Growing and supporting rural Iowa is one of the central issues of the 2019 session. House Republicans have been working on a number of fronts to give their communities the opportunity to grow and thrive in the 21st century. This effort will be a central focus of the Fiscal Year 2020 budget in two big areas — health care and education.

HEALTH CARE - Access to health care is an issue that all communities are facing. For rural communities, the challenge of maintaining that access is even more challenging. To help meet this challenge, House Republicans are moving forward with the following initiatives:

Maintaining Access to Health Care through Iowa’s Critical Access Hospitals - Iowa’s 82 critical access hospitals, located in smaller communities across the state, provide critical, initial care in their towns and counties and are linked to a larger hospital system for more extensive care. House Republicans are proposing to restore Medicaid payment rates to these hospitals to 101% of costs, with a cost settlement process at the end of the year. Hospital administrators have told members that the number one thing the Legislature could do for rural health care was to restore this process, and House Republicans are making that a key priority of their FY 2020 budget by committing $1.5 million from the General Fund to this.

Ensuring Access to Nursing Homes throughout Iowa for lower-income residents - In many rural communities, the local nursing home is a critical part of the local health care system. With the growing number of nursing home residents whose care are covered by Medicaid, nursing homes are facing tighter operating budgets. To help ensure Iowans have access to this important level of care in their local communities, House Republicans are planning to provide an additional $19 million of General Fund dollars to Iowa’s Medicaid program to increase the daily nursing home payment rate.

(Continued on next page)
(Continued from page 1)

More Health Care Providers in Rural Iowa – Having trained health care providers is necessary to having functioning hospitals and nursing homes across Iowa. And to attract health care providers to rural communities sometimes requires additional steps to make this appealing to new practitioners. To help more communities attract doctors, House Republicans have a multi-step plan. First part of this effort was the passage on Tuesday of House File 532, a bill dealing with medical residencies. The bill would require that medical students raised in Iowa or educated in the state to get preference for medical residencies through UIHC or funded by the state. Also, anyone participating in a medical residency would be offered a residency rotation in a rural community.

In terms of funding, they will provide an additional $400,000 for medical residency programs and dedicating these funds to those who will practice in rural Iowa. Also, House Republicans will increase funding for the Rural Primary Loan Repayment program by $300,000. This program helps communities attract and retain newly-licensed doctors.

Improving Health & Safety in Rural Iowa – House Republicans are proposing increases for two programs that help disabled farmers and work to improve farm safety. The Agriculture & Natural Resources budget will increase funding for services to disabled farmers and will help preserve the Iowa Center for Agriculture Safety and Health (ICASH).

EDUCATION & WORKFORCE – Growing Iowa’s rural communities will also require a workforce with needed skills. Acquiring these skills can happen on a number of levels, in high school, community colleges, or four-year colleges and universities. House Republicans are addressing these issues in the following ways:

Committing to Future Ready Iowa – Ensuring that Iowans have the job skills needed by Iowa’s employers is one of the biggest issues facing this state. House Republicans have committed to fund implementation of the Future Ready Iowa program that was created last year. This will include $15 million for assisting community college students with the Last Dollar Scholar program and $1 million for helping those who started four-year degrees in certain fields to go back to college and finish them.

Increasing Access to Job Skills in High School – Acquiring the necessary technical skills for many in-demand jobs can happen at the high school level through the state’s Career Technical Education program. This provides funds to school districts for training programs. House Republicans are providing an additional $355,823 to assist more schools establish these programs.

Continuing Iowa’s Investment in Community Colleges, Tuition Grants and All-Iowa Opportunity Scholarships – Increasing support for Iowans seeking higher education will be part of the FY 2020 budget beyond what is included in Future Ready Iowa. Increases for all three legs of Iowa’s higher education system will be part of the House Republican budget. Community Colleges will receive an additional $7 million in FY 2020 under the House Republican plan, and the Iowa Tuition Grant program (which provides aid to those attending Iowa’s independent colleges) will get a $1.1 million increase. The budget also will provide additional funding for the All-Iowa Opportunity Scholarships, which help Iowa residents attend the three state universities.

Agriculture

House Ag Panel Committee Approves Additional Water Quality Improvement

On Thursday, March 7, 2019, the Iowa House Agriculture Committee approved House File 571 by a bi-partisan 21-aye to 1-nay vote. The measure amends various Code provisions relating to the management of soil and water resources. The bill provides that along with traditional duties and powers exercised by these bodies relating to soil erosion and flood protection, they may also carry out water quality protection projects and operations that include efforts to maintain, protect, and improve the quality of surface water and groundwater from point and nonpoint sources in a manner consistent with the Iowa nutrient reduction strategy.

HF 571 explicitly authorizes cooperation between districts, subdistricts, and political subdivisions through the use of chapter 28E and chapter 28F agreements. HF 571 authorizes joint financing agreements and the involvement of ‘financing entities’ and ‘public purpose entities’ for the purposes of working together on water quality projects designed to further the goals of the Iowa Nutrient Reduction Strategy.

House Panel Moves Iowa Hemp Act Along

On Thursday, March 7, 2019, the Iowa House Agriculture Committee approved House Study Bill 241 by a 21-aye to 1-nay vote. The bill will be referred to the House Ways & Means Committee for its consideration. The federal 2018 Farm Bill authorizes states to assume primary regulatory authority over the production of hemp through the submission of a state plan subject to approval by the United States Department of Agriculture (USDA). USDA has 60 days to approve, disapprove, or amend the plan and provides that state regulations may be more but not less stringent than the federal regulations.

The measure authorizes the production of hemp under the IDALS’ regulatory supervision. Hemp is defined as species of Cannabis having a maximum concentration of THC that does not exceed three-tenths of 1 percent. The measure specifies that the Department of Public Safety (DPS) is required to assist IDALS in preparing the plan and administering and enforcing the provisions of the Code chapter. DPS is designated the chief criminal enforcement agency under the new Code chapter. HSB 241 also provides for police involvement by local law enforcement agencies.

The measure requires IDALS to accept and approve or disapprove applications for the issuance of a hemp license on a one-year basis. The license is subject to renewal may cover no more than 40 acres to any given entity/person. To pay for the regulatory costs anticipated, the bill establishes a hemp fund in the State Treasury into which hemp license fees are deposited and from which money would be appropriated to IDALS for purposes of administering and enforcing the program.

It should be noted that even with expeditious approval of a state hemp program legislation this session, it will not be possible to grow hemp crops this year. This is because before the state program can become operational, USDA would need to first approve federal rules for the national hemp act and then approve state plans; which will in all likelihood take more than one-year to accomplish. Some new federal farm programs approved by prior farm bills have taken several years to travel through the federal rule making process.
Iowa Legislature Gives Final Approval to Ag Production Facility Trespass Bill

On Tuesday, March 12, 2019, both Chambers of the Iowa Legislature approved Senate File 519 by bi-partisan votes. 41-aye to 8-nays in the Senate and 65-aye to 32-nay vote in the House. SF 519 creates new agricultural production facility trespass provisions that specifies certain offenses relating to agricultural production operations that cause economic damage or other injury are illegal. Those offenses include sabotage, adulterations, and destruction of property such as agricultural crops or animals. The measure provides for a criminal offense of agricultural production facility trespass that involves the use of deception to obtain access to a facility not open to the public with an intent to cause physical or economic harm or other injury to the facility's operation, property or persons. I appreciate USDA’s efforts to take preventative measures and for its continued collaboration with our Department and the industry to stop an outbreak from coming ashore.”

The legislation is similar to aspects of an Idaho law that has withstood a federal Court challenge. This legislation is of great interest to Iowa’s livestock and food processing industry as fraudulent trespass could result in the introduction of catastrophic animal diseases such as foot and mouth, or African Swine Fever. Either disease could cause billions of dollars of economic damage to Iowa farms, businesses and employees and would likely be ten to fifty larger impact than the avian influenza outbreak of a few years ago.

USDA Takes Additional Steps on Enhanced African Swine Fever Prevention Activities

On Thursday, March 7, 2019, the Iowa Department of Agriculture and Land Stewardship (IDALS) issued a press release in which IDALS Secretary Naig noted—“The effects of a foreign animal disease outbreak here in Iowa would be devastating for our production and is good for business in Iowa. I appreciate USDA’s efforts to take preventative measures and for its continued collaboration with our Department and the industry to stop an outbreak from coming ashore.”

ASF is a highly contagious and deadly viral disease affecting both domestic and feral (wild) pigs in all age groups. It is spread by contact with the body fluids of infected animals. For more information visit the USDA Animal and Plant Health Inspection Web site.

Iowa House Considers Changes to the Three-Tier System

This week the House of Representatives passed HF 668 making needed and overdue updates to the three-tier system in Iowa.

The three-tier system was created nearly 100 years ago in response to prohibition era concerns regarding alcohol consumption and the growth of monopolies. Current law has changed very little since its creation in 1935. The three-tier system has been credited with creating an orderly marketplace, efficient tax collection, and establishing a level playing field for all parties involved. At the end of Prohibition, states also determined whether to license or control spirits. Iowa is a control state, which means only the state or its designee can wholesale the distribution of liquor/spirits.

The goal of the three-tier system is to provide a safe, reliable, fair, and competitive marketplace. However, due to very few changes since its creation, the application of the current law has been cumbersome as times and business practices have changed. The three-tier system divides the alcohol industry (beer, wine, and spirits) into three groups: 1) Manufacturer, 2) Wholesaler/Distributor, and 3) Retailer. Entities only operate in one tier or lane and cannot cross into another. This system was intended to protect against monopolies controlling the entire system through vertical integration and shutting out competition.

This anti-monopolistic protection is also known as the tied house prohibition. In a pure three-tier system, manufacturers sell their products to wholesalers (distributors), who then sell to retailers, who offer these products to the public (consumers). Historically, pressure came from the manufacturer who controlled distribution and required bars and restaurants (retailers) to sell only one brand of alcohol and incentivized alcohol consumption by drawing people in to their establishment with offers of free food and other crowd magnets. “Tied house” originated from bars and saloons that were owned by and tied to a specific manufacturer. The three-tier system forced all these factions to divest interest in every area except one. These pressures are now reversed, with retailers making demands of manufacturers through retailer private labels and an increase in retail based violations.

In 2016, the legislature tasked the Alcohol Beverage Division (ABD) to conduct a study that would review issues relating to regulation in the three-tier system and tied house laws in Iowa. The study examined the ability of manufacturers, wholesalers, and retailers to effectively address changing market conditions and respond to new business opportunities. The ABD report was released in July 2018, and identified several areas where legislative action was required. Some of the major issues include: the broad applicability of current tied house laws, defining what constitutes “ownership,” and defining currently undefined key terms.

The House passed legislation this week that addresses several issues raised by the ABD’s report. HF 668 defines an institutional investor, allows for some limited cross tier interests, and limits the application of cross tier employment prohibitions to only senior level employees. It also provides for manufacturers of nonnative wine may sell their wine at their principal office located in Iowa and caps the amount of beer that native brewers may sell at wholesale at 30,000 barrels of beer annually.

HF 668 addresses several issues not envisioned 100 years ago, when the three-tier system was first created. It is creates clarity and is good for business in Iowa.
Two more locations in Iowa have been designated as certified sites by the Iowa Economic Authority. The Helgerson Flats Industrial Center in Ottumwa and the Boone Industrial Park were the latest industrial sites to achieve certification through the Iowa Certified Site Program.

**Ottumwa**
The 80-acre property is zoned for industrial use and has been determined to be suitable for businesses that complement machinery manufacturing, automotive supply chain, food and beverage processing, and warehouse and distribution. Ottumwa Economic Development worked with Alliant Energy to certify the site. The industrial property is located two miles off U.S. Highway 63 and Iowa Highway 149 and is next to an existing industrial park.

**Boone**
The Boone site is located one mile north of U.S. Highway 30 on the city’s east side, and about 20 minutes west of Interstate 35. It features just over 150 acres of flat, shovel-ready ground directly north of the current industrial park with all utilities at the site boundary.

The Boone site is located one mile north of U.S. Highway 30 on the city’s east side, and about 20 minutes west of Interstate 35. It features just over 150 acres of flat, shovel-ready ground directly north of the current industrial park with all utilities at the site boundary.

**Education First Funnel Survivors Show Bipartisan Record**

The legislative first funnel has come and gone. The funnel is a date by which bills needs to be voted out of committee in order to continue towards enactment this session. It narrows the focus of the legislature to a smaller set of remaining issues. Thirteen of the fifteen bills — almost 90% — approved by the committee were bipartisan. Here are the notable survivors in the Education Committee:

**HF 306 – FY20 Supplemental State Aid** – HF 306 sets Supplemental State Aid (SSA) at 2.06% for FY20 for both the Regular Program and the Categorical Supplements. Estimated total state aid to schools for FY20 is $3.289 billion. It was signed by the Governor February 14, 2019.

**HF 673 – Radon Testing and Mitigation** – Requires school districts to test for radon in all attendance centers by 2024 and every 5 years thereafter. Any attendance center that tests above a specific level in two consecutive tests (averaged) must be mitigated by district within 2 years, with some exceptions. It is now in the Appropriations Committee.

**HF 420 – Financial Literacy Implementation** – Amends language passed last year by the legislature regarding financial literacy. The legislation last year required all students pass a half-unit of financial literacy as a condition of graduation. It was effective immediately. This bill delays implementation, applying it to next year’s incoming freshman class. It’s eligible for House Floor debate.

**HF 720 – Weighted Funding for Students in Foster Facilities** – The bill allows student placed in 24/7 foster care facilities and receiving education from the school district in which the facility is located to be counted for weighted funding at special education level 1, which is 0.72. It is now in the Appropriations Committee.

**HF 499 – 10-Passenger School Vehicles** – Amends the definition of non-bus school vehicles designed to carry fewer students than a bus, such as a passenger van, by aligning with federal regulations and defining passenger vehicles that aren’t busses as those carrying 10 or fewer passengers. It is eligible for House Floor debate.

**HF 513 – Teacher Preparation Program Assessment** – Current law requires students in Iowa teacher preparation institutions to pass an end of program assessment in both content and pedagogy in order to complete their course of study. Student are considered to have passed if they score above the 25th percentile nationally. The bill changes this 25th percentile minimum score by requiring the Department of Education to instead set a minimum score that considers the scores of neighboring states and the current supply and demand of teachers in the state. It also provides for a one-year license for those who have completed their prep programs, have been offered a teaching contract, but have not yet passed the assessment. It is eligible for House Floor debate.

**HF 546 – SAVE Extension and Modifications** – This bill makes some modifications to the uses of SAVE (Secure and Advanced Vision for Education) dollars, the distribution to the Property Tax Equity Relief (PTER) fund, and extends the sunset on the statewide penny that funds SAVE by 20 years. It provides for significantly more property tax relief and sets up a fund to help districts establish Career Academies. It is eligible for House Floor debate.

**HF 592 – Preschool Age Eligibility** – Currently the Statewide Voluntary Preschool Program (SWVPP) is available to students who are age 4. The bill changes this to include 5-year-olds. Students are able to enroll in preschool as both a 4 and 5-year-old. It is now in the House Appropriations Committee.

(Continued on next page)
On Tuesday, March 5, 2019, the Senate Natural Resources and Environment Committee passed Senate File 520 by a largely 7-aye to 6-nay vote. SF 520 has been referred to the Senate Ways & Means Committee for its input as the measure doubles the current one-penny handling charge that distributors pay to retailers or redemption centers when covered beverage containers are redeemed by consumers.

The bill provides that retail dealers who sell beverage covered by the Iowa bottle law may choose to not accept beverage containers by providing notice to the Department of Natural Resources (DNR) beginning July 1, 2020. The measure allows a person to establish a redemption center by providing notice to the DNR and also requires each beverage container to have a registered universal product code in a format required by the DNR.

(Continued from page 4)

HF 596 – Whole Grade Sharing and Reorganization Incentives Extension – The bill extends the Whole Grade Sharing incentives for 5 years, from July 1, 2019, to July 1, 2024. Whole grade sharing allows districts to generate funding for 0.1 weighting per student affected by the sharing agreement. The maximum is for 3 years. However, it can be for an additional 3 years after, and if, districts reorganize. It is eligible for House Floor debate.

HF 633 – Teacher and Administrator Licensing Fees – The Board of Educational Examiners, the state’s licensing board for educational professionals, is funded by fees collected through licensing. Iowa Code requires the Board to deposit 25% of fees collected into the state’s general fund. This bill eliminates that 25% transfer and requires the Board to lower licensing fees accordingly. It is in the House Ways and Means Committee.

HF 637 – School Employee Misconduct Reporting Period – Current law requires a school district to report to the Board of Educational Examiners any instance of disciplinary action taken against a licensed employee for a list of specific instances of misconduct: soliciting or consummating a romantic relationship with student; falsifying grades or test scores; use public property for personal use; or being at school or school activities in possession or under the influence of drugs or alcohol. This bill sets a 30-day timeline by which this action on misconduct needs to be reported to the licensing board. It is eligible for House Floor debate.

Inside the Number of Iowa’s Nation– Leading Graduation Rate

Iowa’s graduation rate has been a source of pride for some time now, leading the nation yearly (so proclaimed again this January: https://www.educateiowa.gov/article/2019/01/28/iowas-high-school-graduation-rate-remains-1-nation) and being the first state in the nation to surpass the 90% mark a few years ago. The latest data out of the Department this week shows Iowa reached an all-time high last year with a 91.4% graduation rate. The trend is increasing, not only statewide but in nearly every subgroup. And that’s worth digging into a bit further, as the Department of Education did last week.

Since 2011 Iowa’s 4-year graduation rate has climbed 3.1%. Within that number there has been significant long-term gains in nearly every student demographic subgroup. The graphic created by the Department shows these results:

Conversely, as the graduation rate has climbed, the dropout rate has decreased. Iowa’s annual dropout rate reflects the percentage of students in grades 9-12 who drop out of school during a single year. The annual dropout rate decreased from 2.8% to 2.7% this year and has decreased steadily since 2011. The state’s 2017-18 dropout rate represents 4,075 (down from 4,183 the previous year) students in grades 9 through 12.

Environmental Protection

(Contact Lew Olson at 1-3096)

Senate Panel Narrowly Approves Beverage Container Update Measure

On Tuesday, March 5, 2019, the Senate Natural Resources and Environment Committee passed Senate File 520 by a largely 7-aye to 6-nay vote. SF 520 has been referred to the Senate Ways & Means Committee for its input as the measure doubles the current one-penny handling charge that distributors pay to retailers or redemption centers when covered beverage containers are redeemed by consumers.

(Continued on next page)
(Continued from page 5)

SF 520’s provisions would take effect upon enactment. The Senate legislation contains new civil enforcement procedures and potential penalties of up to $10,000 per day for a violation of an order issued by the Director of DNR to comply with provisions of the bill, but such orders could be appealed to the Environmental Protection Commission. Judicial review of EPC decision is permitted. SF 520 additionally proposes numerous changes throughout Code chapter 455C to change instances of “dealer” to “participating dealer”, removes obsolete language, and stylistically and grammatically updates the Code chapter.

What is being tested and how long are the tests?

Although these tests are not timed, the recommended time allotment is 60 minutes each for the reading, mathematics, and science tests, and 120 minutes for the language and writing test. The test will be available in paper/pencil and online. The window for test administration begins in March and extends through May.

English Language Arts skills tested will include reading comprehension, text-based writing, mechanics and usage. Artificial Intelligence will be used to score the writing, which will include the following considerations: the use of evidence from text, organization, language use, tone, and style; and production of writing, which includes the student’s ability to address the topic and produce a cohesive argument.

In mathematics, the skills tested align to the grade-level focus areas of the Iowa Core Mathematics Standards and item types will include multiple choice, technology enhanced item type, and short answer constructed response.

In science, the assessment will focus on the three dimensions of the Iowa Core Science Standards: practices, cross-cutting concepts, and disciplinary core ideas.

Test results and how were the assessments vetted?

Students, schools, and districts can expect to get reports on the results of the assessment after the completion of a standard setting study. Proficiency and readiness indicators will be reported after the first year. Growth indicators will be available after year two.

This past June, ITP brought in teachers to review the initial set of materials for their alignment. For the second study, ITP contracted with an external vendor, the Human Resources Research Organization (HumRRO). The goal of this study was to confirm that the assessment appropriately assesses the breadth and depth of the Iowa Core.

As a part of this process, HumRRO conducted workshops where 40 Iowa educators were trained to perform the alignment tasks, looking at both the content of the item and its Depth of Knowledge. A broad representation of teachers from across the state from both larger and smaller districts was included in this work, Hazen said.

HumRRO has been working on a report that ITP will use as part of the test development process, but some preliminary feedback has already allowed ITP to make some changes to the tool, Hazen said. Text complexity, appropriateness of the passages to the grade, and appropriateness of the blueprints are some of the issues on which HumRRO provided feedback.

How are the assessment funded?

The legislature created a new appropriation last year to help with the new costs associated with the new assessment. Previously districts were covering the costs of the Iowa Assessments on their own. This was a cost of the about $1.6 million annually. The new assessments are estimated to cost about $4.3 million annually. In order to prevent districts from taking on any new costs, the legislature appropriated $2.7 million to cover the difference in costs between the old and new assessments.

Additional information on the new assessment can be found at http://iowa.pearsonaccessnext.com/.

(Continued on next page)
(Continued from page 6)

HF 294 / HF 570 – Brain Injury HCBS Waiver Monthly Budget Cap

This bill eliminates the monthly budget maximum for individuals on the Medicaid Home and Community-Based Services (HCBS) Brain Injury Waiver. The current maximum dollar amount per month is $3,013.08 for the BI Waiver. This maximum has not been increased since 1996 when the BI Waiver was established. There are around 1,500 members currently on the BI waiver. DHS granted all 98 exceptions to policy that were requested in FY 2018. Because all exceptions have been granted to go above the monthly cap, this bill is not expected to have any fiscal impact.

HSB 159 / HF 606 – Online Continuing Education

This bill removes the limitation on the number of continuing education credits that can be obtained online for social workers, marital and family therapists, and mental health counselors. The online CEUs must comply with the standards of their respective boards.

HF 619 / HF 722 – Commitments

This bill includes proposed changes to Iowa’s mental health and substance abuse commitment laws. The amendment incorporates some recommendations from the Commitment Workgroup that met over the legislative interim, and also updates some provisions related to law enforcement notification.

HSB 200 / HF 623 – Medication Assisted Treatment Prior Authorizations

This bill requires the Medicaid program to provide at least one form of medication-assisted treatment in 5 distinct categories of MAT that does not require prior authorization. Individuals seeking MAT are likely to pursue substances for their addiction if they are not able to obtain MAT in a timely manner. Prior Authorizations often take 72 hours to be completed.

HSB 184 / HF 644 – Family First

This bill was requested by DHS to align Iowa law with changes at the federal level due to the Family First Prevention Services Act. Family First changes the direction of child welfare services across the country, and will require states to look at ways to prevent removal of children through evidence-based family preservation services; to place removed children with relatives if possible and then look for licensed foster families; and limits the use of group care settings to children in need of mental health treatment. Iowa plans to fully implement Family First by July 1, 2020.

HF 209 / HF 423 – Inmate Medicaid Suspension

This bill clarifies that DHS shall not terminate the Medicaid eligibility of an inmate at any point during their confinement as long as that individual remains eligible for the Medicaid program except for their institutional status. Rather, DHS will place the individual in a suspended status. This bill arose from concerns that individuals in jail or prison receiving substance abuse treatment are then released without any option to continue their treatment.

HF 447 / HF 700 – Emergent Unit Dosing

This bill allows a pharmacist to refill a prescription once a year emergently in a unit dose package, not to exceed a 30-day supply. Iowa Code has allowed pharmacists to exercise professional judgment by refilling a prescription emergently without prescriber authorization since 1987. However, the standard practice has been for up to 72 hours worth of the prescription. This bill will allow pharmacists to have the protection from liability for providing a unit dosed prescription that exceeds a 72 hour supply. Examples include insulin, Epi Pen, and inhalers.

HSB 238 – Dispensing Fees

This bill relates to multiple dispensing fees being charged to a patient if a pharmacist dispenses a partial quantity of a prescription drug, and later dispenses the remaining quantity of the prescription, the total dispensing fee charged by the pharmacist cannot exceed the standard dispensing fee as if the total quantity had been provided at one time. The bill applies to both Medicaid, private pay, and third-party insurance.

Iowa Supreme Court Requires Medicaid to Pay for Gender Reassignment Surgeries

Last week, the Iowa Supreme Court unanimously ruled in Eerieanganese Good v. Iowa Department of Human Services that Iowa Medicaid must cover gender reassignment surgeries based on the Iowa Civil Rights Act.

The two Medicaid members that brought this case have been diagnosed with gender dysphoria (“distress that may accompany the incongruence between one’s experienced or express gender and one’s assigned gender”), and their physicians have concluded that gender reassignment surgeries are necessary to treat their gender dysphoria. DHS rules prohibit Medicaid coverage for surgeries for the purpose of sex reassignment. This case reviewed whether those administrative rules violate the Iowa Civil Rights Act and the Equal Protection Clause of the Iowa Constitution.

First, the court determined that DHS is a “government unit” within the Iowa Civil Rights Act definition of a “public accommodation.” By determining that Medicaid is a benefit or grant provided to the public under the ICRA, DHS cannot discriminate based on gender identity, since it was added as a protected class to the ICRA in 2007. The court did not address whether the DHS rules also violate the Equal
House Democrats Vote to Give Courts Control Over Life and Death Decisions

On Monday, the House debated HF 594, a bill to limit the courts ability to withdrawal life sustaining procedures from a minor. While the bill was a simple and straightforward advancement for parental rights, House Democrats took a hardline stance against such a policy and continually pushed for additional government intervention into these difficult decisions.

House File 594 ensures a court cannot order the withdrawal of lifesustaining procedures from a minor child over the objection of the child’s parent or guardian unless there is conclusive medical evidence that the child has died. A law change like this helps ensure Iowans don’t have to worry about the government intervening into private and personal decisions. The bill does not change how disputes are solved between parents, but simply says the court does not make the final life and death determination.

During debate, House Democrats offered an amendment to undermine the entire bill. The amendment would have allowed a child to be removed from life support by the courts for the following reasons:

- if a parent was unable or unwilling make a decision (no time line was given for how soon a parent would be required to decide)
- if parents disagreed on treatment
- a health care providers determination that the child would not have wanted to live (no living will or directives required),
- a health care providers decision that life sustaining measures are not in the best interest of the child (no standard set forth in the amendment)

The language in the amendment allowed the courts to deny life sustaining treatment to a child for a multitude of reasons using standards not clearly identified. Many will remember the case of Alfie Evans, from the United Kingdom, whose life sustaining treatment was removed by the courts. This action was done over the objection of his parents when some medical providers determined he should no longer be given additional medical options, even when hospitals across the world were willing to treat him. The drastic changes proposed in this amendment would have interfered with parental rights and prevented any recourse. The amendment was defeated on a party line vote.

HF 594 eventually passed with bipartisan support. Strangely the only Democrats to vote in favor of the bill had to be forced into it through a procedural rule. Otherwise these Democrats may have withheld their support despite being present for the vote.

The bill has been sent to the Senate for consideration in the coming weeks.

Iowa One of the Most OnerouslyOccupationally Licensed State in the Country

The House Labor Committee passed a bill (HSB 180/HF 666) requiring the State Government Efficiency Committee to review every occupational license in the state over a six year period of time and send a report to the General Assembly on which it must vote. This bill also requires licensing boards to inform individuals with a criminal record whether or not they would be eligible for an a license.

There currently is not a comprehensive list in the state of every occupational license. Iowa Workforce Development has a list of over 120 occupation licenses, but admits that it is not exhaustive. This bill requires Iowa Workforce Development to have a comprehensive list of all the occupational licenses in the state.

In License to Work: A National Study of Burdens from Occupational Licensing, a publication researched and written by the Institute for Justice, it was determined that Iowa is the 12th most broadly and onerously licensed state in the country. The researched identified 102 lower-income occupations and identified which state licensed these positions. Iowa required occupational licenses for 71 of the 102 occupations. Iowa also licenses a number of professions that are rarely licensed in other states, such as travel agencies (6) and dental assistants (8).

According to this study, the average barrier to entry is $178 in fees, 288 days lost to education and experience, and around one exam. An excellent example of how burdensome these requirements are can be seen in dental assistants (licensed in less than 20% of states) are required to have 20 hours of education, 6 months of experience, $86 in fees, and three examinations. Iowa also requires 2,100 hours of experience for aspiring barbers and cosmetologists, which is the highest in the country, while EMTs only needs 110 hours of experience.

This bill, which passed with bipartisan support, is a good step forward in determining what licenses should be remain intact, which could be restructured, and which could be removed. This review is a good step forward in determining what burdens are acceptable to place on individuals that attempting to enter into the workforce.
Local Government

What Happened to Iowa’s 100th County

Iowa’s total number of counties is a unique number among states. Our total of 99 places us 9th highest in terms of number of counties. But it’s an odd number, making some ask “why not 100?” The Iowa State Capitol Tour Guides’ “Pieces of the Past” article this week explains what happened to Iowa’s 100th county, which is also a tale of how Kossuth County became Iowa’s largest.

The article notes the importance of the establishment of counties “so a form of government could be put in place to provide and record title to the land and provide the other basic government services settlers required.”

Iowa’s first two counties were established in 1832. When Iowa became the 29th state in 1846, there were 44 established counties. Six more were added in 1847, bringing the total 50. In 1851 the 3rd general assembly created 50 new counties through legislation, bringing the total to 100 and covering the entire state.

Kossuth County became the center of what would, in the end, bring Iowa’s county count to 99 and make Kossuth the largest county in Iowa through a series of legislative and legal moves.

- Northern Kossuth was originally Bancroft County. As there were no settlers in Bancroft County, it was never officially organized.
- In 1855, the legislature approved extending the boundaries of Kossuth County at the urging of an influential judge who resided there. Kossuth, Bancroft, and the north half of Humboldt County were all united into one county called Kossuth. This same legislation joined the southern half of Humboldt with Webster County.
- In 1857 legislation restored Humboldt County.
- In 1870 legislation once again created a new county out of northern Kossuth, called Crocker County. It comprised most of what had been Bancroft.
- However the move was challenged as Crocker did not contain the constitutionally required minimum of 432 square miles of territory. The Iowa Supreme Court ruled Crocker County unconstitutional.
- In 1913, the last attempt to restore a 100th county was made. Legislation was introduced to create a new Larrabee County (in honor of Gov. William Larrabee) from northern Kossuth.
- In 1914 a vote was held to determine if Larrabee County would be created. The results were 920 votes for the division and 3,599 against.

For more details and pictures, read the full story here: https://www.legis.iowa.gov/docs/publications/TB/1039404.pdf

Local Government First Funnel Survivors

The legislative first funnel has come and gone. The funnel is a date by which bills need to be voted out of committee in order to continue towards enactment this session. It narrows the focus of the legislature to a smaller set of remaining issues. Here are the survivors in the House Local Government Committee:

HF 715 – Public Notice for Open Meetings – The bill amends sections of the Open Meetings laws to clarify which meetings are required to be open to the public. It also allows for anyone to request reasonable notice for public meetings. And it clarifies that the 24-hour notice period for meeting notices does not include weekends or holidays. It is eligible for House Floor debate.

HF 693 – Township EMS Services – The bill allows counties to vote to provide EMS services per the provisions in the bill, for a total of $600. It is eligible for House Floor debate.

HF 730 – Conflicts of Interest Threshold – Current code prevents members of school boards, officers or employees of the county, and city officers or employees from having an interest, direct or indirect, in a contract for goods or services issued by the board. There is an exception that allows compensation or benefit if it does not exceed $2500 for school boards, or $1500 for cities and counties. This bill increases the threshold to $6000. It is eligible for House Floor debate.

HF 698 – Pioneer Cemeteries – The bill allows counties to vote to redefine locally the definition of a cemetery from one that has 12 or fewer burials in the past 50 years to one that has had 24 or fewer. Additionally it allows a cemetery commission to continue to have jurisdiction over a cemetery that was a pioneer cemetery but no longer is because of recent burials. It is eligible for House Floor debate.

For more details and pictures, read the full story here: https://www.legis.iowa.gov/docs/publications/TB/1039404.pdf
Natural Resources Committee First Funnel Survivors

100% of the bills approved by the House Natural Resources Committee before the funnel deadline had bipartisan support. Summaries of the bills are below:

- **HF 49 / HF 325 – Nonambulatory Hunters** - This bill allows nonambulatory hunters to be issued one any sex deer hunting license during any established deer hunting season using the method of take authorized during each season being hunted. Currently, nonambulatory persons could only be issued a deer hunting license during shotgun or muzzleloading rifle seasons.

- **HF 156 / HF 326 – Eagle Taking Penalties** - This bill increases the penalty for unlawfully selling, taking, catching, killing, injuring, destroying, or having in their possession an eagle from $50 to $2,500. These penalties go to the Fish & Wildlife Trust Fund. An individual who violates this section also violates Iowa Code 481A.32 and is guilty of a simple misdemeanor.

- **HF 363 / HF 657 – Leashed Dog Tracking** - The bill allows a hunter to use a dog to track and retrieve wounded deer as long as the dog is leashed with a maximum of a 50-foot lead. The dog and hunter must be certified in blood tracking.

- **HF 530 - Wild Animal Disease Management** - This bill clarifies that the DNR is the agency that works to prevent, control and eradicate wild animal diseases in the state. The bill also allows the DNR to establish wild animal disease management zones and prohibits the importation of deer carcasses (with certain exceptions) that could spread CWD and other animal diseases in the state.

- **HF 164 / HF 599– Hunting under 16** - This bill allows non-resident children under 16 years of age to hunt without a hunting license if accompanied by an adult with a valid hunting license.

- **HF 179 – Hunting Firearms** - This bill requires Natural Resources Commission rules on firearms to be consistent with federal definitions and aligns other hunting laws with Iowa Code (under 21 years old supervision).

- **HSB 104 / HF 603 – Snowmobiles** - This bill removes a requirement that resident snowmobile operators obtain a user permit from the DNR in addition to registering the snowmobile to operate a snowmobile on public land, public ice, or a designated snowmobile trail of the state. This bill raises the annual registration fee for a snowmobile from $15 to $30. User permits will still be required of non-resident snowmobile operators.

- **HF 318 / HF 604 – Commercial Fishing** - This bill removes certain exemptions to future contractors with the Department of Natural Resources that remove underused, undesirable, or injurious organisms from the waters of the state. Those exemptions include obtaining a commercial fishing license, tagging equipment, and submitting monthly reports. By removing those exemptions, these contractors will need to be based in Iowa. Currently, Iowa does not have reciprocity with South Dakota, Minnesota, and Wisconsin for commercial angling.

- **HSB 216 – Discharge of a Weapon from a Motor Vehicle** - This bill prohibits the discharge of a hunting weapon from a snowmobile, all-terrain vehicle, or any other motor vehicle, unless it is a stationary land conveyance used by a non-ambulatory hunter.

- **HSB 217 – Unmanned Vehicles** - This bill prohibits a person from using an unmanned vehicle from disturbing, pursuing, fishing, or hunting, of a wild animal. However, this bill allows for the use of a UAV to track a downed deer over land open to the public for hunting, property on which the person has received permission from the owner or tenant to operate a UAV, or property owned or leased by the person.

State Government

House State Government Finishes Bipartisan Agenda

The House State Government Committee passed thirteen bills during the funnel week. The total number of bills passed out of the State Government Committee through the first funnel was 28. Of those, 24 had bipartisan support.

- **HSB 100** states that a City Council or a County Board of Supervisors shall not adopt or enforce any ordinance regulation or restriction that would prevent the continuance of the property owner’s lawful nonconforming use that existed relating to preexisting homes.

- **HSB 119** changes the reporting procedure for the groundwater hazard statement.

- **HSB 167** allows the use of electronic notaries.

- **HSB 172** updates the practices and procedures for the abatement of public nuisances and abandoned structures.

- **HSB 226** adopts the Uniform Electronic Legal Material Act.

- **HSB 227** regulates the practice of commercial dog breeders.

- **HSB 231** combines the Barbering & Cosmetology Boards and made a number of changes to the licenses.

- **HSB 233** states that a city shall not adopt or enforce regulations that put rental permit caps on single-family homes or duplexes.

- **HSB 235** eliminates the $375,000 cap on the total periodic examination fees collected by the Auditor of State.

- **HSB 320** places a $499 per day limitation on a honorarium from public officials and public employees.

- **HF 437** requires the state’s licensing boards to adopt administrative rules to prohibit the suspension or revocation of a license issued to a person who is in default of student loans.

- **HF 608** implements the statewide use of postal service barcodes to determine the date that an absentee ballot was placed into the federal postal service.
Transportation Committee Moves Past First Funnel with 100% Bipartisan Record

The first legislative funnel came and went last week on March 8th. Unless a bill has been assigned to the Appropriations, Ways and Means, or Government Oversight committee, it must pass out of a committee to receive further consideration this legislative session. The following are some of the significant bills to survive the first legislative funnel in the Transportation Committee. Every bill passed by the Transportation Committee this year has had bipartisan support.

HF /HSB 197 – Electric Vehicle Registration

This bill creates a supplemental registration fee for electric vehicles to make RUTF whole. It also creates an excise fee for hydrogen fuel of $0.65/gallon and a $0.026/kWh excise fee on electric fuel. Funds are directed to RUTF.

Status: Ways and Means

HF 343/HSB 39 – Pickup Trucks as School Bus

This bill includes pickup trucks in the definition of a school bus.

Status: House Calendar

HF 418/HSB 43 – CDL Federal Training Requirements

This bill requires CDL applicants to have driving records checked against a national drug and alcohol clearinghouse.

Status: House Calendar

HF 345/HSB 12 – Motorcycle Lemon Law

This bill includes motorcycles and autocycles in definition of vehicles covered under Iowa's lemon law.

Status: Senate

HF 434/HSB 46 – Length Requirements for Automobile Transporters

This bill increases the maximum length for automobile transporters to comply with federal regulations.

Status: House Calendar

HF 342/HSB 46 – Length Requirements for Automobile Transporters

This bill increases the maximum length for automobile transporters to comply with federal regulations.

Status: House Calendar

HF 487/HSB 44 – Registration and Titling of Vessels, Snowmobiles, and ATVs

This bill increases the time dealers have to forward money and applications from snowmobile and ATV titles. Vessel registrations must be renewed every three years, due by July 1 in year due. It also updates the process for notifying county recorder of address change or ownership transfer.

Status: Senate

HF 517/HF 237 – Private School Permits

This bill increases the distance a private school student can travel from home to school from 25 miles to 50 miles.

Status: House Calendar

HF 643/HSB 194 – DHH Designation

This bill allows a deaf or hard of hearing individual to choose to have their drivers' license or nonoperator ID marked with a designation indicating their status.

Status: House Calendar

HF 387/HSB 127 – Following Too Closely

This bill prohibits all vehicles from following closer than is reasonable and prudent. It makes the standard for following too closely the same for personal and commercial vehicles.

Status: Senate

HF 484/HSB 123 – Hit and Run, Rules of the Road

This bill would require a driver without knowledge of an accident to contact emergency services when they become aware of their involvement in an accident.

Status: House Calendar

HF 482/HSB 37 – Motor Vehicle Enforcement Authority

DOT employees designated as peace officers have the same powers, duties, privileges, and immunities as peace officers relating to enforcement of laws and apprehension of violators, within certain limitations. The sunset on this authority is extended until July 1, 2022

Status: Senate

HF 500/HSB 38 – Electric Scooters

This bill defines and gives parameters for the use of electric scooters in the state of Iowa.

Status: House Calendar

HF 481/HF 74 – Left Lane Obstructions

This bill requires drivers to move out of the left lane if there are vehicles behind them, with certain exceptions.

Status: House Calendar
Veterans Affairs

County Veterans Service Office Bill Passes

HF 386 passed the House Floor Tuesday 94-1.

In 2016, the General Assembly passed legislation that authorized driver’s licenses to be marked to reflect a licensee’s veteran status at the Department of Transportation. If the licensee presented their DD form 214 to the Department of Transportation and the form indicated that the licensee was honorably discharged their license would reflect their veteran status. This bill changes that and reverts it back to where they must go to their county VSO.

This will help veterans learn about other benefits they can receive by talking with their county VSO besides just receiving their veteran status on their licenses. This will also help prevent any mishaps where people who don’t meet the criteria of being a veteran will receive that status on their driver’s license. County VSO’s are properly trained to know the definition of a veteran and who is able to receive that status on their driver’s license.

Ways & Means

Section 179 Expensing Heads to Governor

This week the House passed Senate File 220—providing section 179 expensing with a maximum deduction of $70,000 for corporations, financial institutions, and partnerships and limited liability companies taxed as corporations. The investment limitation in the bill is set at $280,000.

Currently, for tax year 2018, the maximum expensing allowance deduction and investment limitations on section 179 property for such entities was limited to $25,000 and $200,000, respectively. Last year’s tax reform bill set the limit to $70,000 for individuals. With the passage of Senate File 220—these entities will be allowed the same deductions and subject to the same limits as individuals.

The bill provides that the change is effective upon enactment and applies retroactively to January 1, 2018, for tax years beginning on or after that date. The fiscal impact of Senate File 220 will be a general fund reduction of $620,000 in fiscal year 2019 and a reduction of $430,000 in fiscal year 2020.

Senate File 220 is ready for the governor to sign and will provide taxpayers and preparers with the certainty they need to complete 2018 returns.