursuant to Iowa Code chapter 423E currently in place in the county; this provision does not currently affect any counties. The bill also stipulates that school districts that are located in a county that votes to impose a school local option tax pursuant to Iowa Code chapter 423E on or before July 1, 2008, shall receive their full allocation of the school LOST revenue for half the duration of the tax authorized by voters; for the second half of the authorized duration, the money generated shall be deposited in the statewide pool of school LOST dollars and the districts shall receive their guaranteed school infrastructure amounts.

The provisions of the bill relating to adjusted additional property tax levy aid and local option sales taxes (including all provisions summarized above) are effective upon enactment.

HF 2794 - Tax Policy and Administration

JS

*Assessors, Auditors, Recorders,
Supervisors, Treasurers*

This bill makes a number of changes to income, sales and property tax policy and administration. Regarding property tax, the bill strikes a requirement that the Department of Revenue send a pamphlet explaining the state’s revenue laws to county auditors, assessors and boards of review. The bill allows a person occupying a home as a member of a community land trust to receive the homestead property tax credit, as long as the person is liable for and pays the property taxes. The bill exempts from taxation property owned by a city or county that is located at an airport and leased to a fixed base operator providing aeronautical services to the public. It also exempts car wash equipment, including equipment used for washing, waxing, drying or vacuuming motor vehicles and point of sale equipment used to purchase a car wash. The bill stipulates that certain dwelling unit property located in Linn County and owned and managed by a nonprofit organiza-

TAXATION & FINANCE

tion does not have to file for a property tax exemption in 2005 or 2006 to receive the exemption for those years; for 2007 and subsequent years, the application must be filed by February 1, and once the application is originally filed and allowed, further filing is not required. The bill requires taxpayers to file a notice of appeal to district court with the local board of review and with the property assessment appeal board once they file the appeal with the district court. The bill stipulates that if a city provides for a transition of city taxes against property in an annexation area, all properties in the area shall receive the transition.

Regarding sales tax, the bill exempts from taxation the sale of goods and services to home and community-based service providers certified to offer Medicaid waiver services. The bill authorizes contiguous counties to enter into joint agreements relating to local option sales tax elections. Under such an agreement, a city whose boundaries cover more than one county would be treated as part of the county where a majority of the city's residents reside. For elections conducted under a joint agreement, all cities contiguous to each other shall be treated as one incorporated area, even if the corporate boundaries of one or more cities include areas of more than one county. That means that the tax will be imposed in the area only if a majority of those voting in the total area favor the tax imposition.

The bill also makes a few significant policy changes that affect counties. The bill codifies language that prohibits county recorders from collecting any fees for land records management, as well as fees for viewing, accessing or printing documents in the county land records information system (CLRIS), unless those fees are specifically authorized by statute. (Similar language was passed as "session law" in last year's standings bill. Session law is only valid for one year, so this bill codifies the fee prohibition.) The bill also strikes the requirement that the state auditor's office provide staffing services to the county real estate electronic government advisory committee (CREEGAC) and requires the committee to file an updated integration plan with the governor and General Assembly by November 1, 2006. Finally, the bill creates an income tax check-off for the Iowa election campaign fund.

The provision of the bill relating to homestead credit eligibility is effective upon enactment and applies to taxes due and payable beginning July 1, 2006. The provision of the bill exempting car wash equipment is effective upon enactment and applies retroactively to all assessment years beginning on or after January 1, 2006. The provision of the bill relating to a property tax exemption for certain dwelling unit property is repealed by HF 2792 (Education Policy and Finance); similar language was enacted in HF 2797 (Standing Appropriations) and amended by HF 2792.

SF 2147 - Enterprise Zone Eligibility

JS

Supervisors

This bill allows businesses that are only partially located within an enterprise zone to be eligible for all the incen-

tives under the enterprise zone program, as long as the business is located on contiguous land.

The bill is effective upon enactment.

SF 2183 - Enterprise Zone Regulation

JS

Supervisors

This bill makes changes to enterprise zone regulations and allows the creation of two new types of enterprise zones. The bill strikes the requirement that a city have a population of at least 24,000 in order to be able to create an enterprise zone. Instead, it requires a city to include at least three census tracts with at least 50% of the population in each tract located in the city to be eligible. The bill allows counties and cities to apply to the Department of Economic Development (DED) for an area to be certified as an enterprise zone up until July 1, 2010; the previous deadline was March 1, 2006. The bill allows existing enterprise zones in eligible cities and counties meeting certain distress criteria to receive a one-time ten-year extension of their certification upon application to DED. If a city or county previously created an enterprise zone but is no longer eligible to create a new zone, the city or county may request a one-time extension of existing enterprise zone certification that lasts until one year after the 2010 federal census is published.

The bill allows cities to create economic development enterprise zones of up to four square miles in area if the zone meets certain distress criteria. The bill limits incentives for such enterprise zones to no more than \$25 million annually for each fiscal year from FY08 to FY10. The bill also allows cities to create transportation enterprise zones of up to four square miles in area if the zone includes or is located within four miles of at least three major transportation landmarks; major transportation landmarks include a commercial service airport, a barge terminal or navigable waterway, entry to a rail line, entry to an interstate highway, or entry to a commercial and industrial highway network. Finally, the bill requires DED to report to the General Assembly on the impact of the enterprise zone program on Iowa's economy.

The provisions of the bill relating to one-time extensions of certain enterprise zones are effective upon enactment and apply retroactively to May 14, 1997. The remainder of the bill is effective upon enactment and applies retroactively to March 1, 2006.

SF 2272 - School Financial Information

JS

Auditors, Supervisors, Zoning

This bill is primarily about education policy reforms. However, there are a few provisions that affect counties. The bill requires school boards to provide a complete list of outstanding levies to the public before submitting a levy for voter approval or approving a levy directly. This information must be posted on the school district's website or posted in specific locations if the district lacks a website. The bill

TAXATION & FINANCE

also requires school boards to develop, maintain and distribute a financial report on an annual basis. The report is to list information related to property taxes, income surtaxes, local option sales taxes, per pupil funding and spending, teacher salaries, and other related information. Finally, the bill requires school districts that use local option sales tax revenue to fund infrastructure projects to comply with the state building code if no local building code is in place.

SF 2299 - Regulation of Public Funds in Credit Unions

JE

Treasurers

This bill addresses the deposit of public funds in credit unions. Before a public officer can deposit public funds in a credit union in excess of the amount federally insured, the public officer is required to obtain security for the deposit. The credit union may deposit securities for the benefit of the public officer including those secured or guaranteed by a corporate central credit union or a corporate credit union. Further, a credit union that receives public funds is required to pledge securities owned by the credit union. The bill provides that these securities may be pledged by deposit with a corporate central credit union or a corporate credit union pursuant to a bailment agreement or a pledge custody agreement. A corporate central credit union or a corporate credit union then must comply with reporting requirements. A corporate central credit union and a corporate credit union are organized primarily to provide financial services to the federal and state credit unions that are members of the corporate central credit union or the corporate credit union.

The bill eliminates a requirement that a member must comply with changes in the par value of the share in order to continue membership in the credit union.

The bill specifies that a credit union is not required to preserve its records for a period longer than 11 years after the first day of January of the year following the time of the making or filing of the record. Further, the bill provides that account records showing unpaid balances due to depositors cannot be destroyed.

SF 2391 - Concrete Equipment Exemption

JS

Assessors

This bill exempts concrete batch plants and hot mix asphalt facilities from property taxation. A concrete batch plant is defined as "the machinery, equipment, and fixtures used at a concrete mixing facility to process cement dry additive and other raw materials into concrete."

The bill is effective upon enactment and applies retroactively to assessment years beginning on or after January 1, 2006.

SF 2399 - Renewable Energy Tax Credits

JS

Assessors, Auditors, Supervisors, Treasurers

This bill makes changes relating to the renewable energy tax credit and the wind energy production tax credit. The wind energy production credit is of particular importance to counties because legislation passed in 2005 requires boards of supervisors to approve the credit and, in so doing, allow the property taxes levied on the wind energy property to be transferred to the state to fund the credit. There is no property tax credit transfer for the (non-wind) renewable energy credit. The bill doubles the amount of credits available under both programs from 100 megawatts (MW) to 200 MW – 180 MW for wind and 20 MW for other renewable energy sources. The bill extends the eligibility deadline for the wind energy production credit by one year to allow facilities that are initially placed in service before July 1, 2009, to be eligible for the credit. Current law provides that qualified facilities must be operational within 18 months after receiving approval from the Utilities Board to remain eligible for the credit; this bill extends that deadline to 30 months if the delay in becoming operational is due to unavailability of equipment. The bill requires the Utilities Board to create a waiting list for facilities that would be eligible for the credit but for the maximum capacity restriction of 200 MW; if additional capacity subsequently becomes available, the utilities board is to grant approval to facilities based on the priority of the waiting list. The bill prohibits a person who owns at least 51% of a qualified facility from owning more than 10% of another eligible facility. Finally, the bill requires the Utilities Board to conduct a study of the transmission of electricity in Iowa.

The provision of the bill related to a study of the transmission of electricity is effective July 1, 2006; the remainder of the bill is effective January 1, 2007.

SF 2402 - Soy-Based Transformer Fluid Tax Credit

JS

Auditors, Supervisors

This bill provides a soy-based transformer fluid tax credit under individual and corporate income tax, sales and use tax, and - most important to counties - utility excise replacement taxes. The credit is limited to \$2 per gallon and to 20,000 gallons per electric utility. The total amount of gallons eligible for the credit may not exceed 60,000, which means the total cost of the credit will not exceed \$120,000. The credit applies to tax years ending after June 30, 2006, and beginning before January 1, 2008. The credit is repealed December 31, 2008.

TRANSPORTATION

HF 2362 - Salvage Vehicle Titles

JE

Treasurers

In order to clean and protect the environment, this bill creates the "Mercury-Free Vehicle Act." The bill provides a process for the removal and disposal of mercury switches from end-of-life-vehicles.

The bill also permits a motor vehicle dealer or recycler to reassign a salvage title to another dealer or recycler, or to any other person, without first obtaining a new salvage certificate of title. Under current law a motor vehicle dealer or recycler who accepts assignment of title for a wrecked or salvage motor vehicle must apply to the county treasurer and pay a \$2 fee for issuance of a new salvage certificate of title prior to transferring ownership of the vehicle to another party. This change will save the dealer or recycler the \$2 fee and a trip to the treasurer's office.

HF 2515 - Obstructions in Roadways

JE

Engineers, Supervisors

This bill reorganizes much of existing Iowa Code chapter 319, pertaining to obstructions in highways, into new Iowa Code chapter 318; it also adds some new provisions. The bill provides a purpose section and definitions for the new chapter. The bill lists actions that are prohibited obstructions; it provides that an obstruction creates a public nuisance punishable under Iowa Code chapter 657 pertaining to nuisances. The bill also addresses utility structures located in a highway right-of-way. The bill also provides amendments to other Iowa Code sections to conform to the new Iowa Code chapter, and it repeals Iowa Code chapter 319.

HF 2525 - Department of Transportation

JE

Engineers, Sheriffs, Supervisors, Treasurers

This bill makes changes relating to administrative duties of the state Department of Transportation (DOT), administration of highways and regulation of motor vehicles.

The bill removes restrictions on the placement of official signs within an adjacent area or in the right-of-way of a primary highway; the erection of such official signage by a public officer or agency will no longer require a permit from the DOT.

The bill requires the DOT, counties, cities and other public entities having jurisdiction over public roads to each be responsible for safety inspection and evaluation of highway bridges under the entity's jurisdiction pursuant to the national bridge inspection standards.

The bill requires the director to present the DOT's proposed budget to the state transportation commission before December 31 each year.

The bill strikes the definition and use of the term "trailer coach" from Iowa Code chapters 321 and 326.

The bill amends the definitions of "motorized bicycle" and "bicycle" in Iowa Code §321.1 to specify that a device with pedals and a one-horsepower electric motor is a bicycle, rather than a motorized bicycle, for purposes of motor vehicle regulation. The bill deletes the defined term "motor bicycle" from the Iowa Code in favor of the term "motorized bicycle." The bill clarifies that only vehicles certified and labeled as meeting federal motor vehicle safety standards are eligible for registration and titling in this state.

The bill exempts temporary undercarriages used solely to transport manufactured and modular homes from vehicle registration requirements.

The bill provides that when a motor vehicle registration plate is lost during a documented accident, the county treasurer or the DOT may waive the \$5 fee for a replacement plate.

The bill allows registration fee refunds to be made to lessees who have surrendered their vehicles upon termination of a lease. In addition, the bill provides that a lessee who purchases a vehicle upon termination of the lease has 30 days to claim a registration fee credit and assignment of the registration plates from the lessor. Currently the deadline for filing such a claim is 15 days from the date of purchase. The bill allows a dealer that leases vehicles to transport those vehicles for delivery to an owner or to auction using special dealer registration plates.

The bill exempts salvage vehicles with a gross vehicle weight rating of 30,000 pounds or more from the salvage theft examination and certificate required for regular titling after the vehicle has been repaired.

The bill exempts from commercial driver licensing requirements farmers and persons working for a farmer when operating a commercial motor vehicle controlled by the farmer within 150 miles of the farm. Current law requires that the commercial motor vehicle be owned by the farmer.

The bill extends the period of validity of driver instruction permits from two years to four years for both minor and adult permittees.

The bill revises the standard for a clean driving record under the graduated driver licensing provisions by focusing on violations rather than convictions. The bill requires that a permittee be accident- and violation-free for six months immediately preceding application for an intermediate license and that an intermediate licensee be accident- and violation-free during the 12-month period preceding application for a full license; the same standards apply to a person who is in a remedial phase of the graduated licensing program. The bill broadens the scope of the remedial driver improvement and sanction provisions to in-

TRANSPORTATION

clude persons who have been issued a full driver's license at age 17.

The bill prohibits a person who has been issued a commercial driver's instruction permit from operating a commercial vehicle transporting certain hazardous materials. The bill requires a person who applies for issuance, renewal or upgrading of a commercial driver's license to identify all states where the applicant has been licensed to drive during the previous 10 years.

The bill expressly prohibits the use of a social security number as the distinguishing number on a driver's license or non-operator's identification card. Currently the social security number may be used at the option of the licensee or card holder.

The bill corrects language relating to commercial driver's license sanctions mandated by federal law providing that if a person is found by conviction or final administrative action to have committed a felony or aggravated misdemeanor involving the use of any motor vehicle while the person held a commercial driver's license, other than an offense involving manufacturing, distributing or dispensing a controlled substance, the person is disqualified from operating a commercial motor vehicle for one year.

The bill clarifies that a trailer, semi-trailer or travel trailer with a gross weight of 3,000 pounds or more must be equipped with either a separate, auxiliary means of applying the brakes from the cab of the towing vehicle or with self-actuating brakes.

The bill increases the maximum length allowed for a combination of four vehicles consisting of power units saddle-mounted on other power units to 97 feet from the current maximum of 75 feet. In addition, the bill provides a maximum length of 85 feet for a tow-away trailer-transporter combination, which is a combination of vehicles consisting of a towing vehicle and two un-laden trailers or semi-trailers that are inventory property of a manufacturer and are being transported by the manufacturer to a distributor or dealer. Currently Iowa law allows a maximum overall length of 75 feet for such a combination of vehicles. The extension of the maximum length for tow-away trailer-transporter combinations is subject to the passage of federal law that would permit the 85-foot limit.

The bill provides that property damage of \$1,000 or more sustained in a motor vehicle accident triggers the security requirements under the motor vehicle financial responsibility law. Under current law the damage amount must be in excess of \$1,000. This change makes the damage amount consistent with the amount requiring submission of an accident report under Iowa Code §321.266.

The bill modifies the application requirements for a "persons with disabilities parking permit" by requiring the applicant's Iowa driver's license or non-operator's identi-

cation card number or the applicant's social security number, which is currently required.

The bill removes an obsolete reference to licensed school bus manufacturers in Iowa Code §322.2 relating to motor vehicle dealer regulation.

The bill allows the DOT to issue multiple consecutive temporary permits to motor vehicle manufacturers, distributors and dealers; manufactured and mobile home retailers; and travel trailer dealers to do business at fairs, shows and exhibitions. Each permit is issued for 14 days for a fee of \$10.

The bill eliminates licensing requirements for used motor vehicle distributors and wholesalers.

The last part of the bill concerns the licensing of motor vehicle dealers, manufacturers, distributors and wholesalers; authorized vehicle recyclers; persons engaged in the business of leasing vehicles; manufactured or mobile home retailers and manufacturers; and travel trailer dealers, manufacturers and distributors. The bill provides that effective January 1, 2007, licenses for these entities would all be issued for two-year periods that begin on January 1 of odd-numbered years and end on December 31 of even-numbered years. Currently some licenses are issued for two, four or six years and some are issued for one year. License fees are not changed, but the fees would be collected in two-year increments. The two-year period would also apply to the fees for distinguishing numbers and special registration plates issued to vehicle dealers, transporters and manufacturers. Licensees who have paid fees based on longer licensing periods prior to January 1, 2007, would be credited for the excess fees.

The provisions relating to bicycles and motorized bicycles, the provision allowing only federally certified vehicles to be registered and titled in Iowa, and the provisions relating to uniform 2-year license terms are effective upon enactment.

HF 2569 - Operation of All-Terrain Vehicles

JE

Engineers, Recorders

This bill allows the operation of all-terrain vehicles (ATVs) on highways when the vehicle is operated for the purpose of mowing, installing trail signs or providing maintenance of designated trails. Current law prohibits ATV operation on highways except for purposes of agriculture, surveying, highway construction or maintenance, or emergency services.

HF 2654 - County Treasurers' Duties - See Taxation & Finance

HF 2754 - Bio-Diesel Fuels

JE

Engineers, Supervisors

This bill establishes a renewable motor fuel goal of 25% by the year 2020. Originally there was some concern by

TRANSPORTATION

county officials that the use of bio-diesel fuels by political subdivisions would be required by the state. That requirement never materialized so the summary below is very general.

The bill creates the mechanism for financial incentives for both bio-diesel mixing facilities and additional E-85 retail facilities; those incentives are funded through a companion bill, HF 2759. This bill extends the current 2.5 cent over 60% retail tax credits through January 1, 2009. The measure creates new and increased tax credits for fuel retail operators to encourage them to price renewable fuels to make them more competitive. The bill establishes a renewable fuel standard (RFS) and allows achievable goals through a variety of incentive-based provisions. The bill eliminates the excise tax on non-ethanol fuel if the aggregate goals are not reached at designated periods. It contains quality assurance language as to guarantee consumer confidence and industry development. The bill requires accurate advertising and imposes penalties for non-compliance. It allows franchise locations an option in the case of E-85 shortages. The measure allows the governor to adjust the bio-fuel threshold if exigent circumstances exist. The bill extends by two years the RFS for a retailer that sells less than 200,000 gallons of fuel annually.

HF 2759 - Renewable Fuels Infrastructure Fund

JE

Engineers, Supervisors

This bill appropriates \$13 million over three years for E-85 tank and bio-diesel infrastructure grants through the Renewable Fuel Infrastructure Fund. The money comes from a combination of \$3.5 million a year for two years from the Underground Storage Tank Fund and \$2 million per year for three years from the Iowa Values Fund. Those grants are for 50% up to \$30,000 for E-85 tank infrastructure and 50% or \$50,000 for bio-diesel terminal facilities. The bill also transfers a total of \$650,000 from previous legislation for renewable fuels infrastructure. All of the money deposited in the fund and any interest generated is non-reverting.

The bill calls for additional quality assurance and testing mechanisms through a testing schedule and for a significant increase in the number of tested samples. The bill creates a formula for the calculation of tax benefits for retailers that come on-line during a calendar year. The bill also appropriates \$300,000 for two years to the Iowa Department of Agriculture to conduct the additional testing program.

The bill is effective contingent upon the enactment of HF 2754.

SF 2232 - Transportation Appropriations - See Appropriations

SF 2394 - Manufactured and Mobile Home Regulation

JE

Treasurers, Zoning

Currently the Department of Transportation (DOT) administers manufactured and mobile home retailer licensing. This bill transfers administration of the licensing to the state building code commissioner.

The bill provides that a manufactured or mobile home retailer shall pay an annual license fee of \$100; currently the license fee is \$70 for a two-year license, \$140 for a four-year license and \$210 for a six-year license. The bill sets the license fee for a manufacturer or distributor of manufactured or mobile homes at \$100; currently the license fee is \$35.

The bill provides that the Department of Public Safety shall retain all fees collected pursuant to the bill and that the fees retained are appropriated to the commissioner to administer the licensing program and the certification program for manufactured or mobile home installers (current law already provides that the installer certification program is administered by the commissioner); the bill allows the commissioner to employ personnel for the enforcement and administration of such programs.

The bill provides that factory-built structures approved by the commissioner shall be deemed to comply with all building regulations applicable to its manufacture and installation and shall be exempt from any other state building regulations.

The bill eliminates a provision for temporary permits whereby a licensed manufactured or mobile home retailer may apply and pay a \$10 fee to obtain a temporary permit to display and offer new manufactured homes for sale and negotiate sales of such homes at fairs, shows and exhibitions. The bill also eliminates a provision that requires licensed manufactured or mobile home retailers to obtain special plates from the DOT to transport and deliver mobile homes or manufactured homes on the state's highways.

The bill clarifies language regarding utility service connections for the installation of a manufactured or mobile home. It also includes conforming amendments and a transition provision; the DOT must refund any portion of the retailer licensing fee that remains unexpired as of January 1, 2007, to the licensed manufactured or mobile home retailer that paid the fee.

The provisions of the bill regarding utility service connections and factory-built structures are effective upon enactment; the remainder of the bill is effective January 1, 2007.

APPROPRIATIONS

HF 2080 - Veterans Programs Appropriations

JS

Supervisors, Veterans Affairs

This bill amends the 2005 Iowa Acts and makes new appropriations for veterans programs for FY07.

For a veterans appreciation program to provide hardship grants to military veterans seriously injured in a combat zone since September 11, 2001 \$1,000,000
For continuation of the home ownership assistance program for eligible veterans \$2,000,000

The bill is effective upon enactment.

HF 2238 - Federal Block Grant Appropriations

JS

All County Officials

This bill appropriates funds made available from federal block grants for the federal fiscal year beginning October 1, 2006, to various state departments and agencies.

To the Department of Economic Development \$29,258,000 (-\$2,000)
For community development appropriations

To the Department of Human Rights \$6,858,167 (+\$1,276)
For community services \$34,572,452 (+\$2,342)
For low-income home energy assistance

To the Department of Human Services \$3,699,900 (-\$4,998)
For community mental health services \$16,902,644 (-\$313,565)
For social services \$7,595,881 (-\$140,912)
 • MH/MR/DD/BI community services (local purchase) \$40,426,890 (-\$419,830)
For child care and development

To the Department of Justice \$1,446,000 (-\$25,000)
For the stop violence against women program

To the Department of Public Health \$13,613,905 (-\$27,536)
For substance abuse treatment and prevention \$6,737,839 (-\$22,294)
For maternal and child health services \$1,342,075 (-\$158,368)
For preventive health and health services

HF 2459 - Economic Development Appropriations

JS, LH

All County Officials

This bill makes appropriations for various economic development programs for FY07 and contains related policy provisions.

To the Department of Economic Development \$5,654,173 (+\$120,622)
For community development programs \$6,215,394 (+\$130,894)
For business development programs
 • The Department of Economic Development may provide grants to community economic development entities for conducting local workforce recruitment efforts.
For the Rural Community 2000 program
 • For financial assistance to councils of government \$150,000 (no change)
 • For rural development programs \$120,000 (no change)

To the workforce development fund \$4,000,000 (no change)
To the Department of Workforce Development (DWD) \$5,278,800
 • DWD shall maintain pilot immigration service centers to deal with multiple issues related to immigration and employment.
 • The bill allows the \$65 filing fee for workers' compensation cases to be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship.

APPROPRIATIONS

- The bill requires the Legislative Services Agency to conduct an annual review of salaries paid to employees of entities organized under Iowa Code chapter 28E and salaries paid under a contract with DWD.

To the Public Employment Relations Board \$1,030,607

The bill allows up to \$100,000 of money appropriated last year for regional economic development to be used for developing business succession plans. The bill increases the limit on financial assistance to small business development centers from \$20,000 to \$50,000 per fiscal year and requires matching local grants to cover at least 25% of the cost of the center. This provision of the bill is effective upon enactment and applies retroactively to June 9, 2005.

HF 2521 - Administration and Regulation Appropriations

JS, LH

All County Officials

This bill makes appropriations from the state general fund to various administrative and regulatory state agencies for FY07.

To the Iowa Ethics and Campaign Disclosure Board \$497,056 (+\$39,192)

To the Governor's Office of Drug Control Policy \$307,730 (-\$5,465)

- This office shall coordinate substance abuse treatment and prevention efforts in order to avoid duplication of services.

To the Department of Management \$2,244,335 (+\$79,431)

- For statewide property tax administration

To the Secretary of State \$707,942 (+\$47,709)

- For administration and elections

To the Department of Revenue \$23,138,575 (-\$3,484,785)

- For statewide property tax administration, compliance and resource management
- The director shall prepare and issue a state appraisal manual without cost to a city or county.

The bill allows "local government entities" to make use of a centralized debt collection system under the control of the Department of Revenue.

HF 2527 - Education Appropriations

JS, LH

All County Officials

This bill relates to the FY07 funding and operation of the Department of Education and related agencies and programs.

To the Vocational Rehabilitation Services Division

- For general operations \$5,034,655 (+\$559,605)
- For programs for persons with severe physical or mental disabilities \$54,421 (+\$271)
 - Highest priority shall be given to programs focusing on finding and maintaining employment for persons with disabilities.

To the Iowa Empowerment Fund

- For school ready children grants \$23,781,594 (no change)

The bill creates the Enrich Iowa program for providing direct state assistance to public libraries based on certain factors. Public libraries must comply with performance measures to be eligible for grants, and the grants are to "supplement, not supplant," current funding.

HF 2540 - Agriculture and Natural Resources Appropriations

JH, JS, LH

All County Officials

This bill makes appropriations for agricultural and natural resources programs for FY07 and includes policy provisions affecting agricultural and natural resources.

To the Department of Agriculture and Land Stewardship

For membership in the Missouri River Authority \$9,535 (no change)

For controlling chronic wasting disease \$100,000

For testing and monitoring avian influenza \$50,000 (no change)

For reimbursing soil and water conservation district commissioners \$250,000 (+\$50,000)

APPROPRIATIONS

- Commissioners must submit a report accounting for the expenses to receive reimbursement.

To the Department of Natural Resources
For groundwater quality \$3,455,832 (no change)
For enforcing snowmobile laws \$100,000 (no change)
For underground storage tank programs \$200,000 (no change)

To Iowa State University
For a water quality research project relating to open feedlots \$50,000 (-\$50,000)

HF 2557 - Judicial Branch Appropriations

DV, JS

All County Officials

This bill makes appropriations from the state general fund to the judicial branch for FY07 and includes related policy provisions.

To the judicial branch, including for clerks of court \$123,237,410 (+\$4,833,128)

- The state court administrator shall approve all district court clerk appointments.
- The bill includes the following language: "It is the intent of the General Assembly that the offices of the clerks of the district court operate in all ninety-nine counties and be accessible to the public as much as is reasonably possible in order to address the relative needs of the citizens of each county."
- The bill requires the judicial branch to "focus efforts upon the collection of delinquent fines, penalties, court costs, fees, surcharges, or similar amounts."

In addition to appropriations, the bill addresses acceptance of electronic records by the judicial branch. It provides that the Iowa Supreme Court "may" draft rules regarding "whether and to what extent" the judicial branch will accept electronic records and electronic signatures from litigants and from other groups, including counties. The bill lists 13 topics that may be addressed via these rules and provides that these rules shall prevail over any other laws or court rules regarding paper records. According to the bill, an electronic record that complies with these rules shall prevail over any law that requires a written record.

HF 2558 - Justice System Appropriations

DV, JS

All County Officials

This bill makes appropriations from the general fund and other funds to the justice system for FY07.

To the Department of Justice
For the investigation and prosecution of environmental crimes \$20,000 (no change)

To the Iowa Law Enforcement Academy (ILEA) \$1,172,389 (+\$97,251)

- The bill allows the ILEA to charge more than one-half the cost of providing the basic training course if a majority of the ILEA council authorizes it, but only until June 30, 2007.
- The bill states the intent of the General Assembly that the ILEA begin providing training to state and local law enforcement personnel regarding the recognition of and response to persons with Alzheimer's disease.

To the Department of Public Defense
For the Homeland Security and Emergency Management Division (HSEMD) \$1,582,029 (+\$409,799)

- The bill appropriates up to \$200,000 from the wireless E-911 emergency communications fund to the HSEMD for the purposes of employing a wireless E-911 administrator and program manager and performing an audit of the fund.

To the Department of Corrections (DOC)
For reimbursement for county confinement of state prisoners \$799,954 (+\$125,000)
For offender mental health and substance abuse treatment \$25,000

The bill allows the DOC, in cooperation with counties, to use inmate labor to clean up roads and water sources around the state; it also allows the DOC, in cooperation with nonprofit or governmental entities, to use inmate labor to restore

APPROPRIATIONS

or preserve rural cemeteries and historical landmarks. The bill requires the DOC to provide a monthly report of private-sector inmate employment to the legislative services agency beginning July 1, 2006. The bill eliminates the requirement that the DOC report the number of days served in jail by an inmate to the clerk of district court from which the inmate was sentenced. Finally, the bill provides that if a county jail is holding a parole violator or an OWI offender who has violated the terms of his assignment to a treatment program, a voucher seeking repayment from the state must be submitted within 15 days of the end of the calendar quarter; if it is not, the request may be denied; previously there had been no deadline.

HF 2734 - Health and Human Services Appropriations

DW, JS, LH

All County Officials

This bill makes appropriations from various sources for human services and public health programs for FY07.

General Fund and Block Grant Appropriations

To the Department of Elder Affairs

For aging programs \$4,262,660 (+\$1,470,544)
• For case management for the frail elderly \$2,788,223

To the Department of Public Health (DPH)

For addictive disorders \$1,761,036 (+\$2,016)

For serving individuals with chronic conditions \$1,742,840

• For a drug donation repository program \$120,000

For strengthening local health care delivery systems \$1,718,662

• For an initiative to expand and improve the workforce engaged in mental health treatment and services

• To the University of Iowa \$159,700

• To the state mental health institute at Cherokee \$140,300

For elderly wellness \$9,233,985 (no change)

For reducing public exposure to environmental hazards \$623,821 (+\$222,013)

• For childhood lead poisoning prevention, testing and remediation \$350,000 (+\$200,000)

For infectious diseases prevention and care \$1,258,230 (+\$180,191)

• For a viral hepatitis program and study, as enacted in HF 2493 \$158,000

For public protection \$7,941,476 (+\$977,440)

• To the emergency medical services fund \$643,500

• For the state medical examiner laboratory \$50,000

For addictive disorders related to gambling \$1,690,000

• \$950,000 of this appropriation is transferred to the DHS for an integrated substance abuse managed care system.

• Persons with a dual diagnosis of substance abuse and gambling addictions shall be given priority in treatment services.

• The DPH is authorized to use any funds remaining in the gambling treatment fund after the above appropriation is distributed for any gambling treatment programs.

To the Department of Veterans Affairs

For general operations \$522,114 (+\$201,397)

For the Iowa Veterans Home \$13,569,501 (-\$2,739,942)

To the Department of Human Services (DHS)

From the Temporary Assistance for Needy Families (TANF) Block Grant

• For MH/DD community services \$4,894,052 (+\$95,073)

• For welfare reform reporting and case management requirements \$1,037,186 (no change)

For Medical Assistance \$652,311,610 (+\$133,271,293)

• For an integrated substance abuse managed care system \$950,000 (no change)

• For pilot projects to assist individuals whose services under EPSDT end \$100,000 (no change)

For the health insurance premium payment program \$634,162 (+\$21,588)

For medical contracts \$14,417,985 (-\$294,000)

For state supplementary assistance \$18,710,335 (-\$1,100,000)

• The bill allows the DHS to carry forward from its FY06 ending balance an amount approximately equal to the \$1.1 million reduction.

For child and family services \$80,945,373 (+\$5,745,373)

• Up to \$37,084,884 is to be used for group foster care maintenance and services.

APPROPRIATIONS

- The DHS shall examine all group foster care placements and identify those that might be appropriate for termination when a service area is at risk of exceeding its expenditure target by more than 5%.
- \$1,510,661 is to be used to provide the state match for 50 highly structured juvenile program beds.
- \$2,500,000 is allocated specifically for de-categorization service funding pools and governance boards; in addition, up to \$1,000,000 of the amount appropriated for child and family services under TANF may be used for de-categorization of child welfare services.
- State funding for shelter care is limited to the amount necessary to fund 273 guaranteed beds and 7 non-guaranteed beds; the DHS shall submit an emergency services plan to identify alternatives to shelter care by December 15, 2006.

To the Juvenile Detention Home Fund

- For grant renewal for implementation of a runaway plan \$80,000 (no change)
- For continuation and expansion of child protection sites \$318,000 (no change)
- For continuation of minority youth and family projects \$375,000 (no change)
- For a substance abuse and mental health services grant \$67,600

For the family support subsidy program \$1,936,434 (no change)

For Conner Decree \$42,623 (no change)

To the state Mental Health Institutes (MHIs) \$21,126,015

- When combined with the appropriation from IowaCare to the MHIs, this is an increase of \$3,015,474 over FY06.

To the State Resource Centers (SRCs) \$22,597,344 (+\$2,947,344)

For MH/MR/DD state cases \$12,486,619 (+\$1,572,000)

For MH/DD community services \$18,017,890

- For the MH/DD community services fund for FY07 \$17,727,890 (no change)
- For the mental health redesign assessment process \$260,000

For Medicaid, state supplementary assistance and provider reimbursement rates

- Generally, the bill increases provider rates for FY07 by 3% over FY06.
- The bill increase the actual and allowable reimbursement rates for juvenile shelter care homes by \$2.59 over the previous year's level. The new rate is \$135.44 per child per day, of which the county pays \$46.65 (no change from FY 2006); the state's share of the cost per day is increased to \$88.79 (+\$2.59 per day).

Senior Living Trust, IowaCare and other Appropriations

To the Department of Elder Affairs

For a comprehensive senior living program \$8,296,730

- For case management for the frail elderly \$2,196,967

To the Department of Human Services

For Medicaid supplement (from senior living trust fund) \$65,000,000 (+\$5,352,891)

For a case-mix acuity-based reimbursement system for ICFs/MR \$150,000

From the IowaCare Account

To the University of Iowa hospitals and clinics \$27,284,584

- The bill also increases the FY06 allocation to the U of I hospitals and clinics by \$10 million, but only if federal funds are available to match the amount allocated.

To Broadlawns Hospital \$40,000,000

- \$37,000,000 shall be allocated in 12 equal monthly payments; excess amounts are allocated only if federal funds are available to match the amount allocated.

To the state Mental Health Institutes \$25,874,211

County MH/MR/DD/BI Allowed Growth Factor Allocations

For distribution to counties of the allowed growth factor for FY07 \$54,189,038 (+\$9,953,788)

- Allowed growth \$12,000,000
- Per capita \$32,125,724
- Community services \$17,727,890
- Withholding target \$7,664,576

Withholding Factors for FY07

- For an ending fund balance of less than 5%, a withholding factor of 0%
 - Counties in this category shall also receive an inflation adjustment factor equal to 3% of the gross expenditures for the fiscal year.
- For an ending fund balance of at least 5% but less than 10%, a withholding factor of 0%
 - Counties in this category shall also receive an inflation adjustment factor equal to 2% of the gross expenditures for the fiscal year.

APPROPRIATIONS

- For an ending fund balance of at least 10% but less than 25%, a withholding factor of 25%
 - The amount withheld shall not exceed the amount by which a county's fund balance exceeds 10%.
- For an ending fund balance of at least 25%, a withholding factor of 100%
- The bill stipulates that if a county borrowed money to provide mental health services on or before July 1, 2005, and the county's fund balance includes loan proceeds or amounts designated to service the loan, those amounts shall not be considered when calculating the ending fund balance under this section.

Miscellaneous Code Changes

The bill includes language regarding blood lead testing. The DPH is required to implement blood lead testing for children under age six who are not eligible for the testing services to be paid by a third-party source.

The bill also makes changes to the IowaCare program. It allows a program member who makes a premium payment for a minimum of four consecutive months during a twelve-month period to be deemed to have met the premium requirement for the subsequent consecutive twelve-month period if the individual makes his or her monthly premium on a month-to-month basis.

HF 2743 - Appropriations from Tobacco Funds

JS, LH

All County Officials

This bill relates to and makes appropriations from the Healthy Iowans Tobacco Trust and the Tobacco Settlement Trust Fund for FY07.

To the Department of Human Services

For children's health insurance	\$200,000 (no change)
To supplement Medicaid	\$35,013,803 (no change)
• For reimbursement of non-institutional Medicaid providers (except anesthesia and dental providers) and to continue the resource-based relative value system of reimbursement based upon the reimbursement rates established for FY07; for reimbursement of dental services, hospitals, home health care services and habilitative day care for children with special needs; for expansion of respite care services provided through home-and-community-based waivers; and for treatment of breast or cervical cancer	
• \$250,000 shall be used to continue the efforts of the Iowa chronic care consortium.	
• The bill also increases the FY06 amount dedicated to the consortium from \$50,000 to \$150,000.	
For child and family services and adoption subsidy services	\$4,257,623

To the Department of Public Health

For tobacco use prevention and control	\$5,928,465 (+\$916,900)
For smoking cessation	\$75,000 (no change)
For substance abuse treatment	\$13,800,000 (+\$2,000,000)
For the Healthy Iowans 2010 plan	\$2,509,960 (no change)
For the automated external defibrillator grant program	\$350,000 (+\$100,000)
• The objective of the program is to enhance the emergency response system in rural areas; this bill defines "rural" to include areas "outside an urban or suburban setting [and] with a population of less than fifty thousand."	
For substance abuse prevention for children	\$1,050,000 (+\$50,000)
• \$500,000 for organizations that use mentors in their programming	
• \$500,000 for programming that includes out-of-school opportunities for character development	

To the Department of Corrections	\$4,046,474 (+\$2,832,474)
For the drug court program	\$1,186,232 (+\$342,232)
For community-based corrections	\$800,000

To the Department for the Blind	\$130,000 (no change)
• For a statewide program to provide audio news and information services	

For the Iowa empowerment fund	\$2,153,250 (no change)
-------------------------------------	-------------------------

The bill transfers \$10,925,000 from the Endowment for Iowa's Health Account to the Healthy Iowans Tobacco Trust.

The provision of the bill amending the FY06 appropriation for the Iowa chronic care consortium is effective upon enactment.

APPROPRIATIONS

HF 2759 - Renewable Fuels Infrastructure Fund - See Transportation

HF 2782 - Infrastructure Appropriations

JS

All County Officials

This bill makes infrastructure-related appropriations from a number of sources to various state departments and agencies for FY07.

Rebuild Iowa Infrastructure Fund Appropriations

For structural and technological improvements to local libraries	\$1,200,000 (+\$500,000)
For a grant program for Iowa port authorities	\$80,000
For a transitional housing revolving loan program	\$1,400,000
For county fair infrastructure improvements	\$1,060,000 (no change)

Environment First Fund Appropriations

To the Department of Agriculture and Land Stewardship (DALS)

For alternative drainage systems	\$500,000 (no change)
For the conservation reserve enhancement program	\$1,500,000 (no change)
For flood and erosion control, water quality and conservation	\$2,700,000 (no change)
For permanent soil and water conservation practices	\$5,500,000 (no change)
For the Loess Hills development and conservation fund	\$600,000 (no change)
For the Southern Iowa development and conservation fund	\$300,000 (no change)

To the Department of Economic Development

For Brownfield redevelopment	\$500,000 (no change)
------------------------------------	-----------------------

To the Department of Natural Resources

For water quality monitoring	\$2,955,000 (no change)
For air quality monitoring equipment	\$275,000 (no change)
For local cost share grants for boating accessibility	\$2,500,000 (+\$200,000)
For geographic information system data for local watershed managers	\$195,000 (no change)

To the Resource Enhancement and Protection Fund	\$11,000,000 (no change)
---	--------------------------

Endowment for Iowa's Health Restricted Capitals Fund Appropriations

For recreational trails	\$2,000,000 (+\$1,000,000)
• \$200,000 shall be allocated for trail projects in Wapello County.	

Technology Reinvestment Fund

To the Iowa Ethics and Campaign Disclosure Board

For updating the electronic filing system	\$39,100
---	----------

HF 2797 - Standing Appropriations

DV, JE, JS, LH

All County Officials

This bill makes appropriations for mental health allowed growth, property tax credits and other programs for FY07, unless otherwise noted. It also serves as a catch-all bill for various policy provisions not enacted earlier in the legislative session.

MH/MR/DD Allowed Growth Funding

For distribution of the allowed growth factor for FY08	\$43,287,141
• Allowed growth	\$12,000,000
• Per capita	\$24,360,548
• Risk Pool	\$2,000,000
• For services to adults with brain injury	\$4,926,593•
• This appropriation is transferred to Department of Public Health to be used for the brain injury services program created pursuant to HF 2772.	

APPROPRIATIONS

These figures represent an increase of \$4,999,400 (not counting brain injury appropriations) over the *initial* appropriation for allowed growth funding for FY07 established in 2005. However, this year the Legislature appropriated an additional \$5.1 million for FY07 allowed growth funding; thus, the *initial* appropriation for FY08 allowed growth funding outlined above is actually \$100,600 below the *final* allowed growth appropriation for FY07.

Standing Appropriations

The bill creates the property tax credit fund and appropriates \$159,868,964 from the property tax credit fund for the purpose of funding the following property tax credits:

- Homestead \$102,945,379 (no change)
- Agricultural land & family farm \$34,610,183 (no change)
- Military service \$2,773,402 (+\$205,000)
- Low-income elderly & disabled \$19,540,000 (no change)
 - If funding for the low-income credit is insufficient to fully fund all claims, then claims of both homeowners and renters shall be prorated at the appropriate level.
 - County treasurers shall notify the Department of Revenue (DOR) by June 8th of the amount of property tax credits claimed by that date; the DOR shall notify the treasurers of the estimated funding level by June 15th.

Other Appropriations

To the veterans trust fund \$4,500,000
For a matching county grant program for veterans \$1,000,000

- Counties may apply for a grant to be used to provide improved services to veterans; all state funds must be matched dollar-for-dollar by the county and the maximum matching grant is \$10,000 per county.
- Counties that receive grants must report on the impact of the grant on improved services and the Department of Veterans Affairs must report to the General Assembly on the impact of this grant program by October 1, 2007.

The bill stipulates that all assets held in the housing improvement fund shall be transferred to the housing trust fund. It also requires the Iowa Finance Authority to submit a report to the General Assembly on the status of the housing trust fund by October 1, 2009. The bill states the intent of the General Assembly to make appropriations from the general fund to the housing trust fund as follows:

- For FY08 \$2,000,000
- For FY09 \$3,000,000
- For FY10 \$4,000,000

The bill allows the Department of Inspections and Appeals (DIA) to retain food inspection fees and use the additional revenue to provide for the costs associated with conducting additional inspections in local jurisdictions that stop conducting food inspections between July 1, 2005, and June 30, 2006. DIA is authorized to hire one FTE for each 600 additional inspections it takes on.

Miscellaneous Code Changes

The bill makes the following information confidential when it is contained in records relating to any form of housing assistance held by any governmental body:

- Social security numbers;
- Personal financial history;
- Personal medical history or records; and
- Current residential address, if the applicant has been granted or made application for a civil or criminal restraining order for the personal protection of the applicant or a member of the applicant's household.

The bill states the intent of the General Assembly to make annual appropriations to the veterans trust fund beginning in FY08.

Current law allows the veterans affairs commission to spend money for the benefit of veterans and veterans' families for five specific purposes and "other purposes identified by the commission." This bill adds four new specific purposes to the list of eligible expenses (travel expenses related to follow-up medical care for wounded veterans, counseling, support group programs and honor guard services) but strikes the "other purposes" provision. In its place, the bill directs the commission to submit recommendations for the addition of new eligible purposes to the General Assembly for its review.

APPROPRIATIONS

The bill allows cities, counties and schools to authorize payroll deductions for employees to make donations to "eligible charitable organizations" that meet a set of characteristics prescribed by the bill.

The bill makes the state building code applicable to "all newly constructed buildings and structures the construction of which is paid for in whole or in part with moneys appropriated by the state but not wholly owned by the state." The bill also requires plan reviews and inspections for buildings that meet that definition, as well as those buildings owned by the state or board of regents. If a local jurisdiction has adopted a building, electrical, mechanical or plumbing code and performs inspections pursuant to such codes, the buildings must be built to comply with the local codes; otherwise, the buildings must comply with the state code. The bill authorizes the state building code commissioner to establish by rule fees for plan reviews and proper qualifications for persons required to perform inspections.

The bill allows certain school districts to appeal to the Department of Management (DOM) for an adjustment in state foundation aid. If a school district has to repay property taxes on a property originally assessed at \$5 million or more and reduced on appeal by at least \$100,000 or 2%, whichever is less, the school board shall apply to DOM and be reimbursed for the loss of state foundation aid based on the difference between the original value and the final assessed value.

The bill requires cities with populations of 50,000 or less to let for bid any public improvement involving a highway, bridge or culvert and with a cost of greater than \$25,000, as modified by the bid threshold committee.

The bill adds "canines from licensed facilities" to a list of items considered "farm products" under the county land preservation and use chapter. It also includes "canines from licensed facilities" in the definitions of "agricultural products" and "agricultural production" as the terms relate to sales tax exemption. The effect of this is to make property used for canines from licensed facilities exempt from sales tax.

The bill rewrites Iowa Code §427.1(21A) to exempt from property taxation certain dwelling unit property owned and operated by a community housing development organization that is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and located in a city with a population of more than 110,000 (Cedar Rapids). HF 2792 amends this provision to stipulate that the organization does not have to file for a property tax exemption in 2005 or 2006 to receive the exemption for those years; for 2007 and subsequent years the application must be filed by February 1; once the application is originally filed and allowed, further filing is not required.

The bill requires assessors to notify the appropriate school district within ten days if a property owner files a protest against the assessment of a property valued at \$5 million or more or files an appeal to the property assessment appeal board or the district court with regard to such property.

The provision creating the property tax credit fund is effective upon enactment. The provision relating to food inspections is effective upon enactment, applies retroactively to July 1, 2005, and is repealed on July 1, 2007. The provision relating to a property tax exemption for certain dwelling unit property is effective upon enactment and applies retroactively to January 1, 2005, for assessment years beginning on or after that date. The provision relating to notice to school districts of certain assessment appeals is effective January 1, 2007, for assessment years beginning on or after that date.

SF 2232 - Transportation Appropriations

JS

Engineers, Supervisors, Treasurers

This bill makes appropriations for FY07 from the road use tax fund and the primary road fund to the state Department of Transportation (DOT).

From the Road Use Tax Fund	
For drivers' licenses production costs	\$2,820,000 (no change)
For operating costs in the motor vehicles division	\$32,155,203 (+\$1,246,405)
For county issuance of drivers' licenses and vehicle registrations and titles	\$2,064,000 (+\$796,000)

From the Primary Road Fund	
For operating costs in the motor vehicles division	\$1,283,891 (+\$31,842)

The bill states the intent of the General Assembly that a satellite driver's license station be established by the DOT in the city of Des Moines and open for the renewal of drivers' licenses by the time the new motor vehicle division facility opens in Ankeny, regardless of whether or not there is a commitment from the Polk County Treasurer to operate or staff the satellite station.

APPROPRIATIONS

SF 2273 - Supplemental Appropriations

JS

Community Services, County Attorneys, Sheriffs, Supervisors

This bill makes supplemental appropriations for the fiscal year beginning July 1, 2005.

To the Department of Human Services

For the state mental health institute at Clarinda an additional \$250,000

To the Department of Corrections

For reimbursement to counties for confinement of state prisoners an additional \$125,000

To the State Public Defender

For court-appointed attorneys for indigent adults and juveniles an additional \$4,000,000

The bill grants wind energy conversion facilities an additional twelve months to become operational and retain eligibility for the renewable energy tax credit under Iowa Code chapter 476C, as long as the facility has been approved and the delay in becoming operational is due to the unavailability of necessary equipment.

The bill is effective upon enactment.

SF 2312 - Injured Veterans Grant Program - See Human Services

2006 BILLS THAT FAILED

Pushing bills through the Legislature is obviously important to an organization like ISAC. But sometimes things that did not happen can also measure the success of a legislative session. ISAC steering committee policy statements and input from affiliate legislative liaisons are principally used as the guidelines for ISAC staff in opposing legislation. The following is a list of key things that ISAC opposed that were successfully defeated.

HF 266	Property Tax Limitation
HF 758	Preempt Commercial Canine Regulation
HF 847	Property Tax Reform
HF 2014	Property Tax Exemption
HF 2049	Senior Property Tax Freeze
HF 2128	Public Record Privacy
HF 2185	Food Inspection RFP
HF 2325	County Brain Injury Program
HF 2454	Contractor Wage Standards
HF 2470	Gender Balance
HF 2495	Recycling Property Tax Exemption
HF 2501	Apartment Assessments
HF 2688/HSB 721	Weapons Permits
HF 2741/HSB 700	Electrician Licensing
HF 2766	Create Recreational Property Class
HF 2771/HSB 766	Property Tax Reform
HSB 584	Medicaid Issues
HSB 709	Apartments and Trailers
HSB 769	RUTF Formula
HJR 3	Constitutional Property Tax Reform

SF 2029	Weapons Permits
SF 2033	Cover Rock During Transport
SF 2035	School Election Date
SF 2090	Weapons Permits and Sheriffs
SF 2092	Flex Fuel
SF 2113	Senior Property Tax Freeze
SF 2116	Roadway Incorporation
SF 2181	Organic Land
SF 2202	Nursing Facility Tax
SF 2244	Electrician Licensing
SF 2313/SF 2203	Confidential Information
SSB 3010	Medicaid Issues
SSB 3025	Truck Registration E-85
SSB 3085	Property Tax Reform
SSB 3123	Construction Wage Standards
SSB 3124	Apartment and Trailer Tax
SSB 3187	Electrician Licensing
SSB 3189	Assisted Living Tax Exemption
SSB 3190	People's Right To Vote
SSB 3250	Property Tax Reform
SSB 3257	Recreational Property

2006 *BILLS THAT FAILED*

Unfortunately, some key proposals initiated in whole or in part by ISAC failed, too. Those bills are listed below.

HF 644	Auditors' Technical Elections Bill
HF 2145	Food Inspection Fees
HF 2236	County Bonding
HF 2251	Bottle Redemption
HF 2257	Franchise Tax to Locals
HF 2339	Food Inspection Fees
HF 2341	Redemption Reimbursements
HF 2373	Food Code Transfer
HF 2458	Water Treatment Basins
HF 2467	ICN City and County
HF 2487	Joint Assessors
HF 2499	Jail Contracting
HF 2579	Forest Reservations
HF 2639	Involuntary Commitments
HSB 648	Food Code
HSB 689	Broadband Initiatives
HSB 727	Property Tax Reform
SF 98	Vital Records Fees
SF 362	Multi-County Jails
SF 2002	Redemption Center Handling Fees
SF 2055	Truck Registration Fees
SF 2106	Share County Assessor
SF 2115	Veterans Funding
SF 2126	Bottle Bill
SF 2163	Budget Protests
SF 2182	Truck Registration Fees
SF 2186	ICN
SF 2238/SSB 3147	Deputies' Salaries
SF 2308/SSB 3167	Sewage Inspections
SF 2331	Driver's License Fees
SF 2387	Housing Trust Fund
SSB 3003	Criminal Donations
SSB 3047	Property Tax Reform
SSB 3128	Fair Pricing for County Data
SSB 3221	Driver's License Fees
SSB 3262	Bottle Refunds
SSB 3276	County Driver's License Fees

STEERING COMMITTEE CHAIRS & LEGISLATIVE LIAISONS

ISAC would like to thank the county officials that served as **steering committee chairs** this year. Responsibilities included running the steering committee meetings, conducting an election of officers, making appointments when necessary and making a presentation of committee policy statements and legislative objectives at the ISAC Board of Directors' October meeting. Thank you for your leadership in the ISAC legislative process.

County Administration & Organization

Chair: Pat Gill, Woodbury County
Staff Representative: Bill Peterson

Environment & Public Health

Chair: Steve Lekwa, Story County
Staff Representative: Deborah Westvold

Human Services

Chair: Rod Sullivan, Johnson County
Staff Representative: Linda Hinton

Land Use & Rural Affairs

Chair: Lannie Miller, Palo Alto County
Staff Representative: Tammy Norman

Public Safety

Chair: Holly Fokkena, Butler County
Staff Representative: David Vestal

Taxation & Finance

Chair: Diane Kiefer, Wapello County
Staff Representative: Jay Syverson

Transportation

Chair: Royce Fichtner, Marshall County
Staff Representative: John Easter

ISAC would like to thank the county officials that served as **legislative liaisons** this year. Responsibilities included acting as the primary contact point between the ISAC staff and their affiliate, gathering information and serving as a resource when special expertise on an issue is needed, coordinating legislative strategy for their affiliate and attending legislative meetings with the ISAC staff. Thank you for your leadership in the ISAC legislative process.

Assessors

Dave Ellis - Warren County 515-961-1010
Rick Ellars - City of Cedar Rapids 319-286-5888

Auditors

Mary Mosiman - Story County 515-382-7210
Marsha Carter - Shelby County 712-755-3831

Community Services

Mary Williams - Benton County 319-472-4743
Irene Blair - Webster County 515-573-1483

Conservation

Dan Biechler - Linn County 319-892-6450

County Attorneys

Fred McCaw - Dubuque County 563-589-4470
Corwin Ritchie - Iowa Co. Attorneys Assoc. 515-281-5428

Emergency Management

Ned Wright - Linn County 319-363-2671

Engineers

Royce Fichtner - Marshall County 641-754-6343

Environmental Health

Ron Osterholm - Cerro Gordo County 641-421-9306
Mark Linda - Black Hawk County 319-291-2413

Information Technology

Jeff Rodda - Polk County 515-286-3031

Public Health Nurses

Russ Milane - Hamilton County 515-832-9565

Recorders

Sue Vande Kamp - Story County 515-382-7230
Kathy Flynn Thurlow - Dubuque County 563-589-4434

Sheriffs

John Hampel - Polk County 515-286-3800

Supervisors

Mike Wentzien - Iowa Assoc. of Co. Supervisors 641-473-2693
Mike King - Union County 641-782-1720

Treasurers

David Jamison - Story County 515-382-7330
Kim Reynolds - Clarke County 641-342-3311
Michael Grandon - Cerro Gordo County 641-421-3037

Zoning

R.J. Moore - Johnson County 319-356-6083
John Kunc - Marshall County 641-754-6370

NOTES



Contact Information:

Iowa State Association of Counties
501 SW 7th St., Ste. Q
Des Moines, IA 50309-4540
Phone: 515-244-7181
Fax: 515-244-6397
www.iowacounties.org