

Legislative E-Update ~ 3.25.11

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Parts of these articles were excerpted from various news sources state media outlets.

1. Iowa Revenue Projections Up \$87 Million

3/25/11 Des Moines Register

Iowa's revenue projections have increased by almost \$87 million over the next 15 months as compared to a December estimate.

The projections were approved today by Iowa's three-member Revenue Estimating Conference, which are the official numbers lawmakers use to craft the state budget.

An increase in employment and steady growth in overall tax collections for the past year were the reasons for the increased projections, members said.

"It looks like jobs will be restored to pre-recession levels by the end of fiscal year 2012," said Holly Lyons, one of the conference members who is also the director of the Legislative Services Agency's Division of Fiscal Services. "We've added back about 11,000 jobs of the 64,000 jobs lost during recession."

The figures are largely symbolic of where the state's economy is headed rather than influential in changing the bottom line in budget decisions at this point in the legislative process. State law mandates legislators use the lower of two estimates made between a December estimate and the latest one made today.

Iowa is projected to have a budget surplus and balance in so-called "rainy day" accounts of roughly \$900 million in the fiscal year that ends June 30th. However, the upcoming fiscal year has hurdles stemming from roughly \$700 million of what is considered as "one-time money," which is largely federal stimulus money that is no longer available to help prop up the state's budget.

"The numbers of the REC indicated that the economy is moving in the right direction," said Rep. Scott Raecker, R-Urbandale and chairman of the House Appropriations Committee. "And while we still have significant budget challenges to replace the one-time money that's been used to balance the budget in the last several years, it's moving in the right directions rather than needing to have further cuts."

House Democrats used today's projections to emphasize a point they've made throughout the legislative session: That cuts to education and critical services like nursing home inspectors are unnecessary.

"There is no reason to kick 20,000 kids out of preschool or leave school funding at zero for the next two years with a \$1 billion surplus," said Rep. Tyler Olson, of Cedar Rapids and the top-ranking Democrat on the House Appropriations Committee. "Democrats will fight to keep the state budget balanced without giving up on Iowa's middle class."

Iowa's new general fund revenue estimates for the current fiscal year is \$5.8556 billion, up by \$48.6 million from estimates made in December but still almost \$78.5 million less than the fiscal year that ended June 30, 2009.

The upcoming fiscal year that begins July 1 will grow by an estimated \$38.3 million over the current year's projections.

2. Internet Poker, Nuclear Power Among Bills With Uncertain Future

3/24/2011 IowaPolitics.com

The fate of bills that would legalize Internet poker and pave the way for MidAmerican Energy to construct a second nuclear power plant in Iowa hang in the balance as the Legislature approaches its second "funnel" deadline next week, legislative leaders acknowledged this week.

Meanwhile, dozens of bills that aren't approved by one chamber and a committee of the opposite chamber by the end of next week will be considered dead for the rest of the legislative session. That includes many bills pushed by the Republican-controlled House that won't see the light of day in the Democratic-controlled Senate.

The soon-to-be "dead" list includes:

- House Joint Resolution 6, which calls for a vote of the people on a constitutional amendment banning gay marriage.
- House File 525, a highly divisive collective bargaining bill debated for three days by the Iowa House, which would require unionized public employees to pay at least \$100 a month toward their health insurance premiums.
- House File 535, a bill that would replace the current state-funded preschool program with a scholarship program for low-income families.

"Partisan issues that appeal to our base or the Republican base in a divided Legislature just aren't going to happen and that's the reality," said Senate Majority Leader Mike Gronstal, D-Council Bluffs. "Spending the public's money to be in session to pursue issues on one side or the other that everybody knows are dead in the other chamber just because of the nature of split power is really a waste of time and a waste of energy."

House Speaker Kraig Paulsen, R-Hiawatha, agreed that signals being sent by Senate Democrats indicate that several bills approved by House Republicans will fall victim to the second funnel.

"I hope not. We'll see what they decide. But right now, that's kind of some of the signals they're sending. That's correct," Paulsen said. "I think there will be a lot of Republican

ideas that will fall off the table, I think there will be a lot of Democrat ideas that fall off the table. That's what happens in the funnel. A lot of ideas just fall off the table."

INTERNET POKER : Senate File 458 , a bill that would legalize Internet poker in Iowa, is still pending in the Senate Ways and Means Committee where Chairman Joe Bolckcom said he doesn't support the bill. It appears that the jury is still out on whether the votes are there to move it forward.

"I continue to be unsure as to what the prospects are," Gronstal said. "I guess I wouldn't bet on it. I wouldn't bet against it. I think there will be people that will get their questions answered and make a judgment as to whether it's appropriate to move that legislation forward."

Senate Minority Leader Paul McKinley, R-Chariton, didn't have any further clarity on the issue that cuts across party lines. "Can't answer that," he said. "Don't know."

NUCLEAR POWER PLANT : The future is also unclear for Senate File 390 , which would allow utility companies to charge Iowa consumers up front for nuclear power plants they are considering building. MidAmerican Energy customers would see a rate increase of up to 10 percent over the next decade should the company proceed with construction of a new \$1 billion to \$2 billion nuclear power plant in the state.

The Senate Commerce Committee will meet on the issue again Monday morning. McKinley pointed out that even if lawmakers acted now, it would be 2020 at the earliest before Iowa would have another nuclear power plant up and running.

"It's kind of a work in process. There appears to be support to continue dialog, which I think is a healthy thing," McKinley said. "Since 2001, we've recognized we need to have more electric generation in this state, baseload, which is either coal or nuclear."

House leaders say they'll keep the bill alive regardless of whether it meets the funnel. "I don't know whether or not it will meet the funnel deadline," Paulsen said. "We're still vetting. But if it doesn't meet the deadline, then we will move it on to the unfinished business calendar."

AG VIDEOS : Also facing an uncertain future is a bill that would make it illegal for animal rights activists to produce and distribute secretly filmed videos claiming to show mistreatment of farm animals. The bill was approved by the House and is pending in a Senate committee. "It will not go in its current form but people are certainly looking at it and having some discussion about that as well," Gronstal said. "Lots of changes are being considered."

ABORTION : House File 5 , a bill banning abortions from 20 weeks of pregnancy cleared the House Government Oversight Committee on Wednesday night, but it now appears unlikely that it will be taken up on the House floor next week. House Republicans say this bill is funnel-proof because it's now a Government Oversight bill.

"I don't think we will," said House Majority Leader Linda Upmeyer, R-Garner. "I'm not sure it will be available and ready to have time on it next week. It's the second funnel and you know how funnel weeks can be. So I think we'll have a lot of committee time."

We'll also do the governor's economic development bill ... so we may or may not have it next week. Really haven't decided yet."

3. Tax, Budget Issues To Dominate Final Month Of Session

3/24/2011 IowaPolitics.com

Democrats took to the House floor today to urge passage of a bill with supplemental funding for indigent defense and public defenders.

"The state should pay its bills," said Rep. Kurt Swaim, D-Bloomfield, an attorney. "Attorneys put a real face on this issue. One call I had from a lawyer, he was just getting ready to have a conference with his secretary to send her home because he couldn't afford to pay her any longer."

Republicans say a deal is close on Senate File 209 which contains both supplemental funding and a Taxpayer Relief Fund. But Democrats disagree. Gronstal said that bill has supplemental money mixed in with a host of highly partisan issues.

"Rather than look for bargaining chips in this game, we said it's the state's responsibility to pay its bills so let's separate it out from the stuff we disagree on," said Senate Majority Leader Mike Gronstal, D-Council Bluffs. "I think they've made progress but I don't know that I'd say it's close. I think there's still significant disagreement. They want a set of one-time monies to be set aside for the purpose of ongoing tax cuts."

But House Speaker Kraig Paulsen, R-Hiawatha, said Gronstal's criticism makes assumptions on the kind of tax cuts will be made through the new fund.

"Right now, the discussion is about making it available and making sure we get it returned to the taxpayer," he said. "That's the taxpayers' money and they deserve to get it back."

Work on individual budget bills is expected to pick up next week at the Legislature. The bills have been moving through subcommittee and committee. Floor debate will begin in earnest, starting with the transportation budget in the House.

4. Apparent Deal Close On Tax Cuts, Supplemental Appropriations Bill

3/24/2011 IowaPolitics.com

House Speaker Kraig Paulsen said lawmakers are close to a compromise on a tax cut and supplemental spending bill after a conference committee appeared on the brink of an impasse late last week.

"I think we're very close on that," Paulsen, R-Hiawatha, noting that an agreement on Senate File 209 would deal with the need for supplemental appropriations to critical areas of state government quicker than trying to pass a separate bill like the one approved by the Senate.

Paulsen said the agreement would include creation of a Taxpayer Relief Fund, and devoting something closer to 100 percent of the ending balance to that fund. Senate Democrats had initially proposed only devoting 25 percent.

The House speaker stated adamantly last week that there will be no supplemental appropriations without a Taxpayer Relief Fund. As proposed by House Republicans, the fund would this year generate more than \$300 million for tax relief.

But Gov. Terry Branstad urged passage of \$45.7 million in supplemental appropriations this fiscal year for community colleges, indigent defense, public safety, public health, corrections and mental health institutions. Paulsen said he has since talked with the governor.

“House Republicans aren’t backing away from the Taxpayer Relief Fund,” Paulsen said. “What I told him [the governor] was that House Republicans are very serious, very committed about the Taxpayer Relief Fund.”

As a backup measure, the Iowa Senate this week voted 36-12 for a bill containing \$18.55 million in supplemental spending for indigent defense and the state public defender. Paulsen today referred that bill to the House Appropriations Committee.

“We believe that just like indigent defense attorneys, mental health recipients, the departments, all those people that need to have a seat at the table, we think that’s correct, but so does the taxpayer,” Paulsen said. “We’ve been more than ready and willing to resolve this thing. And we stand ready to do it today.”

5. [Other News: Legislative Briefs](#)

Study says four casinos would close if tax rate goes up

3/23/11 [Radio Iowa](#)

An analysis conducted for the state’s gambling industry concludes four of the state’s casinos eventually would close if lawmakers approve Governor Terry Branstad’s proposed double-digit hike in the state tax on casinos.

The Iowa Gaming Association’s Wes Ehrecke says this report backs up what casino operators have been saying since Branstad first floated the idea in late January.

“We’re not crying wolf that this would have a serious impact on the industry,” Ehrecke says. “And it would jeopardize the jobs and the charitable contributions and the purchases from Iowa vendors.”

The Gaming Association asked the man who served as Branstad’s chief economist when Branstad previously served as governor to review the financial records of the 17 state-licensed casinos.

Ehrecke says that review found the tax hike would make it difficult for some casinos to repay their loans. “We have loan covenants that we have to meet,” Ehrecke says. “This kind of an increase in taxes would just jeopardize businesses that have invested millions based upon a certain (tax) rate.”

The casinos currently pay a state tax of between 22 and 24 percent. Branstad has suggested it should be raised to 36 percent, but key Republicans and Democrats say there’s little support in the legislature for a casino tax hike.

Energy drink sales rise along with concerns

By Jayne O'Donnell and Elizabeth Weise, USA TODAY

Sales of energy drinks and shots are soaring, just as medical concerns are increasing about the popularity of the high-caffeine drinks among young people.

Energy drinks had 13.3% dollar sales growth in 2010 and received a "significant boost" from energy shot sales at convenience stores, says a report out this month from market research firm SymphonyIRI Group. This beat the other top 10 consumer packaged goods categories in grocery, drug, mass merchandise and convenience stores, excluding Walmart.

"Energy drinks have been one of the shining stars of the beverage universe over the last decade, with heady, double-digit growth," says Gary Hemphill of Beverage Marketing.

American Beverage Association science chief Maureen Storey says energy drinks are no worse than coffee. A 16-ounce cup of Starbucks' Pike Place coffee has 330 mg of caffeine. That size of latte has 160 mg — the same as a 16-ounce can of the energy drink Monster Energy, which bills itself as "a killer energy brew" that "you can really pound down."

The Food and Drug Administration limits the amount of caffeine in soft drinks to 71 mg for 12 ounces but doesn't regulate the caffeine in energy drinks, coffee or tea.

Read complete article here: <http://is.gd/FXITVN>

Legislators Push Smoke-free Policy in Iowa Casinos

3/23/11 SourceMedia Group News

Luck may soon run out for Iowa casinos looking to avoid the state-wide smoking ban.

Legislators passed the Smoke Free Air Act three years ago with a compromise exempting Iowa casinos. That compromise is now under tough scrutiny in the Iowa senate.

"The idea was always to go back and remove the casino exemption," said Gary Streit a volunteer with the American Cancer Association.

Anti-smoking groups say anyone gambling in an Iowa casino is also gambling with their health. That's why they want to finish what they started three years ago with a smoke free air act. Wes Ehrecke with the Iowa Gaming Association says a smoke-free policy would hurt the gaming industry.

"We'd be at a competitive disadvantage with the tribal casinos here in Iowa," said Ehrecke. A study done by the Federal Reserve Bank of St. Louis in 2009 showed Illinois, Delaware and Colorado reporting losses of around 15- 20% after enacting a no smoking policy.

Streit says it's not about statistics though, it's about the health of patrons and employees.

“They are essentially trapped into working in an industry where they have to choose between being unemployed or having no income or putting their health at risk,” said Streit.

Ehrecke maintains Iowa casinos use ventilating systems to clear the air on casino floors.

“We all proactively and voluntarily have a non smoking section on the gaming floor for patrons that want to choose that area,” he said.

The smoke free policy is attached to a bill which would allow online gambling in Iowa. Streit says it’s unlikely the proposed tax increase on state casinos and a smoking ban will both pass the same legislative session.

Redistricting to shake things up at the Legislature

3/24/2011 IowaPolitics.com

The Legislative Services Agency will release maps with newly drawn legislative and congressional districts based on population shifts of the 2010 U.S. Census at 8:15 a.m. next Thursday, March 31 at the Capitol.

Redistricting is a nonpartisan process in Iowa, but it brings out a display of raw politics as the fate of each individual politician can be affected by how the new map is drawn. Some will move, some will be pitted against one another and some will decide to hang it up.

“I would assume that some of the anticipation will grow as the week progresses,” said House Speaker Kraig Paulsen, R-Hiawatha. “And when the map gets released, there will be an immediate calmness and then either excitement or disappointment will come over the Capitol.”

Paulsen declined to predict the outcome or political fallout of this year’s map.

“Until you see the map, it’s just all speculation,” Paulsen said. “It may come out and we all go, ‘best map it could possibly be’ and pass it after 14 days like the law permits and be done with it. Could come out and be a mess and one chamber decides to refuse. You just don’t know.”

Following next Thursday’s release of the newly drawn political map, four public hearings will be held in Council Bluffs, Bettendorf, Cedar Rapids and Des Moines during the first week of April.

The Legislature will undertake its own review of the maps, and will then take an up-or-down vote on the map as early as April 14. Paulsen said the issue could delay the expected April 29 adjournment of the Legislature but he doesn’t expect it to.

House Majority Leader Linda Upmeyer, R-Garner, said redistricting was different when her father Del Stromer was House speaker. She said in the old days, the party in charge could influence the outcome of elections for years to come.

“In the early part of his career, things were very different. There were a lot of machinations that went into redistricting,” Upmeyer said. “Since Iowa adopted this process, things have been much more cut and dry and every decade that process gets a little tighter because what was objected to and learned from the previous redistricting is incorporated into the new maps. So every year, it’s a little tighter. The process just gets cleaner and cleaner.”

Upmeyer said she expects that House Republicans will see places where they see parts of the map that they’ll view a win, and other places that will be viewed as a loss.

“In the end, that likely balances out in some fashion,” she said. “I think it takes a lot of the excitement out, a lot of the entertainment out but is a much better system for Iowans.”

6. 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.iowa.gov

Issue related legislation:

HOUSE FLOOR ACTION

Bills to the Senate:

HF 473 PUBLIC BIDS

Prohibits a public owner from requiring proof of meeting bidder qualification standards from a bidder on a public improvement so long as the bidder can meet pay and performance bond requirements in state law. Prohibits the use of criteria, such as whether a bidder’s employees are union-members or similar requirements, to consider the qualifications of a bidder and requirements to use such criteria (project-labor agreements). **Iowa Preference:** Requires the Labor Commissioner to enforce Code provisions giving preference to Iowa bidders. Strikes the preference for Iowa labor. Includes reciprocity provisions on hiring non-resident laborers. Gives the Labor Commissioner the power to investigate non-resident bidders and allows for payments on public improvement contracts to be withheld if a contractor does not file certain records with the Commissioner.

H-1437 by [Thomas](#) - Requires bidders to disclose suppliers and subcontractors for state contracts, and to not replace those suppliers or subcontractors without agency approval. **ADOPTED**

H-1112 by [T Taylor](#) - Strikes provisions related to public works in the bill.

FAILED

H-1113 by [Murphy](#) - Strikes everything but the strike of the Iowa labor preference. **FAILED**

The **House PASSED** the Bill as amended, 56-37; it now goes to the [Senate](#)

HF 516 SUBDIVISION IMPROVEMENTS

Allows local governments to require and condition the release of a bond on certain improvements being made. Establishes notice requirements for a city to give to contractor before considering the acceptance of subdivision improvements. (Cities

over 50,000: Required to give notice 48-hours in advance of considering the acceptance of the improvement; cities 25,000 to 50,000: Can give notice 48-hours in advance, if requested.)

H-1369 by **Wagner** - Strikes the bonding provisions. **ADOPTED**

The **House PASSED** the Bill as amended, 94-0; it now goes to the **Senate**

HF 603 EMINENT DOMAIN

Requires the Governor to approve state efforts to purchase more than 500 acres of private property through eminent domain. Changes the burden of proof to clear and convincing evidence for actions challenging eminent domain authority or condemnation proceedings. Adds reasonable attorney fees and other expenses, up to \$100,000, as reimbursable expenses in a lake condemnation. Prohibits removing a property from the state register of historic places for the purposes of condemnation unless the Legislature approves in a resolution signed by the Governor. Requires that adequate funding be secured for a public improvement before moving forward on condemnation proceedings. Prohibits local entities that collect property taxes from lobbying on eminent domain. Requires that compensation committees meet in open proceedings and allows members to be from contiguous counties. Excludes projects receiving state aid from the definition of public use, public purpose or public improvement. Allows a business that cannot relocate to receive assistance. Prohibits the DNR and the NRC from using eminent domain, except for highways. Adds provisions on using eminent domain for creating a lake, including offering the property back to the original landowner if the lake is not built in 2 years.

H-1406 by **Kaufmann** - Strikes the provision requiring the Governor's approval. Allows a DOT condemnation to remove a property from the state registry of historic places without a resolution. Changes the provisions on using eminent domain for a lake. Requires that the lake be started in two years. Maintains the preponderance of evidence standard for the DOT. States that these provisions do not affect the Code provisions regarding the eminent domain authority of the Utilities Division. Strikes provisions on compensation committees and business relocation. States the DOT cannot confer its power of eminent domain and that it must have a reasonable expectation of achieving its public purpose.

H-1413 by **Kaufmann** - Allows registered engineers working on a lake project to use standards other than federal standards in determining the acres needed.

ADOPTED

H-1420 by **Kaufmann** - Strikes the change on the DOT conferring authority.

ADOPTED

H-1406 as amended, **ADOPTED**

The **House PASSED** the Bill as amended, 91-6; it now goes to the **Senate**

HOUSE COMMITTEE ACTION

House Ways & Means Committee: Voted Out

HF 300 PLATTED LOTS II

Increases the period that individual lots cannot be assessed for more than the value of the land as unimproved property until the lot is actually improved. Strikes provisions allowing counties of more than 20,000 people to adopt rules on assessing subdivided lots and modifies comparable provisions for smaller counties. **AMENDED & PASSED**, 25-0

House Public Safety: Voted Out

SF 236 DPS BILL

Proposes substantive changes from DPS. **Fire Service Council:** Adds a member from the Iowa Association of Professional Fire Fighters and strikes the member from the Council of Iowa Fire Fighters. **Building Code:** Eliminates the authority of the Building Code Commissioner to adopt rules on minimum plumbing facilities. **Enforcement:** Eliminates the requirements for various enforcement agencies to send fingerprints to the FBI. Allows final disposition records to be sent to the DPS in electronic format. **Stalking:** Requires persons convicted of stalking to register as a sex offender if the judge or jury determines that the crime was sexually motivated. **Record Access:** Allows the DPS to have access to the deferred judgment docket. **PASSED** 19-0

SENATE FLOOR ACTION

Bills to the House:

SF 396 CONSTRUCTION INDEMNIFICATION

Creates a construction indemnification shell bill.

S-3157 by **McCoy** - *A Strike & Replace*: Defines construction contracts. Bans indemnification provisions as against public policy. Establishes exceptions for bonds, insurance payouts, obligations of borrowers to lenders and strict liability obligations.

The **Senate PASSED** the bill as amended, 47-1; it now goes to the **House**

SF 497 HOME INSPECTION REGISTRATION

Establishes a home inspector registration program. Requires persons to be registered in order to do home inspections. Requires contractors who do home improvement work to have a surety bond of \$50,000. Establishes requirements for the program and the bonds.

S-3143 by **Dandekar & McCoy** - Strikes the surety bond provisions for home improvement contractors. **ADOPTED**

The **Senate PASSED** the bill as amended, 26-22; it now goes to the **House**

SENATE COMMITTEE ACTION

Senate Commerce Committee: Voted Out

HF 299 COPPER ORDINANCE

Allows local governments to adopt a copper theft ordinance. Requires salvage dealers to maintain accurate records in English of the purchase and receipt of salvaged materials. Allows the local government to require specific records in the ordinance and that those records must be maintained for at least one year. Allows for the suspension or non-renewal of a license issued under such an ordinance by a magistrate or judge if the ordinance is violated. **PASSED** 14-0

Senate Local Government Committee: Voted Out

HF 132 URBAN RENEWAL PLANS

Requires the division of revenue for an urban renewal plan to be filed with the auditor of each county affected by the ordinance. **PASSED** 12-0

General business legislation:

HOUSE FLOOR ACTION

Bills to the Senate:

HF 523 WORKERS COMP CREDITS

Expands the areas where an employer can receive credit for an overpayment to an employee. Includes credit against the liability of the employer for any weekly benefits owed to the same employee, and then against payments for a subsequent injury.

H-1236 by **Horbach** -Requires that the worker get 15 days notice before any credit is taken. Limits the amount of the credit taken at one time to 50% of the worker's weekly benefit. **ADOPTED**

The **House PASSED** the Bill as amended, 58-34; it now goes to the **Senate**

HF 597 EXTERNAL HEALTH CARE REVIEW

Enacts provisions for the external review of adverse determinations by insurers, as required by federal health care reform. Establishes standards for review, disclosure and other provisions.

H-1407 by **Pettengill** - Allows a person to request an external review for a denial of an experimental treatment. **ADOPTED**

The **House PASSED** the bill as amended, 93-0; it now goes to the **Senate**

HOUSE COMMITTEE ACTION

House Ways & Means Committee: Voted Out

HF 402 CLEAN AIR FEES

Prohibits using fees assessed for regulation under the federal Clean Air Act for anything other than the costs for developing and administering the program. Prohibits the use of these fees for other programs, such as general ambient air quality programs or for monitoring. Makes the Title V fee under the Clean Air Act no more than \$56 per ton for each regulated pollutant. Prohibits fees from being collected related to greenhouse gases. Establishes reporting requirements for the DNR. Requires costs to be documented by agencies. (Specifies that fees assessed under this subsection for administrative costs by January 2012. Strikes some reporting requirements and makes other changes. Requires the costs to be documented by the agencies.) **PASSED** 14-9

HF 500 EPC & NRC RULEMAKING

Transfers the rulemaking authority of the NRC and the EPC to the director of the DNR. **AMENDED & PASSED** 15-9

SENATE FLOOR ACTION

Bills to the House:

SF 471 RED TAPE COMMISSION

Establishes a 20-member Red Tape Commission to review state law and determine whether the burdens on small businesses and employees outweigh the benefits. Requires three public hearings and a report.

S-3141 by **Danielson** - *A Strike & Replace*: Establishes provisions negotiated rulemaking and on the creation of ad hoc advisory groups to advise state agencies on draft rules. **ADOPTED**

The **Senate PASSED** the bill as amended, 46-2; it now goes to the **House**

SF 506 SMALL EMPLOYER HEALTH CREDITS

Establishes an Iowa income tax credit of 25% of the federal tax credit for small businesses (10 and under employees) that purchase health care for employees. Makes the credit refundable. Effective for the current tax year.

S-3139 by **Rielly** - Requires the employer to have a commercial domicile in Iowa. **ADOPTED**

S-3137 by Feenstra - Strikes the ten-employee limit. **FAILED** 26-22

S-3138 by **Behn** - Strikes Code provisions that require parents to report on their income tax returns if their children are covered by health insurance. **FAILED** 26-22 lost

The **Senate PASSED** the bill as amended, 48-0; it now goes to the **House**

SENATE COMMITTEE ACTION

Senate Ways & Means Committee: Voted Out

SSB 1074 STREAMLINED SALES TAX

Makes conforming changes to the streamlined sales tax, including changes to the sourcing of taxable services, in defining durable medical equipment, changing direct mail provisions, and other areas. **AMENDED & PASSED** 13-0

The following legislation was introduced this past week in the Iowa House and Senate. For full details of the legislation, please visit www.legis.iowa.gov

Issue related legislation:

HF 655 PLATTED LOTS II (*Successor to HF 300 & HSB 56*)

Increases the period that individual lots cannot be assessed for more than the value of the land as unimproved property until the lot is actually improved. Strikes provisions allowing counties of more than 20,000 people to adopt rules on assessing subdivided lots and modifies comparable provisions for smaller counties. Applies to plats recorded after 2004. Retroactive to January 2011.

General business legislation:

HF 660 CLEAN AIR FEES (*Successor to HF 402*)

Prohibits using fees assessed for regulation under the federal Clean Air Act for anything other than the costs for developing and administering the program. Prohibits the use of these fees for other programs, such as general ambient air quality programs or for monitoring. Makes the Title V fee under the Clean Air Act no more than \$56 per ton for each regulated pollutant. Prohibits fees from being collected related to greenhouse gases. Establishes reporting requirements for the DNR. Requires costs to be

documented by agencies. (Specifies that fees assessed under this subsection for administrative costs by January 2012. Strikes some reporting requirements and makes other changes. Requires the costs to be documented by the agencies.)

HSB 223 GOVERNORS TAX PROPOSALS

Increases the tax at casinos and racetracks to 36%. Imposes a flat corporate income tax of 6%.

HSB 224 TAX RELIEF FUND

Creates a tax relief fund. Scoops the ending balance after the Economic Emergency fund is filled for the fund.

HSB 228 PENSION INCOME EXCLUSION

Allows all retirement income to be excluded from the income tax. Raises the age when a taxpayer can use the exclusion to 65.

SF 515 STREAMLINED SALES TAX (*Successor to SSB 1074*)

Makes conforming changes to the streamlined sales tax, including changes to the sourcing of taxable services, in defining durable medical equipment, changing direct mail provisions, taxing one-way pages and other matters.

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