

# Legislative Newsletter

March 13, 2020



**The Iowa General Assembly has suspended activity for the next 30 days because of the CoronaVirus pandemic. We will be updating you on activity as we communicate with legislators at their homes, but this FYI for you. The newsletter below was written prior to the decision Sunday for the suspension.**

**Thanks,**

**Meghan, Gary & Larry**

Next week is the second (and final) funnel week for the session. Between the deadline and the uncertainty surrounding COVID-19 (colloquially called Coronavirus), the lobbying team is not entirely sure what will happen next week. In order to beat the second legislative funnel deadline, bills must have passed their chamber of origin, and passed out of a subcommittee and full committee in the opposite chamber. Exceptions to this are Ways & Means and Appropriations bills, and bills attached to similar or companion bills and placed on the regular calendar.

Between funnel and COVID-19, the Senate has indicated their debate calendars will be light during the funnel week.

The Senate introduced their tax bills as companions to the House versions. Both of these bills were introduced March 11, with subcommittees assigned, but not scheduled.

**Senate Study Bill 3198** (companion to **House Study Bill 695**) is the property tax bill. It eliminates the standing \$125 million appropriation for the business property tax

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credit and includes provisions to transfer funds back to the state and to repeal the business property tax credit in regards to commercial and industrially-zoned properties. That \$125 million is shifted to commercial and industrial property tax replacement claims. The formulas for rollbacks on industrial, commercial and railroad properties are the same as what is found HSB 695 As expected, HSB 695 passed committee on party lines, 13-11.

**Senate Study Bill 3199** (companion to **House Study Bill 696**) is the secondary tax bill, which is similar to HSB 696. This is basically a technical clean-up bill for non-property tax categories. Like the House version, there are several provisions relating to county affairs:

- Department of Revenue can enter into 28E agreements with counties/district fairs to collect and remit sales taxes/fees from vendors on fair grounds or via fair events;
- A county recorder shall record the declaration of value but is prohibited from charging a recording fee for the filing;
- Boards of supervisors and city councils shall provide the department with notice of intent to protest prior to the expiration of the 10 days notice to adjust the valuation of any class of property
- A county recorder shall collect sales or use tax on snowmobiles and ATV's if the vehicle owner is unable to present satisfactory evidence that the sales or use tax was paid.

**Senate File 2279** is the juvenile detention center bill. Our team has been advised this bill is unlikely to get a subcommittee, but the language will appear in a budget bill before the end of session, and there are assurances the implementation date will be postponed to at least December 2021, similarly to the federal bill.

The Governor signed several bills in the past week:

**Senate File 583:** Private generation tariffs; passed both chambers unanimously.

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**Senate File 2025:** County engineer hiring practices; passed both chambers unanimously.

Going from the Senate chamber to the House chamber:

**Senate File 2374:** This is the jail costs bill. It does not allow court-ordered restitution to include jail costs and allows for a civil filing by the city or county, waives filing fees for such cases, and makes corresponding changes in court debt definitions, among other provisions. An amendment to exclude civil claims was adopted. The bill passed largely on party lines, 32-16.

**Senate File 2391:** This bill prohibits local governments, state government, and school districts from making payments for ransomware attacks. The Chief Information Officer has the authority to make such payments, although this provision was amended to require the Chief Information Officer to consult with the Department of Human Services and the Department of Public Safety before making ransomware payments in critical or emergency situations. The amendment also adds a definition of critical infrastructure, which excludes municipal utilities. The bill passed largely on party lines, 28-17.

**Senate File 2394:** This bill places the custody and control of the district courthouses with the cities and counties where the district courthouses are located. Physical security is also the cities/counties responsibility in a “manner that aids judicial operations.” We will seek clarification on this latter part, as questions have been raised about this means cities and counties will have to provide armed security in courtrooms, since the courtrooms may remain gun-free zones. The Senate passed the bill 45-1.

Before the frenzy of funnel week, committees were busy bringing out bills to funnel-proof them.

The House Public Safety Committee unanimously passed **Senate File 2377**, which establishes a Public Safety Equipment Fund and reporting requirements for how the Department of Public Safety uses the funds to purchase equipment. The fund takes effect January 2021.

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Finally, in House committee action: **Senate File 2406** (formerly SF 2314), passed committee unanimously.

In the Senate, the Senate Judiciary Committee passed **House File 2502**, the shooting ranges/local control bill, on a 10-5 line. The Senate State Government passed **House File 2308**, the open meetings bill, also passed unanimously. And after much start and stop in the Senate, **House File 2238** (food stands and sales by minor children) passed the State Government committee 11-1. The bill was amended in committee to strike the bill and pre-empt local ordinances in regards to this topic.

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