

# Legislative *E-Update* ~ 3.17.08

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## 1. House Approves Bill To Insure All Kids Unanimously

A plan to expand health insurance to almost all Iowa children - one of the top legislative goals this year - was approved by the Iowa House this week. The proposal, which lawmakers said is a first step toward insuring all Iowans, would aim to provide coverage to nearly all Iowa children by 2011. It would also create a plan to cover all adults by 2013.

Lawmakers have not allocated money for the plan, however. Coverage will come about "as funding becomes available," according to language in the bill. Taxpayers will spend \$30.8 million a year when the plan is fully implemented to extend coverage to all children, according to estimates from the nonpartisan Legislative Services Agency. The ultimate goal to provide health coverage to all Iowans would cost an estimated \$550 million a year, according to a consultant's estimates released last month. That number represents the cumulative additional costs that all Iowans or businesses would pay, not just the cost to Iowa government, advocates of the plan noted.

While the proposal doesn't immediately provide insurance for all Iowans, it establishes the foundation for universal health care, both Democrats and Republicans said.

Iowa lawmakers last year established a commission with more than two dozen health industry representatives, residents and consumer advocates to help solve the health care problem. Many of the recommendations in the bill came from that group. House File 2539 passed the House on a 97-0 vote. A Senate committee last week approved a similar proposal, Senate Study Bill 3140.

While the Iowa Legislature is likely to approve some form of a

health-care reform bill, it probably won't require that parents buy insurance for their children, according to two leading House members. Reps. Ro Foege and Linda Upmeyer said such a requirement would be unnecessary and could be counterproductive. Foege, D-Mount Vernon, and Upmeyer, R-Garner, helped create and shepherd House File 2539. The House bill does not contain a requirement that parents buy insurance for children, but the competing Senate bill does.

"We're not mandating that people have to buy insurance. We're doing this strictly on a voluntary basis," Foege said. "We've been able to cover 97 percent of children in Iowa through voluntary efforts. And we're going to continue those efforts, because we think we can move to 100 percent."

Both House and Senate bills aim to help moderate-income families pay for insurance for children. About half of uninsured children already qualify for government insurance programs but haven't signed up. Legislators want to expand those programs and to help parents learn about their options. Upmeyer and Foege said they do not foresee a time when every single person in Iowa has health insurance, because there will always be a few people who don't sign up.

Both representatives noted that although the Senate bill would require parents to obtain insurance for their children, it would not penalize parents who failed to comply. Upmeyer said that without a penalty, a requirement would have little effect.

The most vocal proponent of the Senate bill is Sen. Jack Hatch, a Des Moines Democrat who contends that an insurance mandate is necessary to ensure universal coverage of children. Unlike his counterparts in the House, Hatch predicted the requirement would be included in the final bill that emerges from the Legislature. Senators will amend the House bill next week, Hatch said, and they will include ideas from both chambers and from Gov. Chet Culver.

## **2. [Senate Rejects Smoking Ban Exemptions](#)**

A weaker version of a statewide tobacco ban was rejected this week when the Iowa Senate insisted on its earlier and most strict proposal. The decision left at least one lawmaker to predict that the issue is dead even though majority leaders insisted that a

compromise between the two widely different House and Senate versions is possible.

"Nothing is going to happen now. I really firmly believe that," said Rep. McKinley Bailey, a Webster City Democrat, of this week's actions.

The Senate's actions came a day after the Iowa House massively revised the proposal, House File 2212. That revision, led by Bailey, would allow smoking in most bars, casinos and some restaurants during times in which only people 21 or older are allowed. Bailey said he offered the revision largely as a way to salvage the proposal. The House's original version exempted casinos, which some representatives said was needed to get the 51 votes required to pass. The Senate cut that exemption, demanding casinos be included in the smoking ban.

The Senate's 27-23 decision to reject the House's version means that leaders from both the House and the Senate will likely form a special committee in an attempt to reach a compromise. The decision to create the committee will be made next week.

Once a compromise through the committee is reached, the full Senate and House can only accept or reject the proposal, which means that the month-long amendment process and shuffling of the proposal between the House and the Senate would be done. House and Senate leaders expressed confidence that a compromise can be reached even though they acknowledged that the disagreements could end in the proposal's death.

Senate Majority Leader Michael Gronstal, a Council Bluffs Democrat, predicted that the Senate would not approve an overriding exemption for bars and restaurants but also noted that it's "too early to be predicting what the compromise is." House Majority Leader Kevin McCarthy noted that the issue is not strictly divided among Democrats and Republicans. He predicted that a compromise can be found.

[3. \\_Other News: No State Tax On Rebate Checks; No Liens For Utilities; Aid To Vet's Children OK'd](#)

**Tax break on rebates is approved by Senate**

Iowans would not have to pay state income taxes on the special

rebate checks they get from the federal government this spring under a bill that was approved unanimously by the Iowa Senate. Just over 1 million Iowans will get rebate checks, averaging \$1,015, according to the Legislative Services Agency. To get a special rebate check, Iowans who are retired, disabled veterans and low-wage workers who usually don't have to file a tax return must do so this year. House File 2417 would save Iowans an estimated \$67.5 million.

The rebates are expected to begin arriving in May. They will include \$600 for single people, \$1,200 for households with a married couple plus \$300 per child under 17. The money goes to taxpayers who have a valid Social Security number and \$3,000 of income and who file a 2007 federal tax return. Because the Senate made a minor change to the bill, it now goes back to the House, which had passed it earlier.

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### **House-passed bill would alter lien rules**

City utilities would be prohibited from attaching liens to certain properties for unpaid bills under a proposal approved by the Iowa House. House File 2392 would prohibit utilities from attaching liens if the unpaid bills were incurred by past owners. The bill goes next to the Senate.

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### **Senate votes to expand aid to kids of veterans**

Children of veterans killed in action would no longer be required to live at least two years in Iowa before applying for state assistance with college costs under legislation approved in the Iowa Senate. Under Senate File 2289, the deceased veteran must have lived in Iowa for at least six months before entering active military service. To be eligible, the student must start college before age 26 and must be the child of a veteran who died in active military service since Sept. 11, 2001. The bill now needs House approval.

#### **4. [Bill Tracking](#)**

**The following legislative action took place this week in the Iowa House and Senate. For full details of the legislation, please visit [www.legis.state.ia.us](http://www.legis.state.ia.us).**

#### **House Floor Action:**

**HF 2400 WATER QUALITY**

Creates a Water Resources Coordinating Council in the Governor's Office. Sets the Governor, or Governor's designee, as the chair, and sets as other members the representatives from the DNR, DALs, DPH, DOT, DED, the Division of Homeland Security and Emergency Management, representatives from the UI College of Public Health, ISU College of Agriculture, the UNI College of Natural Sciences, the ISU Iowa Water Center. Directs the Governor to seek advice from other federal water agencies. **Powers:** Requires the council to coordinate governmental efforts to improve water quality in an efficient and fiscally responsible manner, and to educate Iowans about water quality and their responsibility in improving it. Directs the council to designate one agency to work with local communities on water quality programs. **DNR:** Directs the DNR to do a water quality assessment of the large watersheds in the state. Directs the DNR to work with DALs to award funds for community watershed improvement programs. Directs the DNR to assist local water quality monitoring efforts. Creates a Wastewater and Storm Water Treatment Infrastructure program and directs the DNR to award grants to local communities, based on the health risks faced by the residents. Gives the DNR appropriate rule-making authority.

#### **Amendments RULED NOT GERMANE**

H-8067 by Kaufmann - Enacts lake condemnation restrictions similar to HF 2454 LAKE CONDEMNATION II. **MTSR - FAILED,** 42-52

H-8068 by Tymeson - Enacts lake condemnation provisions similar to HF 2415 LAKE CONDEMNATION. **MTSR - FAILED,** 45-51

The **House PASSED** the bill, 98-0; it now goes to the **Senate**  
**The following legislation was introduced this past week in the Iowa House and Senate. For full details of the legislation, please visit [www.legis.state.ia.us](http://www.legis.state.ia.us).**

**HF 2562 TIME-21 FUNDING** (*Successor to HSB 628*) Makes truck registration fees the same as car registration fees for model years from 2010. Establishes a business trade class of trucks, meeting certain requirements, that are registered for a flat fee. Does not affect trucks already registered under the current truck fee schedule. **Cars:** Changes the rate schedule for registrations. Makes the minimum registration fee \$75 but allows owners paying a lower rate to continue to do so for that car. **Other:** Raises the fees for farm trucks and for trailers.

#### **HF 2590 PRIVATE CAUSE OF ACTION / CONSUMER FRAUD**

(*Successor to HF 2142*) States the intent of the Legislature to create a private right of action for consumer fraud (shell bill).

**HF 2608 CHOICE OF DOCTOR** (*Successor to HSB 771*) Gives an employee the right to pre-designate a doctor, who has treated the employee previously, to treat the employee for a work-related injury. Allows the employer to choose a doctor if the employer does not pre-designate a doctor. Requires that the employer give written notice to the employee about this right and that a failure to do so allows the employee to pick any doctor. Allows the employer or employee, if dissatisfied with the care from the doctor selected, to explain the dissatisfaction in writing. Allows the parties to agree to alternate care, or allows the dissatisfied party to appeal to the commissioner for alternate care. Treats the appeal for alternate care as a contested case. Requires a decision in 10 days for a telephone hearing or 14 days for an-person hearing. Allows an employee to obtain an opinion on disability when no significant improvement is expected from an injury. Allows the employer to seek an opinion from a doctor of the employer's choosing. Applies to injuries after January, 2009.

**HF 2610 EMPLOYMENT PRACTICES** (*Successor to HSB 717*) Creates an Identity Theft Division in the DIA for enforcement purposes. Requires the DIA to design forms for employers to use. **Employment:** Requires employers to verify the identity of each new employee hired to work in the state by examining a driver's license or id from Iowa, SD, Nebraska, Minnesota, Missouri, Illinois or Wisconsin, within ten days after hiring. Requires the employer to certify under oath having examined the id, to photocopy the id, and to keep the photocopy for at least a year after the employee leaves. Establishes civil penalties. Makes perjury under this provisions a Class D felony. Allows for judicial reviews within 30 days of the action. Allows non-residents with drivers licenses from other state to get a state id. **Identity Theft:** Includes attempting to obtain employment and other benefits in the crime of identity theft. Makes identify theft an aggravated misdemeanor if the value of the identity theft cannot be determined. **Independent contractors:** Establishes criteria for determining the status of a person as an employee or contractor. Requires the Labor Commissioner to create posters in English and Spanish on the criteria and requires a contractor found to violate these provisions to use the posters. Allows complaints by interested parties, but makes knowingly file a false complaint a simple misdemeanor. Includes additional provisions, including

remedies. Allows for judicial reviews of an action taken by the Labor Commissioner, but requires the review to be within 30 days of the Commissioner's actions. **Other:** Adds provisions on agencies sharing data. Gives the DWD various reporting duties. Makes the provisions severable.

**SF 2375 ALTERNATIVE ENERGY TAX CREDIT** (*Successor to SF 2210*) Creates a tax credit for small businesses that install alternative energy systems on their property, for 25% of the system and installation cost, up to \$5,000. Makes definitions. Requires the business to have less than 20 employees and a gross income less than \$4 million.

**SF 2386 ENERGY EFFICIENCY GOALS** (*Successor to SF 2083*) Creates a statewide energy savings goal of 1.5% per capita, per year 2011 to 2021. Establishes a three-year phase-in period to develop strategies for the goal. Directs the Office of Energy Independence, with assistance from advisory councils created in the bill, to coordinate strategies. Establishes reporting requirements, requirements for utilities and a pilot project. Contains other provisions on achieving the energy use reduction goal.

**SF 2389 TIME-21** (*Successor to SSB 3267*) Requires the Treasurer to credit \$346 million from registration fees to the TIME-21 fund.

**Registration:** Replaces the use-tax fee with changed registration fees. Makes truck registration fees the same as car registration fees for model years from 2010. Does not affect trucks already registered under the current truck fee schedule. **Cars:** Changes the rate schedule for registrations. Makes the minimum registration fee \$75 but allows owners paying a lower rate to continue to do so for that car. **Other:** Raises the fees for farm trucks and trailers.

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