

Notable Bills Effective July 1, 2017

Agriculture

House File 469 – SOIL AND WATER CONSERVATION DISTRICTS - changed prior law that only allows one soil conservation and water quality district commissioner to live in the same township to allow two commissions on such a board to live in the same township. *Effective July, 1, 2017*

House File 617 – IDALS BILL - made a number a number of Code clean-up and updates: name-changes, IDALS fee efficiency modifications, conforming with federal law provision alterations, changes in the ‘terms-of arts’; and explicit definition that replaced inferred definitions. 18 of the 57 sections deal with changing the state committee and local districts of ‘Soil Conservation’ to ‘Soil Conservation and Water Quality’ to conform with the name change of the IDALS Division of Soil Conservation and Water Quality made in 2015 session. 13 of the 57 sections of the bill deal with transforming the length of numerous licenses IDALS issues from annual to biennial and doubling the fee so the amount that IDALS collects stays the same on an annualized basis but IDALS licensing cost are about one-half of what they were since the licenses are now for two year terms. Labeling of motor fuel pumps dispensing certain ethanol blended gasoline, the use of scales, providing for penalties, making penalties applicable, and including effective date provisions. This legislation for the most part went into effect July 1, 2017, with the exception that fertilizer and soil conditioner product license length and fee changes go into effect June 1, 2018. *Parts of the bill are effective June 1, 2017 with the balance of the bill effective July, 1, 2017*

Senate File 357 – ELECTRIC LICENSING EXEMPTIONS - changed Iowa law to explicitly exempt farmers/farms from electric licensing provisions applicable to electricians and electrical contractors if such facilities and operations are not commonly open to the public. *Effective July, 1, 2017*

Senate File 362 – CLAIMS AGAINST FAIRS - changes Iowa law to bar claims against county or district fairs for damages arising out of the transmission of pathogens from certain animals housed on the fairgrounds. *Effective July, 1, 2017*

Commerce

House File 518 - WORKERS’ COMPENSATION REFORM - This bill makes changes to the State’s workers’ compensation laws. *Effective July 1, 2017.*

House File 215 - APPLIED BEHAVIOR ANALYSIS INSURANCE COVERAGE - This bill requires businesses with at least 50 employees and public employee health insurance plans to provide applied behavior analysis coverage for autism treatment in employee health care plans, and provides annual dollar caps for the coverage amounts based on the individual’s age. *Effective January 1, 2018.*

Senate File 230 - LEGISLATIVE EMPLOYEE HEALTH INSURANCE - This bill makes changes to legislator and full-time legislative employee health insurance policies. Current health care plans offer a separate plan for legislative employees. This bill will require legislative employees be subject to the same policies and premiums as the largest group of executive branch non-contract employees, excluding the regents. *Effective upon enactment (April 12, 2017).*

Economic Growth

Senate File 488 - WORKFORCE HOUSING INCENTIVES - This bill makes changes to the workforce housing tax incentive program by reserving \$5 million of this \$20 million for workforce housing in small cities,

while remaining under the tax credit cap for the IEDA. Small city projects can claim up to 20% of the qualifying new investments. *Effective July 1 2017.*

Education

Senate File 166 – SUPPLEMENTAL STATE AID FY18, REGULAR PROGRAM AND CATEGORICAL, AND LAW CHANGES - Sets Supplemental State Aid (SSA) at 1.11% for FY18 for school districts, a \$73 per pupil increase and a \$40 million increase in school aid. Also makes changes to the process by which SSA is set, requiring it to be set in the calendar year in which the school year begins. *Effective upon the Governor's signature February 8, 2017*

House File 217 – BOARD OF EDUCATIONAL EXAMINERS DISCIPLINE REPORTING - Requires notification be sent to the licensing board if a licensed employee is disciplined by the district for being on school premises or at a school-sponsored activity while under the influence of drugs or alcohol. *Effective July, 1, 2017*

House File 473 – HIGH SCHOOL EQUIVALENCY PROGRAMS - Establishes the addition of multiple pathways to obtain a High School Equivalency Diploma beyond just taking an exam. These include obtaining additional credits or completion of post-secondary degree or certificate program. *Effective upon the Governor's signature April 20, 2017*

House File 564 – SCHOOL DISTRICT FUND FLEXIBILITY - Provides new allowable uses for specific funding received by school districts, including professional development, at-risk / dropout prevention, preschool, and student activity fund dollars. *Effective May 11, 2017*

House File 565 – SCHOOL DISTRICT FLEXIBILITY FUND - Allows for the creation of a Flexibility Account in each district. Districts may transfer unexpended and unobligated funds from a few different sources of categorical funding into the Account if the district has used the funding for its designated purpose and still has a carry-over balance. The district would have the authority to use those funds to enhance local programs and provide for more educational opportunities. Expenditures of the funds would require a public hearing. *Effective July, 1, 2017*

House File 573 – STATUTORY HOME RULE FOR SCHOOL DISTRICTS - Gives school districts in Iowa statutory Home Rule authority, providing stronger local control for school districts. Districts cannot levy additional taxes or create additional fees that are not already allowed by state law. In cases of conflict, federal law, state law, county ordinances, and city ordinances take precedent over school district decisions. Additionally schools cannot enforce policies that prevent local or federal law enforcement from carrying out their duties. *Effective July, 1, 2017*

Senate File 240 – STATEWIDE ASSESSMENT ON STUDENT ACHIEVEMENT - Requires the Department of Education to request and choose a statewide assessment for student achievement and growth measurements that measures Iowa's academic standards. A new assessment will not go into place for the 2017/18 school year. *Effective May 11, 2017*

Senate File 274 – COMPUTER SCIENCE EDUCATION - Encourages school districts to provide computer science courses in grades K-12, requires standards for such classes be developed, and creates opportunities for training in this area. *Effective July, 1, 2017*

House File 642 - FY18 EDUCATION APPROPRIATIONS - Third Grade Retention and Summer Reading Program Repeal - Sections 23 through 26 strike from code language requiring the retention of 3rd graders who are not proficient in reading by the end of 3rd grade. Also strikes language related to this requirement, including the requirement that school districts provide a summer reading program. *Effective July, 1, 2017*

Environmental Protection

House File 202 – DNR CLEAN UP – Cleans up and updates the Code by removing dormant, obsolete and/or superseded/replaced provisions. The substantive change in Iowa law is that it eliminates the Solid Waste Alternative Program Advisory Council and its duties and membership composition and transfer any remaining duties of this stricken panel to the Environmental Protection Commissions (EPC) or the department. *Effective July, 1, 2017*

Human Resources

House File 531 – ASSET VERIFICATION AND PROGRAM INTEGRITY - This bill requires DHS to inform the legislature of their efforts related to the asset verification language that was passed last year. Last year, the language required DHS to contract with an outside vendor to verify assets for the aged, blind, and disabled Medicaid population. This bill will help to push implementation of asset verification. The bill also requires DHS to look into programs in other states that verify eligibility for Medicaid recipients in real time. If Iowa were to do this, then before Medicaid or other benefit recipients are approved for Medicaid, there would be a system in place to ensure they aren't getting benefits in another state. This would include the Family Investment Program, Food Stamps Program, and Child Care Assistance program. *Effective March 30, 2017.*

House File 577 – LYME DISEASE TREATMENT - This bill protects doctors from discipline for treatment of Lyme Disease. The treatment must be provided after an exam. The practitioner must identify a medical reason for the treatment. The practitioner also has to inform the patient of other options regarding the treatment of Lyme disease. *Effective March 23, 2017.*

House File 591 – SUPERVISION OF PHYSICIAN ASSISTANTS - This bill Requires the Physician Assistant (PA) Board to share with PA's supervising physician company of statement of charges for complaints against a PA that result in charges and a hearing. Requires PA Board to develop rules for consulting with the Medical Board and sharing information on cases in which it appears that the PA may have been inadequately supervised by a supervising physician. If in the future the PA Board wants to amend rules, they first have to consult with the Medical Board and get the approval from the Medical Board beforehand. *Effective April 12, 2017.*

Senate File 250 – MAMMOGRAM NOTIFICATION REQUIREMENT - This bill requires the Department of Public Health to adopt rules to require that by January 1, 2018 facilities that provide mammograms are required to include information on breast density in mammogram reports sent to all mammogram patients. For patients with dense breast tissue, the report must include evidence-based information on dense breast tissue, the increased risk associated with dense breast tissue, and the effects of dense breast tissue on mammograms. *Effective April 13, 2017.*

House File 233 – STEP THERAPY - This bill relates to step therapy insurance protocols. The bill allows a doctor to bypass the step therapy protocols in certain situations. Physicians or patients can request an override exception to be approved by the insurance company if certain circumstances are met. *Effective July 1, 2017.*

Senate File 471 - LATE TERM ABORTION BAN - The bill Prohibits abortions of an unborn child that has reached the post-fertilization age of 20 weeks. The bill includes an exception to the ban when a medical emergency exists. This is defined as being necessary to prevent the death of the mother or substantial and irreversible physical impairment of a major bodily function. A physician who performs one of these abortions would be subject to discipline by the Board of Medicine. *Effective May 5, 2017.*

Judiciary

House File 263- DOMESTIC ABUSE AND GPS

HF 263 requires mandatory risk assessment for a person who violates a no contact order in domestic abuse cases. A defendant may be required to wear a GPS monitor as a condition of release for violating a no contact order or other crimes associated with domestic abuse. Mandatory minimum sentences are set for domestic abuse. The definition of stalking is expanded to include GPS devices. The bill also restructures how earned time is accumulated for someone serving a sentence for domestic abuse crimes. *Effective July 1, 2017.*

HF 517 Firearms (parts of the bill are effective upon enactment and others are effective on July 1)

- **Division I- Offensive Weapons**-(Effective July 1)Strikes the state prohibition on short-barreled rifles and shot guns
- **Division II- Carrying Weapons and Possession of Weapons**- (Effective July 1)
 - Allows private investigators and security officers who are licensed and have a permit to carry to carry on school property while engaged in performance of their duties.
 - Makes it a serious misdemeanor to carry a dangerous weapon while under the influence.
 - Updates to permit to carry language
- **Division III- Permit to Carry Weapons and Firearm Safety Training**-(Effective July 1) Firearms safety training will be required when a new permit to carry is issued and permits shall be uniform.
- **Division IV- Acquiring Pistols or Revolvers and Prohibited Transfer of Firearms**- (Effective July 1)A permit to acquire weapons will be valid for five years and permits shall be uniform.
- **Division V- Possession of Pistols and Revolvers by Persons Under 14 years of Age**- (Effective upon enactment)Strikes the minimum age for a person to possess a handgun while under the supervision of a parent or guardian.
- **Division VI- Records Kept by Commissioner- Confidentiality**- (Effective upon enactment) Requires DPS and the issuing officer to keep personally identifiable information of nonprofessional permit holders private.
- **Division VII- State Preemption**-(Effective July 1)Current code prohibits a political subdivision of the state from enacting an ordinance that restricts firearm possession. This language is left in code. The bill adds language that allows a person adversely affected by an ordinance to file suit in court for declarative and injunctive relief for damages.
- **Division VII- Pistols or Revolvers-Capitol Buildings**- (Effective July 1)Pistols and revolvers can be carried in the Capitol building and surrounding grounds and parking. The pistol or revolver must be concealed and the carrier must comply with all other state laws.

- **Division IX- Emergency Powers-** (Effective July 1)The Governor and political subdivisions are prohibited from revoking firearms rights in a state of emergency.
- **Division X-Justifiable Use of Reasonable and Deadly Force-** (Effective July 1) A person may use reasonable force, including deadly force, if they have a reasonable belief the force is necessary to avoid injury or death to themselves or others. There is no duty to retreat. A person may be wrong in their estimation of force as long as there is a reasonable basis for the belief.
- **Division XI-Fraudulent Purchase of Firearms or Ammunition -**(Effective July 1)This division makes it a class “D” felony to engage in a straw purchase of firearms.
- **Division XII- Snowmobile and All-Terrain Vehicles-** (Effective July 1)Allows a person riding a snowmobile or ATV to carry a pistol or revolver without a retention holster.
- **Division XIII- Target Shooting Private Premises-**(Effective July 1) Protects property owners in unincorporated areas from noise complaints if they are lawfully shooting firearms on their property.
- **Division XIV- Initial Appearance- Bail-** (Effective July 1) A person charged with intimidation with a dangerous weapon) or felon in possession of an offensive weapon will be required to see a judge before being released on bond

Effective July 1, 2017.

Senate File 238 - SEXUAL RELATIONS-SCHOOL EMPLOYEES

SF 238 expands the definition of school employee to include people who work or volunteer at a school who have significant contact with students. This expanded definition allows prosecutors to pursue charges against school employees who engage in sexual relationships with students. *Effective July 1, 2017.*

Senate File 376- ASBESTOS CLAIMS

- Asbestos Bankruptcy Trust Claims Transparency Act
 - This section of the bill addresses two areas of asbestos claims. Under current law, Trust holdings are established to pay for asbestos related illnesses. These trusts hold billions of dollars. Along with recovery in the Trusts, plaintiffs can also try to recover in court under a tort case. Under this section, plaintiffs will be required to disclose all asbestos trust claims before a tort trial. This prevents a plaintiff from receiving a settlement from a tort case and then making a claim with the asbestos bankruptcy trusts without all parties being informed and damages being mitigated accordingly.
- Asbestos and Silica Claims Priorities Act
 - If a plaintiff is not sick, they cannot recover. This section will give priority to a claimant who can show their physical ailments are related to asbestos or silica. A credible, qualified physician must sign the claim attesting to the asbestos or silica related illness. This section also delays the statute of limitations so a person does not need to file before an illness to avoid losing out on the time to file.
- Successor Corporation Asbestos-Related Liability Fairness Act
 - This section limits the liability related to asbestos actions that were incurred by a corporation due to a merger. The asbestos related liabilities of a successor corporation

are limited to the fair market value of the total gross assets of the transferor determined at the time of the merger or consolidation.

Effective July 1, 2017.

Senate File 403-Theft of Rental Property

SF 403 ensures that if a person refuses to return rental property, they can be charged with theft of rental equipment. Current law only applies to video tapes. *Effective July 1, 2017.*

Senate File 444- 24/7 SOBRIETY AND DRIVING DISTRACTED

Division I of the bill makes it class "C" felony if a person is driving distracted (using electronic devices) and kills another. A class "C" felony is punishable by up to 10 years in prison and a fine between \$1,000 and \$10,000. Division II of the bill implements a 24/7 sobriety program for persons convicted of drunk driving. The program requires a person to submit to alcohol or controlled substance testing at set times and implements penalties for failing the tests. *Effective July 1, 2017.*

Senate File 446-CIVIL ASSET FORFEITURE

SF 446 prohibits civil asset forfeiture for property valued less than \$5,000, if there is no conviction. The standard of proof in cases of civil asset forfeiture is increased from preponderance of evidence, to clear and convincing evidence. SF 446 requires property to be reviewed proportionally to the crime. Requires law enforcement agencies to retain records related to asset forfeiture. *Effective July 1, 2017.*

Senate File 465-MEDICAL MALPRACTICE REFORM

SF 465 makes changes to medical malpractice law suits. The bill caps noneconomic damages at \$250,000. unless the jury determines there is a substantial or permanent loss or impairment of a bodily function, substantial disfigurement, or death, which warrants a finding that such limitation would deprive the plaintiff of just compensation for injuries sustained. The bill strengthens expert witness standards and requires experts testifying to be licensed in the field they are testifying about. Requires a certificate of merit, certified by an expert, to serve as a screening tool to help identify claims that lack merit. *Effective July 1, 2017.*

House File 134-OCCUPANCY

HF 134 prevents a city from regulating who can live together in rented property based on their family relationship. Under current law, several cities prohibit more than 3 non-related persons from renting together in certain areas of town. *Effective July 1, 2017.*

Labor

House File 291 – COLLECTIVE BARGAINING REFORM

This bill reformed the collective bargaining process in the state between public sector employee unions and state employers. *Effective: February 17, 2017.*

House File 533 – DISQUALIFICATION FROM UNEMPLOYMENT INSURANCE

This bill will codify an administrative rule which was overturned by the Iowa Supreme Court, stating that if a person is incarcerated they shall be considered disqualified from receiving unemployment benefits if they are fired from their job. *Effective: July 1, 2017.*

Senate File 32 – EMPLOYEE DRUG TESTING

This bill adds hair to a list of acceptable body samples that may be taken to test an employee in the private sector for drugs while in the work place. The current list of accepted samples includes blood,

urine, or oral fluid. This bill mandates that the hair sample shall be limited to strands not longer than one and one half inches, and it must be the part of the strand that was closest to the skin which is tested. *Effective: March 9, 2017.*

Senate File 438 – PROJECT LABOR AGREEMENTS

This bill prohibits any government entity, (the state, public schools, political subdivisions, or state boards and commissions) from mandating a project labor agreement be entered into by a bidder who is granted the rights to a project. Current law allows for any projects that **do not use state dollars** to have a project labor agreement mandate. This bill also prohibits the use of prequalification requirements that would restrict potential bidders into a predetermined class as defined by experience, size of company, union membership, or other discriminatory criteria. *Effective April 13, 2017.*

Local Government

House File 295 – STATEWIDE COMMERCE AND LOCAL GOVERNMENT PRE-EMPTION - Establishes several preemptive measures for city and county governments. It prevents cities and counties from: establishing a minimum wage or other employment benefits that differs from the state or federal government; and banning consumer merchandise or containers used for transporting the merchandise. *Effective March 30, 2017.*

Natural Resources

House File 475 – USE OF STRAIGHT WALL CARTRIDGE RIFLES TO HUNT DEER - The bill requires the Natural Resource Commission to adopt rules to allow the use of straight wall cartridge rifles to hunt deer. This would be allowed during youth, first, and second shotgun seasons. If convicted of using a prohibited rifle to hunt deer, their hunting privileges will be suspended for two years. The fine is \$250. *Effective July 1, 2017.*

House File 410 - PALMER AMARANTH - This bill puts Palmer Amaranth on the primary noxious weed list and the list of invasive plants that are prohibited to import, sell, or distribute in Iowa. Palmer Amaranth is an edible flowering plant that crowds out crops such as corn, soybeans, and cotton. It is found in 49 Iowa counties currently. *Effective July 1, 2017.*

Public Safety

House File 296 - SYNTHETIC DRUGS

House File 296 focuses on Iowa's fight against synthetic drugs. HF 296 reorganizes the synthetic drug list and makes it clear in the code as well as adding additional chemicals approved by the Board of Pharmacy. Additionally, the bill gives the legislature two years (instead of 60 days) to approve synthetic drugs temporarily designated as schedule I substances by the pharmacy board. Finally HF 296 treats simulated substances and imitation substances the same for prosecution. *Effective July 1, 2017.*

House File 524- Medical Cannabidiol

Allows the Board of Pharmacy to expand the Prescription Monitoring Program agreement to other states. Allows a Cannabidiol investigational product to be used in Iowa, if approved on the federal level.

- Medical Cannabidiol:
- Expand the disease list for Iowans who wish to have access to medical Cannabidiol.
- Allows Manufacturers and Dispensaries to set up in Iowa.

- Allows an out of state Dispensary to sell in Iowa.
- Creates a Medical Cannabidiol Board to recommend and along with the Board of Medicine, make changes to the law, including medical conditions and quantity and dose of Cannabidiol .
- Medical Cannabidiol cannot have a THC content above 3%

Effective July 1, 2017.

State Government

House File 516 – VOTER INTEGRITY ACT

This bill makes changes to the voting procedures in Iowa, including the requirement of providing ID to vote, the implementation of polling place technology, mandatory audits after elections, timelines of absentee voting, and mandatory election training, tests, and publications.

Policies effective starting July 2:

- A DOT issued ID, passport, or military/veterans ID must be presented in order for a registered voter to vote in person on election day
- If a voter does not bring a valid photo ID to vote in elections after July 1, they may sign an affidavit proving who they are and still vote that day

Effective: July 1, 2017.

Transportation

House File 289 – DRIVER’S LICENSE STATIONS

This bill allows for Clay and Carroll County to issue driver’s licenses, nonoperator’s identification cards, and persons with disabilities identification devices. This bill takes effect upon enactment. *Effective March 30, 2017.*

House File 463 – PEACE OFFICERS

Changes current law on commercial’s learner’s permit to allow for 180 of validity and may be renewed for an additional 180 days without retaking the required general and endorsement knowledge tests. This bill alters that to allow commercial learner’s permits to be valid for one year with no renewal period. *Effective May 11, 2017.*

This also allows peace officers employed by the DOT to enforce all laws of the state including but not limited to the rules and regulations of the DOT.

Senate File 234 –TEXTING AND DRIVING

This bill makes texting and driving a primary offense. It allows for a peace officer to stop or detain a person solely for texting and driving. You are allowed to use your phone as a GPS as well as using it in GPS mode. The fine for violating this section would still remain \$30 and this would be effective July 1, 2017. *Effective July 1, 2017*

House File 464 – ATV CROSSING HIGHWAYS

This allows ATV or Off-road utility vehicles to make a direct crossing of a highway if the crossing is made at an angle approximately 90 degrees to the direction of the highway and at a place where no obstruction prevents quick and safe crossings. The areas of crossing include, street, roadway, or highway designated as an all-terrain vehicle trail by a state agency, county or city. *Effective July 1, 2017*

House File 312 – AUTOMATIC START

This bill allows for motor vehicles to stand unattended without first stopping the engine. *Effective July 1, 2017.*

Veterans Affairs

Senate File 373 — DEPARTMENT OF DEFENSE OMNIBUS BILL

This bill updates Iowa Code to mirror similar federal law provisions dealing with guard members working in the private sector and their ability to obtain leave from work for military orders. Specifically, it deals with issues that arise when members of the guard of another state work in Iowa and are called up for duty. This bill provides that the Iowa Code of Military Justice applies to members of the state military forces who commit an offense during travel to or from the member's duty location or the times between consecutive periods of duty (Saturday evening of guard duty). This bill changes the statute of limitations on any offense subject to court martial from two or three years (depending on the offense) to five years to allow for more time for investigations. *Effective July 1, 2017.*

Ways & Means

House File 242 — REPEAL OF CAMPAIGN ELECTION FUND ON TAX RETURN

Under current law, Iowans (and their spouse) can each designate up to \$1.50 of their tax liability to the Iowa Election Campaign Fund. This will not increase their tax liability or decrease their refund—it is simply a diversion from the general fund to the Iowa Election Campaign Fund. That fund contains a separate fund for each political party and disperses the monies to the parties for their use. Any money not used by the parties at the end of a general election year reverts back to the state general fund. This bill removes the checkoff for tax years 2017 all future tax years. *Effective July 1, 2017.*

House File 478 — PAAB SUNSET REPEAL

This bill strikes the sunset on the Property Assessment Appeals Board and reorganizes and clarifies Iowa Code section 441.38.

The bill also does the following things to address the property tax assessment process:

- Allows the taxpayer to add new grounds when they go from the board of review to PAAB or from the Board of Review to District Court. However new grounds cannot be added when going from PAAB to district court.
- Creates a reasonable presumption of use for property for a period after being adjudicated by an administrative body (PAAB) or the courts. Meaning, if a taxpayer wins the challenge on their assessment, if the use for the property is then challenged, the burden of proof shall be on the local officials seeking to uphold the new classification to show the property has suffered a change in use.
- Amends one of the grounds provided under Iowa Code for a taxpayer to challenge a property assessment. Currently Iowa allows an assessment to be challenged based on fraud in the assessment. The bill would amend the grounds to include misconduct in the assessment.
- Adds new education requirements for new assessors. *Most portions of the bill are effective for assessment years beginning on or after January 1, 2018.*

House File 625 — REPEAL OF DEPENDENT HEALTH CARE CHECKOFF

This bill repeals the Iowa Code section that requires the Department of Revenue to put a box on the state return where an individual could indicate the presence or absence of health care coverage for their dependents. *This bill was retroactively effective for tax years beginning on or after January 1, 2017.*

Senate File 489 — LEGALIZATION OF FIREWORKS

Currently it is a simple misdemeanor to sell or use fireworks in the state of Iowa. However, there is a process by which a permit can be granted by a county board or the DNR for a professional fireworks display. The current definition of fireworks (requiring such a permit) includes everything from traditional fireworks to firecrackers and roman candles. This bill maintains the current permitting process for display fireworks (professional shows) but provides a new process for consumer fireworks (to be sold at retail).

This bill requires that the state fire marshal create a consumer fireworks seller license and establish a fee schedule. Two classes of consumer fireworks are defined.

- Retailers at a permanent building who devote 50 percent or more of their retail space to first-class consumer fireworks sales will pay an annual fee of \$1000.
- Retailers who devote more than 50 percent, but are in a temporary structure, will pay an annual fee of \$500.
- Retailers who devote less than 50 percent pay an annual fee of \$400.
- Community groups who sell first-class consumer firework pay an annual fee of \$400.
- Retailers or community groups who only sell second-class consumer fireworks pay an annual fee of \$100.

This bill requires retailers and community groups to maintain public liability insurance. This bill also provides that consumer fireworks can be sold in permanent buildings from June 1 through July 8 and December 10 through January 3 and can be sold in temporary structures from June 13 to July 8. This bill also provides for a license revocation process and provides that a violation of licensing provisions is a simple misdemeanor.

This bill provides for more restrictions on the sale of fireworks. This bill provides that consumer fireworks can only be sold to individuals that are 18 years or older. This bill only allows consumer fireworks to be used from June 1 through July 8 and December 10 through January 3 and for specific times. *Effective May 9, 2017.*

Senate File 504 — MENTAL HEALTH

This bill relates to the county funding of mental health and disability services by modifying the mental health and disability services property tax levy. Iowa has 14 mental health and disability services regions—all of which are required to offer a basic level of services. Since 2013, Iowa law has limited how much each county is able to levy. The amounts can vary greatly amongst the counties within a region. When the law went into effect—counties were limited to the lesser of their levy rate in 1996 or up to \$47.28 (multiplied by their population). This bill equalizes levy rates amongst the counties within a region. With the equalization of levies between counties, 59 counties will be required to reduce their property tax levies by \$8.6 million and 40 counties will be given additional levy authority to raise their property taxes by that same amount. *Effective upon enactment for fiscal years beginning on or after July 1, 2017.*

Senate File 505 — FIRST TIME HOMEBUYER ACCOUNTS

This bill provides that beginning January 1, 2018 individuals may open interest-bearing accounts designated as first-time homebuyer savings accounts for the purpose of paying or reimbursing a designated beneficiary's eligible home costs. This bill provides that an individual may establish more than one first-time homebuyer savings account if each account has a different designated beneficiary. Each account must have a designated beneficiary (an account holder and beneficiary may be the same person).

This bill provides for an income tax deduction for contributions made by an account holder into their first-time homebuyer savings account for up to \$2,000 (\$4,000 for married filers). These amounts are adjusted for inflation annually. This bill also exempts any interest earned on this account from income tax.

This bill also provides that the total benefit of these two incentives cannot exceed an aggregate lifetime benefit of 10 times the maximum deduction determined for the applicable year (\$20,000 or (\$40,000 jointly) for 2017, then adjusted for inflation). The tax incentives end 10 years after the year the account holder first opened the account or when there is a nonqualified withdrawal. *Effective for tax years 2018 and beyond.*