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AROUND THE CAPITOL

The Senate did no work on the floor today. Two Senate committees met today, with Senate Natural Resources moving one bill forward and Senate Judiciary moving seven bills forward. Senator Zaun said that this will be the last Senate Judiciary Committee on policy bills. Two bills on the agenda, [HF 159 ASSAULT DEFENSES](#) and [HF 548 SEALING EVICTION RECORDS](#) were removed from the agenda and not brought up for a vote.

[HF 636 EDUCATIONAL SETTING](#) was one of the bills approved. The committee passed the bill on an 11-6 vote; the bill passed in the House on a 69-27 vote. Senator Jeff Taylor, the floor manager, said that ensuring education stability is important for children in divorces. Senator Quirnbach, who voted against the bill, said that courts need flexibility in difficult divorces and that the Legislature should not favor one parent over the other. Senator Taylor said he will work with the House on an amendment to the bill. The committee also approved several other bills ([HF 349 PROBATION DISCHARGE CREDITS](#) and [HF 648 EXPUNGING FINANCIAL RECORDS](#)) that are likely to be amended on the floor.

The House amended and passed [SF 228 TRUCK LIABILITY](#) on a 58-42 vote, with six Republicans (Andrews, Cisneros, Gustafson, Hayes, Jones and Young) voting with the Democrats against the bill. The bill now returns to the Senate for the consideration of the House amendment. The bill increased the cap for non-economic damages to \$5 million, with an increase to the cap for inflation, and reduced the number of commercial vehicles covered under the bill.

Representative Gustoff, who managed the bill, offered a *Strike & Replace* amendment to the bill. Gustafson said that the amendment was the work of parties affected by the bill and said that it achieved a reasonable compromise on negligence and non-economic damage caps. He said that the amendment is a “fair settlement to a protracted dispute.” Representative Dunwell said that the current tort system costs Iowans thousands of dollars a year, with only about half of the recoveries going to claimants.

Representative Brian Meyer, who voted against the bill, said that the amendment made the bill “significantly better” and that he could support a \$5 million cap, but said the exceptions which allow the cap to be exceeded are too narrow. Representative Sheetz said that the amended bill is better but said it is still “a terrible bill.” Sheetz said that the state should trust juries and that litigation in accident cases is a last option. Representative Jones said legislators are underplaying the impact of truck accidents on families and said that Iowans who win awards in these cases don’t feel like they have won the Lottery.

MOSIMAN APPOINTMENT

Governor Reynolds appointed Mary Mosiman the new Director of the DOR as of March 29, 2023. She is currently the Deputy Director and Tax Management Division Administrator, and previously served as the State Auditor. Mosiman replaces Kraig Paulsen, who has served as the director of the DOR since 2019 and concurrently as the director of the DOM since 2021. Paulsen will remain as the DOM director and is expected to implement the state government alignment initiative.

Governor Reynolds said, "Mary's leadership of the department's tax division and her service as co-sponsor of a multi-year tax modernization effort have prepared her well to serve as director of this critical state department. Mary is an exceptional public servant and I look forward to her serving in my cabinet."

IOWA WESLEYAN CLOSURE

Iowa Wesleyan College in Mount Pleasant has announced that it will close in May due to financial difficulties. Governor Reynolds has released a statement on the closure:

Today, my thoughts are with the students, faculty, and staff who are stunned by this announcement, and the people of Mount Pleasant who have long revered the university as a pillar of their community. The state is committed to supporting them during this time of transition. I have directed the Iowa Economic Development Authority and Iowa Workforce Development to reach out to community and business leaders, and work together to keep the local economy strong.

It wasn't until February 3, 2023, that my office received a request from the university for \$12 million for ongoing operating costs. As I've said many times, we endeavor not to spend one-time federal dollars on ongoing expenses. To better understand their request and the financial health of the university, my office engaged an independent, third-party accounting firm to conduct due diligence. The firm reported that Iowa Wesleyan had a \$26.1 million loan from the USDA, using their campus as collateral, that could be recalled in full as early as November 2023. Additionally, Iowa Wesleyan's auditor cited ongoing concerns about the university's fiscal health, stating "significant operating losses and reduced liquidity raise substantial doubt about its ability to continue as a going concern." The firm also highlighted that while enrollment at Iowa Wesleyan has grown over the past three years, their financial health has continued to deteriorate over the same period.

Based on this and other factors, the independent accounting firm determined that providing one-time, federal funds would not solve the systemic financial issues plaguing the university. If the state would have provided the federal funding as requested and it was used to finance debt or other impermissible uses according to US Treasury guidelines, the state and taxpayers could have been liable for potential repayment to the federal government. Moreover, the state has separately received \$122 million in requests from other universities and community colleges across the state.

With this information, I made the difficult decision to not pursue the university's funding request.

FISCAL IMPACTS

SF 400 VIDEO HEARINGS

Allows video/telephone hearings in non-contested criminal cases for various matters on the motion of a party. Allows for such hearings in contested cases on the motion of a party if the hearing can be handled efficiently without prejudicing any party. Allows any party to file a resistance to the motion. **Reporters:** Deems audio/video records by court reporters taken for the purpose of creating transcripts to be the personal property of the reporter. Allows an in-camera review by the judge for good cause. Allows the recordings to be given to the Board of Examiners for Shorthand Reporters for disciplinary hearings.

The Senate Technology Committee has approved the bill and Senator Bouselot is the floor manager. The bill needs to be passed on the Senate floor and out of a House Committee this week to remain eligible. The House companion bill did not advance out of committee. The full impact of the bill will depend on the level of usage of video/telephone hearings. The bill is expected to require 18 new positions in the Judicial Branch, at a cost of about \$1.33 million and expected to save the State Public Defender and Indigent Defense Fund about \$360,000 at a 40% usage rate.

TODAY IN THE LEGISLATURE

Bills RETURNED to the Senate: (1)

House Files none (last introduced HF 685)

House Study Bills: 3 (HSB 234 – HSB 236)

Resolutions ADOPTED in the House: (1)

HR 12 SMALL BUSINESS WINNERS

Honors Nannette Griffin, the owner of Griffin Muffler and Brake of Fort Madison as the 2023 Deb Dalziel Woman Entrepreneur Achievement Award winner and Jorge Villeda, owner of Villeda Construction of Ottumwa as the 2023 Neal Smith Entrepreneur of the Year.

WITHDRAWN: [HF 201](#)

Senate Files: none (last introduced SF 556)

Senate Study Bills: none (last introduced SSB 1208)

HOUSE FLOOR ACTION

Bills RETURNED to the Senate: (1)

SF 228 TRUCK ACCIDENT LIABILITY

Makes an employer liable for the negligence of a driver of a company vehicle under the doctrine of *respondeat superior* and dismisses other negligence liability theories if the employer makes certain stipulations. Defines commercial vehicles. Limits non-economic damages to \$2 million. Does not allow the initial filing in these cases to include punitive damages but allows for a filing to be amended if after discovery, *prima facie* case for punitive damages can be made.

Amendments to SF 228

H 1164 by **Gustoff** - *Strike & Replace*: Limits the liability for employers under negligence theories to *respondeat superior* with no liability for negligent hiring if the employer stipulates that the driver was acting within the scope of employment. Defines commercial vehicles more narrowly than in the original bill. Makes the per plaintiff cap on non-economic damages \$5 million, with adjustments for inflation in future years. Makes exceptions to the cap for drunk or impaired driving, and other driving and felony offenses or if the driver did not have a valid CDL. Allows punitive damages under specified circumstances. **ADOPTED**

The **House PASSED** the bill as amended 58-42; it now RETURNS to the **Senate**

SENATE COMMITTEE ACTION

Senate Judiciary Committee: Voted Out (7)

HF 349 PROBATION DISCHARGE CREDITS

Gives a probationer a discharge credit for each month the person successfully completes the terms of probation, an education credit for earning various degrees/certificates and workforce credit for each six-month period the probationer works 30 hours a week. Requires the probation officer to give an accounting to the probationer every quarter. Does not allow for a reduction of more than 60% of the probation term. Allows for administrative review of credits and limits the use. Takes effect 7/24 without retroactivity. **AMENDED & PASSED** 17-0; *FM: Bousset* (Does not allow the credits for violent crimes. Requires completion of the credits.)

HF 469 ADOPTION INVESTIGATIONS COSTS

Allows the juvenile court to waive placement investigations in adoptions if the guardian has been the child's guardian for three years or if the child is a minor and if the guardian has already undergone various criminal and abuse checks. **PASSED** 13-4; *FM: Reichman*

HF 474 ADOPTING SURRENDERED INFANTS

Includes state-licensed non-profit adoption service providers as a provider that a newborn can be surrendered to. Allows the adoption service provider to ask for information that can be used to facilitate an adoption. Requires HHS to maintain a list of pre-approved adoptive homes for placement of surrendered newborns. Includes other provisions to facilitate these adoptions. **PASSED** 17-0; *FM: Rowley*

HF 625 FELON FIREARM SENTENCES

Increases the penalties for possession of a firearm by a felon, based on whether it is a subsequent offense. Establishes minimum terms, ranging from two to ten years. **PASSED** 16-1; *FM: Reichman*

SENATE COMMITTEE ACTION (CONTINUED)

Senate Judiciary Committee: Voted Out (continued)

HF 630 HUMAN TRAFFICKING PENALTIES

Increases the range of penalties for human trafficking from an aggravated misdemeanor ranging to a Class C felony, to a Class D felony ranging to a Class B felony, and to a Class A felony for offenses against minors. Prohibits deferred judgments or suspended sentences. **PASSED** 17-0; FM: *Zaun*

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. Includes home-schooled children. Creates a rebuttable presumption that it is in the best interest of the child to remain in the current setting. Requires a preponderance of evidence to rebut the presumption. 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. 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. **PASSED** 11-6; FM: *J Taylor*

HF 648 EXPUNGING FINANCIAL RECORDS

Allows for an investment advisor to petition the district court for the expungement of information in a FINRA record. Includes required parties and condition that must be met for the expungement. **PASSED** 17-0; FM: *Webster*

Senate Natural Resources Committee: Voted Out (1)

HF 634 PRIVATE SEWAGE INSPECTION REPORTS

Deems that the certification of an inspector for private sewage inspections to be current if the inspector has paid the fees required for certification. Requires the DNR to maintain a list of current certified inspectors. Makes the seller responsible for ensuring a time-of-transfer inspection report is complete. Makes it a \$5,000 civil penalty for an inspector to file a fraudulent report. **AMENDED & PASSED** 13-0; FM: *De Witt*

HOUSE & SENATE AGENDA

WEDNESDAY, MARCH 29, 2023

7-9 AM	<i>Area Association for Early Childhood Iowa Board & Advocates</i>	<i>Room 15</i>
	<i>Iowa Association of Councils of Governments (ICOG) Legislative Breakfast</i>	<i>Rotunda, West & South Wings</i>
	<i>Iowa Community Foundations Initiative</i>	<i>Rotunda, East & North Wings</i>
8:30 AM	HOUSE CONVENES	<i>House Chamber</i>
9 AM	SENATE CONVENES	<i>Senate Chamber</i>
	House Agriculture Committee SF 473 LIVESTOCK HEALTH COUNCIL: Harris (C)	<i>Room 102</i>
	House Health & Human Services Committee SF 219 TATTOO PERMIT REQUIREMENTS: H Wilz (C) SF 326 EPINEPHRINE AUTO-INJECTORS: Wood (C)	<i>Room 103</i>
	House Local Government Committee SF 455 STORMWATER MANAGEMENT: Stoltenberg (C)	<i>Room 19</i>
10-11 AM	<i>Annual Tornado Drill</i>	<i>Statehouse</i>
10 AM-2 PM	<i>Ames Day at the Capitol</i>	<i>Rotunda</i>
10 AM	House Transportation Committee SF 359 VEHICLE WEIGHT LIMITS: C Thomson (C) SF 381 DRIVING FOR MINORS: Meggers (C) SF 490 ACCIDENT REPORTS: Meggers (C) SF 527 ALL SYSTEMS PERMIT: Siegrist (C) SF 547 NO ELECTRONICS WHILE DRIVING: Best (C)	<i>Room 103</i>
11 AM	Senate State Government Committee HF 265 MIDWIFE LICENSING: Webster (C) HF 332 STATE PROPERTY SALES: Koelker (C) HF 497 OPEN MEETINGS: Salmon (C) HF 603 VOLUNTEER TIRE PURCHASES: Kraayenbrink (C) HF 605 ENERGY BENCHMARKING: Webster (C) HF 635 PODIATRIST RESIDENCY: Koelker (C) HF 656 DENTAL COMPACT: Bousselot (C)	<i>Room 116</i>
1 PM	Senate Education Committee HF 135 UNIVERSITY GRADUATE INFORMATION: Rozenboom (C) HF 430 SCHOOL ABUSE: Cournoyer (C) HF 602 YOUR IOWA CRISIS NUMBERS (w/amend): J Taylor (C) HF 604 SCHOOL DISCIPLINE MATTERS: Evans (C)	<i>Room 116</i>
2:30 PM	Senate Technology Committee HF 632 CYBER-ATTACK SPENDING: Cournoyer (C)	<i>Room 116</i>
5-7 PM	<i>Council Bluffs Chamber of Commerce Legislative Reception</i>	<i>Embassy Suites 101 E Locust St</i>
5:30-7 PM	<i>Community Bankers of Iowa Legislative Reception</i>	<i>Iowa Taproom 215 E 3rd, #100</i>

SUBCOMMITTEE MEETINGS

WEDNESDAY, MARCH 29, 2023

8:15 AM	House Education Subcommittee SF 484 SCHOOL FINANCE REVIEW: Gehlbach (C), Gustoff , Madison	House Lounge
10 AM	House Ways & Means Subcommittee HSB 123 HOOVER TAX CREDITS: Kaufmann (C), Harris , Jacoby	House Lounge
	Senate Education Subcommittee HF 430 SCHOOL ABUSE: Cournoyer (C), Donahue , Sinclair	Room 217
10:30 AM	Senate State Government Subcommittee HF 605 ENERGY BENCHMARKING: Webster (C), Jochum , Koelker	Room 315
NOON	House Appropriations Subcommittee HF 579 DOT PEACE OFFICER TRANSITION: Lohse (C), Amos , Bossman , Holt , Wessel-Kroeschell	Room 304
	House Commerce Subcommittee SF 418 PUBLIC INVESTMENT IN CHINA: Lundgren (C), Judge , Young	Room 19
	House Education Subcommittee SF 250 COMPUTER GRANTS: Sorensen (C), Kurth , Osmundson	Room 304.1
	House Education Subcommittee SF 252 UNIVERSITY PREGNANCY ACCOMMODATIONS: Hora (C), Collins , Steckman (reassigned)	House Lounge
	House State Government Subcommittee SF 478 AUDITOR INFORMATION: Kaufmann (C), Bergan , Nielsen	House Lounge 2
	House State Government Subcommittee SF 516 OPEN SPACE PLANS: Harris (C), Baeth , Wulf	Room 102
12:30 PM	House Education Subcommittee SF 496 GOVERNORS EDUCATION BILL: Wheeler (C), Boden , Cahill , Holt , Matson	Room 19
	House State Government Subcommittee SF 315 RAW MILK: Kaufmann (C), Johnson , Srinivas	House Lounge 2
	House Ways & Means Subcommittee HF 156 URBAN FARM EXEMPTION: Sexton (C), Deyoe , Isenhardt	House Lounge
1 PM	House Judiciary Subcommittee SF 386 COLLEGE SUPPORT ORDERS: Wheeler (C), James , Stone	Room 19
2 PM	Senate Ways & Means Subcommittee SF 289 EMERGENCY SUPPLIES EXEMPTION: Sweeney (C), Dawson , T Taylor	Room 217

HOUSE SUBCOMMITTEE ASSIGNMENTS

EDUCATION

[SF 252](#) UNIVERSITY PREGNANCY ACCOMMODATIONS **Hora** (C), **Collins**, **Steckman** (*reassigned*)

STATE GOVERNMENT

[SF 315](#) RAW MILK **Kaufmann** (C), **Johnson**, **Srinivas**

WAYS & MEANS

[HF 156](#) URBAN FARM EXEMPTION **Sexton** (C), **Deyoe**, **Isenhart**

[HF 264](#) DISABLED TAX EXEMPTION **Lundgren** (C), **Best**, **Wilson**

[HF 526](#) MINOR SOCIAL MEDIA BAN **J Wills** (C), **P Thompson**, **Wilson** (*reassigned*)

[SF 345](#) DEVICE PERMITS **P Thompson** (C), **Forbes**, **Jones**

[SF 549](#) CAPTIVE INSURANCE COMPANIES **Lundgren** (C), **Croken**, **P Thompson**

SENATE SUBCOMMITTEE ASSIGNMENTS

COMMERCE

[HF 565](#) PIPELINE RULES **Bousselot** (C), **Bisignano**, **Dawson**

STATE GOVERNMENT

[HF 605](#) ENERGY BENCHMARKING **Webster** (C), **Jochum**, **Koelker** (*reassigned*)

WAYS & MEANS

[HF 668](#) CHILDCARE PROPERTY TAXES **Klimesh** (C), **Dawson**, **Petersen**

HOUSE STUDY BILLS (HSB 234 – HSB 236)

[HSB 234](#) CATALYTIC CONVERTOR PURCHASES (Ways & Means) **Kauffman** (C), **Jacoby**, **Wulf**

Requires a purchaser of a catalytic converter to be an authorized purchaser with the DOR. Sets the fee for authorized purchaser status at \$100. Makes violations subject to civil penalties.

[HSB 235](#) WITHHOLDING EXEMPTION (Ways & Means) **Deyoe** (C), **Bloomingtondale**, **Wilson**

Exempts withholding agents from having to withhold taxes for a non-resident subject to pass through entity rules from 2022-24. See [SSB 1130](#)

[HSB 236](#) CHINESE BODY ARMOR (Ways & Means) **Harris** (C), **Jacoby**, **P Thompson**

Prohibits law enforcement agencies from using public monies to buy body armor or protective equipment made wholly or in part in China. Makes definitions.