



March 26, 2021

Week in Review

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Work at the Statehouse continues to accelerate as we approach the second funnel next week. After next Friday, only bills that have cleared a full committee of the opposite chamber from its originating chamber are considered alive, however tax and spending bills are not subject to the funnel. After the Revenue Estimating Committee met last Friday, the Legislature has the numbers they need to set the budget for this year. Over the coming weeks, both chambers will set their budgets and work toward consensus. The Governor will continue to push for her priorities that she laid out at the beginning of the session including broadband expansion, housing incentives, and mental health funding.

Governor Reynolds has called for increased mental health funding through general fund appropriations. The Senate introduced legislation this week in [SSB 1253](#) which eliminates the county mental health levy and uses an existing city backfill program to cover any “lost revenue” through a phase-out the Commercial and Industrial Property Tax Replacement. Cities will be on a 4- or 6-year phase out plan depending on growth rates comparing FY14 and FY21. Cities with a growth rate over 131.14% will have a 4-year phase out while those below will be on a 6-year phase out. This plan would start next fiscal year as many city budgets are already certified. This bill passed out of Senate subcommittee Wednesday and full committee on Thursday on a party-line vote.

The House debated a plethora of bills on Wednesday afternoon into Wednesday night and early Thursday morning. The chamber passed [HJR 11](#) which deals with felon voting rights 95-0 and [HF 818](#) dealing with discharge of a sentence 67-28. HF 818 requires all restitution to be paid before automatic voting rights could be restored. Read more about the felon voting bills [here](#). The House also debated their charter school bill, [HF 813](#), and voted on the bill in the early hours of Thursday. The bill passed the House 55-40. The Senate previously approved this same idea in a much larger education bill earlier in the session. Read more about the House bill [here](#).

The Governor signed 9 bills into law on Monday. A list of the bills she signed can be found [here](#).

After several states sued the US Census Bureau last week, the Bureau has announced that it may be able to release data in August in an old format. This new date may still cause problems with the deadline placed on the Iowa legislature in the state constitution. The legislature has until September 15 to approve a redistricting plan before the process is turned over to the Iowa Supreme Court who then has to draw the map by December 31.

The US Department of Health and Human Services expanded the providers who can administer the COVID vaccine to include dentists, dental students, and some retired dentists. This declaration preempts any state laws that would prevent dentists from administering the COVID vaccine. Providers who wish to participate must complete the CDC's COVID-19 Vaccine Training Modules and comply with their state's recordkeeping requirements. The declaration also expanded the liability protections to include provider administering the vaccine under the emergency declaration. Read the entire declaration [here](#).

A Senate subcommittee passed out [HF 802](#) that would ban diversity training based around race and sex stereotyping and scapegoating in K12 education and in government agencies and entities. Read more [here](#).

Revenue Estimating Committee March Numbers

The Revenue Estimating Committee met on Friday to make its March revenue estimates. The committee estimated in December that the state revenue for FY21 would be at about \$7.97 billion.. The REC increased its FY21 total revenue estimate to \$8.079 billion and estimated FY22 revenues to be about \$8.385 billion, a 3.8% increase over FY21. These estimates are not enough to meet the triggers put in place in the 2018 tax relief bill. The two conditions that need to be met to implement these tax changes are revenue exceed \$8.314 billion dollars and a 4% growth from one fiscal to the next. The numbers released on Friday meet the first trigger of overall dollars, but the growth rate is not high enough to implement the tax changes. The REC estimates that both triggers will be met in next fiscal year so the tax changes could go into effect in 2024. After the REC met, both the Governor and Senate leadership released statements saying that the REC projections show that Iowa's economy is strong, and therefore, triggers should be eliminated. These statements highlighting the differing opinions from House leadership on trigger elimination. Read more [here](#).

Budget Numbers

Senate Republicans released their budget targets and increases for the FY22 budget. The Senate proposed a \$7.999 billion budget which is 94% of the spending limit and an increase of \$195 million. Majority Leader Jack Whitver spoke about the targets on Wednesday stating that "This budget keeps the promise our members made to Iowans to reduce taxes on Iowa families, small businesses, and farmers by accounting for the removal of the triggers, phasing out the inheritance tax, and over \$100 million in property tax relief. Iowans can remain confident the promises made by Senate Republicans are kept." The tax relief provisions include the removal of the 2018 tax cut triggers, elimination of the inheritance tax, and elimination of the mental health levy on property taxes. The state will take up mental health funding by providing over \$125 million over the next 2 years and a \$60 million dollar increase in this budget. The targets also include a \$15 million increase for providers in nursing homes and home and community-based services. It also increases funding to the Department of Public Safety by \$5 million and \$4 million to Department of Corrections. These targets do not include one-time expenses for expanding broadband. House Republicans are not expected to publicly release their targets. Read more [here](#).

Individual budgets will start in the following chambers, as agreed to last week.



The House will start the following:	The Senate will start work on:
<ul style="list-style-type: none"> • Agriculture & Natural Resources 	<ul style="list-style-type: none"> • Administration & Regulation
<ul style="list-style-type: none"> • Education 	<ul style="list-style-type: none"> • Economic Development
<ul style="list-style-type: none"> • Justice Systems & Judicial Branch 	<ul style="list-style-type: none"> • Health & Human Services
<ul style="list-style-type: none"> • Rebuild Iowa Infrastructure Fund 	<ul style="list-style-type: none"> • Transportation
<ul style="list-style-type: none"> • Federal Block Grants 	<ul style="list-style-type: none"> • Standing Appropriations

American Rescue Plan

Congress passed another round of COVID aid in the American Rescue Plan. In total, Iowa will receive about \$4.451 billion with individuals receiving about \$3.77 billion in direct stimulus payments. The state and local governments that receive this money have broad authority to spend the money as needed if it is not used to cut taxes or make pension payments.

Bills on the Move

Below are bills of interest. Please reach out with any questions or concerns.

- [SF 129](#). *Rural Primary Care Loans*. Adds OB-GYN to eligibility for loan repayment under the Rural Primary Care Loan Repayment program. Adds cities meeting certain population requirement and included in a mental health shortage area to participate after contributing \$20,000 for a psychiatric physician. Passed the Senate 47-0, passed the House 91-1, signed by the Governor.
- [HF 586](#). *Expanding Broadband Access*. Develops certification programs under IEDA to encourage local governments to develop broadband and telecommuter programs. Require OCIO to consult with DOT, IEDA, and other interests on conduit installation. Passed House 96-0, now goes to the Senate.
- [HF 390](#). *Fluoridation Notice*. Requires public water systems to give notice to IDPH and local board of health before permanently discontinuing fluoridation. Requires notice to customers on water bills. Passed Senate Human Resources 13-0, floor manager Johnson.
- [HF 431](#). *Telehealth Phone Calls*. Requires health professional licensing boards to adopt rules to allow telehealth services through phone calls. Patients has to have opportunity to have in-person or video services instead if services are available. Passe Senate Human Resources committee 13-0, floor manager Costello.
- [HF 488](#). *Disease Report Information*. Doesn't allow State Auditor, or state or local agency employees to have access to personally identifiable information of a disease report unless the agency employee has HIPPA training. Passed Senate Human Resources committee 13-0, floor manager Carlin.
- [HF 736](#). *Medicaid Overpayments*. Doesn't allow the state or an MCO to seek repayment of an overpayment if the overpayment happened over 24 months previously. Passed House 95-0, now goes to the Senate.



- [HF 763. Graduate Medical Residents.](#) Allows hospitals and health organizations to be reimbursed for medical liability insurance for employed medical residents. Passed House Appropriations 17-6, floor manager Ann Meyer.

In the News

Below are articles of interest from the week. Please reach out to us with any questions or concerns.

- [Opinion: Headlines don't capture the bulk of the Legislature's work to benefit Iowans](#)
- [Iowa allocates \\$15 million in CARES Funds to broadband programs](#)
- [Several businesses given state incentives for job creation](#)
- [Iowa governments in line for over \\$4B in COVID-19 aid](#)
- [Even at 5 cents a can, millions at stake in Iowa bottle bill debate](#)
- [Nevada biorefinery receives state incentives for ethanol production](#)
- [500K people vaccinated in Iowa](#)
- [Covid vaccine eligibility for all Iowans still on track to start April 5](#)

Next Week Capitol Schedules

IOWA SENATE - Schedule for Week 12, March 29-April 2, 2021

Subject to Change

Monday, March 29	Tuesday, March 30	Wednesday, March 31	Thursday, April 1	Friday, April 2
	9:00 SESSION 10:00 Local Government Senate Chamber 11:00 Education Senate Chamber	9:00 SESSION 11:00 Transportation Senate Chamber	9:00 SESSION 10:00 Ways and Means Senate Chamber 11:00 Education Senate Chamber	
Noon	Noon	Noon	Noon	Noon
1:00 SESSION	1:00 Agriculture Senate Chamber 2:00 Labor and Business Relations Senate Chamber 3:00 State Government Senate Chamber	1:00 Judiciary Senate Chamber 2:00 Veterans Affairs Senate Chamber 3:00 Commerce Senate Chamber	1:00 Natural Resources and Environment Senate Chamber 2:00 Human Resources Senate Chamber 3:00 State Government Senate Chamber	All committees on call



House of Representatives Schedule for *Week 12, March 29 - 2, 2021*
Prepared in the Office of House Speaker Pat Grassley

Monday, March 29	Tuesday, March 30	Wednesday, March 31	Thursday, April 1	Friday, April 2
11:00 Subcommittee Block Reserve Subcommittee space with the clerk's office	7:30 Subcommittee Block Reserve Subcommittee space with the clerk's office 8:30 SESSION 9:30 Human Resources Law Library 10:30 Judiciary Law Library	7:30 Subcommittee Block Reserve Subcommittee space with the clerk's office 8:30 SESSION 9:30 Transportation Law Library 10:30 Education Law Library Commerce RM 103, Sup. Ct. Chamber	7:30 Subcommittee Block Reserve Subcommittee space with the clerk's office 8:30 SESSION 9:00 Human Resources Law Library Local Government RM 102, Sup. Ct. Consult Agriculture RM 103, Sup. Ct. Chamber 10:00 Ways and Means Law Library Appropriations RM 103, Sup. Ct. Chamber 11:30 State Government Law Library Public Safety RM 103, Sup. Ct. Chamber	All Budget Subs On Call All Committees On Call
Noon	Noon	Noon	Noon	Noon
1:00 SESSION	12:30 Subcommittee Block Reserve Subcommittee space with the clerk's office 2:00 State Government Law Library Public Safety RM 103, Sup. Ct. Chamber	1:00 Subcommittee Block Reserve Subcommittee space with the clerk's office 2:00 Ways and Means Law Library Appropriations RM 103, Sup. Ct. Chamber	1:30 Judiciary Law Library	

Key Dates for 2021 Session

The new Iowa Legislative Session Timetable has been published. Here is the [link](#) and included below is important dates as we approach the 2021 Iowa legislative session.

January 11	First Day of Legislative Session
January 12	Governor's Budget Released Governor gives her Condition of the State Address to Joint Session
February 12	Final day for individual Senator/Representative Bill Requests
March 5	First Funnel. All Senate and House bills must be out of one full committee
April 2	Second Legislative Funnel. Corresponding chamber must vote bills out of a full committee to remain "alive"
April 12	Amendments need not be filed on the day preceding floor debate
April 30	110 th Day of the session. Per diem expenses for legislators end.



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2021 Legislative Update



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