

SINE DIE/SESSION ENDING SUMMARY

Jim, Doug & Jenny

The Legislative Session ended late Saturday afternoon, May 5th. Several Bar Association priorities were among the last bills to be considered by the Legislature. We felt extremely fortunate to have passed several bills at the end of the Session and to obtain our priorities through the appropriations bills.

- SF2303/Inheritance Tax Payment was approved by the Senate and was signed by the Governor.
- SF2314/Non-Profit Changes making changes in provisions related to non-profit corporations owning farmland, on conflicts of interest and on actions against directors was approved and was signed by the Governor.
- SF2099/Small Estates raising the amount for small estates from \$100,000 to \$200,000 was passed in the House, an amendment was concurred in and it was sent to the Governor. This was a major accomplishment, given the controversial fiscal note that was prepared due to the judicial branch providing incorrect information to LSA. Getting this bill passed was truly a “rabbit out of the hat.”
- HF2492/Justice Appropriations System was sent to the Governor and contains \$2.3 million for legal service grants and \$35.14 million for indigent defense funding. This is a significant increase in total funding. With 700 lawyers taking indigent defense cases, that equates to about \$51,000 in compensation on a per-lawyer basis. There have been approximately 3,000 additional appointments – growth in cases.
- The justice appropriations bill also increased the jurisdictional amount for small claims to \$6,500. As you know, the ISBA had opposed the original legislation which would have raised the jurisdictional amount to \$10,000. As per the direction of ISBA officers, we stayed neutral and the Court was neutral on this provision.
- SF2418/ Appropriations for Health and Human Services contained a provision prohibiting civil actions based on wrongful birth addressing the *Plowman v. Fort Madison Community Hospital* Supreme Court decision which the ISBA had opposed as a stand-alone bill. We were able to moderate this provision by providing that the prohibition would not apply to an action for damages based upon intentional, grossly negligent acts or admissions and an intentional failure of a physician to comply with the duty to provide a patient with all information necessary to make decisions about a pregnancy.
- As you know, we were able to assist the judicial branch in receiving additional funding this year in excess of \$3 million over their budget from last year. The Court had requested a 7.9% increase in their operating budget, or \$189.5 million.

The Judicial Branch received \$177,574,791 million and \$3.1 million for jury and witness fund.

- \$1.5 million for Polk County Courthouse – furniture, equipment and IT
- \$3 million for Judicial Branch technology projects
- We also were able to affect a couple of changes to the tax cut legislation which would have negatively impacted attorneys. We have prepared an explanation of the tax bill which will be a part of the Wednesday electronic newsletter.
- We were also able to remove from the budget proposals the “employment shield” tort reform proposal and workers comp fraud proposal. These proposals were opposed by the litigation section and workers compensation section.
- We have attached an updated affirmative legislative chart for your review. We had an extremely successful legislative Session in regard to our affirmative proposals. The most disappointing issue is the continued failure to be able to pass the probate cost bill which has become impossible, given the fiscal note attached to the bill. We are simply unable to get the fiscal note modified or changed and that causes it to be impossible for the Legislature to pass the bill, given the budget considerations.