



# iowa legislative news service

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## AROUND THE CAPITOL

The Senate adjourned today without doing any floor or committee work and will return to session on Monday afternoon. The House will return on Friday morning for a gavel-n, gavel-out session.

The House approved eleven bills on the floor today, sending ten over to the Senate and sending [SF 482 SCHOOL RESTROOMS](#) down to the Governor on a 59-37 vote. Five Republicans (Ingels, Jones, Lohse, P Thompson and H Wilz) voted with the Democrats against the bill. Two were absent (G Mohr, Rinker). Representative Holt, who managed the bill, said that many Iowa parents are concerned about the issue and do not want their daughters sharing a bathroom or changing room with someone of the other sex.

Democrats said that the bill is unneeded. They said that Iowa law already has protections for school children in bathrooms and said that the bill will lead to the bullying of transgender children. Representative Baeth said the bill creates unnecessary obstacles to children who just want to be able to use the restroom that fits their gender identity. Representative Konfrst said that the bill sends an unwelcoming message about Iowa. Representative Steckman said that the bill creates enforcement problems for grade schoolteachers. She said that teachers, especially substitute teachers, may not be aware of the biological sex of a child and will not be explain to other children why a child must change the restroom the child uses because those teachers cannot talk about gender identity with children.

The House approved most of the other bills on largely unanimous votes, but passed [HF 566 HEALTH ADVISORY GROUPS](#) on a 61-35 vote, with Bergan voting with the Democrats, and [HF 636 EDUCATIONAL SETTING](#) on a 69-27 vote with seven Democrats (Baeth, Bagniewski, B Meyer, Judge, Olson, Steckman and Turek) voting with Republicans. Representative Fry said that [HF 566](#) continues the process of streamlining the government. He said that reducing the number of required meetings for health advisory boards will reduce the costs for the HHS. Representative Forbes said that the bill will reduce the opportunity for input from the public and said that members of the various boards, who are usually volunteers, should at least receive per diem payments for expenses. Representative Gustoff said that [HF 636](#) gives some stability to children whose parents are involved in a difficult divorce. Representative Wilburn said the restrictions in the bill could cause problems in temporary custody settings and in custody settings involving domestic abuse.

The House approved [HF 555 PHARMACY MATTERS](#) on a 86-10 votes, with ten Republicans voting against the bill. Representative Sherman, who voted against the bill, said he is uncertain whether the Board of Pharmacy has done enough to protect the off-label use of drugs such as Ivermectin.

## FISCAL IMPACTS

### **HF 352 PASS THROUGH ELECTION**

Allows taxpayers who are partners or shareholders, other than publicly traded partnerships or subchapter S corporations, to elect to be taxed as a partnership or subchapter S for the tax years 2022-2025. Includes limits on credits and carrying net losses. Includes provisions on paying estimated taxes and other matters. Effective on enactment.

The House Ways and Means Committee approved the bill and Representative Kniff McCulla is the floor manager. According to the LSA, the credit for pass-through entities will reduce the federal individual income tax owed by owners of partnerships and S Corporations and will reduce their Iowa taxes as well. The impact to the GF is estimated at \$10.1 million (FY 2024); \$15.4 million (FY 2025); \$10.5 million (FY 2026); \$7.6 million (FY 2027); \$2.3 million (FY 2028).

### **SF 548 FOREST/FRUIT TREE EXEMPTION**

Establishes a formula for to reduce the value of the forest reservation/fruit tree property tax exemption.

Limits the per-acre assessed property value in 2024 to the amount that exceeds 25% of the per-acre value for all farmland in the county and to 50% in 2025.

The Senate Ways & Means Committee approved the bill and Senator Dawson is the floor manager. The bill is expected to increase property tax collections, which will subsequently reduce school funding from the GF. For FY 2026, the net increase is \$4.2 million (\$5.3 million increase offset by a \$1.1 million decrease in state funding). For FY 2027 and after, the net increase is \$6.6 million (\$8.3 million increase offset by a \$1.7 million decrease in state funding).

## TODAY IN THE LEGISLATURE

**Bills to the Governor: (1)**

**Bills to the Senate: (10)**

**House Files: none (last introduced HF 669)**

**House Study Bills: none (last introduced HSB 231)**

**Resolutions ADOPTED in the House: (1)**

**HR 11 ST PATRICK'S DAY**

Honors Saint Patrick's Day and the Good Friday Accords that helped bring peace to Northern Ireland.

**WITHDRAWN:** [HF 119](#), [HF 289](#), [HF 324](#), [HF 386](#), [HF 415](#), [HF 438](#), [HF 452](#), [HF 622](#)

**Senate Files: 2 (SF 552 - SF 553)**

**Senate Study Bills: none (last introduced SSB 1206)**

## HOUSE FLOOR ACTION

### Bills to the **Governor**: (1)

#### **SF 482 SCHOOL RESTROOMS**

Requires K-12 schools to designate multi-occupant restrooms and changing rooms as being for one sex. Prohibits a person from using a toilet that does not correspond to the person's biological sex. Allows a school to designate alternative facilities on the request of the parent of a child. Allows any citizen to file a complaint and AG to investigate and take enforcement actions.

#### AMENDMENTS to **HF 622**

**H-1087** by **Holt** - Conforms to **SF 482**

**H 1129** to **H-1087** by **Wessel-Kroeschell** - *Strike & Replace*: Allows any student to request alternate restroom and changing facilities. **RULED NOT GERMANE**; *MTSR FAILED* 61-31

**H-1087** by **Holt** - Conforms to **SF 482**. **ADOPTED**

**H 1126**- OUT-OF-ORDER

The **Senate PASSED** the **SF 482** 33-16 (3/7)

The **House PASSED** the **SF 482** 57-39; it now GOES to the **Governor**

### Bills to the **Senate**: (10)

#### **HF 370 SCHOOL MATTERS**

**Notice**: Allows notice of bond sales to be published electronically instead of in newspapers and sets requirements. **Schools**: Allows for the notice of the intent to fill a school board vacancy by appointment to be published electronically instead of in a newspaper. Authorizes the use of electronic signatures in specific cases. Strikes deeming persons working towards compliance with teacher librarian requirements as being in compliance. Allows schools to charge employees for the cost of registry checks. **Health**: Strikes requirements for Regent schools, community colleges and schools to evaluate and implement environmentally friendly cleaning procedures. Strikes the goal that schools have a nurse for every 700 students and authorizes schools to have school nurses. Strikes requirements for Pre-K/K students be given a vision card. Requires the DOE to convene a health group. **Infrastructure**: Strikes requirements for revenue purpose statements. Requires a re-organizing school without a revenue purpose statement to first use funds to pay off outstanding bonds. Expands the definition of infrastructure to include additional buildings. Exempts refinancing bonds from certain notice/hearing requirements. **Bonds**: Allows schools to issue bonds without election and to use SAVE funds to secure repayment. **28E**: Allows schools to enter into 28E agreements. **Conference Boards**: Strikes the requirement that representatives for school boards be appointed to county conference boards. **Child facilities**: Requires residential treatment facilities to give to the district of residence for the child documentation to obtain Medicaid reimbursements. **AEA**: Allows notice of a hearing for the AEA budget to be published electronically in lieu of publishing in a newspaper. **Elections**: Gives an election commissioner with discretionary authority the power to hold a special election on the same day as another election.

#### AMENDMENTS to **HF 370**

**H 1123** by **Gehlbach** - Authorizes school boards to have access to curriculum and library materials. Makes technical corrections.

**H 1130** to **H 1123** by **Gehlbach** - Includes access to classrooms and professional development materials.

#### ADOPTED

**H 1123** by **Gehlbach** as amended - **ADOPTED**

**H 1121** by **Cahill** - Bars schools from charging employees for background checks. **ADOPTED** 96-0  
(continued)

## HOUSE FLOOR ACTION (CONTINUED)

### Bills to the **Senate**: (continued)

#### **HF 370 SCHOOL MATTERS (continued)**

##### AMENDMENTS to **HF 370** (continued)

[H 1080](#) by **Wood** - Adds [HF 535](#) (Deems that if a student drops out for a second time that the second dropout will not affect the school's performance grade.) **ADOPTED**

[H 1122](#) by **Wessel-Kroeschell** - Requires schools to supply period products in bathrooms at no charge.

**RULED NOT GERMANE; MTSR FAILED**

[H 1113](#) - **WITHDRAWN**, [H 1114](#) - **OUT-OF-ORDER**

The **House PASSED** the bill 96-0; it now GOES to the **Senate**

#### **HF 499 CHILD RESTRAINT SYSTEM LOSSES**

Requires that the value of a child restraint system be included when determining a partial loss for an automobile (nine passengers or less vehicles). Applies to losses after 7/23.

The **House PASSED** the bill 96-0; it now GOES to the **Senate**

#### **HF 555 PHARMACY MATTERS**

Reorganizes provisions on the practice of pharmacy. States general principles that pharmacists and registrants under the BOP must follow. Requires the BOP to adopt rules on pharmacist interns, technicians and support personnel, on tele-pharmacies, and on other matters. Includes requirements for the rules and strikes provisions in Code. Allows the BOP to discipline a pharmacist for engaging in conduct outside of the standard of care. Authorizes administrative penalties. Allows the BOP to request criminal history checks on various parties. Contains provisions on prescriptions, therapeutic substitutions and other related matters.

The **House PASSED** the bill 86-10; it now GOES to the **Senate**

#### **HF 557 LAKE ELECTIONS**

Requires elections for benefitted recreational lake and water quality districts to be conducted by the county commissioner of elections (auditor).

The **House PASSED** the bill 92-4; it now GOES to the **Senate**

#### **HF 566 HEALTH ADVISORY GROUPS**

Allows the legislative Health Policy Oversight Committee to meet during the interim and strikes requirements for interim meetings. Requires the various health policy groups under HHS include remote participation options. Eliminates various health advisory councils under HHS and re-assigns their duties and reduces the number of members of others. Strikes the requirement for per diem payments and expense reimbursements.

[H 1116](#) by **Fry** - Makes corrections related to the MH/DS services commission. **ADOPTED**

[H 1120](#) by **Forbes** - Maintains requirements for four members of the Dependent Adult Abuse Council to have expertise in the area. **FAILED** 62-34

The **House PASSED** the bill as amended 61-35; it now GOES to the **Senate**

#### **HF 570 ASSAULTS ON PREGNANT WOMEN**

Makes it a Class D felony for an assault against a pregnant woman if the offender knew the woman was pregnant or should have known, and if the assault causes bodily or mental injury or was intended to cause serious injury or was done with a dangerous weapon or through strangulation. Makes a second domestic assault a Class D felony if the previous conviction was an aggravated or serious misdemeanor.

[H 1069](#) by **Olson** and **B Meyer** - Limits the assaults to serious misdemeanor assaults (causing bodily or mental injury) and strikes references to aggravated misdemeanors. **ADOPTED**

The **House PASSED** the bill as amended 95-1; it now GOES to the **Senate**

## HOUSE FLOOR ACTION (CONTINUED)

### Bills to the Senate: (continued)

#### [HF 592](#) INTERNET CAR SALES

Allows a licensed motor vehicle dealer to sell cars via the internet and to deliver such vehicles.

[H 1118](#) by **Sieck** - *Strike & Replace*: Re-enacts provisions allowing the delivery of cars sold over the internet and adds details on the conduct of those sales. **ADOPTED**

The **House PASSED** the bill as amended 95-0; it now GOES to the **Senate**

#### [HF 632](#) CYBER-ATTACK SPENDING

Defines spending to protect a school against cyber-attacks as infrastructure spending for SAVE.

The **House PASSED** the bill 96-0; it now GOES to the **Senate**

#### [HF 636](#) EDUCATIONAL SETTING

Requires in joint custody cases that the court consider the educational setting of the child if the parents are in disagreement about the setting. Creates a rebuttable presumption that it is in the best interest of the child to remain in the current setting. Requires the custody order to detail the requirements of each parent under the order. Requires a parent with legal custody to give the school a copy of the court order on educational setting.

[H 1124](#) by **Gustoff** - Includes home-schooled children. Requires a preponderance of evidence to rebut the presumption. Does not require that a parent have access to the child during the school day or be able to remove the child if the child is being home-schooled. **ADOPTED**

The **House PASSED** the bill as amended 69-27; it now GOES to the **Senate**

#### [HF 645](#) RULE & STATUTE INTERPRETATION

Prohibits a court or presiding officer in a contested case from deferring to an agency interpretation of a statute or rule and requires the court or presiding officer to interpret it *de novo*. Requires the court or officer, after using other interpretive guidelines, to resolve the meaning to limit agency authority.

[H 1128](#) by **Olson** - **WITHDRAWN**

The **House PASSED** the bill 96-0; it now GOES to the **Senate**

## HOUSE COMMITTEE ACTION

### House Ways & Means Committee: Voted Out (6)

#### [HF 344 COUNTY CAR TITLING SERVICES & FEES](#)

Allows all county treasurers, regardless of where the primary user of a vehicle is, to perform titling services. Increases the fees for most titling services by \$10. Increases the amount retained by county treasurers.

**AMENDED & PASSED** 18-6; *FM: Best*

#### [HF 355 TEACHER CRIMINAL HISTORY CHECKS](#)

Requires the BEE to perform criminal background checks every five years for practitioners who are not subject to other license renewal requirements. Applies various provisions requiring schools to do background criminal checks on teachers and to charge teachers for those checks to private schools and charter schools. **PASSED** 24-0; *FM: Osmundson*

#### [HF 431 MONEY TRANSMISSIONS](#)

Makes the Uniform Money Services Act the Uniform Money Transmission Modernization Act. Defines new terms and updates money transmission provisions. Authorizes the Banking superintendent to require documentation for exemptions, to enter into regulatory agreement, to supervise investigations and examinations and to participate in multi-state networks. Requires money transmission businesses to be licensed. Sets licensing fees and includes other licensing provisions. Includes background check for the employees of a licensee and reporting requirements for licensees. Includes bonding requirements. Lists permissible investments and requires an irrevocable letter of credit to draw on if the licensee fails to have enough permissible investments. Makes some information confidential. **AMENDED & PASSED** 24-0; *FM: Lundgren*

#### [HF 494 COUNSELOR COMPACT](#)

Adopts the Professional Counselor Interstate Licensure Compact. Establishes a commission to administer the compact and includes various implementing provisions. Makes the compact effective after the adoption of the compact by ten states. **AMENDED & PASSED** 24-0; *FM: Sexton*

#### [HF 640 VETERINARY SUPERVISION](#)

Allows for licensed veterinarian to delegate certain tasks to veterinary auxiliaries operating under various levels of supervision. Includes classifications of assistants, techs, students and graduates of foreign vet schools. Requires the vet to examine the animal before deciding the level of supervision. Includes requirements for training and scope of authority for the various classes. Requires the BVM to adopt rules. Makes definitions. Includes penalties. Effective 1/24. **PASSED** 24-0; *FM: Sexton*

#### [HSB 122 SPORTS WAGERING & TAX CREDITS](#)

**Distributions:** Scoops the \$1.75 million from fantasy/sports wagering for the Gambling Treatment Fund; \$1 million to the GF for the County Endowment tax credit, 85% of the remainder to the County Endowment fund and the remainder to the EDA for distribution to qualified organizations that sponsor gaming. Scoops any unencumbered money for the County Endowment fund. **Tax Credits:** Appropriates \$7 million for the Endowment Iowa tax credit in FY 2023 and increases the cap of the credit to \$13 million after 1/2023 but before 1/2024. Makes the cap for the credit \$7 million after 2024. **AMENDED & PASSED** 24-0; *FM: Kaufmann*

## HOUSE & SENATE AGENDA

FRIDAY, MARCH 17, 2023

9:15 AM	<b>HOUSE CONVENES</b>	<i>House Chamber</i>
5:30-8:30 PM	<i>2023 Great DSM Hot Air Balloon Hunt - The Greater Des Moines Partnership</i>	<i>Finkbine Drive</i>

## HOUSE SUBCOMMITTEE ASSIGNMENTS

### HEALTH & HUMAN SERVICES

<a href="#">SF 219</a>	TATTOO PERMIT REQUIREMENTS	<b>H Wilz</b> (C), <b>T Moore</b> , Turek
<a href="#">SF 326</a>	EPINEPHRINE AUTO-INJECTORS	<b>Wood</b> (C), <b>Kniff McCulla</b> , Matson

### STATE GOVERNMENT

<a href="#">SJR 9</a>	VOTING AGE 18	<b>Golding</b> (C), <b>Johnson</b> , Zabner
<a href="#">SF 197</a>	LAND SURVEYOR LICENSING	<b>Collins</b> (C), <b>Cooling</b> , <b>Dunwell</b>
<a href="#">SF 399</a>	POOL INSPECTIONS	<b>Harris</b> (C), <b>Gjerde</b> , <b>Wulf</b>
<a href="#">SF 477</a>	INTERNATIONAL MEDICAL GRADUATES	<b>Young</b> (C), <b>Baeth</b> , <b>Harris</b>

## SENATE SUBCOMMITTEE ASSIGNMENTS

### EDUCATION

<a href="#">SJR 13</a>	RIGHT TO EDUCATION	Rozenboom (C), Kraayenbrink, Quirmbach
<a href="#">HF 135</a>	UNIVERSITY GRADUATE INFORMATION	Rozenboom (C), Giddens, Zaun
<a href="#">HF 255</a>	TEACHING LICENSES	Evans (C), Donahue, Gruenhagen
<a href="#">HF 348</a>	GENDER INSTRUCTION PROHIBITIONS	Rozenboom (C), Kraayenbrink, Quirmbach
<a href="#">HF 421</a>	IOWA TUITION GRANT ELIGIBILITY	J Taylor (C), Kraayenbrink, Quirmbach
<a href="#">HF 430</a>	SCHOOL ABUSE	Cournoyer (C), Donahue, Sinclair
<a href="#">HF 597</a>	EDUCATION & LIBRARY PROGRAMS	Rozenboom (C), Celsi, Kraayenbrink
<a href="#">HF 614</a>	OUT-OF-STATE LICENSING	Evans (C), Donahue, Gruenhagen

### JUDICIARY

<a href="#">HF 536</a>	TRAFFIC VIOLATIONS	Dawson (C), Bisignano, Zaun
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### LOCAL GOVERNMENT

<a href="#">HF 541</a>	COUNTY BUILDINGS	Guth (C), Knox, Lofgren
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### TRANSPORTATION

<a href="#">HF 590</a>	FLOOD MITIGATION FUNDS	Webster (C), Bisignano, Cournoyer
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### WAYS & MEANS

<a href="#">HF 318</a>	ELDERLY PROPERTY TAX CREDIT	Rowley (C), Dawson, T Taylor
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## SENATE FILES (SF 552 – SF 553)

### [SF 552](#) INCOME/PREMIUM TAXES (**Ways & Means**; Successor to [SSB 1126](#)) FM: **Dawson**

**Individuals:** Phases in a reduction to 2.5%. Uses the Taxpayer Relief Fund tax elimination fund to reduce rates after 2030 until the individual income tax is eliminated. **Corporate Tax:** Requires the DOR to determine every year if corporate income tax receipts will exceed \$700 million. Requires corporate rates to be reduced until the rate reaches 5.5%. **Insurance:** Reduces the premium tax to 0.9%. **Capital Gains:** Includes all employees all employees at a qualified corporation in the eligibility for capital gains exclusion and adds all affiliated groups that could file an Iowa return as qualified corporations.

### [SF 553](#) NON-RESIDENT DEER LICENSES (**Ways & Means**; Successor to [SF 363](#)) FM: **Driscoll**

Allows a non-resident to purchase a non-resident deer license for 1/2 cost to hunt with a family member on farmland owned or leased by the family member. Exempts such licenses from the quotas on non-resident licenses. Defines family members.