

New Laws of Interest to Cities 2021 Legislative Session



Reminder:

The text of each bill is accessible from the General Assembly's website: www.legis.iowa.gov

The 2021 Iowa Legislative Session adjourned Sine Die on May 19. Throughout the 19 weeks of the legislative session, the legislature passed over 180 bills. Cities were successful in many proactive issues including increased investments in broadband, childcare, and emergency medical services. Cities also defended important priorities such as maintaining tax increment financing as a flexible and useful tool to cities of all sizes.

Unfortunately, the theme of preemption continued and the commitment made in 2013 was broken: the commercial and industrial property tax replacement claims were legislated away on a five or eight-year phase-out, depending on the growth of the community.

Fortunately, significant amounts of funding have been made available through the American Rescue Plan (ARP) which will spur new growth and development in the areas of water and wastewater infrastructure, high speed internet, COVID-19 impacts and recovery and more. This report covers legislative highlights and bills the legislature passed that affect cities.

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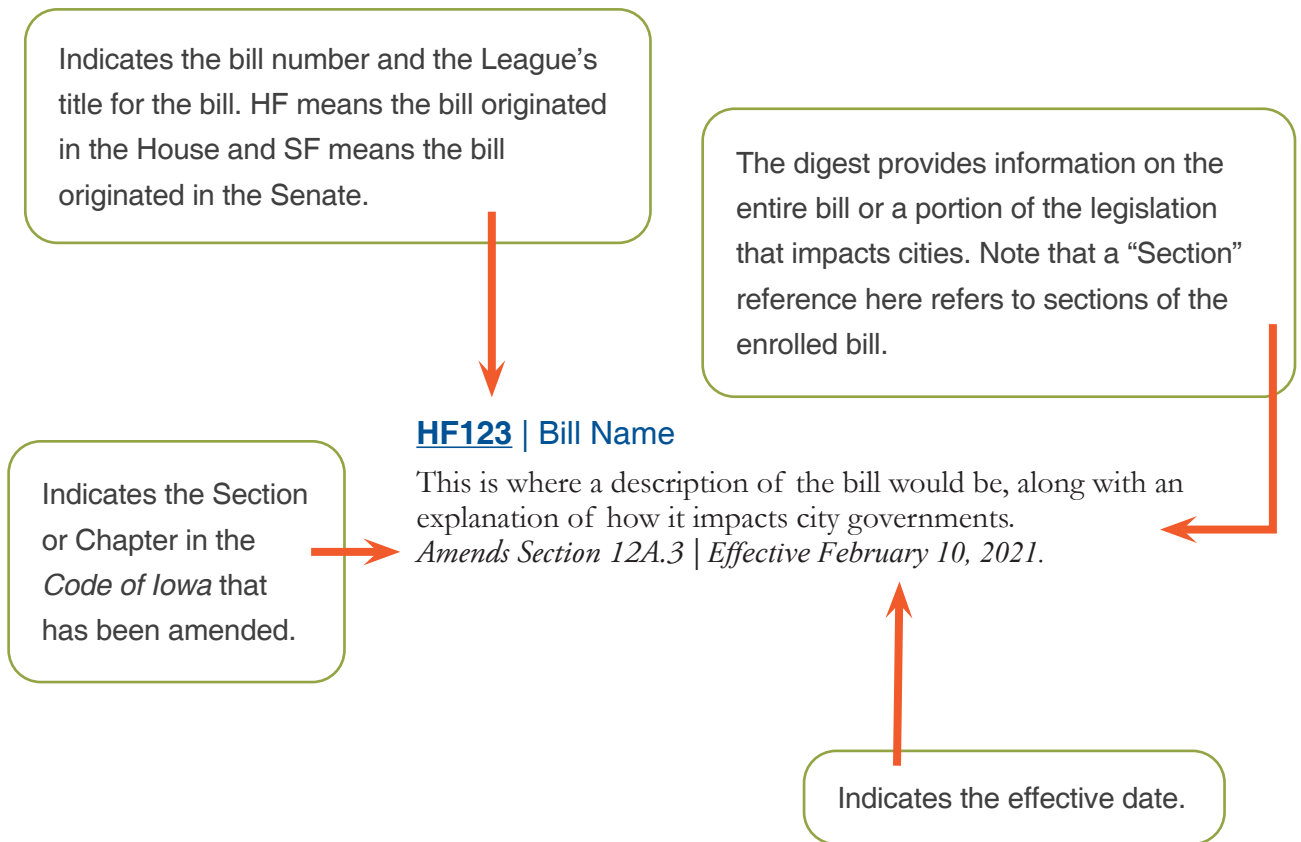
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500 SW 7th Street,
Suite 101
Des Moines, IA 50309
Phone (515) 244-7282
Fax (978) 367-9733
www.iowaleague.org

Reader's Guide to New Laws Summaries

This Special Report outlines legislation passed during the 2021 legislative session that affects cities and is categorized in subject areas for easier reading. The sample entry below explains what type of information this report contains.

Note: The report is intended as a reference guide to new laws that may interest your community. This report should not act as a substitute for the actual final enrolled legislation, nor should it substitute for advice from an attorney.



Legislative Values

Legislative Values are more than just annual priorities. They are intended to represent what cities and the officials that govern them need, want, and expect to meet the challenges of their communities. Developed over time, they are reviewed before each General Assembly, which span two legislative sessions. The values below were reviewed by the Legislative Policy Committee, ratified by the Executive Board on August 13, 2020, then presented to and approved by League members at the League's Annual Conference on September 18, 2020.

Cities across the state value...

Local Control

Home Rule is the right to make local decisions at the local level – where decisions are made closest to those affected and can be tailored to fit unique conditions, needs, and concerns free from state interference.

Public Safety

Safety is essential to the health, stability, and vitality of communities. Cities must have the human and economic resources, tools, and technology to provide appropriate public safety services for their communities and citizens.

Infrastructure

Iowa's infrastructure is in need of repair and upgrade. It is vital that cities of all sizes have the resources to meet the infrastructure, technology, and human needs necessary to connect, transport, and grow.

Financial Stability

The commitment to reimburse local governments for lost resources due to state action must be maintained to prevent an increased burden on property tax payers or a reduction in city services. Mandates imposed on local governments must include appropriate funding mechanisms. Local governments need diversified revenue options that are fair and related to cost drivers.

Economic Development

Maintaining the flexibility of economic development tools is essential for economic growth in cities of all sizes and is vital to the success and advancement of the State of Iowa and its economy. Iowa needs more tools and funding to promote quality of life, community vitality, economic development, and to address housing needs.

Like our membership, the Iowa League of Cities is a non-partisan, service oriented organization that does not participate in elections, make campaign contributions, or have a political action committee (PAC).



Gubernatorial Disaster Proclamations

Code of Iowa Chapter 29C.6 gives the Governor of Iowa the power to proclaim a state of disaster emergency. Due to COVID-19, Governor Reynolds issued numerous declarations, most of which granted much needed flexibility to communities to respond to the public health emergency. Those proclamations and their impacts on city administration and regulation are temporary, and therefore are not summarized or listed below. For a full list of proclamations, visit [HomelandSecurity.iowa.gov](https://www.HomelandSecurity.iowa.gov) > Disasters > Disaster Proclamations.

Legislation Passed In 2021

Property Taxes

[HF 418](#) | Iowa Department of Revenue clean up

Removes references to multi-residential property classification from Iowa Code. Creates a new definition that references property that was formerly classified as multi-residential for the purposes of abatement schedules and Self Supported Municipal Improvement Districts (SSMIDs).

Amends Chapter 386, 404, 441 and 558 | Effective January 1, 2022

[SF 619](#) | Backfill, elderly property tax credit, omnibus property tax relief

Phases out the commercial and industrial property tax replacement claims, known as the backfill, in either five or eight years, depending on valuation growth. Implements a new tax credit for certain senior citizens funded through property tax revenue reduction.

Alters mental health funding and various other property tax alterations.

Amends Chapter 2, 15, 25B, 422, 428A, and 441 | Multiple effective dates

Administration

[HF 283](#) | Defrauding an employer administered drug test

Creates the crime of defrauding a drug test offered by employers. Prohibits the sale and marketing of devices and products which are used to defraud drug tests.

Creates Chapter 715A | Effective July 1, 2021

[HF 495](#) | Street Financial Report date change

Changes the date cities must submit the Street Financial Report to the Iowa Department of Transportation. The date was previously September 30 and is changed to December 1.

Amends Chapter 312 | Effective July 1, 2021

[HF 390](#) | Notice of discontinuing fluoridation in public water supply

Requires the owner of a public water supply to notify all customers of a discontinuing of fluoridation at least 90 days prior to taking that action.

Amends Chapter 135 | Effective July 1, 2021

[SF 568](#) | Election law changes

Makes changes to election laws that include signature requirements for some cities.

Amends Chapter 45 | Multiple effective dates

Public Safety

[HF 761](#) | Local fire protection grant fund

Allows the Local Fire Protection Grant fund to be utilized for the purchase of protective equipment for the purpose of responding to fireworks related calls.

Amends Chapter 100 | Effective July 1, 2021

HF 654 | Emergency vehicle lighting

Makes alterations to which emergency vehicles are allowed to have specific colors of flashing or oscillating lights. Requires some emergency vehicles to have certain technology if they are purchased after the effective date of the bill.

Amends Chapter 321 and 805 | Effective May 10, 2021

SF 615 | Emergency medical service districts and levy

Authorizes an additional emergency medical service levy in emergency medical service districts if the initial levy is inadequate, and voters approve it through a referendum. Allows counties to declare emergency medical services to be essential and provides an additional levy authority. Authorizes Local Option Sales and Service Tax (LOSST) revenue to be used for providing emergency medical services.

Amends Chapter 357G and 423B | Effective July 1, 2021

SF 342 | Public safety omnibus

Codifies qualified immunity, creates and enhances penalties for assaulting or harassing an officer, allows for the redaction of certain identifiable information on county assessor internet sites for peace officers. Creates the “Brady-Giglio” interim study committee with the intent of studying a statewide “Brady-Giglio” list. Withholds state funds for cities that attempt to not enforce state laws. Prevents a city from prohibiting an officer from carrying a firearm.

Amends Chapter 9E, 27B, 80F, 97A, 400, 669, 670 and 724 | Multiple effective dates*

Preemption

HF 889 | Banning COVID-19 “passport”

Prohibits a business or governmental entity from requiring a customer, patron, client, patient, or other person invited onto the entity’s premises to furnish proof of receiving COVID-19 vaccination. Prevents governmental entities from including COVID-19 vaccination status on identification. Prevents state dollars from flowing to entities that violate this new regulation.

Creates Chapter 27B | Effective May 20, 2021*

SF 252 | Source of income for rental preemption

Prevents a city from banning a landlord from refusing to lease or rent to a person because of that person’s use of a federal housing choice voucher. Allows ordinances in effect that currently ban this practice to remain in effect until January 1, 2023.

Amends Chapter 331 and 364 | Effective April 30, 2021

HF 555 | Propane and natural gas preemption

Prevents a city from adopting or enforcing an ordinance which would intentionally or effectively restrict, impede, regulate, or prohibit the sale of natural gas or propane. Grandfathers in existing zoning ordinances which regulate propane marketer or retail propane dispenser.

Amends Chapter 331 and 364 | Effective July 1, 2021

**Bills HF 889 and SF 341 both created Chapter 27B about two different subject matters. The Legislative Service Agency will renumber these chapters but had not done so at time of publishing.*

HF 756 | Weapons omnibus

Prevents a city from regulating the “carrying” of firearms. Authorizes EMS personnel to be issued a professional permit to carry a firearm under certain circumstances. Makes alterations to the weapon permitting and acquisition requirements.
Amends Chapter 8A, 232, 562A, 562B and 724 | Effective July 1, 2021

HF 313 | Minor operated business preemption

Prevents a city from requiring an “eligible business” which operates for less than 89 calendar days and by a person under the age of 18 to require a permit, license or to pay a fee.
Amends Chapter 331 and 364 | Effective June 16, 2021

HF 309 | Non-profit donor privacy

Adds donation and membership records from a non-profit to the list of confidential records. Prevents public entities from publishing these records.
Amends Chapter 22 and 22A | Effective July 1, 2021

HF 802 | Divisive concept training

Prevents public entities from including “divisive” and other concepts defined in the legislation within mandatory employee training materials or requirements.
Amends Chapter 25A, 256H and 279 | Effective July 1, 2021

HF 847 | Mask mandate preemption

Prevents local governments from requiring owners of real property to implement a face mask requirement on their property.
Amends Chapter 280 | Multiple effective dates

Broadband

HF 848 | Broadband investment

Creates a new broadband grant to internet providers for the investment, installation and deployment of broadband into underserved areas. Provides various matching grant sizes based on the projected internet speeds being deployed. Funding for the grant was provided in separate legislation.
Amends Chapter 8B | Effective July 1, 2021

HF 871 | Broadband forward certifications

Requires the Chief Information Office coordinate with local governments to ensure there is an opportunity to lay broadband infrastructure alongside public construction projects. Directs the Iowa Economic Development Authority to develop certification programs to encourage political subdivisions to further develop broadband access and infrastructure.
Amends Chapter 15E | Effective July 1, 2021

Miscellaneous

HF 304 | Personal delivery devices

Authorizes the use of personal delivery devices (PDD), or autonomous vehicles, to make package deliveries utilizing public roads and sidewalks. Allows cities to limit the use of PDD for the purpose of public safety.

Amends Chapter 321 and 321O | Effective July 1, 2021

HF 493 | Low speed electric bicycles

Redefines bicycles to include several categories for electric assist capabilities and specifically excludes these definitions from the existing definition of vehicles. Allows low speed electric bicycles to operate anywhere a traditional bicycle is allowed.

Amends Chapter 308A, 321, 322D, and 805 | Multiple effective dates