

# 2014 Summary of Legislation

85th General Assembly, 2nd Session



# **ABOUT ISAC**

The Iowa State Association of Counties (ISAC) is a private, nonprofit corporation. The organization was incorporated on October 8, 1964. 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 supervisors in the state have their own association, which is called the Iowa State Association of County Supervisors and is one of ISAC's affiliates. In total, there are 15 of these associations that are affiliated with ISAC.

The main purpose of ISAC is to secure and maintain cooperation among the counties and county officials, promote comprehensive study and resolution of local problems, 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 lowa. 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.



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# INTRODUCTION

In 2014 lowa counties participated with the 2nd Session of the 85th General Assembly in the development of many important public policy decisions. These bill summaries are organized according to ISAC areas of interest. In addition, all appropriations bills are located in the section entitled "Appropriations." 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 the category subjects are so distinct. For example, a bill dealing with property tax reform would be found under "Taxation and Finance." However, there are some occasions where a bill could logically fit under more than one category. We have cross-referenced those bills for your convenience.

Please note that text in shaded areas indicates bills that have been vetoed or portions of bills that have been line item 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, 2014. 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:

HD - Hanna De Groot, Public Policy Specialist

JC - Jamie Cashman, Government Relations Manager

KLH - Kristi Harshbarger, General Counsel

LB - Lucas Beenken, Public Policy Specialist

WRP - William R. 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 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 Legislative Information Office at 515.281.5129 or at http://www.legis.iowa.gov.

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**

# Mental Health and Disability Services

Providing sufficient funding for counties as they move into the new regional system was again a priority for ISAC this year. There was significant progress made on this as the Iowa Legislature was able to come to an agreement that included \$30 million in equalization funding in FY 2015 as was language calling for equalization funding in FY 2016. They also extended the \$47.28 county mental health levy into FY 2016 as well. Progress was also made on the clawback reversion brought on by the expansion of Medicaid. While the clawback provision remains, the calculation methodology of the savings was modified to better identify similar coverage between what the counties previously provided in services and those now covered under the Iowa Health and Wellness Plan. Regions will also have a further role in how those savings are calculated. Another mental health related priority that was accomplished was legislation that clarified that the cost of mental health treatment brought on by Iowa Code chapter 812 commitments is a responsibility of the state of lowa and not the counties.

### **Road Funding**

No major changes were made to road and bridge funding this legislative session. A handful of bills were introduced to address the need for additional funding, but most failed to advance even to the subcommittee level and ultimately fell victim to the funnel deadline. One bill, HSB 514, which would have increased the gas tax by 10 cents per gallon over three years, did gain unanimous support from a House Transportation subcommittee but it was not considered by the full committee. Several other bills attempted to address the shortfall by transferring dollars from various funds either as a one-time or ongoing appropriation. Toward the end of session what became known as a hybrid approach was being discussed. The plan would have reduced the per gallon tax to 16 cents for gasoline and ethanol blends and 18 cents for diesel fuel, and would have added a 5% tax on the statewide average retail price per gallon. This idea was introduced as an amendment to several different pieces of legislation in both the House and Senate, but never came up for debate or a vote because of a series of rulings on the amendments being not germane or out of order. ISAC is very supportive of this approach, because not only does it provide additional revenue at current fuel prices, but the tax is indexed to the price and provides for future revenue growth as fuel prices continue to rise.

Although no gas tax increase or other additional funding was taken up this year, ISAC is pleased with the progress being made regarding awareness and understanding of the need. Legislators and the general public seem to be more accepting of the problem, and now we must work to gain consensus on the best solution. Because this is a tough political issue, it has been said that an agreement would need to be reached among both parties in both chambers in order for a tax increase to be considered. With so much else on the table and an election this November, the support could not be garnered this year.

### **User Fees**

User fees were a top priority of ISAC's for the first time this year. Property tax reform passed in 2013 will take an estimated \$761.9 million out of county property tax revenues over the next 10 years. There are a number of services that counties provide to the public that are being subsidized by property taxes because the fees charged to the customers are not adequate to pay for the service. Most fees are set in the lowa Code and have not been raised for a number of years. There was a move to give the treasurers additional money to issue drivers licenses in the Rebuild Iowa Infrastructure Fund bill, but that was defeated. Parking fine and court debt collections made it through the Senate and House Local Government Committees but was held up in Ways and Means. A bill to give recorders more money to issue marriage licenses passed the House Local Government Committee but was also held up in Ways and Means Committee. There was a willingness to listen to the arguments presented; however, there was no desire to raise any fees in the Republican-controlled House, despite being property tax relief.

### Rural Improvement Zones

Legislation was drafted in both chambers to reform the Rural Improvement Zone (RIZ) laws. ISAC sought to give counties and other taxing jurisdictions more input in the process before property tax dollars were diverted to a RIZ district. Subcommittee meetings were held for both SF 2003 and HF 606, but ultimately legislators were too wary of a pending lawsuit in Appanoose County to move forward with reform efforts this year. The ISAC goals contained in the bills included giving the board of supervisors the authority to consider the detrimental effect of the diversion of incremental property taxes, requiring the district board of trustees to consider other funding sources prior to the use of incremental property taxes, and putting in place an automatic sunset of the RIZ with the ability to extend after consultation with the board of supervisors. The legislation also prohibited a RIZ district, or a government entity acting on its behalf, from condemning land, and it kept in place the ability of a board of trustees to dissolve a RIZ by resolution. With the lawsuit settled, RIZ reform may have more support next legislative session.

# COUNTY ADMINISTRATION AND ORGANIZATION

# HF 499 - Crossbow Hunting

HD Recorders HD Treasurers

This bill directs the Natural Resource Commission to adopt a rule permitting a resident to use a crossbow for taking deer during the late season that is currently designated for taking deer by muzzleloading rifle or muzzleloading pistol.

# HF 2067 - Youth Turkey Hunting Licenses

HD Recorders

This bill allows an individual with a youth spring wild turkey hunting license who does not take a wild turkey during the set hunting season to use the license and unused tag during any other wild turkey hunting season established by the natural resource commission.

Effective Date: Upon Enactment, March 14, 2014.

# **HF 2131 - Transmitting Utility Mortgages**

HD Recorders

This bill gives a transmitting utility two options for recording a mortgage. The first is to record in each county in which any portion of the property is situated. The second option is to record the mortgage in at least one county and to record in every other county where the property is situated a memorandum of the mortgage. The memorandum must include the names and addresses of the mortgagor and the mortgagee, a legal description, the date of maturity of the indebtedness, a statement as to whether or not the mortgage or deed of trust applies to subsequently acquired property of the transmitting utility, the county recorder's office where the mortgage is recorded along with the recording date and document identification number, and any other information deemed appropriate by the transmitting utility.

# HF 2172 - Public Employment Relations Board

KLH All County Officials

This bill allows the Public Employment Relations Board to create an electronic filing system and to require the filing or service of notices or other documents through the system.

### HF 2216 - Off-Road Utility Definition

HD Recorders

This bill revises the definition of off-road utility vehicle. The bill strikes the limitation on engine size and establishes three off-road utility vehicle classifications based on weight and width as follows:

- Off-road utility vehicle type 1 includes vehicles with a total dry weight of 1,200 pounds or less and a width of 50 inches or less.
- Off-road utility vehicle type 2 includes vehicles, other than type 1 vehicles, with a total dry weight of 2,000 pounds or less and a width of 65 inches or less.
- Off-road utility vehicle type 3 includes vehicles with a total dry weight of more than 2,000 pounds or a width of more than 65 inches, or both.

This bill makes various technical changes relating to vehicle registration, taxation of rental vehicles, and levee and drainage districts. The bill clarifies that rental trailers are exempt from the five percent motor vehicle one time registration fee, allows for the destruction of drainage levy assessments after 10 years from which the assessment was paid in full, and strikes requirements that drainage district assessments be paid in cash.

### HF 2274 - State Agency Fee Database

HF 2273 - Treasurers' Technical Bill

KLH All County Officials

This bill requires the state chief information officer to create a database website of all fees, rates and charges imposed by a state agency. While counties are not included in the definition of state agency, county officials may find this database useful in its functions and when assisting citizens.

# HF 2344 - Drainage District Mergers, Trustee Liability, and Bid Letting

LB Auditors, Supervisors

This bill allows for the merger of two or more drainage or levee districts and addresses the liability of drainage district trustees and bidding procedures. The bill brings drainage district trustees in line with employees of a municipality by providing an exemption from liability for certain acts and omissions under municipality tort claim laws. It also requires a board of trustees for a drainage district to comply with the same requirements as government entities for taking bids for public improvements and construction, including complying with thresholds for public notice and public hearings. The bill strikes the current requirements for public notice, hearing, bid letting, posting bonds, and awarding contracts that are subject to a \$20,000 threshold.

# HF 2366 - Elections

HD Auditors

This bill makes various changes to elections and voter registration requirements. The bill moves the repository for filing city election paperwork from the city clerk to the county auditor. The bill also increases the time with which an appointment to fill a city vacancy needs to be made to 60 days. The appointment lasts until the next regular city election or intervening special election in that city. If the council fails to make an appointment within 60 days, the city clerk must give notice to the county auditor. The county auditor must call a special election to fill the vacancy at the earliest practical date, but no fewer than 32 days after the notice is received.

The bill allows voter registration forms to be stored electronically, including the applicant's signature. The bill also changes the voter registration deadline from 5:00 pm 10 days to 11 days prior to a primary election and reduces the number of absentee envelopes from two to one by combining the affidavit envelope with the return envelope.

# **COUNTY ADMINISTRATION AND ORGANIZATION**

Effective Date: The changes to voter registration and absentee ballots are effective upon enactment, April 25, 2014.

# HF 2456 - Community College Levy

HD

**Auditors** 

This bill replaces the existing public referendum process for community college facility and equipment replacement and program sharing levy rates for a merged area. The bill allows levies to be reauthorized by a vote of the community college board if the levy has already been approved by the voters in two consecutive elections and if the tax has been imposed for a period of at least 20 consecutive years. The bill also provides that voters have the opportunity to petition for a reverse referendum on the continuance of a levy at the time the levy comes up for renewal. If the question of whether to discontinue the authority of the board to impose the tax fails to gain approval at election, the question shall not be submitted to the voters of the merged area for a period of 10 years following the date of the election. If the board wants to increase a levy rate, it would be subject to an election.

Effective Date: Upon enactment, date pending.

# SF 303 - Home Base Iowa

LB

All County Officials

With the addition of amendments in both chambers, this bill became the vehicle for Governor Branstad's Home Base Iowa initiative. The bill includes an exemption from state income tax for military pensions, an expansion of the property tax exemption for property owned by associations of veterans, changes to the veterans' license plate fee fund, an expansion of the veterans' preference for private employment, provisions providing for credit toward qualifications for certain professional licensing, modifications to the duties of the county commissions of veteran affairs and the relationship with the board of supervisors, changes to the veteran homeownership program, and provisions providing for a special civil service examination for returning veterans that missed the regularly scheduled exam. In regards to the county commission of veteran affairs, the language of the bill clarifies that the duties of the veteran affairs administrator or director shall not be placed under another county agency, but the county could choose to assign the duties of another office to a director that is less than a full-time employee of the commission. The board of supervisors will still be responsible for approving expenditures, but the financial information provided for review would not include personal information.

Effective Date: Division I, dealing with the state income tax exemption, applies retroactively to the tax year beginning January 1, 2014. Division II, dealing with the property tax exemption, applies retroactively to the assessment year beginning January 1, 2014.

# SF 2091 - Joint Tenancy

HD

Auditors, Recorders

Current law presumes that any conveyance to two people creates a tenancy in common, unless stated otherwise. This bill retains the current language relating to tenancies in common and also specifies that a conveyance of real property of two or more people in any of the following circumstances creates a presumption of joint tenancy with right of survivorship, unless contrary intent is expressed: the instrument identifies the people as married to each other at the time the instrument is executed; the instrument describes the conveyance with the phrases "joint tenants" or "joint tenancy," or other similar words; or the instrument describes the conveyance to the people with the phrase "or their survivors" with reference to the people, or other similar phrases. An order of annulment, dissolution or separate maintenance severs joint tenancy with rights of survivorship and creates a tenancy in common in equal shares.

Effective Date: January 1, 2015, and applies to instruments executed and orders entered on or after that date.

### SF 2192 - Moped Speeds

HD

Recorders

This bill increases the maximum speed capability for a motorized bicycle, or moped, from 30 miles per hour to 39 miles per hour.

# SF 2198 - Paddlefish Fishing License

HD

Recorders

This bill establishes resident and nonresident paddlefish fishing licenses for use on the Missouri and Big Sioux rivers. The licenses will cost \$20 for a resident and \$40 for a nonresident and are also required for those under 16 years of age wishing to fish for paddlefish on the Missouri or Big Sioux rivers. A violation of the bill's requirements is punishable by a scheduled fine of \$25. In addition, a person who illegally takes a paddlefish must reimburse the state for the value of the fish in the amount of \$1,000 per fish.

# SF 2212 - Yard Waste Disposal

HD

Conservation, Supervisors

This bill adds two additional circumstances in which yard waste may be accepted for land disposal. The first is when the yard waste is collected for disposal as a result of a severe storm and the yard waste originates in an area declared to be a disaster area by the United States President or the Governor of lowa. The second circumstance is when the yard waste is collected for disposal to control, eradicate, or prevent the spread of insect pests, such as Emerald Ash Borer, tree and plant diseases, or invasive plant species problems.

Effective Date: Upon enactment, April 3, 2014.

# COUNTY ADMINISTRATION AND ORGANIZATION

# SF 2259 - Security Breach Notifications

KI H

All County Officials

This bill broadens the definitions of "breach of security" and "personal information" for purposes of security breach notification requirements in Iowa Code chapter 715C. In addition, this bill requires additional notifications of a security breach involving more than 500 Iowa residents to the director of the consumer protection division of the office of the attorney general.

The bill also provides that a use restriction does not include easements granting a person an affirmative right to use land in the possession of another person, certain agreements providing for the sharing of costs and other obligations for real estate taxes, insurance premiums, and maintenance, repair, improvements, services, or other costs, and agreements between two or more parcel owners for the joint use and maintenance of driveways, party walls, landscaping, fences, wells, roads, common areas, waterways, or bodies of water.

### SF 2273 - Drainage District Trustees

LB

Auditors, Supervisors

This bill expands the individuals eligible to serve as drainage district trustees to include those who own land in the district as part of a family trust, limited liability company, limited partnership, and other similar specified arrangements, and meet the other requirements, including residency.

# SF 2291 - Equipment Dealer Registration Fees

HD

Treasurers

This bill establishes an alternative process for an equipment dealer to acquire a new vehicle without paying the fee for a new registration, modifying the vehicle, and selling it as a used vehicle. Three requirements must be met:

- 1. The equipment dealer rebuilds the vehicle to create an ambulance, rescue vehicle, fire vehicle, or towing or recovery vehicle or installs special equipment on the new completed motor truck with a gross vehicle weight rating of 14,500 pounds or more.
- 2. The value of the work performed and equipment installed equals or exceeds 80% of the purchase price paid for the new vehicle.
- 3. The equipment dealer sells the modified vehicle as a used vehicle to a business or government entity, not an individual consumer.

The equipment dealer must obtain a certificate of title and registration, but is exempt from paying annual registration fees, provided the vehicle is used only for purposes incidental to resale and displays a dealer plate.

# SF 2315 - Land Use Restrictions

HD

Recorders

This bill clarifies "use restrictions" relating to limitations or prohibitions on the rights of a landowner to make use of their real property. Examples of use restrictions include prohibitions on commercial uses, rental use, parking and storage of recreational vehicles, ownership of pets, outdoor domestic uses, construction and use of accessory structures, building dimensions and colors, building construction materials, and landscaping. A use restriction extends for 21 years, and in order for the use restriction to remain after the 21 year period, the claimant of the restriction must file a verified claim within the initial 21 year period with the county recorder in the county where the real estate is located.

# **HUMAN SERVICES AND PUBLIC HEALTH**

# HF 2109 - Vapor and Alternative Nicotine Products

HD Public Health

This bill relates to the regulation of vapor and alternative nicotine products. The bill adds to the definition of a tobacco retailer one who also sells vapor or alternative nicotine products. Vapor and alternative nicotine products are defined separately from cigarettes and tobacco products. A retailer must have a tobacco retail permit in order to sell them. The bill also adds alternative nicotine and vapor products to the existing laws governing the sale and purchase of tobacco products. Persons under the age of 18 are prohibited from being sold, purchasing, possessing, and using vapor and alternative nicotine products, with the exception of law enforcement compliance checks. The bill adds vapor and alternative nicotine products to the list of products that may not be offered for sample within 500 feet of a school. The bill also allows retailers to ask for customers' identification when selling vapor or alternative nicotine products.

# HF 2379 - Authorization of Crisis Stabilization Programs JC Community Services

This bill authorizes the lowa Department of Human Services (DHS) to accredit, certify, and apply standards of review for the operations of crisis stabilization programs in lowa. The bill also requires DHS to accept the accreditation of any program recognized by a national accrediting organization.

# HF 2421 - Transfer to Guardianship

KLH

County Attorneys

JC

This bill allows a child in need of assistance case in juvenile court to be transferred to a guardianship in probate court at the dispositional hearing if: 1) the proposed guardian meets the definition of custodian and has assumed responsibility for the child prior to the filing of the petition and maintained placement of the child since that time and; 2) the parent of the child does not appear at the dispositional hearing or does not object to the transfer and agrees to waive the reasonable efforts requirement. The bill also establishes procedures for closing the child in need of assistance proceedings in the event of a transfer to a guardianship and procedures for terminating the guardianship after a transfer has occurred.

# SF 2193 - Adult Day Services Admission and Retention

JC Community Services

This bill places a number of restrictions on those that are to be admitted and retained by adult day services providers.

# <u>SF 2196 - Iowa Department of Public Health Omnibus Bill</u> HD Public Health

This bill relates to programs and services of the Iowa Department of Public Health. The bill aligns Iowa Code with federal Occupational Safety and Health Administration (OSHA) requirements for training requirements on bloodborne pathogens for specified emergency and non-emergency

personnel. The sunset of the safety net provider recruitment and retention initiatives program and fund is extended to 2016 as well as the sunset of the physician assistant mental health fellowship program account, the sunset of the nurse residency state matching grants program, the repeal of the health care professional incentive payment program, and the repeal of the lowa Needs Nurses Now initiative. The sunsets of the health care workforce support initiative workforce shortage fund and the medical residency training state matching grants program are repealed.

The bill also changes inspections of salons and barbershops to a complaint based system, so they are not required to be inspected every two years but may be inspected if there is a credible complaint.

# SF 2296 - 812 Commitment Mental Health Treatment Costs

Community Services

This bill clarifies that the costs associated with the mental health treatment of those deemed not competent to stand trial pursuant to lowa Code chapter 812 is a state funding responsibility.

# SF 2360 - Legalization of Medical Cannabidiol

JC County Attorneys, Public Health, Sheriffs

This bill legalizes the possession and use of cannabidiol in accordance with lowa Code chapter 124 that regulates controlled substances.

# **PUBLIC SAFETY**

# HF 2289 - Regulation of Unmanned Aerial Vehicles

JC Sheriffs, County Attorneys

This bill bans the use of unmanned aerial vehicles also known as "drones" by the state or political subdivision in traffic enforcement. It further states that any evidence collected by an unmanned aerial vehicle is not permissible in a criminal or civil proceeding. Finally, the lowa Department of Public Safety is charged with providing a report to the lowa General Assembly on model guidelines for the use of these vehicles.

### **HF 2476 - Unified Law Enforcement Districts**

LB Auditors, Sheriffs, Supervisors, Treasurers

This bill deals with the funding and services of a unified law enforcement district. Currently, a district composed of a county and cities sharing law enforcement services makes an annual determination of the funds necessary to provide services based on the average revenue raised by the entities in the previous three years. The cost to each entity is currently based on either a per capita or proportion of total service basis. The bill allows the determination of the funds necessary to be based on the average amount budgeted over the previous three years rather than the revenue collected. The bill also provides a third option for determining the amount for which each entity is responsible, by allowing the amount due from each entity to be decided by a computation agreed to by all entities.

Effective Date: Upon enactment and applicable to fiscal years beginning on or after July 1, 2014.

# <u>SF 2305 - Emergency Management Mutual Aid Agreements</u> JC Emergency Management

This bill amends Iowa Code §29C.6 to add that the governor may enter a mutual aid agreement with other states that extends the terms and conditions of the interstate emergency management assistance compact to conditions in a state that hasn't issued a disaster proclamation by the state's governor.

# SF 2310 - Underage Possession of Alcohol

JC County Attorneys, Sheriffs

This bill provides penalties for those property owners that knowingly allow underage persons to consume or possess alcohol on their property. This bill also adds "consume" to the list of the things that are prohibited for a person that is under the legal age limit. Further, the bill provides penalties for those through the ages of 18, 19, and 20 that would consume alcohol under the legal limit.

# TAXATION AND FINANCE

### HF 2438 - Iowa Department of Revenue Technical Bill

LB Assessors, Auditors, Supervisors, Treasurers

This bill provides technical changes to the tax and related laws administered by the lowa Department of Revenue (DOR). The bill gives the director the duty to adopt rules ensuring that the total transfers and disbursements from DOR to local governments for flood mitigation program projects, local option tax urban renewal projects, and lowa Reinvestment Act projects does not exceed the amount of applicable taxes collected in the same fiscal year in that jurisdiction. The bill updates language relating to the electronic filing of notices of appeal and petitions to the Property Assessment Appeal Board. The remainder of the bill is primarily updating definitions and reorganizing lowa Code language relating to tax credits, income taxes, sales and use taxes, hotel and motel taxes, equipment taxes, and franchise taxes.

# HF 2444 - Iowa Department of Revenue Efficiency Bill

LB All County Officials

This bill allows the director of the Iowa Department of Revenue (DOR) to retain in electronic format any information or documents required to be submitted to DOR including any record, application, tax return, deposit, or report. The bill eliminates notice requirements relating to interest calculations for the inheritance tax and motor fuel tax. The bill also extends by one year the special gas tax rate for ethanol-blended fuel that was set to expire June 30, 2014.

Effective Date: The section extending the special rate for ethanol-blended fuel is effective upon enactment, date pending.

# HF 2448 - Economic Development Authority Programs

LB Assessors, Auditors, Supervisors

This bill makes changes to programs administered by the Iowa Economic Development Authority (IEDA) including the elimination of the Enterprise Zone program, changes to the High Quality Jobs program, and the creation of the Workforce Housing Tax Credit. Both the Enterprise Zone and High Quality Jobs programs offer similar incentives for economic development projects, including: tax credits for investments, research and development, and insurance, as well as sales tax refunds and property tax exemptions. The two programs also have similar requirements including number of jobs, wage thresholds, and minimum benefits. With the elimination of the Enterprise Zone program and changes to the High Quality Jobs program, the bill is effectively rolling the two programs into one. Under the program, certain incentives are only available for development in counties defined as economically distressed. The bill amends the definition of economically distressed, and as a result the number of qualifying counties increases from 25 to 33. The Workforce Housing Tax Credit is available for developers building middle-income single- and multi-family housing and is capped at \$1 million in tax credits per recipient and \$20 million in the aggregate.

Effective Date: Upon enactment, date pending, with tax incentives applying retroactively to the tax year beginning January 1, 2014.

### HF 2453 - Historic Tax Credits

3

Assessors, Auditors, Supervisors

This bill makes changes to the Historic Preservation and Cultural and Entertainment District Tax Credit program. Under the current program, proposed projects apply during a filing period and are awarded an amount equal to 25% of qualified rehabilitation costs through a lottery system. The bill changes the awarding of the tax credits to a more competitive process with more preference for projects that are shovel-ready and meet certain qualifications. The \$45 million cap on the total amount of tax credits is maintained, but some of the allocation requirements based on the size or type of project are eliminated and the bill allows unused or revoked credits to be awarded to different projects.

# HF 2466 - Low-Income Housing Property Tax Assessments

LB Assessors, Auditors, Supervisors

This bill allows properties falling under Section 42 of the Internal Revenue Code to elect to opt out of the classification for assessment purposes. The properties opting out must still comply with federal guidelines in Section 42, but would be assessed as multi-residential rather than through the current formula for Section 42 properties. The bill provides for a one-time, irrevocable election to opt out.

Effective Date: Assessment years beginning on or after January 1, 2015.

### SF 2191 - Drainage Warrants

I B

Auditors, Supervisors, Treasurers

This bill increases the dollar limit of drainage warrants, bonds, and certificates issued to pay contractors for work performed within a drainage or levee district from \$1,000 to \$5,000 each.

# SF 2339 - Redevelopment Tax Credits

LB

Auditors, Supervisors

This bill makes changes to the Redevelopment Tax Credit Program administered by the Iowa Economic Development Authority (IEDA). The bill changes the application and award process by establishing an annual application period and changes the amount of the tax credits awarded from a percentage of the investment depending on qualifications to an amount up to the same percentage as determined by the IEDA board in conjunction with the redevelopment advisory council. The definition of "grayfield site" is amended to include abandoned public buildings among the properties eligible for tax credits under the program.

# TAXATION AND FINANCE

# SF 2352 - Disabled Veteran Homestead Credit

LB Assessors, Auditors, Supervisors

This bill expands the eligibility for the homestead credit for disabled veterans. Currently, the credit, equal to the total taxes levied on the property, is only available to veterans who received special adaptive housing because of a service-connected disability. The bill expands those eligible for the credit to include all veterans with a 100% service-connected disability rating, as well as the surviving spouse or dependent child of a veteran killed in action or who died as a result of a service-connected disability.

Effective Date: Upon enactment, date pending.

# **TRANSPORTATION**

# HF 2181 - Lemon Law Weight Limits

ΙB

**Treasurers** 

This bill amends the state "lemon law" by increasing the upper weight limit of vehicles covered under the law from 10,000 to 15,000 pounds. Effective Date: The bill applies to vehicles purchased or leased on or after July 1, 2014.

# **HF 2230 - Conservation Machinery**

LB

Engineers, Sheriffs

This bill adds equipment used primarily for the construction of permanent conservation practices on agricultural land to the equipment exempt from size and weight restrictions and permit requirements on certain roads. The bill sets forth requirements for a vehicle transporting the equipment including flashing lights and warning signs for visibility, and limits the time of transport from between 30 minutes before sunrise and 30 minutes after sunset. The bill does not limit the ability of a local government to impose restrictions on the movement of this equipment when certain circumstances exist.

Effective Date: Upon enactment, April 10, 2014.

# SF 2338 - Natural Gas Excise Tax

IB

Engineers, Supervisors

This bill modifies the calculation of the excise tax on compressed natural gas and liquefied natural gas used as a special fuel. The bill establishes a gasoline gallon equivalent for each, and sets the rate of the excise tax at 21 and 22.5 cents per gasoline gallon equivalent, respectively. The equivalency is measured in pounds at a set temperature and pressure for compressed natural gas and pounds for liquefied natural gas. Revenue from the excise tax on natural gas used as a special fuel goes to the Road Use Tax Fund.

# <u>SF 2355 - Iowa Department of Transportation Omnibus Bill</u> *LB Engineers, Treasurers*

This bill primarily provides technical changes and provisions to bring the state in compliance with federal law, including on matters involving the regulation of junkyards and billboards by the lowa Department of Transportation (DOT), the commercial driver license exemption for farmers, and new language relating to traffic control signals and lights.

The bill requires county engineers to report to DOT by October 1, 2014, the number and location of intersections where two roads with speed limits of 55 miles per hour or greater meet and where there are currently no traffic control signals such as yield or stop signs. The DOT will report to the Legislative Services Agency by December 31, 2014.

The bill allows a vehicle with dealer plates to haul a load or trailer for a fee of \$750 for a two year period, and clarifies that the exemption for dealers for registration fees applies to loaner vehicles whether they are offered for sale or not. The bill also allows certain third-party testers to administer the driving skills test for a commercial driver's license.

Effective Date: The section of the bill regarding third-party testers is effective upon enactment, date pending, and sunsets after five years.

# SF 2364 - Motorsports Recreational Vehicles

LB

Sheriffs, Treasurers

This bill creates a new motorsports recreational vehicle classification for purposes of licensing and regulation. The new classification is defined as "a modified motor vehicle used for the purpose of participating in motorsports competitions and consisting of a conversion unit mounted on a truck tractor or motor truck chassis such that the motor vehicle can be used as a conveyance on the highway and as a temporary or recreational dwelling." The owner must certify that the vehicle falls under the classification and pay a \$400 annual registration. If improperly registered, the owner is responsible to pay the difference between the amount paid and the regular registration along with a \$750 fine for each year the vehicle was improperly registered. The county would retain 25% of the penalty collected by the county treasurer for improperly registered vehicles.

### HF 2449 - Judicial Branch Appropriations

ΙB

County Attorneys, Supervisors

In addition to making appropriations for the judicial branch, this bill includes a number of policy provisions. It requires the judicial branch to continue its effort to collect delinquent fines, penalties, court costs, fees, and surcharges, and calls for semiannual reports on the collections effort. It states that it is the intent of the General Assembly that the offices of the clerks of court operate in each county and should be accessible to the public as much as reasonably possible.

# HF 2450 - Justice System Appropriations

LB

All County Officials

This bill makes appropriations from the general fund and other funds to the justice system for FY 2015.

To t	he	Iowa	Department	of	Corrections
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For reimbursement for county confinement of state prisoners	\$1,075,092 (no change)
For offender mental health and substance abuse treatment	\$22,319 (no change)

To the Iowa Department of Homeland Security and Emergency Management

• This appropriation from the wireless E911 emergency communications fund is for costs associated with implementation, support and maintenance of the functions of the E911 program manager and with an annual state audit of the wireless E911 emergency communications fund.

### HF 2458 - Agriculture and Natural Resources Appropriations

LB

All County Officials

This bill makes appropriations from the general fund and other funds for agriculture and natural resources programs for FY 2015.

To the Iowa Department of Agriculture and Land Stewardship (DALS)

 Permits DALS to use these funds in combination with other Environment First Fund (EFF) monies to match federal funds provided from the federal Wetlands Reserve Enhancement Program.

For flood and erosion control, water quality and conservation .......\$900,000 (no change) For soil and water conservation administration ......\$2,550,000 (no change)

 This appropriation is to be used for administration of soil and water conservation programs and to support soil and water conservation districts.

For the soil and water conservation cost share program......\$6,750,000 (+\$100,000)
For the Loess Hills development and conservation fund...........\$600,000 (+\$75,000)

# To the Iowa Department of Natural Resources

For flood management and dam safety.....\$2,000,000 (no change)

 Of this amount, up to \$400,000 may be used to install stream gauges for tracking and predicting flood events and for compiling necessary data to improve flood frequency analysis.

To the Iowa Resources Enhancement and Protection (REAP) Fund .......\$16,000,000 (no change)

 This appropriation for REAP is from the EFF. REAP will also receive \$4 million from the Rebuild Iowa Infrastructure Fund contained in SF 2349 and \$5 million of one-time funding contained in SF 2363.

### Miscellaneous Provisions

 The bill specifies that recreational lake districts, water quality districts, and combined recreational lake and water quality districts organized under lowa Code chapter 357E are tax-certifying bodies and that the property and facilities of the district shall not be taxable.

### **HF 2460 - Economic Development Appropriations**

LB All County Officials

This bill makes appropriations for various economic development programs for FY 2015 and contains related policy provisions.

### To the Iowa Department of Cultural Affairs

For the Iowa Great Places program ......\$150,000 (no change)

#### To the Iowa Economic Development Authority

For financial assistance to lowa's councils of governments \$200,000 (+\$25,000) For the High Quality Jobs program \$16,900,000 (no change)

### To the Iowa Department of Workforce Development

- Of the total appropriation, the Department is to allocate at least \$1,130,602 to the three satellite field offices
  projected by the department to serve the most people from the offices located in Decorah, Fort Madison, Iowa City
  or Webster City.
- Of the total appropriation \$150,000 is designated for the state library for licensing of an online resource to assist
  persons with enhancing job skills and vocational test-taking abilities.

# To the Public Employment Relations Board

• Of the total appropriation, \$15,000 is designated for the maintenance of the online database with searchable access to collective bargaining information.

# HF 2463 - Health and Human Services Appropriations

JC,LB All County Officials

This bill makes appropriations from various sources for human services, aging, veterans and public health programs for FY 2015.

# **General Fund Appropriations**

To the Iowa Department of Aging

For case management for the frail elderly, adult day services, and other services......\$11,419,732 (+\$819,353)

### To the Iowa Department of Public Health

- For infectious diseases prevention and care \$1,335,155 (no change)
  For public protection \$3,287,127(+\$8,356)
  - Of this amount, \$454,700 (no change) is to be credited to the emergency medical services fund.
- For reducing public exposure to environmental hazards.....\$803,870 (no change)
  - Of this amount, \$537,750 (no change) is for childhood lead poisoning prevention, testing, and remediation.

To the Iowa Department of Veterans Affairs  For the Iowa Veterans Home  For the county commissions of veterans affairs fund	\$7,594,996 (+69,282) \$990,000 (no change)
To the Iowa Department of Human Services (DHS) From moneys received under the federal Temporary Assistance for Needy Families block To counties and regions through the property tax relief fund for MH/DS For child and family services	\$4,894,052 (no change)
From the general fund For medical assistance	
For deposit into the MH/DS property tax relief fund created in Iowa Code §426B.1 For the distribution of equalization payments to counties	\$30,555,823 (+\$735,345)

### **Miscellaneous Provisions**

The bill provides \$30 million in equalization funding in FY 2015 as well as language calling for equalization funding in FY 2016. The \$47.28 county mental health levy was extended into FY 2016 as well. Regional administrators and DHS will have to agree on the code set when determining savings brought on by the Iowa Health and Wellness Plan also known as the "clawback." The bill also states that regional mental health fund balances must not exceed 25% for cash flow purposes for the fiscal year in progress and anything above that must be invested in core services within the region. Additionally, the bill gives provisional authorization for the mental health region of Mahaska and Marion counties.

### **HF 2473 - Standing Appropriations**

HD,LB

All County Officials

This bill makes appropriations for property tax credits and other programs, and implements miscellaneous provisions including technical changes for county recorders.

### **Miscellaneous Provisions and Appropriations**

Requires the full funding of the homestead, agricultural land and family farm, elderly and disabled, and military tax credits as required by law. Also requires the full funding of the Business Property Tax Credit and replacement claims as provided in SF 295. The following amounts are the estimated state obligation with only the Business Property Tax Credit being a specific limited amount.

\$135,000,000
\$39,100,000
\$26,000,000
\$2,175,000
\$70,480,529
\$50,000,000

To the Iowa Department of Natural Resources (DNR) from the Groundwater Protection Fund For supporting the department's air quality programs \$1,400,000

# County Recorders, Sheriffs

- Division VI deals with the registration and operation of snowmobiles. The division separates registration requirements for resident and non-resident snowmobilers. Each snowmobile used by a resident on public land, ice, or designated snowmobile trail in the state must be registered in the county of residence and the owner must obtain a user permit. Non-residents must obtain a user permit and are required to display a current registration decal required by the owner's state of residence unless not required by their state. A non-resident who is in violation must pay a fine and provide proof that they have obtained a user permit and evidence of registration in the owner's state within 30 days of the date the fine is paid.
- A snowmobile that was manufactured prior to 1984 may be registered as an antique snowmobile for a one-time
  fee of \$25.00. If the ownership of an antique snowmobile is transferred, the new owner shall register and title the
  snowmobile with the county recorder before registering it with the state as an antique snowmobile.
- A person under 16 years of age shall not operate a snowmobile on public land, public ice, or a designated snowmobile trail unless under the direct supervision of a parent, legal guardian, or another person who is at least 18 years of age and has been authorized by the parent or guardian, who is experienced in the operation of snowmobiles, and who possesses a valid driver's license or education certificate. Individuals 12 through 17 years of age must obtain an education certificate approved by DNR and have the certificate in the person's possession, unless the person is accompanied on the same snowmobile by a person at least 18 years of age who is experienced in snowmobile operation and has either a valid driver's license or an education certificate.
- Division VIII makes changes so that the county recorder is no longer required to keep paper copies of certificates of title for snowmobiles, ATVs and boats, but shall keep an electronic record of any certificate of title. The division also codifies the requirement that the issuance of passports in the recorder's office must be approved by the U.S. Department of State. It also strikes the requirement that the recorders keep a special book for fence agreements if they are kept in an electronic index.

# SF 2130 - Transportation, Infrastructure and Capitals Appropriations

ΙR

Engineers, Supervisors, Treasurers

This bill makes appropriations for FY 2015 from the Road Use Tax Fund and the Primary Road Fund to the Iowa Department of Transportation.

From the Road Use Tax Fund

# SF 2342 - Administration and Regulation Appropriations

LB

All County Officials

This bill makes appropriations from the state general fund and other funds to various administrative and regulatory state agencies for FY 2015 and includes policy provisions.

To the Iowa Public Information Board.....\$350,000 (+\$75,000)

From the Road Use Tax Fund

### SF 2349 - RIIF Appropriations

LB

All County Officials

This bill makes infrastructure-related appropriations from a number of sources to various state departments and agencies for FY 2015.

### From the Rebuild Iowa Infrastructure Fund (RIIF)

To the Iowa Department of Cultural Affairs

For the Iowa Great Places program ......\$1,000,000 (no change)

To the Iowa Department of Natural Resources

For lake restoration and water quality projects......\$9,600,000 (+\$1,000,000)

For water trails and low head dam safety grants	0)
To the lowa Department of Transportation For recreational trails	10)
To the Treasurer of State  For county fair infrastructure improvements\$1,060,000 (no change)  • The money is distributed to all 106 county fairs in the Association of Iowa Fairs (\$10,000 each).	e)
To the Resources Enhancement and Protection (REAP) Fund	
From the Technology Reinvestment Fund To the lowa Department of Homeland Security and Emergency Management For the implementation of a statewide mass notification and emergency messaging system	00
To the Iowa Telecommunications and Technology Commission For replacement of equipment for the Iowa Communications Network	0)

### **Miscellaneous Provisions**

• The bill establishes a mass notification and emergency messaging system fund and provides for the implementation of a statewide system. The system is defined as one that disseminates emergency and public safety related information to the public by various means including, but not limited to, telephone, wireless communication, relay service or telecommunications device, text messaging, electronic mail, and facsimile, and that integrates with federal emergency messaging systems. The system will be accessible for use by counties and cities at the discretion of the lowa Department of Homeland Security and Emergency Management.

# SF 2363 - Supplemental Appropriations and Bond Repayment

LB

All County Officials

This bill provides for the transfer of excess revenue to the State Bond Repayment Fund and makes one-time appropriations for current and future fiscal years.

### State Bond Repayment Fund

Division I provides that in the event of excess state revenue in FY 2015, if the Iowa Economic Emergency Fund reaches its maximum balance after the designated portion of the excess has been transferred to the Iowa Taxpayers Trust Fund, the next \$60,050,000 will be transferred to the State Bond Repayment Fund created last year. Moneys in the bond repayment fund will be used to service debt on the Vision Iowa program bonds.

#### **Miscellaneous Appropriations**

miscellatieous Appropriations	
To the Department of Agriculture and Land Stewardship (FY 2014)	
For the agricultural drainage well water quality assistance program	\$1,240,000
For soil and water conservation program administration	\$5,000,000
For special projects with a water quality initiative	\$3,500,000
For special projects relating to watershed improvement	\$1,500,000
To the Department of Human Rights (FY 2014)	
For the Low-Income Home Energy Assistance Program	\$2,000,000
To the James Indiaid Present (EVOCAT)	
To the Iowa Judicial Branch (FY2014)	
For the implementation of an electronic document management system	\$1,650,000
To the James December 5 the management and Dectartion (DEAD) Found	<b>#F 000 000</b>
To the Iowa Resources Enhancement and Protection (REAP) Fund	
<ul> <li>This appropriation for REAP is from the general fund. REAP will also receive \$16 million from the</li> </ul>	
Fund contained in HF 2458 and \$4 million from the Rebuild Iowa Infrastructure Fund (RIIF) co	intained in SF 2349

Effective Date: Bond repayment and supplemental appropriation divisions effective upon enactment, date pending.

# 2014 BILLS THAT FAILED

Getting bills through the Legislature is important to ISAC, but sometimes things that did not happen can also measure the success of a legislative session. ISAC policy statements and input from the legislative policy committee are principally used as the guideline for ISAC staff in opposing legislation. The following is a list of bills that ISAC opposed that were successfully defeated. Also listed are failed bills that ISAC supported.

# The following is a list of bills that ISAC opposed that were successfully defeated.

HSB 216 - Closed Session Minutes HSB 634/SF 2306 - Raw Milk Sales

HF 2064 - Stop Signs

HF 2108 - Equalization Notices

HF 2395/SF 2287 - ATVs on County Roads

HF 2443/SF 2336 - Replacement Parts Exemption

HF 2467 - Urban Renewal Changes

HF 2472 - Connect Iowa Act

SF 2264 - Construction Manager for Public Improvement

Projects

SF 2331 - Local Option Sales Tax

# The following is a list of bills supported by ISAC that failed.

HSB 500 - Civil Commitment Convictions

HSB 507/SSB 3074 - Court Appointed Attorney Fees

HSB 514 - Fuel Tax Increase

HSB 660/SF 2263 - County Public Buildings

HF 606/SF 2003 - Rural Improvement Zones

HF 2028, HF 2029, HF 2298 - Sand Mining

HF 2036 - Implementing Federal Law

HF 2100/SF 2034 - Tornado Protections

HF 2266/SSB 3080 - Marriage License Fees

HF 2318 - Recording Mortgages

HF 2321 - Property Tax Replacement Payments

HF 2394/SSB 3186 - Record Request Charges

HF 2420 - Disaster Area Bonds

HF 2470/SSB 3217 - Income and Sales Tax Increases (IWILL)

SSB 3147 - Recreational Trail Claims

SF 2012 - Municipal Torts

SF 2227 - Waiver Service Exceptions

SF 2266 - Delinquent Vehicle Fees

SF 2293 - Physician Assistant MH Commitment Exams

# 2014 LEGISLATIVE POLICY COMMITTEE MEMBERS

Committee Chair: Melvyn Houser, Pottawattamie County Supervisor and ISAC 2nd Vice-President

#### Assessors

Dale McCrea, Muscatine County Deb McWhirter, Butler County

### **Auditors**

Ken Kline, Cerro Gordo County Dennis Parrott, Jasper County

# **Community Services**

Lori Elam, Scott County Shane Walter, Sioux County

# Conservation

Dan Cohen, Buchanan County Matt Cosgrove, Webster County

# **County Attorneys**

Darin Raymond, Plymouth County John Werden, Carroll County

#### **Emergency Management**

Mike Goldberg, Linn County AJ Mumm, Polk County

#### **Engineers**

Paul Assman, Crawford County Lyle Brehm, Tama/Poweshiek County

### **Environmental Health**

Eric Bradley, Scott County
Jon McNamee, Black Hawk County

### Information Technology

Micah Cutler, Hardin County Jeff Rodda, Polk County

### **Public Health**

Kathy Babcock, Chickasaw County Patti Sallee, Louisa County

#### Recorders

Kathy Flynn Thurlow, Dubuque County Sue Vande Kamp, Story County

#### **Sheriffs and Deputies**

Don DeKock, Mahaska County Jerry Dunbar, Washington County

#### Supervisors

Wayne Clinton, Story County
Cara Marker-Morgan, Fremont County

#### **Treasurers**

Judy Crain, Fremont County Dianne Kiefer, Wapello County

#### Zoning

Joe Buffington, Henry County RJ Moore, Johnson County



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