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AROUND THE CAPITOL

Legislators wrapped up the work week today and adjourned until Monday afternoon at 1 PM. Governor Reynolds caught up on much of the backlog of unsigned bills yesterday, leaving only a couple left to sign, including <u>SF 75</u> RURAL EMERGENCY HOSPITALS/AMBULATORY CENTERS and <u>SF 514</u> STATE GOVERNMENT REORGANIZATION.

Neither the House nor the Senate debated bills on the floor today. Both chambers introduced successor bills and new resolutions. The House also read in a bi-partisan bill on carbon capture pipelines from Representatives Holt, Baeth and Kurth. The bill would establish stricter requirements for carbon capture pipelines, including a showing by clear and convincing evidence that the pipeline will reduce the amount of atmospheric CO2. The bill was referred to Judiciary and is funneled for the rest of the session. Representative Holt managed HF 565 PIPELINE RULES yesterday, which passed the House on a 73-20 vote, but only after Holt offered an amendment to reduce the restrictions on carbon capture pipelines.

Committees met on both sides, with two Senate committees moving out eight bills on unanimous votes and two House committees approving two bills. The Senate Education Committee approved three House Files (HF 256 BEE LICENSING AGE, HF 421 IOWA TUITION GRANT ELIGIBILITY and HF 614 OUT-OF-STATE LICENSING). The Senate Judiciary Committee approved five bills (HF 232 PROBATE PROCEEDINGS, HF 398 ADOPTION PROCEEDINGS, HF 400 VACATING PARENTAL RIGHTS, HF 568 TRIBES AS JUSTICE AGENCIES and HF 645 RULE & STATUTE INTERPRETATION). All of these bills are now past the second funnel and will remain eligible for further action after next week.

House Judiciary approved <u>SF 362</u> **ASSISTED REPRODUCTION FRAUD SOL** on a 15-0 vote and House Commerce approved <u>SF 411</u> **BANNING ENERGY SOURCES** on a 15-4 vote. The Senate approved <u>SF 411</u> on a 41-6 vote earlier this year. The bill prohibits a city or county from restricting the access that a consumer has to different energy sources, including direct bans or a *de facto* prohibition on an energy source or the related infrastructure.

Neither chamber nor Governor Reynolds have introduced any budget bills yet. The state budget, along with property tax reforms, are two of the biggest priorities remaining before the end of the session. The Governor and the Senate have announced an overall target of \$8.5 billion. The House has not announced a target yet but is expected to support increasing Medicaid reimbursement rates for nursing homes. Republicans said that they recognize the need to increase rates as a number of lowa nursing homes have closed over the last several years. Governor Reynolds proposed an increase of \$15 million for the Medicaid reimbursements.

FISCAL IMPACTS

SF 380/HF 674 COUNTY CAR TITLING SERVICES & FEES

Allows all county treasurers, regardless of where the primary user of a vehicle is, to perform various registration and titling services. Increases the fees for most titling services by \$10. Increases the amount retained by county treasurers (\$12.50 for certificates of title, \$16 for the perfection of security interests, \$11 from new registrations). Effective date 1/24 (HF 674).

The two bills have slight differences, including a different effective date. The House Transportation and the House Ways & Means Committee have approved HF 674 and Representative Best is the floor manager. Senate Transportation approved SF 380 and the bill is in Senate Ways & Means. Senator Rowley is chairing the subcommittee. The fiscal notes for the bill have been updated. The estimates that the revenues to county GF will increase about \$20.9 million from fees for registering certificates of title, new titles and security interests are unchanged. Estimates for fees for the RUTF are lower and now expected to increase about \$37,000. The primary difference in the fiscal impact of the two is that SF 380 has an earlier effective date; revenue estimates for HF 674 are halved for FY 2024 but are the same as SF 380 in later years.

HF 343 CHILDCARE REIMBURSEMENTS

Requires HHS to establish a pilot project for enhanced childcare assistance for parents who are employed full-time as a childcare provider at an eligible childcare business, to run between July 2023 and July 2025. Requires reports by the HHS on the project.

The Health & Human Services Committee has approved the bill and Representative Ann Meyer is the floor manager. The costs of setting up the pilot program are estimated at about \$165,000. The cost of the pilot program will depend on participation by employees. If 10% of eligible employees (50) use the program, the cost is estimated at a little over \$1 million. The cost for 50% participation would be just under \$5.2 million.

SF 547 NO ELECTRONICS WHILE DRIVING

Prohibitions: Prohibits the use of any electronic devices while driving. Establishes exemptions in some situations for hands-free devices, for law enforcement, health care workers, transit workers, utility maintenance workers, in emergency situations, agricultural uses and for other reasons. **Other**: Makes citations a moving violation and increases the scheduled fine to \$100. Establishes a warning period until January 2024.

The Senate approved the bill on a 47-3 vote and the bill has been referred to House Transportation. A companion bill in House Public Safety did not come out of that committee before the first funnel deadline. The bill increases the fine from \$45 to \$100, which will double the surcharge and raise the cost of a ticket from \$106 to \$170. Overall, by FY 2025, the increase is expected to increase collections over FY 2023 by \$125,000 in penalties, \$52,000 in court fees, \$21,000 in surcharges and \$14,000 in county GF/EMS charges, raising about \$299,000 in FY 2025 versus \$87,000 in FY 2023.

TODAY IN THE LEGISLATURE

House Files: 2 (HF 682 - HF 683)

House Study Bills: none (last introduced HSB 233)

Resolutions INTRODUCED in the House: (1)

HR 13 HONORING GRAND VIEW WRESTLING (Gaines)

Honors the Grand View wrestling team on its 11th NAIA championship.

Senate Files: 1 (SF 556)

Senate Study Bills: 1 (SSB 1208)

Resolutions INTRODUCED in the Senate: (1) SR 9 EPA REGULATIONS (Sweeney) (Rules)

Urges the EPA to withdraw vague regulations that impose complicated and overreaching regulations on lowa farmers.

HOUSE COMMITTEE ACTION

House Commerce Committee: Voted Out (1)

SF 411 BANNING ENERGY SOURCES

Prohibits a city or county from restricting the access a consumer has to different energy sources including a *de facto* prohibition on a source or related infrastructure. **PASSED** 15-4; *FM: C Thomson*

House Judiciary Committee: Voted Out (1)
SF 362 ASSISTED REPRODUCTION FRAUD SOL

Strikes the SOL for fraud in assisted reproduction (4th degree sex abuse) and allows actions to be brought any time after the offense or identification by DNA. **PASSED** 16-0; *FM: Jones*

SENATE COMMITTEE ACTION

Senate Education Committee: Voted Out (3)

HF 256 BEE LICENSING AGE

Strikes the requirement that an applicant for a BEE license be 21. PASSED 15-0; FM: Salmon

HF 421 IOWA TUITION GRANT ELIGIBILITY

Makes an accredited private university (Waldorf University) that was purchased in 2010 by a for-profit school and then sold to an Iowa non-profit in December 2022 eligible for Iowa tuition grants from December 2022 to June 2023. Retroactive applicability. **PASSED** 15-0; *FM: J Taylor*

HF 614 OUT-OF-STATE LICENSING

Specifies some of the required equivalents to be used by the BEE in licensing out-of-state applicants. Includes all license holders who move to the state under exceptions for certain professions that allow military members/spouses to be licensed without examination. **PASSED** 15-0; *FM: Evans*

Senate Judiciary Committee: Voted Out (5)

HF 232 PROBATE PROCEEDINGS

Makes changes to probate proceedings, including requests by fiduciaries, requiring executors to request certified copies of wills and on making tortious interference claims. Makes changes to guardianships for children. Assesses the cost of a trial transcript for an indigent defendant to the county. Makes changes to requests by trustees regarding property, including good faith protections and penalties for unreasonable actions of withholding property. Allows the agent of a protected person to establish a medical needs trust. **PASSED** 17-0; *FM: J Taylor*

HF 398 ADOPTION PROCEEDINGS

Deems that a public defender shall continue to represent parties in subsequent adoption proceedings regardless of whether the person is indigent and that rules for conflict of interest apply in those cases. Includes similar provisions for guardian ad litem representations. Requires the HHS to give a parent adopting a child a certified birth certificate if the HHS is the guardian. Exempts a person who is an adult and being adopted from certain notice requirements and includes alternate notice provisions. **PASSED** 17-0; *FM: Reichman*

HF 400 VACATING PARENTAL RIGHTS

Allows a parent to request a juvenile court to vacate an order terminating parental rights if certain events have not occurred. Requires the court to find that doing so is in the best interests of the child. **PASSED** 17-0; *FM: Garrett*

HF 568 TRIBES AS JUSTICE AGENCIES

Adds federally recognized Indian tribes as criminal and juvenile justice agencies. Requires the tribe to irrevocably give up any sovereign immunity defenses. **PASSED 17-0**; *FM: Reichman*

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. **PASSED** 17-0; *FM: Bousselot*

HOUSE SUBCOMMITTEE ASSIGNMENTS

	<u>JUDICIARY</u>	
SF 386	COLLEGE SUPPORT ORDERS	Wheeler (C), James, Stone
SF 469	SENIOR MAGISTRATES	Lohse (C), Collins, Olson
<u>SF 525</u>	CRIMINAL MATTERS	Gustoff (C), B Meyer, C Thomsor
	NATURAL RESOURCES	
SF 208	BOW HUNTING	Sherman (C), Gerhold, Scholten
	STATE GOVERNMENT	
SF 516	OPEN SPACE PLANS	Harris (C), Baeth, Wulf

SENATE SUBCOMMITTEE ASSIGNMENTS

	JUDICIARY	
HF 349	PROBATION DISCHARGE CREDITS	Bousselot (C), Knox, Zaun
HF 474	ADOPTING SURRENDERED INFANTS	Rowley (C), Petersen, Shipley
HF 548	SEALING EVICTION RECORDS	J Taylor (C), Quirmbach, Reichman
HF 648	EXPUNGING FINANCIAL RECORDS	Webster (C), Evans, Weiner
	NATURAL RESOURCES & ENVIRONMENT	
HF 634	PRIVATE SEWAGE INSPECTION REPORTS	De Witt (C), Celsi, Sweeney
	STATE GOVERNMENT	
HF 265	MIDWIFE LICENSING	Webster (C), Jochum, Schultz

House Files (HF 682 - HF 683)

HF 682 LIQUID CO2 PIPELINES (Holt, Baeth & Kurth) (Judiciary) (funneled)

Establishes requirements before the IUB can grant a permit for a liquid CO2 (carbon capture) pipeline. Requires the pipeline to certify that it will permanently sequester carbon, restore wetlands and farmlands, adhere to safety and setback rules and show by clear and convincing evidence that the pipeline will reduce atmospheric CO2.

HF 683 GRAIN EXCISE TAX (Ways & Means; Successor to HSB 230) FM: Deyoe

Repeals the excise tax on handling grains as of 2025. Does not allow the tax to be assessed after January 2023. Requires taxes for assessed for previous years and reported 60 days after January 1, 2023 to be collected for the Grain Dealers Indemnity Fund.

SENATE FILES (SF 556)

SF 556 GRAIN INDEMNITY FUND (Ways & Means; Successor to SSB 1205) FM: Driscoll

Phases out the indemnity fees and replaces those fees with check-off funds from corn. Changes the name of the Corn Promotion Fund to the Corn Marketing Fund, with express duties for marketing, storage and promotion of corn. Transfer 25% of the check-off assessments to the indemnity fund. Requires the indemnity fund to determine if the assessment should be suspended or reinstatement. Requires suspension when the fund reaches \$20 million and reinstatement when the fund reaches \$10 million. Requires DALS to notify DAS of the suspension or reinstatement. Increases payout to \$600,000 for claims.

SENATE STUDY BILLS (SSB 1208)

SSB 1208 EDUCATION TAX CREDITS (Ways & Means) Cournoyer (C), Dawson, Winckler

Tax Credits: Excludes any amounts paid from an Education Savings Account from eligibility for the Tuition & Textbook Tax Credit. Reduces the Tuition & Textbook Tax Credit cap to \$17 million in 2024 and \$14 million in 2025. Requires eligible school organizations to certify that tuition grants do not exceed amounts paid by parents for tuition. **Changes to HF 68**: Requires unused amounts in an ESA to be used by the student in consecutive future years and transfer the money to the state if the student does not participate in the program in the next year. Requires a private school to notify the DOE if a student with an ESA withdraws or is expelled and requires the DOE to stop disbursements and transfer the remaining funds to the state. Makes corrections. **Textbooks**: Strikes requirements for school districts to make texts available to non-public school students.