

Legislative E-Update ~ 4.1.11

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

1. Traffic Camera Bill Among Legislature's "Funnel" Victims *3/31/11 Cedar Rapids Gazette*

State lawmakers this week gave the red light to new regulations and limits on electronic monitoring devices cities use to curtail speeding and enforce other traffic laws. Supporters of a bill that won House approval in setting uniform fines at \$50 statewide for red-light violations and imposing signage requirements saw the brakes slammed on House File 549 when the measure was referred to the Senate Judiciary Committee – which did not meet, meaning the bill fell victim to the Legislature's self-imposed "funnel" deadline requiring policy proposals to clear one chamber and a committee of the other chamber to remain eligible for consideration this session.

The second funnel, which officially arrived Friday when neither the House or Senate are in session, also claimed a proposed marriage amendment to the state constitution, proposed changes to Iowa's collective bargaining law for public employees, a requirement that voters present photo identification at election polls, education changes regarding home rule for schools and student dress code requirements, and proposed modifications to graduated driver's license provisions for teenagers.

"We kept alive everything we think was good and we got rid of everything we think is bad," said Senate Majority Leader Mike Gronstal, D-Council Bluffs.

Democrats who control the Senate discarded a number of House-passed initiatives while majority GOP representatives ignored Senate-favored job-creation proposals as leaders of the split-control Legislature began to winnow their focus to budget measures, tax relief initiatives and a limited number of shared priorities in the session's final month or so. Daily expense money for the 150-member General Assembly runs out April 29 – the session's 110th day. Traditionally adjournment is closely tied to that benchmark although leaders concede it will take some heavy lifting to move their 2011 business to fruition.

Sen. Brad Zaun, R-Urbandale, who led an unsuccessful effort to ban traffic-monitoring cameras outright, expressed disappointment that the effort to better regulate the activity died abruptly.

"I thought the House used common sense and came to a compromise. I think Iowans are saying that at a minimum there needs to be some kind of regulations on these cities on how much they can charge, and there were some signage regulations in there. I think

it's unfortunate," he said. "With these traffic enforcement cameras, I believe you're guilty until proven innocent. That's my biggest hangup with them. I've always said they're more about revenue than they are about public safety."

Under the House-passed measure, the maximum fine for a red light violation would be \$50, roughly half of what most cities charge. The fine for speeders wouldn't change. Cities couldn't charge court costs for either type of violation under the measure and tickets issued by using cameras don't count against a driving record.

Sen. David Johnson, R-Ocheyedan, said a discharge petition he had circulated among senators to force House Joint Resolution 6 – the proposed marriage amendment — out of committee failed to garner the 26 votes needed to move the issue to the Senate debate calendar. The effort stalled at 24 GOP signatures and resolution seeking a public vote on specifying that marriage between one man and one woman would be the only legal union valid or recognized in this state failed for another session.

Likewise, a number of gun-related initiatives did not have the needed support to remain alive for the 2011 session, including a measure that would have allowed Iowans to use reasonable force in protecting themselves, their families and their property and a separate proposal whereby professional security guards could perform their duties on school grounds while carrying a sidearm.

A measure to toughen restrictions on late-term abortion saw House debate Thursday but a number of other social issues that surfaced during the session's early months failed to advance very far. For instance, a House bill stating that Iowa's health insurance exchange could not include any insurance policy that provides coverage for abortion was dropped from the eligible debate list.

"I was kind of surprised. There was a lot more talk before session," said Sen. Amanda Ragan, D-Mason City, leader of the Senate Human Resources Committee, which for a time expected to be a hotbed of social issues. "It was ever quieter than I thought. Some of that could be due to new members and learning their new roles."

However, Ragan said she would not be surprised to see some of the funneled ideas resurface as amendments to budget measures when lawmakers start assembling their fiscal 2012 spending plan.

One example in that category was Gov. Terry Branstad's plan to shift Iowa's voluntary preschool program for 4-year-olds to a means-tested scholarship approach did not survive the funnel, but is certain to be revisited in the budget process. Likewise, a policy measure seeking to shift water quality programs from the state Department of Natural Resources to the state Department of Agriculture and Land Stewardship became an appropriations issue that is exempt from Friday's funnel, said Sen. Dennis Black, D-Grinnell.

Legislation allowing parole for "lifers" who committed non-murder Class A crimes as a juvenile is alive in separate House and Senate versions, but Sen. Eugene Fraise, D-Fort Madison, said he doubted an agreement could be reached on setting the numbers of minimum years that would have to be served before an offender would be eligible for release.

2. Democratic Edge Seen In First Redistricting Proposal

3/31/11 Des Moines Register

A new map reconfiguring Iowa's U.S. House districts favors Iowa's three Democratic incumbents, despite pairing two of them in the same eastern Iowa district, Iowa political observers in both Democratic and Republican camps said.

Democratic Rep. Bruce Braley's home in Waterloo and his colleague Dave Loebsack's home in Mount Vernon would be in Iowa's new 1st District, according to the proposed map released Thursday by the Iowa Legislative Services Agency.

But Loebsack would be barely 20 miles north of Johnson County, the Democratic heart of his existing district, which would make a move from Mount Vernon to Iowa City relatively smooth, observers said.

Meanwhile, eight-term Democratic Rep. Leonard Boswell of Des Moines would find himself paired with no other incumbent, and in a district that includes a good portion of rural southwest Iowa, which he represented early in his tenure.

On the other hand, Iowa's two Republican congressmen, Steve King of Kiron and Tom Latham of Ames, would be in the same 4th District, forcing them to face each other in a primary or one of them to relocate.

"Looking at it purely politically, it's kind of a Democrat's dream," said Nick Ryan, a top congressional and political aide to former Republican Rep. Jim Nussle.

The new map is far from the final say on how Iowa's congressional landscape will be shaped when voters cast their ballots next year. But it is the opening offer in a process that will be required to squeeze Iowa's existing five U.S. House districts into four as the result of greater population growth in other states.

None of Iowa's five U.S. House members took positions on the proposed map. They deferred to Iowa's unique redistricting process, which seeks to avoid political influence by putting the work in the hands of a nonpartisan agency.

Legislative Services Agency staffers consider only population in drawing the map, and not the homes of incumbents or partisan balance.

Either chamber of the Legislature or the governor can reject the LSA's proposals twice. In the third round, they can amend the map. If they still can't agree, the Iowa Supreme Court would draw the districts.

Read full story here: <http://is.gd/jl9Uwa>

3. Rural Residents Would Benefit From Health Insurance Exchange

3/28/11 Radio Iowa

A report from the Center for Rural Affairs finds so-called health insurance marketplaces, part of the federal health care law, will benefit rural residents and rural families. Jon Bailey, the center's director for research and analysis, says the study shows some of the critical considerations going into setting up state health insurance exchanges.

“They’re mostly designed for the uninsured, small businesses and people who buy insurance through the individual insurance market,” Bailey says. “Those are all populations that are in rural communities in large numbers. Farmers and ranchers almost exclusively purchase their insurance through the individual market.” In the report called, “Health Insurance Exchanges That Work for Rural,” Bailey says people who are self-employed or who run small businesses can go to the marketplace and see which plan works for their needs.

He says, “It’s hoped that these marketplaces will provide a means of people to shop for insurance, compare products and find the best one in terms of coverage and price for themselves and their family.” Bailey says the programs aren’t being rolled out yet.

“It’s still being worked on so I think people are hearing these are coming in a couple of years,” Bailey says. “This is how the health insurance marketplace is going to be structured through these exchanges, so I think there is some level of confusion.” Bailey says several benefits of the plan will work in rural areas, including an outreach where there is a challenge reaching those in need of health care plans.

He says the Affordable Care Act also allows for geography to be used as one of the factors an insurance company may take into account when assigning ratings. “There are a lot of potential benefits to this,” Bailey says. “It will open up a way for more people to get health insurance than we currently have and that’s been the experience in states that already have these types of exchange marketplaces already.”

Bailey says rural residents have unique circumstances that must be addressed in the development of exchanges, particularly when dealing with low-income rural residents. The Center for Rural Affairs is based in Lyons, Nebraska.

Learn more at: “www.cfra.org” or download the full report:files.cfra.org/pdf/Health-Insurance-Exchanges.pdf.

4. House Approves Late Term Abortion Ban *3/31/11 Radio Iowa*

After long and often emotional debate, the Iowa House this week approved a bill to ban abortions in Iowa after the 20th week of pregnancy.

Representative Mary Ann Hanusa, a Republican from Council Bluffs, said the bill’s a priority, as a Nebraska doctor has said he plans to open a clinic in Council Bluffs where he would perform so-called “late term” abortions.

“There is a substantial and growing body of medical and scientific evidence that unborn babies at 20 weeks can feel intense pain when they are aborted,” Hanusa said during debate. “At 20 weeks, unborn children have pain receptors throughout their body and nerves link these to the brain.”

Representative Janet Petersen, a Democrat from Des Moines who is the mother of three children, choked back tears as she talked about having a stillborn child in 2003.

“Supporting this bill adds another cruel punishment to what is already an overwhelming and ongoing experience of heartache,” Petersen said. “The fact that there were only six cases last year proves that Iowa families rarely use this option.”

Representative Beth Wessel-Kroeschell said if the bill becomes law, women may be denied abortions even if their babies have no chance to survive outside the womb.

“If keeping this doctor out of Iowa is necessary, there are ways to do that without risking the lives of our daughters,” she said. “Using this bill for that means is equivalent to using a sledgehammer to kill a fly.”

Representative Hanusa disagreed.

“This bill protects the life of unborn children at 20 weeks and it protects the life of the mother,” Hanusa says. “Iowa’s sense of decency and compassion and our common humanity dictate that we as a state protect these vulnerable individuals.”

The bill passed on a 60 to 39 vote, with four Democrats joining all but three Republicans in the House in support of the legislation. Three Republicans — Kim Pearson of Pleasant Hill, Glen Massie of Des Moines and Tom Shaw of Laurens — voted against the proposal, as they favor a ban on all abortions instead. Democrats Dan Muhlbauer of Manilla, Brian Quirk of New Hampton, Kurt Swaim of Bloomfield and Roger Thomas of Elkader were the only Democrats to vote for the bill.

The proposal now goes to the Senate for consideration.

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

Business index continues to show economic recovery

For the 15th straight month, Iowa's Business Conditions Index climbed above growth neutral, according to a survey released today by Creighton University. The index, a leading economic indicator from a survey of supply managers, climbed to 67.9 in March from 66.2 in February.

“From the beginning of the recession in December 2007 until March of last year the state lost almost 60,000 jobs,” said Creighton University Economics Professor Ernie Goss. “Over the past year, Iowa has recovered approximately 20 percent of those lost jobs. Our surveys over the past several months indicate that by the end of the first quarter of 2012, Iowa’s employment level will be approximately 20,000 jobs below its pre-recession level.”

But for the first time since October of last year, the Business Conditions Index, a leading economic indicator for the nine-state Mid-America region including Iowa, declined. However, the index remained in a range pointing to healthy economic growth for next three to six months. As in prior months, the March survey indicates rising inflationary pressures at the wholesale level.

Rural development official focusing on biofuels

The U.S.D.A. wants the biofuels industry to grow to 36 billion gallons in the next 10 years and the department's state director of rural development says his organization will dedicate the month of April to developing innovative biofuels technology. Bill Menner says Iowa will play a large role in the expansion of the industry.

"Here in Iowa biofuels have a whole different meaning," Menner says, "We are kind of the hub for innovation. Of course, we were the hub for the development of ethanol. We're also the hub for the development of second and third generation biofuels. So this month has particular meaning for us." Menner says Iowa will play a huge part in the industry's expansion as the state goes after more U.S.D.A. funding.

"We're confident there are projects out there in Iowa, we have already heard from a few of them that are thinking about applying. The key to them is using the technology and innovation that already exists in rural Iowa to move them forward," Menner said.

Menner says over the last 10 years, 30 biofuels businesses in Iowa have received U.S.D.A. funding totaling more than \$55-million.

House passes bill to restructure Department of Economic Development

The Republican-led Iowa House has endorsed a bill that gives the Iowa Department of Economic Development a bit of a face-lift, with a new name and new structure. The state agency would be replaced with a public-private partnership and Representative Steve Lukan, a Republican from New Vienna, says that sort of "evolution" is necessary.

"A business that existed 50 years ago must certainly have changed operations to stay alive and be open for business today. In most businesses, systems change year to year to stay competitive and flexible," Lukan said. "So, too, must the state and state agencies to meet the needs of the people we serve."

Legislators and the governor have already begun calling the proposed "Iowa Partnership for Economic Progress" by its upbeat acronym: I-PEP. Some have raised concerns, though, that businesses contributing to I-PEP's operations would expect payback with state grants or tax breaks.

Representative Chuck Isenhart, a Democrat from Dubuque, successfully pushed to require the new I-PEP boards made up of business leaders to hold meetings that are open to the public, with all records in the newly-configured organization available for public scrutiny, too.

"This creates the potential of special dealing and I think that, in particular, requires that we need to be very careful," Isenhart says.

The bill passed the House on a 65 to 33. Governor Branstad says he expects the proposal to win approval in the Democratically-led Iowa Senate, too.

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:

SENATE FLOOR ACTION

Bills to the House:

SF 252 MANUFACTURED HOME CONTRACTS

Increases the penalty to \$500 for a manufactured home retailer who buys a used home and does not apply for a title within 30 days. Establishes a new disclosure statement, prescribed by the AG, with information on the property tax status, mortgages and liens, schedules of payments and other matters. Exempts certain financial institutions, lenders, insurance companies and real estate brokers from the requirements on the disclosure statement. Allows a buyer to seek rescission of a sale if the seller doesn't deliver a certificate of title within 30 days of the sale. Requires that the buyer, if successful, to be awarded attorney fees. Makes the failure to give a disclosure statement grounds to revoke the license of a retailer, manufacturer or distributor. Makes it a fraudulent practice for a seller to intentionally give inaccurate information. **Leases:** Makes a mobile home space agreement at least one year and requires good cause for terminating a lease. Defines good cause. Increases the penalties for the bad faith retention of a deposit. Requires landlords to give mobile home tenants written disclosures on their rights and the duties of the landlord. Makes other changes regarding abandoned mobile homes.

S-3189 by **Feenstra** - Strikes the good cause provisions. Awards attorney fees to the prevailing party. Increases the period that the owner can remove a home after losing an eviction case to 7 days, but adds the payment of unpaid rent and interest. Makes other changes. **FAILED** 24-24.

The **Senate FAILED to PASS** the bill 23-25

SF 466 RESIDENTIAL CONTRACTORS

S-3190 by **Dandekar** - *A Strike & Replace*: Allows a person to cancel a written contract with a residential contractor for roof repairs, to be paid through insurance proceeds prior to midnight on the third business day after the person receives notice that insurance will not cover the loss. Requires written notice delivered or mailed to an address specified in the contract. Does not require the notice to take any particular form but just to show intent. Requires the contract to include provisions on cancellation and on notice. Requires the contractor to return deposits or money paid within 10 days except for repairs due to a catastrophe. **Other:** Makes definitions of catastrophe, residential contractor and roof system. Prohibits a contractor from offering to rebate any part of insurance proceeds but allows the contractor to place signs on the residential property, with the property owner's permission, if the owner is not paid. Prohibits a residential contractor from negotiating with the insurance company for the homeowner. **ADOPTED**

The **Senate PASSED** the bill as amended 47-2; it now goes to the **House**

SENATE COMMITTEE ACTION

Senate Local Government Committee: Voted Out

HF 516 SUBDIVISION IMPROVEMENTS

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.) **PASSED** 10-0

Senate State Government: Voted out

HF 392 PLUMBING LICENSES

Establishes license fees: apprentice & journeyman license (\$50); master (\$125). Reduces the cost for subsequent licenses to 30%. Makes licenses for 3 years and requires that the application be no more than 2 pages. Requires the licensing board to rebate \$3 million in licenses. Requires the board to report on fees and expenses and requires the board to reduce fees in future years if fees exceed expenses by 10%. Does not allow cities and counties to charge license fees but allows inspection and permit fees. Requires the application to have a security page and allows a fee for paper applications if the person can apply electronically instead. Authorizes free renewals instead. Includes provisions on reduced costs for combined licenses. Allows the owner of a property, and an unpaid helper, to work on that property without being licensed if the property is not income producing. Eliminates a requirement that a journeyman have 4 years experience as an apprentice and that a master meet certain educational and experience requirements. Makes definitions. **PASSED**

HF 618 ELECTRICIAN EXEMPTIONS

Makes a responsible managing employee in regards to fire suppression systems for certain phone companies a person with whom the company contracts and who has national certification. Exempts such a responsible managing employee from certain requirements on supervising such systems. Defines commercial in regards to electrical work to mean businesses, but not homes, farms or industrial uses. Makes licensing provisions and permit requirements inapplicable to persons who own or work on a farm. **PASSED**

HOUSE FLOOR ACTION

Bills to the Governor:

SF 396 CONSTRUCTION INDEMNIFICATION

Defines construction contracts. Bans indemnification provisions as against public policy. Establishes exceptions for bonds, insurance payouts, obligations of borrowers and strict liability obligations.

The **House PASSED** the bill 82-11; it now goes to the **Governor**

Bills to the Senate:

HF 655 PLATTED LOTS

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.

H-1488 by **Soderberg** - Corrective. **ADOPTED**

H-1497 - **WITHDRAWN**

The **House PASSED** the bill as amended, 81-13; it now goes to the **Senate**

General business legislation:

HOUSE FLOOR ACTION

Bills to the Senate:

HF 590 ECONOMIC DEVELOPMENT RE-ORGANIZATION (IPEP)

Reorganizes economic development agencies. **Partnership:** Requires the Governor to appoint 7 members, and to the extent possible, with private sector economic experience. Allows the Governor or Lt. Governor to serve as the chair. Requires at least quarterly meetings and annual reports to the Legislature. **DED:** Eliminates the DED. **Authority:** Establishes a 9-member board (2 from each congressional district and one at large) with four ex officio legislative members. Allows the Authority to enter into contracts and to issue bonds. Gives the Authority power to delegate authority except for essential governmental functions and sovereign powers. **EDC:** Requires the Authority to establish an Economic Development Corporation as a non-profit with various duties in promoting economic development. Prohibits the EDC from receiving state funds and makes the employees of the EDC not subject to rules imposed on state agencies. Allows the EDC to contract with the Authority to perform various duties. Prohibits board members for the EDC from serving on the Authority.

AMENDMENTS to HF 590

H-1415 by **Thomas** - Strikes the Partnership. **FAILED**

H-1386 by **Thomas** - Requires the Partnership to set numerical goals for job creation and to report to the Legislature if those goals are not met. **ADOPTED**

H-1409 by **H Miller** - Changes the Authority to a 15-member board appointed by the Governor, with 7 ex officio members from the Legislature and representing state universities and community colleges. Requires various areas of expertise be represented. Contains other provisions. **FAILED 59-37**

H-1432 by **Lukan** - Strikes bonding provisions.

H-1467 to H-1432 by **Lukan** - Adds corrections. Adds provisions to limit the number of persons from one company that can serve on the boards, to limit political influence is limited and to ensure that contracts between the Authority and the EDC are reasonable fair. **ADOPTED**

H-1432, as amended, **ADOPTED**

H-1430 by **Isenhart** - Prohibits a contract being let without competitive bidding to a person who has made more than de minimis political contributions. **FAILED**

H-1429A by **Isenhart** - Requires that any panels or committees formed by the Authority be subject to open records and open meetings laws. **ADOPTED**

H-1429B by **Isenhart** - Requires the DPS be consulted on green building rules. **FAILED**

H-1433 by **Isenhart** - Prohibits the EDC or Authority from giving assistance to entities that have made political contributions. **FAILED**

H-1416 by **Thomas** - Requires the Authority to prohibit favoritism or play for pay tactics.

H-1468 to H-1416 by [Thomas](#) - Corrective. **ADOPTED**
H-1416, as amended, **ADOPTED** 95-0
H-1442 by [Running-Marquardt](#) - Requires the Legislature to conduct a review as of 7/2014. **ADOPTED**
H-1379 by [Heddens](#) - Requires the EDC to file an annual information return. **ADOPTED** 97-0
H-1389 by [Thomas](#) – Creates a Save our Small Businesses fund & program. **FAILED** 58-40
H-1384 by [Lukan](#) - Makes corrections on pilot projects, federal duties and other matters. **ADOPTED**
H-1380 by [Lukan](#) - Adds the Authority to provisions on the Industrial New Jobs Training. Adds the DWD and DOR to the agencies that review the program. **ADOPTED**
The **House** **PASSED** the bill as amended, 66-33; it now goes to the [Senate](#)

HOUSE COMMITTEE ACTION

House State Government Committee: Voted Out

SF 471 RED TAPE COMMISSION

Establishes provisions negotiated rulemaking and on the creation of ad hoc advisory groups to advise state agencies on draft rules. **PASSED** 22-0

House Ways & Means: Vote Out

HF 9/HF 671 PROPERTY TAX FORMULA

State School Aid: Increases the state school foundation aid to 100% over 7 years.
Spending: Requires local governments to reduce spending on non-essential services first if the property tax capacity of the government is reduced. Defines essential services and requires that reductions to essential services be listed in a budget summary.
Rollback: Ties industrial and commercial property to the assessment rollback.
AMENDED & PASSED, 15-10

SENATE FLOOR ACTION

Bills to the House:

SF 515 STREAMLINED SALES TAX

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

The [Senate](#) **PASSED** the bill 49-1; it now goes to the **House**

SENATE COMMITTEE ACTION

Senate Economic Growth Committee: Voted Out (WITHOUT RECOMMENDATION)

HF 590 ECONOMIC DEVELOPMENT RE-ORGANIZATION (IPEP)

Reorganizes economic development agencies. **Partnership:** Requires the Governor to appoint 7 members, and to the extent possible, with private sector economic

experience. Allows the Governor or Lt. Governor to serve as the chair. Requires at least quarterly meetings and annual reports to the Legislature. **DED:** Eliminates the DED. **Authority:** Establishes a 9-member board (2 from each congressional district and one at large) with four ex officio legislative members. Allows the Authority to enter into contracts. Gives the Authority power to delegate authority except for essential governmental functions and sovereign powers. **EDC:** Requires the Authority to establish an Economic Development Corporation as a non-profit with various duties in promoting economic development. Prohibits the EDC from receiving state funds and makes the employees of the EDC not subject to rules imposed on state agencies. Allows the EDC to contract with the Authority to perform various duties. Prohibits board members for the EDC from serving on the Authority. **Other:** Requires the Partnership to set numerical goals for job creation and to report to the Legislature if those goals are not met. Limits the number of persons from one company that can serve on the boards. Adds provisions to limit political influence and to ensure that contracts between the Authority and the EDC are reasonable fair. Requires the Authority to prohibit favoritism or play for pay tactics. Requires that any panels or committees formed by the Authority be subject to open records and open meetings laws. Requires the Legislature to conduct a review as of 7/2014. Requires the EDC to file an annual information return with the DOR. Adds the Authority to provisions on the Industrial New Jobs Training. Adds the DWD and DOR to the agencies that review that program. **PASSED** 12-3

Senate Commerce: Voted out

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. Allows a person to request an external review for a denial of an experimental treatment. **AMENDED & PASSED** 14-0

Senate State Government: Voted out

HF 148 DEPARTMENTAL REVIEWS

Has the REC makes estimates for two years for the GF and for gambling revenues. **Transfers:** Restricts transfers so that the transfer is from the same source and in the same year and no more than 0.1% of the total of appropriations from the funding source. Caps all transfers at no more than 0.5% of all GF appropriations. Effective on enactment. **PASSED**

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:

No issue related legislation introduced this week.

General business legislation:

HF 661 EPC & NRC RULEMAKING (Successor to HF 500)

Transfers the rulemaking authority of the NRC and the EPC to the director of the DNR, in consultation with the commissions. Prohibits the Director from adopting a rule related to federal regulations until the regulation has had final approval.

HF 664 COMMERCIAL PROPERTY ASSESSMENTS

Reduces the value for which commercial property is taxed by 1% of the assessed value starting in 2012 and continues to reduce the value by 1% a year until 2021 (at 90% for property taxed as commercial property for ten years, less for property taxed as commercial for fewer years). Assesses commercial property at the percentage of value set in 2021.

HF 671 PROPERTY TAX FORMULA (Successor to HF 9)

State School Aid: Increases the state school foundation aid to 100% over 7 years.

Rollback: Ties industrial and commercial property to the assessment rollback.

SSB 1205 BUSINESS PROPERTY TAX CREDITS

Creates a business property tax credit and appropriates \$50 million to the DOR for the fund in the initial year and appropriates an amount annually equal to the amount the Legislature appropriated the previous year. Appropriates an additional \$50 million if the REC certifies that revenues have grown by 4%. Limits the total appropriation to \$200 million. **Duties:** Requires the DOR to develop forms for the credit and for the county auditor to approve or disapprove the credit. Authorizes the county supervisors to review claims. Allows appeals to the district court. Requires assessors to maintain files on credits and requirements. **Credit:** Makes commercial and industrial property eligible if a permanent improvement is made on the property. Allows a person to claim one credit per property. Requires the DOR to calculate the total amount of eligible improvements. Establishes a formula for determining the amount of the credit.

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