

2/8/19, Week 4

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Week in Review

This week, the House and Senate spent most of its time in subcommittee and committee work, which is common for this time of year. Committee and subcommittee work will continue to demand much of legislator’s time until we reach the first legislative funnel which is March 8th. After the first funnel, chamber floor work will increase.

The House and Senate reached an agreement on state school aid (SSA). This number is supposed to be set within the first 30 days of session and generally is used as the “starter” for appropriation funding. The proposal is also attached to a transportation and per pupil equity funding bill. The Senate bills—[SF 171](#) and [SF 172](#)—and the House bills—[HSB 111](#) and [HSB 109](#) are identical and increase state school aid by about \$90 million, with \$78 million in a 2.06 increase in SSA, \$19 million for transportation equity, about an \$8 million increase from the previous fiscal year and an increase of \$2.9 million for the per-pupil formula. House and Senate subcommittees approved these bills on Tuesday and the full committees approved them on Wednesday. Republican leaders said that the increase in funding is a sign of their commitment to K-12 education. The proposal is close to the Governor’s proposal which included about \$93 million in new spending and set the SSA level of 2.3%. This legislation is set to be debated on the House floor on Monday evening.

Governor “Interested” in a Trust Fund Tax Deal

This week the Governor communicated her interest in a penny sales tax increase to fund water quality and the Natural Resources and Outdoor Recreation Trust Fund in order to allow for tax relief. The fund was created in 2010 by Iowa voters who voted to approve the trust, as well as a formula on “where” the money would be spent. 3/8 of the penny would go to fill the fund which is attached to a formula voted on by Iowa voters, while the other five-eighths could be used to pay for mental health programs currently funded by local property taxes. Property tax relief is a high priority for both the House and the Senate Republicans. The Governor said she knows there is interest and that she would be interested. She said, “Those discussions continue to happen. I don’t know where they’ll go this year. I can’t get a good sense of that right now... [I’m] not opposed to it. I’m willing to be part of the conversation. But that may be something we really focus on in the interim if it doesn’t get done this year.”

Sports Betting This Week

This week the House and Senate held subcommittees on sports betting. Representatives of Iowa’s lottery, casino, and horse-racing industries were among those making a case to lawmakers to let them handle sports betting in the state. Pro sports leagues are also making a bid to run sports betting. A Senate subcommittee Wednesday took testimony on four sports betting bills that favor different stakeholders. Casino representatives say they have a long and successful track record handing betting in Iowa, and they’re already regulated by the state’s racing and gaming commission. “We know that they will establish the necessary rules and regulations to ensure public confidence, with the highest level of oversight for the operators,” said Wes Ehrecke, president of the Iowa Gaming Association. Ehrecke says the state’s casinos would offer sports betting onsite, and make available a mobile app through which users could place bets within Iowa. A person would need to register at a casino before receiving the app. Supporters of the bill favoring casinos say it would bring in more customers, and more tax revenue for Iowa.

Iowa Lottery officials say they could easily add sports betting to terminals throughout the state, and that could bring more customers into grocery and convenience stores. A Lottery official also said other organizations, like casinos, could still offer sports betting

under the bill it is supporting. “True sports wagering enthusiasts appear to be going to casinos in Delaware, where the average wager during the football season was in the 50 to 60 dollar range,” said Mary Neubauer, the Iowa Lottery’s vice president of external relations, citing that state as an example of retail and casino betting operations in the same state. “The casual bettor appears to be visiting retail locations in Delaware, where the average wager remained 10 to 11 dollars throughout the football season.”

Lawmakers also heard testimony from a few people who don’t want sports betting offered in Iowa. “Our concern, always has been with gambling, is the addictive component,” said Greg Baker with The Family Leader. “We know that a lot of Iowans are in favor of expanding into sports gambling. I just ask you – at the Family Leader Foundation, we ask you – to consider what is best for Iowans. And sometimes what it best is not what they want.” The Iowa Catholic Conference is against all four bills, in part because it says people who can least afford to gamble might spend too much. Wednesday’s was the first of several hearings for sports betting. Lawmakers have said they will eventually develop a single bill for consideration. House lawmakers held their own hearing on sports betting legislation Thursday.

Competing Traffic Camera Bills Introduced

This year, bills have been introduced in the House and Senate seeking either to ban or to regulate the automated traffic enforcement devices used to catch speeders and red-light runners. House Transportation Committee Chairwoman Ashley Hinson (R-Marion) is taking another run this year at regulating traffic cameras to make sure they are being used to enhance safety, not just generate revenue. Her plan, House Study Bill 36, would allow cities and counties to operate the cameras in school zones, construction zones and other high-risk areas. Last year, the House rejected an outright ban, on a 43-55 vote. and approved her approach, 77-21. But the Senate didn’t take up the measure. Senator Brad Zaun (R – Urbandale) is not supportive of a bill that regulates the cameras—he wants a total ban. His push for a ban on traffic cameras last year stalled, but he believes it will have more support this year as a result of the 2018 election.

Rep. Jarad Klein (R – Keota) introduced a ban bill this year but indicates there is room for compromise. “We’ll start with a ban, but I think there’s room for a compromise,” Rep. Klein, “We still need to address this and it’s better to have a broader conversation and see where it leads.” Additionally, Senator Zaun indicated that banning traffic cameras “isn’t my No. 1 priority this year.” Klein may take a different approach to make traffic cameras more palatable — not for Cedar Rapids and the other cities that want to use them, but for the people ticketed for speeding and running red lights. “A big issue is that the people paying the fines don’t share in the benefits,” he said. By benefits he doesn’t mean safer streets and highways, but the revenue generated by fines. Sharing the proceeds might address what Klein said drivers see as the “gotcha” nature of the cameras. Rep. Hinson believes public safety is an appropriate use of the camera revenue. Scooping up that money to share with the state or other communities would leave the city in the lurch, Hinson said.

Judicial Nominating Commission

This week the House and Senate introduced study bills today to change how members of the Judicial Nominating Commission are selected ([HSB 110/SSB 1101](#)). Under the bill, the Governor will continue to select 8 members of the Commission, but legislative leaders from both parties will select the other 8 members instead of the Iowa Bar Association. The bill has a number of other provisions, including that the Iowa Supreme Court select a Chief Justice every two years. The bill also gives the Governor five choices to pick from for the Supreme Court.

Judiciary Chair and House Subcommittee Chair Representative Holt, said that the new approach brings more accountability to the process of selecting Commission members because legislative leaders are elected, and makes the Chief Justice more accountable to the members of the Supreme Court. Neither chamber has scheduled a subcommittee time for the bill, but Holt said that the House subcommittee meetings could begin this week.

Senator Minority Leader Janet Petersen (R – Des Moines) released a statement on the bill. She was quoted as saying, “There is no reason to change a judicial selection process that is respected throughout the country and is working well. Republicans are planning to throw out the current, nonpartisan system for selecting judges for no good reason. In its place, they want a new system that will favor their political appointees and donors.”

Bills on the Move

House Bills. The House State Government committee unanimously voted out **HSB 59**. A bill that deals with low-proof spirit sales and authorizes a Class A beer permit holder to sell low-proof spirit drinks to certain other permit holders. Allows a Class B beer permit holder to sell low-proof spirit drinks for and allows a Class C holder to sell low-proof spirit drinks for consumption off-premises. Allows Class A and Class C wine permit holders to sell low-proof spirits. Defines cocktails.

The House State Government committee also voted out **HSB 64**, a bill that allows optometrists to administer a variety of injections and requires the optometrist to have clinical or education training and to receive approval from the Board of optometry. The bill passed 20-3.

The House Judiciary committee approved two bills dealing with older Iowans and abuse. The committee unanimously passed **HSB 30** a bill that defines a vulnerable elders as a person 60 or older who cannot protect themselves from abuse due to age **and** mental or physical condition. Current law says “or” instead of “and” (see emphasis. Additionally, the committee unanimously voted for **HSB 21** a bill that amends the definition of dependent adult abuse by removing a portion of the definition that includes the person doing the abuse has to be personally benefiting from the physician or financial abuse.

The House Human Resources committee voted out several bills this week. They include:

- **HSB 74**, a bill that deals with dependent adult abuse. The bill expands current law to provide that a report of dependent adult abuse involving personal degradation by a caretaker of a dependent adult in a facility or program which DIA determines is minor, isolated, and unlikely to reoccur will be collected and maintained by DHS as an assessment only for a five-year period, shall not be included in the central dependent adult abuse registry, and shall not be considered founded dependent adult abuse. Allows a second such report in a five-year period to be considered minor and unlikely to reoccur.
- **HSB 75** a bill that increases the amount that can be retained for the support of the community spouse for an individual who is institutionalized to match federal amounts. The bill passed unanimously.
- **HSB 76** a bill that changes Medicaid reporting by the DHS on Medicaid appeals from 2x per year to noe time per year. The bill passed unanimously.

Senate Bills. The Senate Human Resources committee voted out **SF 84** unanimously. The bill is a compromise between hospitals and AARP of the “CARE Act”. The bill essentially requires hospitals to comply with Federal discharge regulations and allows a patient to designate a “lay caregiver.

The Senate Ways and Means committee voted out SSB 1098, a bill that expands Section 179 expensing. It increases the expensing to state income tax to include corporations, financial institutions, LLCs and partnerships for tax year 2019.

In the News

1. [Medical Marijuana Bills Introduced](#)
2. [Iowa GOP Seeks More Accountability on Judicial Nominating Process](#)
3. [K-12 Funding Deal Reached with IA House and Senate](#)
4. [Winnebago Moving Diesel Production from Oregon to Iowa](#)
5. [Home and Apartment Construction Fell 30% in 2018](#)