

# **2003 SESSION FISCAL REPORT**

**80th General Assembly  
State of Iowa**

**Fiscal Services  
Legislative Services Agency  
August 2003**

AUGUST 2003

Members of the 80th General Assembly of Iowa and Other Interested Citizens:

The **Fiscal Report**, issued by the Legislative Services Agency, contains a summary of fiscal information and legislation passed by the 2003 Session of the 80th General Assembly.

This report is intended to provide interested persons with information on General Fund and non-General Fund appropriations, receipts, and bill summaries which have a significant fiscal impact upon the State of Iowa.

Included in this summary report is the following information: appropriations summary, General Fund balance sheet, subcommittee appropriations acts, miscellaneous appropriation acts, and ways and means acts, and a summary of Fiscal Services reports.

Legislative Services Agency staff are available to answer any questions concerning the contents of this document.

Yours truly,

Dennis C. Prouty,  
Director

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County Based Services  
Field Operations  
General Administration  
Institutions  
Mental Health/Mental  
Retardation/Developmental  
Disabilities Enhanced Services  
Social Services Block Grant  
Veteran's Affairs  
Veteran's Home  
Child Support Recovery  
Children's Health Insurance Prgm.  
Family Investment Program,  
Promise Jobs, Food Stamps  
Medical Services/Medicaid  
Temporary Assistance for Needy  
Families (TANF) Block Grant

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## THE YEAR IN REVIEW

### **FY 2003**

Like most states, Iowa continued to experience reduced revenues and a sluggish economy in FY 2003. The buildup to the war with Iraq has dampened consumer and investor confidence, reflected in a projected growth rate in state receipts (before refunds and accruals) of 0.5% for FY 2003. For the third year in a row, Iowa has tapped the Reserve Funds to help balance the General Fund budget. One-time sources of funding amounting to more than \$300.0 million were also utilized to balance the FY 2003 budget.

- The 2003 General Assembly passed General Fund supplemental appropriations totaling \$61.0 million for the following purposes:
- \$6.6 million to the Department of Corrections to avoid staff furloughs and for support budget increases at Anamosa State Penitentiary and the Iowa State Penitentiary.
- \$8.9 million to the Department of Human Services for Child and Family Services and for the Mount Pleasant Mental Health Institute and the Glenwood and Woodward Resource Centers and \$41.5 million to the Department for Medicaid costs. (\$16.5 million was appropriated from other funds for the same purpose.)
- \$1.7 million to the Department of Public Safety to avoid furloughs.
- \$2.3 million to the State Public Defender for increased indigent defense costs due to the increasing number of claims and costs.

The current projected General Fund ending balance for FY 2003 is \$2.0 million.

### **FY 2004**

Revenue growth projections continue to be flat for FY 2004, with the Revenue Estimating Conference estimating growth in total receipts (before refunds and accruals) to be 1.7% for FY 2004. Iowa is not alone in facing difficult budget times. According to the National Conference of State Legislatures (NCSL), FY 2004 is proving to be another extremely difficult budget year with 39 states facing budget shortfalls at some time during the year and looking to eliminate the budget gaps through selective spending reductions, across-the-board reductions, and revenue increases, specifically on cigarette and tobacco taxes. As of April 2003, several states were also examining higher personal income taxes or considering proposals to increase the sales tax rates or expand the base.

The Iowa General Assembly appropriated \$4.56 billion from the General Fund for FY 2004 and shifted \$258.8 million in expenditures from the General Fund to other sources, and transferred \$78.9 million in other fund revenue to the General Fund.

## THE YEAR IN REVIEW

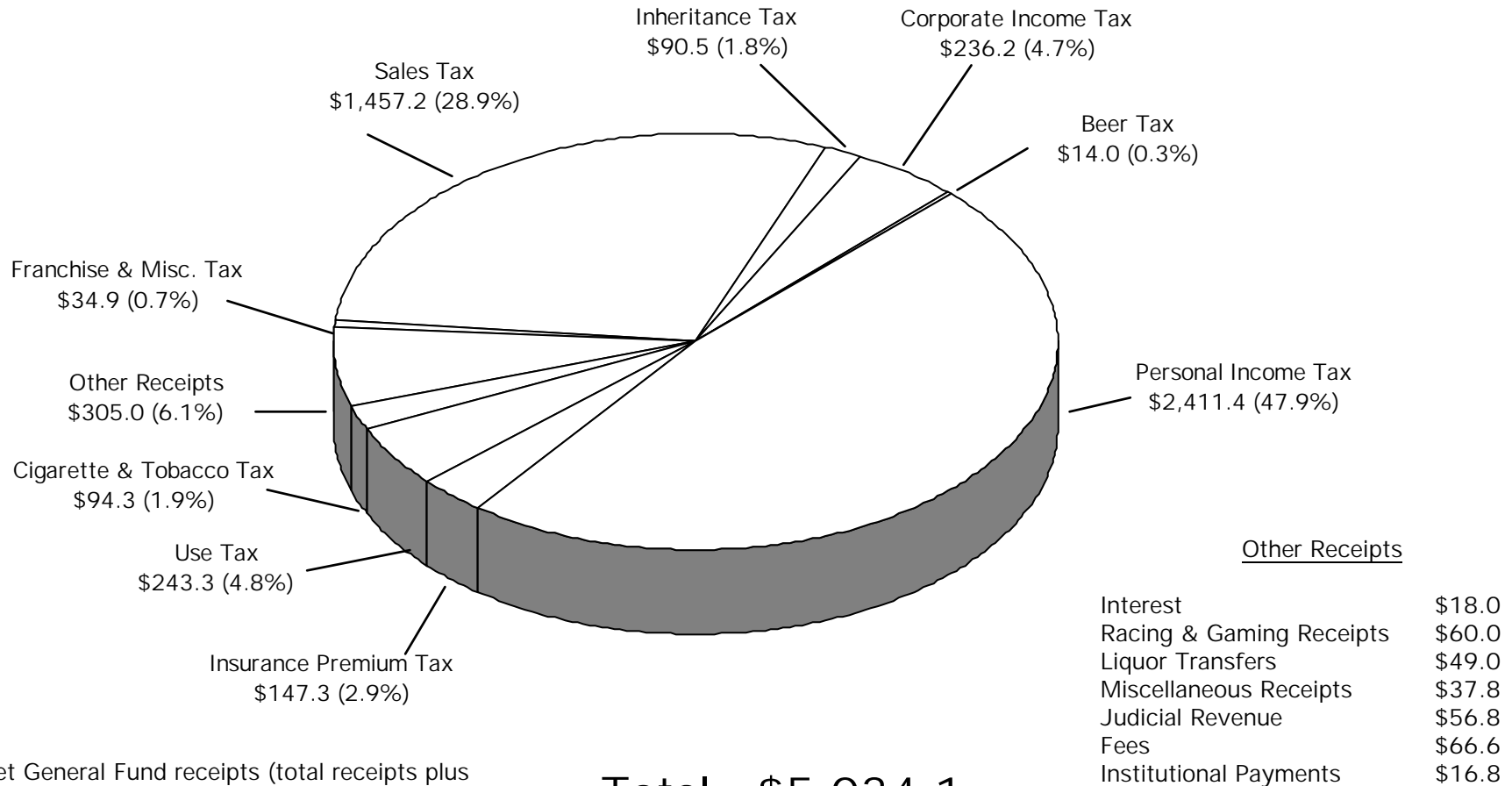
FY 2004 General Fund budgets were reduced by \$116.3 million to account for projected savings from the Reinvention of Government. The Governor proposed a Reinvention Plan which included retaining a consulting firm, Public Strategies Group (PSG), to reinvent the delivery of public services in Iowa. Budget reductions were made to local governments, state agencies, universities, area education agencies, and the child welfare system. PSG will be paid a percentage of the net savings generated from the proposals, up to a maximum of \$6.4 million.

The projected General Fund ending balance for FY 2004 is \$62.8 million.

The Governor called the Legislature into a Special Session in late May to approve the creation of a fund promoting biotechnology and other economic development initiatives.

# FY 2003 Estimated Total General Fund Receipts (In Millions)

As estimated by the April 9, 2003, Revenue Estimating Conference.  
Totals may not add due to rounding.

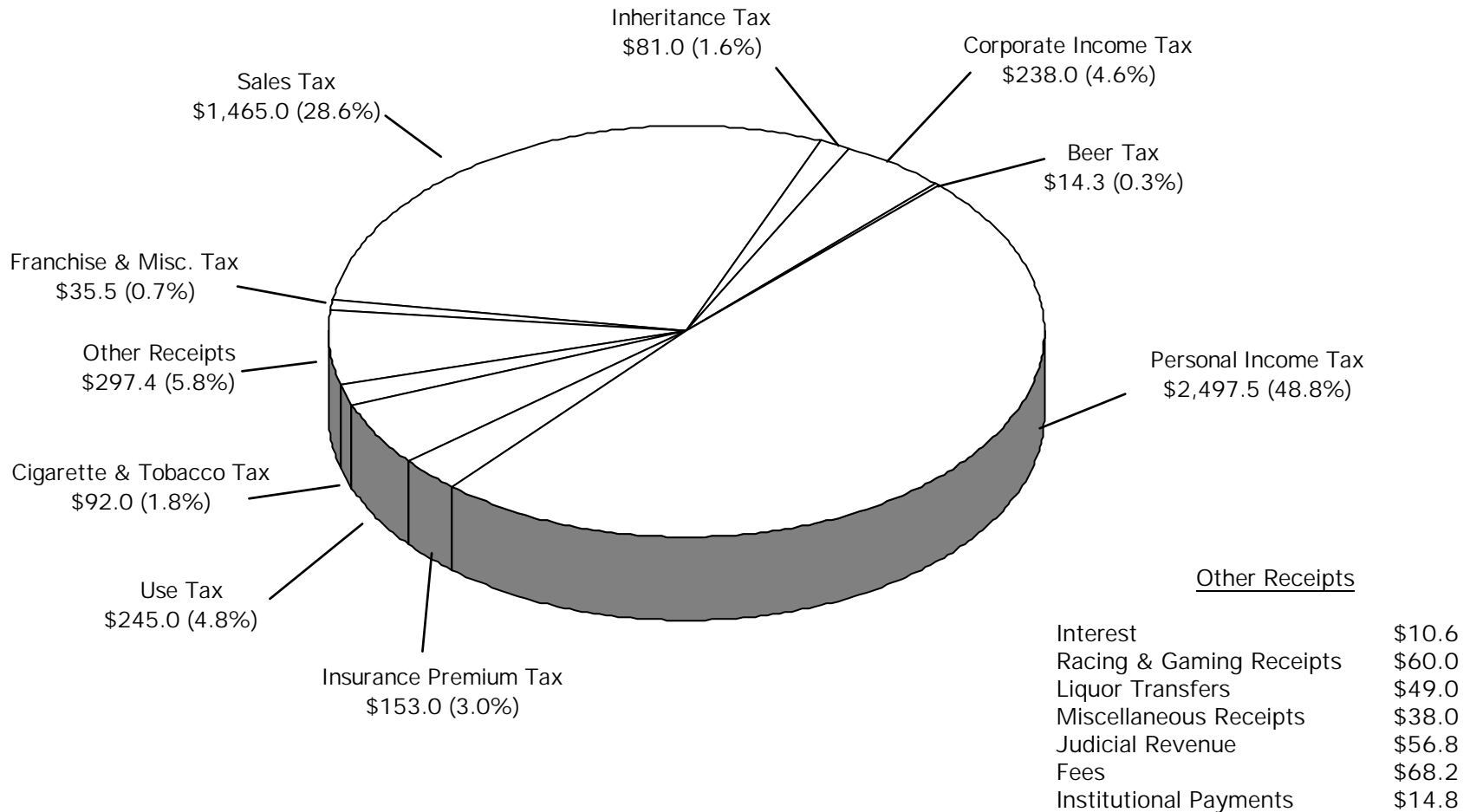


Net General Fund receipts (total receipts plus transfers of \$129.4 and accruals of \$6.0, less refunds of \$649.4) equal \$4,520.1.

**Total: \$5,034.1**

# FY 2004 Estimated Total General Fund Receipts (In Millions)

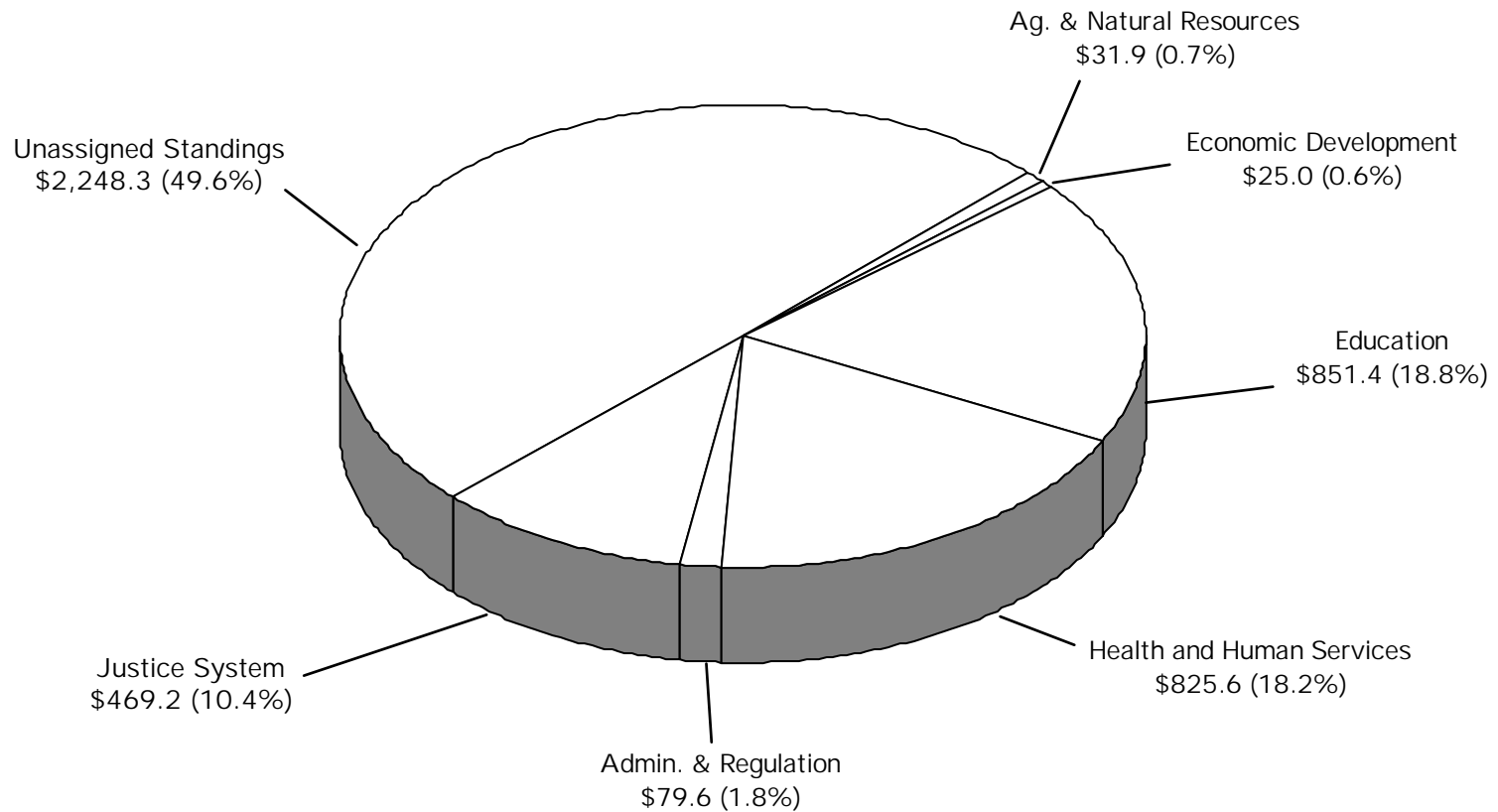
As estimated by the April 9, 2003, Revenue Estimating Conference.  
Totals may not add due to rounding.



Net General Fund receipts (total receipts plus transfers of \$47.8 and accruals of \$12.0, less refunds of \$650.0) equal \$4,528.5.

**Total: \$5,118.7**

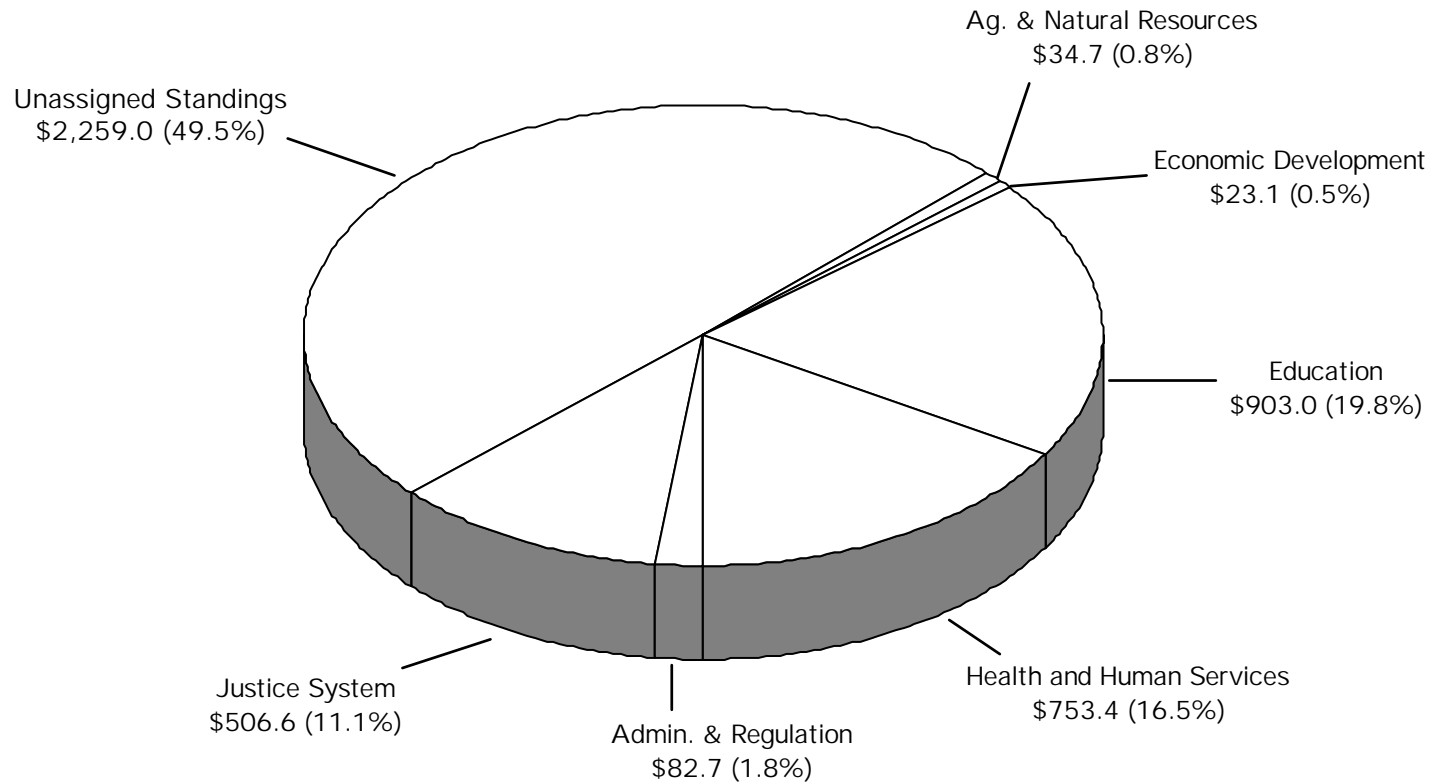
# FY 2003 Estimated Net General Fund Appropriations (In Millions)



Unassigned standings are standing appropriations which were not considered at the appropriations subcommittee level. All subcommittee totals include salary funding. Totals may not add due to rounding.

**Total: \$4,531.0**

# FY 2004 Net Final Action General Fund Appropriations (In Millions)

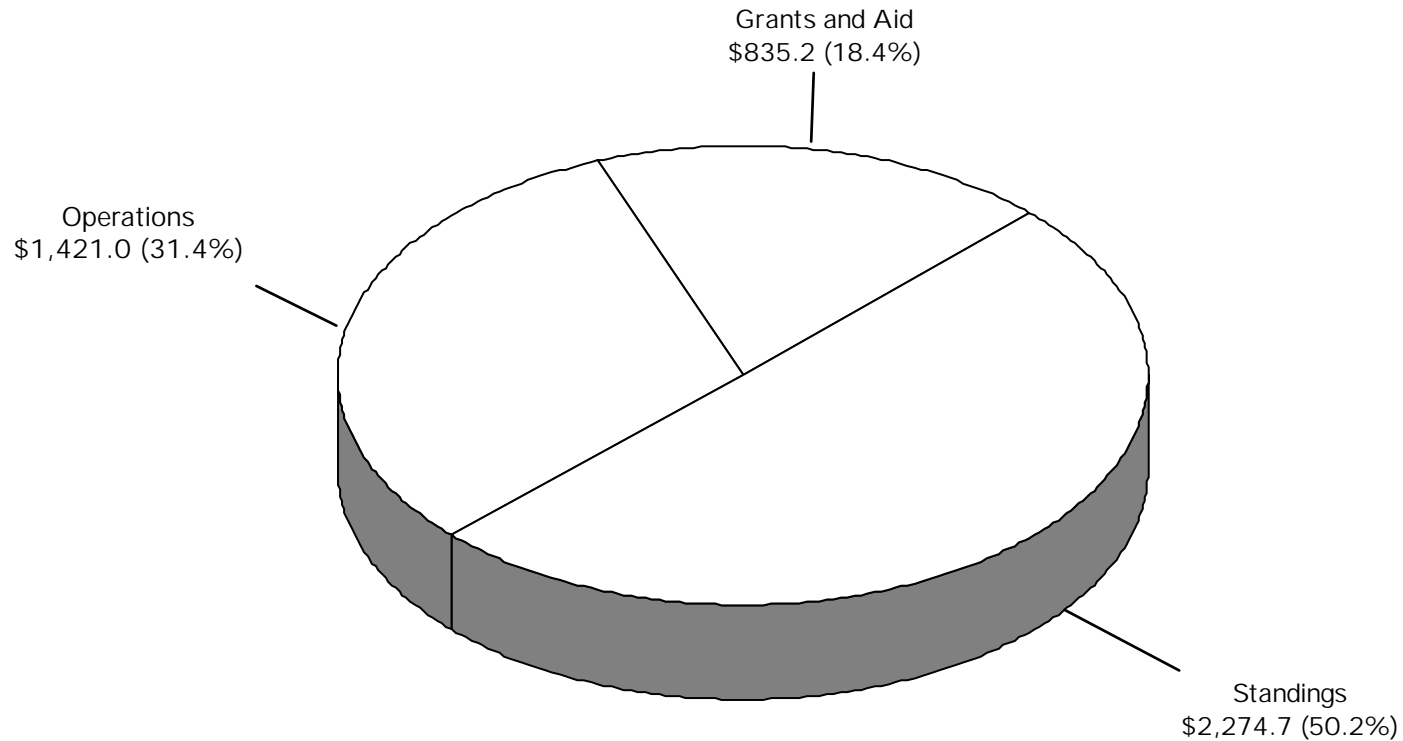


Unassigned standings are standing appropriations that were not considered at the appropriations subcommittee level. Totals may not add due to rounding.

Total: \$4,562.5



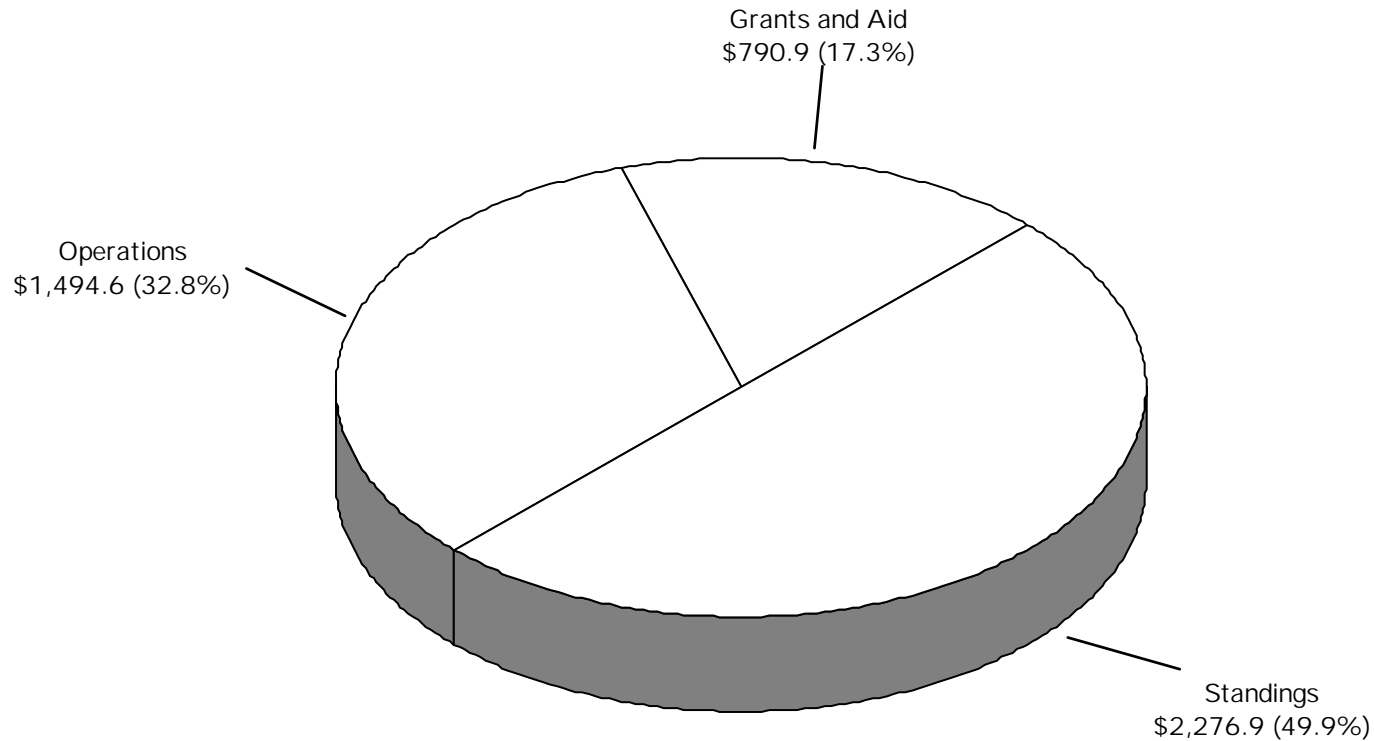
# FY 2003 Estimated Net General Fund Appropriations By Type of Appropriation (In Millions)



Totals may not add due to rounding.

Total: \$4,530.9

# FY 2004 Net Final Action General Fund Appropriations By Type of Appropriation (In Millions)



Totals may not add due to rounding.

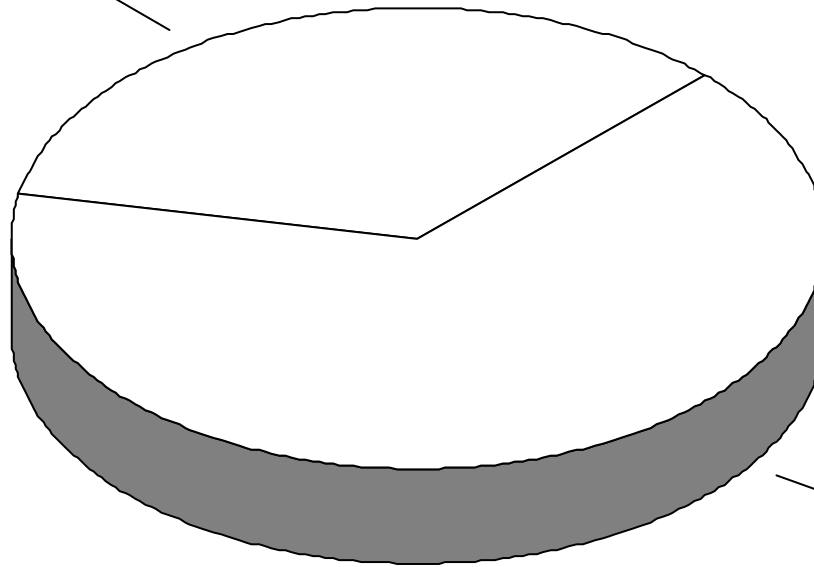
Total: \$4,562.4

# FY 2004 Net Final Action General Fund Expenditures

## Local/State Distribution

(In Millions)

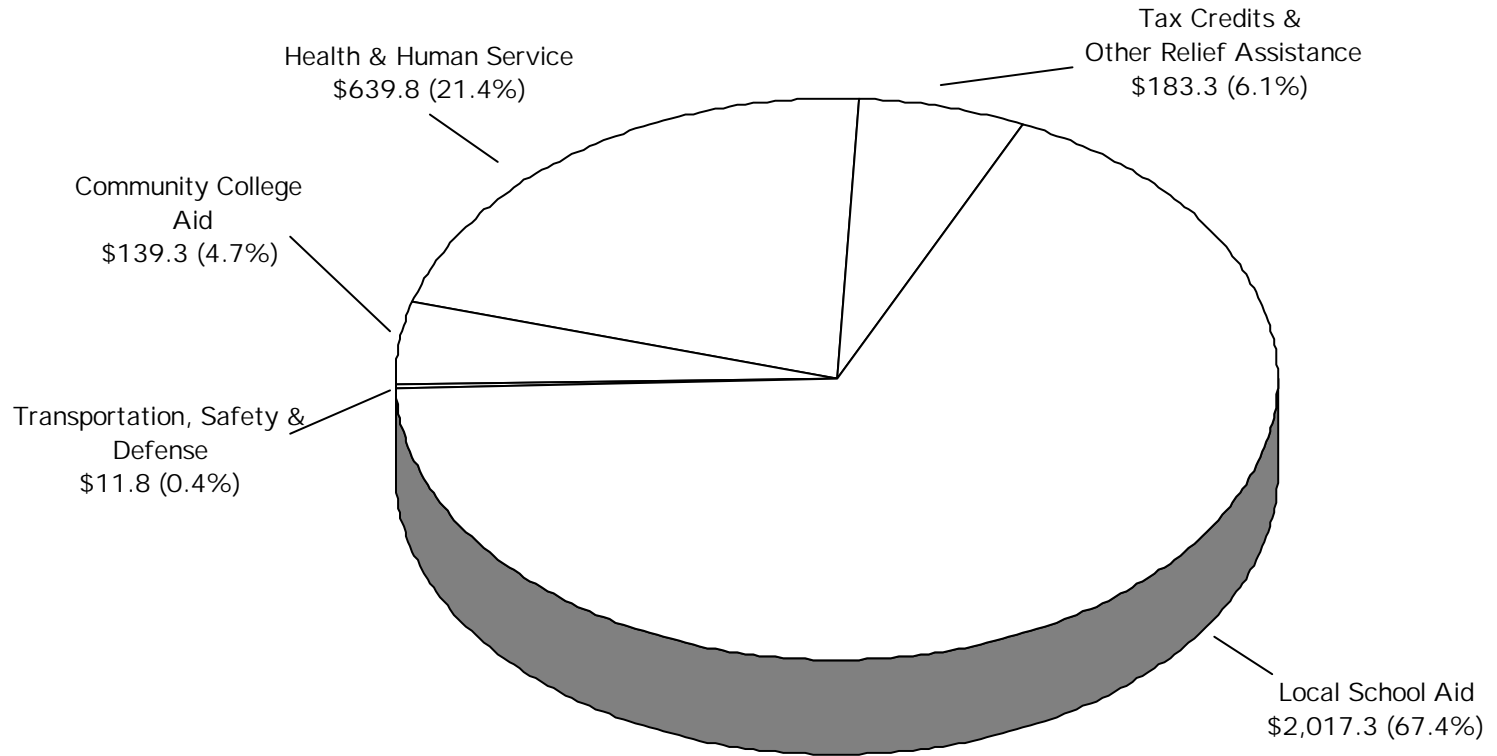
Other General Fund  
Expenditures  
\$1,570.9 (34.4%)



Local Assistance  
\$2,991.5 (65.6%)

Total: \$4,562.4

# FY 2004 Estimated Local Tax Credits and Program Aids (In Millions)



Total: \$2,991.5

# STATE OF IOWA PROJECTED GENERAL FUND BALANCE

( Dollars in Millions )

	<b>Fiscal Year 2003</b>		<b>Fiscal Year 2004</b>	
	05/01/2003	06/04/2003	05/01/2003	06/04/2003
	<u>End of Session</u>	<u>Enacted</u>	<u>End of Session</u>	<u>Enacted</u>
<b>Estimated Funds Available:</b>				
Estimated Receipts				
Revenue Est. Conference - 4/9/03				
Receipts	\$ 5,034.1	\$ 5,034.1	\$ 5,118.7	\$ 5,118.7
Transfers	129.4	129.4	47.8	47.8
Federal Jobs & Growth Tax Relief Act (05/28/03)				40.3
Revenue Adjustments (Exh. 1)	0.2	0.2	80.5	80.5
Special Session Revenue Adj.				- 36.4
Item Veto - HF 692 (Utility Tax Change)				-9.0
Item Veto - HF 692 (Income Tax Changes)				49.4
Total Receipts	<u>5,163.7</u>	<u>5,163.7</u>	<u>5,247.0</u>	<u>5,291.3</u>
Tax Refunds	- 649.4	- 649.4	- 650.0	- 650.0
Accruals	6.0	6.0	12.0	12.0
<b>Total Funds Available</b>	<u>4,520.3</u>	<u>4,520.3</u>	<u>4,609.0</u>	<u>4,653.3</u>
<b>Expenditure Limitation</b>			<b>\$ 4,559.7</b>	
<b>Estimated Appropriations:</b>				
General Fund	4,469.8	4,469.8	4,558.7	
Special Session				4,562.7
Supp. Approp./Standing Adjust. (Exh. 2)	19.5	19.5		
Supp. Medicaid	41.5	41.5		
Item Vetoes				- 0.3
Reversions:				
Regular	- 10.0	- 10.0	- 10.0	- 10.0
Operations	- 2.5	- 2.5	- 2.5	- 2.5
<b>Net Appropriations</b>	<u>4,518.3</u>	<u>4,518.3</u>	<u>4,546.2</u>	<u>4,549.9</u>
<b>Ending Balance prior to Cash Reserve Transfer</b>	<u>\$ 2.0</u>	<u>\$ 2.0</u>	<u>\$ 62.8</u>	<u>\$ 103.4</u>

# STATE OF IOWA GENERAL FUND BALANCE

( Dollars in Millions )

## Exhibit 1

	<b>FY 2003</b>	<b>FY 2004</b>
	<u>06/04/2003</u>	<u>06/04/2003</u>
	<u>Enacted</u>	<u>Enacted</u>
<b>Revenue Adjustments</b>		
Transfers:		
Transfer from Endowment - SF 458		20.0
Transfer from RIIF - SF 458		10.0
Transfer from UST		0.0
IRC Update - SF 442	0.0	- 0.7
Combined Corporate Tax Reporting		0.0
Implementation of Streamline Sales Tax Project		0.0
Gaming Enforcement Cost- HF 655		0.2
Interest on Reserve Funds - SF 458		7.6
DRF Increase Enforcement - HF 655		1.3
Unclaimed Demutualization Proceeds - SF 236		26.7
ACE Tax Credits at \$4.0 million - SF 458		2.0
Reduction in Corporate Refund Interest - HF 683		0.1
Increase Traffic Fines		0.0
Real Estate License Fee Increase - HF 655	0.1	0.1
Foundry Refund & Exemption - HF 654		- 0.3
Enterprise Zones - HF 576		- 0.3
Birth Registration Fee - HF 541		0.1
Mechanical Amusement Devices - HF 594		0.1
Assisted Living Fees - HF 675		0.1
Wine Gallonage Tax - HF 682	- 0.1	- 0.1
Adult Day Services - HF 672		0.1
Abandoned Property - SF 180		3.7
Court Practices/Procedures - HF 694		0.5
Active Duty Pay Excl./Travel Deduction - HF 674		- 1.7
.08 Fines and Surcharges - HF 65		0.1
Mutual Insurance Tax - SF 458	0.2	
AEA Balance Transfer - SF 453		10.0
DAS Rental Fund Transfer - SF 458		0.9
<b>Total Revenue Adjustments</b>	<u>\$ 0.2</u>	<u>\$ 80.5</u>

## Special Session Revenue Adj.

Settlement with Wall Street Firms		3.7
Endow Iowa Tax Credits - HF 683		0.3
Regulation & Taxation - HF 692		- 40.4
<b>Total Spec. Sess. Rev. Adj.</b>	<u>\$ 0.0</u>	<u>\$ - 36.4</u>

# STATE OF IOWA GENERAL FUND BALANCE

( Dollars in Millions )

## Exhibit 2

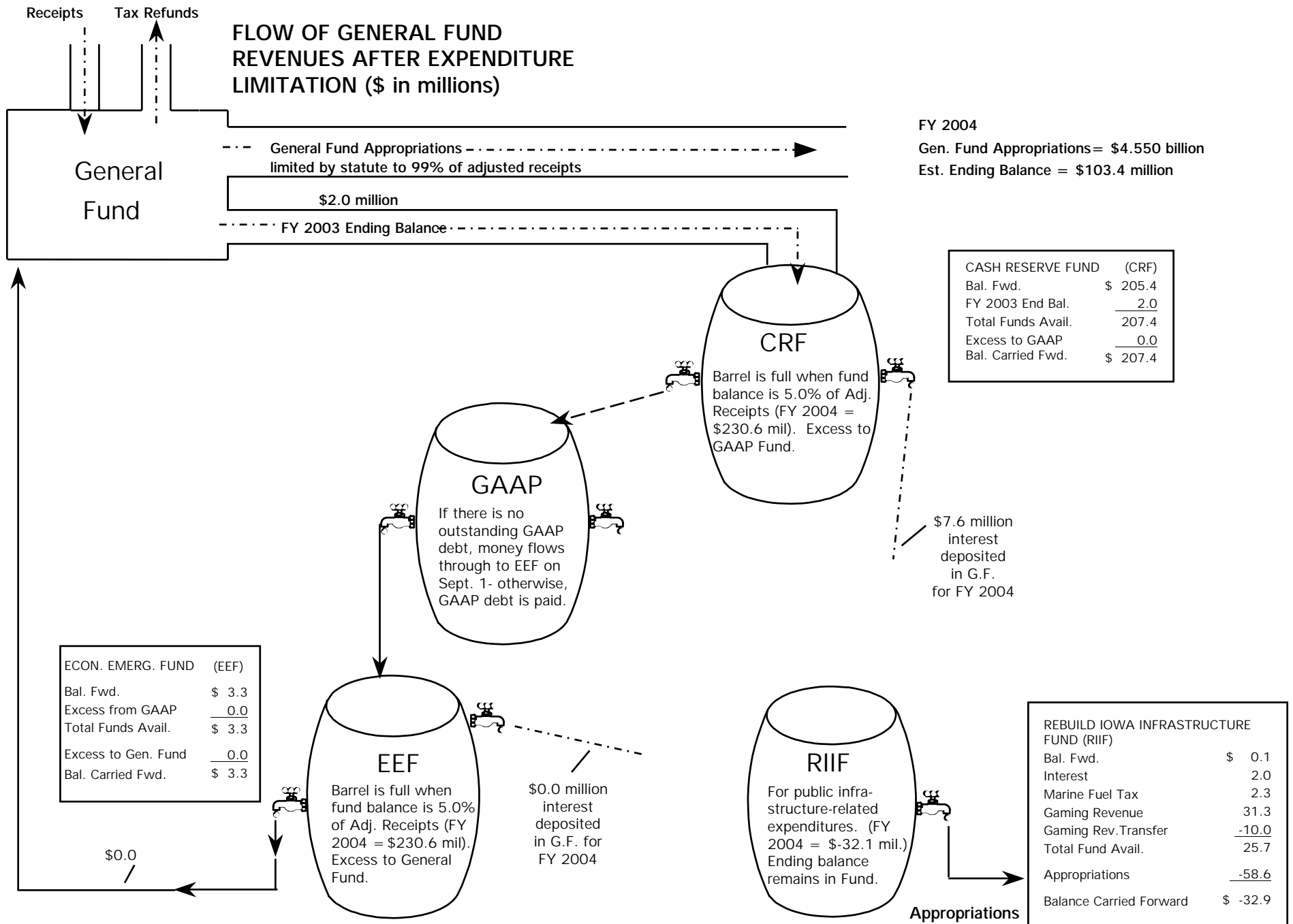
	<b>FY 2003</b>		<b>FY 2004</b>	
	06/04/2003	Regular	Special	
	Enacted	Session	Session	Total
<b>Appropriations</b>				
<b>FY 2003 Supplemental:</b>				
Department of Corrections - SF 36	\$ 6.6			
DHS - non Medicaid - SF 36	8.9			
DHS - Medicaid - HF 667	41.5			
Department of Public Safety - SF 36	1.7			
Indigent Defense - SF 36	2.3			
Racing & Gaming - SF 458	0.1			
<b>Total Supplemental Approps.</b>	<b>\$ 61.1</b>			
<b>FY 2004 Appropriations:</b>				
Admin. & Regulation Sub. - HF 655		\$ 86.7	\$ 3.4	\$ 90.1
Ag. & Natl. Resources Sub. - SF 425		32.5		32.5
Economic Development Sub. - SF 433		22.3		22.3
Education Sub. - HF 662		919.4		919.4
Health & Human Services Sub. - HF 667		772.4	0.4	772.8
Judicial - SF 435		115.4		115.4
Justice System - SF 439		367.6	1.5	369.1
Trans. and Capitals Sub. - HF 652		0.0		0.0
Unassigned Standings		2,023.8	- 1.3	2,022.5
Standings Bill - SF 458		334.8		334.8
Reinvention Savings - SF 453		- 116.3		- 116.3
Tobacco Regulation - SF 375		0.1		0.1
<b>Total Appropriations</b>	<b>\$ 122.2</b>	<b>\$ 4,558.7</b>	<b>\$ 4.0</b>	<b>\$ 4,562.7</b>
<b>Special Session HF 683 - FY 2004 Appropriations:</b>				
Salaries			2.0	
Public Transit Reduction			- 1.3	
Corrections			1.5	
Governor's Office			0.3	
Revenue & Finance - REC			0.1	
DPH Infectious Diseases			0.1	
Innovations Fund			1.0	
DHS - County Hospital Approp.			0.3	
<b>Special Session - Total FY 2004 Appropriations:</b>			<b>\$ 4.0</b>	
Item Vetoes				- 0.3
<b>Total FY 2004 Appropriations After Vetoes</b>				<b>\$ 4,562.4</b>

**STATE OF IOWA**  
**Flow of General Fund Revenues After Expenditure Limitation**

(Dollars in Millions)

<b>CASH RESERVE FUND (CRF)</b>	<b>Actual FY 2001</b>	<b>Actual FY 2002</b>	<b>Estimated FY 2003</b>	<b>Estimated FY 2004</b>
Balance Brought Forward	\$ 229.9	\$ 235.6	\$ 140.1	\$ 205.4
Estimated Revenues:				
General Fund Ending Balance	175.6	0.0	89.0	2.0
Gen. Fund Approp. for 5.0% Requirement				
Total Funds Available	405.5	235.6	229.1	207.4
Special Transfer to/from Gen. Fund		- 90.0		
Transfer to EEF - SF 436			-16.6	
Approp to RIIF			- 2.2	0.0
Approp to DRF - Mil. Pay Diff - SF 458			- 1.8	
Excess Transferred to GAAP	- 169.9	- 5.5	- 3.1	0.0
Balance Carried Forward	<u>\$ 235.6</u>	<u>\$ 140.1</u>	<u>\$ 205.4</u>	<u>\$ 207.4</u>
Maximum		\$ 230.1	\$ 226.0	\$ 232.7
<b>GAAP DEFICIT REDUCTION ACCOUNT</b>	<b>Actual FY 2001</b>	<b>Actual FY 2002</b>	<b>Estimated FY 2003</b>	<b>Estimated FY 2004</b>
Balance Brought Forward	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Estimated Revenues:				
Excess Transferred from CRF	<u>169.9</u>	<u>5.5</u>	<u>3.1</u>	<u>0.0</u>
Total Funds Available	169.9	5.5	3.1	0.0
Excess Transferred to EEF	<u>- 169.9</u>	<u>- 5.5</u>	<u>- 3.1</u>	<u>0.0</u>
Balance Carried Forward	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
<b>IOWA ECONOMIC EMERGENCY FUND (EEF)</b>	<b>Actual FY 2001</b>	<b>Actual FY 2002</b>	<b>Estimated FY 2003</b>	<b>Estimated FY 2004</b>
Balance Brought Forward	\$ 229.9	\$ 169.6	\$ 25.2	\$ 3.3
Estimated Revenues:				
Excess from GAAP	169.9	5.5	3.1	0.0
Total Funds Available	<u>399.8</u>	<u>175.1</u>	<u>28.3</u>	<u>3.3</u>
Excess Transferred to Gen. Fund	- 164.1			
Special Transfer to Gen. Fund	- 66.1	- 105.0		
Appropriation to School Foundation Aid		- 44.9	- 25.0	
Balance Carried Forward	<u>\$ 169.6</u>	<u>\$ 25.2</u>	<u>\$ 3.3</u>	<u>\$ 3.3</u>





## Rebuild Iowa Infrastructure Fund

	Actual FY 2002	Estimated FY 2003	Gov. Rec. FY 2004	Legislative Action FY 2004
<b>Resources</b>				
Balance Forward	\$ 10,253,772	\$ 13,891,535	\$ 10,912,763	\$ 125,255
Revenue				
Wagering Tax Allocation	49,982,760	26,300,000	31,300,000	31,300,000
Wagering Tax Increase (Gov. Rec.)	0	0	28,600,000	0
Wagering Tax Transfer to General Fund	0	-15,496,600	-20,000,000	-10,000,000
Cash Reserve Fund (SF468)	0	2,150,000	0	0
Interest	3,236,180	1,313,370	2,000,000	2,000,000
Marine Fuel Tax	2,300,000	2,300,000	2,300,000	2,300,000
Misc. Revenues	400,151	-705,878	0	0
Environment First Reversion	1,300,000	0	0	0
Total Resources	<u>\$ 67,472,863</u>	<u>\$ 29,752,427</u>	<u>\$ 55,112,763</u>	<u>\$ 25,725,255</u>
<b>Appropriations</b>				
Environment First Fund	\$ 35,000,000	\$ 18,445,000	\$ 35,000,000	\$ 35,000,000
Corrections				
Luster Heights Expansion	0	0	0	92,000
Clarinda Bed Expansion	0	0	0	730,400
Electrical System Upgrade Lease Purchase	333,168	333,168	333,168	333,168
Cultural Affairs				
Historical Preservation Grant Program	1,000,000	0	830,000	830,000
Iowa Battle Flags	150,000	100,000	150,000	150,000
State Historical Society - Medal of Honor Kiosk	0	0	0	125,000
Economic Development				
Local Housing/IFA Housing Trust Fund	1,000,000	0	800,000	800,000
Accelerated Career Education (ACE) Program	0	0	3,000,000	3,000,000
Education				
Enrich Iowa Libraries	500,000	600,000	600,000	600,000
Student Achievement/Teacher Quality	0	5,000,000	0	0
General Services				
Records and Property Building Remodel	0	0	5,000,000	4,750,000
Wallace Bldg. Planning for Vacation & Demolition	0	0	0	50,000
Routine Maintenance	2,000,000	0	1,664,000	1,664,000
Records Relocation	0	0	0	729,237
Employee Relocation Expenses/Leases	1,000,000	898,000	0	631,449
Medical and Education Building	0	0	0	250,000
African-American Museum	0	0	0	300,000
Wallace Bldg. Evaluation	0	0	250,000	0
Wallace Building Renovation	0	0	236,000	0
Information Technology				
Pooled Technology Projects	13,000,000	0	4,120,000	2,000,000
Information Data Warehouse	0	624,000	0	0
Telecomm. & Technology Commission				
ICN Part III & Maintenance/Recurring Lease Costs	0	2,727,004	2,727,000	2,727,000
Transportation				
Aviation Improvement Program	0	0	0	500,000
Public Defense				
Iowa City Readiness Center	0	0	0	195,000
Fort Dodge Readiness Center	0	0	0	750,000

## Rebuild Iowa Infrastructure Fund

	Actual FY 2002	Estimated FY 2003	Gov. Rec. FY 2004	Legislative Action FY 2004
Public Safety				
Capitol Building Security	0	850,000	0	800,000
Fire Equipment Revolving Loan Fund	0	0	0	500,000
Fire Training Facilities	0	0	0	50,000
Commissioner of Elections				
Voting Machines	0	0	0	0
Regents				
Tuition Replacement	0	0	350,000	350,000
School for the Deaf - Deferred Maintenance	0	0	0	100,000
IBSSS - Deferred Maintenance	0	0	0	100,000
UNI - Program for Playground Safety	0	0	0	500,000
Veterans Affairs				
Residence Demolition	0	50,000	0	0
Net Appropriations	<u>\$ 53,983,168</u>	<u>\$ 29,627,172</u>	<u>\$ 55,060,168</u>	<u>\$ 58,607,254</u>
Reversions	-186,840	0	0	0
Deappropriations	-215,000	0	0	0
Ending Balance	<u><u>\$ 13,891,535</u></u>	<u><u>\$ 125,255</u></u>	<u><u>\$ 52,595</u></u>	<u><u>\$ -32,881,999</u></u>

Note: This balance sheet does not reflect revenues that are contingent upon the U.S. Supreme Court and the Iowa Supreme Court overturning the Iowa Supreme Court ruling that reduced the excise tax on racetrack establishments from 32.0% to 20.0%. Should the ruling be overturned, the State anticipates receiving additional gaming revenues of \$40.0 million in FY 2003 and \$44.0 million in FY 2004.

## Environment First Fund

	Actual FY 2002	Estimated FY 2003	Gov. Rec. FY 2004	Legislative Action FY 2004
<b>Revenue</b>				
Balance	\$ 2,839,443	\$ 458	\$ 458	\$ 458
Balance Adjustment	458	0	0	0
Cash Reserve Fund (SF 436)	0	16,555,000	0	0
RIIF Environment First Appropriation	35,000,000	18,445,000	35,000,000	35,000,000
Transfers	-10,100,000	-18,445,000	0	0
	<u>\$ 27,739,901</u>	<u>\$ 16,555,458</u>	<u>\$ 35,000,458</u>	<u>\$ 35,000,458</u>
<b>Appropriations</b>				
Department of Agriculture				
Cons. Reserve Enhancement Prog. (CREP)	\$ 0	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Watershed Protection Program	2,214,831	2,700,000	2,700,000	2,700,000
Farm Demonstration Program	842,900	500,000	850,000	850,000
Agricultural Drainage Wells	500,000	0	500,000	500,000
Soil Conservation Cost Share	7,275,889	3,500,000	5,500,000	5,500,000
Conservation Reserve Program (CRP)	1,127,674	0	2,000,000	2,000,000
Loess Hills Conservation Authority	662,384	0	500,000	600,000
So. Iowa Conservation & Dev. Authority	220,795	0	0	300,000
Total Department of Agriculture	<u>\$ 12,844,473</u>	<u>\$ 8,200,000</u>	<u>\$ 13,550,000</u>	<u>\$ 13,950,000</u>
Department of Economic Development				
Brownfield Redevelopment Program	\$ 1,766,359	\$ 0	\$ 500,000	\$ 500,000
Department of Natural Resources				
Geographic Information System Development	\$ 195,000	\$ 0	\$ 195,000	\$ 195,000
Volunteer Water Quality Initiative	70,000	100,000	100,000	100,000
Water Quality Monitoring Stations	2,400,000	2,605,000	2,955,000	2,955,000
Water Quality Protection	0	500,000	500,000	500,000
Air Quality Monitoring Equipment	0	500,000	500,000	500,000
Lake Dredging	348,611	350,000	1,000,000	1,000,000
Marine Fuel Tax Capital Projects	1,800,000	2,300,000	2,700,000	2,300,000
Park Operations	0	0	2,000,000	2,000,000
REAP Formula Allocation	7,200,000	2,000,000	11,000,000	11,000,000
Pollution Discharge Permits	180,000	0	0	0
Landforms and Ecosystems	125,000	0	0	0
Trees Program	250,000	0	0	0
Lewis and Clark Rural Water System	60,000	0	0	0
Waste Tire Abatement Program	500,000	0	0	0
Total Department of Natural Resources	<u>\$ 13,128,611</u>	<u>\$ 8,355,000</u>	<u>\$ 20,950,000</u>	<u>\$ 20,550,000</u>
Total Appropriations	<u>\$ 27,739,443</u>	<u>\$ 16,555,000</u>	<u>\$ 35,000,000</u>	<u>\$ 35,000,000</u>
Ending Balance	<u>\$ 458</u>	<u>\$ 458</u>	<u>\$ 458</u>	<u>\$ 458</u>

## Tobacco Settlement Trust Fund Endowment for Iowa's Health Account

	Actual FY 2002	Estimated FY 2003	Gov. Rec. FY 2004	Legislative Action FY 2004
Resources				
Balance	\$ 0	\$ 22,524,980	\$ 13,274,927	\$ 13,274,927
Bond Proceeds	39,551,202	0	0	0
General Fund Appropriation	7,175,520	27,087,000	28,251,000	28,251,000
Deappropriation	0	-27,087,000	-28,251,000	-28,251,000
Wagering Tax Allocation	80,000,000	75,000,000	70,000,000	70,000,000
22% of MSA Payment	13,998,027	9,436,025	12,197,646	12,197,646
Tobacco Settlement Residuals	0	16,308,179	14,946,519	14,946,519
Interest Earned	1,300,231	674,515	483,479	483,479
Total	<u>\$ 142,024,980</u>	<u>\$ 123,943,699</u>	<u>\$ 110,902,571</u>	<u>\$ 110,902,571</u>
Appropriations				
Healthy Iowans Tbco Trust Appropriation	\$ 55,000,000	\$ 55,825,000	\$ 56,662,375	\$ 56,662,375
Transfer to Healthy Iowans Tbco Trust	0	9,000,000	5,600,000	5,206,960
Transfer to General Fund	22,000,000	9,000,000	34,000,000	20,000,000
Student Achievement/Teacher Quality Act	40,000,000	0	0	0
School Aid Appropriation	0	20,000,000	0	0
Tuition Replacement	0	16,843,772	0	0
Medicaid Supplemental	2,500,000	0	0	0
Total	<u>\$ 119,500,000</u>	<u>\$ 110,668,772</u>	<u>\$ 96,262,375</u>	<u>\$ 81,869,335</u>
Ending Balance	<u>\$ 22,524,980</u>	<u>\$ 13,274,927</u>	<u>\$ 14,640,196</u>	<u>\$ 29,033,236</u>

## Tobacco Settlement Trust Fund Restricted Capital Fund

	Actual	Estimated	Gov. Rec.	Legislative Action			
	FY 2002	FY 2003	FY 2004	FY 2004	FY 2005	FY 2006	FY 2007
<b>Resources</b>							
Balance Forward	\$ 0	\$ 427,692,578	\$ 248,806,510	\$ 248,806,510	\$ 105,963,315	\$ 50,788,406	\$ 20,775,147
Tax-Exempt Bond Proceeds	540,045,010	0	0	0	0	0	0
Interest	13,208,002	8,513,321	7,475,989	7,475,989	3,815,443	2,163,397	1,467,493
Refunds & Reimbursement	307	0	0	0	0	0	0
TSA Operations	-128,131	-200,000	-200,000	-200,000	-200,000	-200,000	-200,000
Total Available Resources	<u>\$ 553,125,188</u>	<u>\$ 436,005,899</u>	<u>\$ 256,082,499</u>	<u>\$ 256,082,499</u>	<u>\$ 109,578,758</u>	<u>\$ 52,751,803</u>	<u>\$ 22,042,640</u>
<b>Appropriations</b>							
Dept. of Economic Development							
Accelerated Career Education (ACE) Program	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 0	\$ 0	\$ 0
Advanced Research and Commercialization	0	3,268,696	0	0	0	0	0
Dept. of Education							
IPTV - High Definition TV Conversion	2,400,000	1,000,000	10,000,000	10,000,000	0	0	0
Dept. of General Services							
Major Maintenance	11,500,000	15,750,000	16,703,000	11,500,000	0	0	0
Capitol Interior Renovation	1,700,000	2,700,000	0	0	0	0	0
Capitol Interior Renovation N.E. Quadrant	0	5,000,000	6,239,000	6,239,000 <sup>1</sup>	0	0	0
Des Moines Metro. Medical Center Option	500,000	0	0	0	0	0	0
Parking Structure	0	3,400,000	0	0	0	0	0
Property Appraisal	250,000	0	0	0	0	0	0
Parking Lot 8 Design & Removal	0	93,000	0	0	0	0	0
Micrographics Building Demolition	0	170,000	0	0	0	0	0
Capitol Complex Security Upgrades	0	1,000,000	1,000,000	0	0	0	0
Records & Property Bldg. Renovation	0	1,600,000	0	0	0	0	0
Property Acquisition & Site Development	200,000	0	0	0	0	0	0
Laboratory Facility	16,670,000	16,670,000	16,660,000	16,660,000 <sup>1</sup>	0	0	0
Information Technology Department							
Integrated Information for Iowa System	0	4,400,000	6,131,075	6,131,075	0	0	0
State Fair Authority							
State Fair Maintenance	500,000	500,000	500,000	500,000	0	0	0
Dept. of Natural Resources							
Destination State Park	1,000,000	1,000,000	3,000,000	3,000,000	0	0	0
Restore the Outdoors Program	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0
Lewis & Clark Rural Water System	0	281,400	1,500,000	1,500,000 <sup>1</sup>	2,450,000 <sup>1</sup>	2,500,000 <sup>1</sup>	0

# Tobacco Settlement Trust Fund

## Restricted Capital Fund

	Actual	Estimated	Gov. Rec.	Legislative Action			
	FY 2002	FY 2003	FY 2004	FY 2004	FY 2005	FY 2006	FY 2007
Dept. of Public Defense							
Armory Maintenance	700,000	700,000	1,269,636	1,269,636	0	0	0
Boone Armory	0	111,000	1,095,000	1,095,000	0	0	0
Waterloo Armory	0	612,100	0	0	0	0	0
Estherville Readiness Center	400,000	400,000	461,000	461,000 <sup>1</sup>	0	0	0
Dept. of Public Safety							
Capitol Complex Security Upgrades	0	0	0	1,000,000	0	0	0
Dept. of Transportation							
Commercial Aviation Infrastructure	1,000,000	1,100,000	1,100,000	1,100,000	0	0	0
General Aviation Airports	500,000	581,400	581,400	581,400	0	0	0
Recreational Trails	1,000,000	2,000,000	3,050,000	1,000,000	0	0	0
Dept. of Corrections							
Fort Madison Prison Expansion	6,400,000	2,000,000	0	0	0	0	0
Security Fencing	0	3,523,850	0	0	0	0	0
Oakdale Bed Expansion	0	4,100,000	7,500,000	7,500,000	11,700,000	11,700,000	0
Oakdale Water Access	100,000	0	0	0	0	0	0
Mitchellville Waste Water Facility	364,400	0	0	0	0	0	0
Board of Regents							
Regents - Tuition Replacement	600,860	10,503,733	10,610,409	10,610,409	10,783,150 <sup>2</sup>	10,649,547 <sup>2</sup>	9,991,858 <sup>2</sup>
SUI- Old Capitol Improvements	0	0	0	350,000	0	0	0
Regents - Lakeside Lab Facility	0	390,000	0	0	0	0	0
ISU - Gilman Hall	2,500,000	0	0	0	0	0	0
ISU - Classrooms & Auditoriums	0	2,112,100	10,177,300	10,177,300 <sup>1</sup>	1,949,100 <sup>1</sup>	0	0
ISU - Business Building	4,200,000	6,700,000	0	0	0	0	0
ISU - Livestock Research Facility	0	2,797,000	0	0	0	0	0
ISU - Plant Sciences	0	4,148,000	0	0	0	0	0
SUI - School of Journalism Building	0	2,600,000	7,200,000	7,200,000 <sup>1</sup>	3,575,000 <sup>1</sup>	0	0
SUI - Biology Building Renovation	7,300,000	3,000,000	0	0	0	0	0
SUI - Art Building	4,453,000	7,910,000	3,653,000	3,653,000 <sup>1</sup>	0	0	0
UNI - Teaching Center Bldg. (East Gym)	0	1,730,000	6,490,000	6,490,000 <sup>1</sup>	9,880,000 <sup>1</sup>	0	0
UNI - McCollum Hall	5,800,000	8,400,000	0	0	0	0	0
UNI - Steam Distribution	3,990,000	4,320,000	4,390,000	4,390,000 <sup>1</sup>	0	0	0
Special Schools	835,000	885,000	0	0	0	0	0

# Tobacco Settlement Trust Fund

## Restricted Capital Fund

	Actual	Estimated	Gov. Rec.	Legislative Action			
	FY 2002	FY 2003	FY 2004	FY 2004	FY 2005	FY 2006	FY 2007
Treasurer of State							
County Fairs	1,060,000	1,060,000	1,060,000	1,060,000	0	0	0
Attorney Litigation Payments	10,617,000	14,924,000	0	700,000	0	0	0
Attorney Litigation Payments Supplemental	944,880	646,076	0	0	0	0	0
ICN - Debt Service	1,465,443	13,044,784	13,039,378	13,039,378	13,039,778 <sup>2</sup>	1,704,719 <sup>2</sup>	0
Prison Construction Debt Service	5,182,089	5,417,250	5,411,986	5,411,986	5,413,324 <sup>2</sup>	5,422,390 <sup>2</sup>	5,416,604 <sup>2</sup>
Community Attraction/Tourism	12,500,000	12,500,000	12,500,000	12,500,000 <sup>1</sup>	0	0	0
Telecommunications & Technology Commission							
ICN - ATM Conversion	3,500,000	5,000,000	0	0	0	0	0
Dept. of Human Services							
Alternative Services Facility Construction	0	200,000	0	0	0	0	0
Judicial Branch							
Pave 12th Street South of Court Ave	0	700,000	0	0	0	0	0
Building Furnishings	0	1,250,000	0	0	0	0	0
Facility Design/Construction	10,300,000	0	0	0	0	0	0
Total Appropriations	<u>\$ 125,432,672</u>	<u>\$ 187,199,389</u>	<u>\$ 156,322,184</u>	<u>\$ 150,119,184</u>	<u>\$ 58,790,352</u>	<u>\$ 31,976,656</u>	<u>\$ 15,408,462</u>
Reversions	-62	0	0	0	0	0	0
Ending Balance	<u><u>\$ 427,692,578</u></u>	<u><u>\$ 248,806,510</u></u>	<u><u>\$ 99,760,315</u></u>	<u><u>\$ 105,963,315</u></u>	<u><u>\$ 50,788,406</u></u>	<u><u>\$ 20,775,147</u></u>	<u><u>\$ 6,634,178</u></u>

<sup>1</sup> Enacted in prior legislative sessions.

<sup>2</sup> The debt service appropriations for FY 2005 - FY 2007 have not been appropriated but are considered obligations of the Fund.



## Healthy Iowans Tobacco Trust Fund

	Actual FY 2002	Estimated FY 2003	Gov. Rec. FY 2004	Legislative Action FY 2004
<b>Resources</b>				
Balance Forward	\$ 11,305,232	1,720,038	1,505,298	1,505,298
Transfer from the Endowment for Iowa's Health Account	55,000,000	55,825,000	56,662,375	56,662,375
Endowment (Wagering Tax Allocation)	0	9,000,000	5,600,000	5,206,960
Interest Earned	537,616	160,000	100,000	100,000
Interest Receivables	17,799	0	0	0
Miscellaneous	119	0	0	0
<b>Total Available Resources</b>	<b>\$ 66,860,766</b>	<b>\$ 66,705,038</b>	<b>\$ 63,867,673</b>	<b>\$ 63,474,633</b>
<b>Appropriations</b>				
<b>Dept. of Public Health</b>				
Tobacco Use Prevention/Control	\$ 9,345,394	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Substance Abuse Prevention	0	0	0	400,000
Substance Abuse	11,825,000	10,000,000	11,799,557	11,800,000
Healthy Iowans 2010	2,550,000	2,390,064	2,417,473	2,346,960
Smoking Cessation Products	75,000	75,000	75,000	75,000
Substance Abuse Treatment Facility	2,000,000	0	0	0
<b>Total Dept. of Public Health</b>	<b>\$ 25,795,394</b>	<b>\$ 17,465,064</b>	<b>\$ 19,292,030</b>	<b>\$ 19,621,960</b>
<b>Dept. of Human Services</b>				
Physician and Other Medical Providers	\$ 8,095,718	\$ 8,095,718	\$ 8,095,718	\$ 8,095,718
Dental Provider	3,814,973	3,814,973	3,814,973	3,814,973
Hospital Provider	3,035,278	3,035,278	3,035,278	3,035,278
Home Health Care Provider	2,108,279	2,108,279	2,108,279	2,108,279
Critical Access Hospitals	250,000	250,000	250,000	250,000
Home Health and Habilitative Day Care Expansion	1,975,496	1,975,496	1,975,496	1,975,496
Respite Care Expansion	1,137,309	1,137,309	1,137,309	1,137,309
CHIP Expansion to 200% of Federal Poverty Level	200,000	200,000	200,000	200,000
Breast/Cervical Cancer Treatment	250,000	250,000	250,000	250,000
Supplement Medicaid	7,500,000	17,500,000	16,346,750	14,346,750
Res. Treatment Support Services Provider	3,243,026	3,243,026	3,243,026	3,243,026
Adoption, Ind. Living, Shelter Care, and Home Studies Pro.	468,967	468,967	468,967	468,967
Provider Rate/Methodology Changes	545,630	545,630	545,630	545,630
HIPAA Implementation	0	2,100,000	0	0
Purchase of Service Provider	146,750	146,750	146,750	146,750
<b>Total Dept. of Human Services</b>	<b>\$ 32,771,426</b>	<b>\$ 44,871,426</b>	<b>\$ 41,618,176</b>	<b>\$ 39,618,176</b>
<b>Dept. of Corrections</b>				
CBC District II	\$ 127,217	127,217	127,217	127,217
CBC District III	35,359	35,359	35,359	35,359
CBC District IV	191,731	191,731	191,731	191,731
CBC District V	255,692	255,693	255,693	255,693
Fort Madison Special Needs Unit	0	1,100,000	1,100,000	1,100,000
Newton Value Based Program	0	0	0	310,000
<b>Total Dept. of Corrections</b>	<b>\$ 609,999</b>	<b>\$ 1,710,000</b>	<b>\$ 1,710,000</b>	<b>\$ 2,020,000</b>
<b>Dept. of Education</b>				
Iowa Empowerment Fund	\$ 1,153,250	\$ 1,153,250	\$ 1,153,250	\$ 2,153,250
Transfer to General Fund (SF 2304)	6,000,000	0	0	0
<b>Total Appropriations</b>	<b>\$ 66,330,069</b>	<b>\$ 65,199,740</b>	<b>\$ 63,773,456</b>	<b>\$ 63,413,386</b>
Reversions	-1,189,341	0	0	0
<b>Ending Balance</b>	<b>\$ 1,720,038</b>	<b>\$ 1,505,298</b>	<b>\$ 94,217</b>	<b>\$ 61,247</b>

### Grow Iowa Values Fund - House File 683

<b>Revenue</b>	Estimated FY 2004	Estimated FY 2005	Estimated FY 2006	Estimated FY 2007	Estimated FY 2008	Estimated FY 2009	Estimated FY 2010	Estimated Total
Federal Funds	\$ 59,000,000	\$ 41,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100,000,000
Streamlined Sales & Use Tax	5,000,000	23,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	403,000,000
<b>Total</b>	<b>\$ 64,000,000</b>	<b>\$ 64,000,000</b>	<b>\$ 75,000,000</b>	<b>\$ 75,000,000</b>	<b>\$ 75,000,000</b>	<b>\$ 75,000,000</b>	<b>\$ 75,000,000</b>	<b>\$ 503,000,000</b>
<b>Expenditure</b>								
Marketing	\$ 2,500,000	\$ 7,500,000	\$ 10,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,000,000
Economic Development	45,000,000	41,000,000	44,000,000	48,000,000	0	0	0	178,000,000
University & College Assistance	6,000,000	7,000,000	7,000,000	7,000,000	0	0	0	27,000,000
Rehabilitation Tax Credits	0	0	500,000	500,000	0	0	0	1,000,000
Loan & Credit Guarantee Fund	2,500,000	5,000,000	7,500,000	7,500,000	0	0	0	22,500,000
Endow Iowa Tax Credits	0	250,000	250,000	500,000	0	0	0	1,000,000
Endow Iowa Grants	0	250,000	250,000	500,000	0	0	0	1,000,000
State and Destination Parks	500,000	0	0	500,000	0	0	0	1,000,000
Iowa Cultural Trust Fund	500,000	0	0	500,000	0	0	0	1,000,000
Workforce Training Fund	5,000,000	5,000,000	5,000,000	10,000,000	0	0	0	25,000,000
<b>Total</b>	<b>\$ 62,000,000</b>	<b>\$ 66,000,000</b>	<b>\$ 74,500,000</b>	<b>\$ 75,000,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 277,500,000</b>

## Summary Data

### General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Administration and Regulation	\$ 88,362,730	\$ 79,580,951	\$ 74,155,569	\$ 0	\$ 3,457,484	\$ 1,692,397	\$ 3,365,000	\$ 82,670,450
Ag. and Natural Resources	34,959,418	31,918,419	32,512,502	0	1,450,441	736,995	0	34,699,938
Economic Development	34,375,031	24,972,567	22,371,532	0	475,504	241,612	0	23,088,648
Education	906,273,876	851,407,510	901,544,377	0	957,756	486,655	0	902,988,788
Health and Human Services	835,169,584	825,611,776	739,725,031	-312,000	9,081,060	4,533,354	409,548	753,436,993
Justice System	477,945,044	469,164,532	483,045,000	0	14,577,755	7,508,987	1,457,600	506,589,342
Trans., Infra., and Capitals	2,699,019	0	0	0	0	0	0	0
Unassigned Standing	<u>2,227,731,642</u>	<u>2,248,331,758</u>	<u>2,260,234,580</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-1,284,125</u>	<u>2,258,950,455</u>
Grand Total	<u>\$ 4,607,516,344</u>	<u>\$ 4,530,987,513</u>	<u>\$ 4,513,588,591</u>	<u>\$ -312,000</u>	<u>\$ 30,000,000</u>	<u>\$ 15,200,000</u>	<u>\$ 3,948,023</u>	<u>\$ 4,562,424,614</u>
Contingency Totals								
<sup>11</sup> Fine Paper Anti Trust	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000
<sup>14</sup> Consumer Credit Admin Fund	0	0	1,200,000	0	0	0	0	1,200,000
<sup>58</sup> Grow Iowa Values Fund	0	0	0	0	0	0	5,000,000	5,000,000

#### Column Explanations:

- (1) Actual FY 2002 - The FY 2002 appropriations.
- (2) Estimated Net FY 2003 - The FY 2003 legislative action adjusted by deappropriations or supplemental appropriations. Salary adjustment for FY 2003 was funded from non-General Fund source.
- (3) Final Action FY 2004 - Final legislative action from the Regular Legislative Session.
- (4) Item Veto FY 2003 - The Governor's item vetoes of FY 2004 legislative action.
- (5) Salary Adjustment FY 2004 - General Fund salary adjustment allocations.
- (6) Salary Transfer FY 2004 - Additional salary adjustment funding transferred at the direction of the Governor's Office under Section 8.39, Code of Iowa, from excess Medical Assistance funding.
- (7) Sp. Session FY 2004 - Legislative action from the 2003 Extraordinary Legislative Session.
- (8) Net Final Action FY 2004 - The sum of columns 3 through 7.

# Summary Data

## General Fund

Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

### Bill Totals

H.F. 655 Admin. & Reg. Appropriations Act		\$ 86,755,569	\$ 0	\$ 3,457,484	\$ 1,692,397	\$ 0	\$ 91,905,450
H.F. 662 Education Appropriations Act		919,424,377	0	957,756	486,655	0	920,868,788
H.F. 667 Health & Human Ser. Approp. Act		772,406,990	0	9,081,060	4,533,354	0	786,021,404
H.F. 683 Grow Iowa Values Fund Act		0	0	0	0	3,948,023	3,948,023
S.F. 375 Enhanced Tobacco Enforcement Act		50,000	0	0	0	0	50,000
S.F. 425 Ag. & Natural Resources Approp. Act		32,512,502	0	1,450,441	736,995	0	34,699,938
S.F. 433 Economic Development Approp. Act		22,321,532	0	475,504	241,612	0	23,038,648
S.F. 435 Judicial Branch Appropriations Act		115,394,267	0	2,818,000	1,665,259	0	119,877,526
S.F. 439 Justice System Appropriations Act		367,605,733	0	11,759,755	5,843,728	0	385,209,216
S.F. 453 Government Reinvention Act		-105,414,844	0	0	0	0	-105,414,844
S.F. 458 Standings Appropriations Act		333,593,950	-312,000	0	0	0	333,281,950

# Administration and Regulation

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b><u>Dept. of Administrative Services</u></b>										
Dept. of Administrative Serv.	\$ 0	\$ 0	\$ 16,755,075	\$ 0	\$ 763,261	\$ 387,827	\$ 0	\$ 17,906,163	H.F. 655	PG 23 LN 11
<b><u>Auditor of State</u></b>										
Auditor of State - Gen. Office	\$ 1,185,088	\$ 1,052,565	\$ 1,157,822	\$ 0	\$ 10,706	\$ 5,440	\$ 0	\$ 1,173,968	H.F. 655	PG 1 LN 2
<b><u>Ethics and Campaign Disclosure</u></b>										
Ethics and Campaign Disclosure	\$ 423,896	\$ 400,707	\$ 400,707	\$ 0	\$ 13,894	\$ 7,060	\$ 0	\$ 421,661	H.F. 655	PG 1 LN 23
<b><u>Commerce, Department of</u></b>										
Administration	\$ 1,128,336	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
Alcoholic Beverages	1,502,065	1,758,916	1,789,292	0	57,824	29,381	0	1,876,497	H.F. 655	PG 2 LN 4
Banking Division	6,036,125	5,888,397	5,997,541	0	335,242	170,342	0	6,503,125	H.F. 655	PG 2 LN 10
Credit Union Division	1,282,995	1,251,595	1,285,341	0	83,713	42,536	0	1,411,590	H.F. 655	PG 2 LN 16
Insurance Division	3,839,547	3,677,893	3,731,339	0	143,240	72,783	0	3,947,362	H.F. 655	PG 2 LN 22
Professional Licensing	795,939	730,027	829,996	0	31,195	15,851	0	877,042	H.F. 655	PG 3 LN 8
Utilities Division	6,104,810	6,692,685	6,754,414	0	196,724	99,959	0	7,051,097	H.F. 655	PG 3 LN 21
Insurance Study	0	0	0	0	0	0	15,000	15,000	H.F. 683	PG 2 LN 35
<b>Total Commerce, Department of</b>	<b>\$ 20,689,817</b>	<b>\$ 19,999,513</b>	<b>\$ 20,387,923</b>	<b>\$ 0</b>	<b>\$ 847,938</b>	<b>\$ 430,852</b>	<b>\$ 15,000</b>	<b>\$ 21,681,713</b>		
<b><u>General Services, Dept. of</u></b>										
DGS Administration & Property	\$ 5,732,696	\$ 5,142,294	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
Terrace Hill Operations	256,697	230,260	0	0	0	0	0	0		
Rental Space	1,018,609	846,770	0	0	0	0	0	0		
Utilities	2,185,817	1,817,095	0	0	0	0	0	0		
<b>Total General Services, Dept. of</b>	<b>\$ 9,193,819</b>	<b>\$ 8,036,419</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>		
<b><u>Information Technology, Dept. of</u></b>										
ITD Operations	\$ 3,243,826	\$ 2,909,748	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		

# Administration and Regulation

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Governor</b>										
General Office	\$ 1,395,211	\$ 1,239,499	\$ 1,243,643	\$ 0	\$ 54,377	\$ 27,630	\$ 0	\$ 1,325,650	H.F. 655	PG 4 LN 35
Terrace Hill Quarters	110,395	98,059	98,088	0	7,385	3,752	0	109,225	H.F. 655	PG 5 LN 7
Admin Rules Coordinator	145,088	128,880	130,972	0	5,907	3,001	0	139,880	H.F. 655	PG 5 LN 13
Nat'l Governors' Association	70,030	64,393	64,393	0	0	0	0	64,393	H.F. 655	PG 5 LN 20
State-Federal Relations	273,204	104,188	109,814	0	2,810	1,428	0	114,052	H.F. 655	PG 5 LN 24
Governor's Office Increase	0	0	0	0	0	0	250,000	250,000	H.F. 683	PG 6 LN 4
<b>Total Governor</b>	<b>\$ 1,993,928</b>	<b>\$ 1,635,019</b>	<b>\$ 1,646,910</b>	<b>\$ 0</b>	<b>\$ 70,479</b>	<b>\$ 35,811</b>	<b>\$ 250,000</b>	<b>\$ 2,003,200</b>		
<b>Gov. Office of Drug Control Policy</b>										
Drug Policy Coordinator	\$ 475,001	\$ 255,104	\$ 255,104	\$ 0	\$ 3,816	\$ 1,939	\$ 0	\$ 260,859	H.F. 655	PG 5 LN 30
<b>Human Rights, Department of</b>										
Administration	\$ 276,119	\$ 249,368	\$ 251,681	\$ 0	\$ 12,617	\$ 6,411	\$ 0	\$ 270,709	H.F. 655	PG 6 LN 17
Deaf Services	338,946	306,147	314,714	0	37,667	19,139	0	371,520	H.F. 655	PG 6 LN 23
Persons with Disabilities	187,001	168,899	170,969	0	12,323	6,261	0	189,553	H.F. 655	PG 6 LN 34
Division of Latino Affairs	167,552	151,328	153,977	0	11,186	5,684	0	170,847	H.F. 655	PG 7 LN 5
Status of Women	383,388	325,255	330,852	0	4,685	2,381	0	337,918	H.F. 655	PG 7 LN 11
Status of African Americans	134,335	121,329	121,329	0	0	0	0	121,329	H.F. 655	PG 7 LN 18
Criminal & Juvenile Justice	398,124	359,583	373,203	0	26,904	13,670	0	413,777	H.F. 655	PG 7 LN 24
Community Grant Fund	689,688	0	0	0	0	0	0	0		
<b>Total Human Rights, Department of</b>	<b>\$ 2,575,153</b>	<b>\$ 1,681,909</b>	<b>\$ 1,716,725</b>	<b>\$ 0</b>	<b>\$ 105,382</b>	<b>\$ 53,546</b>	<b>\$ 0</b>	<b>\$ 1,875,653</b>		
<b>Inspections &amp; Appeals, Dept of</b>										
<b>Inspections and Appeals</b>										
Administration Division	\$ 567,681	\$ 696,624	\$ 712,437	\$ 0	\$ 28,930	\$ 14,700	\$ 0	\$ 756,067	H.F. 655	PG 8 LN 8
Audits Division	452,145	0	0	0	0	0	0	0		
Administrative Hearings Div.	482,863	460,682	496,436	0	87,713	44,569	0	628,718	H.F. 655	PG 8 LN 14
Investigations Division	1,030,813	1,342,896	1,367,532	0	49,862	25,336	0	1,442,730	H.F. 655	PG 8 LN 20

# Administration and Regulation

## General Fund

Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
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### Inspections & Appeals, Dept of (cont.)

#### **Inspections and Appeals (cont.)**

Health Facilities Div.	2,327,714	2,220,789	2,246,415	0	58,378	29,663	0	2,334,456	H.F. 655	PG 8 LN 26
Inspections Division	954,230	740,489	749,773	0	13,841	7,033	0	770,647	H.F. 655	PG 8 LN 32
Employment Appeal	34,941	33,336	34,123	0	1,312	666	0	36,101	H.F. 655	PG 9 LN 3
Foster Care Review	789,523	0	0	0	0	0	0	0		
Child Advocacy Board	0	1,669,157	1,696,656	0	66,441	33,760	0	1,796,857	H.F. 655	PG 9 LN 18
<b>Total Inspections and Appeals</b>	<b>6,639,910</b>	<b>7,163,973</b>	<b>7,303,372</b>	<b>0</b>	<b>306,477</b>	<b>155,727</b>	<b>0</b>	<b>7,765,576</b>		

#### **Racing Commission**

Pari-mutuel Regulation	2,083,762	2,112,764	2,105,333	0	100,298	50,963	0	2,256,594	H.F. 655	PG 10 LN 13
Excursion Boat Gambling Reg.	1,602,611	1,563,389	1,737,198	0	75,706	38,467	0	1,851,371	H.F. 655	PG 10 LN 27
<b>Total Racing Commission</b>	<b>3,686,373</b>	<b>3,676,153</b>	<b>3,842,531</b>	<b>0</b>	<b>176,004</b>	<b>89,430</b>	<b>0</b>	<b>4,107,965</b>		

### **Total Inspections & Appeals, Dept of**

<b>\$ 10,326,283</b>	<b>\$ 10,840,126</b>	<b>\$ 11,145,903</b>	<b>\$ 0</b>	<b>\$ 482,481</b>	<b>\$ 245,157</b>	<b>\$ 0</b>	<b>\$ 11,873,541</b>		
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### Management, Department of

DOM General Office & Statewide	\$ 2,211,048	\$ 2,048,640	\$ 2,062,112	\$ 0	\$ 85,809	\$ 43,601	\$ 0	\$ 2,191,522	H.F. 655	PG 11 LN 22
Salary Adjust. Increase	0	0	0	0	0	0	2,000,000	2,000,000	H.F. 683	PG 1 LN 3
Salary Adjustment	-8,300,382	0	-30,000,000	0	126,767	0	0	-29,873,233		
Enterprise Resource Plan.	0	57,244	57,966	0	619	315	0	58,900	H.F. 655	PG 11 LN 28
Reinvent Government	0	0	5,000,000	0	0	0	0	5,000,000	H.F. 655	PG 12 LN 7
Statewide Property Tax Admin.	91,270	0	0	0	0	0	0	0		
Local Innovation Fund	0	0	-10,000,000	0	0	0	0	-10,000,000	S.F. 458	PG 19 LN 2
Local Innovation Fund (SF 453)	0	0	10,000,000	0	0	0	0	10,000,000	S.F. 453	PG 13 LN 15
Local Innovation Fund (HF 683)	0	0	0	0	0	0	1,000,000	1,000,000	H.F. 683	PG 3 LN 10
Charter Agency Reduction	0	0	-15,000,000	0	0	0	0	-15,000,000	S.F. 453	PG 22 LN 1
Charter Agency Loan Fund	0	0	3,000,000	0	0	0	0	3,000,000	S.F. 453	PG 22 LN 16

# Administration and Regulation

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Management, Department of (cont.)</b>										
Reinvention Initiatives	0	0	1,350,000	0	0	0	0	1,350,000	S.F. 453	PG 39 LN 33
Salary Adjustment Fund	0	0	28,000,000	0	0	0	0	28,000,000	S.F. 458	PG 22 LN 6
<b>Total Management, Department of</b>	<b>\$ -5,998,064</b>	<b>\$ 2,105,884</b>	<b>\$ -5,529,922</b>	<b>\$ 0</b>	<b>\$ 213,195</b>	<b>\$ 43,916</b>	<b>\$ 3,000,000</b>	<b>\$ -2,272,811</b>		
<b>Personnel, Department of</b>										
Department of Personnel Oper.	\$ 4,164,075	\$ 3,632,730	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
Worker's Compensation	21,285	0	0	0	0	0	0	0		
<b>Total Personnel, Department of</b>	<b>\$ 4,185,360</b>	<b>\$ 3,632,730</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>		
<b>Revenue and Finance, Dept. of</b>										
Revenue & Finance	\$ 26,948,208	\$ 24,174,523	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
Collection Costs and Fees	30,000	28,166	0	0	0	0	0	0		
Department of Revenue	0	0	23,259,111	0	760,736	386,544	0	24,406,391	H.F. 655	PG 22 LN 29
Dept. of Rev. Collection Costs	0	0	28,166	0	0	0	0	28,166	H.F. 655	PG 23 LN 7
Compliance Administration	0	0	0	0	0	0	100,000	100,000	H.F. 683	PG 6 LN 21
Tobacco Enforcement	0	0	50,000	0	0	0	0	50,000	S.F. 375	PG 11 LN 26
<b>Total Revenue and Finance, Dept. of</b>	<b>\$ 26,978,208</b>	<b>\$ 24,202,689</b>	<b>\$ 23,337,277</b>	<b>\$ 0</b>	<b>\$ 760,736</b>	<b>\$ 386,544</b>	<b>\$ 100,000</b>	<b>\$ 24,584,557</b>		
<b>Secretary of State</b>										
Administration and Elections	\$ 740,299	\$ 664,056	\$ 676,292	\$ 0	\$ 6,347	\$ 3,225	\$ 0	\$ 685,864	H.F. 655	PG 13 LN 14
Business Services	1,524,394	1,398,158	1,423,106	0	153,976	78,238	0	1,655,320	H.F. 655	PG 13 LN 24
Redistricting	23,686	0	0	0	0	0	0	0		
<b>Total Secretary of State</b>	<b>\$ 2,288,379</b>	<b>\$ 2,062,214</b>	<b>\$ 2,099,398</b>	<b>\$ 0</b>	<b>\$ 160,323</b>	<b>\$ 81,463</b>	<b>\$ 0</b>	<b>\$ 2,341,184</b>		



# Administration and Regulation

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Treasurer of State</b>										
Treasurer - General Office	\$ 862,871	\$ 766,324	\$ 782,647	\$ 0	\$ 25,273	\$ 12,842	\$ 0	\$ 820,762	H.F. 655	PG 14 LN 11
ICN Debt Service	9,939,165	0	0	0	0	0	0	0		
<b>Total Treasurer of State</b>	<u>\$ 10,802,036</u>	<u>\$ 766,324</u>	<u>\$ 782,647</u>	<u>\$ 0</u>	<u>\$ 25,273</u>	<u>\$ 12,842</u>	<u>\$ 0</u>	<u>\$ 820,762</u>		
<b>Total Administration and Regulation</b>	<u><u>\$ 88,362,730</u></u>	<u><u>\$ 79,580,951</u></u>	<u><u>\$ 74,155,569</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 3,457,484</u></u>	<u><u>\$ 1,692,397</u></u>	<u><u>\$ 3,365,000</u></u>	<u><u>\$ 82,670,450</u></u>		

# Ag. and Natural Resources

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Ag. &amp; Land Stewardship</b>										
Dept. of Ag. & Land Stewd.	\$ 0	\$ 16,066,563	\$ 16,365,273	\$ 0	\$ 667,868	\$ 339,356	\$ 0	\$ 17,372,497	S.F. 425	PG 1 LN 4
Missouri River Basin	0	9,780	9,780	0	0	0	0	9,780	S.F. 425	PG 1 LN 26
Feed Grain Verification	0	19,081	0	0	0	0	0	0		
Dairy Products Bureau	0	648,379	648,379	0	0	0	0	648,379	S.F. 425	PG 2 LN 11
Administrative Division	2,366,292	0	0	0	0	0	0	0		
International Relations	19,285	0	0	0	0	0	0	0		
Regulatory Division	5,005,904	0	0	0	0	0	0	0		
Laboratory Division	2,852,183	0	0	0	0	0	0	0		
Soil Conservation Division Ops	7,172,761	0	0	0	0	0	0	0		
Farmer's Market Coupon Program	292,497	0	0	0	0	0	0	0		
Pseudorabies Eradication	853,350	0	0	0	0	0	0	0		
<b>Total Ag. &amp; Land Stewardship</b>	<b>\$ 18,562,272</b>	<b>\$ 16,743,803</b>	<b>\$ 17,023,432</b>	<b>\$ 0</b>	<b>\$ 667,868</b>	<b>\$ 339,356</b>	<b>\$ 0</b>	<b>\$ 18,030,656</b>		
<b>Natural Resources, Department of</b>										
Department of Natural Resource	\$ 0	\$ 15,174,616	\$ 15,489,070	\$ 0	\$ 782,573	\$ 397,639	\$ 0	\$ 16,669,282	S.F. 425	PG 2 LN 25
Admin Services Division	2,074,437	0	0	0	0	0	0	0		
Parks & Preserves Division	6,083,599	0	0	0	0	0	0	0		
Forestry Division	1,756,389	0	0	0	0	0	0	0		
Energy & Geology Division	1,656,688	0	0	0	0	0	0	0		
Environ. Protection Division	4,436,344	0	0	0	0	0	0	0		
MFT - Parks Operations	389,689	0	0	0	0	0	0	0		
<b>Total Natural Resources, Department of</b>	<b>\$ 16,397,146</b>	<b>\$ 15,174,616</b>	<b>\$ 15,489,070</b>	<b>\$ 0</b>	<b>\$ 782,573</b>	<b>\$ 397,639</b>	<b>\$ 0</b>	<b>\$ 16,669,282</b>		
<b>Total Ag. and Natural Resources</b>	<b>\$ 34,959,418</b>	<b>\$ 31,918,419</b>	<b>\$ 32,512,502</b>	<b>\$ 0</b>	<b>\$ 1,450,441</b>	<b>\$ 736,995</b>	<b>\$ 0</b>	<b>\$ 34,699,938</b>		

## Economic Development

### General Fund

[illegible]

## Economic Development

### General Fund

[illegible]

# Economic Development

## General Fund

	<u>Actual</u> <u>FY 2002</u> <u>(1)</u>	<u>Estimated Net</u> <u>FY 2003</u> <u>(2)</u>	<u>Final Action</u> <u>FY 2004</u> <u>(3)</u>	<u>Item Veto</u> <u>FY 2004</u> <u>(4)</u>	<u>Salary Adj</u> <u>FY 2004</u> <u>(5)</u>	<u>Sal. Transfer</u> <u>FY 2004</u> <u>(6)</u>	<u>Sp. Session</u> <u>FY 2004</u> <u>(7)</u>	<u>Net Final Act</u> <u>FY 2004</u> <u>(8)</u>	<u>Bill</u> <u>Number</u> <u>(9)</u>	<u>Page &amp; Line</u> <u>Number</u> <u>(10)</u>
<b><u>Regents, Board of (cont.)</u></b>										
<b>Iowa State University (cont.)</b>										
Inst. for Physical Res.	4,057,557	0	0	0	0	0	0	0		
ISU Economic Development	0	2,325,716	2,424,161	0	0	0	0	2,424,161	S.F. 433	PG 5 LN 18
<b>Total Iowa State University</b>	<u>5,505,103</u>	<u>2,325,716</u>	<u>2,424,161</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,424,161</u>		
<b>Univ. of Northern Iowa</b>										
Metal Casting	162,996	0	0	0	0	0	0	0		
Decision Making Institute	692,625	0	0	0	0	0	0	0		
UNI Economic Development	0	344,252	370,555	0	0	0	0	370,555	S.F. 433	PG 8 LN 1
<b>Total Univ. of Northern Iowa</b>	<u>855,621</u>	<u>344,252</u>	<u>370,555</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>370,555</u>		
<b>Total Regents, Board of</b>	<u>\$ 6,922,088</u>	<u>\$ 2,909,424</u>	<u>\$ 3,048,054</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,048,054</u>		
<b>Total Economic Development</b>	<u>\$ 34,375,031</u>	<u>\$ 24,972,567</u>	<u>\$ 22,371,532</u>	<u>\$ 0</u>	<u>\$ 475,504</u>	<u>\$ 241,612</u>	<u>\$ 0</u>	<u>\$ 23,088,648</u>		
Contingency <sup>58</sup> Grow Iowa Values Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,000,000	\$ 5,000,000		

# Education

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b><u>Blind, Iowa Commission for the</u></b>										
Department for the Blind	\$ 1,725,591	\$ 1,492,340	\$ 1,506,071	\$ 0	\$ 49,550	\$ 25,177	\$ 0	\$ 1,580,798	H.F. 662	PG 2 LN 4
<b><u>College Aid Commission</u></b>										
<b>Operations &amp; Loan Program</b>										
Scholarship and Grant Admin	\$ 314,419	\$ 285,964	\$ 289,433	\$ 0	\$ 11,211	\$ 5,697	\$ 0	\$ 306,341	H.F. 662	PG 1 LN 7
Student Aid Prg. (IA Grants)	1,075,443	1,029,884	1,029,884	0	0	0	0	1,029,884	H.F. 662	PG 1 LN 13
Osteopathic Forgivable Loans	95,700	0	0	0	0	0	0	0		
Osteopathic University Prime	355,334	355,334	355,334	0	0	0	0	355,334	H.F. 662	PG 1 LN 16
ACE Opportunity Grants	224,895	224,895	224,895	0	0	0	0	224,895	H.F. 662	PG 1 LN 21
Chiropractic Forgivable Loans	89,958	0	0	0	0	0	0	0		
National Guard Loan Program	1,175,000	1,175,000	1,175,000	0	0	0	0	1,175,000	H.F. 662	PG 1 LN 25
Teacher Shortage Forgive. Loan	472,279	472,279	472,279	0	0	0	0	472,279	H.F. 662	PG 1 LN 29
<b>Total Operations &amp; Loan Program</b>	<b>3,803,028</b>	<b>3,543,356</b>	<b>3,546,825</b>	<b>0</b>	<b>11,211</b>	<b>5,697</b>	<b>0</b>	<b>3,563,733</b>		
<b>Standing Grant &amp; Loan Program</b>										
Tuition Grant Program Standing	47,155,382	46,117,964	46,417,964	0	0	0	0	46,417,964	H.F. 662	PG 23 LN 17
Scholarship Program Standing	477,103	477,103	477,103	0	0	0	0	477,103	H.F. 662	Standing
Voc Tech Grant - Standing	2,375,657	2,375,657	2,375,657	0	0	0	0	2,375,657	H.F. 662	Standing
<b>Total Standing Grant &amp; Loan Program</b>	<b>50,008,142</b>	<b>48,970,724</b>	<b>49,270,724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,270,724</b>		
<b>Total College Aid Commission</b>	<b>\$ 53,811,170</b>	<b>\$ 52,514,080</b>	<b>\$ 52,817,549</b>	<b>\$ 0</b>	<b>\$ 11,211</b>	<b>\$ 5,697</b>	<b>\$ 0</b>	<b>\$ 52,834,457</b>		
<b><u>Cultural Affairs, Dept. of</u></b>										
Cultural Affairs - Admin.	\$ 238,882	\$ 210,214	\$ 217,633	\$ 0	\$ 1,539	\$ 782	\$ 0	\$ 219,954	H.F. 662	PG 2 LN 20
Cultural Grants	616,983	300,000	300,000	0	0	0	0	300,000	H.F. 662	PG 2 LN 30
State Historical Society	3,119,597	2,745,207	2,798,238	0	94,694	48,116	0	2,941,048	H.F. 662	PG 2 LN 34
Historical Sites	552,748	523,024	529,173	0	7,090	3,603	0	539,866	H.F. 662	PG 3 LN 5
Iowa Arts Council	1,293,534	1,161,246	1,167,029	0	13,238	6,726	0	1,186,993	H.F. 662	PG 3 LN 11
<b>Total Cultural Affairs, Dept. of</b>	<b>\$ 5,821,744</b>	<b>\$ 4,939,691</b>	<b>\$ 5,012,073</b>	<b>\$ 0</b>	<b>\$ 116,561</b>	<b>\$ 59,227</b>	<b>\$ 0</b>	<b>\$ 5,187,861</b>		

# Education

## General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Education, Department of</b>										
<b>Administration</b>										
Dept. of Ed. Administration	\$ 5,593,323	\$ 4,928,249	\$ 5,031,243	\$ 0	\$ 177,094	\$ 89,985	\$ 0	\$ 5,298,322	H.F. 662	PG 3 LN 23
Vocational Ed. Admin.	555,453	477,139	481,582	0	30,534	15,515	0	527,631	H.F. 662	PG 4 LN 5
Board of Ed. Examiners	42,975	41,688	42,702	0	0	0	0	42,702	H.F. 662	PG 4 LN 11
Vocational Rehabilitation	4,590,890	4,185,341	4,231,742	0	103,050	52,362	0	4,387,154	H.F. 662	PG 4 LN 17
Independent Living	59,489	54,533	54,659	0	578	294	0	55,531	H.F. 662	PG 5 LN 10
State Library	1,643,746	1,222,051	1,233,948	0	40,121	20,386	0	1,294,455	H.F. 662	PG 5 LN 21
Library Service Areas	1,502,415	1,411,854	1,411,854	0	0	0	0	1,411,854	H.F. 662	PG 7 LN 29
Iowa Public Television	7,362,484	6,200,841	6,270,467	0	210,913	107,169	0	6,588,549	H.F. 662	PG 7 LN 32
IPTV - Regional Councils	1,929,536	1,612,500	1,619,656	0	14,592	7,414	0	1,641,662	H.F. 662	PG 8 LN 3
School Food Service	2,574,034	2,574,034	2,574,034	0	0	0	0	2,574,034	H.F. 662	PG 9 LN 2
School to Work	192,813	0	0	0	0	0	0	0		
<b>Total Administration</b>	<b>26,047,158</b>	<b>22,708,230</b>	<b>22,951,887</b>	<b>0</b>	<b>576,882</b>	<b>293,125</b>	<b>0</b>	<b>23,821,894</b>		
<b>Grants &amp; State Aid</b>										
Enrich Iowa Libraries	1,781,168	1,741,982	1,741,982	0	0	0	0	1,741,982	H.F. 662	PG 5 LN 27
Vocational Educ Secondary	3,134,903	2,938,488	3,012,209	0	0	0	0	3,012,209	H.F. 662	PG 8 LN 25
Empowerment Bd - Early Child.	14,664,000	13,724,712	13,724,712	0	0	0	0	13,724,712	H.F. 662	PG 9 LN 7
Textbooks Nonpublic	578,880	578,880	578,880	0	0	0	0	578,880	H.F. 662	PG 10 LN 21
Student Achievement	0	16,100,000	44,275,000	0	0	0	0	44,275,000	H.F. 662	PG 10 LN 28
Americorps	142,114	0	0	0	0	0	0	0		
Beginning Teacher/Mentoring	-4,518	0	0	0	0	0	0	0		
Education Innovation Fund	-7,515	0	0	0	0	0	0	0		
Jobs For America's Grads	142,114	0	0	0	0	0	0	0		
National Certification Stipend	-18,879	0	0	0	0	0	0	0		
Voc Ed. Youth Org.	84,920	0	0	0	0	0	0	0		
<b>Total Grants &amp; State Aid</b>	<b>20,497,187</b>	<b>35,084,062</b>	<b>63,332,783</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63,332,783</b>		

# Education

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Education, Department of (cont.)</b>										
<b>Community College</b>										
MAS - General Aid	137,585,680	138,585,680	139,260,763	0	0	0	0	139,260,763	H.F. 662	PG 10 LN 33
<b>Total Education, Department of</b>	<b>\$ 184,130,025</b>	<b>\$ 196,377,972</b>	<b>\$ 225,545,433</b>	<b>\$ 0</b>	<b>\$ 576,882</b>	<b>\$ 293,125</b>	<b>\$ 0</b>	<b>\$ 226,415,440</b>		
<b>Regents, Board of</b>										
<b>Regents, Board of</b>										
Regents Board Office	\$ 1,213,455	\$ 1,148,244	\$ 1,190,152	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,190,152	H.F. 662	PG 13 LN 9
Tuition Replacement	26,081,384	0	13,343,050	0	0	0	0	13,343,050	H.F. 662	PG 13 LN 23
Tri State Graduate Center	79,187	78,065	79,940	0	0	0	0	79,940	H.F. 662	PG 13 LN 35
Southwest Iowa Resource Center	108,644	105,985	108,673	0	0	0	0	108,673	H.F. 662	PG 13 LN 32
Quad Cities Graduate Center	161,758	157,799	161,173	0	0	0	0	161,173	H.F. 662	PG 14 LN 4
Regents Asset Charge	0	0	0	0	0	0	-17,880,000	-17,880,000	S.F. 453	PG 14 LN 29
<b>Total Regents, Board of</b>	<b>27,644,428</b>	<b>1,490,093</b>	<b>14,882,988</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-17,880,000</b>	<b>-2,997,012</b>		
<b>University of Iowa</b>										
Univ. of Iowa: Gen. University	236,937,122	222,319,484	232,423,103	0	0	0	0	232,423,103	H.F. 662	PG 14 LN 8
Indigent Patient Program: UIHC	29,995,476	28,159,909	28,833,519	0	0	0	0	28,833,519	H.F. 662	PG 14 LN 22
Psychiatric Hospital	7,677,169	7,202,200	7,442,887	0	0	0	0	7,442,887	H.F. 662	PG 16 LN 9
Center Dis. & Dev. (Hosp-Sch)	6,883,963	6,459,930	6,724,505	0	0	0	0	6,724,505	H.F. 662	PG 16 LN 17
Oakdale Campus	2,905,110	2,728,074	2,808,191	0	0	0	0	2,808,191	H.F. 662	PG 16 LN 26
University Hygienic Laboratory	4,072,618	3,819,323	4,018,388	0	0	0	0	4,018,388	H.F. 662	PG 16 LN 32
Family Practice Program	2,261,623	2,123,084	2,193,798	0	0	0	0	2,193,798	H.F. 662	PG 17 LN 3
SCHS - Hemophilia, Cancer	668,612	628,576	685,914	0	0	0	0	685,914	H.F. 662	PG 17 LN 11
State of Iowa Cancer Registry	196,749	184,676	188,886	0	0	0	0	188,886	H.F. 662	PG 17 LN 20
SUI Substance Abuse Consortium	70,810	66,424	68,553	0	0	0	0	68,553	H.F. 662	PG 17 LN 25
Biocatalysis	978,220	917,754	931,420	0	0	0	0	931,420	H.F. 662	PG 17 LN 31
Primary Health Care	835,175	783,918	803,013	0	0	0	0	803,013	H.F. 662	PG 18 LN 1



# Education

## General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Regents, Board of (cont.)</b>										
<b>University of Iowa (cont.)</b>										
Iowa Birth Defects Registry	48,806	45,813	47,170	0	0	0	0	47,170	H.F. 662	PG 18 LN 11
SUI Asset Charge	0	0	-8,349,960	0	0	0	8,349,960	0	S.F. 453	PG 14 LN 29
<b>Total University of Iowa</b>	<b>293,531,453</b>	<b>275,439,165</b>	<b>278,819,387</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,349,960</b>	<b>287,169,347</b>		
<b>Iowa State University</b>										
Iowa State: Gen. University	187,119,809	175,588,206	183,134,521	0	0	0	0	183,134,521	H.F. 662	PG 18 LN 17
ISU-Ag & Home Ec. Exp. Sta.	33,986,918	31,874,032	32,712,448	0	0	0	0	32,712,448	H.F. 662	PG 18 LN 29
ISU - Cooperative Extension	21,431,501	20,140,175	20,815,676	0	0	0	0	20,815,676	H.F. 662	PG 18 LN 35
ISU Leopold Center	520,392	487,825	489,648	0	0	0	0	489,648	H.F. 662	PG 19 LN 7
Livestock Disease Research	248,219	232,749	232,749	0	0	0	0	232,749	H.F. 662	PG 19 LN 13
ISU Asset Charge	0	0	-6,579,840	0	0	0	6,579,840	0	S.F. 453	PG 14 LN 29
<b>Total Iowa State University</b>	<b>243,306,839</b>	<b>228,322,987</b>	<b>230,805,202</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,579,840</b>	<b>237,385,042</b>		
<b>Univ. of Northern Iowa</b>										
University of Northern Iowa	83,746,529	78,589,015	82,228,033	0	0	0	0	82,228,033	H.F. 662	PG 19 LN 18
Recycling & Reuse Center	226,739	214,188	217,290	0	0	0	0	217,290	H.F. 662	PG 19 LN 31
UNI Asset Charge	0	0	-2,950,200	0	0	0	2,950,200	0	S.F. 453	PG 14 LN 29
<b>Total Univ. of Northern Iowa</b>	<b>83,973,268</b>	<b>78,803,203</b>	<b>79,495,123</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,950,200</b>	<b>82,445,323</b>		
<b>Special Schools</b>										
Iowa School for the Deaf	7,891,351	7,698,218	8,107,934	0	131,127	66,628	0	8,305,689	H.F. 662	PG 20 LN 1
Braille & Sight Saving School	4,422,904	4,314,658	4,537,514	0	72,425	36,801	0	4,646,740	H.F. 662	PG 20 LN 7
Tuition and Transportation	15,103	15,103	15,103	0	0	0	0	15,103	H.F. 662	PG 20 LN 13
<b>Total Special Schools</b>	<b>12,329,358</b>	<b>12,027,979</b>	<b>12,660,551</b>	<b>0</b>	<b>203,552</b>	<b>103,429</b>	<b>0</b>	<b>12,967,532</b>		
<b>Total Regents, Board of</b>	<b>\$ 660,785,346</b>	<b>\$ 596,083,427</b>	<b>\$ 616,663,251</b>	<b>\$ 0</b>	<b>\$ 203,552</b>	<b>\$ 103,429</b>	<b>\$ 0</b>	<b>\$ 616,970,232</b>		
<b>Total Education</b>	<b>\$ 906,273,876</b>	<b>\$ 851,407,510</b>	<b>\$ 901,544,377</b>	<b>\$ 0</b>	<b>\$ 957,756</b>	<b>\$ 486,655</b>	<b>\$ 0</b>	<b>\$ 902,988,788</b>		

# Health and Human Services

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Elder Affairs, Department of</b>										
Aging Programs	\$ 4,281,305	\$ 3,916,273	\$ 2,653,222	\$ 0	\$ 30,865	\$ 15,683	\$ 0	\$ 2,699,770	H.F. 667	PG 1 LN 3
<b>Health, Department of Public</b>										
Addictive Disorders	\$ 1,414,428	\$ 1,271,763	\$ 1,277,947	\$ 0	\$ 14,236	\$ 7,233	\$ 0	\$ 1,299,416	H.F. 667	PG 2 LN 21
Adult Wellness	537,380	537,380	260,582	0	0	0	0	260,582	H.F. 667	PG 3 LN 16
Child and Adolescent Wellness	1,187,856	1,060,595	835,959	0	501	255	0	836,715	H.F. 667	PG 3 LN 23
Chronic Conditions	1,265,056	1,086,625	1,036,805	0	6,173	3,136	0	1,046,114	H.F. 667	PG 3 LN 29
Community Capacity - GF	1,392,236	1,281,199	1,287,158	0	36,254	18,421	0	1,341,833	H.F. 667	PG 3 LN 35
Elderly Wellness	10,045,351	9,243,956	9,470,754	0	0	0	0	9,470,754	H.F. 667	PG 4 LN 10
Environmental Hazards	163,458	171,953	349,547	0	0	0	0	349,547	H.F. 667	PG 4 LN 16
Infectious Diseases	1,182,893	1,074,888	977,340	0	19,712	10,016	0	1,007,068	H.F. 667	PG 4 LN 22
Injuries	1,566,416	1,286,118	1,412,918	0	1,189	604	0	1,414,711	H.F. 667	PG 4 LN 28
Public Protection	6,872,816	6,392,956	6,510,871	0	109,242	55,508	0	6,675,621	H.F. 667	PG 5 LN 3
Resource Management	1,257,165	1,040,717	666,717	0	33,220	16,880	0	716,817	H.F. 667	PG 7 LN 29
Infectious Diseases	0	0	0	0	0	0	97,548	97,548	H.F. 683	PG 7 LN 20
<b>Total Health, Department of Public</b>	<b>\$ 26,885,055</b>	<b>\$ 24,448,150</b>	<b>\$ 24,086,598</b>	<b>\$ 0</b>	<b>\$ 220,527</b>	<b>\$ 112,053</b>	<b>\$ 97,548</b>	<b>\$ 24,516,726</b>		
<b>Human Services, Department of</b>										
<b>Economic Assistance</b>										
Family Investment Program	\$ 34,595,550	\$ 35,288,782	\$ 36,187,879	\$ 0	\$ 1,278	\$ 634	\$ 0	\$ 36,189,791	H.F. 667	PG 22 LN 28
Emergency Assistance	9,570	0	0	0	0	0	0	0		
Child Support Recoveries	6,475,411	5,750,910	5,482,793	0	289,397	143,466	0	5,915,656	H.F. 667	PG 23 LN 28
<b>Total Economic Assistance</b>	<b>41,080,531</b>	<b>41,039,692</b>	<b>41,670,672</b>	<b>0</b>	<b>290,675</b>	<b>144,100</b>	<b>0</b>	<b>42,105,447</b>		
<b>Medical Services</b>										
Medical Assistance	395,384,550	377,207,073	357,486,073	0	0	0	0	357,486,073	H.F. 667	PG 25 LN 27
Med. Assist. Salary Transfer	0	0	-15,200,000	0	0	0	0	-15,200,000		
Health Insurance Premium Pmt.	580,044	565,848	573,968	0	21,702	10,759	0	606,429	H.F. 667	PG 30 LN 16

# Health and Human Services

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Human Services, Department of (cont.)</b>										
<b>Medical Services (cont.)</b>										
Medical Contracts	8,242,641	8,729,141	8,990,035	0	0	0	0	8,990,035	H.F. 667	PG 30 LN 28
State Children's Health Ins.	7,958,412	11,458,412	11,118,275	0	0	0	0	11,118,275	H.F. 667	PG 32 LN 9
State Supplementary Assistance	18,522,256	19,500,000	19,198,735	0	0	0	0	19,198,735	H.F. 667	PG 31 LN 11
Medicaid Reduction	0	0	-7,500,000	0	0	0	0	-7,500,000	S.F. 453	PG 35 LN 14
Med Assist Supp FY03-Medicaid	0	41,535,000	0	0	0	0	0	0	H.F. 667	PG 74 LN 4
County Hospitals - HF 683	0	0	0	0	0	0	312,000	312,000	H.F. 683	PG 3 LN 27
County Hospitals	0	0	312,000	-312,000	0	0	0	0	S.F. 458	PG 10 LN 28
<b>Total Medical Services</b>	<b>430,687,903</b>	<b>458,995,474</b>	<b>374,979,086</b>	<b>-312,000</b>	<b>21,702</b>	<b>10,759</b>	<b>312,000</b>	<b>375,011,547</b>		
<b>Child and Family Services</b>										
Child Care Services	4,785,234	4,939,635	5,050,752	0	0	0	0	5,050,752	H.F. 667	PG 32 LN 31
Toledo Juvenile Home	6,570,070	6,120,122	6,160,878	0	207,876	103,052	0	6,471,806	H.F. 667	PG 36 LN 7
Eldora Training School	10,718,000	10,179,340	10,285,696	0	350,391	173,703	0	10,809,790	H.F. 667	PG 36 LN 12
Child and Family Services	101,442,000	103,844,163	107,091,253	0	0	0	0	107,091,253	H.F. 667	PG 36 LN 30
Community Based Services	505,265	0	0	0	0	0	0	0		
Family Support Subsidy	1,976,900	1,936,434	1,936,434	0	0	0	0	1,936,434	H.F. 667	PG 43 LN 23
Child Welfare Decrease	0	0	-10,000,000	0	0	0	0	-10,000,000	S.F. 453	PG 31 LN 28
Child Welfare Info. System	0	0	1,200,000	0	0	0	0	1,200,000	S.F. 453	PG 32 LN 20
Reinvention Bill K-12 Funding	0	0	-2,193,959	0	0	0	0	-2,193,959	S.F. 453	PG 36 LN 4
Child Welfare Provider Loan	0	0	1,000,000	0	0	0	0	1,000,000	S.F. 453	PG 32 LN 27
<b>Total Child and Family Services</b>	<b>125,997,469</b>	<b>127,019,694</b>	<b>120,531,054</b>	<b>0</b>	<b>558,267</b>	<b>276,755</b>	<b>0</b>	<b>121,366,076</b>		
<b>MH/MR/DD/BI</b>										
Conners Training	43,582	42,623	42,623	0			0	42,623	H.F. 667	PG 44 LN 4
Cherokee Mental Health Inst.	13,437,892	12,435,997	12,401,246	0	351,872	174,438	0	12,927,556	H.F. 667	PG 44 LN 20
Clarinda Mental Health Inst.	7,646,172	7,066,838	7,065,672	0	230,437	114,237	0	7,410,346	H.F. 667	PG 44 LN 26
Independence Mental Health Ins	17,512,336	16,147,032	16,912,302	0	582,760	288,898	0	17,783,960	H.F. 667	PG 44 LN 32
Mt. Pleasant Mental Health Ins	5,623,029	5,378,044	5,830,810	0	186,125	92,270	0	6,109,205	H.F. 667	PG 45 LN 22

# Health and Human Services

## General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Human Services, Department of (cont.)</b>										
<b>MH/MR/DD/BI (cont.)</b>										
Glenwood Resource Center	4,176,464	4,021,038	4,399,479	0	1,110,686	550,613	0	6,060,778	H.F. 667	PG 47 LN 18
Woodward Resource Center	3,208,041	2,521,266	2,660,237	0	1,282,452	635,764	0	4,578,453	H.F. 667	PG 47 LN 21
DD Special Needs Grants	50,415	47,827	0	0	0	0	0	0		
MI/MR State Cases	12,032,361	11,414,619	11,014,619	0	0	0	0	11,014,619	H.F. 667	PG 50 LN 6
MH/DD Community Services	18,718,920	17,757,890	17,757,890	0	0	0	0	17,757,890	H.F. 667	PG 50 LN 20
Personal Assistance	243,205	157,921	205,748	0	0	0	0	205,748	H.F. 667	PG 52 LN 5
Sexual Predator Civil Commit.	1,314,334	3,375,179	2,675,179	0	84,435	41,858	0	2,801,472	H.F. 667	PG 52 LN 27
MH/DD Growth Factor	8,842,479	14,181,000	19,073,638	0	0	0	0	19,073,638	H.F. 667	PG 64 LN 6
<b>Total MH/MR/DD/BI</b>	<b>92,849,230</b>	<b>94,547,274</b>	<b>100,039,443</b>	<b>0</b>	<b>3,828,767</b>	<b>1,898,078</b>	<b>0</b>	<b>105,766,288</b>		
<b>Managing and Delivering Services</b>										
Field Operations	51,572,960	49,951,093	50,657,828	0	1,383,874	686,043	0	52,727,745	H.F. 667	PG 53 LN 15
General Administration	12,852,987	11,304,333	10,803,626	0	452,783	224,463	0	11,480,872	H.F. 667	PG 54 LN 5
Volunteers	112,033	109,568	109,568	0	0	0	0	109,568	H.F. 667	PG 54 LN 25
<b>Total Managing and Delivering Services</b>	<b>64,537,980</b>	<b>61,364,994</b>	<b>61,571,022</b>	<b>0</b>	<b>1,836,657</b>	<b>910,506</b>	<b>0</b>	<b>64,318,185</b>		
<b>DHS Administration</b>										
Electronic Pay Benefit	0	0	-300,000	0	0	0	0	-300,000	S.F. 453	PG 33 LN 14
<b>Total Human Services, Department of</b>	<b>\$ 755,153,113</b>	<b>\$ 782,967,128</b>	<b>\$ 698,491,277</b>	<b>\$ -312,000</b>	<b>\$ 6,536,068</b>	<b>\$ 3,240,198</b>	<b>\$ 312,000</b>	<b>\$ 708,267,543</b>		
<b>Veterans Affairs, Comm. of</b>										
Veterans Affairs, Comm of	\$ 278,365	\$ 188,074	\$ 288,193	\$ 0	\$ 8,754	\$ 4,448	\$ 0	\$ 301,395	H.F. 667	PG 74 LN 33
Iowa Veterans Home	48,571,746	14,092,151	14,205,741	0	2,284,846	1,160,972	0	17,651,559	H.F. 667	PG 75 LN 12
<b>Total Veterans Affairs, Comm. of</b>	<b>\$ 48,850,111</b>	<b>\$ 14,280,225</b>	<b>\$ 14,493,934</b>	<b>\$ 0</b>	<b>\$ 2,293,600</b>	<b>\$ 1,165,420</b>	<b>\$ 0</b>	<b>\$ 17,952,954</b>		
<b>Total Health and Human Services</b>	<b>\$ 835,169,584</b>	<b>\$ 825,611,776</b>	<b>\$ 739,725,031</b>	<b>\$ -312,000</b>	<b>\$ 9,081,060</b>	<b>\$ 4,533,354</b>	<b>\$ 409,548</b>	<b>\$ 753,436,993</b>		

# Justice System

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b><u>Justice, Department of</u></b>										
General Office A.G.	\$ 7,754,596	\$ 7,160,615	\$ 7,271,979	\$ 0	\$ 320,315	\$ 162,758	\$ 0	\$ 7,755,052	S.F. 439	PG 1 LN 7
Consumer Advocate	2,987,582	2,694,948	2,750,386	0	82,418	41,878	0	2,874,682	S.F. 439	PG 5 LN 12
Prosecuting Attorney Training	294,910	0	0	0	0	0	0	0		
Victim Assistance Grants	1,817,534	0	0	0	0	0	0	0		
Area GASA Prosecuting Attys.	128,031	0	0	0	0	0	0	0		
Legal Services Poverty Grant	641,190	0	0	0	0	0	0	0		
Consumer Credit Admin Fund	0	0 <sup>14</sup>	1,200,000	0	0	0	0 <sup>14</sup>	1,200,000	S.F. 439	PG 2 LN 8
Fine Paper Anti Trust	0	0 <sup>11</sup>	200,000	0	0	0	0 <sup>11</sup>	200,000	S.F. 439	PG 1 LN 22
<b>Total Justice, Department of</b>	<b>\$ 13,623,843</b>	<b>\$ 9,855,563</b>	<b>\$ 10,022,365</b>	<b>\$ 0</b>	<b>\$ 402,733</b>	<b>\$ 204,636</b>	<b>\$ 0</b>	<b>\$ 10,629,734</b>		
<b><u>Civil Rights Commission</u></b>										
Civil Rights Commission	\$ 1,063,292	\$ 886,024	\$ 806,894		\$ 26,316	\$ 13,372		\$ 846,582	S.F. 439	PG 23 LN 17
<b><u>Corrections, Department of</u></b>										
<b><u>Corrections Institutions</u></b>										
Anamosa Increase	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 664,168	\$ 664,168	H.F. 683	PG 4 LN 24
Clarinda Increase	0	0	0	0	0	0	793,432	793,432	H.F. 683	PG 5 LN 9
Ft. Madison Inst.	27,961,750	33,168,605	35,673,163	0	1,197,467	593,634	0	37,464,264	S.F. 439	PG 5 LN 32
Anamosa Inst.	23,645,080	24,386,629	24,531,917	0	884,498	438,482	0	25,854,897	S.F. 439	PG 6 LN 3
Oakdale Inst.	21,687,847	21,497,363	22,107,007	0	711,593	352,766	0	23,171,366	S.F. 439	PG 6 LN 15
Newton Inst.	22,777,576	22,501,891	22,865,691	0	793,571	393,406	0	24,052,668	S.F. 439	PG 6 LN 21
Mt Pleasant Inst.	21,408,377	21,161,133	21,329,386	0	681,573	337,884	0	22,348,843	S.F. 439	PG 6 LN 27
Rockwell City Inst.	7,104,225	7,268,049	7,383,506	0	228,760	113,406	0	7,725,672	S.F. 439	PG 6 LN 35
Clarinda Inst.	18,448,063	18,326,306	18,595,788	0	615,471	305,114	0	19,516,373	S.F. 439	PG 7 LN 6
Mitchellville Inst.	12,167,724	12,024,416	12,260,590	0	509,567	252,614	0	13,022,771	S.F. 439	PG 7 LN 17
Ft. Dodge Inst.	25,271,759	24,299,207	24,693,949	0	762,254	377,881	0	25,834,084	S.F. 439	PG 7 LN 23
<b>Total Corrections Institutions</b>	<b>180,472,401</b>	<b>184,633,599</b>	<b>189,440,997</b>	<b>0</b>	<b>6,384,754</b>	<b>3,165,187</b>	<b>1,457,600</b>	<b>200,448,538</b>		

# Justice System

## General Fund

Actual	Estimated Net	Final Action	Item Veto	Salary Adj	Sal. Transfer	Sp. Session	Net Final Act	Bill	Page & Line
FY 2002	FY 2003	FY 2004	FY 2004	FY 2004	FY 2004	FY 2004	FY 2004	Number	Number
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

### Corrections, Department of (cont.)

#### **Corrections Central Office**

County Confinement	700,438	674,954	674,954	0	0	0	0	674,954	S.F. 439	PG 7 LN 29
Federal Prisoners/Contractual	304,870	241,293	241,293	0	0	0	0	241,293	S.F. 439	PG 7 LN 34
Central Office Corrections	2,307,987	2,666,224	2,713,159	0	51,165	25,364	0	2,789,688	S.F. 439	PG 8 LN 34
Corrections Training Center	461,457	0	0	0	0	0	0	0		
Corrections Education	2,906,741	100,000	1,000,000	0	0	0	0	1,000,000	S.F. 439	PG 10 LN 10
Iowa Corr. Offender Network	530,542	427,700	427,700	0	0	0	0	427,700	S.F. 439	PG 11 LN 1
<b>Total Corrections Central Office</b>	<b>7,212,035</b>	<b>4,110,171</b>	<b>5,057,106</b>	<b>0</b>	<b>51,165</b>	<b>25,364</b>	<b>0</b>	<b>5,133,635</b>		

#### **CBC Districts**

CBC District I	9,013,283	8,953,795	9,282,883	0	393,828	195,237	0	9,871,948	S.F. 439	PG 13 LN 7
CBC District II	7,038,515	6,992,061	7,288,784	0	255,966	126,893	0	7,671,643	S.F. 439	PG 13 LN 13
CBC District III	4,100,703	4,073,638	4,232,132	0	203,443	100,855	0	4,536,430	S.F. 439	PG 13 LN 19
CBC District IV	3,856,256	3,759,908	3,998,773	0	140,922	69,861	0	4,209,556	S.F. 439	PG 13 LN 25
CBC District V	11,805,538	11,416,374	12,129,142	0	460,257	228,169	0	12,817,568	S.F. 439	PG 13 LN 31
CBC District VI	9,125,130	8,746,141	9,293,841	0	453,314	224,726	0	9,971,881	S.F. 439	PG 14 LN 2
CBC District VII	5,159,647	5,000,149	5,231,406	0	223,356	110,727	0	5,565,489	S.F. 439	PG 14 LN 8
CBC District VIII	5,131,388	5,097,521	5,280,849	0	162,824	80,718	0	5,524,391	S.F. 439	PG 14 LN 14
CBC Statewide	74,012	0	0	0	0	0	0	0		
<b>Total CBC Districts</b>	<b>55,304,472</b>	<b>54,039,587</b>	<b>56,737,810</b>	<b>0</b>	<b>2,293,910</b>	<b>1,137,186</b>	<b>0</b>	<b>60,168,906</b>		

<b>Total Corrections, Department of</b>	<b>\$ 242,988,908</b>	<b>\$ 242,783,357</b>	<b>\$ 251,235,913</b>	<b>\$ 0</b>	<b>\$ 8,729,829</b>	<b>\$ 4,327,737</b>	<b>\$ 1,457,600</b>	<b>\$ 265,751,079</b>		
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### IA Telecommun & Technology Commission

ICN Operations/Edu. Subsidy	\$ 2,116,871	\$ 1,002,356	\$ 500,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000	S.F. 439	PG 19 LN 18
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# Justice System

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b><u>Inspections &amp; Appeals, Dept of</u></b>										
Public Defender	\$ 14,671,513	\$ 15,384,767	\$ 16,330,999	\$ 0	\$ 499,436	\$ 253,772	\$ 0	\$ 17,084,207	S.F. 439	PG 16 LN 26
Indigent Defense Appropriation	18,962,093	20,437,586	19,851,587	0	0	0	0	19,851,587	S.F. 439	PG 16 LN 31
<b>Total Inspections &amp; Appeals, Dept of</b>	<b>\$ 33,633,606</b>	<b>\$ 35,822,353</b>	<b>\$ 36,182,586</b>	<b>\$ 0</b>	<b>\$ 499,436</b>	<b>\$ 253,772</b>	<b>\$ 0</b>	<b>\$ 36,935,794</b>		
<b><u>Judicial Branch</u></b>										
Judicial Branch	\$ 111,356,002	\$ 109,154,603	\$ 113,354,603	\$ 0	\$ 2,818,000	\$ 1,665,259	\$ 0	\$ 117,837,862	S.F. 435	PG 1 LN 1
Judicial Retirement	3,039,198	2,039,664	2,039,664	0	0	0	0	2,039,664	S.F. 435	PG 3 LN 22
<b>Total Judicial Branch</b>	<b>\$ 114,395,200</b>	<b>\$ 111,194,267</b>	<b>\$ 115,394,267</b>	<b>\$ 0</b>	<b>\$ 2,818,000</b>	<b>\$ 1,665,259</b>	<b>\$ 0</b>	<b>\$ 119,877,526</b>		
<b><u>Law Enforcement Academy</u></b>										
Operations	\$ 1,358,062	\$ 975,526	\$ 1,002,629	\$ 0	\$ 30,646	\$ 15,572	\$ 0	\$ 1,048,847	S.F. 439	PG 17 LN 20
ILEA FY 04 Increase	0	0	45,000	0	0	0	0	45,000	S.F. 458	PG 9 LN 22
<b>Total Law Enforcement Academy</b>	<b>\$ 1,358,062</b>	<b>\$ 975,526</b>	<b>\$ 1,047,629</b>	<b>\$ 0</b>	<b>\$ 30,646</b>	<b>\$ 15,572</b>	<b>\$ 0</b>	<b>\$ 1,093,847</b>		
<b><u>Parole, Board of</u></b>										
Parole Board	\$ 995,510	\$ 962,489	\$ 1,015,780	\$ 0	\$ 18,558	\$ 9,430	\$ 0	\$ 1,043,768	S.F. 439	PG 18 LN 13
<b><u>Public Defense, Department of</u></b>										
<b>Public Defense, Dept. of</b>										
Military Division	\$ 5,492,416	\$ 4,990,233	\$ 5,081,502	\$ 0	\$ 87,436	\$ 44,428	\$ 0	\$ 5,213,366	S.F. 439	PG 19 LN 1
<b>Emergency Management Division</b>										
Emergency Management Division	1,077,354	1,050,987	1,060,492	0	60,292	30,636	0	1,151,420	S.F. 439	PG 19 LN 12
<b>Total Public Defense, Department of</b>	<b>\$ 6,569,770</b>	<b>\$ 6,041,220</b>	<b>\$ 6,141,994</b>	<b>\$ 0</b>	<b>\$ 147,728</b>	<b>\$ 75,064</b>	<b>\$ 0</b>	<b>\$ 6,364,786</b>		
<b><u>Public Safety, Department of</u></b>										
Public Safety Administration	\$ 2,503,803	\$ 2,398,544	\$ 2,377,580	\$ 0	\$ 82,402	\$ 40,850	\$ 0	\$ 2,500,832	S.F. 439	PG 20 LN 12
Investigation, DCI	12,381,047	12,499,886	12,863,855	0	377,508	187,147	0	13,428,510	S.F. 439	PG 20 LN 24

# Justice System

## General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Item Veto FY 2004 (4)	Salary Adj FY 2004 (5)	Sal. Transfer FY 2004 (6)	Sp. Session FY 2004 (7)	Net Final Act FY 2004 (8)	Bill Number (9)	Page & Line Number (10)
<b>Public Safety, Department of (cont.)</b>										
Narcotics Enforcement	3,552,763	3,510,371	3,608,471	0	131,548	65,214	0	3,805,233	S.F. 439	PG 21 LN 10
Undercover Funds	129,804	123,343	123,343	0	0	0	0	123,343	S.F. 439	PG 21 LN 19
Fire Marshal	1,861,393	1,889,002	1,818,352	0	46,874	23,237	0	1,888,463	S.F. 439	PG 21 LN 22
Fire Service	599,110	558,147	595,619	0	11,634	5,768	0	613,021	S.F. 439	PG 21 LN 30
Iowa State Patrol	37,769,240	36,636,369	37,339,586	0	1,179,821	584,886	0	39,104,293	S.F. 439	PG 22 LN 2
Capitol Police	1,298,828	1,210,024	1,210,075	0	74,722	37,043	0	1,321,840	S.F. 439	PG 22 LN 12
AFIS System Maintenance	237,346	0	0	0	0	0	0	0		
DPS/SPOC Sick Leave Payout	285,258	272,421	216,104	0	0	0	0	216,104	S.F. 439	PG 22 LN 19
Fire Fighter Training	570,091	543,270	544,587	0	0	0	0	544,587	S.F. 439	PG 23 LN 1
Medical Injuries - DPS Custody	11,299	0	0	0	0	0	0	0		
<b>Total Public Safety, Department of</b>	<b>\$ 61,199,982</b>	<b>\$ 59,641,377</b>	<b>\$ 60,697,572</b>	<b>\$ 0</b>	<b>\$ 1,904,509</b>	<b>\$ 944,145</b>	<b>\$ 0</b>	<b>\$ 63,546,226</b>		
<b>Total Justice System</b>	<b>\$ 477,945,044</b>	<b>\$ 469,164,532</b>	<b>\$ 483,045,000</b>	<b>\$ 0</b>	<b>\$ 14,577,755</b>	<b>\$ 7,508,987</b>	<b>\$ 1,457,600</b>	<b>\$ 506,589,342</b>		
Contingency <sup>11</sup> Fine Paper Anti Trust	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000		
Contingency <sup>14</sup> Consumer Credit Admin Fund	\$ 0	\$ 0	\$ 1,200,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,200,000		



## Trans., Infra., and Capitals

### General Fund

[illegible]

# Unassigned Standing

## General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b><u>Corrections, Department of</u></b>										
State Cases	\$ 0	\$ 66,370	\$ 66,370	\$ 0	\$ 0	\$ 0	\$ 0	\$ 66,370	Standing	
<b><u>Education, Department of</u></b>										
Child Development	\$ 11,560,000	\$ 11,560,000	\$ 11,560,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,560,000	S.F. 458	PG 5 LN 8
Educational Excellence	80,891,336	66,891,336	56,891,336	0	0	0	0	56,891,336	S.F. 458	PG 5 LN 26
Early Intervention Block Grant	30,000,000	30,000,000	30,000,000	0	0	0	0	30,000,000	S.F. 458	
Instructional Support	14,798,227	14,798,227	14,798,227	0	0	0	0	14,798,227	Standing	
School Foundation Aid	1,678,604,088	1,739,090,500	1,827,537,551	0	0	0	0	1,827,537,551	Standing	
Technology/School Improvement	10,000,000	0	0	0	0	0	0	0		
Transportation/Nonpublic	7,798,144	7,799,550	7,799,550	0	0	0	0	7,799,550	S.F. 458	PG 6 LN 17
AEA 16 Supplemental	118,000	0	0	0	0	0	0	0		
Reinvent. AEA Decrease	0	0	-10,000,000	0	0	0	0	-10,000,000	S.F. 453	PG 26 LN 5
<b>Total Education, Department of</b>	<b>\$ 1,833,769,795</b>	<b>\$ 1,870,139,613</b>	<b>\$ 1,938,586,664</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,938,586,664</b>		
<b><u>Executive Council</u></b>										
Court Costs	\$ 51,700	\$ 75,000	\$ 75,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,000	Standing	
Public Improvements	0	50,000	50,000	0	0	0	0	50,000	Standing	
Performance of Duty	1,331,997	1,500,000	1,500,000	0	0	0	0	1,500,000	Standing	
Drainage Assessment	9,267	25,000	25,000	0	0	0	0	25,000	Standing	
<b>Total Executive Council</b>	<b>\$ 1,392,964</b>	<b>\$ 1,650,000</b>	<b>\$ 1,650,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,650,000</b>		
<b><u>Legislative Branch</u></b>										
Legislature	\$ 24,896,088	\$ 22,609,864	\$ 23,837,735	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,837,735	S.F. 458	PG 4 LN 23
<b><u>Governor</u></b>										
Interstate Extradition Expense	\$ 0	\$ 3,805	\$ 3,805	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,805	Standing	

# Unassigned Standing

## General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b><u>Human Services, Department of</u></b>										
Commission of Inquiry	\$ 0	\$ 1,706	\$ 1,706	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,706	Standing	
Non Resident Transfer Mentally	0	82	82	0	0	0	0	82	Standing	
Non Resident Commitment	95,784	174,704	174,704	0	0	0	0	174,704	Standing	
MH Property Tax Relief	95,000,000	95,000,000	95,000,000	0	0	0	0	95,000,000	Standing	
<b>Total Human Services, Department of</b>	<b>\$ 95,095,784</b>	<b>\$ 95,176,492</b>	<b>\$ 95,176,492</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 95,176,492</b>		
<b><u>Inspections &amp; Appeals, Dept of</u></b>										
Poultry Show Exhibit Reimb.	\$ 500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
<b><u>Management, Department of</u></b>										
Special Olympics Fund	\$ 30,000	\$ 30,000	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,000	Standing	
Appeal Board	5,489,981	4,500,000	4,500,000	0	0	0	0	4,500,000	Standing	
<b>Total Management, Department of</b>	<b>\$ 5,519,981</b>	<b>\$ 4,530,000</b>	<b>\$ 4,530,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,530,000</b>		
<b><u>Public Defense, Department of</u></b>										
Compensation & Expense	\$ 34,375	\$ 432,450	\$ 432,450	\$ 0	\$ 0	\$ 0	\$ 0	\$ 432,450	S.F. 458	PG 6 LN 13
<b><u>Revenue and Finance, Dept. of</u></b>										
Machinery/Equip. Tax Replace.	\$ 15,066,366	\$ 20,990,800	\$ 20,990,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,990,800	Standing	
M&E Property Tax Replace.	0	0	-10,909,115	0	0	0	0	-10,909,115	S.F. 453	PG 2 LN 27
M & E Property Tax Incr.	0	0	1,200,000	0	0	0	0	1,200,000	S.F. 458	PG 17 LN 3
Homestead Tax Credit Aid	111,161,219	105,585,004	105,585,004	0	0	0	0	105,585,004	S.F. 458	PG 6 LN 32
Elderly & Disabled Tax Credit	15,944,334	15,796,897	16,651,800	0	0	0	0	16,651,800	S.F. 458	PG 7 LN 16
Ag Land Tax Credit	37,418,700	35,497,624	35,497,624	0	0	0	0	35,497,624	S.F. 458	PG 6 LN 35
Livestock Producers Credit	1,914,000	1,815,735	1,815,735	0	0	0	0	1,815,735	S.F. 458	PG 6 LN 29
Property Tax Replacement	53,867,192	51,101,650	51,101,650	0	0	0	0	51,101,650	Standing	
Federal Cash Management	589,977	568,458	550,000	0	0	0	0	550,000	S.F. 458	PG 7 LN 9
Printing Cigarette Stamps	110,100	110,055	110,055	0	0	0	0	110,055	S.F. 458	PG 6 LN 24
Municipl Fire & Police Retire	2,816,189	2,816,189	2,816,189	0	0	0	0	2,816,189	S.F. 458	PG 6 LN 26
Unemployment Comp - State	266,677	353,000	450,000	0	0	0	0	450,000	S.F. 458	PG 7 LN 6

# Unassigned Standing

## General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Item Veto FY 2004	Salary Adj FY 2004	Sal. Transfer FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b><u>Revenue and Finance, Dept. of (cont.)</u></b>										
Collection Agencies Reimburse	-366,419	0	0	0	0	0	0	0		
Franchise Tax Reimbursement	8,404,987	7,989,235	7,989,235	0	0	0	0	7,989,235	Standing	
Military Service Tax Credit	2,641,438	2,569,712	2,569,712	0	0	0	0	2,569,712	S.F. 458	PG 7 LN 3
Deferred Compensation Project	240,311	49,671	56,501	0	0	0	0	56,501	S.F. 458	PG 7 LN 13
Property Tax Repl.	0	0	-51,101,650	0	0	0	0	-51,101,650	S.F. 453	PG 3 LN 7
Franchise Tax Reimb.	0	0	-7,989,235	0	0	0	0	-7,989,235	S.F. 453	PG 1 LN 3
Franchise Tax Allocation	0	0	8,800,000	0	0	0	0	8,800,000	S.F. 458	PG 18 LN 18
<b>Total Revenue and Finance, Dept. of</b>	<b>\$ 250,075,071</b>	<b>\$ 245,244,030</b>	<b>\$ 186,184,305</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 186,184,305</b>		
<b><u>Secretary of State</u></b>										
Iowa Servicemens Ballot Comm	\$ 3,465	\$ 0	\$ 3,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,500	Standing	
<b><u>Transportation, Department of</u></b>										
Public Transit Assistance	\$ 9,768,599	\$ 8,479,134	\$ 9,763,259	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,763,259	S.F. 458	PG 5 LN 18
Public Transit Decrease	0	0	0	0	0	0	-1,284,125	-1,284,125	H.F. 683	PG 5 LN 27
<b>Total Transportation, Department of</b>	<b>\$ 9,768,599</b>	<b>\$ 8,479,134</b>	<b>\$ 9,763,259</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ -1,284,125</b>	<b>\$ 8,479,134</b>		
<b><u>Treasurer of State</u></b>										
Endowment For Iowa Health	\$ 7,175,520	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	S.F. 458	PG 17 LN 19
<b>Total Unassigned Standing</b>	<b>\$ 2,227,731,642</b>	<b>\$ 2,248,331,758</b>	<b>\$ 2,260,234,580</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ -1,284,125</b>	<b>\$ 2,258,950,455</b>		

## Summary Data

### Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004
	(1)	(2)	(3)	(4)	(5)
Administration and Regulation	\$ 98,410,762	\$ 117,136,708	\$ 100,197,258	\$ 500,000	\$ 100,697,258
Ag. and Natural Resources	72,289,836	71,100,698	65,595,955	0	65,595,955
Economic Development	314,326,313	499,166,571	481,270,578	61,500,000	542,770,578
Education	655,325,884	810,426,024	725,948,609	0	725,948,609
Health and Human Services	1,811,388,107	1,891,975,221	2,081,550,692	0	2,081,550,692
Justice System	53,304,607	89,019,862	66,256,958	0	66,256,958
Trans., Infra., and Capitals	738,166,743	802,146,908	746,515,613	822,400	747,338,013
Unassigned Standing	<u>5,880,000</u>	<u>3,443,000</u>	<u>5,931,633</u>	<u>125,000</u>	<u>6,056,633</u>
Grand Total	<u>\$ 3,749,092,252</u>	<u>\$ 4,284,414,992</u>	<u>\$ 4,273,267,296</u>	<u>\$ 62,947,400</u>	<u>\$ 4,336,214,696</u>
Contingency Totals					
<sup>15</sup> Court Ordered Env Crime Fines	\$ 0	\$ 0	\$ 20,000	\$ 0	\$ 20,000

(1) Actual FY 2002 - The FY 2002 appropriations.

(2) Estimated Net FY 2003 - The FY 2003 legislative action adjusted by deappropriations or supplemental appropriations.

(3) Final Action FY 2004 - Final legislative action from the Regular Legislative Session.

(4) Sp. Session FY 2004 - Legislative action from the 2003 Extraordinary Legislative Session.

(5) Net Final Action FY 2004 - The sum of columns 3 and 4.

# Summary Data

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004
	(1)	(2)	(3)	(4)	(5)
Bill Totals					
H.F. 472 FY 2004 Block Grant Act			\$ 3,291,360,950	\$ 0	\$ 3,291,360,950
H.F. 652 Transportation Appropriations Act			266,961,575	0	266,961,575
H.F. 655 Admin. & Reg. Appropriations Act			23,715,095	0	23,715,095
H.F. 662 Education Appropriations Bill			0	0	0
H.F. 667 Health and Human Services Appropriations Act			326,929,947	0	326,929,947
H.F. 683 Grow Iowa Values Fund Act			0	62,947,400	62,947,400
H.F. 685 Healthy Iowans Tobacco Trust Approp. Act			63,413,386	0	63,413,386
S.F. 375 Enhanced Tobacco Enforcement Act			0	0	0
S.F. 425 Agriculture & Natural Resources Approp. Act			31,419,411	0	31,419,411
S.F. 433 Economic Development Approp. Act			11,581,261	0	11,581,261
S.F. 435 Judicial Branch Appropriations Act			0	0	0
S.F. 439 Justice System Appropriations Act			0	0	0
S.F. 452 Infrastructure Appropriations Act			207,904,038	0	207,904,038
S.F. 453 Government Reinvention Act			14,000,000	0	14,000,000
S.F. 458 Standings Appropriations Act			25,056,633	0	25,056,633

# Administration and Regulation

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Dept. of Administrative Services</u></b>							
Admin. Centralized Purchasing	\$ 0	\$ 0	\$ 1,118,960	\$ 0	\$ 1,118,960	H.F. 655	PG 24 LN 15
Administration State Fleet	0	0	922,388	0	922,388	H.F. 655	PG 24 LN 29
Admin. Centralized Printing	0	0	1,404,173	0	1,404,173	H.F. 655	PG 25 LN 8
Ready to Work-Disabil. Fund	0	0	89,416	0	89,416	H.F. 655	PG 25 LN 23
Primary Road HR Bureau	0	0	440,369	0	440,369	H.F. 655	PG 26 LN 1
Road Use Tax HR Bureau	0	0	71,969	0	71,969	H.F. 655	PG 26 LN 11
<b>Total Dept. of Administrative Services</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,047,275</b>	<b>\$ 0</b>	<b>\$ 4,047,275</b>		
<b><u>Commerce, Department of</u></b>							
<b>Professional Licensing &amp; Reg.</b>							
Prof. Lic. Div. - IDED Housing	\$ 62,317	\$ 62,317	\$ 62,317	\$ 0	\$ 62,317	H.F. 655	PG 4 LN 18
<b>Department of Commerce</b>							
FY 2003 Salary Adjustment	0	302,865	0	0	0		
<b>Total Commerce, Department of</b>	<b>\$ 62,317</b>	<b>\$ 365,182</b>	<b>\$ 62,317</b>	<b>\$ 0</b>	<b>\$ 62,317</b>		
<b><u>General Services, Dept. of</u></b>							
Centralized Purchasing Div.	\$ 1,118,960	\$ 1,118,960	\$ 0	\$ 0	\$ 0		
State Fleet Administrator	881,501	922,388	0	0	0		
Central Print Division	1,178,523	1,404,173	0	0	0		
FY 2003 Salary Adjustment	0	193,238	0	0	0		
<b>Total General Services, Dept. of</b>	<b>\$ 3,178,984</b>	<b>\$ 3,638,759</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>		
<b><u>Information Technology, Dept. of</u></b>							
FY 2003 Salary Adjustment	\$ 0	\$ 57,575	\$ 0	\$ 0	\$ 0		
<b><u>Governor</u></b>							
FY 2003 Salary Adjustment	\$ 0	\$ 11,891	\$ 0	\$ 0	\$ 0		

# Administration and Regulation

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Gov. Office of Drug Control Policy</u></b>							
Drug Policy - Federal Funds	\$ 6,451,720	\$ 6,666,762	\$ 6,731,524	\$ 0	\$ 6,731,524	H.F. 472	PG 5 LN 24
Local Law Enforce. - Fed Funds	332,733	312,276	304,748	0	304,748	H.F. 472	PG 6 LN 34
Substance Abuse Treat.-Federal	818,162	708,682	633,248	0	633,248	H.F. 472	PG 7 LN 20
Drug Control Impr.-Fed. Funds	1,592,000	2,394,248	2,420,000	0	2,420,000	H.F. 472	PG 27 LN 23
<b>Total Gov. Office of Drug Control Policy</b>	<b>\$ 9,194,615</b>	<b>\$ 10,081,968</b>	<b>\$ 10,089,520</b>	<b>\$ 0</b>	<b>\$ 10,089,520</b>		
<b><u>Human Rights, Department of</u></b>							
Weatherization-Oil Ov.	\$ 182,000	\$ 0	\$ 0	\$ 0	\$ 0		
Community Services-Fed. Funds	7,001,652	6,956,142	6,956,142	0	6,956,142	H.F. 472	PG 8 LN 1
Energy Assistance - Fed. Funds	31,126,126	31,116,126	31,116,126	0	31,116,126	H.F. 472	PG 9 LN 35
Human Rights-Federal Funds	7,205,339	7,267,285	8,680,085	0	8,680,085	H.F. 472	PG 28 LN 11
FY 2003 Salary Adjustment	0	31,257	0	0	0		
Oil Overcharge Weatherization	68,000	25,000	50,000	0	50,000	S.F. 425	PG 5 LN 13
<b>Total Human Rights, Department of</b>	<b>\$ 45,583,117</b>	<b>\$ 45,395,810</b>	<b>\$ 46,802,353</b>	<b>\$ 0</b>	<b>\$ 46,802,353</b>		
<b><u>Inspections &amp; Appeals, Dept of</u></b>							
Admin. Hearings Div.- RUTF	\$ 1,197,552	\$ 1,222,110	\$ 1,222,110	\$ 0	\$ 1,222,110	H.F. 655	PG 11 LN 5
DIA - Federal Funds	2,734,637	3,413,850	3,440,290	0	3,440,290	H.F. 472	PG 31 LN 8
FY 2003 Salary Adjustment	0	202,986	0	0	0		
Health Facilities Div.- SLTF	0	0	800,000	0	800,000	H.F. 667	PG 70 LN 31
<b>Total Inspections &amp; Appeals, Dept of</b>	<b>\$ 3,932,189</b>	<b>\$ 4,838,946</b>	<b>\$ 5,462,400</b>	<b>\$ 0</b>	<b>\$ 5,462,400</b>		
<b><u>Management, Department of</u></b>							
Salary Adjustment	\$ 9,000,000	\$ 0	\$ 0	\$ 0	\$ 0		
Road Use Tax Salary Adjustment	2,476	1,588,368	3,000,000	0	3,000,000	S.F. 458	PG 26 LN 10
Primary Road Salary Adjustment	13,440	8,627,499	12,000,000	0	12,000,000	S.F. 458	PG 26 LN 18
General Office - RUTF	56,000	56,000	56,000	0	56,000	H.F. 655	PG 12 LN 11
FY 2003 Salary Adjustment	0	140,961	0	0	0		



# Administration and Regulation

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Management, Department of (cont.)</u></b>							
Environment First to GF	0	18,445,000	0	0	0		
RIIF Supplemental-CRF	0	2,150,000	0	0	0	S.F. 458	PG 4 LN 29
<b>Total Management, Department of</b>	<b>\$ 9,071,916</b>	<b>\$ 31,007,828</b>	<b>\$ 15,056,000</b>	<b>\$ 0</b>	<b>\$ 15,056,000</b>		
<b><u>Personnel, Department of</u></b>							
<b>Personnel, Department of</b>							
Ready to Work-Disabil. Fund	\$ 89,416	\$ 89,416	\$ 0	\$ 0	\$ 0		
Primary Road HR Bureau	423,539	440,369	0	0	0		
Road Use Tax HR Bureau	69,237	71,969	0	0	0		
FY 2003 Salary Adjustment	0	124,394	0	0	0		
<b>Total Personnel, Department of</b>	<b>582,192</b>	<b>726,148</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>IDOP - Retirement</b>							
IPERS Administration	8,274,702	8,272,066	8,272,066	0	8,272,066	H.F. 655	PG 14 LN 24
IPERS HF 2532 Deferred Retire.	0	95,000	0	0	0		
IPERS HF 2532 Term. Vested	0	40,000	0	0	0		
<b>Total IDOP - Retirement</b>	<b>8,274,702</b>	<b>8,407,066</b>	<b>8,272,066</b>	<b>0</b>	<b>8,272,066</b>		
<b>Total Personnel, Department of</b>	<b>\$ 8,856,894</b>	<b>\$ 9,133,214</b>	<b>\$ 8,272,066</b>	<b>\$ 0</b>	<b>\$ 8,272,066</b>		
<b><u>Revenue and Finance, Dept. of</u></b>							
<b>Lottery Division</b>							
Lottery Operations	\$ 8,096,618	\$ 8,956,673	\$ 8,956,673	\$ 0	\$ 8,956,673	H.F. 655	PG 12 LN 19
<b>Revenue and Finance, Dept. of</b>							
MVFT - Administration	1,084,112	1,098,654	1,098,654	0	1,098,654	H.F. 655	PG 12 LN 33
Terminal Liability Health Ins	9,000,000	0	0	0	0		

# Administration and Regulation

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Revenue and Finance, Dept. of (cont.)</u></b>							
Revenue and Finance, Dept. of (cont.)							
Military Pay Differential-CRF	0	1,810,000	0	0	0		
FY 2003 Salary Adjustment	0	276,701	0	0	0		
<b>Total Revenue and Finance, Dept. of</b>	<b>10,084,112</b>	<b>3,185,355</b>	<b>1,098,654</b>	<b>0</b>	<b>1,098,654</b>		
<b>Total Revenue and Finance, Dept. of</b>	<b>\$ 18,180,730</b>	<b>\$ 12,142,028</b>	<b>\$ 10,055,327</b>	<b>\$ 0</b>	<b>\$ 10,055,327</b>		
<b><u>Secretary of State</u></b>							
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
FY 2003 Salary Adjustment	0	37,184	0	0	0		
<b>Total Secretary of State</b>	<b>10,084,112</b>	<b>3,222,539</b>	<b>1,098,654</b>	<b>0</b>	<b>1,098,654</b>		
<b><u>Treasurer of State</u></b>							
Treasurer - Federal Funds	\$ 350,000	\$ 410,000	\$ 350,000	\$ 0	\$ 350,000	H.F. 472	PG 41 LN 25
FY 2003 Salary Adjustment	0	16,323	0	0	0		
Iowa Cultural Trust Fund - GIV	0	0	0	500,000	500,000	H.F. 683	PG 39 LN 9
<b>Total Treasurer of State</b>	<b>\$ 350,000</b>	<b>\$ 426,323</b>	<b>\$ 350,000</b>	<b>\$ 500,000</b>	<b>\$ 850,000</b>		
<b>Total Administration and Regulation</b>	<b>\$ 98,410,762</b>	<b>\$ 117,136,708</b>	<b>\$ 100,197,258</b>	<b>\$ 500,000</b>	<b>\$ 100,697,258</b>		

# Ag. and Natural Resources

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Ag. &amp; Land Stewardship</u></b>							
Renewable Fuels-VAAPFAP	\$ 400,000	\$ 0	\$ 0	\$ 0	\$ 0		
Dept. of Ag-Federal Funds	9,225,104	7,050,147	5,775,767	0	5,775,767	H.F. 472	PG 17 LN 7
Native Horse & Dog Program	293,441	305,516	305,516	0	305,516	S.F. 425	PG 2 LN 1
FY 2003 Salary Adjustment	0	248,710	0	0	0		
<b>Total Ag. &amp; Land Stewardship</b>	<b>\$ 9,918,545</b>	<b>\$ 7,604,373</b>	<b>\$ 6,081,283</b>	<b>\$ 0</b>	<b>\$ 6,081,283</b>		
<b><u>Natural Resources, Department of</u></b>							
Fish and Game Protection Fund	\$ 28,030,165	\$ 29,188,895	\$ 29,288,895	\$ 0	\$ 29,288,895	S.F. 425	PG 3 LN 3
Snowmobile Fees To F&G Fund	100,000	100,000	100,000	0	100,000	S.F. 425	PG 3 LN 33
Boat Registration Fees To F&G	1,400,000	1,400,000	1,400,000	0	1,400,000	S.F. 425	PG 4 LN 10
Underground Storage Tank Fund	75,000	75,000	200,000	0	200,000	S.F. 425	PG 4 LN 30
Stormwater Transfer to E & G	200,000	0	0	0	0		
Stormwater Transfer To EPD	250,000	0	0	0	0		
Groundwater Protection Fund	3,666,471	3,717,200	0	0	0		
Oil Overchar (EXXON)	30,000	25,000	50,000	0	50,000	S.F. 425	PG 5 LN 20
Oil Overcharge (Stripper Well)	150,000	150,000	25,000	0	25,000	S.F. 425	PG 5 LN 24
DNR - Federal Funds	28,396,049	28,525,776	28,450,777	0	28,450,777	H.F. 472	PG 33 LN 6
Hazardous Waste Remedial Fund	73,606	0	0	0	0		
FY 2003 Salary Adjustment	0	314,454	0	0	0		
<b>Total Natural Resources, Department of</b>	<b>\$ 62,371,291</b>	<b>\$ 63,496,325</b>	<b>\$ 59,514,672</b>	<b>\$ 0</b>	<b>\$ 59,514,672</b>		
<b>Total Ag. and Natural Resources</b>	<b>\$ 72,289,836</b>	<b>\$ 71,100,698</b>	<b>\$ 65,595,955</b>	<b>\$ 0</b>	<b>\$ 65,595,955</b>		

# Economic Development

## Non General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Sp. Session FY 2004 (4)	Net Final Act FY 2004 (5)	Bill Number (6)	Page & Line Number (7)
<b><u>Economic Development, Dept. of</u></b>							
<b>Economic Development, Dept of</b>							
FY 2003 Salary Adjustment	\$ 0	\$ 103,566	\$ 0	\$ 0	\$ 0		
Strategic Marketing - GIV	0	0	0	2,500,000	2,500,000	H.F. 683	PG 32 LN 30
Regents & Private Inst. - GIV	0	0	0	6,000,000	6,000,000	H.F. 683	PG 34 LN 31
Loan Guarantee Fund-GIV	0	0	0	2,500,000	2,500,000	H.F. 683	PG 37 LN 1
State and Dest. Parks - GIV	0	0	0	500,000	500,000	H.F. 683	PG 38 LN 18
DED-CDBG Fed. Funds	32,963,780	31,121,000	32,600,000	0	32,600,000	H.F. 472	PG 9 LN 4
DED - Federal Funds	15,611,569	14,977,000	16,451,000	0	16,451,000	H.F. 472	PG 21 LN 4
<b>Total Economic Development, Dept of</b>	<b>48,575,349</b>	<b>46,201,566</b>	<b>49,051,000</b>	<b>11,500,000</b>	<b>60,551,000</b>		
<b>Business Development</b>							
Insurance Development	100,000	100,000	100,000	0	100,000	S.F. 433	PG 4 LN 14
Workforce Dev. Approp.	4,000,000	4,000,000	4,000,000	0	4,000,000	S.F. 433	PG 4 LN 30
General Programs - GIV	0	0	0	45,000,000	45,000,000	H.F. 683	PG 33 LN 13
Workforce Dev. & Train - GIV	0	0	0	5,000,000	5,000,000	H.F. 683	PG 43 LN 22
<b>Total Business Development</b>	<b>4,100,000</b>	<b>4,100,000</b>	<b>4,100,000</b>	<b>50,000,000</b>	<b>54,100,000</b>		
<b>Community &amp; Rural Devel.</b>							
Tourism Operations	1,200,000	1,200,000	0	0	0		
RC 2000 - Council of Gov.	150,000	150,000	150,000	0	150,000	S.F. 433	PG 4 LN 6
RC 2000 - Rural Dev. Prg.	370,000	173,000	150,000	0	150,000	S.F. 433	PG 4 LN 10
Community Dev. Loan Fund	75,261	25,261	25,261	0	25,261	S.F. 433	PG 4 LN 23
<b>Total Community &amp; Rural Devel.</b>	<b>1,795,261</b>	<b>1,548,261</b>	<b>325,261</b>	<b>0</b>	<b>325,261</b>		
<b>Total Economic Development, Dept. of</b>	<b>\$ 54,470,610</b>	<b>\$ 51,849,827</b>	<b>\$ 53,476,261</b>	<b>\$ 61,500,000</b>	<b>\$ 114,976,261</b>		
<b><u>Iowa Workforce Development</u></b>							
260E Labor Management Projects	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 0		
Job Service ACS (Surcharge)	6,525,000	6,525,000	6,525,000	0	6,525,000	S.F. 433	PG 9 LN 19
Workers' Comp. Division	471,000	0	0	0	0		

# Economic Development

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Iowa Workforce Development (cont.)</u></b>							
Iowa Workforce Development	0	471,000	471,000	0	471,000	S.F. 433	PG 10 LN 3
P&I Immigration Service Center	160,000	160,000	160,000	0	160,000	S.F. 433	PG 10 LN 7
Employment Statistics	67,078	0	0	0	0		
Workforce - Federal Funds	252,602,625	439,975,381	420,638,317	0	420,638,317	H.F. 472	PG 43 LN 8
FY 2003 Salary Adjustment	0	33,467	0	0	0		
<b>Total Iowa Workforce Development</b>	<b>\$ 259,855,703</b>	<b>\$ 447,164,848</b>	<b>\$ 427,794,317</b>	<b>\$ 0</b>	<b>\$ 427,794,317</b>		
<b><u>Public Employment Relations Board</u></b>							
FY 2003 Salary Adjustment	\$ 0	\$ 13,266	\$ 0	\$ 0	\$ 0		
<b><u>Regents, Board of</u></b>							
FY 2003 Salary Adjustment	\$ 0	\$ 138,630	\$ 0	\$ 0	\$ 0		
<b>Total Economic Development</b>	<b>\$ 314,326,313</b>	<b>\$ 499,166,571</b>	<b>\$ 481,270,578</b>	<b>\$ 61,500,000</b>	<b>\$ 542,770,578</b>		

# Education

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Blind, Iowa Commission for the</u></b>							
Blind-Federal Funds	\$ 6,560,296	\$ 6,679,167	\$ 6,548,612	\$ 0	\$ 6,548,612	H.F. 472	PG 18 LN 11
FY 2003 Salary Adjustment	0	13,731	0	0	0		
<b>Total Blind, Iowa Commission for the</b>	<b>\$ 6,560,296</b>	<b>\$ 6,692,898</b>	<b>\$ 6,548,612</b>	<b>\$ 0</b>	<b>\$ 6,548,612</b>		
<b><u>College Aid Commission</u></b>							
College Aid-Federal Funds	\$ 15,686,219	\$ 28,009,762	\$ 28,006,524	\$ 0	\$ 28,006,524	H.F. 472	PG 19 LN 17
FY 2003 Salary Adjustment	0	3,469	0	0	0		
<b>Total College Aid Commission</b>	<b>\$ 15,686,219</b>	<b>\$ 28,013,231</b>	<b>\$ 28,006,524</b>	<b>\$ 0</b>	<b>\$ 28,006,524</b>		
<b><u>Cultural Affairs, Dept. of</u></b>							
Cultural Affairs-Fed. Funds	\$ 1,058,295	\$ 1,306,045	\$ 1,228,242	\$ 0	\$ 1,228,242	H.F. 472	PG 20 LN 21
FY 2003 Salary Adjustment	0	72,382	0	0	0		
<b>Total Cultural Affairs, Dept. of</b>	<b>\$ 1,058,295</b>	<b>\$ 1,378,427</b>	<b>\$ 1,228,242</b>	<b>\$ 0</b>	<b>\$ 1,228,242</b>		
<b><u>Education, Department of</u></b>							
<b>Education, Dept. of</b>							
Empowerment-HITT	\$ 1,153,250	\$ 1,153,250	\$ 2,153,250	\$ 0	\$ 2,153,250	H.F. 685	PG 7 LN 8
Education-Federal Funds	288,809,710	398,440,376	397,405,166	0	397,405,166	H.F. 472	PG 21 LN 26
FY 2003 Salary Adjustment	0	243,657	0	0	0		
<b>Total Education, Dept. of</b>	<b>289,962,960</b>	<b>399,837,283</b>	<b>399,558,416</b>	<b>0</b>	<b>399,558,416</b>		
<b>Grants &amp; State Aid</b>							
Student Achievement-ENDW	40,000,000	0	0	0	0		
School Foundation Aid-EEF	44,852,353	25,000,000	0	0	0		
School Aid - ENDW	0	20,000,000	0	0	0		
Student Achieve-Prem. Tax	0	10,000,000	0	0	0		

# Education

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Education, Department of (cont.)</u></b>							
<b>Grants &amp; State Aid (cont.)</b>							
Student Achievement-UST	0	8,900,000	0	0	0		
Student Achievement-RIF	0	5,000,000	0	0	0		
<b>Total Grants &amp; State Aid</b>	<u>84,852,353</u>	<u>68,900,000</u>	<u>0</u>	<u>0</u>	<u>0</u>		
<b>Total Education, Department of</b>	<u>\$ 374,815,313</u>	<u>\$ 468,737,283</u>	<u>\$ 399,558,416</u>	<u>\$ 0</u>	<u>\$ 399,558,416</u>		
<b><u>Regents, Board of</u></b>							
Regents - Federal Funds	\$ 257,205,761	\$ 280,742,815	\$ 290,606,815	\$ 0	\$ 290,606,815	H.F. 472	PG 39 LN 29
FY 2003 Salary Adjustment	0	24,861,370	0	0	0		
<b>Total Regents, Board of</b>	<u>\$ 257,205,761</u>	<u>\$ 305,604,185</u>	<u>\$ 290,606,815</u>	<u>\$ 0</u>	<u>\$ 290,606,815</u>		
<b>Total Education</b>	<u><u>\$ 655,325,884</u></u>	<u><u>\$ 810,426,024</u></u>	<u><u>\$ 725,948,609</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 725,948,609</u></u>		

# Health and Human Services

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Elder Affairs, Department of</u></b>							
Aging Programs-SLTF	\$ 5,339,344	\$ 6,592,292	\$ 7,480,814	\$ 0	\$ 7,480,814	H.F. 667	PG 70 LN 9
Elder Affairs-Federal Funds	15,553,243	18,649,903	17,817,904	0	17,817,904	H.F. 472	PG 26 LN 1
FY 2003 Salary Adjustment	0	36,949	0	0	0		
<b>Total Elder Affairs, Department of</b>	<b>\$ 20,892,587</b>	<b>\$ 25,279,144</b>	<b>\$ 25,298,718</b>	<b>\$ 0</b>	<b>\$ 25,298,718</b>		
<b><u>Health, Department of Public</u></b>							
Tobacco Use Prev./Control-HITT	\$ 9,345,394	\$ 5,000,000	\$ 5,000,000	\$ 0	\$ 5,000,000	H.F. 685	PG 3 LN 18
Sub Abuse Prevention - HITT	0	0	400,000	0	400,000	H.F. 685	PG 4 LN 11
Smoking Cessation Prod.- HITT	75,000	75,000	75,000	0	75,000	H.F. 685	PG 4 LN 16
Substance Abuse-Tbco	11,825,000	10,000,000	11,800,000	0	11,800,000	H.F. 685	PG 4 LN 25
Healthy lowans 2010 - HITT	2,565,064	2,390,064	2,346,960	0	2,346,960	H.F. 685	PG 5 LN 15
Substance Abuse Treatment-HITT	2,000,000	0	0	0	0		
Addictive Disorders-Gambling	1,690,000	1,690,000	1,690,000	0	1,690,000	H.F. 667	PG 8 LN 29
Environmental Hazards	20,000	0	0	0	0		
Gambling Treatment Program	1,692,364	2,055,866	1,990,509	0	1,990,509	H.F. 667	PG 9 LN 1
Substance Abuse - Federal Fund	12,698,390	12,078,439	12,078,439	0	12,078,439	H.F. 472	PG 1 LN 2
Maternal/Child Health-Fed Fund	7,048,418	7,131,009	7,131,009	0	7,131,009	H.F. 472	PG 2 LN 32
Preventive Health - Fed. Funds	2,085,177	1,505,162	1,505,162	0	1,505,162	H.F. 472	PG 4 LN 16
Dept of Health - Federal Funds	53,009,136	78,240,998	75,456,875	0	75,456,875	H.F. 472	PG 35 LN 34
FY 2003 Salary Adjustment	0	202,448	0	0	0		
<b>Total Health, Department of Public</b>	<b>\$ 104,053,943</b>	<b>\$ 120,368,986</b>	<b>\$ 119,473,954</b>	<b>\$ 0</b>	<b>\$ 119,473,954</b>		
<b><u>Human Services, Department of</u></b>							
<b>Medical Services</b>							
Phys Et Al Provider Inc-HITT	\$ 8,095,718	\$ 8,095,718	\$ 8,095,718	\$ 0	\$ 8,095,718	H.F. 685	PG 1 LN 8
Dental Provider Inc-HITT	1,897,354	3,814,973	3,814,973	0	3,814,973	H.F. 685	PG 1 LN 20
Hospital Provider Inc-HITT	4,592,897	3,035,278	3,035,278	0	3,035,278	H.F. 685	PG 1 LN 26
Home Hlth Care Prov Inc-HITT	2,108,279	2,108,279	2,108,279	0	2,108,279	H.F. 685	PG 1 LN 31



# Health and Human Services

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Human Services, Department of (cont.)</u></b>							
<b>Medical Services (cont.)</b>							
Critical Access Hospitals-HITT	250,000	250,000	250,000	0	250,000	H.F. 685	PG 2 LN 2
Home Hlth & Hab. Day Care Exp.	1,975,496	1,975,496	1,975,496	0	1,975,496	H.F. 685	PG 2 LN 8
Respite Care Expansion-HITT	1,137,309	1,137,309	1,137,309	0	1,137,309	H.F. 685	PG 2 LN 14
Med Assist Supplemental-HITT	7,500,000	17,500,000	14,346,750	0	14,346,750	H.F. 685	PG 3 LN 12
CHIP Exp. to 200% of FPL-HITT	200,000	200,000	200,000	0	200,000	H.F. 685	PG 3 LN 3
Breast Cancer Treatment	250,000	250,000	250,000	0	250,000	H.F. 685	PG 3 LN 7
HIPAA Implementation	0	2,100,000	0	0	0		
Nurse Facility Grants-SLTF	7,939,565	2,560,435	20,000,000	0	20,000,000	H.F. 667	PG 71 LN 16
LTC Alternative Services-SLTF	48,500,000	36,000,000	101,600,000	0	101,600,000	H.F. 667	PG 71 LN 30
LTC-Alt. Service Costs-SLTF	792,602	1,733,406	1,733,406	0	1,733,406	H.F. 667	PG 72 LN 2
LTC Provider Rate Changes-SLTF	24,750,000	29,950,000	29,950,000	0	29,950,000	H.F. 667	PG 72 LN 13
Medicaid-Hospital Trust Fund	7,000,000	12,000,000	15,000,000	0	15,000,000	H.F. 667	PG 73 LN 22
Medical Assistance	6,600,000	6,600,000	0	0	0		
Medicaid-Tbco Endowment	2,500,000	0	0	0	0		
Medicaid-SLTF Supplemental	0	9,465,000	0	0	0	H.F. 667	PG 74 LN 6
State Supplementary Assistance	882,381	882,381	0	0	0		
Medicaid (Reinvent Gov't)-HTF	0	0	14,000,000	0	14,000,000	S.F. 453	PG 35 LN 27
Medicaid-Hosp. Trust Fund-Supp	0	7,000,000	0	0	0	H.F. 667	PG 74 LN 9
<b>Total Medical Services</b>	<b>126,971,601</b>	<b>146,658,275</b>	<b>217,497,209</b>	<b>0</b>	<b>217,497,209</b>		
<b>Child and Family Services</b>							
RTSS Provider Increase-HITT	3,243,026	3,243,026	3,243,026	0	3,243,026	H.F. 685	PG 2 LN 20
Adoption, II, Sc, Hs Prov-HITT	468,967	468,967	468,967	0	468,967	H.F. 685	PG 2 LN 26
Provider Rate/Meth Chgs-HITT	545,630	545,630	545,630	0	545,630	H.F. 685	PG 2 LN 32
<b>Total Child and Family Services</b>	<b>4,257,623</b>	<b>4,257,623</b>	<b>4,257,623</b>	<b>0</b>	<b>4,257,623</b>		

# Health and Human Services

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Human Services, Department of (cont.)</u></b>							
<b>MH/MR/DD/BI</b>							
POS Provider Increase-Tbco	146,750	146,750	146,750	0	146,750	H.F. 685	PG 6 LN 27
<b>Federal Funds - TANF, etc.</b>							
FIP - TANF	40,931,716	46,658,982	51,492,790	0	51,492,790	H.F. 667	PG 12 LN 34
Promise Jobs - TANF	13,687,223	13,412,794	13,412,794	0	13,412,794	H.F. 667	PG 13 LN 3
Field Operations - TANF	17,235,056	12,885,790	14,152,174	0	14,152,174	H.F. 667	PG 13 LN 8
General Admin. - TANF	3,238,614	3,238,614	3,238,614	0	3,238,614	H.F. 667	PG 13 LN 10
Local Admin. Cost - TANF	2,122,982	2,122,982	2,122,982	0	2,122,982	H.F. 667	PG 13 LN 12
State Day Care - TANF	28,638,329	28,638,329	21,145,765	0	21,145,765	H.F. 667	PG 13 LN 14
Fatherhood Initiative	0	0	35,000	0	35,000	H.F. 667	PG 13 LN 34
Emerg. Assist. - TANF	2,846,432	1,000,000	0	0	0		
MH/DD Comm. Serv. - TANF	0	4,349,266	4,349,266	0	4,349,266	H.F. 667	PG 14 LN 2
Child & Fam. Serv. - TANF	22,896,571	22,896,571	25,256,571	0	25,256,571	H.F. 667	PG 14 LN 5
Child Abuse Prevention-TANF	731,000	250,000	250,000	0	250,000	H.F. 667	PG 14 LN 7
Pregnancy Prevent. - TANF	2,415,839	2,514,413	2,514,413	0	2,514,413	H.F. 667	PG 14 LN 9
Training & Tech. - TANF	472,667	565,088	1,037,186	0	1,037,186	H.F. 667	PG 14 LN 32
Volunteers - TANF	42,663	42,663	42,663	0	42,663	H.F. 667	PG 15 LN 1
Ind. Dev. Accts.-TANF	418,305	0	0	0	0		
HOPES - Transfer to DPH-TANF	200,000	200,000	200,000	0	200,000	H.F. 667	PG 15 LN 3
Marriage Initiative - TANF	0	0	85,000	0	85,000	H.F. 667	PG 15 LN 7
0-5 Children - TANF	6,348,561	6,350,000	7,350,000	0	7,350,000	H.F. 667	PG 17 LN 1
Comm. Mental Health-Fed Funds	3,587,827	3,612,827	3,612,827	0	3,612,827	H.F. 472	PG 2 LN 1
Social Services - Fed. Funds	18,531,000	18,559,971	17,578,494	0	17,578,494	H.F. 472	PG 11 LN 13
Childcare Dev. - Federal Funds	39,552,896	40,169,126	42,089,767	0	42,089,767	H.F. 472	PG 14 LN 12
DHS - Federal Funds	1,350,796,434	1,372,723,303	1,492,381,462	0	1,492,381,462	H.F. 472	PG 28 LN 35
<b>Total Federal Funds - TANF, etc.</b>	<b>1,554,694,115</b>	<b>1,580,190,719</b>	<b>1,702,347,768</b>	<b>0</b>	<b>1,702,347,768</b>		

# Health and Human Services

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Human Services, Department of (cont.)</u></b>							
<b>DHS Administration</b>							
FY 2003 Salary Adjustment	0	2,804,608	0	0	0		
<b>Total Human Services, Department of</b>	<b>\$ 1,686,070,089</b>	<b>\$ 1,734,057,975</b>	<b>\$ 1,924,249,350</b>	<b>\$ 0</b>	<b>\$ 1,924,249,350</b>		
<b><u>Veterans Affairs, Comm. of</u></b>							
Veterans Home - Gambling	\$ 371,488	\$ 0	\$ 0	\$ 0	\$ 0		
Veterans Affairs-Federal Funds	0	11,366,286	12,528,670	0	12,528,670	H.F. 472	PG 42 LN 20
FY 2003 Salary Adjustment	0	902,830	0	0	0		
<b>Total Veterans Affairs, Comm. of</b>	<b>\$ 371,488</b>	<b>\$ 12,269,116</b>	<b>\$ 12,528,670</b>	<b>\$ 0</b>	<b>\$ 12,528,670</b>		
<b>Total Health and Human Services</b>	<b>\$ 1,811,388,107</b>	<b>\$ 1,891,975,221</b>	<b>\$ 2,081,550,692</b>	<b>\$ 0</b>	<b>\$ 2,081,550,692</b>		

# Justice System

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Justice, Department of</u></b>							
FY 2003 Salary Adjustment	\$ 0	\$ 166,802	\$ 0	\$ 0	\$ 0		
Stop Violence - Federal Funds	1,658,543	1,978,000	1,853,100	0	1,853,100	H.F. 472	PG 6 LN 12
Justice - Federal Funds	5,819,975	7,292,674	6,732,474	0	6,732,474	H.F. 472	PG 32 LN 9
Court Ordered Env Crime Fines	0	0 <sup>15</sup>	20,000	0 <sup>15</sup>	20,000	S.F. 439	PG 4 LN 19
<b>Total Justice, Department of</b>	<b>\$ 7,478,518</b>	<b>\$ 9,437,476</b>	<b>\$ 8,585,574</b>	<b>\$ 0</b>	<b>\$ 8,585,574</b>		
<b><u>Civil Rights Commission</u></b>							
Civil Rights-Federal Funds	\$ 975,100	\$ 1,339,239	\$ 971,250	\$ 0	\$ 971,250	H.F. 472	PG 19 LN 1
FY 2003 Salary Adjustment	0	20,870	0	0	0		
<b>Total Civil Rights Commission</b>	<b>\$ 975,100</b>	<b>\$ 1,360,109</b>	<b>\$ 971,250</b>	<b>\$ 0</b>	<b>\$ 971,250</b>		
<b><u>Corrections, Department of</u></b>							
<b>CBC Districts</b>							
CBC District II - HITT	\$ 127,217	\$ 127,217	\$ 127,217	\$ 0	\$ 127,217	H.F. 685	PG 6 LN 6
CBC District III - HITT	35,359	35,359	35,359	0	35,359	H.F. 685	PG 6 LN 10
CBC District IV - HITT	191,731	191,731	191,731	0	191,731	H.F. 685	PG 6 LN 14
CBC District V - HITT	255,693	255,639	255,693	0	255,693	H.F. 685	PG 6 LN 17
<b>Total CBC Districts</b>	<b>610,000</b>	<b>609,946</b>	<b>610,000</b>	<b>0</b>	<b>610,000</b>		
<b>Corrections Central Office</b>							
DOC-Federal Funds	4,657,282	2,198,000	198,000	0	198,000	H.F. 472	PG 20 LN 6
FY 2003 Salary Adjustment	0	3,963,986	0	0	0		
<b>Total Corrections Central Office</b>	<b>4,657,282</b>	<b>6,161,986</b>	<b>198,000</b>	<b>0</b>	<b>198,000</b>		
<b>Corrections Institutions</b>							
Clinical Care Unit-HITT	0	1,100,000	1,100,000	0	1,100,000	H.F. 685	PG 7 LN 15

# Justice System

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Corrections, Department of (cont.)</u></b>							
<b>Corr. - Newton</b>							
Newton Value Based - HITT	0	0	310,000	0	310,000	H.F. 685	PG 6 LN 21
<b>Total Corrections, Department of</b>	<b>\$ 5,267,282</b>	<b>\$ 7,871,932</b>	<b>\$ 2,218,000</b>	<b>\$ 0</b>	<b>\$ 2,218,000</b>		
<b><u>Inspections &amp; Appeals, Dept of</u></b>							
FY 2003 Salary Adjustment	\$ 0	\$ 229,898	\$ 0	\$ 0	\$ 0		
<b><u>Judicial Branch</u></b>							
Enhanced Court Collect	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 0	\$ 4,000,000	H.F. 472	PG 31 LN 29
Court Tech & Modern Fund	1,000,000	1,000,000	1,000,000	0	1,000,000		
Judicial - Federal Funds	150,000	498,583	498,583	0	498,583		
FY 2003 Salary Adjustment	0	4,000,000	0	0	0		
<b>Total Judicial Branch</b>	<b>\$ 5,150,000</b>	<b>\$ 9,498,583</b>	<b>\$ 5,498,583</b>	<b>\$ 0</b>	<b>\$ 5,498,583</b>		
<b><u>Law Enforcement Academy</u></b>							
ILEA - Federal Funds	\$ 417,217	\$ 0	\$ 0	\$ 0	\$ 0		
FY 2003 Salary Adjustment	0	27,103	0	0	0		
<b>Total Law Enforcement Academy</b>	<b>\$ 417,217</b>	<b>\$ 27,103</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>		
<b><u>Parole, Board of</u></b>							
FY 2003 Salary Adjustment	\$ 0	\$ 5,036	\$ 0	\$ 0	\$ 0		
<b><u>Public Defense, Department of</u></b>							
Public Defense-Federal Funds	\$ 29,458,981	\$ 51,808,816	\$ 43,685,692	\$ 0	\$ 43,685,692	H.F. 472	PG 34 LN 29
FY 2003 Salary Adjustment	0	100,774	0	0	0		
<b>Total Public Defense, Department of</b>	<b>\$ 29,458,981</b>	<b>\$ 51,909,590</b>	<b>\$ 43,685,692</b>	<b>\$ 0</b>	<b>\$ 43,685,692</b>		

# Justice System

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Public Safety, Department of</u></b>							
Fire Marshal School Infra.	\$ 50,000	\$ 50,000	\$ 50,000	\$ 0	\$ 50,000	Standing	
Public Safety - Federal Funds	4,507,509	7,433,516	5,247,859	0	5,247,859	H.F. 472	PG 39 LN 5
FY 2003 Salary Adjustment	0	1,196,619	0	0	0		
<b>Total Public Safety, Department of</b>	<b>\$ 4,557,509</b>	<b>\$ 8,680,135</b>	<b>\$ 5,297,859</b>	<b>\$ 0</b>	<b>\$ 5,297,859</b>		
<b>Total Justice System</b>	<b>\$ 53,304,607</b>	<b>\$ 89,019,862</b>	<b>\$ 66,256,958</b>	<b>\$ 0</b>	<b>\$ 66,256,958</b>		
Contingency <sup>15</sup> Court Ordered Env Crime Fines	\$ 0	\$ 0	\$ 20,000	\$ 0	\$ 20,000		

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Sp. Session FY 2004 (4)	Net Final Act FY 2004 (5)	Bill Number (6)	Page & Line Number (7)
<b><u>Ag. &amp; Land Stewardship</u></b>							
Cons. Res Enhance (CREP)-EFF	\$ 0	\$ 1,500,000	\$ 1,500,000	\$ 0	\$ 1,500,000	S.F. 452	PG 9 LN 11
Watershed Protection Prog-EFF	2,214,831	2,700,000	2,700,000	0	2,700,000	S.F. 452	PG 9 LN 17
Farm Demonstration Prog.-EFF	842,900	500,000	850,000	0	850,000	S.F. 452	PG 9 LN 21
Agri. Drainage Wells-EFF	500,000	0	500,000	0	500,000	S.F. 452	PG 9 LN 27
Soil Cons. Cost Share-EFF	7,275,889	3,500,000	5,500,000	0	5,500,000	S.F. 452	PG 9 LN 32
Cons. Reserve Prog (CRP)-EFF	1,127,674	0	2,000,000	0	2,000,000	S.F. 452	PG 10 LN 24
Loess Hills Cons. Auth.-EFF	662,384	0	600,000	0	600,000	S.F. 452	PG 10 LN 29
So. IA Cons. Authority - EFF	220,795	0	300,000	0	300,000	S.F. 452	PG 11 LN 4
<b>Total Ag. &amp; Land Stewardship</b>	<b>\$ 12,844,473</b>	<b>\$ 8,200,000</b>	<b>\$ 13,950,000</b>	<b>\$ 0</b>	<b>\$ 13,950,000</b>		
<b><u>DED Capitals</u></b>							
Local Housing Assist.-RIIF	\$ 1,000,000	\$ 0	\$ 800,000	\$ 0	\$ 800,000	S.F. 452	PG 2 LN 28
ACE Program - RIIF	0	0	3,000,000	0	3,000,000	S.F. 452	PG 3 LN 1
Brownfields Redev. Prog-EFF	1,766,359	0	500,000	0	500,000	S.F. 452	PG 11 LN 9
ACE Program - RCF	2,500,000	2,500,000	2,500,000	0	2,500,000	S.F. 452	PG 13 LN 32
Advanced Research - RIIF/RCF	0	3,268,696	0	0	0		
<b>Total DED Capitals</b>	<b>\$ 5,266,359</b>	<b>\$ 5,768,696</b>	<b>\$ 6,800,000</b>	<b>\$ 0</b>	<b>\$ 6,800,000</b>		
<b><u>IA Telecommun &amp; Technology Commission</u></b>							
ICN Maint & Leases-RIIF	\$ 0	\$ 2,727,004	\$ 2,727,000	\$ 0	\$ 2,727,000	S.F. 452	PG 5 LN 6
ICN-ATM Conversion-RCF	3,500,000	5,000,000	0	0	0		
<b>Total IA Telecommun &amp; Technology Commi</b>	<b>\$ 3,500,000</b>	<b>\$ 7,727,004</b>	<b>\$ 2,727,000</b>	<b>\$ 0</b>	<b>\$ 2,727,000</b>		
<b><u>Information Technology, Dept. of</u></b>							
Pooled Technology-RIIF	\$ 13,000,000	\$ 0	\$ 2,000,000	\$ 0	\$ 2,000,000	S.F. 452	PG 4 LN 25

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Information Technology, Dept. of (cont.)</u></b>							
Integrated Info. System - RCF	0	4,400,000	6,131,075	0	6,131,075	S.F. 452	PG 14 LN 32
Enterprise Data Warehouse-RIIF	0	624,000	0	0	0		
<b>Total Information Technology, Dept. of</b>	<b>\$ 13,000,000</b>	<b>\$ 5,024,000</b>	<b>\$ 8,131,075</b>	<b>\$ 0</b>	<b>\$ 8,131,075</b>		
<b><u>Management, Department of</u></b>							
Appropriation to GF - RIIF	\$ 0	\$ 0	\$ 10,000,000	\$ 0	\$ 10,000,000	S.F. 458	PG 9 LN 14
<b><u>Transportation, Department of</u></b>							
<b>Transportation, Department of</b>							
DOT - Federal Funds	\$ 290,866,000	\$ 306,705,000	\$ 261,650,000	\$ 0	\$ 261,650,000	H.F. 472	PG 42 LN 2
<b>Road Use Tax Fund</b>							
Driver's Lic. Equip Lease	3,997,000	3,997,000	2,820,000	0	2,820,000	H.F. 652	PG 1 LN 6
Operations & Finance	5,747,504	5,056,320	5,227,174	0	5,227,174	H.F. 652	PG 1 LN 17
Administrative Services	543,008	517,083	517,917	0	517,917	H.F. 652	PG 1 LN 19
Planning	487,563	461,698	443,851	0	443,851	H.F. 652	PG 1 LN 21
Motor Vehicles	28,291,902	28,357,256	28,798,337	0	28,798,337	H.F. 652	PG 1 LN 23
Personnel Reimbursement	37,500	37,500	37,500	0	37,500	H.F. 652	PG 1 LN 25
Unemployment Compensation	17,000	17,000	17,000	0	17,000	H.F. 652	PG 1 LN 30
Workers' Compensation	77,000	77,000	77,000	0	77,000	H.F. 652	PG 1 LN 32
Indirect Cost Recoveries	102,000	102,000	102,000	0	102,000	H.F. 652	PG 2 LN 1
Auditor Reimbursement	48,000	54,314	54,314	0	54,314	H.F. 652	PG 2 LN 4
County DL Issuance	30,000	30,000	30,000	0	30,000	H.F. 652	PG 2 LN 7
511 Road/Weather Info. System	100,000	100,000	100,000	0	100,000	H.F. 652	PG 2 LN 10
Vehicle Reg. System Rewrite	0	5,000,000	5,000,000	0	5,000,000	H.F. 652	PG 2 LN 14
Mississippi River Pkwy Comm.	0	40,000	40,000	0	40,000	H.F. 652	PG 2 LN 17
Super Highway Coalition	50,000	50,000	50,000	0	50,000	H.F. 652	PG 2 LN 20



# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Transportation, Department of (cont.)</b>							
<b>Road Use Tax Fund (cont.)</b>							
Scale & Inspection Sites	0	0	200,000	0	200,000	H.F. 652	PG 2 LN 23
Special Assessment-Cedar Falls	157,781	0	0	0	0		
<b>Total Road Use Tax Fund</b>	<b>39,686,258</b>	<b>43,897,171</b>	<b>43,515,093</b>	<b>0</b>	<b>43,515,093</b>		
<b>Primary Road Fund</b>							
Operations & Finance	32,032,343	31,594,629	32,109,775	0	32,109,775	H.F. 652	PG 3 LN 4
Administrative Services	3,335,632	3,182,316	3,181,482	0	3,181,482	H.F. 652	PG 3 LN 7
Planning	9,263,676	8,772,302	8,433,165	0	8,433,165	H.F. 652	PG 3 LN 10
Highways	175,195,223	170,540,659	170,840,643	0	170,840,643	H.F. 652	PG 3 LN 13
Motor Vehicles	1,118,328	2,240,462	1,147,381	0	1,147,381	H.F. 652	PG 3 LN 16
Personnel Reimbursement	712,500	712,500	712,500	0	712,500	H.F. 652	PG 3 LN 19
Unemployment Compensation	328,000	328,000	328,000	0	328,000	H.F. 652	PG 3 LN 24
Workers Compensation	1,883,000	1,883,000	1,883,000	0	1,883,000	H.F. 652	PG 3 LN 26
Hazardous Waste Management	800,000	800,000	800,000	0	800,000	H.F. 652	PG 3 LN 30
Indirect Cost Recovery	748,000	748,000	748,000	0	748,000	H.F. 652	PG 3 LN 33
Auditor Reimbursement	297,000	336,036	336,036	0	336,036	H.F. 652	PG 4 LN 1
Transportation Maps	0	275,000	275,000	0	275,000	H.F. 652	PG 4 LN 4
Garage Roofing Projects	400,000	400,000	300,000	0	300,000	H.F. 652	PG 4 LN 7
Maintenance Garages	0	0	2,000,000	0	2,000,000	H.F. 652	PG 4 LN 10
Field Facility Deferred Maint.	351,500	351,500	351,500	0	351,500	H.F. 652	PG 4 LN 13
Heating System Replacements	200,000	200,000	0	0	0		
ADA Improvements	200,000	200,000	0	0	0		
Admin. Bldg. Improvements	1,500,000	2,000,000	0	0	0		
Facility Utility Improvements	0	200,000	0	0	0		
Waste Water Improvements	400,000	0	0	0	0		
Comm. Staging Facility	350,000	0	0	0	0		
Cedar Rapids Lab Addition	320,000	0	0	0	0		
Exhaust System Repairs	350,000	0	0	0	0		

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Transportation, Department of (cont.)</u></b>							
<b>Primary Road Fund (cont.)</b>							
Field Tuckpointing	100,000	0	0	0	0		
Equipment Replacement	5,340,000	0	0	0	0		
Ames Site Utilization Study	200,000	0	0	0	0		
<b>Total Primary Road Fund</b>	<b>235,425,202</b>	<b>224,764,404</b>	<b>223,446,482</b>	<b>0</b>	<b>223,446,482</b>		
<b>Total Transportation, Department of</b>	<b>\$ 565,977,460</b>	<b>\$ 575,366,575</b>	<b>\$ 528,611,575</b>	<b>\$ 0</b>	<b>\$ 528,611,575</b>		
<b><u>Treasurer of State</u></b>							
County Fair Improvements-RCF	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000	\$ 0	\$ 1,060,000	S.F. 452	PG 16 LN 29
Attorney Litigation Fees-RCF	10,617,000	14,924,000	700,000	0	700,000	S.F. 452	PG 18 LN 25
Tobacco Litigation Supp.-RCF	944,880	0	0	0	0		
ICN Debt Service - RCF	1,465,443	13,044,784	13,039,378	0	13,039,378	S.F. 452	PG 18 LN 35
Prison Infra. Bonds - RCF	5,182,089	5,417,250	5,411,986	0	5,411,986	S.F. 452	PG 19 LN 20
Comm. Attract. & Tourism-RCF	12,500,000	12,500,000	12,500,000	0	12,500,000	2002 Session	
Supp. Litigation Payment-RCF	0	646,076	0	0	0	S.F. 375	PG 11 LN 32
<b>Total Treasurer of State</b>	<b>\$ 31,769,412</b>	<b>\$ 47,592,110</b>	<b>\$ 32,711,364</b>	<b>\$ 0</b>	<b>\$ 32,711,364</b>		
<b><u>Corrections Capital</u></b>							
Ft. Madison-Alliant Engy-RIIF	\$ 333,168	\$ 333,168	\$ 333,168	\$ 0	\$ 333,168	S.F. 452	PG 1 LN 17
Oakdale Exp. Alt #1 - RCF	0	4,100,000	7,500,000	0	7,500,000	S.F. 452	PG 17 LN 20
Inst. Perimeter Fence-RCF	0	3,523,850	0	0	0		
Ft. Madison Sp. Needs-RCF	6,400,000	2,000,000	0	0	0		
Oakdale Water Access-RCF	100,000	0	0	0	0		
Mitchellville Waste Water-RCF	364,400	0	0	0	0		
Luster Heights Expansion-RIIF	0	0	0	92,000	92,000	H.F. 683	PG 4 LN 17
Clarinda Bed Expansion-RIIF	0	0	0	730,400	730,400	H.F. 683	PG 4 LN 21
<b>Total Corrections Capital</b>	<b>\$ 7,197,568</b>	<b>\$ 9,957,018</b>	<b>\$ 7,833,168</b>	<b>\$ 822,400</b>	<b>\$ 8,655,568</b>		

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Cultural Affairs Capital</u></b>							
Historical Site Pres. - RIIF	\$ 1,000,000	\$ 0	\$ 830,000	\$ 0	\$ 830,000	S.F. 452	PG 1 LN 33
Battle Flag Preservation-RIIF	150,000	100,000	150,000	0	150,000	S.F. 452	PG 2 LN 11
Historical Society - RIIF	0	0	125,000	0	125,000	S.F. 452	PG 2 LN 16
<b>Total Cultural Affairs Capital</b>	<b>\$ 1,150,000</b>	<b>\$ 100,000</b>	<b>\$ 1,105,000</b>	<b>\$ 0</b>	<b>\$ 1,105,000</b>		
<b><u>State Fair Authority Capital</u></b>							
Capital Improvements-RCF	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0	\$ 500,000	S.F. 452	PG 15 LN 2
<b><u>General Services Capital</u></b>							
Records & Prop. Renov-RCF/RIIF	\$ 0	\$ 1,600,000	\$ 4,750,000	\$ 0	\$ 4,750,000	S.F. 452	PG 3 LN 29
Wallace Bldg Evaluation-RIIF	0	0	50,000	0	50,000	S.F. 452	PG 3 LN 32
Statewide Routine Maint-RIIF	2,000,000	0	1,664,000	0	1,664,000	S.F. 452	PG 3 LN 35
Records Relocation - RIIF	0	0	729,237	0	729,237	S.F. 452	PG 4 LN 4
Temp. Lease/Relocation-RIIF	1,000,000	898,000	631,449	0	631,449	S.F. 452	PG 4 LN 11
Major Maintenance-RCF	11,500,000	15,750,000	11,500,000	0	11,500,000	S.F. 452	PG 14 LN 15
State Laboratory Facility-RCF	16,670,000	16,670,000	16,660,000	0	16,660,000	2001 Session	
Capitol Interior - RCF	0	5,000,000	6,239,000	0	6,239,000	2002 Session	
Parking Lots-RCF	0	93,000	0	0	0		
Capitol Complex Security-RCF	0	1,000,000	0	0	0		
Property Acquisition-RCF	200,000	0	0	0	0		
Med. Cent. Appraisal-RCF	250,000	0	0	0	0		
Metro Med. Center Option-RCF	500,000	0	0	0	0		
Micrographic Demolition-RCF	0	170,000	0	0	0		
Capitol Rest. Interior-RCF	1,700,000	2,700,000	0	0	0		
Judicial Bldg.Road Exten.	34,000	0	0	0	0		
Parking Structure - RCF	0	3,400,000	0	0	0		

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>General Services Capital (cont.)</u></b>							
Medical & Ed Bldg - RIIF	0	0	250,000	0	250,000	S.F. 452	PG 4 LN 16
African American Museum-RIIF	0	0	300,000	0	300,000	S.F. 452	PG 4 LN 21
<b>Total General Services Capital</b>	<b>\$ 33,854,000</b>	<b>\$ 47,281,000</b>	<b>\$ 42,773,686</b>	<b>\$ 0</b>	<b>\$ 42,773,686</b>		
<b><u>Human Services Capital</u></b>							
Alternative Ser. Facility-RCF	\$ 0	\$ 200,000	\$ 0	\$ 0	\$ 0		
<b><u>Natural Resources Capital</u></b>							
GIS Info. for Watershed-EFF	\$ 195,000	\$ 0	\$ 195,000	\$ 0	\$ 195,000	S.F. 452	PG 11 LN 25
Volun. & Keepers of Land-EFF	70,000	100,000	100,000	0	100,000	S.F. 452	PG 11 LN 29
Water Quality Monitoring-EFF	2,400,000	2,605,000	2,955,000	0	2,955,000	S.F. 452	PG 11 LN 32
Water Quality Protection-EFF	0	500,000	500,000	0	500,000	S.F. 452	PG 11 LN 35
Air Quality Equipment-EFF	0	500,000	500,000	0	500,000	S.F. 452	PG 12 LN 4
Lake Dredging-EFF	348,611	350,000	1,000,000	0	1,000,000	S.F. 452	PG 12 LN 6
Marine Fuel Tax Projects-EFF	1,800,000	2,300,000	2,300,000	0	2,300,000	S.F. 452	PG 12 LN 22
Park Operations & Main.- EFF	0	0	2,000,000	0	2,000,000	S.F. 452	PG 12 LN 28
REAP-EFF	7,200,000	2,000,000	11,000,000	0	11,000,000	S.F. 452	PG 12 LN 31
Destination Park-RCF	1,000,000	1,000,000	3,000,000	0	3,000,000	S.F. 452	PG 15 LN 6
Restore the Outdoors-RCF	2,500,000	2,500,000	2,500,000	0	2,500,000	S.F. 452	PG 15 LN 15
Lewis & Clark Water-RCF	0	281,400	1,500,000	0	1,500,000	2002 Session	
Pollutant Discharge Elim.-EFF	180,000	0	0	0	0		
Waste Tire Abatement-EFF	500,000	0	0	0	0		
Landforms & Ecosystem-EFF	125,000	0	0	0	0		
Trees Planting Program-EFF	250,000	0	0	0	0		
Lewis & Clark Water System-EFF	60,000	0	0	0	0		
<b>Total Natural Resources Capital</b>	<b>\$ 16,628,611</b>	<b>\$ 12,136,400</b>	<b>\$ 27,550,000</b>	<b>\$ 0</b>	<b>\$ 27,550,000</b>		

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Public Defense Capital</u></b>							
Iowa City Readiness Ctr.-RIIF	\$ 0	\$ 0	\$ 195,000	\$ 0	\$ 195,000	S.F. 452	PG 6 LN 6
Ft. Dodge Readiness Ctr.-RIIF	0	0	750,000	0	750,000	S.F. 452	PG 6 LN 9
Armory Maintenance-RCF	700,000	700,000	1,269,636	0	1,269,636	S.F. 452	PG 15 LN 19
Boone Army Renovation-RCF	0	111,000	1,095,000	0	1,095,000	S.F. 452	PG 15 LN 23
Estherville Readiness Ctr.-RCF	400,000	400,000	461,000	0	461,000	2002 Session	
Waterloo Armory Renov.-RCF	0	612,100	0	0	0		
<b>Total Public Defense Capital</b>	<b>\$ 1,100,000</b>	<b>\$ 1,823,100</b>	<b>\$ 3,770,636</b>	<b>\$ 0</b>	<b>\$ 3,770,636</b>		
<b><u>Public Safety Capital</u></b>							
Capitol Bldg Security-RIIF	\$ 0	\$ 850,000	\$ 800,000	\$ 0	\$ 800,000	S.F. 452	PG 6 LN 19
Fire Training Facilities-RIIF	0	0	50,000	0	50,000	S.F. 452	PG 6 LN 22
Fire Equip. Loan Fund-RIIF	0	0	500,000	0	500,000	S.F. 452	PG 6 LN 27
Capitol Complex Security-RCF	0	0	1,000,000	0	1,000,000	S.F. 452	PG 15 LN 26
<b>Total Public Safety Capital</b>	<b>\$ 0</b>	<b>\$ 850,000</b>	<b>\$ 2,350,000</b>	<b>\$ 0</b>	<b>\$ 2,350,000</b>		
<b><u>Regents Capital</u></b>							
Tuition Replacement - RIIF	\$ 0	\$ 0	\$ 350,000	\$ 0	\$ 350,000	S.F. 452	PG 7 LN 11
Tuition Replacement - RCF	600,860	10,503,733	10,610,409	0	10,610,409	S.F. 452	PG 18 LN 8
Tuition Replacement-ENDW	0	16,843,772	0	0	0		
ISU-Classrooms & Aud.-RCF	0	2,112,100	10,177,300	0	10,177,300	2002 Session	
SUI-Journalism Bldg-RCF	0	2,600,000	7,200,000	0	7,200,000		
UNI-Teaching Center Bldg-RCF	0	1,730,000	6,490,000	0	6,490,000	2002 Session	
UNI-Steam Distribution-RCF	3,990,000	4,320,000	4,390,000	0	4,390,000		
SUI-Art Building-RCF	4,453,000	7,910,000	3,653,000	0	3,653,000	2002 Session	
ISU-Business Bldg-RCF	4,200,000	6,700,000	0	0	0		
Lakeside Laboratory-RCF	0	390,000	0	0	0		
UNI-McCollum Hall-RCF	5,800,000	8,400,000	0	0	0		
ISD-Utility System-RCF	0	250,000	0	0	0		

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Regents Capital (cont.)</u></b>							
ISD-Tuckpointing-RCF	0	185,000	0	0	0		
IBSSS-HVAC System-RCF	0	450,000	0	0	0		
ISU-Livestock Biosecurity-RCF	0	2,797,000	0	0	0		
ISU-Plant Sciences-RCF	0	4,148,000	0	0	0		
SUI-Biology Building-RCF	7,300,000	3,000,000	0	0	0		
ISU-Gilman Hall-RCF	2,500,000	0	0	0	0		
Special Schools Capitals-RCF	835,000	0	0	0	0		
ISD-Girls' Dormitory - RIIF	0	0	100,000	0	100,000	S.F. 452	PG 1 LN 9
IBSSS-Facility Impr. - RIIF	0	0	100,000	0	100,000	S.F. 452	PG 1 LN 13
UNI-Playground Safety - RIIF	0	0	500,000	0	500,000	S.F. 452	PG 5 LN 17
SUI-Old Capitol Impr. - RCF	0	0	350,000	0	350,000	S.F. 452	PG 16 LN 34
<b>Total Regents Capital</b>	<b>\$ 29,678,860</b>	<b>\$ 72,339,605</b>	<b>\$ 43,920,709</b>	<b>\$ 0</b>	<b>\$ 43,920,709</b>		
<b><u>Transportation Capitals</u></b>							
Aviation Improvement Prog-RIIF	\$ 0	\$ 0	\$ 500,000	\$ 0	\$ 500,000	S.F. 452	PG 6 LN 33
Comm. Service Airports-RCF	1,000,000	1,100,000	1,100,000	0	1,100,000	S.F. 452	PG 15 LN 31
Gen. Aviation Airports-RCF	500,000	581,400	581,400	0	581,400	S.F. 452	PG 16 LN 15
Recreational Trails-RCF	1,000,000	2,000,000	1,000,000	0	1,000,000	S.F. 452	PG 16 LN 19
<b>Total Transportation Capitals</b>	<b>\$ 2,500,000</b>	<b>\$ 3,681,400</b>	<b>\$ 3,181,400</b>	<b>\$ 0</b>	<b>\$ 3,181,400</b>		
<b><u>Education Capital</u></b>							
Enrich Iowa Libraries-RIIF	\$ 500,000	\$ 600,000	\$ 600,000	\$ 0	\$ 600,000	S.F. 452	PG 3 LN 12
IPTV-HDTV Conversion-RCF	2,400,000	1,000,000	10,000,000	0	10,000,000	S.F. 452	PG 14 LN 9
<b>Total Education Capital</b>	<b>\$ 2,900,000</b>	<b>\$ 1,600,000</b>	<b>\$ 10,600,000</b>	<b>\$ 0</b>	<b>\$ 10,600,000</b>		
<b><u>Judicial Branch Capital</u></b>							
Judicial Bldg Parking-RCF	\$ 0	\$ 700,000	\$ 0	\$ 0	\$ 0		

# Trans., Infra., and Capitals

## Non General Fund

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Judicial Branch Capital (cont.)</b>							
Judicial Bldg Furnishings-RCF	0	1,250,000	0	0	0		
Judicial Building-RCF	10,300,000	0	0	0	0		
<b>Total Judicial Branch Capital</b>	<b>\$ 10,300,000</b>	<b>\$ 1,950,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>		
<b>Veterans Affairs Capitals</b>							
Residence Demolition-RIIF	\$ 0	\$ 50,000	\$ 0	\$ 0	\$ 0		
<b>Total Trans., Infra., and Capitals</b>	<b>\$ 738,166,743</b>	<b>\$ 802,146,908</b>	<b>\$ 746,515,613</b>	<b>\$ 822,400</b>	<b>\$ 747,338,013</b>		

# Unassigned Standing

## Non General Fund

	Actual FY 2002 (1)	Estimated Net FY 2003 (2)	Final Action FY 2004 (3)	Sp. Session FY 2004 (4)	Net Final Act FY 2004 (5)	Bill Number (6)	Page & Line Number (7)
<b><u>Legislative Branch</u></b>							
Nat. Conf. Ins. Legislators	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0		
<b><u>Management, Department of</u></b>							
Grants Enterprise Mgmt.	\$ 0	\$ 0	\$ 0	\$ 125,000	\$ 125,000	H.F. 683	PG 17 LN 15
<b><u>Transportation, Department of</u></b>							
<b>Transportation, Department of</b>							
Keep Iowa Beautiful-Stnd	\$ 0	\$ 0	\$ 56,633	\$ 0	\$ 56,633	S.F. 458	PG 8 LN 27
<b>Road Use Tax Fund</b>							
DL Suspension Services	225,000	225,000	225,000	0	225,000	Standing	
Co. Treas. Equip Standing	650,000	1,000,000	650,000	0	650,000	Standing	
<b>Total Road Use Tax Fund</b>	<u>875,000</u>	<u>1,225,000</u>	<u>875,000</u>	<u>0</u>	<u>875,000</u>		
<b>Total Transportation, Department of</b>	<u>\$ 875,000</u>	<u>\$ 1,225,000</u>	<u>\$ 931,633</u>	<u>\$ 0</u>	<u>\$ 931,633</u>		
<b><u>Natural Resources Capital</u></b>							
Fish and Game Capital - F & G	<u>\$ 5,000,000</u>	<u>\$ 2,218,000</u>	<u>\$ 5,000,000</u>	<u>\$ 0</u>	<u>\$ 5,000,000</u>	Standing	
<b>Total Unassigned Standing</b>	<u><u>\$ 5,880,000</u></u>	<u><u>\$ 3,443,000</u></u>	<u><u>\$ 5,931,633</u></u>	<u><u>\$ 125,000</u></u>	<u><u>\$ 6,056,633</u></u>		



# Summary Data

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004
	(1)	(2)	(3)	(4)	(5)
Administration and Regulation	1,874.92	1,964.77	1,962.14	4.00	1,966.14
Ag. and Natural Resources	1,388.48	1,559.75	1,563.75	0.00	1,563.75
Economic Development	1,129.30	1,252.13	1,247.09	0.00	1,247.09
Education	26,625.93	26,492.10	26,261.62	0.00	26,261.62
Health and Human Services	6,524.47	6,681.88	6,841.59	11.00	6,852.59
Justice System	7,972.84	8,082.44	8,126.57	22.32	8,148.89
Trans., Infra., and Capitals	3,435.62	3,554.98	3,538.00	0.00	3,538.00
Unassigned Standing	412.29	412.09	412.09	0.00	412.09
Grand Total	49,363.85	50,000.14	49,952.85	37.32	49,990.17

(1) Actual FY 2002 - The FY 2002 appropriations.

(2) Estimated Net FY 2003 - The FY 2003 legislative action adjusted by deappropriations or supplemental appropriations.

(3) Final Action FY 2004 - Final legislative action from the Regular Legislative Session.

(4) Sp. Session FY 2004 - Legislative action from the 2003 Extraordinary Legislative Session.

(5) Net Final Action FY 2004 - The sum of columns 3 and 4.

# Summary Data

FTE

Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004
(1)	(2)	(3)	(4)	(5)

## Bill Totals

H.F. 652 Transportation Appropriations Act		3,442.00	0.00	3,442.00
H.F. 655 Admin. & Reg. Appropriations Act		1,923.92	0.00	1,923.92
H.F. 662 Education Appropriations Act		17,252.24	0.00	17,252.24
H.F. 667 Health and Human Services Appropriations Act		6,626.37	0.00	6,626.37
H.F. 683 Grow Iowa Values Fund Act		0.00	37.32	37.32
H.F. 685 Healthy Iowans Tobacco Trust Approp. Act		28.87	0.00	28.87
S.F. 425 Agriculture & Natural Resources Approp. Act		1,519.25	0.00	1,519.25
S.F. 433 Economic Development Approp. Act		433.73	0.00	433.73
S.F. 435 Judicial Branch Appropriations Act		1,926.00	0.00	1,926.00
S.F. 439 Justice System Appropriations Act		6,051.86	0.00	6,051.86

# Administration and Regulation

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Dept. of Administrative Services</u></b>							
Dept. of Administrative Serv.	0.00	0.00	384.70	0.00	384.70	H.F. 655	PG 23 LN 11
Admin. Centralized Purchasing	0.00	0.00	15.15	0.00	15.15	H.F. 655	PG 24 LN 15
Administration State Fleet	0.00	0.00	19.15	0.00	19.15	H.F. 655	PG 24 LN 29
Admin. Centralized Printing	0.00	0.00	25.95	0.00	25.95	H.F. 655	PG 25 LN 8
<b>Total Dept. of Administrative Services</b>	<b>0.00</b>	<b>0.00</b>	<b>444.95</b>	<b>0.00</b>	<b>444.95</b>		
<b><u>Auditor of State</u></b>							
Auditor of State - Gen. Office	109.11	102.42	105.72	0.00	105.72	H.F. 655	PG 1 LN 2
<b><u>Ethics and Campaign Disclosure</u></b>							
Ethics and Campaign Disclosure	6.54	6.00	6.00	0.00	6.00	H.F. 655	PG 1 LN 23
<b><u>Commerce, Department of</u></b>							
<b>Department of Commerce</b>							
Administration	16.10	0.00	0.00	0.00	0.00		
Alcoholic Beverages	24.29	33.00	33.00	0.00	33.00	H.F. 655	PG 2 LN 4
Banking Division	66.74	72.00	65.00	0.00	65.00	H.F. 655	PG 2 LN 10
Credit Union Division	15.05	19.00	19.00	0.00	19.00	H.F. 655	PG 2 LN 16
Insurance Division	87.55	93.50	93.50	0.00	93.50	H.F. 655	PG 2 LN 22
Professional Licensing	8.90	11.00	11.00	0.00	11.00	H.F. 655	PG 3 LN 8
Utilities Division	66.27	77.00	79.00	0.00	79.00	H.F. 655	PG 3 LN 21
<b>Total Department of Commerce</b>	<b>284.90</b>	<b>305.50</b>	<b>300.50</b>	<b>0.00</b>	<b>300.50</b>		
<b>Nonappropriated</b>							
Dual Party Relay Service	0.00	4.00	0.00	0.00	0.00		
<b>Total Commerce, Department of</b>	<b>284.90</b>	<b>309.50</b>	<b>300.50</b>	<b>0.00</b>	<b>300.50</b>		

# Administration and Regulation

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>General Services, Dept. of</u></b>							
<b>General Services, Dept. of</b>							
DGS Administration & Property	0.00	149.40	0.00	0.00	0.00		
Property Mgmt	122.17	0.00	0.00	0.00	0.00		
Terrace Hill Operations	4.94	5.00	0.00	0.00	0.00		
Utilities	0.86	1.00	0.00	0.00	0.00		
Centralized Purchasing Div.	14.86	16.75	0.00	0.00	0.00		
State Fleet Administrator	16.04	18.50	0.00	0.00	0.00		
Central Print Division	20.99	28.80	0.00	0.00	0.00		
<b>Total General Services, Dept. of</b>	<b>179.86</b>	<b>219.45</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>Nonappropriated</b>							
Recycling Revolving Fund	0.00	1.00	0.00	0.00	0.00		
Centralized Purchasing - Admin	0.94	1.00	1.00	0.00	1.00		
Federal Surplus Property	5.56	7.30	7.30	0.00	7.30		
Self Insurance/Risk Management	1.29	2.00	2.00	0.00	2.00		
Centralized Printing Revolving	1.32	0.00	0.00	0.00	0.00		
<b>Total Nonappropriated</b>	<b>9.11</b>	<b>11.30</b>	<b>10.30</b>	<b>0.00</b>	<b>10.30</b>		
<b>Total General Services, Dept. of</b>	<b>188.97</b>	<b>230.75</b>	<b>10.30</b>	<b>0.00</b>	<b>10.30</b>		
<b><u>Information Technology, Dept. of</u></b>							
ITD Operations	0.02	0.00	0.00	0.00	0.00		
Pooled Technology Account	2.68	0.00	0.00	0.00	0.00		
lowaccess Revolving Fund	0.78	0.00	0.00	0.00	0.00		
IT Operations Revolving Fund	128.93	138.00	0.00	0.00	0.00		
<b>Total Information Technology, Dept. of</b>	<b>132.41</b>	<b>138.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		

# Administration and Regulation

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Governor</u></b>							
<b>Governor's Office, Iowa</b>							
General Office	17.06	17.25	17.25	0.00	17.25	H.F. 655	PG 4 LN 35
Terrace Hill Quarters	3.00	3.00	3.00	0.00	3.00	H.F. 655	PG 5 LN 7
Admin Rules Coordinator	3.00	3.00	3.00	0.00	3.00	H.F. 655	PG 5 LN 13
State-Federal Relations	2.98	2.00	2.00	0.00	2.00	H.F. 655	PG 5 LN 24
Governor's Office Increase	0.00	0.00	0.00	2.00	2.00	H.F. 683	PG 6 LN 4
<b>Total Governor's Office, Iowa</b>	<b>26.04</b>	<b>25.25</b>	<b>25.25</b>	<b>2.00</b>	<b>27.25</b>		
<b>Nonappropriated</b>							
Statewide Volunteer Program	1.38	1.75	1.75	0.00	1.75		
<b>Total Governor</b>	<b>27.42</b>	<b>27.00</b>	<b>27.00</b>	<b>2.00</b>	<b>29.00</b>		
<b><u>Gov. Office of Drug Control Policy</u></b>							
Drug Policy Coordinator	12.82	11.00	8.00	0.00	8.00	H.F. 655	PG 5 LN 30
<b><u>Human Rights, Department of</u></b>							
<b>Human Rights, Dept. of</b>							
Community Grant Fund	1.23	0.00	0.00	0.00	0.00		
Administration	7.00	7.00	7.00	0.00	7.00	H.F. 655	PG 6 LN 17
Deaf Services	4.49	7.00	7.00	0.00	7.00	H.F. 655	PG 6 LN 23
Persons with Disabilities	2.78	3.50	3.50	0.00	3.50	H.F. 655	PG 6 LN 34
Division of Latino Affairs	2.97	3.00	3.00	0.00	3.00	H.F. 655	PG 7 LN 5
Status of Women	2.96	3.00	3.00	0.00	3.00	H.F. 655	PG 7 LN 11
Status of African Americans	1.08	2.00	2.00	0.00	2.00	H.F. 655	PG 7 LN 18
Criminal & Juvenile Justice	7.88	6.96	6.96	0.00	6.96	H.F. 655	PG 7 LN 24
<b>Total Human Rights, Dept. of</b>	<b>30.39</b>	<b>32.46</b>	<b>32.46</b>	<b>0.00</b>	<b>32.46</b>		
<b>Nonappropriated</b>							
Weatherization-D.O.E.	5.57	6.39	6.39	0.00	6.39		

# Administration and Regulation

FTE

Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
(1)	(2)	(3)	(4)	(5)	(6)	(7)

## Human Rights, Department of (cont.)

### **Nonappropriated (cont.)**

Justice Assistance Act	4.68	1.55	0.00	0.00	0.00	
Juvenile Accountability	1.51	0.00	0.00	0.00	0.00	
Oil Overcharge Weatherization	0.30	0.20	0.20	0.00	0.20	
Low Income Energy Assistance	3.23	3.20	3.20	0.00	3.20	
Weatherization - HHS (LEAP)	0.60	0.00	0.00	0.00	0.00	
Juvenile Accountability Block	0.09	3.41	3.41	0.00	3.41	
CSBG - Community Action Agcy	5.46	5.21	5.22	0.00	5.22	
Disability Donations & Grants	1.54	1.75	1.75	0.00	1.75	

### **Total Nonappropriated**

22.98	21.71	20.17	0.00	20.17		
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### **Total Human Rights, Department of**

53.37	54.17	52.63	0.00	52.63		
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## Inspections & Appeals, Dept of

### **Inspections and Appeals**

Administration Division	18.80	19.34	19.25	0.00	19.25	H.F. 655	PG 8 LN 8
Audits Division	7.94	0.00	0.00	0.00	0.00		
Administrative Hearings Div.	28.09	23.00	23.00	0.00	23.00	H.F. 655	PG 8 LN 14
Investigations Division	37.15	41.00	41.00	0.00	41.00	H.F. 655	PG 8 LN 20
Health Facilities Div.	101.26	101.75	101.75	0.00	101.75	H.F. 655	PG 8 LN 26
Inspections Division	14.90	12.00	12.00	0.00	12.00	H.F. 655	PG 8 LN 32
Employment Appeal	12.98	15.00	15.00	0.00	15.00	H.F. 655	PG 9 LN 3
Child Advocacy Board	15.23	42.99	43.49	0.00	43.49	H.F. 655	PG 9 LN 18
Health Facilities Div.- SLTF	0.00	0.00	6.00	0.00	6.00	H.F. 667	PG 70 LN 31
<b>Total Inspections and Appeals</b>	236.35	255.08	261.49	0.00	261.49		

# Administration and Regulation

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Inspections &amp; Appeals, Dept of (cont.)</u></b>							
<b>Racing Commission</b>							
Pari-mutuel Regulation	22.27	24.53	24.53	0.00	24.53	H.F. 655	PG 10 LN 13
Excursion Boat Gambling Reg.	26.99	30.22	30.22	0.00	30.22	H.F. 655	PG 10 LN 27
<b>Total Racing Commission</b>	49.26	54.75	54.75	0.00	54.75		
<b>Total Inspections &amp; Appeals, Dept of</b>	285.61	309.83	316.24	0.00	316.24		
<b><u>Management, Department of</u></b>							
DOM General Office & Statewide	28.22	33.00	33.00	0.00	33.00	H.F. 655	PG 11 LN 22
Statewide Property Tax Admin.	1.00	0.00	0.00	0.00	0.00		
Enterprise Resource Plan.	0.00	1.00	1.00	0.00	1.00	H.F. 655	PG 11 LN 28
<b>Total Management, Department of</b>	29.22	34.00	34.00	0.00	34.00		
<b><u>Personnel, Department of</u></b>							
<b>Personnel, Department of</b>							
IDOP-Admin. and Prog. Op.	69.04	76.00	0.00	0.00	0.00		
<b>IDOP - Retirement</b>							
IPERS Administration	84.66	90.13	90.13	0.00	90.13	H.F. 655	PG 14 LN 24
<b>Nonappropriated</b>							
Worker's Comp Insurance Fund	0.08	0.00	0.00	0.00	0.00		
<b>Total Personnel, Department of</b>	153.78	166.13	90.13	0.00	90.13		
<b><u>Revenue and Finance, Dept. of</u></b>							
<b>Revenue and Finance, Dept. of</b>							
Revenue & Finance	422.39	390.17	0.00	0.00	0.00	H.F. 655	PG 15 LN 2

# Administration and Regulation

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Revenue and Finance, Dept. of (cont.)</u></b>							
<b>Revenue and Finance, Dept. of (cont.)</b>							
Department of Revenue	0.00	0.00	378.87	0.00	378.87	H.F. 655	PG 22 LN 21
Compliance Administration	0.00	0.00	0.00	2.00	2.00	H.F. 683	PG 6 LN 21
<b>Total Revenue and Finance, Dept. of</b>	<b>422.39</b>	<b>390.17</b>	<b>378.87</b>	<b>2.00</b>	<b>380.87</b>		
<b>Lottery Division</b>							
Lottery Operations	108.99	117.00	117.00	0.00	117.00	H.F. 655	PG 12 LN 19
<b>Total Revenue and Finance, Dept. of</b>	<b>531.38</b>	<b>507.17</b>	<b>495.87</b>	<b>2.00</b>	<b>497.87</b>		
<b><u>Secretary of State</u></b>							
Administration and Elections	9.27	10.00	10.00	0.00	10.00	H.F. 655	PG 13 LN 14
Business Services	26.39	32.00	32.00	0.00	32.00	H.F. 655	PG 13 LN 24
<b>Total Secretary of State</b>	<b>35.66</b>	<b>42.00</b>	<b>42.00</b>	<b>0.00</b>	<b>42.00</b>		
<b><u>Treasurer of State</u></b>							
Treasurer - General Office	23.73	26.80	28.80	0.00	28.80	H.F. 655	PG 14 LN 11
<b>Total Administration and Regulation</b>	<b>1,874.92</b>	<b>1,964.77</b>	<b>1,962.14</b>	<b>4.00</b>	<b>1,966.14</b>		



# Ag. and Natural Resources

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Ag. &amp; Land Stewardship</u></b>							
<b>Agriculture &amp; Land Stewardship</b>							
Administrative Division	363.12	440.13	440.13	0.00	440.13	S.F. 425	PG 1 LN 16
<b>Nonappropriated</b>							
Ag Drainage Wells - GW	2.01	5.00	5.00	0.00	5.00		
Water Protection Fund	9.61	8.00	8.00	0.00	8.00		
Agri-Dev Auth - Administration	3.76	6.00	6.00	0.00	6.00		
EPA Non Point Source Pollution	13.14	15.00	15.00	0.00	15.00		
Abandoned Mined Lands Grant	4.00	4.00	4.00	0.00	4.00		
Renewable Fuels & Coproducts	0.99	1.00	1.00	0.00	1.00		
Pseudorabies	3.77	5.50	5.50	0.00	5.50		
<b>Total Nonappropriated</b>	<u>37.28</u>	<u>44.50</u>	<u>44.50</u>	<u>0.00</u>	<u>44.50</u>		
<b>Total Ag. &amp; Land Stewardship</b>	<u>400.40</u>	<u>484.63</u>	<u>484.63</u>	<u>0.00</u>	<u>484.63</u>		
<b><u>Natural Resources, Department of</u></b>							
Department of Natural Resource	<u>988.08</u>	<u>1,075.12</u>	<u>1,079.12</u>	<u>0.00</u>	<u>1,079.12</u>	S.F. 425	PG 2 LN 25
<b>Total Ag. and Natural Resources</b>	<u><u>1,388.48</u></u>	<u><u>1,559.75</u></u>	<u><u>1,563.75</u></u>	<u><u>0.00</u></u>	<u><u>1,563.75</u></u>		

# Economic Development

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Economic Development, Dept. of</u></b>							
<b>Administrative Services</b>							
Administrative Division	0.00	24.75	28.75	0.00	28.75	S.F. 433	PG 1 LN 31
General Administration	21.19	0.00	0.00	0.00	0.00		
IA Comm. on Volunteerism	3.41	4.00	0.00	0.00	0.00		
<b>Total Administrative Services</b>	<b>24.60</b>	<b>28.75</b>	<b>28.75</b>	<b>0.00</b>	<b>28.75</b>		
<b>Business Development</b>							
Business Development Division	0.00	46.25	57.00	0.00	57.00	S.F. 433	PG 2 LN 11
Business Development	19.18	0.00	0.00	0.00	0.00		
Workforce Recruitment Proj.	1.36	0.00	0.00	0.00	0.00		
International Trade	13.69	0.00	0.00	0.00	0.00		
Strategic Investment Fund	8.12	8.25	0.00	0.00	0.00		
Value-Added Ag. Products	2.00	2.50	0.00	0.00	0.00		
Workforce Development Fund	3.11	3.75	4.00	0.00	4.00	S.F. 433	PG 5 LN 4
<b>Total Business Development</b>	<b>47.46</b>	<b>60.75</b>	<b>61.00</b>	<b>0.00</b>	<b>61.00</b>		
<b>Community &amp; Rural Devel.</b>							
Community and Rural Dev. Div.	0.00	60.75	61.75	0.00	61.75	S.F. 433	PG 2 LN 35
Tourism Operations	16.21	0.00	0.00	0.00	0.00		
Community Assistance	7.72	0.00	0.00	0.00	0.00		
Film Office	1.71	0.00	0.00	0.00	0.00		
Mainstreet/Rural Mainst.	2.92	0.00	0.00	0.00	0.00		
Community Dev. Programs	4.85	0.00	0.00	0.00	0.00		
Community Dev. Block Grant	21.13	0.00	0.00	0.00	0.00		
Local Housing Assistance Fund	1.01	1.00	0.00	0.00	0.00		
Tourism/Recreation Dev.	0.98	2.25	3.00	0.00	3.00	S.F. 433	PG 3 LN 29
<b>Total Community &amp; Rural Devel.</b>	<b>56.53</b>	<b>64.00</b>	<b>64.75</b>	<b>0.00</b>	<b>64.75</b>		

# Economic Development

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Economic Development, Dept. of (cont.)</u></b>							
<b>Nonappropriated</b>							
Finance Auth.-Title Guaranty	12.45	17.33	17.33	0.00	17.33		
Finance Authority	32.00	38.00	38.00	0.00	38.00		
IFA-Sec. 8 HUD Funding	22.85	26.00	26.00	0.00	26.00		
<b>Total Nonappropriated</b>	<b>67.30</b>	<b>81.33</b>	<b>81.33</b>	<b>0.00</b>	<b>81.33</b>		
<b>Total Economic Development, Dept. of</b>	<b>195.89</b>	<b>234.83</b>	<b>235.83</b>	<b>0.00</b>	<b>235.83</b>		
<b><u>Iowa Workforce Development</u></b>							
<b>Iowa Workforce Development</b>							
Iowa Workforce Development	0.00	95.36	94.87	0.00	94.87	S.F. 433	PG 8 LN 27
Labor Division	91.56	0.00	0.00	0.00	0.00		
Job Service ACS (Surcharge)	109.24	103.56	107.08	0.00	107.08	S.F. 433	PG 9 LN 19
Employment Statistics	0.77	0.72	0.00	0.00	0.00		
Welfare-To-Work Match	1.89	1.95	0.00	0.00	0.00		
<b>Total Iowa Workforce Development</b>	<b>203.46</b>	<b>201.59</b>	<b>201.95</b>	<b>0.00</b>	<b>201.95</b>		
<b>Nonappropriated</b>							
Special Contingency Fund	94.50	102.66	102.66	0.00	102.66		
IWD Major Federal Programs	495.00	431.69	431.69	0.00	431.69		
IWD Minor Federal Programs	54.00	197.36	197.36	0.00	197.36		
Admin. Contribution Surcharge	0.12	0.00	0.00	0.00	0.00		
Amateur Boxing Grants Fund	0.30	0.32	0.32	0.00	0.32		
<b>Total Nonappropriated</b>	<b>643.92</b>	<b>732.03</b>	<b>732.03</b>	<b>0.00</b>	<b>732.03</b>		
<b>Total Iowa Workforce Development</b>	<b>847.38</b>	<b>933.62</b>	<b>933.98</b>	<b>0.00</b>	<b>933.98</b>		
<b><u>Public Employment Relations Board</u></b>							
General Office	10.75	10.00	10.00	0.00	10.00	S.F. 433	PG 10 LN 32

# Economic Development

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Regents, Board of</u></b>							
<b>Iowa State University</b>							
Small Business Dev. Ctrs.	5.49	0.00	0.00	0.00	0.00		
Research Park/ISIS	4.47	0.00	0.00	0.00	0.00		
Inst. for Physical Res.	46.42	0.00	0.00	0.00	0.00		
ISU Economic Development	0.00	56.53	56.53	0.00	56.53	S.F. 433	PG 5 LN 18
<b>Total Iowa State University</b>	56.38	56.53	56.53	0.00	56.53		
<b>University of Iowa</b>							
Oak Park Res./Tech. Park	3.19	0.00	0.00	0.00	0.00		
Advanced Drug Development	4.64	0.00	0.00	0.00	0.00		
SUI Economic Development	0.00	6.00	6.00	0.00	6.00	S.F. 433	PG 7 LN 4
<b>Total University of Iowa</b>	7.83	6.00	6.00	0.00	6.00		
<b>Univ. of Northern Iowa</b>							
Metal Casting	2.42	0.00	0.00	0.00	0.00		
Decision Making Institute	8.65	0.00	0.00	0.00	0.00		
UNI Economic Development	0.00	11.15	4.75	0.00	4.75	S.F. 433	PG 8 LN 1
<b>Total Univ. of Northern Iowa</b>	11.07	11.15	4.75	0.00	4.75		
<b>Total Regents, Board of</b>	75.28	73.68	67.28	0.00	67.28		
<b>Total Economic Development</b>	1,129.30	1,252.13	1,247.09	0.00	1,247.09		

# Education

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Blind, Iowa Commission for the</u></b>							
Department for the Blind	98.23	106.50	106.50	0.00	106.50	H.F. 662	PG 2 LN 4
<b><u>College Aid Commission</u></b>							
<b>Operations &amp; Loan Program</b>							
Scholarship and Grant Admin	4.99	4.69	4.21	0.00	4.21	H.F. 662	PG 1 LN 7
<b>Nonappropriated</b>							
Stafford Loan Program Admin.	31.15	37.31	37.94	0.00	37.94		
<b>Total College Aid Commission</b>	36.14	42.00	42.15	0.00	42.15		
<b><u>Cultural Affairs, Dept. of</u></b>							
<b>Cultural Affairs, Dept of</b>							
Cultural Affairs - Admin.	2.29	1.15	1.05	0.00	1.05	H.F. 662	PG 2 LN 20
Cultural Grants	0.20	0.00	0.00	0.00	0.00		
State Historical Society	58.29	56.33	55.56	0.00	55.56	H.F. 662	PG 2 LN 34
Historical Sites	7.12	7.25	8.00	0.00	8.00	H.F. 662	PG 3 LN 5
Iowa Arts Council	8.85	8.52	6.89	0.00	6.89	H.F. 662	PG 3 LN 11
<b>Total Cultural Affairs, Dept of</b>	76.75	73.25	71.50	0.00	71.50		
<b>Nonappropriated</b>							
Miscellaneous Income	1.11	1.00	2.00	0.00	2.00		
Hist. Res. Dev. Prog. (HRDP)	0.82	0.75	0.75	0.00	0.75		
Trust Accounts	0.11	0.00	0.00	0.00	0.00		
<b>Total Nonappropriated</b>	2.04	1.75	2.75	0.00	2.75		
<b>Total Cultural Affairs, Dept. of</b>	78.79	75.00	74.25	0.00	74.25		

# Education

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Education, Department of</u></b>							
<b>Administration</b>							
Dept. of Ed. Administration	85.03	97.50	97.50	0.00	97.50	H.F. 662	PG 3 LN 23
Vocational Ed. Admin.	12.55	14.60	14.60	0.00	14.60	H.F. 662	PG 4 LN 5
Board of Ed. Examiners	6.38	7.00	7.00	0.00	7.00	H.F. 662	PG 4 LN 11
Vocational Rehabilitation	269.50	287.50	281.50	0.00	281.50	H.F. 662	PG 4 LN 17
Independent Living	1.00	1.00	1.00	0.00	1.00	H.F. 662	PG 5 LN 10
State Library	17.16	18.00	18.00	0.00	18.00	H.F. 662	PG 5 LN 21
Iowa Public Television	84.69	86.00	78.00	0.00	78.00	H.F. 662	PG 7 LN 32
School to Work	1.42	0.00	0.00	0.00	0.00		
IPTV - Regional Councils	7.49	7.00	7.00	0.00	7.00	H.F. 662	PG 8 LN 3
<b>Total Administration</b>	<b>485.22</b>	<b>518.60</b>	<b>504.60</b>	<b>0.00</b>	<b>504.60</b>		
<b>Grants &amp; State Aid</b>							
Textbooks Nonpublic	0.04	0.00	0.00	0.00	0.00	H.F. 662	PG 10 LN 21
<b>Nonappropriated</b>							
School Food Service FTEs	13.37	15.00	16.00	0.00	16.00		
IPTV-CPB/CSG FY 90/91	2.70	23.77	2.58	0.00	2.58		
Education of Handicapped Act	33.84	48.00	48.00	0.00	48.00		
IPTV-CPB/CSG FY 91/93	17.78	4.30	20.24	0.00	20.24		
IPTV-NTIA Equipment Grants	0.68	1.00	3.00	0.00	3.00		
IPTV-Contributions Holding Acc	1.35	2.50	1.50	0.00	1.50		
Goals 2000	3.75	0.33	0.00	0.00	0.00		
NCES - NAEP Assessments	0.00	1.00	1.00	0.00	1.00		
Drug Free Schools/Communities	1.75	1.80	1.80	0.00	1.80		
Advanced Placement Technology	0.15	0.25	0.25	0.00	0.25		
Standards, Assess. & Account.	0.84	1.25	0.00	0.00	0.00		
Improving Teacher Qual Grants	0.00	3.96	4.00	0.00	4.00		
Career Resource Network	1.22	1.26	1.25	0.00	1.25		

# Education

## FTE

Actual	Estimated Net	Final Action	Sp. Session	Net Final Act	Bill	Page & Line
FY 2002	FY 2003	FY 2004	FY 2004	FY 2004	Number	Number
(1)	(2)	(3)	(4)	(5)	(6)	(7)

### Education, Department of (cont.)

#### **Nonappropriated (cont.)**

School To Work Opportunities	0.03	0.00	0.00	0.00	0.00	
IPTV-Star Schools Grant	3.67	0.70	0.00	0.00	0.00	
Community Learning Centers	0.00	0.90	0.90	0.00	0.90	
Community Service/students	0.00	0.10	0.10	0.00	0.10	
State Assessment	0.00	1.00	2.25	0.00	2.25	
Adult Education	4.44	4.70	4.70	0.00	4.70	
Veterans Education	2.99	3.00	3.00	0.00	3.00	
DE Nonfederal Grants	2.00	2.00	2.00	0.00	2.00	
ESEA Title 1	7.98	9.40	9.40	0.00	9.40	
ESEA Title 6	4.42	3.00	3.00	0.00	3.00	
High School Equivalency	0.50	0.50	0.50	0.00	0.50	
English Language Acquisition	0.00	1.72	2.00	0.00	2.00	
IPTV Special Projects	0.13	0.00	0.00	0.00	0.00	
IPTV-Friends Funded Programmin	11.42	11.00	12.00	0.00	12.00	
Ed Telecommunications Proj	0.98	2.50	1.50	0.00	1.50	
Technology Literacy Challenge	1.06	1.00	1.00	0.00	1.00	
IPTV Marketing & Distribution	0.24	0.00	0.00	0.00	0.00	
IPTV Educational & Contractual	0.03	2.00	1.50	0.00	1.50	
Library Ser Tech Act (LSTA)	12.67	14.00	14.00	0.00	14.00	
School Infrastructure	0.73	1.63	1.90	0.00	1.90	
Systems Change Project	4.00	4.00	3.00	0.00	3.00	
Reading First State Grants	0.00	2.01	3.25	0.00	3.25	
Reading Excellence Act	1.02	1.13	0.00	0.00	0.00	
Vocational Rehabilitation	110.44	120.00	116.00	0.00	116.00	
Ia Occ. Info. Coord. (ISOICC)	1.77	1.75	1.75	0.00	1.75	
AIDS Education	1.25	1.25	1.25	0.00	1.25	
Comprehensive School Reform	0.00	1.00	1.00	0.00	1.00	

# Education

## FTE

Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
(1)	(2)	(3)	(4)	(5)	(6)	(7)

### Education, Department of (cont.)

#### **Nonappropriated (cont.)**

School Bus Driver Permit	0.06	3.00	3.00	0.00	3.00	
Miscellaneous Federal Grants	0.11	0.00	0.00	0.00	0.00	
Even Start	0.50	0.30	0.30	0.00	0.30	
Headstart Collaborative Grant	1.26	1.00	1.00	0.00	1.00	
School Renovation Program	0.48	0.27	0.00	0.00	0.00	
Gates Foundation Leadership Gr	0.44	1.00	1.00	0.00	1.00	
ESEA Title 2	1.75	0.04	0.00	0.00	0.00	
Bilingual Education Title 3	1.15	0.15	0.00	0.00	0.00	
Vocational Education Act	8.59	10.00	10.00	0.00	10.00	
Homeless Child and Adults	0.50	1.25	1.25	0.00	1.25	
<b>Total Nonappropriated</b>	<b>264.04</b>	<b>311.72</b>	<b>302.17</b>	<b>0.00</b>	<b>302.17</b>	
<b>Total Education, Department of</b>	<b>749.30</b>	<b>830.32</b>	<b>806.77</b>	<b>0.00</b>	<b>806.77</b>	

### Regents, Board of

#### **Regents, Board of**

Regents Board Office	15.25	16.00	16.00	0.00	16.00	H.F. 662	PG 13 LN 9
UNI Re Educ Program	1.00	1.00	0.00	0.00	0.00		
<b>Total Regents, Board of</b>	<b>16.25</b>	<b>17.00</b>	<b>16.00</b>	<b>0.00</b>	<b>16.00</b>		

#### **Iowa State University**

Iowa State: Gen. University	3,899.74	3,647.42	3,647.42	0.00	3,647.42	H.F. 662	PG 18 LN 17
ISU-Ag & Home Ec. Exp. Sta.	523.32	546.98	546.98	0.00	546.98	H.F. 662	PG 18 LN 29
ISU - Cooperative Extension	361.42	383.34	383.34	0.00	383.34	H.F. 662	PG 18 LN 35
ISU Leopold Center	9.45	11.25	11.25	0.00	11.25	H.F. 662	PG 19 LN 7
Livestock Disease Research	2.23	0.00	0.00	0.00	0.00		
<b>Total Iowa State University</b>	<b>4,796.16</b>	<b>4,588.99</b>	<b>4,588.99</b>	<b>0.00</b>	<b>4,588.99</b>		



# Education

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Regents, Board of (cont.)</u></b>							
<b>University of Iowa</b>							
Univ. of Iowa: Gen. University	3,799.71	4,055.62	4,055.62	0.00	4,055.62	H.F. 662	PG 14 LN 8
Indigent Patient Program: UIHC	5,580.93	5,471.01	5,471.01	0.00	5,471.01	H.F. 662	PG 14 LN 22
Psychiatric Hospital	285.95	272.11	272.11	0.00	272.11	H.F. 662	PG 16 LN 9
Center Dis. & Dev. (Hosp-Sch)	129.40	143.34	143.34	0.00	143.34	H.F. 662	PG 16 LN 17
Oakdale Campus	43.25	43.25	43.25	0.00	43.25	H.F. 662	PG 16 LN 26
University Hygienic Laboratory	102.23	102.49	102.49	0.00	102.49	H.F. 662	PG 16 LN 32
Family Practice Program	190.62	192.40	192.40	0.00	192.40	H.F. 662	PG 17 LN 3
SCHS - Hemophilia, Cancer	59.65	53.46	53.46	0.00	53.46	H.F. 662	PG 17 LN 11
State of Iowa Cancer Registry	1.31	2.40	2.40	0.00	2.40	H.F. 662	PG 17 LN 20
SUI Substance Abuse Consortium	0.45	1.50	1.50	0.00	1.50	H.F. 662	PG 17 LN 25
Biocatalysis	7.27	5.20	5.20	0.00	5.20	H.F. 662	PG 17 LN 31
Primary Health Care	7.71	7.75	7.75	0.00	7.75	H.F. 662	PG 18 LN 1
Iowa Birth Defects Registry	1.30	1.30	1.30	0.00	1.30	H.F. 662	PG 18 LN 11
<b>Total University of Iowa</b>	<b>10,209.78</b>	<b>10,351.83</b>	<b>10,351.83</b>	<b>0.00</b>	<b>10,351.83</b>		
<b>Univ. of Northern Iowa</b>							
University of Northern Iowa	1,428.79	1,428.79	1,398.01	0.00	1,398.01	H.F. 662	PG 19 LN 18
Recycling & Reuse Center	0.89	0.89	3.00	0.00	3.00	H.F. 662	PG 19 LN 31
<b>Total Univ. of Northern Iowa</b>	<b>1,429.68</b>	<b>1,429.68</b>	<b>1,401.01</b>	<b>0.00</b>	<b>1,401.01</b>		
<b>Special Schools</b>							
Iowa School for the Deaf	126.60	129.60	126.60	0.00	126.60	H.F. 662	PG 20 LN 1
Braille & Sight Saving School	75.46	81.00	81.00	0.00	81.00	H.F. 662	PG 20 LN 7
<b>Total Special Schools</b>	<b>202.06</b>	<b>210.60</b>	<b>207.60</b>	<b>0.00</b>	<b>207.60</b>		
<b>Nonappropriated</b>							
SUI Restricted	1,683.50	1,683.50	1,683.50	0.00	1,683.50		
ISD Restricted	7.01	8.25	7.61	0.00	7.61		

# Education

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Regents, Board of (cont.)</u></b>							
<b>Nonappropriated (cont.)</b>							
IBSSS Restricted	16.50	18.49	18.49	0.00	18.49		
UNI Restricted	145.00	140.00	83.80	0.00	83.80		
UNI Organized Activities	150.00	150.00	60.50	0.00	60.50		
ISU Organized Activities	556.26	541.78	541.78	0.00	541.78		
ISU Restricted	1,810.78	1,764.20	1,763.66	0.00	1,763.66		
SUI Organized Activities	680.43	680.43	680.43	0.00	680.43		
SUI Auxiliary Enterprises	1,003.77	1,003.77	1,003.77	0.00	1,003.77		
ISU Auxiliary Enterprises	988.28	881.75	960.17	0.00	960.17		
UNI Auxiliary Enterprises	340.50	340.50	235.30	0.00	235.30		
SUI Stores, Services & Revolv	1,627.51	1,627.51	1,627.51	0.00	1,627.51		
<b>Total Nonappropriated</b>	<b>9,009.54</b>	<b>8,840.18</b>	<b>8,666.52</b>	<b>0.00</b>	<b>8,666.52</b>		
<b>Total Regents, Board of</b>	<b>25,663.47</b>	<b>25,438.28</b>	<b>25,231.95</b>	<b>0.00</b>	<b>25,231.95</b>		
<b>Total Education</b>	<b>26,625.93</b>	<b>26,492.10</b>	<b>26,261.62</b>	<b>0.00</b>	<b>26,261.62</b>		

# Health and Human Services

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Elder Affairs, Department of</u></b>							
Aging Programs	24.82	27.50	25.50	0.00	25.50	H.F. 667	PG 1 LN 3
Aging Programs - SLTF	5.48	6.00	0.00	0.00	0.00		
<b>Total Elder Affairs, Department of</b>	<b>30.30</b>	<b>33.50</b>	<b>25.50</b>	<b>0.00</b>	<b>25.50</b>		
<b><u>Health, Department of Public</u></b>							
<b>Department of Public Health</b>							
Addictive Disorders	13.55	13.70	13.75	0.00	13.75	H.F. 667	PG 2 LN 21
Adult Wellness	22.55	23.75	23.85	0.00	23.85	H.F. 667	PG 3 LN 16
Child and Adolescent Wellness	45.08	44.45	44.15	0.00	44.15	H.F. 667	PG 3 LN 23
Chronic Conditions	8.30	11.15	11.15	0.00	11.15	H.F. 667	PG 3 LN 29
Community Capacity - GF	22.33	24.91	25.10	0.00	25.10	H.F. 667	PG 3 LN 35
Elderly Wellness	5.14	4.35	4.35	0.00	4.35	H.F. 667	PG 4 LN 10
Environmental Hazards	7.02	11.00	8.50	0.00	8.50	H.F. 667	PG 4 LN 16
Infectious Diseases	33.62	36.70	36.90	0.00	36.90	H.F. 667	PG 4 LN 22
Injuries	8.18	6.85	7.75	0.00	7.75	H.F. 667	PG 4 LN 28
Public Protection	123.60	144.72	149.10	0.00	149.10	H.F. 667	PG 5 LN 3
Resource Management	49.40	53.15	53.15	0.00	53.15	H.F. 667	PG 7 LN 29
Tobacco Use Prev./Control-HITT	11.18	11.25	7.00	0.00	7.00	H.F. 685	PG 3 LN 18
Healthy Iowans 2010 - HITT	4.15	4.00	4.00	0.00	4.00	H.F. 685	PG 5 LN 15
<b>Total Department of Public Health</b>	<b>354.10</b>	<b>389.98</b>	<b>388.75</b>	<b>0.00</b>	<b>388.75</b>		
<b>Nonappropriated</b>							
Vital Records Modernization	25.72	29.25	28.25	0.00	28.25		
<b>Total Health, Department of Public</b>	<b>379.82</b>	<b>419.23</b>	<b>417.00</b>	<b>0.00</b>	<b>417.00</b>		

# Health and Human Services

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Human Services, Department of</b>							
<b>Economic Assistance</b>							
Family Investment Program	8.49	8.00	8.00	0.00	8.00	H.F. 667	PG 22 LN 28
Child Support Recoveries	357.82	405.00	405.00	0.00	405.00	H.F. 667	PG 23 LN 28
<b>Total Economic Assistance</b>	366.31	413.00	413.00	0.00	413.00		
<b>Medical Services</b>							
Health Insurance Premium Pmt.	15.51	19.95	21.00	0.00	21.00	H.F. 667	PG 30 LN 16
<b>Child and Family Services</b>							
Toledo Juvenile Home	127.67	120.25	130.54	0.00	130.54	H.F. 667	PG 36 LN 7
Eldora Training School	211.33	223.63	218.53	0.00	218.53	H.F. 667	PG 36 LN 12
Community Based Services	0.99	0.00	0.00	0.00	0.00		
Child and Family Services	0.46	0.00	0.00	0.00	0.00		
<b>Total Child and Family Services</b>	340.45	343.88	349.07	0.00	349.07		
<b>MH/MR/DD/BI</b>							
Cherokee Mental Health Inst.	225.05	227.50	227.65	0.00	227.65	H.F. 667	PG 44 LN 20
Clarinda Mental Health Inst.	121.07	122.15	118.15	0.00	118.15	H.F. 667	PG 44 LN 26
Independence Mental Health Ins	316.32	283.00	317.80	0.00	317.80	H.F. 667	PG 44 LN 32
Mt. Pleasant Mental Health Ins	97.75	100.07	100.44	0.00	100.44	H.F. 667	PG 45 LN 22
Glenwood Resource Center	810.83	877.75	967.75	0.00	967.75	H.F. 667	PG 47 LN 18
Woodward Resource Center	634.25	673.76	722.76	0.00	722.76	H.F. 667	PG 47 LN 21
Sexual Predator Civil Commit.	19.00	44.00	46.00	0.00	46.00	H.F. 667	PG 52 LN 27
CCUSO Positions	0.00	0.00	0.00	11.00	11.00	H.F. 683	PG 16 LN 28
<b>Total MH/MR/DD/BI</b>	2,224.27	2,328.23	2,500.55	11.00	2,511.55		
<b>Managing and Delivering Services</b>							
Field Operations	1,895.23	1,771.50	1,800.00	0.00	1,800.00	H.F. 667	PG 53 LN 15
General Administration	307.11	323.50	286.00	0.00	286.00	H.F. 667	PG 54 LN 5
<b>Total Managing and Delivering Services</b>	2,202.34	2,095.00	2,086.00	0.00	2,086.00		

# Health and Human Services

FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Human Services, Department of (cont.)</u></b>							
<b>Nonappropriated</b>							
MI/MR/DD Case Management	104.17	122.44	121.32	0.00	121.32		
Iowa Refugee Service Center	24.82	28.87	28.87	0.00	28.87		
Refugee Resettlement	0.52	1.51	1.51	0.00	1.51		
Child Abuse Project	4.47	5.00	5.00	0.00	5.00		
Community MH Block Grant	0.99	1.00	1.00	0.00	1.00		
Eldora Canteen Fund	0.44	0.25	0.25	0.00	0.25		
Mt. Pleasant Canteen Fund	0.70	0.70	0.70	0.00	0.70		
IV-E Independent Living Grant	9.90	10.00	10.00	0.00	10.00		
Glenwood Canteen Fund	2.66	2.66	2.66	0.00	2.66		
Woodward Warehouse Rev. Fund	5.02	5.80	5.80	0.00	5.80		
<b>Total Nonappropriated</b>	<b>153.69</b>	<b>178.23</b>	<b>177.11</b>	<b>0.00</b>	<b>177.11</b>		
<b>Total Human Services, Department of</b>	<b>5,302.57</b>	<b>5,378.29</b>	<b>5,546.73</b>	<b>11.00</b>	<b>5,557.73</b>		
<b><u>Veterans Affairs, Comm. of</u></b>							
<b>Veterans Affairs, Comm. of</b>							
Veterans Affairs, Comm of	3.24	3.00	4.00	0.00	4.00	H.F. 667	PG 74 LN 33
Iowa Veterans Home	803.19	843.00	843.50	0.00	843.50	H.F. 667	PG 75 LN 12
<b>Total Veterans Affairs, Comm. of</b>	<b>806.43</b>	<b>846.00</b>	<b>847.50</b>	<b>0.00</b>	<b>847.50</b>		
<b>Nonappropriated</b>							
Iowa Veterans Home Canteen	5.35	4.86	4.86	0.00	4.86		
<b>Total Veterans Affairs, Comm. of</b>	<b>811.78</b>	<b>850.86</b>	<b>852.36</b>	<b>0.00</b>	<b>852.36</b>		
<b>Total Health and Human Services</b>	<b>6,524.47</b>	<b>6,681.88</b>	<b>6,841.59</b>	<b>11.00</b>	<b>6,852.59</b>		

# Justice System

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Justice, Department of</u></b>							
General Office A.G.	194.94	205.50	208.50	0.00	208.50	S.F. 439	PG 1 LN 7
Consumer Advocate	25.09	27.00	27.00	0.00	27.00	S.F. 439	PG 5 LN 12
Victim Compensation Fund	19.89	22.00	22.00	0.00	22.00	S.F. 439	PG 3 LN 2
<b>Total Justice, Department of</b>	<b>239.92</b>	<b>254.50</b>	<b>257.50</b>	<b>0.00</b>	<b>257.50</b>		
<b><u>Civil Rights Commission</u></b>							
Civil Rights Commission	34.89	35.00	28.00	0.00	28.00	S.F. 439	PG 23 LN 17
<b><u>Corrections, Department of</u></b>							
<b>CBC Districts</b>							
CBC District I	200.26	200.26	201.26	0.00	201.26	S.F. 439	PG 13 LN 7
CBC District II	140.84	140.34	141.34	0.00	141.34	S.F. 439	PG 13 LN 13
CBC District III	82.99	80.49	80.49	0.00	80.49	S.F. 439	PG 13 LN 19
CBC District IV	73.42	74.17	74.26	0.00	74.26	S.F. 439	PG 13 LN 25
CBC District V	219.53	228.03	226.03	0.00	226.03	S.F. 439	PG 13 LN 31
CBC District VI	194.28	195.28	192.28	0.00	192.28	S.F. 439	PG 14 LN 2
CBC District VII	104.45	99.45	99.45	0.00	99.45	S.F. 439	PG 14 LN 8
CBC District VIII	89.35	90.35	90.35	0.00	90.35	S.F. 439	PG 14 LN 14
<b>Total CBC Districts</b>	<b>1,105.12</b>	<b>1,108.37</b>	<b>1,105.46</b>	<b>0.00</b>	<b>1,105.46</b>		
<b>Corrections Central Office</b>							
Corrections Training Center	6.29	0.00	0.00	0.00	0.00		
Central Office Corrections	34.10	42.18	42.18	0.00	42.18	S.F. 439	PG 8 LN 34
<b>Total Corrections Central Office</b>	<b>40.39</b>	<b>42.18</b>	<b>42.18</b>	<b>0.00</b>	<b>42.18</b>		
<b>Corrections Institutions</b>							
Anamosa Increase	0.00	0.00	0.00	9.50	9.50	H.F. 683	PG 4 LN 24
Clarinda Increase	0.00	0.00	0.00	12.82	12.82	H.F. 683	PG 5 LN 9
Clinical Care Unit-HITT	0.00	0.00	17.87	0.00	17.87	H.F. 685	PG 7 LN 15

# Justice System

## FTE

Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
(1)	(2)	(3)	(4)	(5)	(6)	(7)

### Corrections, Department of (cont.)

#### **Corrections Institutions (cont.)**

Ft. Madison Inst.	478.67	554.06	576.50	0.00	576.50	S.F. 439	PG 5 LN 32
Anamosa Inst.	362.59	379.75	375.75	0.00	375.75	S.F. 439	PG 6 LN 3
Oakdale Inst.	318.40	326.50	326.50	0.00	326.50	S.F. 439	PG 6 LN 15
Newton Inst.	342.55	371.25	371.25	0.00	371.25	S.F. 439	PG 6 LN 21
Mt Pleasant Inst.	326.32	331.06	327.06	0.00	327.06	S.F. 439	PG 6 LN 27
Rockwell City Inst.	108.49	110.00	110.00	0.00	110.00	S.F. 439	PG 6 LN 35
Clarinda Inst.	277.99	291.76	291.76	0.00	291.76	S.F. 439	PG 7 LN 6
Mitchellville Inst.	198.18	216.00	216.00	0.00	216.00	S.F. 439	PG 7 LN 17
Ft. Dodge Inst.	375.99	394.00	394.00	0.00	394.00	S.F. 439	PG 7 LN 23
<b>Total Corrections Institutions</b>	<b>2,789.18</b>	<b>2,974.38</b>	<b>3,006.69</b>	<b>22.32</b>	<b>3,029.01</b>		

#### **Nonappropriated**

IMCC Inmate Tele Rebate	2.01	6.00	6.00	0.00	6.00		
Anamosa Canteen Fund	1.61	1.00	1.00	0.00	1.00		
Oakdale Canteen Fund	0.00	1.00	1.00	0.00	1.00		
Mt. Pleasant Canteen Fund	1.80	1.80	1.80	0.00	1.80		
Consolidated Farm Operations	5.05	6.00	6.00	0.00	6.00		
Iowa State Industries	83.21	79.34	79.34	0.00	79.34		
Recycling Program	0.00	1.00	1.00	0.00	1.00		
<b>Total Nonappropriated</b>	<b>93.68</b>	<b>96.14</b>	<b>96.14</b>	<b>0.00</b>	<b>96.14</b>		

<b>Total Corrections, Department of</b>	<b>4,028.37</b>	<b>4,221.07</b>	<b>4,250.47</b>	<b>22.32</b>	<b>4,272.79</b>		
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### IA Telecommun & Technology Commission

ICN Operations/Edu. Subsidy	104.11	105.10	105.10	0.00	105.10	S.F. 439	PG 19 LN 18
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### Inspections & Appeals, Dept of

Public Defender	194.45	202.00	202.00	0.00	202.00	S.F. 439	PG 16 LN 26
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# Justice System

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Judicial Branch</u></b>							
<b>Judicial Branch</b>							
Judicial Branch	2,104.38	1,919.01	1,926.00	0.00	1,926.00	S.F. 435	PG 1 LN 1
<b>Nonappropriated</b>							
Court Tech.& Modern. Fund	0.00	0.00	1.00	0.00	1.00		
<b>Total Judicial Branch</b>	<b>2,104.38</b>	<b>1,919.01</b>	<b>1,927.00</b>	<b>0.00</b>	<b>1,927.00</b>		
<b><u>Law Enforcement Academy</u></b>							
Operations	29.71	30.05	30.05	0.00	30.05	S.F. 439	PG 17 LN 20
<b><u>Parole, Board of</u></b>							
Parole Board	13.63	16.00	16.50	0.00	16.50	S.F. 439	PG 18 LN 13
<b><u>Public Defense, Department of</u></b>							
<b>Public Defense, Dept. of</b>							
Military Division	256.33	290.01	298.00	0.00	298.00	S.F. 439	PG 19 LN 1
<b>Emergency Management Division</b>							
Emergency Management Division	24.72	25.25	25.25	0.00	25.25	S.F. 439	PG 19 LN 12
<b>Nonappropriated</b>							
Wireless E911 Surcharge	2.50	2.50	2.50	0.00	2.50		
Hazard Mitigation #1121	0.00	1.00	1.00	0.00	1.00		
Nat Guard Fac Improv Fund	2.93	3.70	3.20	0.00	3.20		
Military Operations Fund	3.49	4.00	4.00	0.00	4.00		
Power Plant Funds	4.02	5.50	5.50	0.00	5.50		
Hazard Mitigation	3.28	5.75	5.75	0.00	5.75		
State & Local Assistance	2.61	3.00	3.75	0.00	3.75		
Emergency Response Fund	0.80	0.80	0.80	0.00	0.80		
Haz Mat Trans UNIF Safety Act	0.70	1.70	1.70	0.00	1.70		



# Justice System

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Public Defense, Department of (cont.)</u></b>							
<b>Nonappropriated (cont.)</b>							
93 Summer Flood	0.00	2.00	2.00	0.00	2.00		
Title III, Haz Mat Train Fund	0.00	0.00	1.00	0.00	1.00		
1999 Storm #1282/Pub. Asst.	1.50	1.50	1.50	0.00	1.50		
<b>Total Nonappropriated</b>	<u>21.83</u>	<u>31.45</u>	<u>32.70</u>	<u>0.00</u>	<u>32.70</u>		
<b>Total Public Defense, Department of</b>	<u>302.88</u>	<u>346.71</u>	<u>355.95</u>	<u>0.00</u>	<u>355.95</u>		
<b><u>Public Safety, Department of</u></b>							
<b>Public Safety, Dept. of</b>							
Public Safety Administration	36.97	38.50	38.50	0.00	38.50	S.F. 439	PG 20 LN 12
Investigation, DCI	223.02	230.50	230.50	0.00	230.50	S.F. 439	PG 20 LN 24
Narcotics Enforcement	55.16	61.00	61.00	0.00	61.00	S.F. 439	PG 21 LN 10
Fire Marshal	34.80	40.00	40.00	0.00	40.00	S.F. 439	PG 21 LN 22
Fire Service	8.49	12.00	12.00	0.00	12.00	S.F. 439	PG 21 LN 30
Iowa State Patrol	533.98	543.00	544.00	0.00	544.00	S.F. 439	PG 22 LN 2
Capitol Police	26.10	26.00	26.00	0.00	26.00	S.F. 439	PG 22 LN 12
Fire Fighter Training	0.98	1.00	1.00	0.00	1.00	S.F. 439	PG 23 LN 1
<b>Total Public Safety, Dept. of</b>	<u>919.50</u>	<u>952.00</u>	<u>953.00</u>	<u>0.00</u>	<u>953.00</u>		
<b>Nonappropriated</b>							
Peace Officers Retirement Fund	1.00	1.00	1.00	0.00	1.00		
<b>Total Public Safety, Department of</b>	<u>920.50</u>	<u>953.00</u>	<u>954.00</u>	<u>0.00</u>	<u>954.00</u>		
<b>Total Justice System</b>	<u><u>7,972.84</u></u>	<u><u>8,082.44</u></u>	<u><u>8,126.57</u></u>	<u><u>22.32</u></u>	<u><u>8,148.89</u></u>		

# Trans., Infra., and Capitals

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Transportation, Department of</u></b>							
<b>Primary Road Fund</b>							
Operations & Finance	285.62	267.00	270.00	0.00	270.00	H.F. 652	PG 3 LN 4
Administrative Services	40.51	37.00	37.00	0.00	37.00	H.F. 652	PG 3 LN 7
Planning	130.41	146.00	142.00	0.00	142.00	H.F. 652	PG 3 LN 10
Highways	2,386.53	2,482.00	2,485.00	0.00	2,485.00	H.F. 652	PG 3 LN 13
Motor Vehicles	503.59	526.00	508.00	0.00	508.00	H.F. 652	PG 3 LN 16
<b>Total Primary Road Fund</b>	<b>3,346.66</b>	<b>3,458.00</b>	<b>3,442.00</b>	<b>0.00</b>	<b>3,442.00</b>		
<b>Nonappropriated</b>							
Highway Beautification Fund	7.74	9.00	9.00	0.00	9.00		
Materials and Equipment Revolv	81.22	87.98	87.00	0.00	87.00		
<b>Total Nonappropriated</b>	<b>88.96</b>	<b>96.98</b>	<b>96.00</b>	<b>0.00</b>	<b>96.00</b>		
<b>Total Trans., Infra., and Capitals</b>	<b>3,435.62</b>	<b>3,554.98</b>	<b>3,538.00</b>	<b>0.00</b>	<b>3,538.00</b>		

# Unassigned Standing

## FTE

	Actual FY 2002	Estimated Net FY 2003	Final Action FY 2004	Sp. Session FY 2004	Net Final Act FY 2004	Bill Number	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>Legislative Branch</u></b>							
Legislature	412.09	412.09	412.09	0.00	412.09		
<b><u>Public Defense, Department of</u></b>							
Compensation & Expense	0.20	0.00	0.00	0.00	0.00		
<b>Total Unassigned Standing</b>	<b>412.29</b>	<b>412.09</b>	<b>412.09</b>	<b>0.00</b>	<b>412.09</b>		

# EXECUTIVE SUMMARY

## ADMINISTRATION AND REGULATION APPROPRIATIONS ACT

HOUSE FILE 655

### FUNDING SUMMARY

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Appropriates a total of \$86.8 million from the General Fund and 1,923.9 FTE positions for FY 2004. This is an increase of \$7.2 million and a decrease of 2.1 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$1.4 million was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$1.3 million has been included in the General Fund appropriation for FY 2004. The Act also appropriates a total of \$23.7 million in other funds, which is a decrease of \$1.4 million compared to the FY 2003 estimated net appropriation.
- Appropriates a total of \$1.2 million from the General Fund and 105.7 FTE positions to the Auditor of State. This is an increase of \$105,000 and 3.3 FTE positions compared to the FY 2003 estimated net appropriation. The increase is for additional audit hours. (Page 1, Line 2)
- Appropriates a total of \$3.8 million from the General Fund and 54.8 FTE positions to the Racing and Gaming Commission. This is an increase of \$166,000 and no change in FTE positions compared to the FY 2003 estimated net appropriation. This includes \$64,000 for FY 2003 salary adjustment from the General Fund, and \$140,000 for additional support of the Excursion Boat Regulation Program. (The licensees reimburse these funds.) There is also a decrease of \$64,000 in other funds for FY 2004 for the elimination of one-time salary funding. (Page 10, Line 12 through Page 11, Line 4)
- Appropriates a total of \$7.1 million from the General Fund and 34.0 FTE positions to the Department of Management. This is an increase of \$5.0 million and no change in FTE positions compared to the FY 2003 estimated net appropriation. The increase is for support of the Reinventing Government Program. There is also a decrease of \$141,000 in other funds for FY 2004 for the elimination of one-time salary funding. (Page 11, Line 16 through Page 12, Line 18)
- Appropriates a total of \$23.3 million from the General Fund and 378.9 FTE positions to the Department of Revenue. This is a decrease of \$915,000 and 11.3 FTE positions compared to the FY 2003 estimated net appropriation. The changes include:
  - A decrease of \$1.7 million and 25.3 FTE positions to transfer the accounting functions to the new Department of Administrative Services.
  - An increase of \$525,000 and 14.0 FTE positions for additional revenue auditors and revenue field collections agents.
  - An increase of \$277,000 to fund salary adjustment from the General Fund for FY 2004.
  - There is also a decrease of \$277,000 in other funds for FY 2004 for the elimination of one-time salary funding. (Page 22, Line 21 through Page 23, Line 10)

# EXECUTIVE SUMMARY

## ADMINISTRATION AND REGULATION APPROPRIATIONS ACT

HOUSE FILE 655

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS (CONTINUED)

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

### INTENT LANGUAGE

### ENACTMENT DATE

- Appropriates a total of \$16.8 million from the General Fund and 445.0 FTE positions to the Department of Administrative Services. This is an increase of \$477,000 and a decrease of 13.8 FTE positions compared to the FY 2003 estimated net appropriation to the agencies that were merged into the new Department. The increase includes \$394,000 for salary adjustment and \$83,000 for start-up maintenance services for the new parking ramp. There is also a decrease of \$394,000 in other funds for FY 2004 for the elimination of one-time salary funding. (Page 23, Line 11)
- Eliminates, for one year, the Department of Commerce's Professional Licensing Division's authority to retain 85.0% of any fee increase implemented by the Real Estate Commission on or after April 1, 2002. (Page 3, Line 14)
- Permits the Insurance Division and the Utilities Division of the Department of Commerce to expend additional funds and hire additional staff for actual expenses exceeding the appropriation, if the funds are reimbursable, and needed for statutory duties. Requires the Division to notify the LFB and the DOM in writing, and provide justification for the hiring of additional personnel. (Page 2, Line 28 and Page 3, Line 27)
- This Act was approved by the General Assembly on April 21, 2003, and signed by the Governor on May 30, 2003.

House File 655

House File 655 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
3	14	3.5(b)	Nwthstnd	Sec. 546.10(3)	Real Estate Education Fund
13	30	16	Nwthstnd	Sec. 490.122(1)(a & s) & 504A.85(1 & 9)	Money-back Guarantee Filer Fees
23	22	32	Nwthstnd	Sec. 8.33 & 18.12(11)	Nonreversion of Appropriations for Utility Costs
23	33	32	Nwthstnd	Sec. 8.33	Nonreversion of Workers' Compensation Funds
26	21	37	Nwthstnd	Sec. 321A.3(1)	lowAccess Funding

1 1	DIVISION I	
1 2	Section 1. AUDITOR OF STATE. There is appropriated from	General Fund appropriation to the Auditor of State.
1 3	the general fund of the state to the office of the auditor of	
1 4	state for the fiscal year beginning July 1, 2003, and ending	DETAIL: This is an increase of \$105,257 and 3.30 FTE positions
1 5	June 30, 2004, the following amount, or so much thereof as is	compared to the FY 2003 estimated net General Fund appropriation
1 6	necessary, to be used for the purposes designated:	to provide resources needed to complete required audit work.
1 7	For salaries, support, maintenance, miscellaneous purposes,	
1 8	and for not more than the following full-time equivalent	
1 9	positions:	
1 10	..... \$ 1,157,822	
1 11	..... FTEs 105.72	
1 12	The auditor of state may retain additional full-time	Permits the State Auditor to add additional staff and expend additional
1 13	equivalent positions as is reasonable and necessary to perform	funds to conduct reimbursable audits. Requires the Office to notify
1 14	governmental subdivision audits which are reimbursable	the Department of Management (DOM), the Legislative Fiscal
1 15	pursuant to section 11.20 or 11.21, to perform audits which	Committee, and the Legislative Fiscal Bureau (LFB) when additional
1 16	are requested by and reimbursable from the federal government,	positions are retained.
1 17	and to perform work requested by and reimbursable from	
1 18	departments or agencies pursuant to section 11.5A or 11.5B.	
1 19	The auditor of state shall notify the department of	
1 20	management, the legislative fiscal committee, and the	
1 21	legislative fiscal bureau of the additional full-time	
1 22	equivalent positions retained.	
1 23	Sec. 2. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There	General Fund appropriation to the Iowa Ethics and Campaign
1 24	is appropriated from the general fund of the state to the Iowa	Disclosure Board.
1 25	ethics and campaign disclosure board for the fiscal year	
1 26	beginning July 1, 2003, and ending June 30, 2004, the	DETAIL: Maintains current level of General Fund support and FTE
1 27	following amount, or so much thereof as is necessary, for the	positions.
1 28	purposes designated:	
1 29	For salaries, support, maintenance, miscellaneous purposes,	
1 30	and for not more than the following full-time equivalent	
1 31	positions:	
1 32	..... \$ 400,707	
1 33	..... FTEs 6.00	

1 34 Sec. 3. DEPARTMENT OF COMMERCE. There is appropriated  
1 35 from the general fund of the state to the department of  
2 1 commerce for the fiscal year beginning July 1, 2003, and  
2 2 ending June 30, 2004, the following amounts, or so much  
2 3 thereof as is necessary, for the purposes designated:

2 4 1. ALCOHOLIC BEVERAGES DIVISION  
2 5 For salaries, support, maintenance, miscellaneous purposes,  
2 6 and for not more than the following full-time equivalent  
2 7 positions:  
2 8 ..... \$ 1,789,292  
2 9 ..... FTEs 33.00

General Fund appropriation to the Alcoholic Beverages Division of the Department of Commerce.

DETAIL: This is an increase of \$30,376 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$30,376 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

2 10 2. BANKING DIVISION  
2 11 For salaries, support, maintenance, miscellaneous purposes,  
2 12 and for not more than the following full-time equivalent  
2 13 positions:  
2 14 ..... \$ 5,997,541  
2 15 ..... FTEs 65.00

General Fund appropriation to the Banking Division of the Department of Commerce.

DETAIL: This is an increase of \$109,144 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and a decrease of 7.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. The decrease in FTE positions is to eliminate vacant positions. This is a decrease of \$109,144 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

2 16 3. CREDIT UNION DIVISION  
2 17 For salaries, support, maintenance, miscellaneous purposes,  
2 18 and for not more than the following full-time equivalent  
2 19 positions:  
2 20 ..... \$ 1,285,341  
2 21 ..... FTEs 19.00

General Fund appropriation to the Credit Union Division of the Department of Commerce.

DETAIL: This is an increase of \$33,746 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$33,746 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the



elimination of one-time salary funding.

2 22 4. INSURANCE DIVISION

2 23 a. For salaries, support, maintenance, miscellaneous  
2 24 purposes, and for not more than the following full-time  
2 25 equivalent positions:

2 26 ..... \$ 3,731,339

2 27 ..... FTEs 93.50

General Fund appropriation to the Insurance Division of the Department of Commerce.

DETAIL: This is an increase of \$53,446 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$53,446 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

2 28 b. The insurance division may reallocate authorized full-  
2 29 time equivalent positions as necessary to respond to  
2 30 accreditation recommendations or requirements. The insurance  
2 31 division expenditures for examination purposes may exceed the  
2 32 projected receipts, refunds, and reimbursements, estimated  
2 33 pursuant to section 505.7, subsection 7, including the  
2 34 expenditures for retention of additional personnel, if the  
2 35 expenditures are fully reimbursable and the division first  
3 1 does both of the following:

3 2 (1) Notifies the department of management, the legislative  
3 3 fiscal bureau, and the legislative fiscal committee of the  
3 4 need for the expenditures.

3 5 (2) Files with each of the entities named in subparagraph  
3 6 (1) the legislative and regulatory justification for the  
3 7 expenditures, along with an estimate of the expenditures.

Permits the Insurance Division to reallocate FTE positions as necessary to meet national accreditation standards. Also, permits examination expenditures of the Division to exceed revenues if the expenditures are reimbursable. The Division is required to notify the DOM, the LFB, and the Legislative Fiscal Committee of the need for examination expenses to exceed revenues, and must provide justification and an estimate of the excess expenditures.

3 8 5. PROFESSIONAL LICENSING AND REGULATION DIVISION

3 9 a. For salaries, support, maintenance, miscellaneous  
3 10 purposes, and for not more than the following full-time  
3 11 equivalent positions:

3 12 ..... \$ 829,996

General Fund appropriation to the Professional Licensing and Regulation Division of the Department of Commerce.

DETAIL: This is an increase of \$99,969 and no change in FTE positions compared to the FY 2003 estimated net General Fund

3 13 ..... FTEs 11.00

appropriation. The changes include:

1. An increase of \$14,424 to fund FY 2003 salary adjustment from the General Fund for FY 2004. This is a decrease of \$14,424 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
2. An increase of \$85,545 to partially off-set the loss of \$144,500 in receipts due to the deposit of real estate licensing fee increases to the General Fund rather than having the increased fees going to the Division.

3 14 b. Notwithstanding the provisions of section 546.10,  
3 15 subsection 3, to the contrary, for the fiscal year beginning  
3 16 July 1, 2003, and ending June 30, 2004, funds received from an  
3 17 increase in licensing fees by the real estate commission  
3 18 created pursuant to chapter 543B shall be deposited in the  
3 19 general fund of the state as provided in section 546.10,  
3 20 subsection 5.

CODE: Eliminates, for one year, the Professional Licensing Division's authority to retain 85.00% of any fee increase implemented by the Real Estate Commission on or after April 1, 2002.

DETAIL: The Real Estate Commission increased the fees for each real estate salesperson's license from \$75 to \$125 and each broker's license from \$120 to \$170 effective October 9, 2002. The fees are due in December of each year and are valid for three years.

The Iowa Real Estate Education Fund had been receiving the equivalent of 40.00% per year of the fees for each real-estate salesperson's license and 25.00% per year of the fees for each broker's license until FY 2003. House File 2627 (FY 2003 Administration and Regulation Appropriations Act) required that an amount equal to \$30.00 from each real estate salesperson's license and each broker's license be paid into the Iowa Real Estate Education Fund for FY 2003.

FISCAL IMPACT: The estimated net fiscal impact of restoring the funding formula for the Iowa Real Estate Education Fund and eliminating for one year, the Professional Licensing Division's

authority to retain 85.00% of any fee increase implemented by the Real Estate Commission on or after April 1, 2002, is as follows:

1. An increase of \$41,268 for the Real Estate Education Fund at the University of Northern Iowa.
2. An increase of \$17,687 for the compensation of the Real Estate Education Director at the Professional Licensing Division of the Department of Commerce.
3. An increase of \$85,545 in receipts for the General Fund.
4. A decrease of \$144,500 for the Professional Licensing Division of the Department of Commerce. However, the appropriation to the Division is increased by \$85,545, for a net decrease to the Division of \$58,955 for FY 2004.

3 21 6. UTILITIES DIVISION

3 22 a. For salaries, support, maintenance, miscellaneous  
3 23 purposes, and for not more than the following full-time  
3 24 equivalent positions:

3 25 ..... \$ 6,754,414  
3 26 ..... FTEs 79.00

General Fund appropriation to the Utilities Division of the Department of Commerce.

DETAIL: This is an increase of \$61,729 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and an increase of 2.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase in FTE positions restores the Division to the authorized level of FTE positions for FY 2003. This is a decrease of \$61,729 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

3 27 b. The utilities division may expend additional funds,  
3 28 including funds for additional personnel, if those additional  
3 29 expenditures are actual expenses which exceed the funds  
3 30 budgeted for utility regulation and the expenditures are fully  
3 31 reimbursable. Before the division expends or encumbers an  
3 32 amount in excess of the funds budgeted for regulation, the  
3 33 division shall first do both of the following:

3 34 (1) Notify the department of management, the legislative  
3 35 fiscal bureau, and the legislative fiscal committee of the  
4 1 need for the expenditures.

Permits the Utilities Division to expend additional funds for utility company examinations, including expenditures for additional personnel, if the funds are reimbursable. The Division must notify the DOM, the LFB, and the Legislative Fiscal Committee of the expenditure or encumbrance in excess of the funds budgeted for utility regulation, and must provide justification and an estimate of the excess expenditures. The Division is required to recover the additional expenditures from the utility companies on whose behalf the examination expenses are incurred, and is required to treat the collections as repayment receipts.

4 2 (2) File with each of the entities named in subparagraph  
4 3 (1) the legislative and regulatory justification for the  
4 4 expenditures, along with an estimate of the expenditures.  
4 5 The utilities division shall assess the office of consumer  
4 6 advocate within the department of justice a pro rata share of  
4 7 the operating expenses of the utilities division. Each  
4 8 division and the office of consumer advocate shall include in  
4 9 its charges assessed or revenues generated, an amount  
4 10 sufficient to cover the amount stated in its appropriation,  
4 11 and any state-assessed indirect costs determined by the  
4 12 department of revenue and finance. It is the intent of the  
4 13 general assembly that the director of the department of  
4 14 commerce shall review on a quarterly basis all out-of-state  
4 15 travel for the previous quarter for officers and employees of  
4 16 each division of the department if the travel is not already  
4 17 authorized by the executive council.

4 18 Sec. 4. DEPARTMENT OF COMMERCE -- PROFESSIONAL LICENSING  
4 19 AND REGULATION. There is appropriated from the housing  
4 20 improvement fund of the Iowa department of economic  
4 21 development to the division of professional licensing and  
4 22 regulation of the department of commerce for the fiscal year  
4 23 beginning July 1, 2003, and ending June 30, 2004, the  
4 24 following amount, or so much thereof as is necessary, to be  
4 25 used for the purposes designated:  
4 26 For salaries, support, maintenance, and miscellaneous  
4 27 purposes:  
4 28 ..... \$ 62,317

Department of Economic Development Housing Improvement Fund  
appropriation to the Department of Commerce Professional Licensing  
and Regulation Division.

DETAIL: Maintains current level of support.

4 29 Sec. 5. GOVERNOR AND LIEUTENANT GOVERNOR. There is  
4 30 appropriated from the general fund of the state to the offices  
4 31 of the governor and the lieutenant governor for the fiscal  
4 32 year beginning July 1, 2003, and ending June 30, 2004, the  
4 33 following amounts, or so much thereof as is necessary, to be  
4 34 used for the purposes designated:

## 4 35 1. GENERAL OFFICE

5 1 For salaries, support, maintenance, and miscellaneous  
 5 2 purposes for the general office of the governor and the  
 5 3 general office of the lieutenant governor, and for not more  
 5 4 than the following full-time equivalent positions:  
 5 5 ..... \$ 1,243,643  
 5 6 ..... FTEs 17.25

General Fund appropriation to the Offices of the Governor and the Lieutenant Governor.

DETAIL: This is an increase of \$4,144 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$4,144 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

This appropriation was amended by HF 683 (Grow Iowa Values Fund Appropriations Act), and increased by \$250,000 and 2.00 FTE positions to fund positions that were previously funded by other State departments and agencies.

## 5 7 2. TERRACE HILL QUARTERS

5 8 For salaries, support, maintenance, and miscellaneous  
 5 9 purposes for the governor's quarters at Terrace Hill, and for  
 5 10 not more than the following full-time equivalent positions:  
 5 11 ..... \$ 98,088  
 5 12 ..... FTEs 3.00

General Fund appropriation to the Offices of the Governor and Lieutenant Governor for the Terrace Hill Quarters.

DETAIL: This is an increase of \$29 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$29 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

## 5 13 3. ADMINISTRATIVE RULES COORDINATOR

5 14 For salaries, support, maintenance, and miscellaneous  
 5 15 purposes for the office of administrative rules coordinator,  
 5 16 and for not more than the following full-time equivalent  
 5 17 positions:  
 5 18 ..... \$ 130,972  
 5 19 ..... FTEs 3.00

General Fund appropriation to the Offices of the Governor and Lieutenant Governor for the Administrative Rules Coordinator.

DETAIL: This is an increase of \$2,092 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$2,092 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

## 5 20 4. NATIONAL GOVERNORS ASSOCIATION

5 21 For payment of Iowa's membership in the national governors  
 5 22 association:

5 23 ..... \$ 64,393

General Fund appropriation to the Offices of the Governor and  
 Lieutenant Governor for the National Governors Association  
 membership dues.

DETAIL: Maintains current funding level of General Fund support.

## 5 24 5. STATE-FEDERAL RELATIONS

5 25 For salaries, support, maintenance, miscellaneous purposes,  
 5 26 and for not more than the following full-time equivalent  
 5 27 positions:

5 28 ..... \$ 109,814

5 29 ..... FTEs 2.00

General Fund appropriation to the Offices of the Governor and  
 Lieutenant Governor for the Office of State-Federal Relations.

DETAIL: This is an increase of \$5,626 to fund FY 2003 salary  
 adjustment from the General Fund for FY 2004 and no change in FTE  
 positions compared to the FY 2003 estimated net General Fund  
 appropriation. This is a decrease of \$5,626 in other funds for FY 2004  
 compared to the FY 2003 estimated net appropriation for the  
 elimination of one-time salary funding.

## 5 30 Sec. 6. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY.

5 31 1. There is appropriated from the general fund of the  
 5 32 state to the governor's office of drug control policy for the  
 5 33 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 5 34 the following amount, or so much thereof as is necessary, to  
 5 35 be used for the purposes designated:

6 1 For salaries, support, maintenance, miscellaneous purposes  
 6 2 including statewide coordination of the drug abuse resistance  
 6 3 education (D.A.R.E.) programs or similar programs, and for not  
 6 4 more than the following full-time equivalent positions:

6 5 ..... \$ 255,104

6 6 ..... FTEs 8.00

General Fund appropriation to the Governor's Office of Drug Control  
 Policy for FY 2004.

DETAIL: Maintains current level of funding and a decrease of 3.00  
 FTE positions. The change in FTE positions is due to the transfer of  
 2.00 FTE positions that are federally funded and related programs to  
 the Department of Public Health, and the elimination of 1.00 FTE  
 position due to an employee participating in the Early-Out Retirement  
 Program.

6 7 2. The governor's office of drug control policy, in  
 6 8 consultation with the Iowa department of public health, and  
 6 9 after discussion and collaboration with all interested  
 6 10 agencies, shall coordinate substance abuse treatment and  
 6 11 prevention efforts in order to avoid duplication of services.

Requires the Governor's Office of Drug Control Policy to coordinate  
 substance abuse treatment and prevention efforts with the  
 Department of Public Health and other agencies to avoid duplication  
 of services.

6 12 Sec. 7. DEPARTMENT OF HUMAN RIGHTS. There is appropriated  
 6 13 from the general fund of the state to the department of human  
 6 14 rights for the fiscal year beginning July 1, 2003, and ending  
 6 15 June 30, 2004, the following amounts, or so much thereof as is  
 6 16 necessary, to be used for the purposes designated:

6 17 1. CENTRAL ADMINISTRATION DIVISION  
 6 18 For salaries, support, maintenance, miscellaneous purposes,  
 6 19 and for not more than the following full-time equivalent  
 6 20 positions:  
 6 21 ..... \$ 251,681  
 6 22 ..... FTEs 7.00

General Fund appropriation to the Central Administration Division of the Department of Human Rights.

DETAIL: This is an increase of \$2,313 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$2,313 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

6 23 2. DEAF SERVICES DIVISION  
 6 24 For salaries, support, maintenance, miscellaneous purposes,  
 6 25 and for not more than the following full-time equivalent  
 6 26 positions:  
 6 27 ..... \$ 314,714  
 6 28 ..... FTEs 7.00

General Fund appropriation to the Deaf Services Division of the Department of Human Rights.

DETAIL: This is an increase of \$8,567 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$8,567 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

6 29 The fees collected by the division for provision of  
 6 30 interpretation services by the division to obligated agencies  
 6 31 shall be disbursed pursuant to the provisions of section 8.32,  
 6 32 and shall be dedicated and used by the division for continued  
 6 33 and expanded interpretation services.

Requires the fees collected by the Division be used for continued and expanded interpretation services.

6 34 3. PERSONS WITH DISABILITIES DIVISION  
 6 35 For salaries, support, maintenance, miscellaneous purposes,

General Fund appropriation to the Persons with Disabilities Division of the Department of Human Rights.

7 1 and for not more than the following full-time equivalent  
7 2 positions:  
7 3 ..... \$ 170,969  
7 4 ..... FTEs 3.50

DETAIL: This is an increase of \$2,070 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$2,070 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

7 5 4. LATINO AFFAIRS DIVISION  
7 6 For salaries, support, maintenance, miscellaneous purposes,  
7 7 and for not more than the following full-time equivalent  
7 8 positions:  
7 9 ..... \$ 153,977  
7 10 ..... FTEs 3.00

General Fund appropriation to the Latino Affairs Division of the Department of Human Rights.

DETAIL: This is an increase of \$2,649 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$2,649 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

7 11 5. STATUS OF WOMEN DIVISION  
7 12 For salaries, support, maintenance, miscellaneous purposes,  
7 13 including the lowans in transition program, and the domestic  
7 14 violence and sexual assault-related grants, and for not more  
7 15 than the following full-time equivalent positions:  
7 16 ..... \$ 330,852  
7 17 ..... FTEs 3.00

General Fund appropriation to the Status of Women Division of the Department of Human Rights.

DETAIL: This is an increase of \$5,597 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation for the following:

1. An increase of \$2,037 to fund FY 2003 salary adjustment from the General Fund for FY 2004.
2. An increase of \$3,560 to restore funding for grants decreased in error.

This is a decrease of \$2,037 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

7 18 6. STATUS OF AFRICAN-AMERICANS DIVISION

General Fund appropriation to the Status of African-Americans



7 19 For salaries, support, maintenance, miscellaneous purposes,  
 7 20 and for not more than the following full-time equivalent  
 7 21 positions:  
 7 22 ..... \$ 121,329  
 7 23 ..... FTEs 2.00

Division of the Department of Human Rights.

DETAIL: Maintains current level of General Fund support and FTE positions.

7 24 7. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION  
 7 25 For salaries, support, maintenance, miscellaneous purposes,  
 7 26 and for not more than the following full-time equivalent  
 7 27 positions:  
 7 28 ..... \$ 373,203  
 7 29 ..... FTEs 6.96

General Fund appropriation to the Criminal and Juvenile Justice Planning Division of the Department of Human Rights for FY 2004.

DETAIL: This is an increase of \$13,620 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$13,620 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

7 30 The criminal and juvenile justice planning advisory council  
 7 31 and the juvenile justice advisory council shall coordinate  
 7 32 their efforts in carrying out their respective duties relative  
 7 33 to juvenile justice.

Requires the Criminal and Juvenile Justice Planning Advisory Council and the Juvenile Justice Advisory Council to coordinate efforts in performing juvenile justice duties.

7 34 8. SHARED STAFF. The divisions of the department of human  
 7 35 rights shall retain their individual administrators, but shall  
 8 1 share staff to the greatest extent possible.

Requires the divisions within the Department of Human Rights to share staff.

8 2 Sec. 8. DEPARTMENT OF INSPECTIONS AND APPEALS. There is  
 8 3 appropriated from the general fund of the state to the  
 8 4 department of inspections and appeals for the fiscal year  
 8 5 beginning July 1, 2003, and ending June 30, 2004, the  
 8 6 following amounts, or so much thereof as is necessary, for the  
 8 7 purposes designated:

8 8 1. ADMINISTRATION DIVISION

General Fund appropriation to the Administration Division of the

8 9 For salaries, support, maintenance, miscellaneous purposes,  
 8 10 and for not more than the following full-time equivalent  
 8 11 positions:  
 8 12 ..... \$ 712,437  
 8 13 ..... FTEs 19.25

Department of Inspections and Appeals.

DETAIL: This is an increase of \$15,813 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and a decrease of 0.09 FTE position compared to the FY 2003 estimated net General Fund appropriation. The decrease in FTE position is due to a layoff and position elimination early in FY 2003. This is a decrease of \$15,813 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

8 14 2. ADMINISTRATIVE HEARINGS DIVISION  
 8 15 For salaries, support, maintenance, miscellaneous purposes,  
 8 16 and for not more than the following full-time equivalent  
 8 17 positions:  
 8 18 ..... \$ 496,436  
 8 19 ..... FTEs 23.00

General Fund appropriation to the Administrative Hearings Division of the Department of Inspections and Appeals.

DETAIL: This is an increase of \$35,754 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$35,754 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

8 20 3. INVESTIGATIONS DIVISION  
 8 21 For salaries, support, maintenance, miscellaneous purposes,  
 8 22 and for not more than the following full-time equivalent  
 8 23 positions:  
 8 24 ..... \$ 1,367,532  
 8 25 ..... FTEs 41.00

General Fund appropriation to the Investigations Division of the Department of Inspections and Appeals.

DETAIL: This is an increase of \$24,636 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$24,636 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

8 26 4. HEALTH FACILITIES DIVISION  
 8 27 For salaries, support, maintenance, miscellaneous purposes,

General Fund appropriation to the Health Facilities Division of the Department of Inspections and Appeals.

8 28 and for not more than the following full-time equivalent  
 8 29 positions:  
 8 30 ..... \$ 2,246,415  
 8 31 ..... FTEs 101.75

DETAIL: This is an increase of \$25,626 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$25,626 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

8 32 5. INSPECTIONS DIVISION  
 8 33 For salaries, support, maintenance, miscellaneous purposes,  
 8 34 and for not more than the following full-time equivalent  
 8 35 positions:  
 9 1 ..... \$ 749,773  
 9 2 ..... FTEs 12.00

General Fund appropriation to the Inspections Division of the Department of Inspections and Appeals.

DETAIL: This is an increase of \$9,284 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$9,284 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

9 3 6. EMPLOYMENT APPEAL BOARD  
 9 4 For salaries, support, maintenance, miscellaneous purposes,  
 9 5 and for not more than the following full-time equivalent  
 9 6 positions:  
 9 7 ..... \$ 34,123  
 9 8 ..... FTEs 15.00

General Fund appropriation to the Employment Appeal Board of the Department of Inspections and Appeals.

DETAIL: This is an increase of \$787 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$787 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

9 9 The employment appeal board shall be reimbursed by the  
 9 10 labor services division of the department of workforce  
 9 11 development for all costs associated with hearings conducted  
 9 12 under chapter 91C, related to contractor registration. The  
 9 13 board may expend, in addition to the amount appropriated under

Requires the Labor Services Division of the Department of Workforce Development to reimburse the Employment Appeal Board for costs associated with contractor registration hearings. Allows the Board to expend amounts in addition to the appropriations that are billable to the Labor Division.

9 14 this subsection, additional amounts as are directly billable  
 9 15 to the labor services division under this subsection and to  
 9 16 retain the additional full-time equivalent positions as needed  
 9 17 to conduct hearings required pursuant to chapter 91C.

9 18 7. CHILD ADVOCACY BOARD

9 19 For foster care review and the court appointed special  
 9 20 advocate program, including salaries, support, maintenance,  
 9 21 miscellaneous purposes, and for not more than the following  
 9 22 full-time equivalent positions:

9 23 ..... \$ 1,696,656

9 24 ..... FTEs 43.49

General Fund appropriation to the Child Advocacy Board of the Department of Inspections and Appeals.

DETAIL: This is an increase of \$27,499 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and an increase of 0.50 FTE position compared to the FY 2003 estimated net General Fund appropriation. The FTE position increase is due to the conversion of a contract position to an FTE position. This is a decrease of \$27,499 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

9 25 a. The department of human services, in coordination with  
 9 26 the child advocacy board, and the department of inspections  
 9 27 and appeals, shall submit an application for funding available  
 9 28 pursuant to Title IV-E of the federal Social Security Act for  
 9 29 claims for child advocacy board, administrative review costs.

Requires the Department of Human Services, the Child Care Advocacy Board, and the Department of Inspections and Appeals to cooperate in filing an application for federal funds for Child Care Advocacy Board administrative review costs.

9 30 b. It is the intent of the general assembly that the court  
 9 31 appointed special advocate program investigate and develop  
 9 32 opportunities for expanding fund-raising for the program.

Specifies the intent of the General Assembly that the Court-Appointed Special Advocate Program investigate and develop opportunities for expanding fund-raising for the Program.

9 33 c. The child advocacy board shall report to the  
 9 34 chairpersons and ranking members of the joint appropriations  
 9 35 subcommittee on administration and regulation and the  
 10 1 legislative fiscal bureau by August 31, 2003, providing a  
 10 2 budget for the appropriation made in this subsection. The  
 10 3 budget shall delineate the expenditures planned for foster  
 10 4 care review, the court appointed special advocate program,  
 10 5 joint expenditures, and other pertinent information. The

Requires the Child Advocacy Board to prepare a spending plan based on the FY 2004 appropriation provided in this Subsection, and submit the plan to the Chairpersons and Ranking Members of the Administration and Regulation Appropriations Subcommittee by August 31, 2003. Also requires a report on actual expenditures at the close of FY 2004.

10 6 board shall submit to the same entities a report of the actual  
 10 7 expenditures at the close of the fiscal year.

10 8 d. Administrative costs charged by the department of  
 10 9 inspections and appeals for items funded under this subsection  
 10 10 shall not exceed 4 percent of the amount appropriated in this  
 10 11 subsection.

Specifies the maximum charge to be paid for administrative costs reimbursement to the Department of Inspections and Appeals is 4.00% of the amount appropriated in this Subsection.

DETAIL: The maximum amount the Department may be reimbursed is \$67,866.

10 12 Sec. 9. RACING AND GAMING COMMISSION.

10 13 1. RACETRACK REGULATION

10 14 There is appropriated from the general fund of the state to  
 10 15 the racing and gaming commission of the department of  
 10 16 inspections and appeals for the fiscal year beginning July 1,  
 10 17 2003, and ending June 30, 2004, the following amount, or so  
 10 18 much thereof as is necessary, to be used for the purposes  
 10 19 designated:

10 20 For salaries, support, maintenance, and miscellaneous  
 10 21 purposes for the regulation of pari-mutuel racetracks, and for  
 10 22 not more than the following full-time equivalent positions:  
 10 23 ..... \$ 2,105,333  
 10 24 ..... FTEs 24.53

General Fund appropriation to the Racing and Gaming Commission of the Department of Inspections and Appeals for racetrack regulation.

DETAIL: This is a decrease of \$7,431 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation for the following:

1. An increase of \$29,769 to fund FY 2003 salary adjustment from the General Fund for FY 2004.
2. An increase of \$42,800 to restore prior reductions and provide oversight of racing days.
3. A decrease of \$80,000 for a one-time supplemental appropriation for FY 2003 in SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act).

This is a decrease of \$29,769 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

10 25 Of the funds appropriated in this subsection, \$85,576 shall  
 10 26 be used to conduct an extended harness racing season.

Requires an allocation of \$85,576 to be used for a harness racing season.

10 27 2. EXCURSION BOAT REGULATION

10 28 There is appropriated from the general fund of the state to

General Fund appropriation to the Racing and Gaming Commission of the Department of Inspections and Appeals for excursion boat

10 29 the racing and gaming commission of the department of  
 10 30 inspections and appeals for the fiscal year beginning July 1,  
 10 31 2003, and ending June 30, 2004, the following amount, or so  
 10 32 much thereof as is necessary, to be used for the purposes  
 10 33 designated:

10 34 For salaries, support, maintenance, and miscellaneous  
 10 35 purposes for administration and enforcement of the excursion  
 11 1 boat gambling laws, and for not more than the following full-  
 11 2 time equivalent positions:

11 3 ..... \$ 1,737,198  
 11 4 ..... FTEs 30.22

regulation for FY 2004.

DETAIL: This is an increase of \$173,809 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation for the following:

1. An increase of \$33,819 to fund FY 2003 salary adjustment from the General Fund for FY 2004.
2. An increase of \$139,990 to provide sufficient funding for the Excursion Boat Regulation Program. Licensees reimburse these costs.

This is a decrease of \$33,819 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

11 5 Sec. 10. USE TAX APPROPRIATION. There is appropriated  
 11 6 from the use tax receipts collected pursuant to sections 423.7  
 11 7 and 423.7A prior to their deposit in the road use tax fund  
 11 8 pursuant to section 423.24, to the administrative hearings  
 11 9 division of the department of inspections and appeals for the  
 11 10 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 11 11 the following amount, or so much thereof as is necessary, for  
 11 12 the purposes designated:

11 13 For salaries, support, maintenance, and miscellaneous  
 11 14 purposes:  
 11 15 ..... \$ 1,222,110

Use Tax appropriation to the Appeals and Fair Hearings Division of the Department of Inspections and Appeals.

DETAIL: Maintains current level of support.

11 16 Sec. 11. DEPARTMENT OF MANAGEMENT. There is appropriated  
 11 17 from the general fund of the state to the department of  
 11 18 management for the fiscal year beginning July 1, 2003, and  
 11 19 ending June 30, 2004, the following amounts, or so much  
 11 20 thereof as is necessary, to be used for the purposes  
 11 21 designated:

11 22 1. GENERAL OFFICE -- STATEWIDE PROPERTY TAX ADMINISTRATION

General Fund appropriation to the DOM for the General Office

11 23 For salaries, support, maintenance, miscellaneous purposes,  
 11 24 and for not more than the following full-time equivalent  
 11 25 positions:  
 11 26 ..... \$ 2,062,112  
 11 27 ..... FTEs 33.00

Division.

DETAIL: This is an increase of \$13,472 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$13,472 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

11 28 2. ENTERPRISE RESOURCE PLANNING  
 11 29 If funding is provided for the redesign of the enterprise  
 11 30 resource planning budget system for the fiscal year beginning  
 11 31 July 1, 2003, then there is appropriated from the general fund  
 11 32 of the state to the department of management for the fiscal  
 11 33 year beginning July 1, 2003, and ending June 30, 2004, the  
 11 34 following amount, or so much thereof as is necessary, to be  
 11 35 used for the purpose designated:  
 12 1 For salaries, support, maintenance, and miscellaneous  
 12 2 purposes for administration of the enterprise resource  
 12 3 planning system, and for not more than the following full-time  
 12 4 equivalent position:  
 12 5 ..... \$ 57,966  
 12 6 ..... FTEs 1.00

Contingent General Fund appropriation to the Department of Management for staff support related to implementation of an enterprise resource planning budget system.

DETAIL: This is an increase of \$722 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The funding is contingent on continued funding of the State budget system redesign. This is a decrease of \$722 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

NOTE: Senate File 452 (FY 2004 Infrastructure Appropriations Act) appropriates \$6,131,075 for the Integrated Information for Iowa System that includes development of the budget system redesign.

12 7 3. REINVENTION SAVINGS  
 12 8 To fund the investment in reinvention initiatives intended  
 12 9 to produce ongoing savings:  
 12 10 ..... \$ 5,000,000

This is a new appropriation from the General Fund for State government reinvention initiatives.

DETAIL: This funding is intended to support government reinvention efforts approved in SF 453 (Reinvention of Government Act). Senate File 453 was approved by the General Assembly on April 25, 2003, and item vetoed and signed by the Governor on May 30, 2003.

12 11 Sec. 12. ROAD USE TAX APPROPRIATION. There is  
 12 12 appropriated from the road use tax fund to the department of

Road Use Tax Fund appropriation to the DOM for support and services provided to the Department of Transportation (DOT).

12 13 management for the fiscal year beginning July 1, 2003, and  
 12 14 ending June 30, 2004, the following amount, or so much thereof  
 12 15 as is necessary, to be used for the purposes designated:  
 12 16 For salaries, support, maintenance, and miscellaneous  
 12 17 purposes:  
 12 18 ..... \$ 56,000

DETAIL: Maintains current level of support.

12 19 Sec. 13. LOTTERY. There is appropriated from the lottery  
 12 20 fund to the department of revenue and finance, or its  
 12 21 successor, for the fiscal year beginning July 1, 2003, and  
 12 22 ending June 30, 2004, the following amount, or so much thereof  
 12 23 as is necessary, to be used for the purposes designated:  
 12 24 For salaries, support, maintenance, miscellaneous purposes  
 12 25 for the administration and operation of lottery games, and for  
 12 26 not more than the following full-time equivalent positions:  
 12 27 ..... \$ 8,956,673  
 12 28 ..... FTEs 117.00

Lottery Fund appropriation to the Department of Revenue and Finance for administration of the Lottery Division.

DETAIL: Maintains current level of support and FTE positions.

The Lottery Division was established as a separate State Authority known as the Iowa Lottery Authority in SF 453 (Reinvention of Government Act).

12 29 The lottery shall deduct \$500,000 from its calculated  
 12 30 retained earnings before making lottery proceeds transfers to  
 12 31 the general fund of the state during the fiscal year beginning  
 12 32 July 1, 2003.

Requires that the Lottery deduct \$500,000 from retained earnings before transfer to the General Fund.

DETAIL: The Lottery will maintain the same level of retained earnings as FY 2003. Retained earnings represent non-liquid assets and include property and equipment, ticket inventory, and vehicle depreciation funds, which are not available for transfer to the State General Fund. An increase in retained earnings would reduce the amount of funds transferred to the State General Fund.

12 33 Sec. 14. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is  
 12 34 appropriated from the motor fuel tax fund created by section  
 12 35 452A.77 to the department of revenue and finance, or its  
 13 1 successor, for the fiscal year beginning July 1, 2003, and  
 13 2 ending June 30, 2004, the following amount, or so much thereof  
 13 3 as is necessary, to be used for the purposes designated:  
 13 4 For salaries, support, maintenance, and miscellaneous  
 13 5 purposes for administration and enforcement of the provisions

Motor Vehicle Fuel Tax Fund appropriation to the Department of Revenue and Finance for administration and enforcement of the Motor Vehicle Use Tax Program.

DETAIL: Maintains current level of support.



13 6 of chapter 452A and the motor vehicle use tax program:

13 7 ..... \$ 1,098,654

13 8 Sec. 15. SECRETARY OF STATE. There is appropriated from

13 9 the general fund of the state to the office of the secretary

13 10 of state for the fiscal year beginning July 1, 2003, and

13 11 ending June 30, 2004, the following amounts, or so much

13 12 thereof as is necessary, to be used for the purposes

13 13 designated:

13 14 1. ADMINISTRATION AND ELECTIONS

13 15 For salaries, support, maintenance, miscellaneous purposes,

13 16 and for not more than the following full-time equivalent

13 17 positions:

13 18 ..... \$ 676,292

13 19 ..... FTEs 10.00

General Fund appropriation to the Administration and Elections Division of the Office of the Secretary of State.

DETAIL: This is an increase of \$12,236 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$12,236 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

13 20 It is the intent of the general assembly that the state

13 21 department or state agency which provides data processing

13 22 services to support voter registration file maintenance and

13 23 storage shall provide those services without charge.

Specifies the intent of the General Assembly that State agencies provide data processing services for voter registration free of charge to the Secretary of State's Office.

13 24 2. BUSINESS SERVICES

13 25 For salaries, support, maintenance, miscellaneous purposes,

13 26 and for not more than the following full-time equivalent

13 27 positions:

13 28 ..... \$ 1,423,106

13 29 ..... FTEs 32.00

General Fund appropriation to the Business Services Division of the Office of the Secretary of State.

DETAIL: This is an increase of \$24,948 to fund FY 2003 salary adjustment from the General Fund for FY 2004 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$24,948 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

13 30 Sec. 16. SECRETARY OF STATE FILING FEES REFUND.  
13 31 Notwithstanding the obligation to collect fees pursuant to the  
13 32 provisions of section 490.122, subsection 1, paragraphs "a"  
13 33 and "s", and section 504A.85, subsections 1 and 9, for the  
13 34 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
13 35 the secretary of state may refund these fees to the filer  
14 1 pursuant to rules established by the secretary of state. The  
14 2 decision of the secretary of state not to issue a refund under  
14 3 rules established by the secretary of state is final and not  
14 4 subject to review pursuant to the provisions of the Iowa  
14 5 administrative procedure Act.

14 6 Sec. 17. TREASURER. There is appropriated from the  
14 7 general fund of the state to the office of treasurer of state  
14 8 for the fiscal year beginning July 1, 2003, and ending June  
14 9 30, 2004, the following amount, or so much thereof as is  
14 10 necessary, to be used for the purposes designated:

14 11 For salaries, support, maintenance, miscellaneous purposes,  
14 12 and for not more than the following full-time equivalent  
14 13 positions:

14 14 .....	\$	782,647
14 15 .....	FTEs	28.80

CODE: Allows the Business Services Division of the Office of the Secretary of State to refund fees if the filer is not satisfied with the quality of service provided. The decision to issue a refund is at the discretion of the Secretary of State and is not subject to administrative review.

General Fund appropriation to the Office of Treasurer of State.

DETAIL: This is an increase of \$16,323 and 2.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation for the following:

1. An increase of \$16,323 to fund FY 2003 salary adjustment from the General Fund for FY 2004.
2. An increase of 1.00 FTE position for the College Savings Iowa Program.
3. An increase of 1.00 FTE position for the administration of tobacco financing.

This is a decrease of \$16,323 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

14 16 The office of treasurer of state shall supply clerical and  
14 17 secretarial support for the executive council.

Requires the Office to provide clerical and secretarial support to the Executive Council.

14 18 Sec. 18. IPERS. There is appropriated from the Iowa  
14 19 public employees' retirement system fund to the Iowa public  
14 20 employees' retirement system for the fiscal year beginning  
14 21 July 1, 2003, and ending June 30, 2004, the following amount,  
14 22 or so much thereof as is necessary, to be used for the  
14 23 purposes designated:

14 24 1. GENERAL OFFICE

14 25 For salaries, support, maintenance, and other operational  
14 26 purposes to pay the costs of the Iowa public employees'  
14 27 retirement system and for not more than the following full-  
14 28 time equivalent positions:

14 29 ..... \$ 8,272,066  
14 30 ..... FTEs 90.13

Iowa Public Employees' Retirement System (IPERS) Fund  
appropriation to the Iowa Public Employees' Retirement System for  
administration of the System.

DETAIL: Maintains current level of Support and FTE positions.

14 31 2. INVESTMENT PROGRAM STAFFING

14 32 It is the intent of the general assembly that the Iowa  
14 33 public employees' retirement system division employ sufficient  
14 34 staff within the appropriation provided in this section to  
14 35 meet the developing requirements of the investment program.

Specifies the intent of the General Assembly that the IPERS Division  
employ a sufficient number of staff to meet the requirements of the  
Investment Program.

15 1 DIVISION II

This Division is not applicable and the appropriations and FTE  
authorizations are not effective due to the enactment of HF 534  
(Department of Administrative Services Act) that created the new  
Department of Administrative Services. The new administrative  
agency combines the Department of Information Technology, the  
Department of General Services, the Department of Personnel, and  
the accounting functions from the Department of Revenue and  
Finance. With the enactment of HF 534, the effective funding and  
other provisions are located in Division III of this Act.

15 2 Sec. 19. DEPARTMENT OF REVENUE AND FINANCE. There is

15 3 appropriated from the general fund of the state to the  
15 4 department of revenue and finance for the fiscal year  
15 5 beginning July 1, 2003, and ending June 30, 2004, the  
15 6 following amounts, or so much thereof as is necessary, to be  
15 7 used for the purposes designated, and for not more than the  
15 8 following full-time equivalent positions used for the purposes  
15 9 designated in subsection 1:  
15 10 ..... FTEs 404.17

15 11 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT -- STATE  
15 12 FINANCIAL MANAGEMENT -- STATEWIDE PROPERTY TAX  
ADMINISTRATION

15 13 For salaries, support, maintenance, and miscellaneous  
15 14 purposes:  
15 15 ..... \$ 24,976,712

15 16 Of the funds appropriated pursuant to this subsection,  
15 17 \$400,000 shall be used to pay the direct costs of compliance  
15 18 related to the collection and distribution of local sales and  
15 19 services taxes imposed pursuant to chapters 422B and 422E.

15 20 The director of revenue and finance shall prepare and issue  
15 21 a state appraisal manual and the revisions to the state  
15 22 appraisal manual as provided in section 421.17, subsection 18,  
15 23 without cost to a city or county.

15 24 2. COLLECTION COSTS AND FEES

15 25 For payment of collection costs and fees pursuant to  
15 26 section 422.26:  
15 27 ..... \$ 28,166

15 28 Sec. 20. DEPARTMENT OF GENERAL SERVICES. There is  
15 29 appropriated from the general fund of the state to the  
15 30 department of general services for the fiscal year beginning

15 31 July 1, 2003, and ending June 30, 2004, the following amounts,  
15 32 or so much thereof as is necessary, to be used for the  
15 33 purposes designated:

15 34 1. ADMINISTRATION AND PROPERTY MANAGEMENT

15 35 For salaries, support, maintenance, miscellaneous purposes,  
16 1 and for not more than the following full-time equivalent  
16 2 positions:

16 3 ..... \$ 5,413,749

16 4 ..... FTEs 149.40

16 5 2. TERRACE HILL OPERATIONS

16 6 For salaries, support, maintenance, and miscellaneous  
16 7 purposes necessary for the operation of Terrace Hill and for  
16 8 not more than the following full-time equivalent positions:

16 9 ..... \$ 235,412

16 10 ..... FTEs 5.00

16 11 3. RENTAL SPACE

16 12 For payment of lease or rental costs of buildings and  
16 13 office space as provided in section 18.12, subsection 9,  
16 14 notwithstanding section 18.16:

16 15 ..... \$ 846,770

16 16 The department shall prepare a summary of lease and rental  
16 17 agreements entered into by the department with information  
16 18 concerning the location of leased property, the funding source  
16 19 for each lease, and the cost of the lease. The summary shall  
16 20 be submitted to the general assembly by January 13, 2004.

16 21 4. UTILITY COSTS

16 22 For payment of utility costs and for not more than the  
16 23 following full-time equivalent position:

16 24 ..... \$ 1,817,095

---

16 25 ..... FTEs 1.00

16 26 Notwithstanding sections 8.33 and 18.12, subsection 11, any  
16 27 excess funds appropriated for utility costs in this subsection  
16 28 shall not revert to the general fund of the state at the end  
16 29 of the fiscal year but shall remain available for expenditure  
16 30 for the purposes of this subsection during the fiscal year  
16 31 beginning July 1, 2004.

16 32 Sec. 21. REVOLVING FUNDS. There is appropriated from the  
16 33 designated revolving funds to the department of general  
16 34 services for the fiscal year beginning July 1, 2003, and  
16 35 ending June 30, 2004, the following amounts, or so much  
17 1 thereof as is necessary, to be used for the purposes  
17 2 designated:

17 3 1. CENTRALIZED PURCHASING

17 4 From the centralized purchasing permanent revolving fund  
17 5 established by section 18.9 for salaries, support,  
17 6 maintenance, miscellaneous purposes, and for not more than the  
17 7 following full-time equivalent positions:  
17 8 ..... \$ 1,118,960  
17 9 ..... FTEs 15.15

17 10 2. CENTRALIZED PURCHASING -- REMAINDER

17 11 The remainder of the centralized purchasing permanent  
17 12 revolving fund is appropriated for the payment of expenses  
17 13 incurred through purchases by various state departments and  
17 14 for contingencies arising during the fiscal year beginning  
17 15 July 1, 2003, and ending June 30, 2004, which are legally  
17 16 payable from this fund.

17 17 3. STATE FLEET ADMINISTRATOR

17 18 From the state fleet administrator revolving fund

17 19 established by section 18.119 for salaries, support,  
17 20 maintenance, miscellaneous purposes, and for not more than the  
17 21 following full-time equivalent positions:  
17 22 ..... \$ 922,388  
17 23 ..... FTEs 19.15

17 24 4. STATE FLEET ADMINISTRATOR -- REMAINDER

17 25 The remainder of the state fleet administrator revolving  
17 26 fund is appropriated for the purchase of ethanol blended fuels  
17 27 and other fuels specified in section 18.115, subsection 5,  
17 28 oil, tires, repairs, and all other maintenance expenses  
17 29 incurred in the operation of state-owned motor vehicles and  
17 30 for contingencies arising during the fiscal year beginning  
17 31 July 1, 2003, and ending June 30, 2004, which are legally  
17 32 payable from this fund.

17 33 5. CENTRALIZED PRINTING

17 34 From the centralized printing permanent revolving fund  
17 35 established by section 18.57 for salaries, support,  
18 1 maintenance, miscellaneous purposes, and for not more than the  
18 2 following full-time equivalent positions:  
18 3 ..... \$ 1,404,173  
18 4 ..... FTEs 25.95

18 5 6. CENTRALIZED PRINTING -- REMAINDER

18 6 The remainder of the centralized printing permanent  
18 7 revolving fund is appropriated for the expense incurred in  
18 8 supplying paper stock, offset printing, copy preparation,  
18 9 binding, distribution costs, original payment of printing and  
18 10 binding claims and contingencies arising during the fiscal  
18 11 year beginning July 1, 2003, and ending June 30, 2004, which  
18 12 are legally payable from this fund.

18 13 Sec. 22. DEPARTMENT OF PERSONNEL. There is appropriated  
18 14 from the general fund of the state to the department of

18 15 personnel for the fiscal year beginning July 1, 2003, and  
18 16 ending June 30, 2004, the following amount, or so much thereof  
18 17 as is necessary, to be used for the purposes designated,  
18 18 including the filing of quarterly reports as required in this  
18 19 section:

18 20 For salaries, support, maintenance, and miscellaneous  
18 21 purposes for the director's staff, research, communications  
18 22 and workforce planning services, data processing, financial  
18 23 services, customer information and support services,  
18 24 employment law and labor relations, training and benefit  
18 25 programs, and for not more than the following full-time  
18 26 equivalent positions:  
18 27 ..... \$ 3,757,125  
18 28 ..... FTEs 66.00

18 29 Any funds received by the department for workers'  
18 30 compensation purposes shall be used only for the payment of  
18 31 workers' compensation claims and administrative costs.

18 32 It is the intent of the general assembly that members of  
18 33 the general assembly serving as members of the deferred  
18 34 compensation advisory board shall be entitled to receive per  
18 35 diem and necessary travel and actual expenses pursuant to  
19 1 section 2.10, subsection 5, while carrying out their official  
19 2 duties as members of the board.

19 3 Sec. 23. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION  
19 4 CHARGE. For the fiscal year beginning July 1, 2003, and  
19 5 ending June 30, 2004, the monthly per contract administrative  
19 6 charge which may be assessed by the department of personnel  
19 7 pursuant to section 19A.12F shall be \$2.00 per contract on all  
19 8 health insurance plans administered by the department.

19 9 Sec. 24. READY TO WORK PROGRAM COORDINATOR. There is



19 10 appropriated from the surplus funds in the long-term  
19 11 disability reserve fund and the workers' compensation trust  
19 12 fund to the department of personnel for the fiscal year  
19 13 beginning July 1, 2003, and ending June 30, 2004, the  
19 14 following amount, or so much thereof as is necessary, to be  
19 15 used for the purposes designated:  
19 16 For the salary, support, and miscellaneous expenses for the  
19 17 ready to work program and coordinator:  
19 18 ..... \$ 89,416

19 19 The moneys appropriated pursuant to this section shall be  
19 20 taken in equal proportions from the long-term disability  
19 21 reserve fund and the workers' compensation trust fund.

19 22 Sec. 25. PRIMARY ROAD FUND APPROPRIATION. There is  
19 23 appropriated from the primary road fund to the department of  
19 24 personnel for the fiscal year beginning July 1, 2003, and  
19 25 ending June 30, 2004, the following amount, or so much thereof  
19 26 as is necessary, to be used for the purposes designated:  
19 27 For salaries, support, maintenance, and miscellaneous  
19 28 purposes to provide personnel services for the state  
19 29 department of transportation:  
19 30 ..... \$ 440,369

19 31 Sec. 26. ROAD USE TAX FUND APPROPRIATION. There is  
19 32 appropriated from the road use tax fund to the department of  
19 33 personnel for the fiscal year beginning July 1, 2003, and  
19 34 ending June 30, 2004, the following amount, or so much thereof  
19 35 as is necessary, to be used for the purposes designated:  
20 1 For salaries, support, maintenance, and miscellaneous  
20 2 purposes to provide personnel services for the state  
20 3 department of transportation:  
20 4 ..... \$ 71,969

20 5 Sec. 27. STATE WORKERS' COMPENSATION CLAIMS. The premiums

20 6 collected by the department of personnel shall be segregated  
20 7 into a separate workers' compensation fund in the state  
20 8 treasury to be used for payment of state employees' workers'  
20 9 compensation claims. Notwithstanding section 8.33,  
20 10 unencumbered or unobligated moneys remaining in this workers'  
20 11 compensation fund at the end of the fiscal year shall not  
20 12 revert but shall be available for expenditure for purposes of  
20 13 the fund for subsequent fiscal years.

20 14 Any funds received by the department of personnel for  
20 15 workers' compensation purposes other than funds appropriated  
20 16 in this section shall be used for the payment of workers'  
20 17 compensation claims and administrative costs.

20 18 Sec. 28. INFORMATION TECHNOLOGY DEPARTMENT. There is  
20 19 appropriated from the general fund of the state to the  
20 20 information technology department for the fiscal year  
20 21 beginning July 1, 2003, and ending June 30, 2004, the  
20 22 following amount, or so much thereof as is necessary, to be  
20 23 used for the purpose designated:  
20 24 For the purpose of providing information technology  
20 25 services to state agencies and for the following full-time  
20 26 equivalent positions:  
20 27 ..... \$ 2,967,323

20 28 ..... FTEs 138.00

20 29 1. The information technology department shall not  
20 30 increase any fees or charges to other state agencies for  
20 31 services provided to such state agencies by the department,  
20 32 unless such increase in fees or charges is first reported to  
20 33 the department of management. The department of management  
20 34 shall submit a report notifying the legislative fiscal bureau  
20 35 regarding any fee increase as the increase occurs.

21 1 2. The information technology department shall submit a  
21 2 report to the general assembly by January 12, 2004, providing  
21 3 information concerning the funding of the operation of the  
21 4 department, to include information concerning the receipt and  
21 5 use of fees and other revenues by the department, the method  
21 6 of determining fees to be charged, and information comparing  
21 7 fees charged by the department with comparable private sector  
21 8 rates.

21 9 3. It is the intent of the general assembly that all  
21 10 agencies comply with the requirements established in section  
21 11 304.13A relating to utilization of the electronic repository  
21 12 developed for the purpose of providing public access to agency  
21 13 publications. To ensure compliance with the requirements, the  
21 14 department of management, the information technology  
21 15 department, and the state librarian shall coordinate the  
21 16 development of a process to maximize and monitor the extent to  
21 17 which the number of printed copies of agency publications is  
21 18 reduced, and to realize monetary savings through the  
21 19 reduction. The process shall include a policy for  
21 20 distribution of written copies of publications to members of  
21 21 the general assembly on a request-only basis and weekly  
21 22 notification of a new publication posting on the repository by  
21 23 the state librarian to the secretary of state, secretary of  
21 24 the senate, and chief clerk of the house of representatives,  
21 25 who in turn shall notify members of the general assembly of  
21 26 publication availability. The process shall also include the  
21 27 electronic submission of a report by November 1, annually, to  
21 28 the legislative fiscal bureau and legislative fiscal committee  
21 29 detailing the number of written copies of agency publications  
21 30 produced in the preceding two fiscal years, and indicating the  
21 31 extent to which a reduction may be observed.

21 32 Sec. 29. FUNDING FOR IOWACCESS.

21 33 1. Notwithstanding section 321A.3, subsection 1, for the

21 34 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 21 35 the first \$1,000,000 collected and transferred by the  
 22 1 department of transportation to the treasurer of state with  
 22 2 respect to the fees for transactions involving the furnishing  
 22 3 of a certified abstract of a vehicle operating record under  
 22 4 section 321A.3, subsection 1, shall be transferred to the  
 22 5 lowAccess revolving fund created in section 14B.206 and  
 22 6 administered by the information technology department for the  
 22 7 purposes of developing, implementing, maintaining, and  
 22 8 expanding electronic access to government records in  
 22 9 accordance with the requirements set forth in chapter 14B.

22 10 2. It is the intent of the general assembly that all fees  
 22 11 collected with respect to transactions involving lowAccess  
 22 12 shall be deposited in the lowAccess revolving fund created in  
 22 13 section 14B.206 and shall be used only for the support of  
 22 14 lowAccess projects.

22 15 Sec. 30. APPLICABILITY. This division shall not apply,  
 22 16 and the appropriations and FTE authorizations hereunder shall  
 22 17 not be effective, if a department of administrative services  
 22 18 is created effective July 1, 2003, by legislation enacted by  
 22 19 the first regular session of the 80th General Assembly.

Specifies that Division II of this Act is not effective if legislation is enacted and effective before July 1, 2003, creating the new Department of Administrative Services.

DETAIL: The policy Act for the new Department of Administrative Services is HF 534 (Department of Administrative Services Act). House File 534 was passed by the General Assembly on April 30, 2003, and signed by the Governor on May 23, 2003.

## 22 20 DIVISION III

22 21 Sec. 31. DEPARTMENT OF REVENUE. There is appropriated  
 22 22 from the general fund of the state to the department of  
 22 23 revenue for the fiscal year beginning July 1, 2003, and ending  
 22 24 June 30, 2004, the following amounts, or so much thereof as is  
 22 25 necessary, to be used for the purposes designated, and for not  
 22 26 more than the following full-time equivalent positions used

Establishes the overall FTE position cap for the Department of Revenue.

DETAIL: This is a decrease of 11.30 FTE positions compared to the FY 2003 estimated net General Fund appropriation to the Department of Revenue and Finance. The total FTE positions include General Fund and Motor Vehicle Fuel Tax Fund supported positions. The

22 27 for the purposes designated in subsection 1:  
 22 28 ..... FTEs 378.87

changes include:

1. An increase of 14.00 FTE positions for 10 additional revenue auditors and four additional revenue field collections agents.
2. A decrease of 25.30 FTE positions to transfer the accounting functions of the Department of Revenue and Finance to the new Department of Administrative Services.

The Department of Revenue and Finance has been renamed the Department of Revenue with the enactment of HF 534 (Department of Administrative Services Act).

This appropriation was amended by HF 683 (Grow Iowa Values Fund Appropriations Act) and increased by 2.00 FTE positions to assist in preparation of information for the Revenue Estimating Conference and improve turnaround time for processing corporate tax filings.

22 29 1. COMPLIANCE -- INTERNAL RESOURCES MANAGEMENT -- STATE  
 22 30 FINANCIAL MANAGEMENT -- STATEWIDE PROPERTY TAX  
 ADMINISTRATION

22 31 For salaries, support, maintenance, and miscellaneous  
 22 32 purposes:

22 33 ..... \$ 23,259,111

General Fund appropriation to the Department of Revenue.

DETAIL: This is a decrease of \$915,412 compared to the FY 2003 estimated net General Fund appropriation. The changes include:

1. An increase of \$525,488 for 10 additional revenue auditors and four additional revenue field collections agents.
2. An increase of \$276,701 to fund FY 2003 salary adjustment from the General Fund for FY 2004.
3. A decrease of \$1,717,601 to transfer the accounting functions of the Department of Revenue and Finance to the new Department of Administrative Services.

This is a decrease of \$276,701 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

This appropriation was amended by HF 683 (Grow Iowa Values Fund Appropriations Act) and increased by \$100,000 to assist in preparation of information for the Revenue Estimating Conference and improve turnaround time for processing corporate tax filings.

FISCAL IMPACT: It is estimated that \$100,000 less will be paid in

interest on corporate tax filings with a reduced turnaround time on corporate tax filings.

22 34 Of the funds appropriated pursuant to this subsection,  
22 35 \$400,000 shall be used to pay the direct costs of compliance  
23 1 related to the collection and distribution of local sales and  
23 2 services taxes imposed pursuant to chapters 422B and 422E.

Specifies that \$400,000 of the funds appropriated in this Subsection must be used to pay the costs related to Local Option Sales and Services Taxes.

23 3 The director of revenue shall prepare and issue a state  
23 4 appraisal manual and the revisions to the state appraisal  
23 5 manual as provided in section 421.17, subsection 18, without  
23 6 cost to a city or county.

Requires the Director of the Department of Revenue to prepare and issue a State Appraisal Manual at no cost to cities and counties.

DETAIL: County and city assessors are mandated by statute to use the Manual in completing assessments of real property.

23 7 2. COLLECTION COSTS AND FEES  
23 8 For payment of collection costs and fees pursuant to  
23 9 section 422.26:  
23 10 ..... \$ 28,166

General Fund appropriation to the Department of Revenue for payment of collection costs and fees.

DETAIL: Maintains current level of General Fund support.

23 11 Sec. 32. DEPARTMENT OF ADMINISTRATIVE SERVICES. There is  
23 12 appropriated from the general fund of the state to the  
23 13 department of administrative services for the fiscal year  
23 14 beginning July 1, 2003, and ending June 30, 2004, the  
23 15 following amount, or so much thereof as is necessary, to be  
23 16 used for the purposes designated:  
23 17 For salaries, support, maintenance, and miscellaneous  
23 18 purposes, and for not more than the following full-time  
23 19 equivalent positions:  
23 20 ..... \$ 16,755,075  
23 21 ..... FTEs 384.70

General Fund appropriation to the new Department of Administrative Services.

DETAIL: This is an increase of \$476,929 and a decrease of 10.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation to the agencies merged into the new Department. The changes include:

1. An increase of \$188,086 to fund FY 2003 salary adjustment from the General Fund for FY 2004 for the former Department of General Services.
2. An increase of \$83,369 for start-up maintenance services for the new parking ramp that was completed in February for the former Department of General Services.
3. An increase of \$57,575 to fund FY 2003 salary adjustment from

the General Fund for FY 2004 for the former Department of Information Technology.

4. An increase of \$124,395 to fund FY 2003 salary adjustment from the General Fund for FY 2004 for the former Department of Personnel.
5. An increase of \$23,504 to fund FY 2003 salary adjustment from the General Fund for FY 2004 for the former accounting functions of the Department of Revenue and Finance.
6. A decrease of 10.00 FTE positions for the former Department of Personnel for a general reduction requested by the Department.

This is a decrease of \$393,560 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

23 22 Notwithstanding sections 8.33 and 18.12, subsection 11, any  
23 23 excess funds appropriated for utility costs in this section  
23 24 shall not revert to the general fund of the state at the end  
23 25 of the fiscal year but shall remain available for expenditure  
23 26 for the purposes of paying utility costs during the fiscal  
23 27 year beginning July 1, 2004.

CODE: Requires excess funds from the Department of Administrative Services Utilities Account to carry forward at the end of FY 2003 for utility expenses.

23 28 Members of the general assembly serving as members of the  
23 29 deferred compensation advisory board shall be entitled to  
23 30 receive per diem and necessary travel and actual expenses  
23 31 pursuant to section 2.10, subsection 5, while carrying out  
23 32 their official duties as members of the board.

Authorizes members of the General Assembly to receive per diem, necessary travel, and actual expenses while performing official duties as members of the Deferred Compensation Advisory Board.

23 33 The premiums collected by the department shall be  
23 34 segregated into a separate workers' compensation fund in the  
23 35 state treasury to be used for payment of state employees'  
24 1 workers' compensation claims. Notwithstanding section 8.33,  
24 2 unencumbered or unobligated moneys remaining in this workers'  
24 3 compensation fund at the end of the fiscal year shall not  
24 4 revert but shall be available for expenditure for purposes of  
24 5 the fund for subsequent fiscal years.

CODE: Requires excess funds from the Department of Administrative Services Workers' Compensation Fund at the end of the fiscal year to carry forward for payment of workers' compensation claims.

24 6 Any funds received by the department for workers'  
 24 7 compensation purposes shall be used for the payment of  
 24 8 workers' compensation claims and administrative costs.

Specifies the intent of the General Assembly that any funds received by the Department of Administrative Services for workers' compensation purposes, be used for the payment of workers' compensation claims and administrative costs.

24 9 Sec. 33. REVOLVING FUNDS. There is appropriated from the  
 24 10 designated revolving funds to the department of administrative  
 24 11 services for the fiscal year beginning July 1, 2003, and  
 24 12 ending June 30, 2004, the following amounts, or so much  
 24 13 thereof as is necessary, to be used for the purposes  
 24 14 designated:

Specifies the appropriations to be made to the Department of Administrative Services from the Centralized Purchasing, State Fleet, and Centralized Printing, Revolving Funds.

24 15 1. CENTRALIZED PURCHASING  
 24 16 From the centralized purchasing permanent revolving fund  
 24 17 for salaries, support, maintenance, and miscellaneous  
 24 18 purposes, and for not more than the following full-time  
 24 19 equivalent positions:  
 24 20 ..... \$ 1,118,960  
 24 21 ..... FTEs 15.15

Centralized Purchasing Permanent Revolving Fund appropriation to the Department of Administrative Services for centralized purchasing operations.

DETAIL: Maintains the current level of funding and a decrease of 1.60 FTE positions compared to the FY 2003 estimated net appropriation to the Department of General Services.

24 22 2. CENTRALIZED PURCHASING -- REMAINDER  
 24 23 The remainder of the centralized purchasing permanent  
 24 24 revolving fund is appropriated for the payment of expenses  
 24 25 incurred through purchases by various state departments and  
 24 26 for contingencies arising during the fiscal year beginning  
 24 27 July 1, 2003, and ending June 30, 2004, which are legally  
 24 28 payable from this fund.

Specifies that the remainder of the Centralized Purchasing Permanent Revolving Fund be used for expenses incurred and contingencies legally payable from the Fund.

24 29 3. STATE FLEET SERVICES  
 24 30 From the fleet management revolving fund for salaries,  
 24 31 support, maintenance, and miscellaneous purposes, and for not  
 24 32 more than the following full-time equivalent positions:  
 24 33 ..... \$ 922,388  
 24 34 ..... FTEs 19.15

State Fleet Administrator Revolving Fund appropriation to the Department of Administrative Services for State fleet operations.

DETAIL: Maintains the current level of funding and an increase of 0.65 FTE position compared to the FY 2003 estimated net appropriation to the Department of General Services.



24 35 4. STATE FLEET SERVICES -- REMAINDER

25 1 The remainder of the fleet management revolving fund is  
 25 2 appropriated for the purchase of ethanol blended fuels and  
 25 3 other flexible fuels, oil, tires, repairs, and all other  
 25 4 maintenance expenses incurred in the operation of state-owned  
 25 5 motor vehicles and for contingencies arising during the fiscal  
 25 6 year beginning July 1, 2003, and ending June 30, 2004, which  
 25 7 are legally payable from this fund.

Requires the remainder of the State Fleet Administrator Revolving Fund be used for expenses incurred and contingencies legally payable from the Fund. Requires fuel purchased by the State Fleet Administrator to be ethanol-blended fuels or other fuels as specified.

25 8 5. CENTRALIZED PRINTING

25 9 From the centralized printing permanent revolving fund for  
 25 10 salaries, support, maintenance, and miscellaneous purposes,  
 25 11 and for not more than the following full-time equivalent  
 25 12 positions:  
 25 13 ..... \$ 1,404,173  
 25 14 ..... FTEs 25.95

Centralized Printing Permanent Revolving Fund appropriation to the Department of Administrative Services for centralized printing operations.

DETAIL: Maintains the current level of funding and a decrease of 2.85 FTE positions compared to the FY 2003 estimated net appropriation to the Department of General Services.

25 15 6. CENTRALIZED PRINTING -- REMAINDER

25 16 The remainder of the centralized printing permanent  
 25 17 revolving fund is appropriated for the expense incurred in  
 25 18 supplying paper stock, offset printing, copy preparation,  
 25 19 binding, distribution costs, original payment of printing and  
 25 20 binding claims and contingencies arising during the fiscal  
 25 21 year beginning July 1, 2003, and ending June 30, 2004, which  
 25 22 are legally payable from this fund.

Requires the remainder of the Centralized Printing Permanent Revolving Fund is to be used for expenses incurred and contingencies legally payable from the Fund during FY 2004.

25 23 Sec. 34. READY TO WORK PROGRAM COORDINATOR. There is  
 25 24 appropriated from the surplus funds in the long-term  
 25 25 disability reserve fund and the workers' compensation trust  
 25 26 fund to the department of administrative services for the  
 25 27 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 25 28 the following amount, or so much thereof as is necessary, to

Appropriates \$89,416 from the surplus funds in the Long-Term Disability Reserve Fund and the Workers' Compensation Trust Fund to the Department of Administrative Services for a Ready-to-Work Program Coordinator.

DETAIL: Maintains the current level of funding compared to the FY

25 29 be used for the purposes designated:  
 25 30 For the salary, support, and miscellaneous expenses for the  
 25 31 ready to work program and coordinator:  
 25 32 ..... \$ 89,416

2003 estimated net appropriation to the Iowa Department of Personnel.

This Section was amended by SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) and requires the entire \$89,416 appropriation to come from the Workers' Compensation Trust Fund.

25 33 The moneys appropriated pursuant to this section shall be  
 25 34 taken in equal proportions from the long-term disability  
 25 35 reserve fund and the workers' compensation trust fund.

Requires the transfer to the Ready-to-Work Program be taken in equal proportions from the Long-Term Disability Reserve Fund and the Workers' Compensation Trust Fund.

DETAIL: The amount transferred from each Fund will be \$44,708.

This Section was amended by SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) and requires the entire \$89,416 appropriation to come from the Workers' Compensation Trust Fund.

26 1 Sec. 35. PRIMARY ROAD FUND APPROPRIATION. There is  
 26 2 appropriated from the primary road fund to the department of  
 26 3 administrative services for the fiscal year beginning July 1,  
 26 4 2003, and ending June 30, 2004, the following amount, or so  
 26 5 much thereof as is necessary, to be used for the purposes  
 26 6 designated:  
 26 7 For salaries, support, maintenance, and miscellaneous  
 26 8 purposes to provide personnel services for the state  
 26 9 department of transportation:  
 26 10 ..... \$ 440,369

Primary Road Fund appropriation to the Department of Administrative Services.

DETAIL: Maintains the current level of funding compared to the FY 2003 estimated net appropriation to the former Iowa Department of Personnel. The appropriation reimburses the Department of Administrative Services for expenses incurred for Iowa Department of Transportation (DOT) personnel services.

26 11 Sec. 36. ROAD USE TAX FUND APPROPRIATION. There is  
 26 12 appropriated from the road use tax fund to the department of  
 26 13 administrative services for the fiscal year beginning July 1,  
 26 14 2003, and ending June 30, 2004, the following amount, or so  
 26 15 much thereof as is necessary, to be used for the purposes  
 26 16 designated:

Road Use Tax Fund appropriation to the Department of Administrative Services.

DETAIL: Maintains the current level of funding compared to the FY 2003 estimated net appropriation to the former Iowa Department of Personnel. The appropriation reimburses the Department of

26 17 For salaries, support, maintenance, and miscellaneous  
 26 18 purposes to provide personnel services for the state  
 26 19 department of transportation:  
 26 20 ..... \$ 71,969

Administrative Services for expenses incurred for DOT personnel services.

26 21 Sec. 37. FUNDING FOR IOWACCESS.  
 26 22 1. Notwithstanding section 321A.3, subsection 1, for the  
 26 23 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 26 24 the first \$1,000,000 collected and transferred by the  
 26 25 department of transportation to the treasurer of state with  
 26 26 respect to the fees for transactions involving the furnishing  
 26 27 of a certified abstract of a vehicle operating record under  
 26 28 section 321A.3, subsection 1, shall be transferred to the  
 26 29 lowAccess revolving fund and administered by the department of  
 26 30 administrative services for the purposes of developing,  
 26 31 implementing, maintaining, and expanding electronic access to  
 26 32 government records as provided by law.

CODE: Requires the first \$1,000,000 collected by the Department of Transportation from the sale of certified driver's records to be allocated to the lowAccess Revolving Fund for developing, implementing, maintaining, and expanding electronic access to government records as specified in Chapter 14B, Code of Iowa.

26 33 2. All fees collected with respect to transactions  
 26 34 involving lowAccess shall be deposited in the lowAccess  
 26 35 revolving fund and shall be used only for the support of  
 27 1 lowAccess projects.

Specifies the intent of the General Assembly that all fees collected related to transactions involving lowAccess be deposited into the lowAccess Revolving Fund.

27 2 Sec. 38. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION  
 27 3 CHARGE. For the fiscal year beginning July 1, 2003, and  
 27 4 ending June 30, 2004, the monthly per contract administrative  
 27 5 charge which may be assessed by the department of  
 27 6 administrative services shall be \$2.00 per contract on all  
 27 7 health insurance plans administered by the department.

Permits the Department of Administrative Services to charge \$2 per health insurance contract administered by the Department per month.

DETAIL: It is estimated that a total of \$663,000 will be received by the Department of Personnel in FY 2003 and an estimated \$663,000 will be received by the Department of Administrative Services in FY 2004.

27 8 Sec. 39. APPLICABILITY. This division shall not apply,  
 27 9 and the appropriations and FTE authorizations hereunder shall  
 27 10 not be effective, if a department of administrative services  
 27 11 is not created effective July 1, 2003, by legislation enacted  
 27 12 by the first regular session of the 80th General Assembly.

Specifies that Division III of this Act is only effective if legislation is enacted and effective before July 1, 2003, creating the new Department of Administrative Services.

DETAIL: The General Assembly approved HF 534 (Department of

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Administrative Services Act) on April 30, 2003, and the Governor signed the Act on May 23, 2003. The new administrative agency combines the Department of Information Technology, the Department of General Services, the Department of Personnel, and the accounting functions from the Department of Revenue and Finance.

27 13 HF 655

27 14 ec/es/25

# EXECUTIVE SUMMARY

## FY 2004 AGRICULTURE AND NATURAL RESOURCES APPROPRIATIONS ACT

SENATE FILE 425

### FUNDING SUMMARY

### NEW PROGRAMS, SERVICES, OR ACTIVITIES

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Appropriates a total of \$32.5 million from the General Fund and 1,551.2 FTE positions for FY 2004. This is an increase of \$594,000 and 4.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$563,000 was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$563,000 has been included in the General Fund appropriations for FY 2004. The Act also appropriates a total of \$31.4 million in non-General funds.
- Allocates \$50,000 from the General Fund appropriation to the Department of Agriculture and Land Stewardship for administration of the Senior Farmers' Market Nutrition Program. The funds will be used for salaries, support, maintenance, and other program expenditures. (Page 1, Line 17)
- Increases the General Fund appropriation to the Department of Agriculture and Land Stewardship by \$299,000 compared to the FY 2003 estimated net General Fund appropriation for the following:
  - An increase of \$249,000 for salary adjustment funding that was provided from non-General Fund sources for FY 2003. (Page 1, Line 4)
  - An increase of \$50,000 for administration of the Senior Farmers' Market Nutrition Program. (Page 1, Line 4)
- Increases the General Fund appropriation to the Department of Natural Resources (DNR) by \$314,000 and 4.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation for the following:
  - An increase of \$314,000 for salary adjustment funding that was provided from non-General Fund sources for FY 2003. (Page 2, Line 25)
  - An increase of 4.0 FTE positions to administer the federal Clean Water Act State Revolving Fund activities. The positions will be paid for with federal funds. (Page 2, Line 25)
- Increases the non-General Fund appropriation from the Fish and Wildlife Trust Fund to the DNR by \$100,000 compared to the FY 2003 estimated net appropriation to provide a State match for federal funds for non-game habitat research. (Page 3, Line 3)
- Increases the non-General Fund appropriation from the Unassigned Revenue Fund (Underground Storage Tank Fund) to the DNR by \$125,000 compared to the FY 2003 estimated net appropriation. The funds are used to match federal funds to finance the Department's underground storage tank activities. (Page 4, Line 30)
- Decreases the non-General Fund appropriation from the Energy Conservation Trust Fund (Oil Overcharge Fund) by \$75,000 compared to the FY 2003 estimated net appropriation for the following:
  - Increases the appropriation to the Department of Human Rights by \$25,000 for energy conservation under the Low Income Home Energy Assistance Program. (Page 5, Line 13)

**EXECUTIVE SUMMARY**  
**FY 2004 AGRICULTURE AND NATURAL RESOURCES APPROPRIATIONS ACT**

**SENATE FILE 425**

**MAJOR INCREASES, DECREASES,  
OR TRANSFERS OF EXISTING  
PROGRAMS (CONTINUED)**

- Increases the appropriation to the DNR by \$25,000 for energy conservation programs and extension purposes. (Page 5, Line 20)
- Decreases the appropriation to the DNR by \$125,000 for administration of the Energy Conservation Trust Fund. (Page 5, Line 24)

**STUDIES AND INTENT LANGUAGE**

- Allows the DNR to use unappropriated funds from the State Fish and Game Protection Fund for payment of conservation officer retirement benefits for FY 2004. (Page 3, Line 14)
- Prohibits the DNR from exceeding the appropriated amount from the Fish and Wildlife Trust Fund unless additional revenues are received from a private or public entity. Requires the approval of the Natural Resource Commission and notification to the Legislative Fiscal Bureau and the Chairpersons and Ranking members of the Agriculture and Natural Resources Appropriations Subcommittee. (Page 3, Line 20)

**SIGNIFICANT CHANGES TO THE  
CODE OF IOWA**

- Requires unexpended funds transferred from Boat Registration Fees to the DNR not revert but be credited to the Special Conservation Fund for water safety purposes. (Page 4, Line 10)
- Requires unexpended funds transferred from the Energy Conservation Trust Fund to the DNR not revert. (Page 5, Line 28)
- Allows the DNR to use Stormwater Discharge Permit Fees to fund 2.0 FTE positions to review and approve Flood Plain Permit Applications. (Page 5, Line 34)
- Allows the DNR to use Stormwater Discharge Permit Fees to fund 2.0 FTE positions for the federal Total Maximum Daily Load (TMDL) Program. (Page 6, Line 7)

**ENACTMENT DATE**

- The Act was approved by the General Assembly on May 1, 2003, and signed by the Governor on May 23, 2003.

Senate File 425

Senate File 425 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
4	21	8	Nwthstnd	8.33	Nonreversion of Boat Registration Fees
5	28	10.2b	Nwthstnd	8.33	Nonreversion of Oil Overcharge Funds
5	34	11	Nwthstnd	All	Transfer of Stormwater Discharge Permit Fees for Floodplain Permit Backlog
6	7	12	Nwthstnd	All	Transfer of Stormwater Discharge Permit Fees for Total Maximum Daily Load Program

1 1 DIVISION I  
 1 2 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP  
 1 3 GENERAL APPROPRIATION

1 4 Section 1. GENERAL DEPARTMENT APPROPRIATION. There is  
 1 5 appropriated from the general fund of the state to the  
 1 6 department of agriculture and land stewardship for the fiscal  
 1 7 year beginning July 1, 2003, and ending June 30, 2004, the  
 1 8 following amount, or so much thereof as is necessary, to be  
 1 9 used for the purposes designated:

1 10 a. For purposes of supporting the department, including  
 1 11 its divisions, for administration, regulations, and programs,  
 1 12 for salaries, support, maintenance, miscellaneous purposes,  
 1 13 and for not more than the following full-time equivalent  
 1 14 positions:

1 15 ..... \$ 16,365,273

1 16 ..... FTEs 440.13

1 17 b. Of the amount appropriated in paragraph "a", the  
 1 18 department shall not expend less than \$50,000 for salaries,  
 1 19 support, maintenance, and miscellaneous purposes related to  
 1 20 the administration of the senior farmers' market nutrition  
 1 21 program under the jurisdiction of the United States department  
 1 22 of agriculture.

General Fund appropriation to the Department of Agriculture and Land Stewardship for operations.

DETAIL: This is an increase of \$298,710 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$248,710 was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$248,710 has been included in the General Fund appropriations for FY 2004. There was also an increase of \$50,000 for administration of the Senior Farmers Market Nutrition Program.

Allocates \$50,000 for the Senior Farmers' Market Nutrition Program.

DETAIL: This is a new allocation. Specifies funds are to be used for salaries, support, maintenance, and other program expenditures. To participate in the Program, senior citizens must sign up at their local Aging Agency. The registered participant receives 14 checks for \$2.00 each that can be used to purchase fresh produce from designated farmers' market vendors. The participant decides how to spend the \$28.00; however, no change is given if the entire check amount is not spent.

1 23 DIVISION II  
 1 24 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP  
 1 25 SPECIAL APPROPRIATIONS



1 26 Sec. 2. RIVER AUTHORITY. There is appropriated from the  
 1 27 general fund of the state to the department of agriculture and  
 1 28 land stewardship for the fiscal year beginning July 1, 2003,  
 1 29 and ending June 30, 2004, the following amount, or so much  
 1 30 thereof as is necessary, to be used for the purposes  
 1 31 designated:  
 1 32 For purposes of supporting the department for membership in  
 1 33 the state interagency Missouri river authority, created in  
 1 34 section 28L.1, in the Missouri river basin association:  
 1 35 ..... \$ 9,780

Appropriates \$9,780 from the General Fund to the Department of Agriculture and Land Stewardship for membership in the Missouri River Basin Authority for FY 2004.

DETAIL: Maintains current level of General Fund support.

2 1 Sec. 3. HORSE AND DOG RACING. There is appropriated from  
 2 2 the moneys available under section 99D.13 to the  
 2 3 administrative division of the department of agriculture and  
 2 4 land stewardship for the fiscal year beginning July 1, 2003,  
 2 5 and ending June 30, 2004, the following amount, or so much  
 2 6 thereof as is necessary, to be used for the purposes  
 2 7 designated:  
 2 8 For salaries, support, maintenance, and miscellaneous  
 2 9 purposes for the administration of section 99D.22:  
 2 10 ..... \$ 305,516

Appropriates \$305,516 to the Horse and Dog Breeder's Program from unclaimed pari-mutuel receipts winnings.

DETAIL: Maintains current level of non-General Fund support.

2 11 Sec. 4. REGULATORY DIVISION DAIRY PRODUCTS CONTROL BUREAU.  
 2 12 There is appropriated from the general fund of the state to  
 2 13 the department of agriculture and land stewardship for the  
 2 14 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 2 15 the following amount, or so much thereof as is necessary, to  
 2 16 be used for the purposes designated:  
 2 17 For purposes of supporting the operations of the dairy  
 2 18 products control bureau within the department's regulatory  
 2 19 division, including salaries, support, maintenance, and  
 2 20 miscellaneous purposes:  
 2 21 ..... \$ 648,379

Appropriates \$648,379 from the General Fund to the Dairy Products Control Bureau.

DETAIL: Maintains current level of General Fund support.

2 23 DEPARTMENT OF NATURAL RESOURCES  
2 24 GENERAL APPROPRIATIONS

2 25 Sec. 5. GENERAL DEPARTMENT APPROPRIATION. There is  
2 26 appropriated from the general fund of the state to the  
2 27 department of natural resources for the fiscal year beginning  
2 28 July 1, 2003, and ending June 30, 2004, the following amount,  
2 29 or so much thereof as is necessary, to be used for the  
2 30 purposes designated:  
2 31 For purposes of supporting the department, including its  
2 32 divisions, for administration, regulation, and programs, for  
2 33 salaries, support, maintenance, miscellaneous purposes, and  
2 34 for not more than the following full-time equivalent  
2 35 positions:

3 1 ..... \$ 15,489,070  
3 2 ..... FTEs 1079.12

3 3 Sec. 6. STATE FISH AND GAME PROTECTION FUND --  
3 4 APPROPRIATION TO THE DIVISION OF FISH AND WILDLIFE.

3 5 1. a. There is appropriated from the state fish and game  
3 6 protection fund to the department of natural resources for the  
3 7 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
3 8 the following amount, or so much thereof as is necessary, to  
3 9 be used for the purposes designated:

3 10 For use by the division of fish and wildlife for  
3 11 administrative support, and for salaries, support,  
3 12 maintenance, equipment, and miscellaneous purposes:  
3 13 ..... \$ 29,288,895

3 14 b. Notwithstanding section 455A.10, the department may use  
3 15 the unappropriated balance remaining in the fish and game  
3 16 protection fund to provide for the funding of health and life  
3 17 insurance premium payments from unused sick leave balances of  
3 18 conservation peace officers employed in a protection  
3 19 occupation who retire, pursuant to section 97B.49B.

General Fund appropriation to the Department of Natural Resources (DNR) for operations.

DETAIL: This is an increase of \$314,454 and 4.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$314,454 was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$314,454 has been included in the General Fund appropriations for FY 2004. The increase of 4.00 FTE positions is for the administration of activities funded by the federal Clean Water Act State Revolving Fund and will be paid for from federal funds.

Appropriates \$29,288,895 from the State Fish and Game Protection Fund to the Fisheries and Wildlife Bureaus in the DNR.

DETAIL: This is an increase of \$100,000 compared to the FY 2003 estimated net appropriation to provide a State match for federal funding for non-game wildlife research activities.

Allows the Department to use unappropriated funds in the Fish and Game Protection Fund for providing compensation to retiring conservation officers. This includes payment of insurance premiums and unused sick leave.

DETAIL: During FY 2002, \$54,299 was used for retirement benefits. As of June 17, 2003, there have been two retirements

with \$99,000 paid in retirement benefits. During FY 2004, 20 officers are eligible for retirement with an average retirement benefit payment of \$50,000 per officer. The maximum expenditure could be \$1,000,000 for FY 2004.

3 20 2. The department shall not expend more moneys from the  
3 21 fish and game protection fund than provided in this section,  
3 22 unless the expenditure derives from contributions made by a  
3 23 private entity, or a grant or moneys received from the federal  
3 24 government, and is approved by the natural resource  
3 25 commission. The department of natural resources shall  
3 26 promptly notify the legislative fiscal bureau and the  
3 27 chairpersons and ranking members of the joint appropriations  
3 28 subcommittee on agriculture and natural resources concerning  
3 29 the commission's approval.

Prohibits the DNR from exceeding the appropriation from the State Fish and Game Protection Fund unless additional revenues are received from a public or private entity. Requires the approval of the Natural Resource Commission and notification to the Legislative Fiscal Bureau and the Chairpersons and Ranking Members of the Agriculture and Natural Resources Appropriations Subcommittee.

3 30 DIVISION IV  
3 31 DEPARTMENT OF NATURAL RESOURCES  
3 32 RELATED TRANSFERS AND APPROPRIATIONS

3 33 Sec. 7. SNOWMOBILE FEES -- TRANSFER FOR ENFORCEMENT  
3 34 PURPOSES. There is transferred on July 1, 2003, from the fees  
3 35 required to be deposited in the special conservation fund  
4 1 under section 321G.7 to the fish and game protection fund and  
4 2 appropriated to the department of natural resources for the  
4 3 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
4 4 the following amount, or so much thereof as is necessary, to  
4 5 be used for the purpose designated:  
4 6 For enforcing snowmobile laws as part of the state  
4 7 snowmobile program administered by the department of natural  
4 8 resources:  
4 9 ..... \$ 100,000

Transfers \$100,000 from the Snowmobile Fund to the State Fish and Game Protection Fund for administration and enforcement of navigation laws.

DETAIL: Maintains current level of non-General Fund support.

4 10 Sec. 8. VESSEL FEES -- TRANSFER FOR ENFORCEMENT PURPOSES.

Transfers \$1,400,000 from the Boat Registration Fund to the State

4 11 There is transferred on July 1, 2003, from the fees required  
 4 12 to be deposited in the special conservation fund under section  
 4 13 462A.52 to the fish and game protection fund and appropriated  
 4 14 to the natural resource commission for the fiscal year  
 4 15 beginning July 1, 2003, and ending June 30, 2004, the  
 4 16 following amount, or so much thereof as is necessary, to be  
 4 17 used for the purpose designated:  
 4 18 For the administration and enforcement of navigation laws  
 4 19 and water safety:  
 4 20 ..... \$ 1,400,000

Fish and Game Protection Fund for administration and enforcement of navigation laws and water safety.

DETAIL: Maintains current level of non-General Fund support.

4 21 Notwithstanding section 8.33, moneys transferred and  
 4 22 appropriated in this section that remain unencumbered or  
 4 23 unobligated at the close of the fiscal year shall not revert  
 4 24 to the credit of the fish and game protection fund but shall  
 4 25 be credited to the special conservation fund established by  
 4 26 section 462A.52 to be used as provided in that section.

CODE: Requires that funds transferred or appropriated under this Section not revert but be credited to the Special Conservation Fund for water safety purposes.

4 27 DIVISION V  
 4 28 DEPARTMENT OF NATURAL RESOURCES  
 4 29 SPECIAL APPROPRIATIONS

4 30 Sec. 9. REVENUE ADMINISTERED BY THE IOWA COMPREHENSIVE  
 4 31 UNDERGROUND STORAGE TANK FUND BOARD. There is appropriated  
 4 32 from the unassigned revenue fund administered by the Iowa  
 4 33 comprehensive underground storage tank fund board, to the  
 4 34 department of natural resources for the fiscal year beginning  
 4 35 July 1, 2003, and ending June 30, 2004, the following amount,  
 5 1 or so much thereof as is necessary, to be used for the purpose  
 5 2 designated:  
 5 3 For administration expenses of the underground storage tank  
 5 4 section of the department of natural resources:  
 5 5 ..... \$ 200,000

Appropriates \$200,000 from the Unassigned Revenue Fund (Underground Storage Tank Fund) to the DNR.

DETAIL: This is an increase of \$125,000 compared to the FY 2003 estimated net appropriation. The funds are used to match federal funds to finance the Department's underground storage tank activities. The federal funds require a 10.00% to 25.00% match.

5 6 Sec. 10. OIL OVERCHARGE MONEYS. There is appropriated

Specifies how the appropriation to the Department of Human Rights,

5 7 from those moneys designated within the energy conservation  
 5 8 trust created in section 473.11, for disbursement pursuant to  
 5 9 section 473.11, to the following named agencies for the fiscal  
 5 10 year beginning July 1, 2003, and ending June 30, 2004, the  
 5 11 following amounts, or so much thereof as is necessary, to be  
 5 12 used for the purposes designated:

Division of Community Action Agencies, is to be used.

5 13 1. To the division of community action agencies of the  
 5 14 department of human rights for qualifying energy conservation  
 5 15 programs for low-income persons, including but not limited to  
 5 16 energy weatherization projects which target the highest energy  
 5 17 users, and including administrative costs:  
 5 18 To be expended from the Exxon fund:  
 5 19 ..... \$ 50,000

Appropriates \$50,000 from the Exxon Fund appropriation to the Department of Human Rights, Division of Community Action Agencies, for qualifying energy conservation programs for low-income persons.

DETAIL: This is an increase of \$25,000 compared to the FY 2003 estimated net appropriation.

5 20 2. To the department of natural resources for the  
 5 21 following purposes:  
 5 22 a. For the state energy program, from the Exxon fund:  
 5 23 ..... \$ 50,000

Appropriates \$50,000 from the Exxon Fund to the DNR for the State Energy Program for energy conservation purposes.

DETAIL: This is an increase of \$25,000 compared to the FY 2003 estimated net appropriation.

5 24 b. For administration of petroleum overcharge programs  
 5 25 from the Stripper Well fund, not to exceed the following  
 5 26 amount:  
 5 27 ..... \$ 25,000

Appropriates \$25,000 from the Stripper Well Fund to the DNR for the administration of the Oil Overcharge Programs.

DETAIL: This is a decrease of \$125,000 compared to the FY 2003 estimated net appropriation.

5 28 Notwithstanding section 8.33, the unencumbered or  
 5 29 unobligated moneys remaining at the end of any fiscal year  
 5 30 from the appropriations made in subsections 1 and 2 shall not  
 5 31 revert but shall be available for expenditure during  
 5 32 subsequent fiscal years until expended for the purposes for  
 5 33 which originally appropriated.

CODE: Requires that appropriations in this Act not revert and remain available until expended for the purposes originally appropriated.

5 34 Sec. 11. FLOODPLAIN PERMIT BACKLOG. Notwithstanding any

CODE: Allows the DNR to use funds from Stormwater Permit Fees to

5 35 contrary provision of state law, for the fiscal year beginning  
 6 1 July 1, 2003, and ending June 30, 2004, the department of  
 6 2 natural resources may use additional funds available to the  
 6 3 department from stormwater discharge permit fees for the  
 6 4 staffing of the following additional full-time staff members  
 6 5 to reduce the department's floodplain permit backlog:  
 6 6 ..... FTEs 2.00

fund 2.00 FTE positions for processing floodplain permits.

6 7 Sec. 12. IMPLEMENTATION OF THE FEDERAL TOTAL MAXIMUM DAILY  
 6 8 LOAD PROGRAM. Notwithstanding any contrary provision of state  
 6 9 law, for the fiscal year beginning July 1, 2003, and ending  
 6 10 June 30, 2004, the department of natural resources may use  
 6 11 additional funds available to the department from stormwater  
 6 12 discharge permit fees for the staffing of the following  
 6 13 additional full-time equivalent positions for implementation  
 6 14 of the federal total maximum daily load program:  
 6 15 ..... FTEs 2.00

CODE: Allows the DNR to use funds from Stormwater Permit Fees to fund 2.00 FTE positions for the federal Total Maximum Daily Load (TMDL) Program.

# 6 16 EXPLANATION

6 17 This bill relates to agriculture and natural resources by  
 6 18 making appropriations for the 2003-2004 fiscal year to support  
 6 19 related entities, including the department of agriculture and  
 6 20 land stewardship and the department of natural resources.  
 6 21 The bill appropriates moneys to the department of  
 6 22 agriculture and land stewardship and the department of natural  
 6 23 resources. The appropriations are made to support  
 6 24 administration of those departments. The bill also provides  
 6 25 moneys for specific programs administered by those  
 6 26 departments. The bill appropriates moneys from a number of  
 6 27 sources, including the general fund of the state and the state  
 6 28 fish and game protection fund.  
 6 29 For the department of agriculture and land stewardship,  
 6 30 moneys are appropriated in order to support its divisions (the  
 6 31 administrative division, the regulatory division, the  
 6 32 laboratory division, and the soil conservation division).  
 6 33 The bill appropriates moneys to support the senior farmers'

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6 34 market nutrition program. The bill appropriates moneys to  
6 35 support the department of agriculture and land stewardship for  
7 1 membership in a river association. The bill appropriates  
7 2 moneys to support animal industry programs, including a  
7 3 program to regulate horse and dog racing by the department of  
7 4 agriculture and land stewardship.  
7 5 For the department of natural resources, moneys are  
7 6 appropriated in order to support its divisions (the  
7 7 administrative and support services division, the parks and  
7 8 preserves division, the forests and forestry division, the  
7 9 energy and geological resources division, and the  
7 10 environmental protection division).  
7 11 The bill makes appropriations from other funds and  
7 12 accounts. The bill appropriates moneys to the department of  
7 13 natural resources from the state fish and game protection fund  
7 14 for support of the division of fish and wildlife. The bill  
7 15 makes an appropriation from moneys transferred to the state  
7 16 fish and game protection fund to support snowmobile programs  
7 17 and enforce state navigation laws administered by the  
7 18 department of natural resources.  
7 19 An appropriation is made from the unassigned revenue fund  
7 20 administered by the Iowa comprehensive underground storage  
7 21 tank fund board to the department of natural resources for  
7 22 administration and expenses of the underground storage tank  
7 23 section.  
7 24 The bill provides for the appropriation from oil overcharge  
7 25 moneys to the departments of human rights and natural  
7 26 resources for energy conservation programs.  
7 27 The bill provides that the department of natural resources  
7 28 may use additional funds for staffing to reduce the  
7 29 department's floodplain permit backlog. It provides that the  
7 30 department may use additional funds available from stormwater  
7 31 discharge permit fees for staffing required to implement the  
7 32 federal maximum daily load program.  
7 33 LSB 1120SV 80  
7 34 da/cl/14

# EXECUTIVE SUMMARY ECONOMIC DEVELOPMENT APPROPRIATIONS ACT

SENATE FILE 433

## FUNDING SUMMARY

## MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Appropriates a total of \$22.3 million and 433.7 FTE positions to the Department of Economic Development, the Department of Workforce Development, the Public Employment Relations Board (PERB), and the Regents institutions economic development programs. This is a decrease of \$2.7 million and 5.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$289,000 was provided from non-General Fund sources for FY 2003. This amount has been included in the General Fund appropriations for FY 2004.
- Appropriates a total of \$13.6 million from the General Fund and 154.5 FTE positions to the Department of Economic Development, a decrease of \$2.9 million (17.5%) and an increase of 1.0 (0.7%) FTE position compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$104,000 was provided from non-General Fund sources for FY 2003. This amount has been included in the General Fund appropriations for FY 2004. Major changes include:
  - Identifying goals for the Department and requiring the use of performance measures to demonstrate effectiveness. The appropriations for various programs and funds were consolidated at the division level with the expectation that the Department will allocate resources to have maximum effect in attaining goals. (Page 1, Line 1)
  - A decrease of \$4.1 million for the Business Development Division. (Page 2, Line 11) Significant changes include:
    - A decrease of \$2.5 million for the Strategic Investment Fund.
    - A decrease of \$1.7 million for the Value Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP).
  - An increase of \$1.2 million for the Community Development Division. The majority of the increase is to fund tourism operations from the General Fund. In FY 2003, this was funded from the Community Attraction and Tourism (CAT) Fund. (Page 2, Line 35)
  - An appropriation of \$285,000 for the World Food Prize to maintain the current level of funding. In past fiscal years, funds were allocated to the World Food Prize from the General Administration appropriation. (Page 3, Line 27)
- Appropriates \$4.4 million from the Rural Community 2000 Program, Insurance receipts from the Division of Commerce, the Community Development Loan Fund, the Workforce Development Fund, and the Job Training Fund, to the Department of Economic Development, which is a decrease of \$23,000 compared to the FY 2003 estimated net appropriation. (Page 3, Line 34 through Page 5, Line 17)



## EXECUTIVE SUMMARY ECONOMIC DEVELOPMENT APPROPRIATIONS ACT

SENATE FILE 433

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS (CONTINUED)

- Appropriates a total of \$3.0 million from the General Fund and 67.3 FTE positions to Board of Regents institutions, an increase of \$139,000 (4.8%) and a decrease of 6.4 (8.7%) FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$140,000 was provided from non-General Fund sources for FY 2003. This amount has been included in the General Fund appropriations for FY 2004. The program appropriations were consolidated for each university and goals for economic development by the universities were included. (Page 5, Line 18 through Page 8, Line 26)
- Requires an allocation of \$550,000 for Small Business Development Centers and requires the Centers to be located equally throughout the different regions of the State. *The Governor vetoed the language that required the Centers to be located equally throughout the different regions of the State.* Allows Iowa State University to allocate the moneys to the Small Business Development Centers in any manner necessary to achieve this purpose. (Page 5, Line 29)
- Appropriates a total of \$4.8 million from the General Fund and 202.0 FTE positions to the Iowa Department of Workforce Development, an increase of \$33,000 (0.7%) and an increase of 0.4 (0.2%) FTE position compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$33,000 was provided from non-General Fund sources for FY 2003. This amount has been included in the General Fund appropriations for FY 2004. The appropriations for various programs and funds were consolidated with the expectation the Department will allocate resources to have maximum effect in attaining the Department's goals. (Page 8, Line 27)
- Appropriates \$7.2 million from the Administrative Contribution Surcharge Fund, and the Employment Security Contingency Fund, which is no change compared to the FY 2003 estimated net appropriation. (Page 9, Line 19 through Page 10, Line 31)
- Appropriates \$869,000 from the General Fund and 10.0 FTE positions to the Public Employment Relations Board, an increase of \$73,000 (9.2%) and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$13,000 was provided from non-General Fund sources for FY 2003. This amount has been included in the General Fund appropriations for FY 2004. (Page 10, Line 32)

### STUDIES AND INTENT LANGUAGE

- Requires Iowa State University to report annually to the Economic Development Appropriations Subcommittee and the Legislative Fiscal Bureau the total amount of private contributions, the portion from small businesses and other businesses, and the proportion for directed and nondirected research. (Page 6, Line 27)
- Requests that the Auditor of State review the Iowa Finance Authority's annual audit and conduct a performance audit of the Authority's operations. (Page 11, Line 14)

# EXECUTIVE SUMMARY ECONOMIC DEVELOPMENT APPROPRIATIONS ACT

SENATE FILE 433

## STUDIES AND INTENT LANGUAGE (CONTINUED)

## GOVERNOR'S VETOES

## ENACTMENT DATE

- Requires the Department of Economic Development, Iowa Workforce Development, and the Regents institutions to report quarterly on the allocation of resources and expenditure of funds for the programs under this Act. *The Governor vetoed this language.* (Page 11, Line 30)
- The Governor vetoed language requiring the Department of Economic Development to develop performance measures, in cooperation with the Legislative Fiscal Bureau (LFB), to demonstrate its effectiveness in attaining specified goals and the effectiveness of its programs. The Governor stated that this requirement was redundant with the goals and results measurements under the Accountable Government Act. (Page 1, Line 14)
- The Governor vetoed language requiring the Small Business Development Centers be located equally throughout the different regions of the State stating the language was vague making compliance difficult. (Page 5, Line 29)
- The Governor vetoed language requiring Regents institutions economic development programs to require projects have commercially viable products or services, stating that this would hinder innovation and discourage entrepreneurship. (Page 6, Line 2; Page 7, Line 16; and Page 8, Line 12)
- The Governor vetoed intent language permitting Iowa Workforce Development to use additional penalty and interest revenues after January 30, 2004, and upon notification of the Chairpersons and Ranking members of the Economic Development Appropriations Subcommittee, the Department of Management, and the LFB, stating that the Department director already has the authority to reassign and use the funds and needs the flexibility to do so. (Page 10, Line 25)
- The Governor vetoed language requiring the Department of Economic Development, Iowa Workforce Development and the Board of Regents to make quarterly reports regarding allocations to and expenditures by the programs consolidated by these appropriations. The Governor stated that the information was available from the Iowa Financial and Accounting System (IFAS) and that the LFB has the authority to request the information from the Regents institutions. (Page 11, Line 30)
- The Act was approved by the General Assembly on May 1, 2003, and item-vetoed and signed by the Governor on May 10, 2003.

Senate File 433

Senate File 433 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
2	30	2.2(c)	Nwthstnd	Sec. 8.33	Business Development Division Nonreversion
3	23	2.3(d)	Nwthstnd	Sec. 8.33	Community and Rural Development Nonreversion
4	23	6	Nwthstnd	Sec. 15E.120(5 and 6)	Community Development Loan Fund
5	12	9	Nwthstnd	Sec. 15.251	Job Training Fund
6	34	10.3	Nwthstnd	Sec. 8.33	Iowa State University Nonreversion
7	31	11.4	Nwthstnd	Sec. 8.33	University of Iowa Nonreversion
8	22	12.3	Nwthstnd	Sec. 8.33	University of Northern Iowa Nonreversion
9	14	13.4	Nwthstnd	Sec. 8.33	Iowa Workforce Development Nonreversion
9	19	14	Nwthstnd	Sec. 96.7(12)(c)	Administrative Contribution Surcharge Fund
12	18	23	Nwthstnd	Sec. 96.9(4)(a)	Compliance with Social Security Act
12	27	24	Nwthstnd	Sec. 15.365(3)	School-to-Career Program Appropriation

1 1 Section 1. GOALS AND ACCOUNTABILITY.  
 1 2 1. The goals for the department of economic development  
 1 3 shall be to expand and stimulate the state economy, increase  
 1 4 the wealth of Iowans, and increase the population of the  
 1 5 state.  
 1 6 2. To achieve the goals in subsection 1, the department of  
 1 7 economic development shall do all of the following:  
 1 8 a. Concentrate its efforts on programs and activities that  
 1 9 result in commercially viable products and services.  
 1 10 b. Adopt practices and services consistent with free  
 1 11 market, private sector philosophies.  
 1 12 c. Ensure economic growth and development throughout the  
 1 13 state.

1 14 [3. The department of economic development shall  
 1 15 demonstrate accountability by using performance measures  
 1 16 appropriate to show the attainment of the goals in subsection  
 1 17 1 for the state and by measuring the effectiveness and results  
 1 18 of the department's programs and activities. The performance  
 1 19 measures and associated benchmarks shall be developed or  
 1 20 identified in cooperation with the legislative fiscal bureau  
 1 21 and approved by the joint appropriations subcommittee on  
 1 22 economic development. The data demonstrating accountability  
 1 23 collected by the department shall be made readily available  
 1 24 and maintained in computer-readable format.]

**VETOED**

Specifies that the goals for the Department of Economic Development shall be to:

- Expand and stimulate the State economy.
- Increase the wealth of Iowans.
- Increase the population of Iowa.
- To achieve the goals, the Department is to:
- Concentrate efforts on programs and activities that result in commercially viable products and services.
- Adopt practices consistent with free-market, private-sector philosophies.
- Ensure economic growth and development statewide.

Requires the Department, in cooperation with the Legislative Fiscal Bureau (LFB), to develop performance measures to demonstrate its effectiveness in attaining the above goals and the effectiveness of the Department's programs. The data are to be maintained in computer readable format.

DETAIL: Most of the appropriations to the Department of Economic Development have been consolidated, and one appropriation is made to each of the three Divisions within the Department. This is intended to allow the Department discretion in dealing with budget reductions and to permit the Department to maximize the results of its programs and services. To increase accountability, there will be greater use of performance measurement, and the Department will report on the allocation of resources and expenditures.

There are to be at least two levels of performance measures. One set illustrates the Department's impact on the State economy, and the more specific set demonstrates the results of the specific programs the Department emphasizes. Benchmarks are to be used as appropriate and can include current or past levels of performance in Iowa and levels of performance achieved in other states or the nation as a whole.

VETOED: The Governor vetoed this paragraph stating it would create redundancies for the Department with the Accountable Government Act which establishes goals and measures results.

1 25 Sec. 2. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is  
 1 26 appropriated from the general fund of the state to the  
 1 27 department of economic development for the fiscal year  
 1 28 beginning July 1, 2003, and ending June 30, 2004, the  
 1 29 following amounts, or so much thereof as is necessary, to be  
 1 30 used for the purposes designated:

1 31 1. ADMINISTRATIVE SERVICES DIVISION

1 32 a. General administration

1 33 For salaries, support, maintenance, miscellaneous purposes,  
 1 34 programs, for the transfer to the Iowa state commission grant  
 1 35 program, and for not more than the following full-time  
 2 1 equivalent positions:

2 2 ..... \$ 1,479,746

2 3 ..... FTEs 28.75

General Fund appropriation for the Administrative Division of the Department of Economic Development (DED).

DETAIL: This is an increase of \$7,546 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$7,546 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

The consolidated Administrative Division is responsible for the following appropriations and programs:

1. General Administration.
2. Iowa Commission on Volunteerism.

2 4 b. The department shall work with businesses and  
 2 5 communities to continually improve the economic development  
 2 6 climate along with the economic well-being and quality of life  
 2 7 for lowans. The administrative services division shall  
 2 8 coordinate with other state agencies ensuring that all state  
 2 9 departments are attentive to the needs of an entrepreneurial  
 2 10 culture.

Requires the Administrative Division to work with businesses and communities to improve the economic development climate, the business and community economic well-being, and the quality of life for lowans. The Division is to coordinate with other State agencies to ensure State departments are attentive to the needs of an entrepreneurial culture.

2 11 2. BUSINESS DEVELOPMENT DIVISION

2 12 a. Business development operations

2 13 For business development operations and programs,  
 2 14 international trade, export assistance, workforce recruitment,

General Fund appropriation for Business Development Division of the DED.

PG LN	Senate File 433	Explanation
2 15	the partner state program, for transfer to the strategic	<p>DETAIL: This is a decrease of \$4,142,216 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:</p> <ol style="list-style-type: none"> <li>1. An increase of \$57,784 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$57,784 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.</li> <li>2. A decrease of \$2,483,402 for the Strategic Investment Fund. The estimated FY 2004 beginning balance in the Fund is \$1,769,910.</li> <li>3. A decrease of \$1,716,598 for the Value Added Agriculture Products and Processes Financial Assistance Program (VAAPFAP) Fund. The estimated FY 2004 beginning balance in the Fund is \$7,495,357.</li> </ol> <p>The consolidated Business Development Division is responsible for the following appropriations and programs:</p> <ol style="list-style-type: none"> <li>1. Business Development.</li> <li>2. International Trade.</li> <li>3. Export Trade Assistance Program (ETAP).</li> <li>4. Workforce Recruitment Project.</li> <li>5. Partner State Program.</li> <li>6. Strategic Investment Appropriation, which includes the Community Economic Betterment Account (CEBA), Self-Employment Loan Program (SELP), Entrepreneurs With Disabilities (EWD), Targeted Small Business Financial Assistance Program (TSBFAP), and Entrepreneurial Ventures Assistance (EVA) programs.</li> <li>7. Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP).</li> </ol>
2 16	investment fund, for transfer to the value-added agricultural	
2 17	products and processes financial assistance fund, salaries,	
2 18	support, maintenance, miscellaneous purposes, and for not more	
2 19	than the following full-time equivalent positions:	
2 20	..... \$ 6,068,491	
2 21	..... FTEs 57.00	
2 22	b. The department shall establish a strong and aggressive	<p>Requires the Business Development Division, through aggressive marketing, to showcase Iowa's workforce, industry, and potential. Priority is to be given to recruiting new businesses, business expansion, and retaining existing Iowa businesses. Emphasis is to be placed on entrepreneurs, networking for entrepreneurs, and developing a business climate conducive to entrepreneurial and small business growth.</p>
2 23	marketing image to showcase Iowa's workforce, existing	
2 24	industry, and potential. A priority shall be placed on	
2 25	recruiting new businesses, business expansion, and retaining	
2 26	existing Iowa businesses. Emphasis shall also be placed on	
2 27	entrepreneurial development through helping to secure capital	
2 28	for entrepreneurs, and developing networks and a business	
2 29	climate conducive to entrepreneurs and small business.	

2 30 c. Notwithstanding section 8.33, moneys appropriated in  
 2 31 this subsection that remain unencumbered or unobligated at the  
 2 32 close of the fiscal year shall not revert but shall remain  
 2 33 available for expenditure for the purposes designated until  
 2 34 the close of the succeeding fiscal year.

CODE: Notwithstands Section 8.33, Code of Iowa, to require unexpended and unobligated funds appropriated to the Business Development Division not revert but remain available for expenditure for the designated purposes during the next fiscal year.

2 35 3. COMMUNITY AND RURAL DEVELOPMENT DIVISION

General Fund appropriation for the Community and Rural Development Division of the DED.

3 1 a. Community development programs

DETAIL: This is an increase of \$1,238,272 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:

3 2 For salaries, support, maintenance, miscellaneous purposes,  
 3 3 community economic development programs, tourism operations,  
 3 4 community assistance, the film office, the mainstreet and  
 3 5 rural mainstreet programs, the school-to-career program, the  
 3 6 community development block grant, and housing and shelter-  
 3 7 related programs and for not more than the following full-time  
 3 8 equivalent positions:

1. An increase of \$38,236 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$38,236 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
2. An increase of \$1,200,000 to fund tourism advertising from the General Fund. In FY 2003 tourism advertising was funded from an appropriation of \$1,200,000 from the Community Attraction and Tourism Fund.
3. An unspecified increase of \$36.

3 9 ..... \$ 5,750,196  
 3 10 ..... FTEs 61.75

The Community Development Division is responsible for the following appropriations and programs:

1. Tourism Operations.
2. Community Assistance Program.
3. Film Office.
4. Mainstreet/Rural Mainstreet Programs.
5. Community Development Programs.
6. Community Development Block Grant.
7. Housing and shelter-related programs.

3 11 b. The department shall encourage development of  
 3 12 communities and quality of life to foster economic growth. The  
 3 13 department shall prepare communities for future growth and  
 3 14 development through development, expansion, and modernization  
 3 15 of infrastructure.

Requires the Community Development Division to encourage development of communities, quality of life, and economic growth, and to prepare communities for future growth through development, expansion, and modernization of infrastructure.

PG LN	Senate File 433	Explanation
3 16	c. The department shall develop public-private	Requires the Department to develop public-private partnerships with Iowa tourism businesses, Iowa tour groups, Iowa tourism organizations, and political subdivisions to assist in developing advertising efforts. The Department is to maximize contributions from other sources for this purpose.
3 17	partnerships with Iowa businesses in the tourism industry,	
3 18	Iowa tour groups, Iowa tourism organizations, and political	
3 19	subdivisions in this state to assist in the development of	
3 20	advertising efforts. The department shall, to the fullest	
3 21	extent possible, develop cooperative efforts for advertising	
3 22	with contributions from other sources.	
3 23	d. Notwithstanding section 8.33, moneys that remain	CODE: Notwithstands Section 8.33, <u>Code of Iowa</u> , to require unexpended and unobligated funds appropriated to the Community Development Division not revert but remain available for expenditure for the designated purposes during the next fiscal year.
3 24	unexpended at the end of the fiscal year shall not revert to	
3 25	any fund but shall remain available for expenditure for the	
3 26	designated purposes during the succeeding fiscal year.	
3 27	4. For allocating moneys for the world food prize:	General Fund appropriation for the World Food Prize.
3 28	..... \$ 285,000	
		DETAIL: This is no change compared to the FY 2003 estimated net General Fund appropriation. In recent years, the World Food Prize received an allocation from the DED General Administration appropriation.
3 29	Sec. 3. VISION IOWA PROGRAM — FTE AUTHORIZATION. For	Authorizes 3.00 FTE positions for the Vision Iowa Program.
3 30	purposes of administrative duties associated with the vision	
3 31	Iowa program, the department of economic development is	DETAIL: This is no change compared to the FY 2003 estimated net General Fund appropriation. However, actual utilization of the FTE positions for estimated net FY 2003 is 2.25 FTE positions making the FY 2004 appropriation appear as an increase of 0.75 FTE position.
3 32	authorized an additional 3.00 full-time equivalent positions	
3 33	above those otherwise authorized in this Act.	
3 34	Sec. 4. RURAL COMMUNITY 2000 PROGRAM. There is	This Section appropriates money from loan repayments received from the Rural Community 2000 Program.
3 35	appropriated from loan repayments on loans under the former	
4 1	rural community 2000 program, sections 15.281 through 15.288,	DETAIL: Loan repayment receipts are estimated to be \$300,000 for FY 2004. This is a decrease of \$23,000 compared to estimated FY 2003 receipts.
4 2	Code 2001, to the department of economic development for the	
4 3	fiscal year beginning July 1, 2003, and ending June 30, 2004,	
4 4	the following amounts, or so much thereof as is necessary, to	
4 5	be used for the purposes designated:	



PG LN	Senate File 433	Explanation
4 6	1. For providing financial assistance to Iowa's councils	Rural Community 2000 Fund appropriation to be distributed to Iowa's
4 7	of governments that provide technical and planning assistance	Councils of Governments to provide planning and technical assistance
4 8	to local governments:	to local governments.
4 9	..... \$ 150,000	DETAIL: Maintains the current level of funding.
4 10	2. For the rural development program for the purposes of	Rural Community 2000 Fund appropriation to the Rural Development
4 11	the program including the rural enterprise fund and	Program.
4 12	collaborative skills development training:	DETAIL: This is a decrease of \$23,000 compared to the FY 2003
4 13	..... \$ 150,000	estimated net appropriation.
4 14	Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. There is	Insurance receipts appropriation to the DED for insurance economic
4 15	appropriated from moneys collected by the division of	development.
4 16	insurance in excess of the anticipated gross revenues under	DETAIL: Maintains the current level of funding. Funds collected by
4 17	section 505.7, subsection 3, to the department of economic	the Insurance Division of the Department of Commerce in excess of
4 18	development for the fiscal year beginning July 1, 2003, and	the anticipated gross revenues pursuant to Section 505.7(3), <u>Code of</u>
4 19	ending June 30, 2004, the following amount, or so much thereof	<u>Iowa</u> , are allocated to the DED for insurance economic development
4 20	as is necessary, for insurance economic development and	purposes.
4 21	international insurance economic development:	
4 22	..... \$ 100,000	
4 23	Sec. 6. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding	CODE: Notwithstands Section 15E.120(5 and 6), <u>Code of Iowa</u> , and
4 24	section 15E.120, subsections 5 and 6, there is appropriated	appropriates all receipts from the Iowa Community Development Loan
4 25	from the Iowa community development loan fund all the moneys	Fund to the Community Development Program.
4 26	available during the fiscal year beginning July 1, 2003, and	DETAIL: Maintains the current level of funding. The DED estimates
4 27	ending June 30, 2004, to the department of economic	up to \$25,261 will be available for transfer to the Community
4 28	development for the community development program to be used	Development Program, which is no change compared to the estimated
4 29	by the department for the purposes of the program.	FY 2003 transfer.
4 30	Sec. 7. WORKFORCE DEVELOPMENT FUND. There is appropriated	Workforce Development Fund Account appropriation to the DED's
4 31	from the workforce development fund account created in section	Workforce Development Fund Program.
4 32	15.342A, to the workforce development fund created in section	DETAIL: Maintains the current level of funding.
4 33	15.343, for the fiscal year beginning July 1, 2003, and ending	
4 34	June 30, 2004, the following amount, for the purposes of the	
4 35	workforce development fund, and for not more than the	

PG LN	Senate File 433	Explanation
5 1	following full-time equivalent positions:	
5 2	..... \$ 4,000,000	
5 3	..... FTEs 4.00	
5 4	Sec. 8. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds	Allows the DED to use up to \$400,000 of the funds available in the
5 5	appropriated or transferred to or receipts credited to the	Workforce Development Fund for administration and support of no
5 6	workforce development fund created in section 15.343, up to	more than 4.00 FTE positions.
5 7	\$400,000 for the fiscal year beginning July 1, 2003, and	
5 8	ending June 30, 2004, may be used for the administration of	DETAIL: For estimated net FY 2003 the Department has utilized 3.75
5 9	workforce development activities including salaries, support,	FTE positions for this purpose.
5 10	maintenance, and miscellaneous purposes and for not more than	
5 11	4.00 full-time equivalent positions.	
5 12	Sec. 9. JOB TRAINING FUND. Notwithstanding section	
5 13	15.251, all remaining moneys in the job training fund on July	CODE: Notwithstands Section 15.251, <u>Code of Iowa</u> , which allows the
5 14	1, 2003, and any moneys appropriated or credited to the fund	DED to charge a 1.00% fee for administration of the Job Training Fund
5 15	during the fiscal year beginning July 1, 2003, shall be	and requires moneys credited to the Job Training Fund in FY 2004 to
5 16	transferred to the workforce development fund established	be transferred to the Workforce Development Fund.
5 17	pursuant to section 15.343.	
5 18	Sec. 10. IOWA STATE UNIVERSITY.	
5 19	1. There is appropriated from the general fund of the	General Fund appropriation to Iowa State University (ISU) for the
5 20	state to the Iowa state university of science and technology	Small Business Development Centers, Research Park, and the
5 21	for the fiscal year beginning July 1, 2003, and ending June	Institute for Physical Research and Technology.
5 22	30, 2004, the following amount, or so much thereof as is	
5 23	necessary, to be used for small business development centers,	DETAIL: This is an increase of \$98,445 and no change in FTE
5 24	the science and technology research park, the institute for	positions compared to the FY 2003 estimated net General Fund
5 25	physical research, and for not more than the following full-	appropriation to replace the FY 2003 salary adjustment with a General
5 26	time equivalent positions:	Fund appropriation. This is a decrease of \$98,445 in other funds for
5 27	..... \$ 2,424,161	FY 2004 compared to the FY 2003 estimated net appropriation for the
5 28	..... FTEs 56.53	elimination of one-time salary funding.
5 29	2. Of the moneys appropriated in subsection 1, Iowa state	
5 30	university shall allocate at least \$550,000 for purposes of	Requires an allocation of \$550,000 for Small Business Development
5 31	funding small business development centers. [Small business	Centers and requires the Centers to be located equally throughout the
5 32	development centers shall be located equally throughout the	different regions of the State. Allows Iowa State University to allocate
5 33	different regions of the state. Iowa state university may	the moneys to the Small Business Development Centers in any

VETOED

5 34 allocate moneys appropriated in subsection 1 to the various  
 5 35 small business development centers in any manner necessary to  
 6 1 achieve the purposes of this subsection.]

VETOED: The Governor vetoed the language requiring the Small Business Development Centers be located equally throughout the different regions of the State stating the language was vague making compliance difficult.

6 2 3. Iowa state university of science and technology shall  
 6 3 do all of the following:  
 6 4 a. Direct expenditures for research toward projects that  
 6 5 will provide economic stimulus for Iowa.  
 6 6 [b. Emphasize that a business and an individual that  
 6 7 creates a business and receives benefits from a program  
 6 8 funded, in part, through moneys appropriated in this section  
 6 9 have a commercially viable product or service.]  
 6 10 c. Provide emphasis to providing services to Iowa-based  
 6 11 companies.

VETOED

Requires the University's economic development programs to direct resources and efforts to projects and activities that:

- Stimulate Iowa's economy.
- Lead to commercially viable products and services.
- Emphasize Iowa-based companies

VETOED: The Governor vetoed the language that would have required the University to direct resources and efforts to projects and activities that lead to commercially viable products and services claiming that this would hinder innovation and discourage entrepreneurship.

6 12 4. It is the intent of the general assembly that the  
 6 13 industrial incentive program focus on Iowa industrial sectors  
 6 14 and seek contributions and in-kind donations from businesses,  
 6 15 industrial foundations, and trade associations and that moneys  
 6 16 for the institute for physical research and technology  
 6 17 industrial incentive program shall only be allocated for  
 6 18 projects which are matched by private sector moneys for  
 6 19 directed contract research or for nondirected research. The  
 6 20 match required of small businesses as defined in section  
 6 21 15.102, subsection 4, for directed contract research or for  
 6 22 nondirected research shall be \$1 for each \$3 of state funds.  
 6 23 The match required for other businesses for directed contract  
 6 24 research or for nondirected research shall be \$1 for each \$1  
 6 25 of state funds. The match required of industrial foundations  
 6 26 or trade associations shall be \$1 for each \$1 of state funds.

Specifies it is the intent of the General Assembly that the Incentive Program focus on Iowa industrial sectors and seek private sector donations. Requires matching funds for participation in the Institute for Physical Research and Technology Incentive Program. The match is \$1.00 for each \$3.00 of State funds for small businesses or \$1.00 for each \$1.00 of State funds for larger businesses, industrial foundations, or trade organizations.

6 27 Iowa state university of science and technology shall  
 6 28 report annually to the joint appropriations subcommittee on  
 6 29 economic development and the legislative fiscal bureau the  
 6 30 total amount of private contributions, the proportion of  
 6 31 contributions from small businesses and other businesses, and

Requires that ISU annually report to the Economic Development Appropriations Subcommittee and the Legislative Fiscal Bureau the total amount of private contributions, the proportion from small businesses and other businesses, and the proportion for directed and nondirected research.

6 32 the proportion for directed contract research and nondirected  
6 33 research of benefit to Iowa businesses and industrial sectors.

6 34 Notwithstanding section 8.33, moneys appropriated in this  
6 35 section that remain unencumbered or unobligated at the close  
7 1 of the fiscal year shall not revert but shall remain available  
7 2 for expenditure for the purposes designated until the close of  
7 3 the succeeding fiscal year.

7 4 Sec. 11. UNIVERSITY OF IOWA.

7 5 1. There is appropriated from the general fund of the  
7 6 state to the state university of Iowa for the fiscal year  
7 7 beginning July 1, 2003, and ending June 30, 2004, the  
7 8 following amount, or so much thereof as is necessary, to be  
7 9 used for the university of Iowa research park and for the  
7 10 advanced drug development program at the Oakdale research  
7 11 park, including salaries, support, maintenance, equipment,  
7 12 miscellaneous purposes, and for not more than the following  
7 13 full-time equivalent positions:  
7 14 ..... \$ 253,338  
7 15 ..... FTEs 6.00

7 16 2. The university of Iowa shall do all of the following:  
7 17 a. Direct expenditures for research toward projects that  
7 18 will provide economic stimulus for Iowa.  
7 19 [b. Emphasize that a business and an individual that  
7 20 creates a business and receives benefits from a program  
7 21 funded, in part, through moneys appropriated in this section  
7 22 have a commercially viable product or service.]  
7 23 c. Provide emphasis to providing services to Iowa-based  
7 24 companies.

7 25 3. The board of regents shall submit a report on the  
7 26 progress of regents institutions in meeting the strategic plan  
7 27 for technology transfer and economic development to the  
7 28 secretary of the senate, the chief clerk of the house of

CODE: Notwithstands Section 8.33, Code of Iowa, and requires funds remaining unencumbered at the end of any fiscal year from the appropriations to University of Iowa not revert but remain available for expenditure in the following fiscal year.

General Fund appropriation to the University of Iowa (SUI) for the Research Park and for the Advanced Drug Development Program.

DETAIL: This is an increase of \$13,882 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$13,882 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

Requires the University's economic development programs to direct resources and efforts to projects and activities that:

- Stimulate Iowa's economy.
- Lead to commercially viable products and services.
- Emphasize Iowa-based companies.

**VETOED**

VETOED: The Governor vetoed the language that would have required the University to direct resources and efforts to projects and activities that lead to commercially viable products and services claiming that this would hinder innovation and discourage entrepreneurship.

Requires the Board of Regents to submit a report to the General Assembly and the Legislative Fiscal Bureau by January 15, 2004, on the progress of the Regents institutions in meeting the goals,

7 29 representatives, and the legislative fiscal bureau by January  
7 30 15, 2004.

objectives, and strategies of the Strategic Plan for Technology Transfer and Economic Development.

7 31 4. Notwithstanding section 8.33, moneys appropriated in  
7 32 this section that remain unencumbered or unobligated at the  
7 33 close of the fiscal year shall not revert but shall remain  
7 34 available for expenditure for the purposes designated until  
7 35 the close of the succeeding fiscal year.

CODE: Notwithstands Section 8.33, Code of Iowa, and requires funds remaining unencumbered at the end of the fiscal year from the appropriations to University of Iowa not revert but remain available for expenditure in the following fiscal year.

8 1 Sec. 12. UNIVERSITY OF NORTHERN IOWA.

General Fund appropriation to University of Northern Iowa (UNI) for the Metal Casting Institute and the Institute for Decision Making.

8 2 1. There is appropriated from the general fund of the  
8 3 state to the university of northern Iowa for the fiscal year  
8 4 beginning July 1, 2003, and ending June 30, 2004, the  
8 5 following amount, or so much thereof as is necessary, to be  
8 6 used for the metal casting institute, and for the institute of  
8 7 decision making, including salaries, support, maintenance,  
8 8 miscellaneous purposes, and for not more than the following  
8 9 full-time equivalent positions:

DETAIL: This is an increase of \$26,303 and a decrease of 6.40 FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:

8 10 ..... \$ 370,555  
8 11 ..... FTEs 4.75

1. An increase of \$26,303 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$26,303 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
2. A decrease of 6.40 FTE positions to eliminate vacant FTE positions.

8 12 2. The university of northern Iowa shall do all of the  
8 13 following:

Requires the University's economic development programs to direct resources and efforts to projects and activities that:

8 14 a. Direct expenditures for research toward projects that  
8 15 will provide economic stimulus for Iowa.

- Stimulate Iowa's economy.
- Lead to commercially viable products and services.
- Emphasize Iowa-based companies.

8 16 [b. Emphasize that a business and an individual that  
8 17 creates a business and receives benefits from a program  
8 18 funded, in part, through moneys appropriated in this section  
8 19 have a commercially viable product or service.]

VETOED

VETOED: The Governor vetoed the language that would have required the University to direct resources and efforts to projects and activities that lead to commercially viable products and services claiming that this would hinder innovation and discourage entrepreneurship.

8 20 c. Provide emphasis to providing services to Iowa-based  
8 21 companies.

8 22 3. Notwithstanding section 8.33, moneys appropriated in  
8 23 this section that remain unencumbered or unobligated at the  
8 24 close of the fiscal year shall not revert but shall remain  
8 25 available for expenditure for the purposes designated until

CODE: Notwithstands Section 8.33, Code of Iowa, and requires funds remaining unencumbered at the end of any fiscal year from the appropriations to the University of Northern Iowa not revert but remain available for expenditure in the following fiscal year.

8 26 the close of the succeeding fiscal year.

8 27 Sec. 13. DEPARTMENT OF WORKFORCE DEVELOPMENT.

8 28 1. There is appropriated from the general fund of the  
 8 29 state, to the department of workforce development for the  
 8 30 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 8 31 the following amount, or so much thereof as is necessary, for  
 8 32 the division of labor services, the division of workers'  
 8 33 compensation, the workforce development state and regional  
 8 34 boards, the new employment opportunity fund, salaries,  
 8 35 support, maintenance, miscellaneous purposes, and for not more  
 9 1 than the following full-time equivalent positions:  
 9 2 ..... \$ 4,792,391  
 9 3 ..... FTEs 94.87

9 4 2. From the contractor registration fees, the division of  
 9 5 labor services shall reimburse the department of inspections  
 9 6 and appeals for all costs associated with hearings under  
 9 7 chapter 91C, relating to contractor registration.

9 8 3. The division of workers' compensation shall continue  
 9 9 charging a \$65 filing fee for workers' compensation cases.  
 9 10 The filing fee shall be paid by the petitioner of a claim.  
 9 11 However, the fee can be taxed as a cost and paid by the losing  
 9 12 party, except in cases where it would impose an undue hardship  
 9 13 or be unjust under the circumstances.

9 14 4. Notwithstanding section 8.33, moneys appropriated in  
 9 15 this section that remain unencumbered or unobligated at the  
 9 16 close of the fiscal year shall not revert but shall remain  
 9 17 available for expenditure for the purposes designated until  
 9 18 the close of the succeeding fiscal year.

General Fund appropriation to the Iowa Workforce Development.

DETAIL: This is an increase of \$33,467 and a decrease of 0.49 FTE position compared to the FY 2003 estimated net General Fund appropriation. The change includes:

1. An increase of \$33,467 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$33,467 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
2. An unspecified decrease of 0.49 FTE position.

The following appropriations and programs were consolidated into this Iowa Workforce Development appropriation:

1. Workers' Compensation Division.
2. Labor Division.
3. Workforce Development Board
4. New Employment Opportunities Program.

Requires Iowa Workforce Development to reimburse the Employment Appeals Board within the Department of Inspections and Appeals for the costs associated with hearings related to contractor registration from contractor registration fees.

Requires that the Workers' Compensation Division continue to charge a \$65 filing fee for workers' compensation cases. Permits the losing party to be taxed for the fee, unless it would impose an undue hardship or be unjust.

CODE: Notwithstands Section 8.33, Code of Iowa, to allow funds appropriated to Iowa Workforce Development to not revert at the end of the fiscal year, but remain available for expenditure in the next fiscal year.

PG LN	Senate File 433	Explanation
9 19	Sec. 14. ADMINISTRATIVE CONTRIBUTION SURCHARGE FUND.	Administrative Contribution Surcharge Fund appropriation to Iowa Workforce Development.
9 20	Notwithstanding section 96.7, subsection 12, paragraph "c",	
9 21	there is appropriated from the administrative contribution	
9 22	surcharge fund of the state to the department of workforce	CODE: Notwithstands Section 96.7(12)(c), <u>Code of Iowa</u> , which restricts the use of moneys in the Administrative Contribution Surcharge Fund.
9 23	development for the fiscal year beginning July 1, 2003, and	
9 24	ending June 30, 2004, any moneys remaining in the	
9 25	administrative contribution surcharge fund on June 30, 2003,	
9 26	and the entire amount collected during the fiscal year	DETAIL: Appropriates to Iowa Workforce Development the amount that remains in the Fund at the end of FY 2003 and the amount collected by the administrative contribution surcharge during FY 2004.
9 27	beginning July 1, 2003, and ending June 30, 2004, or so much	Section 96.7(12)(a), <u>Code of Iowa</u> , caps the surcharge revenues deposited into the fund at \$6,525,000. There are 107.08 FTE positions supported by this appropriation, which is an increase of 3.52 FTE positions compared to the FY 2003 estimated net appropriation.
9 28	thereof as is necessary, for salaries, support, maintenance,	
9 29	conducting labor market surveys, miscellaneous purposes, and	
9 30	for workforce development regional advisory board member	
9 31	expenses.	Senate File 458 (FY 2004 Standings Appropriations, Salary Provisions, and Statutory Changes Act) extends the repeal of the surcharge from July 1, 2003 to July 1, 2006. The Act maintains the current cap on the surcharge at \$6,525,000 for FY 2004 and FY 2005. The cap is reduced to \$3,252,500 for FY 2006.
9 32	Sec. 15. EMPLOYMENT SECURITY CONTINGENCY FUND. There is	Appropriating language from the Employment Security Contingency Fund.
9 33	appropriated from the special employment security contingency	
9 34	fund to the department of workforce development for the fiscal	
9 35	year beginning July 1, 2003, and ending June 30, 2004, the	DETAIL: This Fund is commonly referred to as the Penalty and Interest Fund.
10 1	following amounts, or so much thereof as is necessary, for the	
10 2	purposes designated:	
10 3	1. DIVISION OF WORKERS' COMPENSATION	Employment Security Contingency Fund appropriation to the Workers' Compensation Division.
10 4	For salaries, support, maintenance, and miscellaneous	
10 5	purposes:	
10 6	..... \$ 471,000	DETAIL: Maintains the current level of funding. These funds are appropriated in addition to the General Fund appropriation to Iowa Workforce Development.
10 7	2. IMMIGRATION SERVICE CENTERS	Employment Security Contingency Fund appropriation for Immigration Services Centers.
10 8	For salaries, support, maintenance, and miscellaneous	
10 9	purposes for the pilot immigration service centers:	

PG LN	Senate File 433	Explanation
10 10	..... \$ 160,000	DETAIL: Maintains the current level of funding.
10 11	The department of workforce development shall maintain	Requires that Iowa Workforce Development maintain pilot Immigration Service Centers. Requires that Immigration Service Centers offer one-stop services to workers, businesses, and communities. Requires seamless service delivery through government coordination and cooperation with public, private, and nonprofit entities.
10 12	pilot immigration service centers that offer one-stop services	
10 13	to deal with the multiple issues related to immigration and	
10 14	employment. The pilot centers shall be designed to support	
10 15	workers, businesses, and communities with information,	
10 16	referrals, job placement assistance, translation, language	
10 17	training, resettlement, as well as technical and legal	
10 18	assistance on such issues as forms and documentation. Through	
10 19	the coordination of local, state, and federal service	
10 20	providers, and through the development of partnerships with	
10 21	public, private, and nonprofit entities with established	
10 22	records of international service, these pilot centers shall	
10 23	seek to provide a seamless service delivery system for new	
10 24	Iowans.	
10 25	[Any additional penalty and interest revenue may be used to	<div>VETOED</div> Permits any additional penalty and interest revenues to be used as needed by the Department of Workforce Development upon notification of the Chairpersons and Ranking Members of the Economic Development Appropriations Subcommittee, the Department of Management, and the Legislative Fiscal Bureau. Prohibits the Department from allocating additional penalty and interest revenue prior to January 30, 2004.
10 26	accomplish the mission of the department upon notification of	
10 27	the use to the chairpersons and ranking members of the joint	
10 28	appropriations subcommittee on economic development, the	
10 29	department of management, and the legislative fiscal bureau.	
10 30	However, the department shall not allocate any additional	
10 31	penalty and interest revenue prior to January 30, 2004.]	
10 32	Sec. 16. PUBLIC EMPLOYMENT RELATIONS BOARD. There is	General Fund appropriation to the Public Employment Relations Board.
10 33	appropriated from the general fund of the state to the public	
10 34	employment relations board for the fiscal year beginning July	DETAIL: This is an increase of \$73,266 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:
10 35	1, 2003, and ending June 30, 2004, the following amount, or so	
11 1	much thereof as is necessary, for the purposes designated:	
11 2	For salaries, support, maintenance, miscellaneous purposes,	
11 3	and for not more than the following full-time equivalent	



PG LN	Senate File 433	Explanation
11 4 positions:		
11 5 .....	\$ 869,156	1. An increase of \$13,266 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$13,266 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
11 6 .....	FTEs 10.00	2. An increase of \$60,000 to fill a vacant board member position.
11 7	Sec. 17. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES	
11 8	FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable	
11 9	fuels and coproducts may apply to the department of economic	
11 10	development for moneys in the value-added agricultural	
11 11	products and processes financial assistance fund for deposit	
11 12	in the renewable fuels and coproducts fund created in section	
11 13	159A.7.	Permits the Office of Renewable Fuels and Coproducts to apply to the DED for funding from the Value-Added Agricultural Products and Processes Financial Assistance Fund.
11 14	Sec. 18. IOWA FINANCE AUTHORITY AUDIT. The auditor of	
11 15	state is requested to review the audit of the Iowa finance	
11 16	authority performed by the auditor hired by the authority.	
11 17	The auditor of state is also requested to conduct a	
11 18	performance audit of the authority to determine the	
11 19	effectiveness of the authority and the programs of the	
11 20	authority.	Requests that the Auditor of State review the outside audit of the Iowa Finance Authority and do a performance audit to determine the Authority's effectiveness.
11 21	Sec. 19. APPLICATION FOR DEPARTMENT OF ECONOMIC	
11 22	DEVELOPMENT MONEYS. For the fiscal year beginning July 1,	
11 23	2003, any entity that was specifically identified in 2001 Iowa	
11 24	Acts, chapter 188, to receive funding from the department of	
11 25	economic development, excluding any entity identified to	
11 26	receive a direct appropriation beginning July 1, 2003, may	
11 27	apply to the department for assistance through the appropriate	
11 28	program. The department shall provide application criteria	
11 29	necessary to implement this section.	Permits those programs that previously received allocations and appropriations (commonly called earmarks) from moneys appropriated to the Department of Economic Development to apply for funding from the Department's programs if they do not receive an appropriation in this Act.
11 30	[Sec. 20. EXPENDITURE AND ALLOCATION REPORTS. The	
11 31	department of economic development, the department of	
11 32	workforce development, and the regents institutions receiving	
11 33	an appropriation pursuant to this Act shall file a written	Requires the Department of Economic Development, Iowa Workforce Development, and the Regents institutions economic development programs receiving consolidated appropriations under this Act to make

VETOED

11 34 report on a quarterly basis with the chairpersons and ranking  
 11 35 members of the joint appropriations subcommittee on economic  
 12 1 development and the legislative fiscal bureau regarding all  
 12 2 expenditures of moneys appropriated pursuant to this Act  
 12 3 during the quarter, allocations of moneys appropriated  
 12 4 pursuant to this Act during the quarter, and full-time  
 12 5 equivalent positions allocated during the quarter.】

quarterly reports to the Chairpersons and Ranking Members of the Economic Development Appropriations Subcommittee and to the Legislative Fiscal Bureau regarding the allocations to and expenditures by the programs affected by these appropriations.

VETOED: The Governor vetoed this Section stating that the Economic Development Subcommittee and the Legislative Fiscal Bureau already have access to this data through the Iowa Financial and Accounting System (IFAS) and by requesting it from the Board of Regents.

12 6 Sec. 21. SHELTER ASSISTANCE FUND. In providing moneys  
 12 7 from the shelter assistance fund to homeless shelter programs  
 12 8 in the fiscal year beginning July 1, 2003, and ending June 30,  
 12 9 2004, the department of economic development shall explore the  
 12 10 potential of allocating moneys to homeless shelter programs  
 12 11 based in part on their ability to move their clients toward  
 12 12 self-sufficiency.

Requires the DED to explore allocating Shelter Assistance Funds to homeless shelters based in part on the shelter's ability to move clients toward self-sufficiency.

12 13 Sec. 22. FEDERAL GRANTS. All federal grants to and the  
 12 14 federal receipts of agencies appropriated funds under this  
 12 15 division of this Act, not otherwise appropriated, are  
 12 16 appropriated for the purposes set forth in the federal grants  
 12 17 or receipts unless otherwise provided by the general assembly.

Requires all federal funds received by agencies in this Act, and not otherwise appropriated, to be used for the purposes set forth under federal funding requirements.

12 18 Sec. 23. UNEMPLOYMENT COMPENSATION PROGRAM.  
 12 19 Notwithstanding section 96.9, subsection 4, paragraph "a",  
 12 20 moneys credited to the state by the secretary of the treasury  
 12 21 of the United States pursuant to section 903 of the Social  
 12 22 Security Act shall be appropriated to the department of  
 12 23 workforce development and shall be used by the department for  
 12 24 the administration of the unemployment compensation program  
 12 25 only. This appropriation shall not apply to any fiscal year  
 12 26 beginning after December 31, 2003.

CODE: Notwithstanding Section 96.9(4)(a), Code of Iowa, relating to allowed expenditures from monies credited to the State under Section 903 of the federal Social Security Act. Restricts use of certain federal funds to comply with federal law.

12 27 Sec. 24. PAYROLL EXPENDITURE REFUNDS. In lieu of the  
 12 28 appropriation made in section 15.365, subsection 3, there is  
 12 29 appropriated for the fiscal year beginning July 1, 2003, and

CODE: General Fund appropriation of \$28,498 to the School-to-Career Program for FY 2004. The appropriation is made in lieu of the \$500,000 standing appropriation in Section 15.365(3), Code of Iowa.

PG LN	Senate File 433	Explanation
12 30 12 31 12 32 12 33	ending June 30, 2004, \$28,498, or so much thereof as is necessary, from the general fund of the state to the department of economic development to pay refunds as provided under section 15.365.	DETAIL: Maintains the current level of funding.
12 34 12 35	SF 433 tm/cc/26	

# EXECUTIVE SUMMARY EDUCATION APPROPRIATIONS ACT

## HOUSE FILE 662

### FUNDING SUMMARY

- Appropriates a total of \$919.4 million from the General Fund and 17,252.2 FTE positions to the College Student Aid Commission, the Department for the Blind, the Department of Cultural Affairs, the Department of Education, and the Board of Regents. This is an increase of \$68.0 million and a decrease of 48.9 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$25.2 million was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$25.2 million has been included in the General Fund appropriations for FY 2004. General Fund appropriations to the Board of Regents were reduced by \$17.9 million in SF 453 (Reinvention of Government Act) in lieu of the charge for capitals assessed against other Executive Branch agencies.

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Increases the General Fund appropriation for the Student Achievement and Teacher Quality Program by \$28.2 million. This is an overall increase of \$4.3 million compared to total FY 2003 funding for the Program, which was comprised of \$16.1 million from the General Fund and \$23.9 million from non-General Fund sources. (Page 10, Line 28)
- Increases general aid to community colleges by \$675,000. (Page 10, Line 33)
- Appropriates \$13.3 million to the Board of Regents to fund Tuition Replacement from the General Fund. This appropriation is used to pay the debt service on academic revenue bonds issued for campus building projects. This item was funded from tobacco funds for FY 2003. (Page 13, Line 23)
- Appropriates \$24.9 million to replace Regents' FY 2003 salary funding with a General Fund appropriation. (Various)

### STUDIES AND INTENT LANGUAGE

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Permits the Board of Educational Examiners to retain up to 85.0% of fee revenue resulting from fee increases approved after July 1, 1997. (Page 12, Line 15)
- Directs the Empowerment Office in the Department of Management to implement a four-year phase-in of the distribution formula approved by the Iowa Empowerment Board. The four-year phase-in maintains FY 2004 and FY 2005 allocations at or above 75.0% of the FY 2003 allocations. In FY 2006 and FY 2007, allocations will be at or above 50.0% of FY 2003. The phase-in process will be completed and the full formula will take effect in FY 2008. (Page 9, Line 29)
- Provides supplemental funds for community colleges by carrying forward \$763,000 of FY 2003 funds that would have reverted from the Variable Pay Pilot Project of the Student Achievement and Teacher Quality Program. (Page 11, Line 22)
- Permits non-reversion of funds appropriated to the College Student Aid Commission for the National Guard Educational Assistance Program. (Page 23, Line 23)

# EXECUTIVE SUMMARY EDUCATION APPROPRIATIONS ACT

HOUSE FILE 662

## SIGNIFICANT CHANGES TO THE CODE OF IOWA (CONTINUED)

## EFFECTIVE DATE

## RETROACTIVE APPLICABILITY DATE

## GOVERNOR'S VETOES

- Allocates the appropriation to the Student Achievement and Teacher Quality Program as follows:
  - \$700,000 to National Board Certification awards. (Page 24, Line 16)
  - \$4.2 million for Beginning Teacher Mentoring and Induction Programs. (Page 24, Line 21)
  - \$1.0 million for the Evaluator Training Program. (Page 25, Line 7)
  - \$375,000 for the Career Development Program, which includes \$75,000 for the Ambassador to Education Program (Teacher of the Year). (Page 25, Line 23)
- Specifies that the following Sections of this Act are effective on enactment:
  - Section 6 relating to supplemental aid for community colleges. (Page 26, Line 34)
  - Section 21 relating to allocations to the Department of Education from FY 2003 Phase III funding in the Educational Excellence standing appropriation for participation in the National Assessment of Educational Progress (NAEP) and the Ambassador to Education Programs. (Page 27, Line 2)
  - Section 8 relating to the non-reversion of allocations from the Student Achievement and Teacher Quality Program for the Career Development Program. (Page 27, Line 7)
- Specifies that the Section of this Act relating to the non-reversion of funds for the National Guard Educational Assistance Program is retroactive to July 1, 2002. (Page 27, Line 10)
- The Governor vetoed language that requires that the Board of Regents, Department of Management, and Legislative Fiscal Bureau to cooperate to determine the amount to be appropriated for tuition replacement. The Governor stated that this requirement is outdated and unnecessary because the Board's financial advisor calculates tuition replacement need. (Page 13, Line 15)
- The Governor vetoed language related to funding for the School of Public Health and the Public Health Initiative at the University of Iowa (SUI). The Governor stated the language restricts the amount that can be expended and limits flexibility in the budgeting process. (Page 14, Line 14)
- The Governor vetoed language related to funding for the Center For Excellence in Fundamental Plant Sciences at Iowa State University (ISU). The Governor stated the language restricts the amount that can be expended and limits flexibility in the budgeting process. (Page 18, Line 23)
- The Governor vetoed language related to funding for the masters in social work program, the roadside vegetation project, and the Iowa office for staff development at the University of Northern Iowa (UNI). The Governor stated the language restricts the amount that can be expended and limits flexibility in the budgeting process. (Page 19, Line 24)

**EXECUTIVE SUMMARY  
EDUCATION APPROPRIATIONS ACT**

**HOUSE FILE 662**

**GOVERNOR'S VETOES (CONTINUED)**

- The Governor vetoed a technical correction relating to the Student Achievement and Teacher Quality Program, indicating that it conflicted with a similar correction in another Act. (Page 25, Line 35)

**ENACTMENT DATE**

- The Act was approved by the General Assembly on May 1, 2003, and item vetoed and signed by the Governor on May 30, 2003.

House File 662 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	33	2	Nwthstnd	Sec. 261.85	Work Study Standing Appropriation Nullification
9	29	5.11(b)	Nwthstnd	Sec. ALL	Phase-In of Community Empowerment Formula
11	22	6	Nwthstnd	Sec. 8.33	Nonreversion of Community College Supplemental Aid
12	15	7	Nwthstnd	Sec. 272.10	Board of Educational Examiners Licensing Fees
12	28	8	Nwthstnd	Sec. 8.33	Nonreversion of FY 2002 and FY 2003 Career Development Program Funds
23	10	12	Nwthstnd	Sec. 270.7	Department of Revenue and Finance Payments to the Regents Special Schools
23	17	13	Amends	Sec. 261.25(1)	Tuition Grant Program Standing Appropriation
23	23	14	Adds	Sec. 261.86(6)	Nonreversion of National Guard Educational Assistance Program Appropriation
23	34	15	Amends	Sec. 284.5(3)	Technical Change to Student Achievement and Teacher Quality Program
24	12	16	Amends	Sec. 284.13(1)(f)	Eliminates Student Achievement and Teacher Quality Program Allocation for Praxis II Pilot Study
24	16	17	Amends	Sec. 284.13(1)(b)	Student Achievement and Teacher Quality Program Allocation to National Board Certification Awards
24	21	17	Amends	Sec. 284.13(1)(c)	Student Achievement and Teacher Quality Program Allocation to Beginning Teacher Mentoring and Induction Programs
25	7	17	Amends	Sec. 284.13(1)(d)	Student Achievement and Teacher Quality Program Allocation to Evaluator Training Program

Page #	Line #	Bill Section	Action	Code Section	Description
25	23	17	Amends	Sec. 284.13(1)(e)	Student Achievement and Teacher Quality Program Allocation to Career Development Program
25	35	18	Amends	Sec. 284.13(1)(g)	Technical Change to Student Achievement and Teacher Quality Program
26	8	19	Nwthstnd	Sec. 8.33	Non-Reversion of Student Achievement and Teacher Quality Program Allocations
26	17	20	Amends	Sec. 284.13(3)	Technical Change to Student Achievement and Teacher Quality Program
26	21	21	Amends	Sec. 294A.25(5)	Allocation of FY 2003 Educational Excellence Funding for National Assessment of Educational Progress
26	28	21	Amends	Sec. 294A.25(6)	Allocation of FY 2003 Educational Excellence Funding for Ambassador to Education Program



1 1 COLLEGE STUDENT AID COMMISSION

1 2 Section 1. There is appropriated from the general fund of  
 1 3 the state to the college student aid commission for the fiscal  
 1 4 year beginning July 1, 2003, and ending June 30, 2004, the  
 1 5 following amounts, or so much thereof as may be necessary, to  
 1 6 be used for the purposes designated:

1 7 1. GENERAL ADMINISTRATION

1 8 For salaries, support, maintenance, miscellaneous purposes,  
 1 9 and for not more than the following full-time equivalent  
 1 10 positions:

1 11 ..... \$ 289,433  
 1 12 ..... FTEs 4.21

General Fund appropriation to the College Student Aid Commission.

DETAIL: This is an increase of \$3,469 and a decrease of 0.48 FTE position compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$3,469 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

1 13 2. STUDENT AID PROGRAMS

1 14 For payments to students for the Iowa grant program:  
 1 15 ..... \$ 1,029,884

General Fund appropriation to the College Student Aid Commission for the Iowa Grant Program.

DETAIL: Maintains current level of General Fund support. The Program provided average grants of \$480 to 2,146 recipients for FY 2003.

1 16 3. DES MOINES UNIVERSITY — OSTEOPATHIC MEDICAL CENTER

1 17 For the Des Moines university — osteopathic medical center  
 1 18 for an initiative in primary health care to direct primary  
 1 19 care physicians to shortage areas in the state:  
 1 20 ..... \$ 355,334

General Fund appropriation for the Primary Care Program.

DETAIL: Maintains current level of General Fund support. This Program provided average awards of \$28,200 for 13 recipients for FY 2003. This Program provides debt reduction for graduates that locate in rural communities. The State funding requires a local match by the community.

1 21 4. ACCELERATED CAREER EDUCATION GRANT PROGRAM

1 22 For the accelerated career education grant program  
 1 23 established in section 261.22:  
 1 24 ..... \$ 224,895

General Fund appropriation to the College Student Aid Commission for the Accelerated Career Education (ACE) Grant Program.

DETAIL: Maintains current level of General Fund support. This Program provided average grants of \$2,142 to 105 recipients for FY 2003.

PG LN	House File 662	Explanation
1 25	5. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM	General Fund appropriation to the College Student Aid Commission for the National Guard Tuition Aid Program.
1 26	For purposes of providing national guard educational	
1 27	assistance under the program established in section 261.86:	
1 28	..... \$ 1,175,000	DETAIL: Maintains current level of General Fund support. This Program provided average assistance of \$1,125 to 1,044 recipients for FY 2003.
1 29	6. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM	General Fund appropriation to the College Student Aid Commission for the Teacher Shortage Forgivable Loan Program.
1 30	For the teacher shortage forgivable loan program	
1 31	established in section 261.111:	
1 32	..... \$ 472,279	DETAIL: Maintains current level of General Fund support. For FY 2003, federal funds of \$727,721 brought total funding for the Program to \$1,200,000. This funding level provided average loans of \$2,771 to 433 recipients for FY 2003.
1 33	Sec. 2. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY	CODE: Nullifies the standing appropriation for the Work Study Program for FY 2004.
1 34	2003-2004. Notwithstanding section 261.85, for the fiscal	
1 35	year beginning July 1, 2003, and ending June 30, 2004, the	
2 1	amount appropriated for the work-study program under section	DETAIL: This Program has not received State funding since FY 2001. The Commission estimates colleges and universities in Iowa will receive approximately \$15.6 million in federal funds for Work Study in FY 2004.
2 2	261.85 shall be zero.	
2 3	DEPARTMENT FOR THE BLIND	
2 4	Sec. 3. ADMINISTRATION. There is appropriated from the	General Fund appropriation to the Department for the Blind Administration Division.
2 5	general fund of the state to the department for the blind for	
2 6	the fiscal year beginning July 1, 2003, and ending June 30,	
2 7	2004, the following amount, or so much thereof as is	
2 8	necessary, to be used for the purposes designated:	DETAIL: This is an increase of \$13,731 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$13,731 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
2 9	For salaries, support, maintenance, miscellaneous purposes	
2 10	and for not more than the following full-time equivalent	
2 11	positions:	
2 12	..... \$ 1,506,071	
2 13	..... FTEs 106.50	
2 14	DEPARTMENT OF CULTURAL AFFAIRS	
2 15	Sec. 4. There is appropriated from the general fund of the	
2 16	state to the department of cultural affairs for the fiscal	

PG LN	House File 662	Explanation
2 17	year beginning July 1, 2003, and ending June 30, 2004, the	
2 18	following amounts, or so much thereof as is necessary, to be	
2 19	used for the purposes designated:	
2 20	1. ADMINISTRATION	General Fund appropriation to the Department of Cultural Affairs
2 21	For salaries, support, maintenance, miscellaneous purposes,	Administration Division.
2 22	and for not more than the following full-time equivalent	
2 23	positions:	DETAIL: This is an increase of \$7,419 and a decrease of 0.10 FTE
2 24	..... \$ 217,633	position compared to the FY 2003 estimated net General Fund
2 25	..... FTEs 1.05	appropriation. This is a decrease of \$7,419 in other funds for FY 2004
		compared to the FY 2003 estimated net appropriation for the
		elimination of one-time salary funding. The decrease in FTE positions
		reflects previous budget reductions and staff reallocation.
2 26	The department of cultural affairs shall coordinate	Requires the Department of Cultural Affairs to coordinate with the
2 27	activities with the tourism division of the department of	Department of Economic Development to promote attendance at the
2 28	economic development to promote attendance at the state	State Historical Building and State Historic Sites.
2 29	historical building and at this state's historic sites.	
2 30	2. COMMUNITY CULTURAL GRANTS	General Fund appropriation to the Department of Cultural Affairs for
2 31	For planning and programming for the community cultural	the Community Cultural Grants Program.
2 32	grants program established under section 303.3:	
2 33	..... \$ 300,000	DETAIL: Maintains current level of funding.
2 34	3. HISTORICAL DIVISION	General Fund appropriation to the Historical Division of the
2 35	For salaries, support, maintenance, miscellaneous purposes,	Department of Cultural Affairs.
3 1	and for not more than the following full-time equivalent	
3 2	positions:	DETAIL: This is an increase of \$53,031 and a decrease of 0.77 FTE
3 3	..... \$ 2,798,238	position compared to the FY 2003 estimated net General Fund
3 4	..... FTEs 55.56	appropriation. This is a decrease of \$53,031 in other funds for FY
		2004 compared to the FY 2003 estimated net appropriation for the
		elimination of one-time salary funding. The decrease in FTE positions
		reflects previous budget reductions and staff reallocation.
3 5	4. HISTORIC SITES	General Fund appropriation to the Department of Cultural Affairs for
3 6	For salaries, support, maintenance, miscellaneous purposes,	Historic Sites.
3 7	and for not more than the following full-time equivalent	
3 8	positions:	DETAIL: This is an increase of \$6,149 and 0.75 FTE position
3 9	..... \$ 529,173	compared to the FY 2003 estimated net General Fund appropriation.

PG LN	House File 662	Explanation
3 10	..... FTEs      8.00	This is a decrease of \$6,149 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The increase in FTE positions reflects staff reallocation.
3 11	5. ARTS DIVISION	General Fund appropriation to the Arts Division of the Department of Cultural Affairs.
3 12	For salaries, support, maintenance, miscellaneous purposes,	
3 13	including funds to match federal grants and for not more than	
3 14	the following full-time equivalent positions:	DETAIL: This is an increase of \$5,783 and a decrease of 1.63 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$5,783 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The decrease in FTE positions reflects previous budget reductions and staff reallocation.
3 15	..... \$ 1,167,029	
3 16	..... FTEs      6.89	
3 17	DEPARTMENT OF EDUCATION	
3 18	Sec. 5. There is appropriated from the general fund of the	
3 19	state to the department of education for the fiscal year	
3 20	beginning July 1, 2003, and ending June 30, 2004, the	
3 21	following amounts, or so much thereof as may be necessary, to	
3 22	be used for the purposes designated:	
3 23	1. GENERAL ADMINISTRATION	General Fund appropriation to the Department of Education General Administration Division.
3 24	For salaries, support, maintenance, miscellaneous purposes,	
3 25	and for not more than the following full-time equivalent	
3 26	positions:	DETAIL: This is an increase of \$102,994 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$102,994 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
3 27	..... \$ 5,031,243	
3 28	..... FTEs      97.50	
3 29	The director of the department of education shall ensure	Requires the Director of the Department of Education to ensure that all school districts are aware of the State education resources available on the State web site for listing teacher job openings and to make every reasonable effort to enable qualified practitioners to post their resumes on the State web site. Requires the Department of Education to administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the
3 30	that all school districts are aware of the state education	
3 31	resources available on the state website for listing teacher	
3 32	job openings and shall make every reasonable effort to enable	
3 33	qualified practitioners to post their resumes on the state	
3 34	website. The department shall administer the posting of job	
3 35	vacancies for school districts, accredited nonpublic schools,	
4 1	and area education agencies on the state website. The	

PG LN	House File 662	Explanation
4 2	department may coordinate this activity with the Iowa school	State web site. Specifies that the Department of Education may coordinate this activity with the Iowa School Board Association or other interested educational associations in the State.
4 3	board association or other interested education associations	
4 4	in the state.	
4 5	2. VOCATIONAL EDUCATION ADMINISTRATION	General Fund appropriation to the Department of Education for Vocational Education Administration.
4 6	For salaries, support, maintenance, miscellaneous purposes,	
4 7	and for not more than the following full-time equivalent	DETAIL: This is an increase of \$4,443 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$4,443 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
4 8	positions:	
4 9	..... \$ 481,582	
4 10	..... FTEs 14.60	
4 11	3. BOARD OF EDUCATIONAL EXAMINERS	General Fund appropriation to the Board of Educational Examiners.
4 12	For salaries, support, maintenance, miscellaneous purposes,	
4 13	and for not more than the following full-time equivalent	DETAIL: This is an increase of \$1,014 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$1,014 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
4 14	positions:	
4 15	..... \$ 42,702	
4 16	..... FTEs 7.00	
4 17	4. VOCATIONAL REHABILITATION SERVICES DIVISION	General Fund appropriation to the Vocational Rehabilitation Services Division of the Department of Education.
4 18	a. For salaries, support, maintenance, miscellaneous	
4 19	purposes, and for not more than the following full-time	DETAIL: This is an increase of \$46,401 and a decrease of 6.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$46,401 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The decrease in FTE positions reflects previous budget reductions and reallocation of staff.
4 20	equivalent positions:	
4 21	..... \$ 4,231,742	
4 22	..... FTEs 281.50	
4 23	The division of vocational rehabilitation services shall	Requires the Vocational Rehabilitation Services Division to seek other funds, such as local funds, for purposes of matching federal vocational rehabilitation funds. Also allows the Division to overmatch through local contracting in an effort to maximize federal funds.
4 24	seek funding from other sources, such as local funds, for	
4 25	purposes of matching the state's federal vocational	
4 26	rehabilitation allocation, as well as for matching other	
4 27	federal vocational rehabilitation funding that may become	
4 28	available.	

DETAIL: It is expected that the Division will be able to fully match available federal funds in Federal Fiscal Year 2003. However, many of the local entities under contract with the Division are experiencing budget difficulties. If any of these entities should fail to meet the financial obligations of contracts with the Division, federal funds could be lost due to lack of matching dollars.

4 29 Except where prohibited under federal law, the division of  
4 30 vocational rehabilitation services of the department of  
4 31 education shall accept client assessments, or assessments of  
4 32 potential clients, performed by other agencies in order to  
4 33 reduce duplication of effort.

Requires the Division to accept client assessments from other governmental agencies to reduce duplication of effort.

4 34 Notwithstanding the full-time equivalent position limit  
4 35 established in this lettered paragraph, for the fiscal year  
5 1 ending June 30, 2004, if federal funding is received to pay  
5 2 the costs of additional employees for the vocational  
5 3 rehabilitation services division who would have duties  
5 4 relating to vocational rehabilitation services paid for  
5 5 through federal funding, authorization to hire not more than  
5 6 4.00 additional full-time equivalent employees shall be  
5 7 provided, the full-time equivalent position limit shall be  
5 8 exceeded, and the additional employees shall be hired by the  
5 9 division.

Authorizes the Vocational Rehabilitation Division to hire a maximum of 4.00 additional FTE positions, if federal funding is available to pay for the additional employees.

5 10 b. For matching funds for programs to enable persons with  
5 11 severe physical or mental disabilities to function more  
5 12 independently, including salaries and support, and for not  
5 13 more than the following full-time equivalent position:  
5 14 ..... \$ 54,659  
5 15 ..... FTEs 1.00

General Fund appropriation to the Independent Living Program.

DETAIL: This is an increase of \$126 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$126 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

5 16 The highest priority use for the moneys appropriated under  
5 17 this lettered paragraph shall be for programs that emphasize  
5 18 employment and assist persons with severe physical or mental  
5 19 disabilities to find and maintain employment to enable them to  
5 20 function more independently.

Requires the Independent Living Program to give the highest priority to programs that emphasize employment.

5 21 5. STATE LIBRARY

5 22 a. For salaries, support, maintenance, miscellaneous

5 23 purposes, and for not more than the following full-time

5 24 equivalent positions:

5 25 ..... \$ 1,233,948

5 26 ..... FTEs 18.00

5 27 b. For the enrich Iowa program:

5 28 ..... \$ 1,741,982

5 29 (1) Funds allocated for purposes of the enrich Iowa

5 30 program as provided in this lettered paragraph shall be

5 31 distributed by the division of libraries and information

5 32 services to provide support for Iowa's libraries. The

5 33 commission of libraries shall develop rules governing the

5 34 allocation of funds provided by the general assembly for the

5 35 enrich Iowa program to provide direct state assistance to

6 1 public libraries and to fund the open access and access plus

6 2 programs. Direct state assistance to eligible public

6 3 libraries is provided as an incentive to improve library

6 4 services and to reduce inequities among communities in the

6 5 delivery of library services based on recognized and adopted

6 6 performance measures. Funds distributed as direct state

6 7 assistance shall be distributed to eligible public libraries

6 8 that are in compliance with performance measures adopted by

6 9 rule by the commission of libraries. The funds allocated as

6 10 provided in this lettered paragraph shall not be used for the

6 11 costs of administration by the division. The amount of direct

6 12 state assistance distributed under the enrich Iowa program for

6 13 the fiscal year beginning July 1, 2003, shall not be lower

6 14 than the amount distributed under the enrich Iowa program for

6 15 the fiscal year commencing July 1, 2002. The amount of direct

6 16 state assistance distributed to each eligible public library

6 17 shall be based upon the following:

6 18 (a) The level of compliance by the eligible public library

General Fund appropriation to the Department of Education for the State Library.

DETAIL: This is an increase of \$11,897 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$11,897 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

General Fund appropriation to the Enrich Iowa Program.

DETAIL: Maintains the current level of General Fund support.

Specifies how the funds allocated for purposes of the Enrich Iowa Program shall be distributed by the Division of Libraries and Information Services to each eligible library. Requires the amount distributed to be based on the following:

- Library's level of achievement.
- Population within a library's established geographic local service area (population of city).
- Funding received by the library from the county to serve rural residents or from other towns to serve those communities.

Provides or requires the following:

1. Specifies that money received by a public library under this paragraph is to supplement, not supplant, any other funding received by the library.
2. Provides the definition of an eligible public library.
3. Requires each eligible public library to maintain a separate listing of payments received and expenditures made pursuant to this paragraph and to submit the listing annually to the Division of Library Services.
4. Requires the Division to submit a program evaluation report to the Governor and the General Assembly by January 15, 2004, detailing the uses and impacts of the funds allocated.
5. Requires a public library that receives Enrich Iowa Program funds have an Internet use policy in place that may or may not include Internet filtering.
6. Requires a public library to submit a report describing the library's Internet use efforts to the Division.

6 19 with the performance measures adopted by the commission as  
6 20 provided in this subparagraph.

6 21 (b) The number of people residing within an eligible  
6 22 library's geographic service area for whom the library  
6 23 provides services.

6 24 (c) The amount of other funding the eligible public  
6 25 library received in the previous fiscal year for providing  
6 26 services to rural residents and to contracting communities.

6 27 (2) Moneys received by a public library under this  
6 28 lettered paragraph shall supplement, not supplant, any other  
6 29 funding received by the library.

6 30 (3) For purposes of this section, "eligible public  
6 31 library" means a public library that meets all of the  
6 32 following requirements:

6 33 (a) Submits to the division all of the following:

6 34 (i) The report provided for under section 256.51,  
6 35 subsection 1, paragraph "h".

7 1 (ii) An application and accreditation report, in a format  
7 2 approved by the commission, that provides evidence of the  
7 3 library's compliance with at least one level of the standards  
7 4 established in accordance with section 256.51, subsection 1,  
7 5 paragraph "k".

7 6 (iii) Any other application or report the division deems  
7 7 necessary for the implementation of the enrich Iowa program.

7 8 (b) Participates in the library resource and information  
7 9 sharing programs established by the state library.

7 10 (c) Is a public library established by city ordinance or a  
7 11 library district as provided in chapter 336.

7 12 (4) Each eligible public library shall maintain a separate  
7 13 listing within its budget for payments received and  
7 14 expenditures made pursuant to this lettered paragraph, and  
7 15 shall annually submit this listing to the division.

7 16 (5) By January 15, 2004, the division shall submit a  
7 17 program evaluation report to the general assembly and the  
7 18 governor detailing the uses and the impacts of funds allocated  
7 19 under this lettered paragraph.

7 20 (6) A public library that receives funds in accordance  
7 21 with this lettered paragraph shall have an internet use policy

7. Requires a public library that receives Enrich Iowa Program funds to participate in the Open Access Program.



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7 22	in place, which may or may not include internet filtering.	
7 23	The library shall submit a report describing the library's	
7 24	internet use efforts to the division.	
7 25	(7) A public library that receives funds in accordance	
7 26	with this lettered paragraph shall provide open access, the	
7 27	reciprocal borrowing program, as a service to its patrons, at	
7 28	a reimbursement rate determined by the state library.	
7 29	6. LIBRARY SERVICE AREA SYSTEM	General Fund appropriation to the Department of Education for the
7 30	For state aid:	Library Service Area System.
7 31	..... \$ 1,411,854	DETAIL: Maintains the current level of General Fund support.
7 32	7. PUBLIC BROADCASTING DIVISION	General Fund appropriation to the Department of Education for Iowa
7 33	For salaries, support, maintenance, capital expenditures,	Public Television (IPTV).
7 34	miscellaneous purposes, and for not more than the following	
7 35	full-time equivalent positions:	DETAIL: This is an increase of \$69,626 and a decrease of 8.00 FTE
8 1	..... \$ 6,270,467	positions compared to the FY 2003 estimated net General Fund
8 2	..... FTEs 78.00	appropriation. This is a decrease of \$69,626 in other funds for FY
		2004 compared to the FY 2003 estimated net appropriation for the
		elimination of one-time salary funding. The decrease in FTE positions
		reflects previous budget reductions and reallocation of staff.
8 3	8. REGIONAL TELECOMMUNICATIONS COUNCILS	General Fund appropriation to the Public Broadcasting Division of the
8 4	For state aid and for not more than the following full-time	Department of Education for the Regional Telecommunications
8 5	equivalent positions:	Councils.
8 6	..... \$ 1,619,656	DETAIL: This is an increase of \$7,156 and no change in FTE
8 7	..... FTEs 7.00	positions compared to the FY 2003 estimated net General Fund
		appropriation. This is a decrease of \$7,156 in other funds for FY 2004
		compared to the FY 2003 estimated net appropriation for the
		elimination of one-time salary funding.
8 8	a. Of the amount appropriated in this section, \$347,371	Requires that \$347,371 of the appropriation be expended for support
8 9	shall be allocated to the public broadcasting division for	functions related to the Iowa Communications Network (ICN).
8 10	purposes of providing support for functions related to the	
8 11	Iowa communications network, including but not limited to the	
8 12	following functions: development of distance learning	
8 13	applications; development of a central information source on	

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8 14	the internet relating to educational uses of the network;	
8 15	second-line technical support for network sites; testing and	
8 16	initializing sites onto the network; and coordinating the work	
8 17	of the education telecommunications council.	
8 18	b. Of the amount appropriated in this section, \$1,272,285	Requires that \$1,272,285 of the appropriation be allocated to the
8 19	shall be allocated to the regional telecommunications councils	Regional Telecommunications Councils. Specifies how the funds shall
8 20	established in section 8D.5. The regional telecommunications	be spent.
8 21	councils shall use the funds to provide technical assistance	
8 22	for network classrooms, planning and troubleshooting for local	
8 23	area networks, scheduling of video sites, and other related	
8 24	support activities.	
8 25	9. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS	General Fund appropriation to Department of Education for Vocational
8 26	For reimbursement for vocational education expenditures	Education Aid to Secondary Schools.
8 27	made by secondary schools:	
8 28	..... \$ 3,012,209	DETAIL: This is an increase of \$73,721 to restore an FY 2003 reduction in funding for employee furloughs that was applied to this budget unit.
8 29	Funds appropriated in this subsection shall be used for	Requires that the funds appropriated be used for reimbursement of
8 30	expenditures made by school districts to meet the standards	vocational expenditures made by secondary schools to implement the
8 31	set in sections 256.11, 258.4, and 260C.14 as a result of the	standards set by Chapter 278 (SF 449 Vocational Education Act),
8 32	enactment of 1989 Iowa Acts, chapter 278. Funds shall be used	1989 Iowa Acts.
8 33	as reimbursement for vocational education expenditures made by	
8 34	secondary schools in the manner provided by the department of	
8 35	education for implementation of the standards set in 1989 Iowa	
9 1	Acts, chapter 278.	
9 2	10. SCHOOL FOOD SERVICE	General Fund appropriation to Department of Education for School
9 3	For use as state matching funds for federal programs that	Food Service.
9 4	shall be disbursed according to federal regulations, including	
9 5	salaries, support, maintenance, and miscellaneous purposes:	DETAIL: Maintains the current level of General Fund support.
9 6	..... \$ 2,574,034	
9 7	11. IOWA EMPOWERMENT FUND	General Fund appropriation for deposit in the School Ready Children
9 8	For deposit in the school ready children grants account of	Grants Account of the Iowa Empowerment Fund.
9 9	the Iowa empowerment fund created in section 28.9:	

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9 10	..... \$ 13,724,712	DETAIL: Maintains the current level of General Fund support. The FY 2004 Healthy Iowans Tobacco Trust Appropriations Act (HF 685) appropriates an additional \$2,153,250 for this Program. House File 685 was signed by the Governor on May 30, 2003.
9 11	a. From the moneys deposited in the school ready children	Specifies that, from the moneys deposited in the School Ready Children Grants Account for FY 2004, a maximum of \$200,000 is allocated for the Community Empowerment Office and other technical assistance activities. Specifies that it is the intent of the General Assembly that regional technical assistance teams will be established and will include staff from various appropriate agencies, including area education agencies, community colleges, and the Iowa State University Extension Service. Requires the State Empowerment Board to direct staff to work with the Advisory Council to inventory technical assistance needs. Specifies that the funds allocated under this paragraph may be used by the State Empowerment Board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. Requires that the funds not be used for additional staff or for the reimbursement of staff.
9 12	grants account for the fiscal year beginning July 1, 2003, and	
9 13	ending June 30, 2004, not more than \$200,000 is allocated for	
9 14	the community empowerment office and other technical	
9 15	assistance activities. It is the intent of the general	
9 16	assembly that regional technical assistance teams will be	
9 17	established and will include staff from various agencies, as	
9 18	appropriate, including the area education agencies, community	
9 19	colleges, and the Iowa state university of science and	
9 20	technology cooperative extension service in agriculture and	
9 21	home economics. The Iowa empowerment board shall direct staff	
9 22	to work with the advisory council to inventory technical	
9 23	assistance needs. Funds allocated under this lettered	
9 24	paragraph may be used by the Iowa empowerment board for the	
9 25	purpose of skills development and support for ongoing training	
9 26	of the regional technical assistance teams. However, funds	
9 27	shall not be used for additional staff or for the	
9 28	reimbursement of staff.	
9 29	b. Notwithstanding any other provision of law to the	CODE: Specifies that, beginning in FY 2004, the Community Empowerment Office in the Department of Management will use a four-year phase-in plan developed by the Legislative Fiscal Bureau (LFB) to implement the distribution formula approved by the Iowa Empowerment Board to allocate funding to the Community Empowerment areas.  DETAIL: The four-year phase-in maintains FY 2004 and FY 2005 allocations at or above 75.0% of the FY 2003 allocations. In FY 2006 and FY 2007, allocations will be at or above 50.0% of FY 2003. The phase-in process will be completed and the full formula will take effect in FY 2008.  The formula allocates funding to the 58 Community Empowerment Areas as follows:
9 30	contrary, beginning July 1, 2003, the community empowerment	
9 31	office, established as a division of the department of	
9 32	management, shall use the documentation created by the	
9 33	legislative fiscal bureau to implement a four-year phase-in	
9 34	period of the distribution formula approved by the community	
9 35	empowerment board.	

- 45.00% based on percent of population age 0-5 and 185.00% of poverty level or less.
- 35.00% based on percent of population age 0-5.
- 20.00% distributed equally among the areas.

10 1 c. As a condition of receiving funding appropriated in  
 10 2 this subsection, each community empowerment area board shall  
 10 3 report to the Iowa empowerment board progress on each of the  
 10 4 state indicators approved by the state board, as well as  
 10 5 progress on local indicators. The community empowerment area  
 10 6 board must also submit a written plan amendment extending by  
 10 7 one year the area's comprehensive school ready children grant  
 10 8 plan developed for providing services for children from birth  
 10 9 through five years of age and provide other information  
 10 10 specified by the Iowa empowerment board. The amendment may  
 10 11 also provide for changes in the programs and services provided  
 10 12 under the plan. The Iowa empowerment board shall establish a  
 10 13 submission deadline for the plan amendment that allows a  
 10 14 reasonable period of time for preparation of the plan  
 10 15 amendment and for review and approval or request for  
 10 16 modification of the plan amendment by the Iowa empowerment  
 10 17 board. In addition, the community empowerment board must  
 10 18 continue to comply with reporting provisions and other  
 10 19 requirements adopted by the Iowa empowerment board in  
 10 20 implementing section 28.8.

Requires that, as a condition of receiving funding appropriated in this Subsection, each local empowerment board report to the State Empowerment Board progress on each of the State indicators approved by the Board, as well as progress on local indicators.

Requires that each local empowerment board submit a written plan amendment to extend the area's service plan by one year and provide other information specified by the State Empowerment Board. The amendment may also provide for changes in programs and services provided under the plan. Requires the State Empowerment Board to establish a submission deadline for plan amendments, allowing a reasonable period of time for preparation of the amendments and the Board's approval process. Requires local empowerment boards to continue complying with reporting provisions and other requirements of the State Empowerment Board.

10 21 12. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS  
 10 22 To provide funds for costs of providing textbooks to each  
 10 23 resident pupil who attends a nonpublic school as authorized by  
 10 24 section 301.1. The funding is limited to \$20 per pupil and  
 10 25 shall not exceed the comparable services offered to resident  
 10 26 public school pupils:  
 10 27 ..... \$ 578,880

General Fund appropriation to the Department of Education for Textbooks for Nonpublic School Pupils.

DETAIL: Maintains the current level of General Fund support.

10 28 13. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM  
 10 29 For purposes, as provided in law, of the student  
 10 30 achievement and teacher quality program established pursuant

General Fund appropriation to the Department of Education for the Student Achievement and Teacher Quality Program.

10 31 to chapter 284:  
 10 32 ..... \$ 44,275,000

DETAIL: This is an increase of \$28,175,000 compared to the FY 2003 estimated net General Fund appropriation. In FY 2003, the Program received a General Fund appropriation of \$16,100,000, in addition to \$23,900,000 appropriated from other funds, for total FY 2003 funding of \$40,000,000. This results in a net increase of \$4,275,000 in total funding for FY 2004 when all funding sources are considered.

10 33 14. COMMUNITY COLLEGES  
 10 34 For general state financial aid, including general  
 10 35 financial aid to merged areas in lieu of personal property tax  
 11 1 replacement payments, to merged areas as defined in section  
 11 2 260C.2, for vocational education programs in accordance with  
 11 3 chapters 258 and 260C:  
 11 4 ..... \$139,260,763

General Fund appropriation to community colleges for general financial aid.

DETAIL: This is an increase of \$675,083 compared to the FY 2003 estimated net General Fund appropriation. When combined with the supplemental aid appropriation in Section 6 of this Act, the total increase to the FY 2004 appropriation for general aid to community colleges is \$1,437,758.

11 5 The funds appropriated in this subsection shall be  
 11 6 allocated as follows:  
 11 7 a. Merged Area I ..... \$ 6,683,208  
 11 8 b. Merged Area II ..... \$ 7,850,326  
 11 9 c. Merged Area III ..... \$ 7,292,776  
 11 10 d. Merged Area IV ..... \$ 3,564,554  
 11 11 e. Merged Area V ..... \$ 7,457,487  
 11 12 f. Merged Area VI ..... \$ 6,909,220  
 11 13 g. Merged Area VII ..... \$ 9,969,086  
 11 14 h. Merged Area IX ..... \$ 12,261,253  
 11 15 i. Merged Area X ..... \$ 19,242,498  
 11 16 j. Merged Area XI ..... \$ 20,423,208  
 11 17 k. Merged Area XII ..... \$ 8,046,150  
 11 18 l. Merged Area XIII ..... \$ 8,273,870  
 11 19 m. Merged Area XIV ..... \$ 3,607,057  
 11 20 n. Merged Area XV ..... \$ 11,350,140  
 11 21 o. Merged Area XVI ..... \$ 6,329,930

Specifies allocations to the community colleges.

11 22 Sec. 6. SUPPLEMENTAL AID FOR COMMUNITY COLLEGES.  
 11 23 Notwithstanding the provisions of section 8.33 or any other  
 11 24 provision of law to the contrary, moneys from the  
 11 25 appropriation made in 2001 Iowa Acts, chapter 177, section 1,  
 11 26 reserved for purposes of section 284.13, subsection 1,

CODE: Requires funds remaining from the Variable Pay Pilot Project portion of the FY 2003 General Fund appropriation to the Student Achievement and Teacher Quality Program to be allocated to general aid for community colleges.

11 27 paragraph "a", which remain unexpended or unencumbered on June  
 11 28 30, 2003, shall be spent by the department of education in the  
 11 29 following amount to supplement the general state financial aid  
 11 30 provided to community colleges pursuant to section 5,  
 11 31 subsection 14 of this Act:  
 11 32 ..... \$ 762,675

DETAIL: The Variable Pay Pilot Project was allocated up to \$1,000,000 from the FY 2003 General Fund appropriation to the Student Achievement and Teacher Quality Program. The original two-year Pilot Project is complete, and awards totaled \$237,325, leaving \$762,675 unexpended. House File 549 (Department of Education Statutory Revisions Act) extends the Pilot Project through FY 2005, and Senate File 458 (FY 2004 Standing Appropriations Act) provides an allocation of \$500,000 from the Student Achievement and Teacher Quality Program funding to fund the Pilot Project through FY 2005.

11 33 The funds allocated in this subsection shall be distributed  
 11 34 as follows:

11 35 a. Merged Area I ..... \$ 36,600  
 12 1 b. Merged Area II ..... \$ 42,993  
 12 2 c. Merged Area III ..... \$ 39,940  
 12 3 d. Merged Area IV ..... \$ 19,522  
 12 4 e. Merged Area V ..... \$ 40,842  
 12 5 f. Merged Area VI ..... \$ 37,839  
 12 6 g. Merged Area VII ..... \$ 54,597  
 12 7 h. Merged Area IX ..... \$ 67,150  
 12 8 i. Merged Area X ..... \$ 105,383  
 12 9 j. Merged Area XI ..... \$ 111,850  
 12 10 k. Merged Area XII ..... \$ 44,066  
 12 11 l. Merged Area XIII ..... \$ 45,313  
 12 12 m. Merged Area XIV ..... \$ 19,754  
 12 13 n. Merged Area XV ..... \$ 62,160  
 12 14 o. Merged Area XVI ..... \$ 34,666

Specifies allocations to the community colleges.

12 15 Sec. 7. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.  
 12 16 Notwithstanding section 272.10, up to 85 percent of any funds  
 12 17 received annually resulting from an increase in fees approved  
 12 18 and implemented for licensing by the state board of  
 12 19 educational examiners after July 1, 1997, shall be available  
 12 20 for the fiscal year beginning July 1, 2003, to the state board  
 12 21 for purposes related to the state board's duties, including,  
 12 22 but not limited to, additional full-time equivalent positions.  
 12 23 The director of revenue and finance shall draw warrants upon

CODE: Permits the Board of Educational Examiners to retain up to 85.00% of increased revenues resulting from license fee increases for purposes of Board duties. This provision is effective for fee increases approved after July 1, 1997.

DETAIL: Most license fees have been increased from \$25 to \$50 since July 1, 1997. Total retained fee revenue of \$745,000 is budgeted in FY 2003, an increase of \$223,761 over Actual FY 2002

12 24 the treasurer of state from the funds appropriated as provided  
 12 25 in this section and shall make the funds resulting from the  
 12 26 increase in fees available during the fiscal year to the state  
 12 27 board on a monthly basis.

retained fee revenue. The Board anticipates a decrease of \$5,100 in retained fee revenue in FY 2004 due to the elimination of community college licensure effective July 1, 2003.

12 28 Sec. 8. NONREVERSION OF CAREER DEVELOPMENT FUNDS.  
 12 29 Notwithstanding section 8.33, moneys appropriated and  
 12 30 allocated by the general assembly for fiscal year 2001–2002  
 12 31 and fiscal year 2002–2003 for purposes of the career  
 12 32 development program pursuant to section 284.13, subsection 1,  
 12 33 paragraph "e", which remain unobligated or unexpended at the  
 12 34 end of the fiscal year ending June 30, 2003, shall remain  
 12 35 available for expenditure for the purposes for which they were  
 13 1 appropriated and allocated, for the fiscal year beginning July  
 13 2 1, 2003, and ending June 30, 2004.

CODE: Permits funds from the Student Achievement and Teacher Quality Program appropriation allocated to the Career Development Program for FY 2002 and FY 2003 to not revert to the General Fund but remain available for the designated purposes in FY 2004.

### 13 3 STATE BOARD OF REGENTS

13 4 Sec. 9. There is appropriated from the general fund of the  
 13 5 state to the state board of regents for the fiscal year  
 13 6 beginning July 1, 2003, and ending June 30, 2004, the  
 13 7 following amounts, or so much thereof as may be necessary, to  
 13 8 be used for the purposes designated:

13 9 1. OFFICE OF STATE BOARD OF REGENTS  
 13 10 a. For salaries, support, maintenance, miscellaneous  
 13 11 purposes, and for not more than the following full-time  
 13 12 equivalent positions:  
 13 13 ..... \$ 1,190,152  
 13 14 ..... FTEs 16.00

General Fund appropriation to the Board of Regents for the Board Office.

DETAIL: This is an increase of \$41,908 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$41,908 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

13 15 [The state board of regents, the department of management,  
 13 16 and the legislative fiscal bureau shall cooperate to determine  
 13 17 and agree upon, by November 15, 2003, the amount that needs to

**VETOED**

Requires the Board of Regents, the Department of Management, and the Legislative Fiscal Bureau (LFB) to agree upon the FY 2004 Tuition Replacement appropriation by November 15, 2003.

13 18 be appropriated for tuition replacement for the fiscal year  
 13 19 beginning July 1, 2004.]

VETOED: The Governor vetoed this language and stated that this requirement is outdated and unnecessary because the Board's financial advisor calculates tuition replacement need.

13 20 The state board of regents shall submit a monthly financial  
 13 21 report in a format agreed upon by the state board of regents  
 13 22 office and the legislative fiscal bureau.

Requires the Board of Regents to issue a monthly financial report.

13 23 b. For allocation by the state board of regents to the  
 13 24 state university of Iowa, the Iowa state university of science  
 13 25 and technology, and the university of northern Iowa to  
 13 26 reimburse the institutions for deficiencies in their operating  
 13 27 funds resulting from the pledging of tuitions, student fees  
 13 28 and charges, and institutional income to finance the cost of  
 13 29 providing academic and administrative buildings and facilities  
 13 30 and utility services at the institutions:  
 13 31 ..... \$ 13,343,050

General Fund appropriation to the Board of Regents for Tuition Replacement.

DETAIL: This is an increase of \$13,343,050 compared to the FY 2003 estimated net General Fund appropriation. The Board uses these funds to pay the debt service on academic revenue bonds for buildings. This item is not new for FY 2004. It was funded from tobacco funds for FY 2003. Total funds appropriated from tobacco funds for FY 2003 were \$27,347,505. The total funds appropriated for FY 2004 are \$23,953,459. The remaining \$10,610,409 was appropriated from tobacco funds in SF 452 (FY 2004 Infrastructure Appropriations Act).

13 32 c. For funds to be allocated to the southwest Iowa  
 13 33 graduate studies center:  
 13 34 ..... \$ 108,673

General Fund appropriation to the Board of Regents for the Southwest Iowa Graduate Studies Center located at the Iowa School for the Deaf in Council Bluffs.

DETAIL: This is an increase of \$2,688 compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$2,688 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

13 35 d. For funds to be allocated to the siouxland interstate  
 14 1 metropolitan planning council for the tristate graduate center  
 14 2 under section 262.9, subsection 21:  
 14 3 ..... \$ 79,940

General Fund appropriation to the Board of Regents for the Tri State Graduate Center located at Sioux City.

DETAIL: This is an increase of \$1,875 compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace



14 4 e. For funds to be allocated to the quad-cities graduate  
 14 5 studies center:  
 14 6 ..... \$ 161,173

FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$1,875 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriation to the Board of Regents for the Quad-Cities Graduate Studies Center located at Rock Island, Illinois.

DETAIL: This is an increase of \$3,374 compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$3,374 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

## 14 7 2. STATE UNIVERSITY OF IOWA

14 8 a. General university, including lakeside laboratory  
 14 9 For salaries, support, maintenance, equipment,  
 14 10 miscellaneous purposes, and for not more than the following  
 14 11 full-time equivalent positions:  
 14 12 ..... \$232,423,103  
 14 13 ..... FTEs 4,055.62

General Fund appropriation to the University of Iowa (SUI) general university budget.

DETAIL: This is an increase of \$10,103,619 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$10,103,619 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriations to the general university operating budgets for FY 2004 were reduced by a total of \$17,880,000 in SF 453 (Reinvention of Government Act) in lieu of the charge for capitals assessed to other Executive Branch agencies. As the result of the Governor's item veto of language in SF 453, the specific dollar amount of the reduction for each university was not specified and will be determined by the Board Office and the Department of Management.

14 14 [It is the intent of the general assembly that the  
 14 15 university continue progress on the school of public health  
 14 16 and the public health initiative for the purposes of  
 14 17 establishing an accredited school of public health and for

**VETOED**

Specifies that it is the intent of the General Assembly that the SUI continue progress on the School of Public Health and the Public Health Initiative, and permits up to \$2,100,000 be used for these purposes.

14 18 funding an initiative for the health and independence of  
 14 19 elderly lowans. From the funds appropriated in this lettered  
 14 20 paragraph, the university may use up to \$2,100,000 for the  
 14 21 school of public health and the public health initiative.]

VETOED: The Governor vetoed this language and stated that it restricts the amount that can be expended and limits flexibility in the budgeting process.

14 22 b. University hospitals  
 14 23 For salaries, support, maintenance, equipment, and  
 14 24 miscellaneous purposes and for medical and surgical treatment  
 14 25 of indigent patients as provided in chapter 255, for medical  
 14 26 education, and for not more than the following full-time  
 14 27 equivalent positions:  
 14 28 ..... \$ 28,833,519  
 14 29 ..... FTEs 5,471.01

General Fund appropriation to the SUI for the University of Iowa Hospitals and Clinics Indigent Care Program.

DETAIL: This is an increase of \$673,610 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$673,610 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

14 30 The university of Iowa hospitals and clinics shall, within  
 14 31 the context of chapter 255 and when medically appropriate,  
 14 32 make reasonable efforts to extend the university of Iowa  
 14 33 hospitals and clinics' use of home telemedicine and other  
 14 34 technologies to reduce the frequency of visits to the hospital  
 14 35 required by indigent patients. The university of Iowa  
 15 1 hospitals and clinics shall submit a report to the general  
 15 2 assembly and the legislative fiscal bureau by January 15,  
 15 3 2004, describing its use of these technologies to accomplish  
 15 4 this purpose.

Requires the University of Iowa Hospitals and Clinics to make reasonable efforts to use technology to provide care to indigent patients in a manner that reduces patient travel to Iowa City. Requires the University of Iowa Hospitals and Clinics to submit a report to the General Assembly and the LFB by January 15, 2004, describing the use of technologies to reduce travel as specified.

15 5 The university of Iowa hospitals and clinics shall submit  
 15 6 quarterly a report regarding the portion of the appropriation  
 15 7 in this lettered paragraph expended on medical education. The  
 15 8 report shall be submitted in a format jointly developed by the  
 15 9 university of Iowa hospitals and clinics, the legislative  
 15 10 fiscal bureau, and the department of management, and shall  
 15 11 delineate the expenditures and purposes of the funds.

Requires the University of Iowa Hospitals and Clinics to submit a quarterly report regarding the expenditures for medical education from the Indigent Care appropriation.

15 12 Funds appropriated in this lettered paragraph shall not be  
 15 13 used to perform abortions except medically necessary  
 15 14 abortions, and shall not be used to operate the early

Requires that only medically necessary abortions be performed on patients served by the Indigent Patient Care Program.

15 15 termination of pregnancy clinic except for the performance of  
 15 16 medically necessary abortions. For the purpose of this  
 15 17 lettered paragraph, an abortion is the purposeful interruption  
 15 18 of pregnancy with the intention other than to produce a live-  
 15 19 born infant or to remove a dead fetus, and a medically  
 15 20 necessary abortion is one performed under one of the following  
 15 21 conditions:  
 15 22 (1) The attending physician certifies that continuing the  
 15 23 pregnancy would endanger the life of the pregnant woman.  
 15 24 (2) The attending physician certifies that the fetus is  
 15 25 physically deformed, mentally deficient, or afflicted with a  
 15 26 congenital illness.  
 15 27 (3) The pregnancy is the result of a rape which is  
 15 28 reported within 45 days of the incident to a law enforcement  
 15 29 agency or public or private health agency which may include a  
 15 30 family physician.  
 15 31 (4) The pregnancy is the result of incest which is  
 15 32 reported within 150 days of the incident to a law enforcement  
 15 33 agency or public or private health agency which may include a  
 15 34 family physician.  
 15 35 (5) The abortion is a spontaneous abortion, commonly known  
 16 1 as a miscarriage, wherein not all of the products of  
 16 2 conception are expelled.

16 3 The total quota allocated to the counties for indigent  
 16 4 patients for the fiscal year beginning July 1, 2003, shall not  
 16 5 be lower than the total quota allocated to the counties for  
 16 6 the fiscal year commencing July 1, 1998. The total quota  
 16 7 shall be allocated among the counties on the basis of the 2000  
 16 8 census pursuant to section 255.16.

16 9 c. Psychiatric hospital  
 16 10 For salaries, support, maintenance, equipment,  
 16 11 miscellaneous purposes, for the care, treatment, and  
 16 12 maintenance of committed and voluntary public patients, and  
 16 13 for not more than the following full-time equivalent  
 16 14 positions:  
 16 15 ..... \$ 7,442,887

Requires the per county quota for indigent care in FY 2004 reflect the changes in population data from the 2000 Census.

General Fund appropriation to the SUI for the Psychiatric Hospital.

DETAIL: This is an increase of \$240,687 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$240,687 in other funds for FY 2004 compared to the FY 2003 estimated net

PG LN	House File 662	Explanation
16 16	..... FTEs 272.11	appropriation for elimination of one-time salary funding.
16 17	d. Center for disabilities and development	General Fund appropriation to the SUI for the Center for Disabilities and Development (formerly called the Hospital-School).  DETAIL: This is an increase of \$264,575 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$264,575 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.
16 18	For salaries, support, maintenance, miscellaneous purposes,	
16 19	and for not more than the following full-time equivalent	
16 20	positions:	
16 21	..... \$ 6,724,505	
16 22	..... FTEs 143.34	
16 23	From the funds appropriated in this lettered paragraph,	Requires \$200,000 of the funds appropriated to the SUI Center for Disabilities and Development (formerly Hospital-School) to be allocated to the Employment Policy Group.
16 24	\$200,000 shall be allocated for purposes of the employment	
16 25	policy group.	DETAIL: The Group was formerly known as the Creative Employment Options Program.
16 26	e. Oakdale campus	General Fund appropriation to the SUI for the Oakdale Campus.  DETAIL: This is an increase of \$80,117 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$80,117 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.
16 27	For salaries, support, maintenance, miscellaneous purposes,	
16 28	and for not more than the following full-time equivalent	
16 29	positions:	
16 30	..... \$ 2,808,191	
16 31	..... FTEs 43.25	
16 32	f. State hygienic laboratory	General Fund appropriation to the SUI for the State Hygienic Laboratory.  DETAIL: This is an increase of \$199,065 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$199,065 in
16 33	For salaries, support, maintenance, miscellaneous purposes,	
16 34	and for not more than the following full-time equivalent	
16 35	positions:	
17 1	..... \$ 4,018,388	
17 2	..... FTEs 102.49	

- 17 3 g. Family practice program  
 17 4 For allocation by the dean of the college of medicine, with  
 17 5 approval of the advisory board, to qualified participants, to  
 17 6 carry out chapter 148D for the family practice program,  
 17 7 including salaries and support, and for not more than the  
 17 8 following full-time equivalent positions:  
 17 9 ..... \$ 2,193,798  
 17 10 ..... FTEs 192.40
- 17 11 h. Child health care services  
 17 12 For specialized child health care services, including  
 17 13 childhood cancer diagnostic and treatment network programs,  
 17 14 rural comprehensive care for hemophilia patients, and the Iowa  
 17 15 high-risk infant follow-up program, including salaries and  
 17 16 support, and for not more than the following full-time  
 17 17 equivalent positions:  
 17 18 ..... \$ 685,914  
 17 19 ..... FTEs 53.46
- 17 20 i. Statewide cancer registry  
 17 21 For the statewide cancer registry, and for not more than  
 17 22 the following full-time equivalent positions:  
 17 23 ..... \$ 188,886  
 17 24 ..... FTEs 2.40
- 17 25 j. Substance abuse consortium  
 17 26 For funds to be allocated to the Iowa consortium for  
 17 27 substance abuse research and evaluation, and for not more than  
 17 28 the following full-time equivalent positions:

other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriation to the SUI for the Family Practice Program.

DETAIL: This is an increase of \$70,714 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$70,714 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriation to the SUI for Specialized Child Health Care Services.

DETAIL: This is an increase of \$57,338 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$57,338 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriation to the SUI for the Statewide Cancer Registry.

DETAIL: This is an increase of \$4,210 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$4,210 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriation to the SUI for the Substance Abuse Consortium.

PG LN	House File 662	Explanation
17 29 .....	\$ 68,553	DETAIL: This is an increase of \$2,129 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$2,129 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.
17 30 .....	FTEs 1.50	
17 31	k. Center for biocatalysis	General Fund appropriation to the SUI for the Center for Biocatalysis.
17 32	For the center for biocatalysis, and for not more than the	
17 33	following full-time equivalent positions:	DETAIL: This is an increase of \$13,666 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$13,666 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.
17 34 .....	\$ 931,420	
17 35 .....	FTEs 5.20	
18 1	I. Primary health care initiative	General Fund appropriation to the SUI Primary Health Care Initiative.
18 2	For the primary health care initiative in the college of	
18 3	medicine and for not more than the following full-time	DETAIL: This is an increase of \$19,095 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$19,095 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.
18 4	equivalent positions:	
18 5 .....	\$ 803,013	
18 6 .....	FTEs 7.75	
18 7	From the funds appropriated in this lettered paragraph,	Requires \$330,000 of the Primary Health Care Initiative appropriation be allocated to the Department of Family Practice at the College of Medicine.
18 8	\$330,000 shall be allocated to the department of family	
18 9	practice at the state university of Iowa college of medicine	
18 10	for family practice faculty and support staff.	
18 11	m. Birth defects registry	General Fund appropriation to the SUI for the Birth Defects Registry.
18 12	For the birth defects registry and for not more than the	
18 13	following full-time equivalent positions:	DETAIL: This is an increase of \$1,357 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$1,357 in
18 14 .....	\$ 47,170	
18 15 .....	FTEs 1.30	

other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

18 16 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

18 17 a. General university

18 18 For salaries, support, maintenance, equipment,  
18 19 miscellaneous purposes, and for not more than the following  
18 20 full-time equivalent positions:

18 21 ..... \$183,134,521  
18 22 ..... FTEs 3,647.42

General Fund appropriation to Iowa State University (ISU) for the general operating budget.

DETAIL: This is an increase of \$7,546,315 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$7,546,315 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriations to the general university operating budgets for FY 2004 were reduced by a total of \$17,880,000 in SF 453 (Reinvention of Government Act) in lieu of the charge for capitals assessed to other Executive Branch agencies. As the result of the Governor's item veto of language in SF 453, the specific dollar amount of the reduction for each university was not specified and will be determined by the Board Office and the Department of Management.

18 23 [It is the intent of the general assembly that the  
18 24 university continue progress on the center for excellence in  
18 25 fundamental plant sciences. From the funds appropriated in  
18 26 this lettered paragraph, the university may use up to  
18 27 \$4,670,000 for the center for excellence in fundamental plant  
18 28 sciences.]

**VETOED**

Specifies that it is the intent of the General Assembly that ISU continue to make progress on the Plant Science Center and permits up to \$4,670,000 to be expended for this purpose.

VETOED: The Governor vetoed this language and stated that it restricts the amount that can be expended and limits flexibility in the budgeting process.

18 29 b. Agricultural experiment station

18 30 For salaries, support, maintenance, miscellaneous purposes,  
18 31 and for not more than the following full-time equivalent  
18 32 positions:

18 33 ..... \$ 32,712,448  
18 34 ..... FTEs 546.98

General Fund appropriation to ISU for the Agricultural Experiment Station.

DETAIL: This is an increase of \$838,416 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment

with a General Fund appropriation. This is a decrease of \$838,416 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

18 35 c. Cooperative extension service in agriculture and home  
19 1 economics  
19 2 For salaries, support, maintenance, miscellaneous purposes,  
19 3 and for not more than the following full-time equivalent  
19 4 positions:  
19 5 ..... \$ 20,815,676  
19 6 ..... FTEs 383.34

General Fund appropriation to ISU for the Cooperative Extension Service.

DETAIL: This is an increase of \$675,501 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$675,501 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

19 7 d. Leopold center  
19 8 For agricultural research grants at Iowa state university  
19 9 under section 266.39B, and for not more than the following  
19 10 full-time equivalent positions:  
19 11 ..... \$ 489,648  
19 12 ..... FTEs 11.25

General Fund appropriation to ISU for the Leopold Center.

DETAIL: This is an increase of \$1,823 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$1,823 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

19 13 e. Livestock disease research  
19 14 For deposit in and the use of the livestock disease  
19 15 research fund under section 267.8:  
19 16 ..... \$ 232,749

General Fund appropriation to ISU for Livestock Disease Research.

DETAIL: Maintains the current level of General Fund support and FTE positions.

#### 19 17 4. UNIVERSITY OF NORTHERN IOWA

19 18 a. General university  
19 19 For salaries, support, maintenance, equipment,  
19 20 miscellaneous purposes, and for not more than the following  
19 21 full-time equivalent positions:  
19 22 ..... \$ 82,228,033  
19 23 ..... FTEs 1,398.01

General Fund appropriation to the University of Northern Iowa (UNI) for the general operating budget.

DETAIL: This is an increase of \$3,639,018 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment



with a General Fund appropriation. This is a decrease of \$3,639,018 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

General Fund appropriations to the general university operating budgets for FY 2004 were reduced by a total of \$17,880,000 in SF 453 (Reinvention of Government Act) in lieu of the charge for capitals assessed to other Executive Branch agencies. As the result of the Governor's item veto of language in SF 453, the specific dollar amount of the reduction for each university was not specified and will be determined by the Board Office and the Department of Management.

**VETOED**

19 24 [It is the intent of the general assembly that the  
19 25 university continue progress on the implementation of a  
19 26 masters in social work program. From the funds appropriated  
19 27 in this lettered paragraph, the university may use up to  
19 28 \$450,000 for the implementation of the masters in social work  
19 29 program, up to \$100,000 for the roadside vegetation project,  
19 30 and up to \$200,000 for the Iowa office for staff development.]

Specifies that it is the intent of the General Assembly that the UNI continue to make progress to implement the Masters in Social Work Program, and permits up to \$450,000 of the funds appropriated for general university to be used for this purpose. Also permits up to \$200,000 of the funds appropriated be expended for the Iowa Office of Staff Development to assist teachers attempting to achieve national certification and \$100,000 for a roadside vegetation project.

VETOED: The Governor vetoed this language and stated that it restricts the amount that can be expended and limits flexibility in the budgeting process.

19 31 b. Recycling and reuse center  
19 32 For purposes of the recycling and reuse center, and for not  
19 33 more than the following full-time equivalent positions:  
19 34 ..... \$ 217,290  
19 35 ..... FTEs 3.00

General Fund appropriation to the UNI for the Recycle and Reuse Center.

DETAIL: This is an increase of \$3,102 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase is to replace FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$3,102 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

20 1 5. STATE SCHOOL FOR THE DEAF  
20 2 For salaries, support, maintenance, miscellaneous purposes,  
20 3 and for not more than the following full-time equivalent

General Fund appropriation to the State School for the Deaf.

PG LN	House File 662	Explanation
20 4	positions:	DETAIL: This is an increase of \$409,716 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$245,767 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.
20 5	..... \$ 8,107,934	
20 6	..... FTEs 126.60	
		The increase includes:
		<ul style="list-style-type: none"> <li>• \$245,767 to replace FY 2003 salary adjustment with a General Fund appropriation.</li> <li>• \$163,949 for a 2.00% increase in operations.</li> </ul>
20 7	6. IOWA BRAILLE AND SIGHT SAVING SCHOOL	General Fund appropriation to the Iowa Braille and Sight Saving School.
20 8	For salaries, support, maintenance, miscellaneous purposes,	
20 9	and for not more than the following full-time equivalent	DETAIL: This is an increase of \$222,856 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$131,401 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.
20 10	positions:	
20 11	..... \$ 4,537,514	
20 12	..... FTEs 81.00	The increase includes:
		<ul style="list-style-type: none"> <li>• \$131,401 to replace FY 2003 salary adjustment with a General Fund appropriation.</li> <li>• \$91,455 for a 2.00% increase in operations.</li> </ul>
20 13	7. TUITION AND TRANSPORTATION COSTS	General Fund appropriation for tuition and transportation costs of certain students attending the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.
20 14	For payment to local school boards for the tuition and	
20 15	transportation costs of students residing in the Iowa braille	DETAIL: Maintains current level of General Fund support. This appropriation funds the property tax portion of the school aid amount and transportation costs for children of employees living on the property owned by the Iowa School for the Deaf that attend public school.
20 16	and sight saving school and the state school for the deaf	
20 17	pursuant to section 262.43 and for payment of certain	
20 18	clothing, prescription, and transportation costs for students	
20 19	at these schools pursuant to section 270.5:	
20 20	..... \$ 15,103	

20 21 Sec. 10. MEDICAL ASSISTANCE — SUPPLEMENTAL AMOUNTS. For  
20 22 the fiscal year beginning July 1, 2003, and ending June 30,  
20 23 2004, the department of human services shall continue the  
20 24 supplemental disproportionate share and a supplemental  
20 25 indirect medical education adjustment applicable to state—  
20 26 owned acute care hospitals with more than 500 beds and shall  
20 27 reimburse qualifying hospitals pursuant to that adjustment  
20 28 with a supplemental amount for services provided medical  
20 29 assistance recipients. The adjustment shall generate  
20 30 supplemental payments intended to equal the state  
20 31 appropriation made to a qualifying hospital for treatment of  
20 32 indigent patients as provided in chapter 255. To the extent  
20 33 of the supplemental payments, a qualifying hospital shall,  
20 34 after receipt of the funds, transfer to the department of  
20 35 human services an amount equal to the actual supplemental  
21 1 payments that were made in that month. The aggregate amounts  
21 2 for the fiscal year shall not exceed the state appropriation  
21 3 made to the qualifying hospital for treatment of indigent  
21 4 patients as provided in chapter 255. The department of human  
21 5 services shall deposit these funds in the department's medical  
21 6 assistance account. To the extent that state funds  
21 7 appropriated to a qualifying hospital for the treatment of  
21 8 indigent patients as provided in chapter 255 have been  
21 9 transferred to the department of human services as a result of  
21 10 these supplemental payments made to the qualifying hospital,  
21 11 the department shall not, directly or indirectly, recoup the  
21 12 supplemental payments made to a qualifying hospital for any  
21 13 reason, unless an equivalent amount of the funds transferred  
21 14 to the department of human services by a qualifying hospital  
21 15 pursuant to this provision is transferred to the qualifying  
21 16 hospital by the department.  
21 17 If the state supplemental amount allotted to the state of  
21 18 Iowa for the federal fiscal year beginning October 1, 2003,  
21 19 and ending September 30, 2004, pursuant to section 1923(f)(3)  
21 20 of the federal Social Security Act, as amended, or pursuant to  
21 21 federal payments for indirect medical education is greater  
21 22 than the amount necessary to fund the federal share of the  
21 23 supplemental payments specified in the preceding paragraph,

Specifies procedures for the SUI and the Department of Human Services (DHS) regarding the Supplemental Disproportionate Share Payment System permitted by the federal government.

DETAIL: This language allows federal receipts received by the SUI Hospitals and Clinics to be deposited directly into the DHS Medical Assistance account rather than being deposited into the General Fund. This language allows the appropriation to the DHS for Medical Assistance to be reduced by approximately \$30,800,000 for FY 2004 (estimated by DHS), as these funds will be deposited directly to the DHS account by the federal government. This is an accounting transaction only and does not change the amount of federal receipts or State expenditures for Medical Assistance.

21 24 the department of human services shall increase the  
21 25 supplemental disproportionate share or supplemental indirect  
21 26 medical education adjustment by the lesser of the amount  
21 27 necessary to utilize fully the state supplemental amount or  
21 28 the amount of state funds appropriated to the state university  
21 29 of Iowa general education fund and allocated to the university  
21 30 for the college of medicine. The state university of Iowa  
21 31 shall transfer from the allocation for the college of medicine  
21 32 to the department of human services, on a monthly basis, an  
21 33 amount equal to the additional supplemental payments made  
21 34 during the previous month pursuant to this paragraph. A  
21 35 qualifying hospital receiving supplemental payments pursuant  
22 1 to this paragraph that are greater than the state  
22 2 appropriation made to the qualifying hospital for treatment of  
22 3 indigent patients as provided in chapter 255 shall be  
22 4 obligated as a condition of its participation in the medical  
22 5 assistance program to transfer to the state university of Iowa  
22 6 general education fund on a monthly basis an amount equal to  
22 7 the funds transferred by the state university of Iowa to the  
22 8 department of human services. To the extent that state funds  
22 9 appropriated to the state university of Iowa and allocated to  
22 10 the college of medicine have been transferred to the  
22 11 department of human services as a result of these supplemental  
22 12 payments made to the qualifying hospital, the department shall  
22 13 not, directly or indirectly, recoup these supplemental  
22 14 payments made to a qualifying hospital for any reason, unless  
22 15 an equivalent amount of the funds transferred to the  
22 16 department of human services by the state university of Iowa  
22 17 pursuant to this paragraph is transferred to the qualifying  
22 18 hospital by the department.

22 19 Continuation of the supplemental disproportionate share and  
22 20 supplemental indirect medical education adjustment shall  
22 21 preserve the funds available to the university hospital for  
22 22 medical and surgical treatment of indigent patients as  
22 23 provided in chapter 255 and to the state university of Iowa  
22 24 for educational purposes at the same level as provided by the  
22 25 state funds initially appropriated for that purpose.

22 26 The department of human services shall, in any compilation

22 27 of data or other report distributed to the public concerning  
22 28 payments to providers under the medical assistance program,  
22 29 set forth reimbursements to a qualifying hospital through the  
22 30 supplemental disproportionate share and supplemental indirect  
22 31 medical education adjustment as a separate item and shall not  
22 32 include such payments in the amounts otherwise reported as the  
22 33 reimbursement to a qualifying hospital for services to medical  
22 34 assistance recipients.

22 35 For purposes of this section, "supplemental payment" means  
23 1 a supplemental payment amount paid for medical assistance to a  
23 2 hospital qualifying for that payment under this section.

23 3 Sec. 11. For the fiscal year beginning July 1, 2003, and  
23 4 ending June 30, 2004, the state board of regents may use  
23 5 notes, bonds, or other evidences of indebtedness issued under  
23 6 section 262.48 to finance projects that will result in energy  
23 7 cost savings in an amount that will cause the state board to  
23 8 recover the cost of the projects within an average of six  
23 9 years.

Permits the Board of Regents to use indebtedness to finance projects for energy cost savings if the cost of the projects can be recovered within an average of six years.

23 10 Sec. 12. Notwithstanding section 270.7, the department of  
23 11 revenue and finance shall pay the state school for the deaf  
23 12 and the Iowa braille and sight saving school the moneys  
23 13 collected from the counties during the fiscal year beginning  
23 14 July 1, 2003, for expenses relating to prescription drug costs  
23 15 for students attending the state school for the deaf and the  
23 16 Iowa braille and sight saving school.

CODE: Requires the Department of Revenue and Finance to pay funds collected from counties to the School for the Deaf and the Iowa Braille and Sight Saving School for prescription drug costs of the students attending these Schools.

23 17 Sec. 13. Section 261.25, subsection 1, Code 2003, is  
23 18 amended to read as follows:  
23 19 1. There is appropriated from the general fund of the  
23 20 state to the commission for each fiscal year the sum of forty—  
23 21 six million ~~one~~ four hundred seventeen thousand nine hundred  
23 22 sixty—four dollars for tuition grants.

CODE: General Fund standing appropriation of \$46,417,964 for the Tuition Grant Program within the College Student Aid Commission.

DETAIL: This is an increase of \$300,000 compared to the FY 2003 estimated net General Fund appropriation. This level of funding will increase the average grant from \$3,139 to \$3,159 for 14,692 students (assumes same number of students as FY 2003). The maximum grant remains unchanged at \$4,000.

23 23 Sec. 14. Section 261.86, Code 2003, is amended by adding  
23 24 the following new subsection:  
23 25 NEW SUBSECTION. 6. Notwithstanding section 8.33, until  
23 26 one year after the date the president of the United States or  
23 27 the Congress of the United States declares a cessation of  
23 28 hostilities ending operation Iraqi freedom, funds appropriated  
23 29 for purposes of this section which remain unencumbered or  
23 30 unobligated at the close of the fiscal year for which the  
23 31 funds were appropriated shall not revert but shall be  
23 32 available for expenditure for the following fiscal year for  
23 33 purposes of this section.

CODE: Allows funds appropriated to the College Student Aid Commission for the National Guard Educational Assistance Program to carryover to future years until one year after the date that the President of the United States declares a cessation of hostilities in Iraq.

DETAIL: This will allow funds in the Program to remain available for eligible recipients that have been called to active military service.

23 34 Sec. 15. Section 284.5, subsection 3, Code 2003, is  
23 35 amended to read as follows:  
24 1 3. Each school district and area education agency shall  
24 2 provide a beginning teacher mentoring and induction program  
24 3 for all classroom teachers who are beginning teachers by the  
24 4 ~~school year beginning July 1, 2002~~, and notwithstanding  
24 5 section 284.4, subsection 1, a school district and an area  
24 6 education agency shall be eligible to receive moneys under  
24 7 section 284.13, subsection 1, paragraph "c", for the fiscal  
24 8 ~~year beginning July 1, 2002, and ending June 30, 2003, to~~  
24 9 ~~establish purposes of implementing~~ a beginning teacher  
24 10 mentoring and induction program in accordance with this  
24 11 section.

CODE: Technical change to reflect the ongoing implementation of the Student Achievement and Teacher Quality Program.

24 12 Sec. 16. Section 284.13, subsection 1, paragraph f, Code  
24 13 2003, is amended by striking the paragraph.

CODE: Eliminates the allocation of funds to the Praxis II pilot study from the Student Achievement and Teacher Quality Program appropriation.

DETAIL: The pilot study was conducted in FY 2002 and FY 2003, as required by statute, with funding of \$500,000 in each fiscal year. A report of the results of the study is due to the General Assembly on December 1, 2003.

24 14 Sec. 17. Section 284.13, subsection 1, paragraphs b, c, d,  
24 15 and e, Code 2003, are amended to read as follows:

24 16 b. For the fiscal year beginning July 1, ~~2002~~ 2003, and  
24 17 ending June 30, ~~2003~~ 2004, to the department of education, the  
24 18 amount of ~~one million four~~ seven hundred thousand dollars for  
24 19 the issuance of national board certification awards in  
24 20 accordance with section 256.44.

CODE: Allocates \$700,000 from the FY 2004 Student Achievement and Teacher Quality Program appropriation for the issuance of National Board Certification awards.

DETAIL: The allocation is a reduction of \$700,000 compared to the FY 2003 allocation, due to an anticipated carry-forward balance of \$1,121,271.

24 21 c. For the fiscal year beginning July 1, ~~2002~~ 2003, and  
24 22 succeeding fiscal years, an amount up to four million ~~one~~ two  
24 23 hundred thousand dollars for first-year and second-year  
24 24 beginning teachers, to the department of education for  
24 25 distribution to school districts for purposes of the beginning  
24 26 teacher mentoring and induction programs. A school district  
24 27 shall receive one thousand three hundred dollars per beginning  
24 28 teacher participating in the program. If the funds  
24 29 appropriated for the program are insufficient to pay mentors  
24 30 and school districts as provided in this paragraph, the  
24 31 department shall prorate the amount distributed to school  
24 32 districts based upon the amount appropriated. Moneys received  
24 33 by a school district pursuant to this paragraph shall be  
24 34 expended to provide each mentor with an award of five hundred  
24 35 dollars per semester, at a minimum, for participation in the  
25 1 school district's beginning teacher mentoring and induction  
25 2 program; to implement the plan; and to pay any applicable  
25 3 costs of the employer's share of contributions to federal  
25 4 social security and the Iowa public employees' retirement  
25 5 system or a pension and annuity retirement system established  
25 6 under chapter 294, for such amounts paid by the district.

CODE: Allocates \$4,200,000 from the FY 2004 Student Achievement and Teacher Quality Program appropriation for Beginning Teacher Mentoring and Induction Programs.

DETAIL: The allocation is an increase of \$100,000 compared to the FY 2003 allocation.

25 7 d. For the fiscal year beginning July 1, ~~2002~~ 2003, and  
25 8 ending June 30, ~~2003~~ 2004, up to one million ~~seven hundred~~  
25 9 ~~thousand~~ dollars to the department of education for purposes  
25 10 of establishing the evaluator training program, including but  
25 11 not limited to ~~the development of criteria models~~; an  
25 12 evaluation process; the training of providers; development of  
25 13 a provider approval process; training materials and costs; for  
25 14 payment to practitioners under section 284.10, subsection 3,

CODE: Allocates \$1,000,000 from the FY 2004 Student Achievement and Teacher Quality Program appropriation for the Evaluator Training Program.

25 15 and to pay any applicable costs of the employer's share of  
 25 16 contributions to federal social security and the Iowa public  
 25 17 employees' retirement system or a pension and annuity  
 25 18 retirement system established under chapter 294, for such  
 25 19 amounts paid by the district; and for subsidies to school  
 25 20 districts for training costs. A portion of the funds  
 25 21 allocated to the department for purposes of this paragraph may  
 25 22 be used by the department for administrative purposes.

25 23 e. For the fiscal year beginning July 1, ~~2002~~ 2003, and  
 25 24 ending June 30, ~~2003~~ 2004, up to  ~~fifty~~ three hundred seventy-  
 25 25 five thousand dollars to the department of education for  
 25 26 purposes of implementing the career development program  
 25 27 requirements of section 284.6, and the review panel  
 25 28 requirements of section 284.9. From the moneys allocated to  
 25 29 the department pursuant to this paragraph, not less than  
 25 30 seventy-five thousand dollars shall be used to administer the  
 25 31 ambassador to education position in accordance with section  
 25 32 256.45. A portion of the funds allocated to the department  
 25 33 for purposes of this paragraph may be used by the department  
 25 34 for administrative purposes.

CODE: Allocates \$375,000 from the FY 2004 Student Achievement and Teacher Quality Program appropriation for the Career Development Program. From this amount, \$75,000 is directed to be used to administer the Ambassador to Education (Teacher of the Year) Program.

DETAIL: The allocation is an increase of \$325,000 compared to the FY 2003 allocation. The Career Development Program currently has an uncommitted FY 2003 balance of \$727,000. The Department anticipates an FY 2004 budget of \$800,000 for this Program, utilizing funds carried forward from FY 2003.

25 35 [Sec. 18. Section 284.13, subsection 1, paragraph g,  
 26 1 unnumbered paragraph 1, Code 2003, is amended to read as  
 26 2 follows:

VETOED

CODE: Technical change.

26 3 For each fiscal year in which funds are appropriated for  
 26 4 purposes of this chapter, the moneys remaining after  
 26 5 distribution as provided in paragraphs "a" "b" through "f" "e"  
 26 6 and "h" shall be allocated to school districts in accordance  
 26 7 with the following formula:]

VETOED: The Governor vetoed this Section and stated that it conflicts with Section 117 of SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) that makes the same technical change.

26 8 Sec. 19. Section 284.13, subsection 1, Code 2003, is  
 26 9 amended by adding the following new paragraph:  
 26 10 NEW PARAGRAPH. i. Notwithstanding section 8.33, any  
 26 11 moneys remaining unencumbered or unobligated from the moneys  
 26 12 allocated for purposes of paragraphs "b" or "c" shall not  
 26 13 revert but shall remain available in the succeeding fiscal  
 26 14 year for expenditure for the purposes designated. The

CODE: Permits funds from the Student Achievement and Teacher Quality appropriation allocated to National Board Certification awards and Beginning Teacher Mentoring and Induction Programs to not revert to the General fund but remain available for the designated purposes in subsequent years.



26 15 provisions of section 8.39 shall not apply to the funds  
26 16 appropriated pursuant to this subsection.

26 17 Sec. 20. Section 284.13, subsection 3, Code 2003, is  
26 18 amended by striking the subsection.

CODE: Strikes obsolete language permitting funds to be carried forward for school districts that delayed participation in the Student Achievement and Teacher Quality Program.

26 19 Sec. 21. Section 294A.25, subsections 5 and 6, Code 2003,  
26 20 are amended to read as follows:

26 21 5. For the fiscal year beginning July 1, ~~2004~~ 2002, and  
26 22 ending June 30, ~~2002~~ 2003, the amount of fifty thousand  
26 23 dollars to be paid to the department of education for  
26 24 participation in a state and national project, the national  
26 25 assessment of education progress, to determine the academic  
26 26 achievement of Iowa students in math, reading, science, United  
26 27 States history, or geography.

CODE: Allocates \$50,000 to the Department of Education from the FY 2003 Phase III portion of the standing appropriation for the Educational Excellence Program for participation in the National Assessment of Educational Progress (NAEP).

DETAIL: This allocation was not authorized by the General Assembly for FY 2003. The Department held the funds aside pending authorization.

26 28 6. For the fiscal year beginning July 1, ~~2004~~ 2002, and  
26 29 ending June 30, ~~2002~~ 2003, to the department of education from  
26 30 phase III moneys, the amount of seventy-five thousand dollars  
26 31 to administer the ambassador to education position in  
26 32 accordance with section 256.45.

CODE: Allocates \$75,000 to the Department of Education from the FY 2003 Phase III portion of the standing appropriation for the Ambassador to Education (Teacher of the Year) Program.

DETAIL: This allocation was not authorized by the General Assembly for FY 2003. The Department held the funds aside pending authorization.

26 33 Sec. 22. EFFECTIVE DATES.

26 34 1. Section 6 of this Act, relating to the supplemental aid  
26 35 for community colleges, being deemed of immediate importance,  
27 1 takes effect upon enactment.

Specifies that Section 6 relating to supplemental aid for community colleges takes effect upon enactment.

27 2 2. Section 21 of this Act, relating to the appropriation  
27 3 of educational excellence moneys to the department of  
27 4 education for purposes of the national assessment of education  
27 5 progress and the ambassador to education position, being  
27 6 deemed of immediate importance, takes effect upon enactment.

Specifies that Section 21 related to Phase III allocations for the National Assessment for Educational Progress (NAEP) and the Teacher of the Year Program takes effect upon enactment.

PG LN	House File 662	Explanation
27 7	3. Section 8 of this Act, relating to the nonreversion of	
27 8	career development funds, being deemed of immediate	Specifies that Section 8 related to non-reversion of FY 2002 and FY
27 9	importance, takes effect upon enactment.	2003 Career Development Program Funds takes effect upon
		enactment.
27 10	4. The section of this Act, amending section 261.86, being	
27 11	deemed of immediate importance, takes effect upon enactment	Specifies that Section 14 allowing carryover of funds in the National
27 12	and applies retroactively to July 1, 2002.	Guard Educational Assistance Program is retroactive to July 1, 2002.
27 13	HF 662	
27 14	kh/es/25	

# EXECUTIVE SUMMARY

## HEALTH AND HUMAN SERVICES APPROPRIATIONS ACT

HOUSE FILE 667

### FUNDING SUMMARY

- Appropriates a total of \$772.4 million from the General Fund and 6,626.4 FTE positions to the Departments of Elder Affairs, Public Health, and Human Services, the Commission of Veterans Affairs, and the Veterans Home. This is a decrease of \$53.2 million and an increase of 172.1 FTE positions compared to the FY 2003 estimated net General Fund appropriations. Salary adjustment funding of \$3.9 million was provided from non-General Fund sources for FY 2003. This amount has been included in the General Fund appropriations for FY 2004. The references to FTE positions include the State Resource Centers at Glenwood and Woodward, which are not specifically appropriated for FY 2003 or FY 2004.
- Appropriates \$3.7 million from the Gambling Treatment Fund, which is no change compared to the FY 2003 estimated net appropriation. (Page 8, Line 21 through Page 9, Line 15)
- Appropriates \$161.6 million from the Senior Living Trust Fund, an increase of \$75.3 million compared to the FY 2003 estimated net appropriations. (Page 70, Line 9 through Page 73, Line 19)
- Appropriates \$15.0 million from the Hospital Trust Fund, a decrease of \$4.0 million compared to the FY 2003 estimated net appropriation. (Page 73, Line 22)
- **Department of Public Health:** Adds a new General Fund allocation of \$100,000 in the Community Capacity Program for a child vision-screening program at the University of Iowa Hospitals and Clinics. (Page 4, Line 6)
- Adds a health care access partnership pilot project in the Department of Public Health to be conducted in one county to coordinate health care services for low-income persons and persons without health insurance coverage. (Page 10, Line 4)
- **Department of Human Services (DHS):** Adds a Marriage Initiative Grant Program to support fatherhood and encourage two parent families, and specifies criteria for grant distribution. (Page 15, Line 10) *The Governor vetoed the language establishing the Program but did not veto the \$85,000 appropriation from Temporary Assistance to Needy Families (TANF) funds.*
- Adds an advisory group under the DHS for the development of a plan for a Parental Involvement Program designed to assist mothers and fathers in parenting children. (Page 60, Line 34) *The Governor vetoed the language that specified the requirements for developing the plan.*
- **Department of Inspections and Appeals:** Adds a new appropriation of \$800,000 and 6.0 FTE positions from the Senior Living Trust Fund to the Department of Inspections and Appeals for the regulation of assisted living and adult day care programs. (Page 70, Line 31)

### NEW PROGRAMS, SERVICES, OR ACTIVITIES

# EXECUTIVE SUMMARY

## HEALTH AND HUMAN SERVICES APPROPRIATIONS ACT

HOUSE FILE 667

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

**Department of Elder Affairs:** Decreases the General Fund appropriation by \$1.3 million and 2.0 FTE positions compared to the FY 2003 estimated net appropriation. (Page 1, Line 3) The change includes:

- A decrease of \$889,000 and 2.0 FTE positions to be offset by an increase in the appropriation from the Senior Living Trust Fund.
- A decrease of \$484,000 to be offset by the retention of Senior Living Program funds that will no longer be transferred to the Department of Inspections and Appeals and the State Fire Marshal's Office.

**Department of Public Health:** Decreases the General Fund appropriation by \$362,000 and an increase of 3.0 FTE positions compared to the FY 2003 estimated net appropriation. (Page 2, Line 13 through Page 8, Line 20) The change includes:

- A decrease of \$1.0 million in unspecified reductions.
- An increase of \$310,000 to replace a reduction in federal funds for child lead testing.
- An increase of \$202,000 to replace the FY 2003 salary adjustment with a General Fund appropriation.
- An increase of \$100,000 for a child vision-screening program at the University of Iowa Hospitals and Clinics.

**Department of Human Services:** Decreases the General Fund appropriation by \$51.8 million and increases FTE positions by 169.6 compared to the FY 2003 estimated net appropriation. The change includes:

- ***Family Investment Program:*** An increase of \$1.0 million, including:
  - An increase of \$601,000 for the Statewide Expansion of the Electronic Benefit Transfer (EBT) Program. (Page 22, Line 28)
  - An increase of \$180,000 for the seven-cent transaction fee to be paid to retailers participating in the EBT Program. (Page 22, Line 28)
- ***Child Support Recoveries Program:*** A decrease of \$268,000. (Page 23, Line 28)
- ***Medical Assistance Program (Medicaid):*** A decrease of \$19.7 million, including:
  - A decrease of \$15.5 million to shift funding from the Senior Living Trust Fund. (Page 25, Line 27 and Page 71, Line 30)
  - A decrease of \$4.3 million due to shifting the cost of hospital crossover claims to Medicare funding for individuals eligible for both Medicare and Medicaid. (Page 25, Line 27)

# EXECUTIVE SUMMARY

## HEALTH AND HUMAN SERVICES APPROPRIATIONS ACT

HOUSE FILE 667

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS (CONTINUED)

- Programmatic changes to adjust expenditures to match the funding of \$357.5 million of General Fund monies are included in HF 619 (FY 2004 Medicaid Reform Act). (Page 25, Line 27)
- **Children's Health Insurance Program (hawk-i):** A decrease of \$340,000 due to expected carryforward from FY 2003. (Page 32, Line 9)
- **Child and Family Services:** An increase of \$3.2 million. This includes increases for decategorization efforts, group care, family preservation services, and school based liaisons. (Page 36, Line 30)
- **Mental Health Institutions:** An increase of \$1.2 million, including:
  - An increase of \$765,000 for the Mental Health Institute at Independence including funds for accounting issues. (Page 44, Line 32)
  - An increase of \$453,000 for the Mental Health Institute at Mount Pleasant including funds to annualize the FY 2003 supplemental appropriation. (Page 45, Line 22)
  - An increase of \$300,000 to replace FY 2003 salary funding. (Various)
- **State Resource Centers:** An increase of \$517,000, including:
  - An increase of \$784,000 to replace FY 2003 salary funding with General Fund dollars. (Page 47, Lines 18 and 21)
  - A decrease of \$267,000 due to a portion of the expected FY 2003 carryforward to be utilized in FY 2004. (Page 47, Line 18 and Line 21)
- **State Cases Program:** A decrease of \$400,000 due to a previous availability of funds. (Page 50, Line 6)
- **Sexual Predator Commitment Program:** A decrease of \$700,000 due to a carryforward of FY 2003 funds, reduction of one-time moving expenditures, and stabilization in the number of clients. (Page 52, Line 27)
- **Field Operations and General Administration:** An increase of \$206,000. (Page 53, Line 15 and Page 54, Line 5)
- **Mental Health Property Tax Growth:** An increase of \$4.9 million. This was enacted in SF 2326 (FY 2003 Omnibus Appropriations Act). (Page 64, Line 6)

# EXECUTIVE SUMMARY HEALTH AND HUMAN SERVICES APPROPRIATIONS ACT

HOUSE FILE 667

## MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS (CONTINUED)

**Senior Living Trust Fund:** Increases the total appropriations to the Departments of Human Services, Elder Affairs, and Inspections and Appeals by \$75.3 million and maintains current level of FTE positions compared to the FY 2003 estimated net appropriations. The change includes:

- An increase of \$889,000 and a decrease of 6.0 FTE positions to the Department of Elder Affairs for non-Medicaid home and community-based services. (Page 70, Line 9)
- An increase of \$800,000 and 6.0 FTE positions to the Department of Inspections and Appeals for activities associated with the oversight of assisted living and adult day care services programs. This is a new appropriation for FY 2004. (Page 70, Line 31)
- An increase of \$73.6 million to the DHS for Medicaid and community-based programs. (Page 71, Line 10 through Page 73, Line 16)

**FY 2003 Medical Assistance (Medicaid) Program Supplementation:** Increases the FY 2003 appropriation for Medicaid to the DHS by \$58.0 million, including:

- \$41.5 million from the General Fund. (Page 74, Line 4)
- \$9.5 million from the Senior Living Trust Fund. (Page 74, Line 6)
- \$7.0 million from the Hospital Trust Fund. (Page 74, Line 9)
- Exempts a foster parent from foster parent training if engaged in active military duty. (Page 42, Line 21)
- Adds funding for the Community Partnership for Child Protection sites from the Juvenile Detention Home Fund. (Page 42, Line 27)
- Prohibits the Department of General Services from charging vehicle depreciation to the institutions of the Department of Human Services. (Page 60, Line 21) *This item was vetoed by the Governor.*
- Creates a Parental Involvement Program. (Page 60, Line 34)
- Extends the time for the Voluntary Placement Agreements between the DHS and a child's parent or guardian. (Page 63, Line 2)
- Permits the Board of Nursing to increase licensure fees and retain 90.0% of the additional revenue. (Page 7, Line 21)
- Provides criteria for distribution of the appropriation for the Marriage Initiative Grant Fund. (Page 15, Line 10) *The Governor vetoed the language establishing the Program but did not veto the \$85,000 appropriation from Temporary Assistance to Needy Families (TANF) funds.*

## SIGNIFICANT CHANGES TO THE CODE OF IOWA

## STUDIES AND INTENT LANGUAGE

# EXECUTIVE SUMMARY

## HEALTH AND HUMAN SERVICES APPROPRIATIONS ACT

HOUSE FILE 667

### STUDIES AND INTENT LANGUAGE (CONTINUED)

- Provides that the Family Investment Program (FIP) diversion assistance may be used to maintain self-support without receipt of cash assistance. (Page 20, Line 29)
- Provides for use of funding from a pending overpayment settlement by the Department of Human Services to supplement Field Operations funding. (Page 54, Line 18)

### EFFECTIVE DATES

- Provides that the following Sections take effect upon enactment:
  - The Juvenile Court Services plan for group foster care expenditures. (Page 38, Line 9)
  - The allocation of court-ordered services funding by the State Court Administrator. (Page 40, Line 19)
  - The carryforward of FY 2003 food stamp electronic benefit transfer (EBT) funds. (Page 60, Line 13)
  - The carryforward of FY 2003 State Resource Centers and for the Sexually Violent Predator Program funds. (Page 67, Line 22 through Page 68, Line 3)
  - The carryforward of FY 2003 Veterans Home funds. (Page 76, Line 35)

### GOVERNOR'S VETOES

- The Governor vetoed language requiring the Department of Public Health to report on substance abuse prevention grants to religious organizations, stating that in accordance with the Accountable Government Act, all substance abuse grants are awarded on a competitive basis and the mandate would take time away from customers and communities for unnecessary reporting. (Page 3, Line 8)
- The Governor vetoed language establishing the Marriage Initiative Grant Program, but did not veto the appropriation. The Governor stated that statutory language for the Program already exists and that the language would require extensive staff time that could otherwise be spent providing services to families. (Page 15, Line 10 through Page 16, Line 33)
- The Governor vetoed language requiring the Department of Human Services (DHS) to work with counties to implement services to people with chronic mental illness. The Governor stated this effort has been accomplished and would be redundant. (Page 29, Line 9)
- The Governor vetoed language requiring the DHS to consult with specified members of the General Assembly if additional federal child care funds were received. The Governor stated this would require the DHS to do unnecessary reporting at a time when staff funding has been reduced. (Page 33, Line 35)

# **EXECUTIVE SUMMARY HEALTH AND HUMAN SERVICES APPROPRIATIONS ACT**

**HOUSE FILE 667**

## **GOVERNOR'S VETOES (CONTINUED)**

- The Governor vetoed language that specified the content of consumer information materials developed by the DHS to assist parents in selecting a child care provider. The Governor stated the DHS currently provides the information and does not have the staff or support necessary to complete this task at a time when funding has been reduced. (Page 34, Line 22 through Page 35, Line 30)
- The Governor vetoed language requiring the DHS and juvenile court officers to develop criteria for intensive tracking and supervision of delinquent youth. The Governor stated these criteria were developed three years ago. (Page 39, Line 32)
- The Governor vetoed language requiring the DHS to develop a plan to privatize the administration of foster care and adoption programs. The Governor stated that no additional funds were provided for this effort, staffing has been reduced, and the child welfare redesign effort required in SF 453 (FY 2004 Government Reinvention Act) would make implementation of this subsection counter-productive. (Page 42, Line 17)
- The Governor vetoed language requiring the DHS to submit proposed legislation to have statutory language parallel the new service areas, indicating that legislative staff agencies should be responsible for the task. (Page 53, Line 27)
- The Governor vetoed language exempting the DHS institutions from participating in the Vehicle Depreciation Fund within the Department of Administrative Services, indicating that it would hamper the State's efforts for purchasing efficiencies. (Page 60, Line 21)
- The Governor vetoed language requiring the DHS to develop a plan for a comprehensive approach to parental involvement. The Governor stated the language was very prescriptive, time intensive, and could be accomplished without directing the effort. (Page 61, Line 19)
- The Act was approved by the General Assembly on April 22, 2003, and item vetoed and signed by the Governor on May 23, 2003.

## **ENACTMENT DATE**



House File 667

House File 667 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
9	16	4	Amends	Sec. 104, Chapter 1003, 2002 Vital Records Modernization Project Extension Iowa Acts, Second Extraordinary Session	
9	28	5	Amends	Sec. 107, Chapter 1003, 2002 Scope of Practice Review Project Extension Iowa Acts, Second Extraordinary Session	
26	23	11.2	Nwthstnd	Sec. 8.39	Allows DHS to Transfer Funds for Case Management
38	9	18.3(e)	Nwthstnd	Sec. 232.143	Foster Group Placements
38	24	18.4	Nwthstnd	Sec. 8.33	Nonreversion of Decategorization Funds
39	14	18.9	Nwthstnd	Sec. 234.35(1)(h)	Limitation on State Shelter Care Funding
39	21	18.11	Nwthstnd	Sec. 8.33	Nonreversion of Child and Family Services Funds
40	19	18.15(a)	Nwthstnd	Sec. All	Judicial District Formula Allocations
40	25	18.15(b)	Nwthstnd	Sec. All	State Payment of Juvenile Court Orders
41	4	18.15(c)	Nwthstnd	Sec. All	County Payments for Juvenile Court Orders
41	28	18.18	Nwthstnd	Sec. 8.33	Nonreversion of Judicial Branch Service Funds
42	4	18.19	Nwthstnd	Sec. 234.39(5) and Sec. 43, Chapter 1228, 2000 Iowa Acts	DHS Operation of Subsidized Guardianship Program
42	21	18.22	Nwthstnd	Sec. 237.5A	Foster Parent Licensure Renewal Exemption for those Engaged in Active Military Duty
42	27	19	Nwthstnd	Sec. 232.142(3)	Juvenile Detention Home Fund
43	35	20.2	Nwthstnd	Sec. 225C.38(1)	Monthly Family Support Payment
46	31	22.4(b)(5)	Nwthstnd	Sec. 8.33	Carryforward of PMIC Mental Health Funds at Mt. Pleasant Mental Health Institute
48	28	23.3(d)	Nwthstnd	Sec. 8.33	Carryforward of State Resource Center Funds
53	27	28.2	Nwthstnd	Sec. Various	Statutory Changes to Reflect DHS Service Areas and Administrators as a Transition

Page #	Line #	Bill Section	Action	Code Section	Description
56	21	31.1(k)	Nwthstnd	Sec. 249A.20	Sets Average Reimbursement Rate at Maximum Federal Level
57	12	31.5	Nwthstnd	Sec. 234.38	Provides for the Maximum Foster Family Care Rate and the Adoption Subsidy Rate
59	29	33	Nwthstnd	Sec. 239B.14	Retention of Fraud and Recoupment Funds
60	13	34	Nwthstnd	Sec. 8.33	Allows DHS to Retain Unspent EBT Funds Until the Close of FY 2004
60	21	35	Nwthstnd	Sec. 18.120(1)	Vehicle Depreciation at DHS Institutions
60	34	36.1	New	Sec. 217A.1	Parental Involvement Program
61	19	36.2	New	Sec. 217A.2	Structures and Policies for Parental Involvement Program
63	2	37	Amends	Sec. 234.35(1)(c)	DHS Foster Care Services Period
63	9	38	Amends	Sec. 514I.4(1A)	hawk-i Dental Services
63	14	39	Amends	Sec. 514I.5(9)	hawk-i Dental Contracts
63	22	40	Amends	Sec. 1(2)(b) and (d), Chapter 1125, 2002 Iowa Acts	Group Care Requirements Enacted by the 2002 General Assembly for Providers and Service Documentation
64	6	41	Amends	Sec. 104, Chapter 1175, 2002 Iowa Acts	FY 2004 Mental Health Allowed Growth Funding Technical Correction
67	22	42	Amends	Sec. 126.3(d), Chapter 1003, 2002 Iowa Acts, Second Extraordinary Session	State Resource Centers FY 2003 Carryforward Amount
67	30	43	Amends	Sec. 131, Chapter 1003, 2002 Iowa Acts, Second Extraordinary Session	FY 2003 Carryforward for the Sexual Predator Commitment Program
69	1	46	Nwthstnd	Sec. Various	DHS Code Sections Suspended for FY 2004
70	24	48.2	Nwthstnd	Sec. 249H.7	Amount Used to Match Federal Funds
72	21	50.5	Nwthstnd	Sec. 249H.4 and 249H.5	Use of Senior Living Trust Fund for Cash Flow Purposes
72	28	50.6	Nwthstnd	Sec. 8.33	Nonreversion of Conversion Grant Funds
74	11	54	Nwthstnd	Sec. 8.33	Reversion of FY 2003 Medical Assistance Funds to the Senior Living Trust Fund
76	30	56.2(g)	Nwthstnd	Sec. 8.33	FY 2004 Carryforward for Veterans Home

Page #	Line #	Bill Section	Action	Code Section	Description
76	35	57	Amends	Sec. 102.2(g), Chapter 1003, 2002 Iowa Acts, Second Extraordinary Session	FY 2003 Carryforward for Veterans Home

PG LN	House File 667	Explanation
1 1	DIVISION I	
1 2	ELDER AFFAIRS	
1 3	Section 1. DEPARTMENT OF ELDER AFFAIRS. There is	General Fund appropriation to the Department of Elder Affairs for FY
1 4	appropriated from the general fund of the state to the	2004.
1 5	department of elder affairs for the fiscal year beginning July	
1 6	1, 2003, and ending June 30, 2004, the following amount, or so	DETAIL: This is a decrease of \$1,263,051 and 2.00 FTE positions
1 7	much thereof as is necessary, to be used for the purposes	compared to the FY 2003 estimated net General Fund appropriation.
1 8	designated:	The change includes:
1 9	For aging programs for the department of elder affairs and	
1 10	area agencies on aging to provide citizens of Iowa who are 60	• A decrease of \$1,300,000 that will impact funding for State and
1 11	years of age and older with case management for the frail	local administration, Case Management, Elderly Services, the
1 12	elderly, the retired and senior volunteer program, resident	Senior Internship Program, and training for Resident Advocate
1 13	advocate committee coordination, employment, and other	Committees. These reductions will be offset by an increase of
1 14	services which may include, but are not limited to, adult day	\$888,522 in the appropriation from the Senior Living Trust Fund
1 15	services, respite care, chore services, telephone reassurance,	and the availability of \$484,000 that was previously transferred to
1 16	information and assistance, and home repair services,	other departments for assisted living regulation.
1 17	including the winterizing of homes, and for the construction	• An unspecified decrease of 2.00 FTE positions.
1 18	of entrance ramps which make residences accessible to the	• An increase of \$36,949 to replace the FY 2003 salary adjustment
1 19	physically handicapped, and for salaries, support,	with a General Fund appropriation. This is a decrease of \$36,949
1 20	administration, maintenance, miscellaneous purposes, and for	in other funds for FY 2004 compared to the FY 2003 estimated net
1 21	not more than the following full-time equivalent positions	appropriation for the elimination of one-time salary funding.
1 22	with the department of elder affairs:	
1 23	..... \$ 2,653,222	
1 24	..... FTEs 25.50	
1 25	1. Funds appropriated in this section may be used to	Allows the use of funds appropriated in this Subsection to supplement
1 26	supplement federal funds under federal regulations. To	federal funds for elderly services not specifically enumerated if those
1 27	receive funds appropriated in this section, a local area	services are approved by an Area Agency on Aging. Requires local
1 28	agency on aging shall match the funds with moneys from other	Area Agencies on Aging to match the funds for aging programs and
1 29	sources according to rules adopted by the department. Funds	services.
1 30	appropriated in this section may be used for elderly services	
1 31	not specifically enumerated in this section only if approved	
1 32	by an area agency on aging for provision of the service within	
1 33	the area.	
1 34	2. Of the funds allocated under this section and any other	
1 35	state funds allocated for aging programs of the area agencies	

PG LN	House File 667	Explanation
2 1	on aging not more than 7.5 percent of the total amount	Requires the Area Agencies on Aging to spend no more than 7.50% of the total amount of all State funds appropriated for aging programs for administrative purposes.
2 2	allocated shall be used for area agencies on aging	
2 3	administrative purposes.	
2 4	3. It is the intent of the general assembly that the Iowa	Specifies the intent of the General Assembly that the Iowa chapters of the Alzheimer's Association and the Case Management Program for the Frail Elderly cooperate to assist families in maintaining family members with Alzheimer's disease in the community for as long as possible.
2 5	chapters of the Alzheimer's association and the case	
2 6	management program for the frail elderly shall collaborate and	
2 7	cooperate fully to assist families in maintaining family	
2 8	members with Alzheimer's disease in the community for the	
2 9	longest period of time possible.	
2 10	4. The department shall maintain policies and procedures	Requires the Department of Elder Affairs to maintain policies and procedures for Alzheimer's support and the Retired Senior Volunteer Programs (RSVPs).
2 11	regarding Alzheimer's support and the retired and senior	
2 12	volunteer program.	
2 13	DIVISION II	
2 14	PUBLIC HEALTH	
2 15	Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is	
2 16	appropriated from the general fund of the state to the Iowa	
2 17	department of public health for the fiscal year beginning July	
2 18	1, 2003, and ending June 30, 2004, the following amounts, or	
2 19	so much thereof as is necessary, to be used for the purposes	
2 20	designated:	
2 21	1. ADDICTIVE DISORDERS	General Fund appropriation to the Addictive Disorders Program for FY 2004.
2 22	For reducing the prevalence of use of tobacco, alcohol, and	
2 23	other drugs, and treating individuals affected by addictive	DETAIL: This is an increase of \$6,184 and 0.05 FTE position compared to the FY 2003 estimated net General Fund appropriation. The change includes:
2 24	behaviors, including gambling, and for not more than the	
2 25	following full-time equivalent positions:	
2 26	..... \$ 1,277,947	
2 27	..... FTEs 13.75	
		<ul style="list-style-type: none"> <li>An increase of \$6,184 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$6,184 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.</li> </ul>

- An increase of 0.05 FTE position due to fluctuating federal funds.

2 28 a. The department shall continue to coordinate with  
 2 29 substance abuse treatment and prevention providers regardless  
 2 30 of funding source to assure the delivery of substance abuse  
 2 31 treatment and prevention programs.

Requires the Department to continue to coordinate with substance abuse treatment and prevention providers regardless of funding source to assure delivery of programs.

2 32 b. The commission on substance abuse, in conjunction with  
 2 33 the department, shall continue to coordinate the delivery of  
 2 34 substance abuse services involving prevention, social and  
 2 35 medical detoxification, and other treatment by medical and  
 3 1 nonmedical providers to uninsured and court-ordered substance  
 3 2 abuse patients in all counties of the state.

Requires the Commission on Substance Abuse and the Department to coordinate substance abuse services involving prevention, social, and medical detoxification for uninsured and court-ordered substance abuse patients in all counties.

3 3 c. The department and any grantee or subgrantee of the  
 3 4 department shall not discriminate against a nongovernmental  
 3 5 organization that provides substance abuse treatment and  
 3 6 prevention services or applies for funding to provide those  
 3 7 services on the basis that the organization has a religious  
 3 8 character. [The department shall report to the governor and  
 3 9 the general assembly on or before February 1, 2004, regarding  
 3 10 the number of religious or other nongovernmental organizations  
 3 11 that applied for funds in the preceding fiscal year, the  
 3 12 amounts awarded to those organizations, and the basis for any  
 3 13 refusal by the department or grantee or subgrantee of the  
 3 14 department to award funds to any of those organizations that  
 3 15 applied.]

**VETOED**

Prohibits the Department from discriminating against religious organizations that provide substance abuse treatment and prevention services or apply for funding to provide these services.

Requires the Department to report to the Governor and the General Assembly on or before February 1, 2004, regarding the number of religious or other nongovernmental organizations that applied for funding, the amounts awarded to those organizations, and the basis for any refusal to award funds.

VETOED: The Governor vetoed the requirement that the Department report on grants awarded to religious and other non-governmental organizations, indicating that in accordance with the Accountable Government Act, all substance abuse prevention and treatment grants are awarded on a competitive basis and that the mandate would take time away from customers and communities for unnecessary reporting.

## 3 16 2. ADULT WELLNESS

3 17 For maintaining or improving the health status of adults,  
 3 18 with target populations between the ages of 18 through 60, and  
 3 19 for not more than the following full-time equivalent  
 3 20 positions:  
 3 21 ..... \$ 260,582

General Fund appropriation to the Adult Wellness Program for FY 2004.

DETAIL: This is a decrease of \$276,798 and an increase of 0.10 FTE

PG LN	House File 667	Explanation
3 22	FTEs 23.85	<p>position compared to the estimated net General Fund appropriation. The change includes:</p> <ul style="list-style-type: none"> <li>• A decrease of \$226,798 to transfer a portion of funding for Public Health Nursing so it may be combined into one budget unit in the Elderly Wellness Program.</li> <li>• An unspecified decrease of \$50,000 and an increase of 0.10 FTE position due to fluctuating federal funds.</li> </ul>
3 23	3. CHILD AND ADOLESCENT WELLNESS	General Fund appropriation to the Child and Adolescent Wellness Program for FY 2004.
3 24	For promoting the optimum health status for children and	
3 25	adolescents from birth through 21 years of age, and for not	
3 26	more than the following full-time equivalent positions:	DETAIL: This is a decrease of \$224,636 and 0.30 FTE position compared to the FY 2003 estimated net General Fund appropriation. The change includes:
3 27	\$ 835,959	
3 28	FTEs 44.15	<ul style="list-style-type: none"> <li>• A decrease of \$124,636 to transfer a portion of funding for the Healthy Opportunities for Parents to Experience Success (HOPES) Program so it may be combined into one budget unit within the Injuries Program.</li> <li>• An unspecified decrease of \$100,000 and 0.30 FTE position due to fluctuating federal funds.</li> </ul>
3 29	4. CHRONIC CONDITIONS	General Fund appropriation to the Chronic Conditions Program for FY 2004.
3 30	For serving individuals identified as having chronic	
3 31	conditions or special health care needs, and for not more than	
3 32	the following full-time equivalent positions:	DETAIL: This is a decrease of \$49,820 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:
3 33	\$ 1,036,805	
3 34	FTEs 11.15	<ul style="list-style-type: none"> <li>• An unspecified decrease of \$50,000.</li> <li>• An increase of \$180 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$180 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.</li> </ul>
3 35	5. COMMUNITY CAPACITY	General Fund appropriation to the Community Capacity Program for FY 2004.
4 1	For strengthening the health care delivery system at the	
4 2	local level, and for not more than the following full-time	

PG LN	House File 667	Explanation
4 3	equivalent positions:	DETAIL: This is an increase of \$5,959 and 0.19 FTE position compared to the FY 2003 estimated net General Fund appropriation. The change includes:
4 4	..... \$ 1,287,158	
4 5	..... FTEs 25.10	
4 6	Of the funds appropriated in this subsection, \$100,000 is	<ul style="list-style-type: none"> <li>• An unspecified decrease of \$100,000.</li> <li>• An increase of \$100,000 for a child vision-screening program implemented through the University of Iowa Hospitals and Clinics in collaboration with community Empowerment areas.</li> <li>• An increase of \$5,959 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$5,959 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.</li> <li>• An increase of 0.19 FTE position due to fluctuating federal funds.</li> </ul>
4 7	allocated for a child vision screening program implemented	
4 8	through the university of Iowa hospitals and clinics in	
4 9	collaboration with community empowerment areas.	
4 10	6. ELDERLY WELLNESS	Requires an allocation of \$100,000 for a child vision-screening program to be implemented through the University of Iowa Hospitals and Clinics in collaboration with Community Empowerment areas.
4 11	For optimizing the health of persons 60 years of age and	
4 12	older, and for not more than the following full-time	General Fund appropriation to the Elderly Wellness Program for FY 2004.
4 13	equivalent positions:	
4 14	..... \$ 9,470,754	
4 15	..... FTEs 4.35	
4 16		
4 22	8. INFECTIOUS DISEASES	DETAIL: This is an increase of \$226,798 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation due to the transfer of a portion of funding for Public Health Nursing from the Adult Wellness Program so it may be combined into one budget unit within the Elderly Wellness Program.
4 23	For reducing the incidence and prevalence of communicable	
4 24	diseases, and for not more than the following full-time	General Fund appropriation to the Infectious Diseases Program for FY 2004.
4 25	equivalent positions:	
4 26	..... \$ 977,340	
4 27	..... FTEs 36.90	
4 28		
4 29		DETAIL: This is a decrease of \$97,548 and an increase of 0.20 FTE position compared to the FY 2003 estimated net General Fund appropriation. The change includes:
4 30		
4 31		<ul style="list-style-type: none"> <li>• An unspecified decrease of \$100,000 and an increase of 0.20 FTE position due to fluctuating federal funds.</li> </ul>



- An increase of \$2,452 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$2,452 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

4 28 9. INJURIES

4 29 For providing support and protection to victims of abuse or  
4 30 injury, or programs that are designed to prevent abuse or  
4 31 injury, and for not more than the following full-time  
4 32 equivalent positions:

4 33 ..... \$ 1,412,918

4 34 ..... FTEs 7.75

General Fund appropriation to the Injuries Program for FY 2004.

DETAIL: This is an increase of \$126,800 and 0.90 FTE position compared to the FY 2003 estimated net General Fund appropriation. The change includes:

- An increase of \$124,636 and 0.30 FTE position due to the transfer of a portion of the Healthy Opportunities for Parents to Experience Success (HOPES) Program from the Child and Adolescent Wellness Program into one budget unit within the Injuries Program.
- An increase of \$2,164 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$2,164 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
- An increase of 0.70 FTE position to move a portion of administration for the HOPES Program from an outside-contracted agency to internal program administration.
- A decrease of 0.10 FTE position due to fluctuating federal funds.

4 35 Of the funds appropriated in this subsection, \$660,000  
5 1 shall be credited to the emergency medical services fund  
5 2 created in section 135.25.

Requires \$660,000 be allocated to the Emergency Medical Services Fund.

DETAIL: In FY 2002, these funds were appropriated to the Department of Public Health and were allocated for training and equipment for the Emergency Medical Services Program. For FY 2003, the appropriation was deposited into the Emergency Medical Services Fund to allow the Program more discretion over expenditures from the Fund.

5 3 10. PUBLIC PROTECTION

5 4 For protecting the health and safety of the public through  
5 5 establishing standards and enforcing regulations, and for not

General Fund appropriation to the Public Protection Program for FY 2004.

5 6 more than the following full-time equivalent positions:  
 5 7 ..... \$ 6,510,871  
 5 8 ..... FTEs 149.10

DETAIL: This is an increase of \$117,915 and 4.38 FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:

- An unspecified decrease of \$200,000 and an increase of 0.38 FTE position due to fluctuating federal funds.
- An increase of \$183,576 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$183,576 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
- An increase of \$134,339 and 2.00 FTE positions due to the transfer of Radiology Administration from Environmental Hazards.
- An increase of 2.00 FTE positions to hire additional investigators for the Board of Nursing. The positions will be paid for from an increase in nurse licensure fees.

5 9 a. The department may expend funds received from licensing  
 5 10 fees in addition to amounts appropriated in this subsection,  
 5 11 if those additional expenditures are directly the result of a  
 5 12 scope of practice review committee's unanticipated litigation  
 5 13 costs arising from the discharge of an examining board's  
 5 14 regulatory duties. Before the department expends or encumbers  
 5 15 funds for a scope of practice review committee or for an  
 5 16 amount in excess of the funds budgeted for an examining board,  
 5 17 the director of the department of management shall approve the  
 5 18 expenditure or encumbrance. The amounts necessary to fund any  
 5 19 unanticipated litigation or scope of practice review committee  
 5 20 expense in the fiscal year beginning July 1, 2003, shall not  
 5 21 exceed 5 percent of the average annual fees generated by the  
 5 22 boards for the previous two fiscal years. The funds  
 5 23 authorized for expenditure pursuant to this lettered paragraph  
 5 24 are appropriated to the department for the purposes described  
 5 25 in this paragraph.

Permits the Department to use up to 5.00% of the average annual fees generated from the previous two fiscal years for unanticipated litigation for Scope of Practice Review Committee expenses.

FISCAL IMPACT: Based on the average of FY 2001 and FY 2002 fees, 5.00% of the annual fees will total \$70,110.

5 26 b. For the fiscal year beginning July 1, 2003, the  
 5 27 department shall retain fees collected from the certification  
 5 28 of lead inspectors and lead abatements pursuant to section

Requires the Department to retain lead abatement and inspector

5 29 135.105A to support the certification program; and shall  
5 30 retain fees collected from the licensing, registration,  
5 31 authorization, accreditation, and inspection of x-ray machines  
5 32 used for mammographically guided breast biopsy, screening, and  
5 33 diagnostic mammography, pursuant to section 136C.10 to support  
5 34 the administration of the chapter. The department may also  
5 35 retain fees collected pursuant to section 136C.10 on all  
6 1 shippers of radioactive material waste containers transported  
6 2 across Iowa if the department does not obtain funding to  
6 3 support the oversight and regulation of this activity, and for  
6 4 x-ray radiology examination fees collected by the department  
6 5 and reimbursed to a private organization conducting the  
6 6 examination. Fees retained by the department pursuant to this  
6 7 lettered paragraph are appropriated to the department for the  
6 8 purposes described in this lettered paragraph.

certification fees to fund the Certification Program and to retain fees from the regulation of mammography machines to support regulation activities.

Also, permits the Department to retain fees charged to shippers that transport radioactive material waste containers across the State to fund the regulation of these activities.

FISCAL IMPACT: These fees will generate an estimated \$75,000 in revenues from an estimated 520 shipments in FY 2004.

6 9 c. The department may retain and expend not more than  
6 10 \$297,961 for lease and maintenance expenses from fees  
6 11 collected pursuant to section 147.80 by the board of dental  
6 12 examiners, the board of pharmacy examiners, the board of  
6 13 medical examiners, and the board of nursing in the fiscal year  
6 14 beginning July 1, 2003, and ending June 30, 2004. Fees  
6 15 retained by the department pursuant to this lettered paragraph  
6 16 are appropriated to the department for the purposes described  
6 17 in this lettered paragraph.

Permits the Department to retain up to \$297,961 in fees collected by the Boards of Dental Examiners, Pharmacy Examiners, Medical Examiners, and Nursing Examiners for the purposes of lease and maintenance expenses.

6 18 d. The department may retain and expend not more than  
6 19 \$100,000 for reduction of the number of days necessary to  
6 20 process medical license requests and for reduction of the  
6 21 number of days needed for consideration of malpractice cases  
6 22 from fees collected pursuant to section 147.80 by the board of  
6 23 medical examiners in the fiscal year beginning July 1, 2003,  
6 24 and ending June 30, 2004. Fees retained by the department  
6 25 pursuant to this lettered paragraph are appropriated to the  
6 26 department for the purposes described in this lettered  
6 27 paragraph.

Permits the Department to retain and expend up to \$100,000 in fees collected by the Board of Medical Examiners during FY 2004 for the improvement of licensure functions.

6 28 e. If a person in the course of responding to an emergency  
6 29 renders aid to an injured person and becomes exposed to bodily  
6 30 fluids of the injured person, that emergency responder shall  
6 31 be entitled to hepatitis testing and immunization in  
6 32 accordance with the latest available medical technology to  
6 33 determine if infection with hepatitis has occurred. The  
6 34 person shall be entitled to reimbursement from the funds  
6 35 appropriated in this subsection only if the reimbursement is  
7 1 not available through any employer or third-party payor.

Requires an emergency responder exposed to bodily fluids of an injured person be entitled to hepatitis testing and immunization. Also, requires the person be reimbursed from the Emergency Medical Services Fund if reimbursement is not available through an employer or a third-party payor.

7 2 f. The board of dental examiners may retain and expend not  
7 3 more than \$148,060 from revenues generated pursuant to section  
7 4 147.80. Fees retained by the board pursuant to this lettered  
7 5 paragraph are appropriated to the department to be used for  
7 6 the purposes of regulating dental assistants.

Permits the Board of Dental Examiners to retain and expend up to \$148,060 from dental assistant registration revenues.

7 7 g. The board of medical examiners, the board of pharmacy  
7 8 examiners, the board of dental examiners, and the board of  
7 9 nursing shall prepare estimates of projected receipts to be  
7 10 generated by the licensing, certification, and examination  
7 11 fees of each board as well as a projection of the fairly  
7 12 apportioned administrative costs and rental expenses  
7 13 attributable to each board. Each board shall annually review  
7 14 and adjust its schedule of fees so that, as nearly as  
7 15 possible, projected receipts equal projected costs.

Requires the Boards of Medical Examiners, Pharmacy Examiners, Dental Examiners, and Nursing to adjust fees so projected revenues equal projected costs.

7 16 h. The board of medical examiners, the board of pharmacy  
7 17 examiners, the board of dental examiners, and the board of  
7 18 nursing shall retain their individual executive officers, but  
7 19 are strongly encouraged to share administrative, clerical, and  
7 20 investigative staffs to the greatest extent possible.

Specifies the intent that the Boards of Medical Examiners, Pharmacy Examiners, Dental Examiners, and Nursing share administrative, clerical, and investigative staff.

7 21 i. For the fiscal year beginning July 1, 2003, the board  
7 22 of nursing may retain and expend 90 percent of the revenues  
7 23 generated from any increase in licensing fees pursuant to  
7 24 section 147.80 for purposes related to the state board's  
7 25 duties, including but not limited to addition of full-time  
7 26 equivalent positions. Fees retained by the board pursuant to

Permits the Board of Nursing to retain and expend 90.00% of the revenues generated from any increase in licensure fees for purposes related to the Board's duties.

FISCAL IMPACT: Currently, the Board of Nursing charges \$81.00 for a three-year license. There are 12,384 licenses renewed by the Board

PG LN	House File 667	Explanation
7 27	this lettered paragraph are appropriated to the board of	each year. The Board plans to raise the licensure fee to \$96.00. The additional revenue generated will be \$185,769. Of this amount, the Board will retain \$167,192 (90.00%) to hire two additional nursing investigators, and \$18,576 (10.00%) will be deposited into the General Fund.
7 28	nursing for the purposes described in this paragraph.	
7 29	11. RESOURCE MANAGEMENT	General Fund appropriation to the Resource Management Program for FY 2004.
7 30	For establishing and sustaining the overall ability of the	
7 31	department to deliver services to the public, and for not more	DETAIL: This is an unspecified decrease of \$374,000 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation.
7 32	than the following full-time equivalent positions:	
7 33	..... \$ 666,717	
7 34	..... FTEs 53.15	
7 35	12. The university of Iowa hospitals and clinics under the	Prohibits the University of Iowa Hospitals and Clinics from receiving indirect costs from programs funded with appropriations to the Department.
8 1	control of the state board of regents shall not receive	
8 2	indirect costs from the funds appropriated in this section.	Requires a health care provider seeking a grant from the Department of Public Health to provide documentation of efforts to coordinate services at the local level.
8 3	13. A local health care provider or nonprofit health care	
8 4	organization seeking grant moneys administered by the Iowa	
8 5	department of public health shall provide documentation that	
8 6	the provider or organization has coordinated its services with	
8 7	other local entities providing similar services.	
8 8	14. a. The department shall apply for available federal	Requires the Department of Public Health to apply for available federal funds for sexual abstinence education programs.
8 9	funds for sexual abstinence education programs.	
8 10	b. It is the intent of the general assembly to comply with	Specifies that it is the intent of the General Assembly to comply with the United States Congress' intent to provide education that promotes abstinence from sexual activity outside of marriage and reduces pregnancies by focusing on those persons most likely to father and bear children out of wedlock.
8 11	the United States Congress' intent to provide education that	
8 12	promotes abstinence from sexual activity outside of marriage	
8 13	and reduces pregnancies, by focusing efforts on those persons	
8 14	most likely to father and bear children out of wedlock.	
8 15	c. Any sexual abstinence education program awarded moneys	Requires sexual abstinence programs awarded moneys under the Abstinence Education Initiative to meet the definition of abstinence education in federal law. Also, requires an evaluation of grantees based on the goals set forth in federal law.
8 16	under the grant program shall meet the definition of	
8 17	abstinence education in the federal law. Grantees shall be	
8 18	evaluated based upon the extent to which the abstinence	
8 19	program successfully communicates the goals set forth in the	
8 20	federal law.	

## 8 21 Sec. 3. GAMBLING TREATMENT FUND — APPROPRIATION.

8 22 1. There is appropriated from funds available in the  
8 23 gambling treatment fund established in the office of the  
8 24 treasurer of state pursuant to section 99E.10 to the Iowa  
8 25 department of public health for the fiscal year beginning July  
8 26 1, 2003, and ending June 30, 2004, the following amount, or so  
8 27 much thereof as is necessary, to be used for the purpose  
8 28 designated:

Gambling Treatment Fund appropriation to the Department of Public Health for FY 2004.

8 29 a. Addictive disorders  
8 30 To be utilized for the benefit of persons with addictions:  
8 31 ..... \$ 1,690,000

Gambling Treatment Fund appropriation for the Addictive Disorders Program.

DETAIL: Maintains the current level of Gambling Treatment Fund support.

8 32 b. It is the intent of the general assembly that from the  
8 33 moneys appropriated in this section, persons with a dual  
8 34 diagnosis of substance abuse and gambling addictions shall be  
8 35 given priority in treatment services.

Specifies the intent of the General Assembly that persons with dual diagnosis of substance abuse and gambling addiction be given priority in treatment services from the funds appropriated in this Section.

9 1 c. Gambling treatment program  
9 2 The funds remaining in the gambling treatment fund after  
9 3 the appropriation in paragraph "a" is made shall be used for  
9 4 funding of administrative costs and to provide programs which  
9 5 may include, but are not limited to, outpatient and follow-up  
9 6 treatment for persons affected by problem gambling,  
9 7 rehabilitation and residential treatment programs, information  
9 8 and referral services, education and preventive services, and  
9 9 financial management services.

Requires that the remaining balance in the Gambling Treatment Fund, after the appropriation to the Addictive Disorders Program, be appropriated to the Gambling Treatment Program.

DETAIL: For FY 2003, the remaining balance in the Fund, after the appropriation to the Addictive Disorders Program, will be \$2,055,866. It is estimated that the remaining balance available for the Gambling Treatment Program in FY 2004 will be \$1,990,509, a decrease of \$65,357 due to a reduction in carryover funds.

9 10 2. For the fiscal year beginning July 1, 2003, and ending  
9 11 June 30, 2004, from the tax revenue received by the state  
9 12 racing and gaming commission pursuant to section 99D.15,  
9 13 subsections 1, 3, and 4, an amount equal to three-tenths of  
9 14 one percent of the gross sum wagered by the pari-mutuel method  
9 15 is to be deposited into the gambling treatment fund.

Deposits the receipts collected from 0.30% of the gross sum wagered at pari-mutuel tracks into the Gambling Treatment Fund, which are then appropriated in Section 3 of this Act.

9 16 Sec. 4. VITAL RECORDS. The vital records modernization  
9 17 project as enacted in 1993 Iowa Acts, chapter 55, section 1,  
9 18 as amended by 1994 Iowa Acts, chapter 1068, section 8, as  
9 19 amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa  
9 20 Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter  
9 21 201, section 17, and as continued by 2000 Iowa Acts, chapter  
9 22 1222, section 10, 2001 Iowa Acts, chapter 182, section 13, and  
9 23 2002 Iowa Acts, Second Extraordinary Session, chapter 1003,  
9 24 section 104, shall be extended until June 30, 2004, and the  
9 25 increased fees to be collected pursuant to that project shall  
9 26 continue to be collected and are appropriated to the Iowa  
9 27 department of public health until June 30, 2004.

CODE: Extends the Vital Records Modernization Fund and provides the increased fee continue to be collected and appropriated to the Department of Public Health through FY 2004.

9 28 Sec. 5. SCOPE OF PRACTICE REVIEW PROJECT. The scope of  
9 29 practice review committee pilot project as enacted in 1997  
9 30 Iowa Acts, chapter 203, section 6, and as continued by 2002  
9 31 Iowa Acts, Second Extraordinary Session, chapter 1003, section  
9 32 107, shall be extended until June 30, 2004. The Iowa  
9 33 department of public health shall submit an annual progress  
9 34 report to the governor and the general assembly by January 15  
9 35 and shall include any recommendations for legislative action  
10 1 as a result of review committee activities. The department  
10 2 may contract with a school or college of public health in Iowa  
10 3 to assist in implementing the project.

CODE: Extends the Scope of Practice Review Committee Project to June 30, 2004, and requires the Department to submit a progress report to the Governor and the General Assembly by January 15, 2004. Also, specifies the report is to include any recommendations for legislative action as a result of review of the Committee's activities.

DETAIL: The Project was originally scheduled to sunset June 30, 2002.

10 4 Sec. 6. HEALTH CARE ACCESS PARTNERSHIP PILOT PROJECT.

10 5 1. The director of public health shall establish a health  
10 6 care access partnership pilot project in a county with a  
10 7 population of more than 250,000 for a two-year period. The  
10 8 director shall adopt rules as necessary to establish and  
10 9 administer the pilot project. In adopting rules, the director  
10 10 shall consult with persons and agencies who may be involved  
10 11 with a health care access partnership and with the department  
10 12 of human services.

Requires the establishment of a health care access partnership pilot project. Also, requires the adoption of administrative rules for the administration of the project.

10 13 2. The purpose of the health care access partnership pilot  
10 14 project is to implement systems of health care services for  
10 15 low-income persons or persons without health insurance  
10 16 coverage, and others, by enhancing collaboration between  
10 17 persons and agencies providing charity care or services under  
10 18 the medical assistance program.

Specifies the purpose of the health care access partnership pilot project.

10 19 3. The elements of the partnership pilot project shall  
10 20 include but are not limited to all of the following:  
10 21 a. A person participating in the partnership may be a  
10 22 public, private, for-profit, or nonprofit entity.  
10 23 b. Participation provisions shall be outlined in a written  
10 24 agreement between those participating. If authorized under  
10 25 chapter 28E, a chapter 28E agreement may be utilized for all  
10 26 or a portion of the participant provisions.  
10 27 c. If a participant in the partnership is a medical  
10 28 assistance program provider, the participant must be a medical  
10 29 assistance program provider in good standing and must accept  
10 30 medical assistance reimbursement as full payment for any  
10 31 service provided. Unless expressly prohibited by the federal  
10 32 government, a medical assistance program provider offering  
10 33 services in the area served by the partnership shall be  
10 34 required to participate in the partnership as a condition of  
10 35 participation in the medical assistance program.  
11 1 d. Participants shall be authorized to share confidential  
11 2 information if the sharing is in the best interests of a  
11 3 client and the client has provided written authorization for  
11 4 the information sharing. If it is determined that the optimal  
11 5 approach for the information sharing is for the participants  
11 6 to establish a multidisciplinary community services team under  
11 7 section 331.909, notwithstanding section 331.909, subsection  
11 8 4, the participants may disclose information other than oral  
11 9 information with one another.  
11 10 e. A referral process among the participants shall be  
11 11 established.  
11 12 f. The geographic area to be served by those participating  
11 13 in the agreement shall be identified in the agreement and may  
11 14 encompass the entire county.

Provides for various requirements for the Partnership Pilot Project.



11 15 g. Provision shall be made for receipt and expenditure of  
11 16 funding for the joint purposes of those participating or for  
11 17 clients of those participating and for receiving and expending  
11 18 funding received from foundations, grants, or other revenue  
11 19 sources.

11 20 h. Provision to allow the partnership to form any  
11 21 governance structure that is appropriate to the purposes of  
11 22 the partnership and that meets all federal or state statutory  
11 23 requirements for the specific elements of the partnership's  
11 24 charter.

11 25 4. If administrative rules are necessary to implement the  
11 26 provisions of this section, the initial rules shall be adopted  
11 27 on or before September 1, 2003. The director of public health  
11 28 may adopt the initial rules as emergency rules under section  
11 29 17A.4, subsection 2, and section 17A.5, subsection 2,  
11 30 paragraph "b", and the rules shall be effective immediately  
11 31 upon filing unless the effective date is delayed by the  
11 32 administrative rules review committee, notwithstanding section  
11 33 17A.4, subsection 5, and section 17A.8, subsection 9, or a  
11 34 later date is specified in the rules. Any rules adopted in  
11 35 accordance with this subsection shall not take effect before  
12 1 the administrative rules review committee reviews the rules.  
12 2 Any rules adopted in accordance with this subsection shall  
12 3 also be published as a notice of intended action as provided  
12 4 in section 17A.4.

12 5 DIVISION III  
12 6 HUMAN SERVICES

12 7 Sec. 7. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK  
12 8 GRANT. There is appropriated from the fund created in section  
12 9 8.41 to the department of human services for the fiscal year  
12 10 beginning July 1, 2003, and ending June 30, 2004, from moneys  
12 11 received under the federal temporary assistance for needy  
12 12 families block grant pursuant to the federal Personal  
12 13 Responsibility and Work Opportunity Reconciliation Act of  
12 14 1996, Pub. L. No. 104-193 and successor legislation, which are

Requires that if administrative rules are necessary to implement the provisions of this Section that the rules be adopted on or before September 1, 2003. Also, permits the Director of Public Health to adopt initial rules as emergency rules to be effective immediately unless the effective date is delayed by the Administrative Rules Review Committee, requires that the rules not take effect before review of the Administrative Rules Review Committee, and requires the rules to be published as notice of intended action.

Temporary Assistance for Needy Families (TANF) FY 2004 Block Grant Fund appropriation.

DETAIL: The federal government implemented Federal Welfare Reform on August 22, 1996. Federal Welfare Reform changed the funding for the Family Investment Program (FIP) from a matching program to a block grant of federal funds. Unless changed by federal action, Iowa's grant will remain constant from federal fiscal year (FFY)

PG LN	House File 667	Explanation
12 15	federally appropriated for the federal fiscal years beginning	1998 to FFY 2004 at \$131,524,959 per year regardless of changes in caseload or costs.
12 16	October 1, 2002, and ending September 30, 2003, and beginning	
12 17	October 1, 2003, and ending September 30, 2004, the following	
12 18	amounts, or so much thereof as is necessary, to be used for	
12 19	the purposes designated:	
12 20	If the federal government appropriation received for Iowa's	Requires that funds appropriated in this Section be used in accordance with federal and State laws and applicable administrative rules. Specifies that if actual federal funds are less than the amount specified in this Section, the General Assembly will take action to adjust appropriations or other actions to address the reduced amount.
12 21	portion of the federal temporary assistance for needy families	
12 22	block grant amounts for the federal fiscal years beginning	
12 23	October 1, 2002, and ending September 30, 2003, and beginning	
12 24	October 1, 2003, and ending September 30, 2004, are less than	
12 25	\$131,524,959, it is the intent of the general assembly to act	
12 26	expeditiously during the 2004 legislative session to adjust	
12 27	appropriations or take other actions to address the reduced	
12 28	amount. Moneys appropriated in this section shall be used in	
12 29	accordance with the federal law making the funds available,	
12 30	applicable Iowa law, appropriations made from the general fund	
12 31	of the state in this Act for the purpose designated, and	
12 32	administrative rules adopted to implement the federal and Iowa	
12 33	law:	
12 34	1. To be credited to the family investment program account	TANF FY 2004 Block Grant appropriation for the FIP Account.
12 35	and used for assistance under the family investment program	
13 1	under chapter 239B:	DETAIL: This is an increase of \$4,833,808 compared to the FY 2003 estimated net appropriation. The change includes:
13 2	..... \$ 51,492,790	
		<ul style="list-style-type: none"> <li>• An increase of \$3,833,808 to fund increases in the number of individuals receiving benefits under the Family Investment Program.</li> <li>• An increase of \$1,000,000 for Family Investment Program Diversion.</li> </ul>
13 3	2. To be credited to the family investment program account	
13 4	and used for the job opportunities and basic skills (JOBS)	TANF FY 2004 Block Grant appropriation for the Promise Jobs Program.
13 5	program, and implementing family investment agreements, in	
13 6	accordance with chapter 239B:	DETAIL: Maintains the current level of TANF support.
13 7	..... \$ 13,412,794	

PG LN	House File 667	Explanation
13 8	3. For field operations:	TANF FY 2004 Block Grant appropriation for Field Operations.
13 9	..... \$ 14,152,174	DETAIL: This is an increase of \$1,266,384 compared to the FY 2003 estimated net appropriation.
13 10	4. For general administration:	TANF FY 2004 Block Grant appropriation for General Administration.
13 11	..... \$ 3,238,614	DETAIL: Maintains the current level of TANF support.
13 12	5. For local administrative costs:	TANF FY 2004 Block Grant appropriation for Local Administrative Costs.
13 13	..... \$ 2,122,982	DETAIL: Maintains the current level of TANF support.
13 14	6. For state child care assistance:	TANF FY 2004 Block Grant appropriation for Child Care Assistance.
13 15	..... \$ 21,145,765	DETAIL: This is a decrease of \$7,492,564 compared to the FY 2003 estimated net appropriation.
13 16	a. Of the funds appropriated in this subsection, \$200,000	Requires that the Department of Human Services (DHS) use \$200,000 for training of registered child care home providers. Permits the DHS to contract with colleges or child care resource centers and specifies requirements for funding the grants and the application form for the grant.
13 17	shall be used for provision of educational opportunities to	
13 18	registered child care home providers in order to improve	
13 19	services and programs offered by this category of providers	
13 20	and to increase the number of providers. The department may	
13 21	contract with institutions of higher education or child care	
13 22	resource and referral centers to provide the educational	
13 23	opportunities. Allowable administrative costs under the	
13 24	contracts shall not exceed 5 percent. The application for a	
13 25	grant shall not exceed two pages in length.	
13 26	b. Of the funds appropriated in this subsection, the	Requires that funds appropriated be transferred to the Child Care and Development Block Grant and the remaining balance be used to provide child care to working parents eligible for the Family Investment Program (FIP).
13 27	maximum amount allowed under Pub. L. No. 104-193 and successor	
13 28	legislation shall be transferred to the child care and	
13 29	development block grant appropriation. Funds appropriated in	
13 30	this subsection that remain following the transfer shall be	
13 31	used to provide direct spending for the child care needs of	
13 32	working parents in families eligible for the family investment	
13 33	program.	

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13 34	7. For the parental involvement program established in	TANF FY 2004 Block Grant appropriation for the Parental Involvement
13 35	section 217A.1, if enacted by this Act:	Program.
14 1	..... \$ 35,000	DETAIL: This is a new appropriation for FY 2004.
14 2	8. For mental health and developmental disabilities	TANF FY 2004 Block Grant appropriation for Mental Health and
14 3	community services:	Developmental Disabilities Community Services.
14 4	..... \$ 4,349,266	DETAIL: Maintains the current level of TANF support.
14 5	9. For child and family services:	TANF FY 2004 Block Grant appropriation for Child and Family
14 6	..... \$ 25,256,571	Services.
		DETAIL: This is an increase of \$2,360,000 compared to the FY 2003
		estimated net appropriation.
14 7	10. For child abuse prevention grants:	TANF FY 2004 Block Grant appropriation for Child Abuse Prevention
14 8	..... \$ 250,000	Grants.
		DETAIL: Maintains the current level of TANF support.
14 9	11. For pregnancy prevention grants on the condition that	TANF FY 2004 Block Grant appropriation for Pregnancy Prevention
14 10	family planning services are funded:	Grants on the condition that family planning services are funded.
14 11	..... \$ 2,514,413	DETAIL: Maintains the current level of TANF support.
14 12	a. Pregnancy prevention grants shall be awarded to	Requires the recipients of pregnancy prevention grants to meet certain
14 13	programs in existence on or before July 1, 2003, if the	requirements of comprehensiveness and demonstration of positive
14 14	programs are comprehensive in scope and have demonstrated	outcomes. Requires that pregnancy prevention grants from the
14 15	positive outcomes. Grants shall be awarded to pregnancy	Temporary Assistance for Needy Families (TANF) include the
14 16	prevention programs which are developed after July 1, 2003, if	requirement that sexual abstinence be emphasized. Specifies that
14 17	the programs are comprehensive in scope and are based on	priority in awarding the grants should be given to programs in areas of
14 18	existing models that have demonstrated positive outcomes.	the State that have the highest percentage of unplanned adolescent
14 19	Grants shall comply with the requirements provided in 1997	pregnancies of females between 13 and 18 years of age within the
14 20	Iowa Acts, chapter 208, section 14, subsections 1 and 2,	geographic area served by the grant.
14 21	including the requirement that grant programs must emphasize	
14 22	sexual abstinence. Priority in the awarding of grants shall	

PG LN	House File 667	Explanation
14 23	be given to programs that serve areas of the state which	
14 24	demonstrate the highest percentage of unplanned pregnancies of	
14 25	females age 13 or older but younger than age 18 within the	
14 26	geographic area to be served by the grant.	
14 27	b. In addition to the full-time equivalent positions	Authorizes 1.00 FTE position for administration of specified programs.
14 28	funded in this Act, the department may use a portion of the	
14 29	funds appropriated in this subsection to employ an employee in	
14 30	up to 1.00 FTE for the administration of programs specified in	
14 31	this subsection.	
14 32	12. For technology needs and other resources necessary to	TANF FY 2004 Block Grant appropriation for federal welfare reform
14 33	meet federal welfare reform reporting, tracking, and case	reporting, tracking, and case management technology and resource
14 34	management requirements:	needs.
14 35	..... \$ 1,037,186	DETAIL: This is an increase of \$472,098 compared to the FY 2003 estimated net appropriation to fund increased technology and data needs.
15 1	13. For volunteers:	TANF FY 2004 Block Grant appropriation for Volunteers.
15 2	..... \$ 42,663	DETAIL: Maintains the current level of TANF support.
15 3	14. For the healthy opportunities for parents to	TANF FY 2004 Block Grant appropriation for Healthy Opportunities for
15 4	experience success (HOPES) program administered by the Iowa	Parents to Experience Success (HOPES) Program.
15 5	department of public health to target child abuse prevention:	
15 6	..... \$ 200,000	DETAIL: Maintains the current level of TANF support.
15 7	15. To be credited to the Iowa marriage initiative grant	TANF FY 2004 Block Grant appropriation for the Iowa Marriage
15 8	fund created in section 234.45:	Initiative Grant Fund.
15 9	..... \$ 85,000	DETAIL: This is a new appropriation for FY 2004.
15 10	[a. Moneys credited to the Iowa marriage initiative grant	Establishes the Marriage Initiative Grant Program to support
15 11	fund under this subsection are appropriated to the department	fatherhood and encourage two-parent families, and specifies criteria
15 12	for the fiscal year beginning July 1, 2003, and ending June	for distributing the grants.
15 13	30, 2004, to be used in accordance with this section.	
15 14	b. The department shall establish an Iowa fatherhood and	

**VETOED**

15 15 family initiative grant program utilizing funds credited to  
15 16 the Iowa marriage initiative grant fund created in section  
15 17 234.45 to fund services to support fatherhood and to encourage  
15 18 the formation and maintenance of two-parent families that are  
15 19 secure and nurturing. The department of human services shall  
15 20 adopt rules pursuant to chapter 17A to administer the grant  
15 21 fund and to establish procedures for awarding of grants.  
15 22 c. The program shall require that a grantee be a nonprofit  
15 23 organization incorporated in this state with demonstrated  
15 24 successful experience in facilitating fatherhood promotion  
15 25 activities, marriage and family promotion activities, in using  
15 26 media resources to promote fatherhood and marriage and family  
15 27 formation, in making presentations to service or faith-based  
15 28 organizations, and in raising private funding for activities  
15 29 that support fatherhood, marriage, and families.  
15 30 d. Preference in awarding grants may be given to those  
15 31 nonprofit organizations working with faith-based groups and  
15 32 those groups targeting young fathers.  
15 33 e. The program activities funded by a grant shall include  
15 34 but are not limited to all of the following:  
15 35 (1) Working with individuals who have a demonstrated  
16 1 ability in working with at-risk fathers or working with those  
16 2 who may solemnize marriages pursuant to section 598.10 to  
16 3 utilize premarital diagnostic tools, to implement marriage  
16 4 agreements developed by the individuals who may solemnize  
16 5 marriages pursuant to section 595.10 that provide for an  
16 6 appropriate engagement period and premarital and post marital  
16 7 counseling, and to use volunteer mentors in program  
16 8 activities.  
16 9 (2) Provision of a series of meetings sharing best  
16 10 practices that encourage young fathers to fulfill their  
16 11 responsibilities to the expectant mother of the child during  
16 12 the pregnancy, and to the mother of the child following the  
16 13 birth of the child, that promote happy and healthy marriages,  
16 14 and that offer counseling to determine the father's level of  
16 15 commitment to the child and the child's mother.  
16 16 f. The program activities funded by a grant shall be  
16 17 privately funded at no less than fifty percent of the grant

VETOED: The Governor vetoed the language establishing the Marriage Initiative Grant Program, but did not veto the appropriation. The Governor indicated that statutory language for the Program already exists and that the language would require extensive staff time that could otherwise be spent providing services to families.

16 18 amount.

16 19 g. Grants shall be awarded in a manner that results in  
16 20 provision of services throughout the state in an equal number  
16 21 of urban and rural geographic areas.

16 22 h. The department shall implement the grant program so  
16 23 that the initial request for proposals is issued on or before  
16 24 October 1, 2003, and so that any grants are awarded on or  
16 25 before January 1, 2004.

16 26 i. A grantee shall submit a quarterly financial report to  
16 27 the department and to the legislative fiscal bureau and shall  
16 28 be subject to an annual independent evaluation to assess  
16 29 accomplishment of the purposes of the program.

16 30 j. The department shall provide a copy of the request for  
16 31 proposals and shall submit a report concerning the proposals  
16 32 received and grants awarded to those persons designated by  
16 33 this division of this Act to receive reports.

16 34 k. The department may adopt emergency rules to implement  
16 35 the provisions of this subsection.]

17 1 16. To be credited to the state child care assistance  
17 2 appropriation made in this section to be used for funding of  
17 3 community-based early childhood programs targeted to children  
17 4 from birth through five years of age, developed by community  
17 5 empowerment areas as provided in this subsection:  
17 6 ..... \$ 7,350,000

17 7 a. The department may transfer federal temporary  
17 8 assistance for needy families block grant funding appropriated  
17 9 and allocated in this subsection to the child care and  
17 10 development block grant appropriation in accordance with  
17 11 federal law as necessary to comply with the provisions of this  
17 12 subsection. The funding shall then be provided to community  
17 13 empowerment areas for the fiscal year beginning July 1, 2003,  
17 14 in accordance with all of the following:

17 15 (1) The area must be approved as a designated community  
17 16 empowerment area by the Iowa empowerment board.

17 17 (2) The maximum funding amount a community empowerment  
17 18 area is eligible to receive shall be determined by applying

TANF FY 2004 Block Grant appropriation to fund community-based programs for children from birth to age five as developed by community empowerment areas.

DETAIL: This is an increase of \$1,000,000 compared to the FY 2003 estimated net appropriation to increase empowerment programs.

Permits the DHS to transfer TANF funds to the Child Care and Development Block Grant as necessary to achieve the provision of funding to communities. Requires the funds be provided to community empowerment areas as approved by the Iowa Empowerment Board and bases an area's allocation on its percentage of the State's Family Investment Program (FIP) population. Also, requires compliance with federal regulations and requires the DHS to provide technical assistance to meet federal requirements.

17 19 the area's percentage of the state's average monthly family  
17 20 investment program population in the preceding fiscal year to  
17 21 the total amount appropriated for fiscal year 2003–2004 from  
17 22 the TANF block grant to fund community–based programs targeted  
17 23 to children from birth through five years of age developed by  
17 24 community empowerment areas.

17 25 (3) A community empowerment area receiving funding shall  
17 26 comply with any federal reporting requirements associated with  
17 27 the use of that funding and other results and reporting  
17 28 requirements established by the Iowa empowerment board. The  
17 29 department shall provide technical assistance in identifying  
17 30 and meeting the federal requirements.

17 31 (4) The availability of funding provided under this  
17 32 subsection is subject to changes in federal requirements and  
17 33 amendments to Iowa law.

17 34 b. The moneys distributed in accordance with this  
17 35 subsection shall be used by communities for the purposes of  
18 1 enhancing quality child care capacity in support of parent  
18 2 capability to obtain or retain employment. The moneys shall  
18 3 be used with a primary emphasis on low–income families and  
18 4 children from birth to five years of age. Moneys shall be  
18 5 provided in a flexible manner to communities, and shall be  
18 6 used to implement strategies identified by the communities to  
18 7 achieve such purposes. In addition to the full–time  
18 8 equivalent positions funded in this division of this Act, 1.00  
18 9 FTE position is authorized and the department may use funding  
18 10 appropriated in this subsection for provision of technical  
18 11 assistance and other support to communities developing and  
18 12 implementing strategies with moneys distributed in accordance  
18 13 with this subsection.

Requires the funds transferred to the Child Care and Development Block Grant be used for enhancing child care quality and capacity to assist low-income families to retain employment, with emphasis on children from birth to age 5. Permits communities' strategies to include developing capacity for child care; linking Head Start, preschool and child care programs; or enhancing access to child care. Authorizes 1.00 FTE position for technical assistance and support to communities.

18 14 c. Moneys that are subject to this subsection which are  
18 15 not distributed to a community empowerment area or otherwise  
18 16 remain unobligated or unexpended at the end of the fiscal year  
18 17 shall revert to the fund created in section 8.41 to be  
18 18 available for appropriation by the general assembly in a  
18 19 subsequent fiscal year.

Requires that unobligated or unexpended funds revert at the end of the fiscal year to the TANF Fund.



18 20 Of the amounts appropriated in this section, \$11,612,112  
18 21 for the fiscal year beginning July 1, 2003, shall be  
18 22 transferred to the appropriation of the federal social  
18 23 services block grant for that fiscal year. If the federal  
18 24 government revises requirements to reduce the amount that may  
18 25 be transferred to the federal social services block grant, it  
18 26 is the intent of the general assembly to act expeditiously  
18 27 during the 2004 legislative session to adjust appropriations  
18 28 or the transfer amount or take other actions to address the  
18 29 reduced amount.

Requires that \$11,612,112 of the federal TANF funds appropriated in this Section be transferred to the federal Social Services Block Grant appropriation.

DETAIL: Maintains the current level of TANF support.

18 30 Eligible funding available under the federal temporary  
18 31 assistance for needy families block grant that is not  
18 32 appropriated or not otherwise expended shall be considered  
18 33 reserved for economic downturns and welfare reform purposes  
18 34 and is subject to further state appropriation to support  
18 35 families in their movement toward self-sufficiency.

Requires the unexpended federal TANF funds be considered reserved for economic downturns and for further welfare reform efforts.

19 1 Federal funding received that is designated for activities  
19 2 supporting marriage or two-parent families is appropriated to  
19 3 the Iowa marriage initiative grant fund created in section  
19 4 234.45.

Requires the federal funding received to support marriage be appropriated to the Iowa Marriage Initiative Fund.

19 5 Sec. 8. FAMILY INVESTMENT PROGRAM ACCOUNT.

19 6 1. Moneys credited to the family investment program (FIP)  
19 7 account for the fiscal year beginning July 1, 2003, and ending  
19 8 June 30, 2004, shall be used in accordance with the following  
19 9 requirements:

Requires that the funds credited to the FIP account for FY 2004 be used as specified.

19 10 a. The department of human services shall provide  
19 11 assistance in accordance with chapter 239B.

Requires that assistance be provided in accordance with the FIP and Promise Jobs Program requirements in Chapter 239B, Code of Iowa.

DETAIL: Chapter 239B, Code of Iowa, specifies the conditions of eligibility for participation in the FIP, defines the duties of the DHS in administering the FIP, requires compliance with federal law, and outlines various provisions relating to fiscal and legal responsibility.

PG LN	House File 667	Explanation
19 12	b. The department shall continue the special needs program	Requires the DHS to continue the Special Needs Program under the FIP.
19 13	under the family investment program.	
		DETAIL: The Special Needs Program pays 100.00% of the allowable school expenses and \$10.00 fees for guardians and conservators.
19 14	c. The department shall continue to comply with federal	Requires that the DHS implement Federal Welfare Reform data requirements.
19 15	welfare reform data requirements pursuant to the	
19 16	appropriations made for that purpose.	DETAIL: An FY 2004 TANF Block Grant appropriation of \$1,037,186 for this technology is included in this Act.
19 17	d. The department shall continue expansion of the	Requires the DHS to continue the expansion of the Electronic Benefits Transfer (EBT) Program.
19 18	electronic benefit transfer program as necessary to comply	
19 19	with federal food stamp benefit requirements. The target date	
19 20	for statewide implementation of the program is October 1,	Requires statewide implementation of Electronic Benefits Transfer to comply with the federal food stamp requirements by October 1, 2003.
19 21	2003.	
19 22	2. The department may use a portion of the moneys credited	Authorizes the DHS to use a portion of the moneys appropriated to the FIP Account for 8.00 FTE positions.
19 23	to the family investment program account under this section,	
19 24	as necessary for salaries, support, maintenance, and	DETAIL: Maintains the current level of General Fund support.
19 25	miscellaneous purposes for not more than the following full–	
19 26	time equivalent positions which are in addition to any other	
19 27	full–time equivalent positions authorized by this Act:	
19 28	..... FTEs      8.00	
19 29	3. The department may transfer funds in accordance with	Permits the DHS to transfer funds either to or from the State Child Care Assistance Program appropriation if the DHS determines it would be a more effective method of paying for the Promise Jobs Program child care, maximizing federal funding, or meeting federal maintenance of effort requirements.
19 30	section 8.39, either federal or state, to or from the child	
19 31	care appropriations made for the fiscal year beginning July 1,	
19 32	2003, if the department deems this would be a more effective	
19 33	method of paying for JOBS program child care, to maximize	
19 34	federal funding, or to meet federal maintenance of effort	
19 35	requirements.	
20 1	4. Moneys appropriated in this Act and credited to the	Requires that TANF Block Grant funds appropriated to the FIP Account be allocated as specified.
20 2	family investment program account for the fiscal year	
20 3	beginning July 1, 2003, and ending June 30, 2004, are	
20 4	allocated as follows:	

DETAIL: The TANF Block Grant funds allocated in this Act replace federal matching funds previously received under the Aid to Families with Dependent Children (AFDC) federal funding sources.

20 5 a. For the family development and self-sufficiency grant  
20 6 program as provided under section 217.12:  
20 7 ..... \$ 5,133,042

Permits the DHS to allocate \$5,133,042 of FY 2004 General Fund and TANF funds for the Family Development and Self-Sufficiency (FaDSS) Grant Program.

DETAIL: Maintains the current level of support.

20 8 (1) Of the funds allocated for the family development and  
20 9 self-sufficiency grant program in this lettered paragraph, not  
20 10 more than 5 percent of the funds shall be used for the  
20 11 administration of the grant program.

Specifies that a maximum of 5.00% of the allocation is to be spent on administration of Family Development and Self-Sufficiency (FaDSS) Program grants.

20 12 (2) Based upon the annual evaluation report concerning  
20 13 each grantee funded by previously appropriated funds and  
20 14 through the solicitation of additional grant proposals, the  
20 15 family development and self-sufficiency council may use the  
20 16 allocated funds to renew or expand existing grants or award  
20 17 new grants. In utilizing the funding allocated in this  
20 18 lettered paragraph, the council shall give consideration, in  
20 19 addition to other criteria established by the council, to a  
20 20 grantee's intended use of local funds with a grant and to  
20 21 whether approval of a grant proposal would expand the  
20 22 availability of the program's services.

Permits the Family Development and Self-Sufficiency (FaDSS) Council to renew grants based upon the annual evaluation, with emphasis on the grantee's use of local funding and expansion of program services. Specifies the criteria that the Council should consider prior to the approval of a grant proposal.

20 23 (3) The department may continue to implement the family  
20 24 development and self-sufficiency grant program statewide  
20 25 during FY 2003-2004.

Requires continued statewide expansion of the Family Development and Self-Sufficiency (FaDSS) Program during FY 2004.

20 26 b. For the diversion subaccount of the family investment  
20 27 program account:  
20 28 ..... \$ 2,814,000

Allocates \$2,814,000 of FY 2004 TANF funds for the FIP Diversion Subaccount.

DETAIL: This is an increase of \$1,000,000 compared to the FY 2003 estimated net allocation.

20 29 (1) Moneys allocated to the diversion subaccount shall be  
20 30 used to implement FIP diversion statewide while continuing the  
20 31 local flexibility in program design. A family that meets  
20 32 income eligibility requirements for the family investment  
20 33 program may receive a one-time payment to remedy an immediate  
20 34 need in order to permit the family to maintain self-  
20 35 sufficiency without providing ongoing cash assistance. A FIP  
21 1 participant family may receive diversion assistance to  
21 2 overcome barriers to obtaining employment and to assist in  
21 3 stabilizing employment in order to increase the likelihood of  
21 4 the family leaving FIP more quickly. The department shall  
21 5 assess and screen individuals who would most likely benefit  
21 6 from the assistance. In addition to the full-time equivalent  
21 7 positions authorized in this Act, 1.00 FTE is authorized for  
21 8 purposes of diversion. The department may adopt additional  
21 9 eligibility criteria as necessary for compliance with federal  
21 10 law and for screening those families who would be most likely  
21 11 to become eligible for FIP if diversion incentives would not  
21 12 be provided.

Requires that the FIP Diversion Subaccount moneys be used to implement FIP diversion statewide while providing for local flexibility in program design. Defines criteria for diversion projects and allows additional criteria to be defined as necessary to identify applicants likely to benefit from diversion projects and to comply with federal regulations. Authorizes 1.00 FTE position to continue the FIP diversion projects and to facilitate community investment.

21 13 (2) A portion of the moneys allocated for the subaccount  
21 14 may be used for field operations salaries, data management  
21 15 system development, and implementation costs and support  
21 16 deemed necessary by the director of human services in order to  
21 17 administer the FIP diversion program.

Allows a portion of the FIP Diversion funds to be used to administer the FIP Diversion Program.

21 18 (3) Of the funds allocated in this lettered paragraph, not  
21 19 more than \$250,000 shall be used to develop or continue  
21 20 community-level parental obligation pilot projects. The  
21 21 requirements established under 2001 Iowa Acts, chapter 191,  
21 22 section 3, subsection 5, paragraph "c", subparagraph (3),  
21 23 shall remain applicable to the parental obligation pilot  
21 24 projects for fiscal year 2003-2004.

Requires that a maximum of \$250,000 of the monies allocated for innovation strategies be used to develop or continue pilot projects to assist parents in meeting child support obligations. Pilot projects may also attempt to prevent family separations. Requires the projects to maximize use of existing community service resources and encourage local financial contributions.

PG LN	House File 667	Explanation
21 25	c. For the food stamp employment and training program:	Allocates \$63,000 of the FY 2004 General Fund appropriations for the
21 26	..... \$ 63,000	Food Stamp Employment and Training Program.
		DETAIL: Maintains the current level of General Fund support.
21 27	5. Of the child support collections assigned under the	Requires that the federal share of child support collections recovered
21 28	family investment program, an amount equal to the federal	by the State be credited to the Child Support Recovery Unit. The
21 29	share of support collections shall be credited to the child	remainder of support collected is credited to the FIP account and the
21 30	support recovery appropriation. Of the remainder of the	DHS is permitted to use a portion to increase recoveries.
21 31	assigned child support collections received by the child	
21 32	support recovery unit, a portion shall be credited to the	
21 33	family investment program account and a portion may be used to	
21 34	increase recoveries.	
21 35	6. For the fiscal year beginning July 1, 2003, the	Permits the DHS to continue processing utility and rent deposit
22 1	department shall continue the process for the state to receive	refunds for the Emergency Assistance Program from FY 2003. The
22 2	refunds of utility and rent deposits, including any accrued	Emergency Assistance Program receives no funding in FY 2004.
22 3	interest, for emergency assistance program recipients which	
22 4	were paid by persons other than the state. The department	Allows any Emergency Assistance funds remaining at the close of FY
22 5	shall also receive refunds, including any accrued interest, of	2004 to be credited to the Family Investment Program account.
22 6	assistance paid with funding available under this program.	
22 7	The refunds received by the department shall be credited to	
22 8	the family investment program (FIP) account to offset FIP cash	
22 9	grants expended in the same year. Notwithstanding section	
22 10	8.33, moneys received by the department under this subsection	
22 11	which remain after the emergency assistance program is	
22 12	terminated and state or federal moneys in the emergency	
22 13	assistance account which remain unobligated or unexpended at	
22 14	the close of the fiscal year beginning July 1, 2003, shall not	
22 15	revert to any other fund but shall be credited to the family	
22 16	investment program account.	
22 17	7. The department may adopt emergency administrative rules	Permits the DHS to adopt emergency administrative rules for the FIP,
22 18	for the family investment, food stamp, and medical assistance	Food Stamp Program, and Medical Assistance Program.
22 19	programs, if necessary, to comply with federal requirements.	

22 20 8. The department may continue the initiative to  
 22 21 streamline and simplify the employer verification process for  
 22 22 applicants, participants, and employers in the administration  
 22 23 of the department's programs. The department may contract  
 22 24 with companies collecting data from employers when the  
 22 25 information is needed in the administration of these programs.  
 22 26 The department may limit the availability of the initiative on  
 22 27 the basis of geographic area or number of individuals.

Permits the DHS to continue to simplify the employer verification process for applicants, participants, and employers; to contract for data collection; and to limit the scope of the project.

22 28 Sec. 9. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is  
 22 29 appropriated from the general fund of the state to the  
 22 30 department of human services for the fiscal year beginning  
 22 31 July 1, 2003, and ending June 30, 2004, the following amount,  
 22 32 or so much thereof as is necessary, to be used for the purpose  
 22 33 designated:  
 22 34 To be credited to the family investment program account and  
 22 35 used for family investment program assistance under chapter  
 23 1 239B:  
 23 2 ..... \$ 36,187,879

General Fund appropriation to the DHS for the FIP, to be credited to the Family Investment Program Account.

DETAIL: This is an increase of \$899,097 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The appropriation for the FIP also contains funding for the Promise Jobs Program. The appropriation maintains the current payment levels (\$361.00 per month for a family with two persons and \$426.00 for a family with three persons). The change includes:

- An increase of \$117,503 for a decrease in child support recoveries.
- An increase of \$600,610 for statewide expansion of Food Stamps Electronic Benefit Transfer Program (EBT).
- An increase of \$179,796 to provide reimbursement of 7 cents per transaction to retailers participating in the EBT Program.
- An increase of \$1,188 compared to the FY 2003 estimated net General Fund appropriation. The increase replaces the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$1,188 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

23 3 1. The department of workforce development, in  
 23 4 consultation with the department of human services, shall  
 23 5 continue to utilize recruitment and employment practices to  
 23 6 include former and current family investment program  
 23 7 recipients.

Requires the Department of Workforce Development, in consultation with the DHS, to continue recruitment and employment practices for current and former FIP recipients.

PG LN	House File 667	Explanation
23 8	2. The department of human services shall continue to work	Requires that the DHS work with the Department of Workforce Development and local community collaborative efforts in providing support services for FIP recipients.
23 9	with the department of workforce development and local	
23 10	community collaborative efforts to provide support services	
23 11	for family investment program participants. The support	
23 12	services shall be directed to those participant families who	
23 13	would benefit from the support services and are likely to have	
23 14	success in achieving economic independence.	
23 15	3. Of the funds appropriated in this section, \$9,274,143	General Fund allocation of \$9,274,143 for the Promise Jobs and FaDSS Programs.
23 16	is allocated for the JOBS program.	
		DETAIL: Maintains the current level of General Fund support.
23 17	4. The department shall continue to work with religious	Requires the DHS to work with religious organizations or charitable institutions to increase the availability of host (Second Chance) homes. Specifies the purpose of the homes.
23 18	organizations and other charitable institutions to increase	
23 19	the availability of host homes, referred to as second chance	
23 20	homes or other living arrangements under the federal Personal	
23 21	Responsibility and Work Opportunity Reconciliation Act of	
23 22	1996, Pub. L. No. 104-193, § 103. The purpose of the homes or	
23 23	arrangements is to provide a supportive and supervised living	
23 24	arrangement for minor parents receiving assistance under the	
23 25	family investment program who, under chapter 239B, may receive	
23 26	assistance while living in an alternative setting other than	
23 27	with their parent or legal guardian.	
23 28	Sec. 10. CHILD SUPPORT RECOVERY. There is appropriated	General Fund appropriation to the DHS for the Child Support Recovery Unit.
23 29	from the general fund of the state to the department of human	
23 30	services for the fiscal year beginning July 1, 2003, and	DETAIL: This is a decrease of \$268,117 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:
23 31	ending June 30, 2004, the following amount, or so much thereof	
23 32	as is necessary, to be used for the purposes designated:	
23 33	For child support recovery, including salaries, support,	
23 34	maintenance, and miscellaneous purposes and for not more than	
23 35	the following full-time equivalent positions:	
24 1	..... \$ 5,482,793	
24 2	..... FTEs 405.00	
		• An increase of \$161,883 compared to the FY 2003 estimated net General Fund appropriation. The increase replaces the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$161,883 in other funds for FY 2004 compared to the

		FY 2003 estimated net appropriation for the elimination of one-time salary funding. <ul style="list-style-type: none"><li>• A decrease of \$430,000 to reflect an appropriations transfer in a prior year.</li></ul>
24 3	1. The director of human services, within the limitations	
24 4	of the moneys appropriated in this section, or moneys	
24 5	transferred from the family investment program account for	
24 6	this purpose, shall establish new positions and add employees	
24 7	to the child support recovery unit if the director determines	
24 8	that both the current and additional employees together can	
24 9	reasonably be expected to maintain or increase net state	
24 10	revenue at or beyond the budgeted level.	Requires the Director of the DHS to add employees for child support enforcement if cost effective.
24 11	2. Nonpublic assistance application fees and other user	
24 12	fees received by the child support recovery unit are	
24 13	appropriated and shall be used for the purposes of the child	
24 14	support recovery program. The director of human services may	
24 15	add positions within the limitations of the amount	
24 16	appropriated for salaries and support for the positions.	Appropriates nonpublic assistance application and federal tax refund offset fees to the Child Support Recovery Unit. Permits the DHS to add positions if the fees collected are sufficient to pay the cost of those positions.
24 17	3. The director of human services, in consultation with	
24 18	the department of management and the legislative fiscal	
24 19	committee, is authorized to receive and deposit state child	
24 20	support incentive earnings in the manner specified under	
24 21	applicable federal requirements.	Permits the Director of the DHS, in consultation with the Department of Management and the Legislative Fiscal Committee, to receive federal child support incentive payments consistent with applicable federal requirements.
24 22	4. a. The director of human services may establish new	
24 23	positions and add state employees to the child support	
24 24	recovery unit or contract for delivery of services if the	
24 25	director determines the employees are necessary to replace	
24 26	county-funded positions eliminated due to termination,	
24 27	reduction, or nonrenewal of a chapter 28E contract. However,	
24 28	the director must also determine that the resulting increase	
24 29	in the state share of child support recovery incentives	
24 30	exceeds the cost of the positions or contract, the positions	
24 31	or contract are necessary to ensure continued federal funding	
24 32	of the program, or the new positions or contract can	Permits the Director of the DHS to establish new positions, by either adding State employees or contracting for delivery of services, if necessary, to replace eliminated county-funded positions. Specifies that employees are only to be added if any of the following criteria are met: <ul style="list-style-type: none"><li>• The State share of recoveries exceeds the cost of the positions.</li><li>• The addition of positions is necessary to continue federal funding.</li><li>• The positions or contracts are expected to recover twice the cost of the additional staff or contract.</li></ul>



24 33 reasonably be expected to recover at least twice the amount of  
24 34 money necessary to pay the salaries and support for the new  
24 35 positions or the contract will generate at least 200 percent  
25 1 of the cost of the contract.

25 2 b. Employees in full-time positions that transition from  
25 3 county government to state government employment under this  
25 4 subsection are exempt from testing, selection, and appointment  
25 5 provisions of chapter 19A and from the provisions of  
25 6 collective bargaining agreements relating to the filling of  
25 7 vacant positions.

Specifies that full-time FTE positions that transition from county government to State government employees are exempt from specified hiring process requirements.

25 8 5. Surcharges paid by obligors and received by the unit as  
25 9 a result of the referral of support delinquency by the child  
25 10 support recovery unit to any private collection agency are  
25 11 appropriated to the department and shall be used to pay the  
25 12 costs of any contracts with the collection agencies.

Specifies that surcharges paid by obligors and received by the Child Support Recovery Unit are appropriated to the DHS and are to be used to pay the costs of contracts with private collection agencies.

25 13 6. The department shall expend up to \$31,000, including  
25 14 federal financial participation, for the fiscal year beginning  
25 15 July 1, 2003, for a child support public awareness campaign.  
25 16 The department and the office of the attorney general shall  
25 17 cooperate in continuation of the campaign. The public  
25 18 awareness campaign shall emphasize, through a variety of media  
25 19 activities, the importance of maximum involvement of both  
25 20 parents in the lives of their children as well as the  
25 21 importance of payment of child support obligations.

Requires the DHS to expend no more than \$31,000 during FY 2004 for a child support public awareness campaign. The funding limitation includes federal funds. The campaign is to be operated in cooperation with the Office of the Attorney General and is to emphasize parental involvement and financial support.

DETAIL: This is a decrease of \$20,000 in the child support public awareness campaign that the Office of the Attorney General has managed in previous years.

25 22 7. Federal access and visitation grant moneys shall be  
25 23 issued directly to private not-for-profit agencies that  
25 24 provide services designed to increase compliance with the  
25 25 child access provisions of court orders, including but not  
25 26 limited to neutral visitation site and mediation services.

Specifies the process for utilization of receipts from federal Access and Visitation Grants.

25 27 Sec. 11. MEDICAL ASSISTANCE. There is appropriated from  
25 28 the general fund of the state to the department of human  
25 29 services for the fiscal year beginning July 1, 2003, and  
25 30 ending June 30, 2004, the following amount, or so much thereof

General Fund appropriation to the DHS for the Medical Assistance Program.

25 31 as is necessary, to be used for the purpose designated:  
 25 32 For medical assistance reimbursement and associated costs  
 25 33 as specifically provided in the reimbursement methodologies in  
 25 34 effect on June 30, 2003, except as otherwise expressly  
 25 35 authorized by law, including reimbursement for abortion  
 26 1 services, which shall be available under the medical  
 26 2 assistance program only for those abortions which are  
 26 3 medically necessary:  
 26 4 ..... \$357,486,073

26 5 1. Medically necessary abortions are those performed under  
 26 6 any of the following conditions:  
 26 7 a. The attending physician certifies that continuing the  
 26 8 pregnancy would endanger the life of the pregnant woman.  
 26 9 b. The attending physician certifies that the fetus is  
 26 10 physically deformed, mentally deficient, or afflicted with a  
 26 11 congenital illness.  
 26 12 c. The pregnancy is the result of a rape which is reported  
 26 13 within 45 days of the incident to a law enforcement agency or  
 26 14 public or private health agency which may include a family  
 26 15 physician.  
 26 16 d. The pregnancy is the result of incest which is reported  
 26 17 within 150 days of the incident to a law enforcement agency or  
 26 18 public or private health agency which may include a family  
 26 19 physician.  
 26 20 e. Any spontaneous abortion, commonly known as a  
 26 21 miscarriage, if not all of the products of conception are  
 26 22 expelled.

26 23 2. Notwithstanding section 8.39, the department may  
 26 24 transfer funds appropriated in this section to a separate  
 26 25 account established in the department's case management unit  
 26 26 for expenditures required to provide case management services  
 26 27 for mental health, mental retardation, and developmental  
 26 28 disabilities services under medical assistance which are  
 26 29 jointly funded by the state and county, pending final  
 26 30 settlement of the expenditures. Funds received by the case  
 26 31 management unit in settlement of the expenditures shall be

DETAIL: This is a net decrease of \$19,721,000 compared to the FY 2003 estimated net General Fund appropriation. The change includes:

- A decrease of \$15,465,000 due to a fund shift to the Senior Living Trust Fund.
- A decrease of \$4,256,000 due to a shift to Medicare funds for hospital crossover claims.

Specifies the conditions under which the Medical Assistance Program reimburses providers for abortion services.

DETAIL: This is the same language that has been in the DHS Appropriations Act for several years.

CODE: Permits the DHS to transfer Medical Assistance Program funds to a separate account to pay for case management services for eligible clients, pending final settlement of the expenditures.

DETAIL: This language is intended to assist the DHS with cash flow problems resulting from the provision of case management services.

26 32 used to replace the transferred funds and are available for  
26 33 the purposes for which the funds were appropriated in this  
26 34 section.

26 35 3. a. The county of legal settlement shall be billed for  
27 1 50 percent of the nonfederal share of the cost of case  
27 2 management provided for adults, day treatment, and partial  
27 3 hospitalization in accordance with sections 249A.26 and  
27 4 249A.27, and 100 percent of the nonfederal share of the cost  
27 5 of care for adults which is reimbursed under a federally  
27 6 approved home and community-based waiver that would otherwise  
27 7 be approved for provision in an intermediate care facility for  
27 8 persons with mental retardation, provided under the medical  
27 9 assistance program. The state shall have responsibility for  
27 10 the remaining 50 percent of the nonfederal share of the cost  
27 11 of case management provided for adults, day treatment, and  
27 12 partial hospitalization. For persons without a county of  
27 13 legal settlement, the state shall have responsibility for 100  
27 14 percent of the nonfederal share of the costs of case  
27 15 management provided for adults, day treatment, partial  
27 16 hospitalization, and the home and community-based waiver  
27 17 services. The case management services specified in this  
27 18 subsection shall be billed to a county only if the services  
27 19 are provided outside of a managed care contract.

27 20 b. The state shall pay the entire nonfederal share of the  
27 21 costs for case management services provided to persons 17  
27 22 years of age and younger who are served in a medical  
27 23 assistance home and community-based waiver program for persons  
27 24 with mental retardation.

27 25 c. Medical assistance funding for case management services  
27 26 for eligible persons 17 years of age and younger shall also be  
27 27 provided to persons residing in counties with child welfare  
27 28 decategorization projects implemented in accordance with  
27 29 section 232.188, provided these projects have included these  
27 30 persons in their service plan and the decategorization project  
27 31 county is willing to provide the nonfederal share of costs.

27 32 d. When paying the necessary and legal expenses of  
27 33 intermediate care facilities for persons with mental

Requires the amount for Mental Health, Mental Retardation, Developmental Disabilities, and Chronic Mental Illness services to be billed to the county of legal settlement. Limits county and State obligations to Medical Assistance Program reimbursement rates. Includes individual eligibility criteria for those individuals 17 years of age and younger.

27 34 retardation (ICFMR), the cost payment requirements of section  
27 35 222.60 shall be considered fulfilled when payment is made in  
28 1 accordance with the medical assistance payment rates  
28 2 established for ICFMRs by the department and the state or a  
28 3 county of legal settlement is not obligated for any amount in  
28 4 excess of the rates.  
28 5 e. Unless a county has paid or is paying for the  
28 6 nonfederal share of the cost of a person's home and community–  
28 7 based waiver services or ICFMR placement under the county's  
28 8 mental health, mental retardation, and developmental  
28 9 disabilities services fund, or unless a county of legal  
28 10 settlement would become liable for the costs of services at  
28 11 the ICFMR level of care for a person due to the person  
28 12 reaching the age of majority, the state shall pay the  
28 13 nonfederal share of the costs of an eligible person's services  
28 14 under the home and community–based waiver for persons with  
28 15 brain injury.

28 16 4. The department shall utilize not more than \$60,000 of  
28 17 the funds appropriated in this section to continue the  
28 18 AIDS/HIV health insurance premium payment program as  
28 19 established in 1992 Iowa Acts, Second Extraordinary Session,  
28 20 chapter 1001, section 409, subsection 6. Of the funds  
28 21 allocated in this subsection, not more than \$5,000 may be  
28 22 expended for administrative purposes.

28 23 5. Of the funds appropriated to the Iowa department of  
28 24 public health for substance abuse grants, \$950,000 for the  
28 25 fiscal year beginning July 1, 2003, shall be transferred to  
28 26 the department of human services for an integrated substance  
28 27 abuse managed care system.

28 28 6. In administering the medical assistance home and  
28 29 community–based waivers, the total number of openings at any  
28 30 one time shall be limited to the number approved for a waiver

Requires the DHS to use a maximum of \$60,000 of the funds appropriated for Medical Assistance to continue the Acquired Immune Deficiency Syndrome/Human Immunodeficiency Virus (AIDS/HIV) Health Insurance Premium Payment as established during the Second Extraordinary Session in 1992.

DETAIL: Maintains the current level of General Fund support.

Requires \$950,000 from the Substance Abuse Grants appropriation within the Department of Public Health be transferred to the Medical Assistance Program in the DHS for continuation of the Managed Substance Abuse Treatment Program.

DETAIL: The Managed Substance Abuse Treatment Program was funded for the first time in FY 1996. Maintains the current level of General Fund support.

Requires that the number of persons served at one time through the Home and Community-Based Waiver be limited to the number

28 31 by the secretary of the United States department of health and  
 28 32 human services. The openings shall be available on a first-  
 28 33 come, first-served basis.

approved by the federal Department of Health and Human Services.  
 Specifies openings be filled on a first-come, first-serve basis.

DETAIL: Legislative intent language in previous years limited waiver  
 slots to individuals residing in an institution for 30 consecutive days.

28 34 7. The department of human services, in consultation with  
 28 35 the Iowa department of public health and the department of  
 29 1 education, shall continue the program to utilize the early and  
 29 2 periodic screening, diagnosis, and treatment (EPSDT) funding  
 29 3 under medical assistance, to the extent possible, to implement  
 29 4 the screening component of the EPSDT program through the  
 29 5 school system. The department may enter into contracts to  
 29 6 utilize maternal and child health centers, the public health  
 29 7 nursing program, or school nurses in implementing this  
 29 8 provision.

Requires the DHS, in consultation with the Department of Public  
 Health and the Department of Education, to continue to utilize Medical  
 Assistance funding for Early and Periodic Screening, Diagnosis, and  
 Treatment (EPSDT) through schools. Permits the DHS to enter into  
 contracts with Maternal and Child Health Centers, the Public Health  
 Nursing Program, or school nurses for implementation.

29 9 [8. The department shall continue working with county  
 29 10 representatives in aggressively implementing the  
 29 11 rehabilitation option for services to persons with chronic  
 29 12 mental illness under the medical assistance program, and  
 29 13 county funding shall be used to provide the match for the  
 29 14 federal funding, except for individuals with state case  
 29 15 status, for whom state funding shall provide the match.]

VETOED

Requires the DHS to work with county representatives in aggressively  
 implementing the Medical Assistance rehabilitation option for  
 individuals with chronic mental illness, and to use county funding as a  
 match for federal funds except when the service recipient qualifies as  
 a State Case.

VETOED: The Governor vetoed this requirement and indicated this  
 effort has been accomplished and would be redundant.

29 16 9. If the federal centers for Medicare and Medicaid  
 29 17 services approves a waiver request from the department, the  
 29 18 department shall provide a period of 24 months of guaranteed  
 29 19 eligibility for medical assistance family planning services,  
 29 20 regardless of the change in circumstances of a woman who was a  
 29 21 medical assistance recipient when a pregnancy ended.

Contingent upon federal approval, requires the DHS to provide 24  
 months of family planning services to women who were Medical  
 Assistance eligibles at the time their pregnancies ended.

29 22 10. The department shall aggressively pursue options for  
 29 23 providing medical assistance or other assistance to  
 29 24 individuals with special needs who become ineligible to  
 29 25 continue receiving services under the early and periodic,  
 29 26 screening, diagnosis, and treatment program under the medical

Requires the DHS to aggressively pursue options for assisting special  
 need individuals who become ineligible for continued services under  
 the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)  
 Program due to turning 21 years of age. The individuals are to have

29 27 assistance program due to becoming 21 years of age, who have  
29 28 been approved for additional assistance through the  
29 29 department's exception to policy provisions, but who have  
29 30 health care needs in excess of the funding available through  
29 31 the exception to policy process.

been approved for additional assistance through the DHS exception to policy process but have health care needs exceeding available funding.

29 32 11. The drug utilization review commission shall submit  
29 33 copies of the board's annual review, including facts and  
29 34 findings, of the drugs on the department's prior authorization  
29 35 list to the department and to the members of the joint  
30 1 appropriations subcommittee on health and human services.

Requires the Drug Utilization Review Board to submit a copy of the Board's annual review to the Joint Appropriations Subcommittee on Health and Human Services.

30 2 12. The department shall expend the anticipated savings  
30 3 for operation of the state maximum allowable cost program for  
30 4 pharmaceuticals as additional funding for the medical  
30 5 assistance program.

Requires the DHS to utilize savings from the State Maximum Allowable Cost (MAC) program for the Medical Assistance Program.

30 6 13. The department shall implement the elimination of  
30 7 hospital crossover claims for dually eligible federal Medicare  
30 8 and medical assistance program beneficiaries for hospitals  
30 9 licensed under chapter 135B, only if approval of a medical  
30 10 assistance state plan amendment is received from the centers  
30 11 for Medicare and Medicaid services of the United States  
30 12 department of health and human services that protects  
30 13 hospitals from financial losses specifically due to the  
30 14 hospital crossover claims process under the medical assistance  
30 15 program or the Medicare cost reports.

Prohibits the DHS from eliminating payment for hospital crossover claims for persons eligible for Medicare and Medicaid unless a state plan amendment is approved by the Centers for Medicare and Medicaid Services.

30 16 Sec. 12. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There  
30 17 is appropriated from the general fund of the state to the  
30 18 department of human services for the fiscal year beginning  
30 19 July 1, 2003, and ending June 30, 2004, the following amount,  
30 20 or so much thereof as is necessary, to be used for the purpose  
30 21 designated:

General Fund appropriation to the DHS for the Health Insurance Premium Payment (HIPP) Program.

30 22 For administration of the health insurance premium payment  
30 23 program, including salaries, support, maintenance, and  
30 24 miscellaneous purposes, and for not more than the following  
30 25 full-time equivalent positions:

DETAIL: This is an increase of \$8,120 and 1.05 FTE positions compared to the FY 2003 estimated net General Fund appropriation. The increase replaces the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$8,120 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the

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30 26 .....	\$ 573,968	elimination of one-time salary funding. The increase in FTE positions adjusts the number of FTE positions to reflect the actual number utilized by the DHS.
30 27 .....	FTEs 21.00	
30 28	Sec. 13. MEDICAL CONTRACTS. There is appropriated from	General Fund appropriation to the DHS for Medical Contracts.
30 29	the general fund of the state to the department of human	DETAIL: This is an increase of \$260,894 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:
30 30	services for the fiscal year beginning July 1, 2003, and	
30 31	ending June 30, 2004, the following amount, or so much thereof	
30 32	as is necessary, to be used for the purpose designated:	
30 33	For medical contracts:	<ul style="list-style-type: none"> <li>• An increase of \$25,064 for Mental Health Center evaluations costs.</li> <li>• An increase of \$235,830 for the fiscal agents costs in implementing the requirements of the Federal Health Insurance Portability and Accountability Act (HIPPA).</li> </ul>
30 34 .....	\$ 8,990,035	
30 35	1. In any managed care contract for mental health or	Requires that a managed care contract for mental health or substance abuse services by the DHS include coverage of dual diagnosis treatment at the Mental Health Institute at Mt. Pleasant.
31 1	substance abuse services entered into or extended by the	
31 2	department on or after July 1, 2003, the request for proposals	DETAIL: This same language was required for FY 2003.
31 3	shall provide for coverage of dual diagnosis mental health and	
31 4	substance abuse treatment provided at the state mental health	Allows the DHS to either continue or reprocure the existing contract with the fiscal agent for FY 2004.
31 5	institute at Mount Pleasant. To the extent possible, the	
31 6	department shall also amend any such contract existing on July	
31 7	1, 2003, to provide for such coverage.	
31 8	2. The department may either continue or reprocure the	
31 9	contract existing on June 30, 2003, with the department's	
31 10	fiscal agent.	General Fund appropriation to the DHS for State Supplementary Assistance.
31 11	Sec. 14. STATE SUPPLEMENTARY ASSISTANCE. There is	
31 12	appropriated from the general fund of the state to the	DETAIL: This is a decrease of \$301,265 compared to the FY 2003 estimated net General Fund appropriation. The change includes:
31 13	department of human services for the fiscal year beginning	
31 14	July 1, 2003, and ending June 30, 2004, the following amount,	
31 15	or so much thereof as is necessary, to be used for the	
31 16	purposes designated:	<ul style="list-style-type: none"> <li>• A net decrease of \$740,159 due to changes in the Federal maintenance of effort requirements.</li> <li>• An increase of \$488,894 due an increase in the federal cost of living adjustment.</li> </ul>
31 17	For state supplementary assistance and the medical	
31 18	assistance home and community-based services waiver rent	
31 19	subsidy program:	
31 20 .....	\$ 19,198,735	

- A decrease of \$25,000 for a decrease in the rent subsidy, which will now be funded from the Senior Living Trust Fund.
- A decrease of \$25,000 due to no longer funding funerals.

31 21 1. The department shall increase the personal needs  
 31 22 allowance for residents of residential care facilities by the  
 31 23 same percentage and at the same time as federal supplemental  
 31 24 security income and federal social security benefits are  
 31 25 increased due to a recognized increase in the cost of living.  
 31 26 The department may adopt emergency rules to implement this  
 31 27 subsection.

Requires the DHS to increase the personal needs allowance of residential care facilities residents at the same rate and time as federal Supplemental Security Income (SSI) and Social Security benefits are increased. Permits the DHS to adopt emergency rules for implementation.

31 28 2. If during the fiscal year beginning July 1, 2003, the  
 31 29 department projects that state supplementary assistance  
 31 30 expenditures for a calendar year will not meet the federal  
 31 31 pass-along requirement specified in Title XVI of the federal  
 31 32 Social Security Act, section 1618, as codified in 42 U.S.C. §  
 31 33 1382g, the department may take actions including but not  
 31 34 limited to increasing the personal needs allowance for  
 31 35 residential care facility residents and making programmatic  
 32 1 adjustments or upward adjustments of the residential care  
 32 2 facility or in-home health-related care reimbursement rates  
 32 3 prescribed in this Act to ensure that federal requirements are  
 32 4 met. In addition, the department may make other programmatic  
 32 5 and rate adjustments necessary to remain within the amount  
 32 6 appropriated in this section while ensuring compliance with  
 32 7 federal requirements. The department may adopt emergency  
 32 8 rules to implement the provisions of this subsection.

Permits the DHS to adjust rates for State Supplementary Assistance to meet federal maintenance of effort requirements. Permits the DHS to adopt emergency rules for implementation.

32 9 Sec. 15. CHILDREN'S HEALTH INSURANCE PROGRAM. There is  
 32 10 appropriated from the general fund of the state to the  
 32 11 department of human services for the fiscal year beginning  
 32 12 July 1, 2003, and ending June 30, 2004, the following amount,  
 32 13 or so much thereof as is necessary, to be used for the purpose  
 32 14 designated:  
 32 15 For maintenance of the healthy and well kids in Iowa (hawk-  
 32 16 i) program pursuant to chapter 514I for receipt of federal  
 32 17 financial participation under Title XXI of the federal Social

General Fund appropriation to the DHS for the Children's Health Insurance Program.

DETAIL: This is a decrease of \$340,137 compared to the FY 2003 estimated net General Fund appropriation. The changes include:

- An increase of \$409,863 for increased enrollment in the program.
- A decrease of \$750,000 due to funds available in the hawk-i Trust Fund.



PG LN	House File 667	Explanation
32 18	Security Act, which creates the state children's health	
32 19	insurance program:	
32 20	..... \$ 11,118,275	
32 21	1. The department may transfer funds appropriated in this	Allows the DHS to use <i>hawk-i</i> funds for the expansion of health care
32 22	section to be used for the purpose of expanding health care	coverage to children under the Medical Assistance Program. Requires
32 23	coverage to children under the medical assistance program.	the DHS to provide periodic expenditure updates to the General
32 24	The department shall provide periodic updates to the general	Assembly.
32 25	assembly of expenditures of funds appropriated in this	
32 26	section.	
32 27	2. Moneys in the hawk-i trust fund are appropriated to the	Appropriates the <i>hawk-i</i> Trust Fund to the DHS to be used to offset
32 28	department of human services and shall be used to offset any	program costs for FY 2004.
32 29	program costs for the fiscal year beginning July 1, 2003, and	
32 30	ending June 30, 2004.	
32 31	Sec. 16. CHILD CARE ASSISTANCE. There is appropriated	General Fund appropriation to the DHS for the Child Care Assistance
32 32	from the general fund of the state to the department of human	Program for FY 2004.
32 33	services for the fiscal year beginning July 1, 2003, and	
32 34	ending June 30, 2004, the following amount, or so much thereof	DETAIL: This is an increase of \$111,117 compared to the FY 2003
32 35	as is necessary, to be used for the purpose designated:	estimated net General Fund appropriation in order to meet federal
33 1	For child care programs:	maintenance of effort requirements.
33 2	..... \$ 5,050,752	
33 3	1. a. Of the funds appropriated in this section,	Requires that \$4,525,228 of the Child Care Assistance appropriation
33 4	\$4,525,228 shall be used for state child care assistance in	be used for low-income employed lowans.
33 5	accordance with section 237A.13.	
33 6	b. During the 2003-2004 fiscal year, the moneys deposited	Requires the DHS to use funds deposited into the Child Care Credit
33 7	in the child care credit fund created in section 237A.28 are	Fund for State Child Care Assistance.
33 8	appropriated to the department to be used for state child care	
33 9	assistance in accordance with section 237A.13, in addition to	DETAIL: A total of \$2,700,000 is expected to be transferred from the
33 10	the moneys allocated for that purpose in paragraph "a".	Fund by the Department of Revenue and Finance during FY 2004.
33 11	2. Nothing in this section shall be construed or is	Specifies that Child Care Assistance Program funds are not an
33 12	intended as, or shall imply, a grant of entitlement for	entitlement and that the State's obligation to provide services is limited
33 13	services to persons who are eligible for assistance due to an	to the funds available.

33 14 income level consistent with the waiting list requirements of  
 33 15 section 237A.13. Any state obligation to provide services  
 33 16 pursuant to this section is limited to the extent of the funds  
 33 17 appropriated in this section.

33 18 3. Of the funds appropriated in this section, \$525,524 is  
 33 19 allocated for the statewide program for child care resource  
 33 20 and referral services under section 237A.26.

Allocates \$525,524 for the Statewide Child Care Resource and Referral Program.

33 21 4. The department may use any of the funds appropriated in  
 33 22 this section as a match to obtain federal funds for use in  
 33 23 expanding child care assistance and related programs. For the  
 33 24 purpose of expenditures of state and federal child care  
 33 25 funding, funds shall be considered obligated at the time  
 33 26 expenditures are projected or are allocated to the  
 33 27 department's service areas. Projections shall be based on  
 33 28 current and projected caseload growth, current and projected  
 33 29 provider rates, staffing requirements for eligibility  
 33 30 determination and management of program requirements including  
 33 31 data systems management, staffing requirements for  
 33 32 administration of the program, contractual and grant  
 33 33 obligations and any transfers to other state agencies, and  
 33 34 obligations for decategorization or innovation projects.

Permits funds appropriated for child care to be used as matching funds for federal grants. Also, specifies that funds are obligated when expenditures are projected or allocated to the DHS regions.

DETAIL: This provision was also in effect for FY 2003.

33 35 [5. If the federal government appropriates additional  
 34 1 funding under the federal child care and development block  
 34 2 grant than was anticipated would be received for the state  
 34 3 fiscal year beginning July 1, 2003, in addition to the  
 34 4 notification requirements for expenditure requirements for  
 34 5 additional federal funds under 2002 Iowa Acts, chapter 1170,  
 34 6 the department shall consult with the chairpersons and ranking  
 34 7 members of the joint appropriations subcommittee on health and  
 34 8 human services at least thirty days in advance of committing  
 34 9 to expenditure of the additional funding.]

VETOED

Requires the DHS to consult with the Chairpersons and Ranking Members of the Joint Health and Human Services Appropriations Subcommittee regarding the expenditure of additional funding from the federal Child Care Development Block Grant.

VETOED: The Governor vetoed this requirement and indicated this would require the DHS to do unnecessary reporting at a time when staff funding has been reduced.

34 10 6. A portion of the state match for the federal child care  
 34 11 and development block grant shall be provided through the  
 34 12 state general fund appropriation for child development grants

Requires that a portion of the State match for the federal Child Care and Development Block Grant be provided through the General Fund

34 13 and other programs for at-risk children in section 279.51.

appropriation for child development grants and other programs for at-risk children defined in Section 279.51, Code of Iowa.

34 14 7. a. The department shall develop consumer information  
34 15 material to assist parents in selecting a child care provider.  
34 16 In developing the material, the department shall consult with  
34 17 department of human services staff, department of education  
34 18 staff, the state child care advisory council, the Iowa  
34 19 empowerment board, and child care resource and referral  
34 20 services. In addition, the department may consult with other  
34 21 entities at the local, state, and national level.

Requires the Department of Human Services to develop consumer information material to assist parents in selecting a child care provider and specifies the requirements for the content of the information.

34 22 [b. The consumer information material developed by the  
34 23 department for parents and other consumers of child care  
34 24 services shall include but is not limited to all of the  
34 25 following:

VETOED

VETOED: The Governor vetoed subsection b and c, which specified the content of the consumer information materials. The Governor indicated the DHS currently provides consumer information and does not have the staff or support necessary to complete this effort at a time when funding has been reduced.

34 26 (1) A pamphlet or other printed material containing  
34 27 consumer-oriented information on locating a quality child care  
34 28 provider.

34 29 (2) Information explaining important considerations a  
34 30 consumer should take into account in selecting a licensed or  
34 31 registered child care provider.

34 32 (3) Information explaining how a consumer can identify  
34 33 quality services, including what questions to ask of providers  
34 34 and what a consumer might expect or demand to know before  
34 35 selecting a provider.

35 1 (4) An explanation of the applicable laws and regulations  
35 2 written in layperson's terms.

35 3 (5) An explanation of what it means for a provider to be  
35 4 licensed, registered, or unregistered.

35 5 (6) An explanation of the information considered in  
35 6 registry and record background checks.

35 7 (7) Other information deemed relevant to consumers.

35 8 c. The department shall implement and publicize an  
35 9 internet page or site that provides all of the following:

35 10 (1) The written information developed pursuant to  
35 11 paragraphs "a" and "b".

35 12 (2) Regular informational updates, including when a child  
35 13 care provider was last subject to a state quality review or

35 14 inspection and, based upon a final score or review, the  
 35 15 results indicating whether the provider passed or failed the  
 35 16 review or inspection.

35 17 (3) Capability for a consumer to be able to access  
 35 18 information concerning child care providers, such as  
 35 19 informational updates, identification of provider location,  
 35 20 name, and capacity, and identification of providers  
 35 21 participating in the state child care assistance program and  
 35 22 those participating in the child care food program, by sorting  
 35 23 the information or employing other means that provide the  
 35 24 information in a manner that is useful to the consumer.

35 25 Information regarding provider location shall identify  
 35 26 providers located in the vicinity of an address selected by a  
 35 27 consumer and provide contact information without listing the  
 35 28 specific addresses of the providers.

35 29 (4) Other information deemed appropriate by the  
 35 30 department.]

35 31 8. If the department receives additional funding from the  
 35 32 federal government designated for purposes of improving child  
 35 33 care quality, the funding shall be used for additional child  
 35 34 care consultant positions within the department's field  
 35 35 operations.

Requires additional federal funds received by the Department of Human Services for improving child care quality be used to provide additional child care consultant positions within Field Operations.

36 1 Sec. 17. JUVENILE INSTITUTIONS. There is appropriated  
 36 2 from the general fund of the state to the department of human  
 36 3 services for the fiscal year beginning July 1, 2003, and  
 36 4 ending June 30, 2004, the following amounts, or so much  
 36 5 thereof as is necessary, to be used for the purposes  
 36 6 designated:

General Fund appropriations to the DHS for juvenile institutions for FY 2004.

36 7 1. For operation of the Iowa juvenile home at Toledo and  
 36 8 for salaries, support, maintenance, and for not more than the  
 36 9 following full-time equivalent positions:

36 10 ..... \$ 6,160,878  
 36 11 ..... FTEs 130.54

General Fund appropriation to the DHS for the Iowa Juvenile Home at Toledo for FY 2004.

DETAIL: This is an increase of \$40,756 and 10.29 FTE positions compared to the FY 2003 estimated net General Fund appropriation.

36 12 2. For operation of the state training school at Eldora  
 36 13 and for salaries, support, maintenance, and for not more than  
 36 14 the following full-time equivalent positions:  
 36 15 ..... \$ 10,285,696  
 36 16 ..... FTEs 218.53

36 17 3. During the fiscal year beginning July 1, 2003, the  
 36 18 population levels at the state juvenile institutions shall not  
 36 19 exceed the population guidelines established under 1990 Iowa  
 36 20 Acts, chapter 1239, section 21, as adjusted for subsequent  
 36 21 changes in capacity at the institutions.

36 22 4. A portion of the moneys appropriated in this section  
 36 23 shall be used by the state training school and by the Iowa  
 36 24 juvenile home for grants for adolescent pregnancy prevention  
 36 25 activities at the institutions in the fiscal year beginning  
 36 26 July 1, 2003.

The change includes:

- An increase of \$88,069 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$88,069 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
- A decrease of \$47,313 to annualize FY 2003 savings.
- An increase of 10.29 FTE positions to reflect the FTE positions utilized.

General Fund appropriation to the DHS for the State Training School at Eldora.

DETAIL: This is an increase of \$106,356 and a decrease of 5.10 FTE positions compared to the FY 2003 estimated net General Fund appropriation. The change includes:

- An increase of \$163,436 to replace the FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$163,436 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
- A decrease of \$57,080 to annualize FY 2003 savings.
- A decrease of 5.10 FTE positions to reflect the FTE positions utilized.

Requires the population levels at the State juvenile institutions not exceed the adjusted population guidelines established by the General Assembly in 1990.

Requires a portion of the funds for the two juvenile institutions be used for pregnancy prevention.

36 27 5. Within the amounts appropriated in this section, the  
 36 28 department may transfer funds as necessary to best fulfill the  
 36 29 needs of the institutions provided for in the appropriation.

Permits the DHS to reallocate funds between the two institutions as needed to meet the needs of the facilities.

DETAIL: The Juvenile Home at Toledo is budgeted for 102 residents, and the Training School at Eldora is budgeted for 209 residents.

36 30 Sec. 18. CHILD AND FAMILY SERVICES.  
 36 31 1. There is appropriated from the general fund of the  
 36 32 state to the department of human services for the fiscal year  
 36 33 beginning July 1, 2003, and ending June 30, 2004, the  
 36 34 following amount, or so much thereof as is necessary, to be  
 36 35 used for the purpose designated:  
 37 1 For child and family services:  
 37 2 ..... \$107,091,253

General Fund appropriation to the DHS for Child and Family Services for FY 2004.

DETAIL: This is an increase of \$3,247,090 compared to the FY 2003 estimated net General Fund appropriation. The change includes:

- An increase of \$1,990,000 for group care, family preservation, and school-based liaison services.
- An increase of \$1,000,000 for decategorization services.
- An increase of \$695,510 for children determined as ineligible for federal matching rate.
- A decrease of \$438,420 for adjustment in federal matching rate.

37 3 2. The department may transfer funds appropriated in this  
 37 4 section as necessary to pay the nonfederal costs of services  
 37 5 reimbursed under medical assistance or the family investment  
 37 6 program which are provided to children who would otherwise  
 37 7 receive services paid under the appropriation in this section.  
 37 8 The department may transfer funds appropriated in this section  
 37 9 to the appropriations in this Act for general administration  
 37 10 and for field operations for resources necessary to implement  
 37 11 and operate the services funded in this section.

Permits the DHS to transfer funds appropriated for Child and Family Services, General Administration, or Field Operations for resources needed to develop, implement, and operate the child welfare initiative.

37 12 3. a. Of the funds appropriated in this section, up to  
 37 13 \$30,154,516 is allocated as the statewide expenditure target  
 37 14 under section 232.143 for group foster care maintenance and  
 37 15 services.

Allocates up to \$30,154,516 for group care services and maintenance costs.

DETAIL: This is an increase of \$2,119,217 compared to the FY 2003 allocation due to changes in the federal match rate and the expected number of children eligible for federal funding.

37 16 b. If at any time after September 30, 2003, annualization  
37 17 of a service area's current expenditures indicates a service  
37 18 area is at risk of exceeding its group foster care expenditure  
37 19 target under section 232.143 by more than 5 percent, the  
37 20 department and juvenile court services shall examine all group  
37 21 foster care placements in that service area in order to  
37 22 identify those which might be appropriate for termination. In  
37 23 addition, any aftercare services believed to be needed for the  
37 24 children whose placements may be terminated shall be  
37 25 identified. The department and juvenile court services shall  
37 26 initiate action to set dispositional review hearings for the  
37 27 placements identified. In such a dispositional review  
37 28 hearing, the juvenile court shall determine whether needed  
37 29 aftercare services are available and whether termination of  
37 30 the placement is in the best interest of the child and the  
37 31 community.

Requires that the group foster care expenditure target be reviewed under certain conditions and that review hearings are required when determined appropriate.

37 32 c. (1) Of the funds appropriated in this section, not  
37 33 more than \$6,355,170 is allocated as the state match funding  
37 34 for psychiatric medical institutions for children.

Prohibits the DHS from spending more than \$6,355,170 for Psychiatric Medical Institutions for Children (PMICs).

DETAIL: This is a decrease of \$85,840 compared to the FY 2003 allocation due to changes in the federal match rate and projected FY 2004 utilization.

37 35 (2) The department may transfer all or a portion of the  
38 1 amount allocated in this lettered paragraph for psychiatric  
38 2 medical institutions for children (PMICs) to the appropriation  
38 3 in this Act for medical assistance.

Permits the funds allocated for the Psychiatric Medical Institutions for Children (PMICs) to be transferred to the Medical Assistance Program (Medicaid).

38 4 d. Of the funds allocated in this subsection, \$1,419,988  
38 5 is allocated as the state match funding for 50 highly  
38 6 structured juvenile program beds. If the number of beds  
38 7 provided for in this lettered paragraph is not utilized, the  
38 8 remaining funds allocated may be used for group foster care.

Allocates \$1,419,988 to provide match for 50 highly structured juvenile program (boot camp) beds.

DETAIL: This is an increase of \$80,004 compared to the FY 2003 allocation due to changes in the federal match rate and projected utilization.

38 9 e. For the fiscal year beginning July 1, 2003, the

38 10 requirements of section 232.143 applicable to the juvenile  
38 11 court and to representatives of the juvenile court shall be  
38 12 applicable instead to juvenile court services and to  
38 13 representatives of juvenile court services. The  
38 14 representatives appointed by the department of human services  
38 15 and by juvenile court services to establish the plan to  
38 16 contain expenditures for children placed in group foster care  
38 17 ordered by the court within the budget target allocated to the  
38 18 service area shall establish the plan in a manner so as to  
38 19 ensure the moneys allocated to the service area under section  
38 20 232.143 shall last the entire fiscal year. Funds for a child  
38 21 placed in group foster care shall be considered encumbered for  
38 22 the duration of the child's projected or actual length of  
38 23 stay, whichever is applicable.

CODE: Specifies that the requirements of Section 232.143, Code of Iowa, relating to foster group care placements are applicable to Juvenile Court Services rather than to the Juvenile Court. Also, requires the allocation for group foster care be sufficient to fund placements for the entire fiscal year. Specifies funds for a youth placed in group foster care be encumbered for either the youth's projected or actual length of stay, whichever is applicable.

38 24 4. Of the funds appropriated in this section, \$3,000,000  
38 25 is allocated specifically for expenditure through the  
38 26 decategorization of child welfare funding pools and governance  
38 27 boards established pursuant to section 232.188.  
38 28 Notwithstanding section 8.33, moneys allocated in this  
38 29 subsection that remain unencumbered or unobligated at the  
38 30 close of the fiscal year shall not revert but shall remain  
38 31 available for expenditure for the purposes designated until  
38 32 the close of the succeeding fiscal year.

Allocates \$3,000,000 to provide funding for decategorization efforts.

CODE: Permits funds for decategorization efforts that remain unencumbered or unobligated at the end of FY 2004 to remain available for expenditure until the end of FY 2005.

38 33 5. Of the funds appropriated in this section, up to  
38 34 \$915,892 is allocated for additional funding of the family  
38 35 preservation program.

Allocates up to \$915,892 to provide for additional funding of the family preservation program.

DETAIL: This is a new allocation for FY 2004.

39 1 6. The department shall continue the goal that not more  
39 2 than 15 percent of the children placed in foster care funded  
39 3 under the federal Social Security Act, Title IV-E, may be  
39 4 placed in foster care for a period of more than 24 months.

Requires the DHS to continue the goal that not more than 15.00% of the children placed in foster care funded with Title IV-E funds remain in care for more than 24 months.

DETAIL: This is the same percentage that was set in FY 2003.



39 5 7. In accordance with the provisions of section 232.188,  
 39 6 the department shall continue the program to decategorize  
 39 7 child welfare services funding in additional counties or  
 39 8 clusters of counties.

Requires the DHS to continue child welfare decategorization projects in additional counties or clusters of counties.

39 9 8. A portion of the funding appropriated in this section  
 39 10 may be used for emergency family assistance to provide other  
 39 11 resources required for a family participating in a family  
 39 12 preservation or reunification project to stay together or to  
 39 13 be reunified.

Permits a portion of the Child and Family Services appropriation to be used for emergency family assistance under specified conditions.

39 14 9. Notwithstanding section 234.35, subsection 1, for the  
 39 15 fiscal year beginning July 1, 2003, state funding for shelter  
 39 16 care paid pursuant to section 234.35, subsection 1, paragraph  
 39 17 "h", shall be limited to \$6,922,509.

CODE: Limits State funding for shelter care to \$6,922,509.

DETAIL: This is a decrease of \$41,225 compared to the FY 2003 allocation due to changes in the federal match rate and expected utilization.

39 18 10. The department shall continue to make adoption  
 39 19 presubsidy and adoption subsidy payments to adoptive parents  
 39 20 at the beginning of the month for the current month.

Requires the DHS to continue to make adoption pre-subsidy and subsidy payments at the beginning of each month.

39 21 11. Federal funds received by the state during the fiscal  
 39 22 year beginning July 1, 2003, as the result of the expenditure  
 39 23 of state funds appropriated during a previous state fiscal  
 39 24 year for a service or activity funded under this section, are  
 39 25 appropriated to the department to be used as additional  
 39 26 funding for services and purposes provided for under this  
 39 27 section. Notwithstanding section 8.33, moneys received in  
 39 28 accordance with this subsection that remain unencumbered or  
 39 29 unobligated at the close of the fiscal year shall not revert  
 39 30 to any fund but shall remain available for the purposes  
 39 31 designated until the close of the succeeding fiscal year.

Requires that federal funds received in the fiscal year after the expenditure of the related State funds be used as additional funding for services provided under the Child and Family Services appropriation.

CODE: Requires that moneys received in accordance with this Subsection that remain unencumbered or unobligated at the end of FY 2004 not revert but remain available for the purposes designated until the close of FY 2005.

39 32 [12. The department and juvenile court services shall  
 39 33 continue to develop criteria for the department service area  
 39 34 administrator and chief juvenile court officer to grant

VETOED

Requires the DHS and juvenile court services to develop criteria for exceptions to extend aftercare eligibility to individuals beyond age 18 who have been released from a specified placement.

39 35 exceptions to extend eligibility, within the funds allocated,  
40 1 for intensive tracking and supervision and for supervised  
40 2 community treatment to delinquent youth beyond age 18 who are  
40 3 subject to release from the state training school, a highly  
40 4 structured juvenile program, or group foster care.】

VETOED: The Governor vetoed the requirement and indicated these criteria were developed three years ago.

40 5 13. Of the moneys appropriated in this section, not more  
40 6 than \$442,100 is allocated to provide clinical assessment  
40 7 services as necessary to continue funding of children's  
40 8 rehabilitation services under medical assistance in accordance  
40 9 with federal law and requirements. The funding allocated is  
40 10 the amount projected to be necessary for providing the  
40 11 clinical assessment services.

Allows a maximum of \$442,100 for Clinical Assessment Services.

DETAIL: This is an increase of \$36,098 compared to the FY 2003 allocation level due to changes in federal funds and expected utilization.

40 12 14. Of the funding appropriated in this section,  
40 13 \$3,696,285 shall be used for protective child care assistance.

Requires that \$3,696,285 be used for protective child day care assistance.

DETAIL: This is a decrease of \$81,318 compared to the FY 2003 allocation level due to the expected level of utilization.

40 14 15. Of the moneys appropriated in this section, up to  
40 15 \$2,859,851 is allocated for the payment of the expenses of  
40 16 court-ordered services provided to juveniles which are a  
40 17 charge upon the state pursuant to section 232.141, subsection  
40 18 4.

Allocates up to \$2,859,851 to be used for court-ordered services provided to juveniles.

DETAIL: Maintains the current allocation level.

40 19 a. Notwithstanding section 232.141 or any other provision  
40 20 of law to the contrary, the amount allocated in this  
40 21 subsection shall be distributed to the judicial districts as  
40 22 determined by the state court administrator. The state court  
40 23 administrator shall make the determination of the distribution  
40 24 amounts on or before June 15, 2003.

CODE: Requires allocations to the DHS districts be made according to a formula determined by the State Court Administrator. Requires the allocations to be determined by June 15, 2003.

40 25 b. Notwithstanding chapter 232 or any other provision of  
40 26 law to the contrary, a district or juvenile court shall not  
40 27 order any service which is a charge upon the state pursuant to

CODE: Prohibits a court from ordering any service that is a charge

40 28 section 232.141 if there are insufficient court-ordered  
40 29 services funds available in the district court distribution  
40 30 amount to pay for the service. The chief juvenile court  
40 31 officer shall encourage use of the funds allocated in this  
40 32 subsection such that there are sufficient funds to pay for all  
40 33 court-related services during the entire year. The chief  
40 34 juvenile court officers shall attempt to anticipate potential  
40 35 surpluses and shortfalls in the distribution amounts and shall  
41 1 cooperatively request the state court administrator to  
41 2 transfer funds between the districts' distribution amounts as  
41 3 prudent.

upon the State if there are insufficient funds to pay for the service.  
Requires the Chief Juvenile Court Officers to have the allocation  
available for the entire year. Permits the Chief Juvenile Court Officers  
to request that the State Court Administrator transfer funds between  
districts when appropriate.

41 4 c. Notwithstanding any provision of law to the contrary, a  
41 5 district or juvenile court shall not order a county to pay for  
41 6 any service provided to a juvenile pursuant to an order  
41 7 entered under chapter 232 which is a charge upon the state  
41 8 under section 232.141, subsection 4.

CODE: Prohibits a district or juvenile court from ordering a county to  
pay for a service provided to a juvenile that is a charge upon the State.

41 9 d. Of the funding allocated in this subsection, not more  
41 10 than \$100,000 may be used by the judicial branch for  
41 11 administration of the requirements under this subsection and  
41 12 for travel associated with court-ordered placements which are  
41 13 a charge upon the state pursuant to section 232.141,  
41 14 subsection 4.

Prohibits the Judicial Branch from using more than \$100,000 of the  
allocation for administration and travel costs.

DETAIL: Maintains the current allocation level.

41 15 16. a. Of the funding appropriated in this section,  
41 16 \$3,062,193 is allocated to provide school-based supervision of  
41 17 children adjudicated under chapter 232, including not more  
41 18 than \$1,431,597 from the allocation in this section for court-  
41 19 ordered services. Not more than \$15,000 of the funding  
41 20 allocated in this subsection may be used for the purpose of  
41 21 training.

Specifies that \$3,062,193 is allocated for school-based supervision of  
delinquent children, including not more than \$1,431,597 for court-  
ordered services. Also, limits training funds to no more than \$15,000.

DETAIL: This is an increase of \$198,998 compared to the FY 2003  
allocation to reflect FY 2003 General Assembly action for additional  
school-based liaisons.

41 22 b. A portion of the cost of each school-based liaison  
41 23 officer shall be paid by the school district or other funding  
41 24 source as approved by the chief juvenile court officer.

Requires the Chief Juvenile Court Officers to determine the portion of  
the school-based liaison officers to be paid by school districts and  
other funding sources.

41 25 17. The department shall maximize the capacity to draw  
41 26 federal funding under Title IV–E of the federal Social  
41 27 Security Act.

Requires the DHS to maximize federal Title IV-E funds.

41 28 18. Any unanticipated federal funding that is received  
41 29 during the fiscal year due to improvements in the hours  
41 30 counted by the judicial branch under the claiming process for  
41 31 federal Title IV–E funding are appropriated to the department  
41 32 to be used for additional or expanded services and support for  
41 33 court–ordered services pursuant to section 232.141.  
41 34 Notwithstanding section 8.33, moneys appropriated in this  
41 35 subsection that remain unencumbered or unobligated at the  
42 1 close of the fiscal year shall not revert but shall remain  
42 2 available for expenditure for the purposes designated until  
42 3 the close of the succeeding fiscal year.

CODE: Requires that funds received due to changes in the methodology used to determine the time provided by the Judicial Branch for services relating to foster care be expended for court-ordered services. Also, specifies that funds remaining at the end of FY 2004 not revert but remain available for expenditure in FY 2005.

42 4 19. Notwithstanding section 234.39, subsection 5, and 2000  
42 5 Iowa Acts, chapter 1228, section 43, the department may  
42 6 operate a subsidized guardianship program if the United States  
42 7 department of health and human services approves a waiver  
42 8 under Title IV–E of the federal Social Security Act or the  
42 9 federal Social Security Act is amended to allow Title IV–E  
42 10 funding to be used for subsidized guardianship, and the  
42 11 subsidized guardianship program can be operated without loss  
42 12 of Title IV–E funds.

CODE: Permits the DHS to operate a subsidized guardianship program if a federal waiver is received and Title IV-E funds are not jeopardized.

42 13 20. It is the intent of the general assembly that the  
42 14 department continue its practice of providing strong support  
42 15 for Iowa's nationally recognized initiative of  
42 16 decategorization of child welfare funding.

Specifies that it is the intent of the General Assembly that the DHS continue its practice of providing strong support for Iowa's nationally recognized initiative of decategorization funding for child welfare services.

42 17 [21. The department shall develop a plan for privatizing  
42 18 the administration of the foster care and adoption programs.  
42 19 The plan shall be submitted to the governor and the general  
42 20 assembly on or before December 15, 2003.]

VETOED

Requires the Department of Human Services to develop a plan to be submitted to the General Assembly and the Governor on or before December 15, 2003, for the privatization of the administration of foster care and adoption programs.

VETOED: The Governor vetoed this requirement, indicating that no additional funds were provided for this effort, staffing has been reduced, and the child welfare redesign effort required in SF 453 (FY 2004 Government Reinvention Act) would make implementation of this subsection counter-productive.

42 21 22. Notwithstanding section 237.5A, a foster parent who is  
 42 22 unable to complete six hours of foster parent training prior  
 42 23 to annual licensure renewal because the foster parent is  
 42 24 engaged in active duty in the military service shall be  
 42 25 considered to be in compliance with the training requirement  
 42 26 for annual licensure renewal.

CODE: Provides that a foster parent engaged in active duty in the military who is unable to complete six hours of foster parent training prior to annual licensure renewal will be considered to be in compliance with the training requirement.

42 27 Sec. 19. JUVENILE DETENTION HOME FUND. Moneys deposited  
 42 28 in the juvenile detention home fund created in section 232.142  
 42 29 during the fiscal year beginning July 1, 2003, and ending June  
 42 30 30, 2004, are appropriated to the department of human services  
 42 31 for the fiscal year beginning July 1, 2003, and ending June  
 42 32 30, 2004, for distribution as follows:

CODE: Requires that funds collected by the Department of Transportation, pursuant to the Juvenile Services and Pay-For-Stay Program Act of 1997, and deposited into the Juvenile Detention Home Fund be distributed as follows:

42 33 1. An amount equal to ten percent of the costs of the  
 42 34 establishment, improvement, operation, and maintenance of  
 42 35 county or multicounty juvenile detention homes in the fiscal  
 43 1 year beginning July 1, 2002. Moneys appropriated for  
 43 2 distribution in accordance with this subsection shall be  
 43 3 allocated among eligible detention homes, prorated on the  
 43 4 basis of an eligible detention home's proportion of the costs  
 43 5 of all eligible detention homes in the fiscal year beginning  
 43 6 July 1, 2002. Notwithstanding section 232.142, subsection 3,  
 43 7 the financial aid payable by the state under that provision  
 43 8 for the fiscal year beginning July 1, 2003, shall be limited  
 43 9 to the amount appropriated for the purposes of this  
 43 10 subsection.  
 43 11 2. For renewal of a grant to a county with a population  
 43 12 between 189,000 and 196,000 for implementation of the county's  
 43 13 runaway treatment plan under section 232.195:  
 43 14 ..... \$ 80,000  
 43 15 3. For continuation and expansion of the community

- Ten percent of the FY 2003 costs of the Juvenile Homes.
- \$80,000 for the Linn County Runaway Program.
- \$159,000 for continuation and expansion of the community partnership for child protection sites.
- For grants to counties implementing a runaway treatment plan.
- To juvenile detention centers if funds remain.

43 16 partnership for child protection sites:  
 43 17 ..... \$ 159,000  
 43 18 4. For grants to counties implementing a runaway treatment  
 43 19 plan under section 232.195.  
 43 20 5. The remainder for additional allocations to county or  
 43 21 multicounty juvenile detention homes, in accordance with the  
 43 22 distribution requirements of subsection 1.

43 23 Sec. 20. FAMILY SUPPORT SUBSIDY PROGRAM. There is  
 43 24 appropriated from the general fund of the state to the  
 43 25 department of human services for the fiscal year beginning  
 43 26 July 1, 2003, and ending June 30, 2004, the following amount,  
 43 27 or so much thereof as is necessary, to be used for the purpose  
 43 28 designated:  
 43 29 For the family support subsidy program:  
 43 30 ..... \$ 1,936,434

43 31 1. The department may use up to \$333,312 of the moneys  
 43 32 appropriated in this section to continue the children-at-home  
 43 33 program in current counties, of which not more than \$20,000  
 43 34 shall be used for administrative costs.

43 35 2. Notwithstanding section 225C.38, subsection 1, the  
 44 1 monthly family support payment amount for the fiscal year  
 44 2 beginning July 1, 2003, shall remain the same as the payment  
 44 3 amount in effect on June 30, 2003.

44 4 Sec. 21. CONNER DECREE. There is appropriated from the  
 44 5 general fund of the state to the department of human services  
 44 6 for the fiscal year beginning July 1, 2003, and ending June  
 44 7 30, 2004, the following amount, or so much thereof as is  
 44 8 necessary, to be used for the purpose designated:  
 44 9 For building community capacity through the coordination  
 44 10 and provision of training opportunities in accordance with the  
 44 11 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.  
 44 12 Iowa, July 14, 1994):  
 44 13 ..... \$ 42,623

General Fund appropriation to the DHS for the Family Support Program in FY 2004.

DETAIL: Maintains the current level of General Fund support.

Permits the DHS to use up to \$333,312 to continue the Children-at-Home Pilot Program and limits administrative funding to \$20,000.

CODE: Requires the FY 2004 monthly family support payment be the same amount as the FY 2003 monthly payment.

General Fund appropriation to the DHS for Conner Decree training requirements.

DETAIL: Maintains the current level of General Fund support. The funds are used for training purposes to comply with the Conner court decision mandating placement of persons in the least restrictive setting.

44 14 Sec. 22. MENTAL HEALTH INSTITUTES. There is appropriated  
 44 15 from the general fund of the state to the department of human  
 44 16 services for the fiscal year beginning July 1, 2003, and  
 44 17 ending June 30, 2004, the following amounts, or so much  
 44 18 thereof as is necessary, to be used for the purposes  
 44 19 designated:

44 20 1. For the state mental health institute at Cherokee for  
 44 21 salaries, support, maintenance, and miscellaneous purposes and  
 44 22 for not more than the following full-time equivalent  
 44 23 positions:  
 44 24 ..... \$ 12,401,246  
 44 25 ..... FTEs 227.65

General Fund appropriation to the Mental Health Institute at Cherokee.

DETAIL: This is a decrease of \$34,751 and an increase of 0.15 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$48,499 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$48,499 to replace FY 2003 salary adjustment funding.
- A decrease of \$83,250 to annualize the FY 2003 savings.
- An increase of 0.15 FTE position to reflect the FTE positions utilized.

44 26 2. For the state mental health institute at Clarinda for  
 44 27 salaries, support, maintenance, and miscellaneous purposes and  
 44 28 for not more than the following full-time equivalent  
 44 29 positions:  
 44 30 ..... \$ 7,065,672  
 44 31 ..... FTEs 118.15

General Fund appropriation to the Mental Health Institute at Clarinda

DETAIL: This is a decrease of \$1,166 and 4.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$34,221 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$34,221 to replace FY 2003 salary adjustment funding.
- A decrease of \$35,387 to annualize the FY 2003 savings.
- A decrease of 4.00 FTE positions to reflect the FTE positions utilized.

44 32 3. For the state mental health institute at Independence  
 44 33 for salaries, support, maintenance, and miscellaneous purposes  
 44 34 and for not more than the following full-time equivalent

General Fund appropriation to the Mental Health Institute at Independence.

44 35 positions:  
 45 1 ..... \$ 16,912,302  
 45 2 ..... FTEs 317.80

DETAIL: This is an increase of \$765,270 and 34.80 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$229,617 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$229,617 to replace FY 2003 salary adjustment funding.
- A decrease of \$309,580 to annualize the FY 2003 savings.
- A decrease of \$4,767 due to the availability of additional federal funds.
- An increase of \$850,000 for accounting issues.
- An increase of 34.80 FTE positions to reflect the FTE positions utilized.

45 3 The state mental health institute at Independence shall  
 45 4 continue the 30 psychiatric medical institution for children  
 45 5 (PMIC) beds authorized in section 135H.6, in a manner which  
 45 6 results in no net state expenditure amount in excess of the  
 45 7 amount appropriated in this subsection. Counties are not  
 45 8 responsible for the costs of PMIC services described in this  
 45 9 subsection. Subject to the approval of the department, with  
 45 10 the exception of revenues required under section 249A.11 to be  
 45 11 credited to the appropriation in this Act for medical  
 45 12 assistance, revenues attributable to the PMIC beds described  
 45 13 in this subsection for the fiscal year beginning July 1, 2003,  
 45 14 and ending June 30, 2004, shall be deposited in the  
 45 15 institute's account, including but not limited to any of the  
 45 16 following revenues:  
 45 17 a. The federal share of medical assistance revenue  
 45 18 received under chapter 249A.  
 45 19 b. Moneys received through client participation.  
 45 20 c. Any other revenues directly attributable to the PMIC  
 45 21 beds.

Requires the Independence Mental Health Institute to continue the 30-bed Psychiatric Medical Institution for Children (PMIC) facility under a net State budgeting approach. Requires that revenues attributable to the beds be deposited in the Institute's account. The revenues include:

- The Institute's federal share of Medical Assistance funding.
- Moneys received through client participation.
- Revenues directly attributable to the operation of the Psychiatric Medical Institution (PMICs) for Children beds.



45 22 4. For the state mental health institute at Mount Pleasant  
 45 23 for salaries, support, maintenance, and miscellaneous purposes  
 45 24 and for not more than the following full-time equivalent  
 45 25 positions:  
 45 26 ..... \$ 5,830,810  
 45 27 ..... FTEs 100.44

General Fund appropriation to the Mental Health Institute at Mount Pleasant.

DETAIL: This is an increase of \$452,766 and 0.37 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$29,566 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$29,566 to replace FY 2003 salary adjustment funding.
- A decrease of \$38,800 to annualize the FY 2003 savings.
- An increase of \$462,000 to annualized the FY 2003 supplemental appropriation.
- An increase of 0.37 FTE position to reflect the FTE positions utilized.

45 28 a. Funding is provided in this subsection for the state  
 45 29 mental health institute at Mount Pleasant to continue the dual  
 45 30 diagnosis mental health and substance abuse program on a net  
 45 31 budgeting basis in which 50 percent of the actual per diem and  
 45 32 ancillary services costs are chargeable to the patient's  
 45 33 county of legal settlement or as a state case, as appropriate.  
 45 34 Subject to the approval of the department, revenues  
 45 35 attributable to the dual diagnosis program for the fiscal year  
 46 1 beginning July 1, 2003, and ending June 30, 2004, shall be  
 46 2 deposited in the institute's account, including but not  
 46 3 limited to all of the following revenues:  
 46 4 (1) Moneys received by the state from billings to counties  
 46 5 under section 230.20.  
 46 6 (2) Moneys received from billings to the Medicare program.  
 46 7 (3) Moneys received from a managed care contractor  
 46 8 providing services under contract with the department or any  
 46 9 private third-party payor.  
 46 10 (4) Moneys received through client participation.  
 46 11 (5) Any other revenues directly attributable to the dual  
 46 12 diagnosis program.

Requires the Mount Pleasant Mental Health Institute to operate a dual diagnosis program under the net State budgeting approach. The cost of treating a dual diagnosis patient will be charged one-half to the patient's county of residence and one-half to the State. Specifies which revenues are required to be deposited into the Institute's account.

46 13 b. The following additional provisions are applicable in  
46 14 regard to the dual diagnosis program:  
46 15 (1) A county may split the charges between the county's  
46 16 mental health, mental retardation, and developmental  
46 17 disabilities services fund and the county's budget for  
46 18 substance abuse expenditures.  
46 19 (2) If an individual is committed to the custody of the  
46 20 department of corrections at the time the individual is  
46 21 referred for dual diagnosis treatment, the department of  
46 22 corrections shall be charged for the costs of treatment.  
46 23 (3) Prior to an individual's admission for dual diagnosis  
46 24 treatment, the individual shall have been screened through a  
46 25 county's single entry point process to determine the  
46 26 appropriateness of the treatment.  
46 27 (4) A county shall not be chargeable for the costs of  
46 28 treatment for an individual enrolled in and authorized by or  
46 29 decertified by a managed behavioral care plan under the  
46 30 medical assistance program.

46 31 (5) Notwithstanding section 8.33, state mental health  
46 32 institute revenues related to the dual diagnosis program that  
46 33 remain unencumbered or unobligated at the close of the fiscal  
46 34 year shall not revert but shall remain available up to the  
46 35 amount which would allow the state mental health institute to  
47 1 meet credit obligations owed to counties as a result of year-  
47 2 end per diem adjustments for the dual diagnosis program.

47 3 5. Within the funds appropriated in this section, the  
47 4 department may transfer funds as necessary to best fulfill the  
47 5 needs of the institutes provided for in the appropriation.

47 6 6. As part of the discharge planning process at the state  
47 7 mental health institutes, the department shall provide  
47 8 assistance in obtaining eligibility for federal supplemental  
47 9 security income (SSI) to those individuals whose care at a  
47 10 state mental health institute is the financial responsibility

Specifies the following provisions relating to county payment of dual diagnosis treatment.

- Counties may charge the costs of dual diagnosis to mental health funds and to substance abuse funds.
- The cost of treating a person in the custody of the Department of Corrections is chargeable to the Department of Corrections.
- Patients voluntarily admitted to the dual diagnosis program must receive a referral form a Central Point Coordinator.
- The cost of treating a person enrolled in and authorized or decertified by a managed behavioral health care contractor is not chargeable to the counties.

CODE: Specifies that a limited amount of funds from those unobligated at the Mount Pleasant Mental Health Institute do not revert to the State General Fund.

DETAIL: The language permits the Mount Pleasant Mental Health Institute to retain the funds necessary to meet county credit obligations at the end of FY 2004 relating to the dual diagnosis program year-end per diem adjustments.

Permits the DHS to reallocate funds to fulfill the needs of the mental health institutions.

Requires the DHS to provide assistance in obtaining federal Supplemental Security Income (SSI) benefits to persons being discharged.

47 11 of the state or a county.

47 12 Sec. 23. STATE RESOURCE CENTERS. There is appropriated  
47 13 from the general fund of the state to the department of human  
47 14 services for the fiscal year beginning July 1, 2003, and  
47 15 ending June 30, 2004, the following amounts, or so much  
47 16 thereof as is necessary, to be used for the purposes  
47 17 designated:

47 18 1. For the state resource center at Glenwood for salaries,  
47 19 support, maintenance, and miscellaneous purposes:  
47 20 ..... \$ 4,399,479

General Fund appropriation to the State Resource Center at Glenwood.

DETAIL: This is an increase of \$378,441 compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$531,441 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$531,441 to replace FY 2003 salary adjustment.
- A decrease of \$153,000 as a result of carryforward from FY 2003.

The FTE positions included in tracking are an estimate. The General Assembly does not limit the number of FTE positions. Tracking shows an increase of 90.00 FTE positions, which would increase the tracked number of FTE positions from 877.75 to 967.75.

47 21 2. For the state resource center at Woodward for salaries,  
47 22 support, maintenance, and miscellaneous purposes:  
47 23 ..... \$ 2,660,237

General Fund appropriation to the State Resource Center at Woodward.

DETAIL: This is an increase of \$138,971 compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$252,971 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funds. The change includes:

- An increase of \$252,971 to replace FY 2003 salary adjustment funding.

- A decrease of \$114,000 as a result of carry-forward from FY 2003 to FY 2004.

The FTE positions included in tracking are an estimate. The General Assembly does not limit the number of FTE positions. Tracking shows an increase of 49.00 FTE positions, which would increase the tracked number of FTE positions from 673.76 to 722.76.

47 24 3. a. The department shall continue operating the state  
47 25 resource centers at Glenwood and Woodward with a net general  
47 26 fund appropriation. The amounts allocated in this section are  
47 27 the net amounts of state moneys projected to be needed for the  
47 28 state resource centers. The purposes of operating with a net  
47 29 general fund appropriation are to encourage the state resource  
47 30 centers to operate with increased self-sufficiency, to improve  
47 31 quality and efficiency, and to support collaborative efforts  
47 32 between the state resource centers and counties and other  
47 33 funders of services available from the state resource centers.  
47 34 The state resource centers shall not be operated under the net  
47 35 appropriation in a manner which results in a cost increase to  
48 1 the state or cost shifting between the state, the medical  
48 2 assistance program, counties, or other sources of funding for  
48 3 the state resource centers. Moneys appropriated in this  
48 4 section may be used throughout the fiscal year in the manner  
48 5 necessary for purposes of cash flow management, and for  
48 6 purposes of cash flow management the state resource centers  
48 7 may temporarily draw more than the amounts appropriated,  
48 8 provided the amounts appropriated are not exceeded at the  
48 9 close of the fiscal year.

Requires the two State Resource Centers (Glenwood and Woodward) to operate under a net budgeting system. Specifies the purposes of the system and how the moneys appropriated in this Section may be used.

48 10 b. Subject to the approval of the department, except for  
48 11 revenues under section 249A.11, revenues attributable to the  
48 12 state resource centers for the fiscal year beginning July 1,  
48 13 2003, shall be deposited into each state resource center's  
48 14 account, including but not limited to all of the following:  
48 15 (1) Moneys received by the state from billings to counties  
48 16 under section 222.73.

Requires revenues received by the Resource Centers to be deposited into a designated fund and specifies sources of revenue to be included.

48 17 (2) The federal share of medical assistance revenue  
48 18 received under chapter 249A.

48 19 (3) Federal Medicare program payments.

48 20 (4) Moneys received from client financial participation.

48 21 (5) Other revenues generated from current, new, or

48 22 expanded services which the state resource center is

48 23 authorized to provide.

48 24 c. For the purposes of allocating the salary adjustment  
48 25 fund moneys appropriated in another Act, the state resource  
48 26 centers shall be considered to be funded entirely with state  
48 27 moneys.

Requires salary adjustment appropriations (not included in this Act) to be allocated assuming the State funds the entire cost of the State Resource Centers.

48 28 d. Notwithstanding section 8.33, up to \$500,000 of a state  
48 29 resource center's revenues that remain unencumbered or  
48 30 unobligated at the close of the fiscal year shall not revert  
48 31 but shall remain available to be used in the succeeding fiscal  
48 32 year.

CODE: Permits the two State Resource Centers to carry forward up to \$500,000 of the FY 2004 revenues.

48 33 4. Within the funds appropriated in this section, the  
48 34 department may transfer funds as necessary to best fulfill the  
48 35 needs of the institutions provided for in the appropriation.

Permits the DHS to reallocate funds between the two State Resource Centers to fulfill the needs of the Centers.

49 1 5. The department may continue to bill for state resource  
49 2 center services utilizing a scope of services approach used  
49 3 for private providers of ICFMR services, in a manner which  
49 4 does not shift costs between the medical assistance program,  
49 5 counties, or other sources of funding for the state resource  
49 6 centers.

Permits the DHS to continue billing practices that do not include cost shifting.

49 7 6. The state resource centers may expand the time limited  
49 8 assessment and respite services during the fiscal year.

Permits the State Resource Centers to expand time-limited assessment and respite services.

DETAIL: Time-limited assessments include analysis of patients' conditions and development of therapy plans to assist families in caring for individuals with mental retardation or developmental disabilities. Respite services provide care for special needs individuals for a limited duration to provide families with a temporary reprieve from caretaking responsibilities.

49 9 7. If the department's administration and the department  
49 10 of management concur with a finding by a state resource  
49 11 center's superintendent that projected revenues can reasonably  
49 12 be expected to pay the salary and support costs for a new  
49 13 employee position, or that such costs for adding a particular  
49 14 number of new positions for the fiscal year would be less than  
49 15 the overtime costs if new positions would not be added, the  
49 16 superintendent may add the new position or positions. If the  
49 17 vacant positions available to a resource center do not include  
49 18 the position classification desired to be filled, the state  
49 19 resource center's superintendent may reclassify any vacant  
49 20 position as necessary to fill the desired position. The  
49 21 superintendents of the state resource centers may, by mutual  
49 22 agreement, pool vacant positions and position classifications  
49 23 during the course of the fiscal year in order to assist one  
49 24 another in filling necessary positions.

Specifies that additional positions at the two State Resource Centers may be added under certain projections.

49 25 8. If existing capacity limitations are reached in  
49 26 operating units, a waiting list is in effect for a service or  
49 27 a special need for which a payment source or other funding is  
49 28 available for the service or to address the special need, and  
49 29 facilities for the service or to address the special need can  
49 30 be provided within the available payment source or other  
49 31 funding, the superintendent of a state resource center may  
49 32 authorize opening not more than two units or other facilities  
49 33 and to begin implementing the service or addressing the  
49 34 special need during fiscal year 2003–2004.

Permits a State Resource Center to open certain facilities if a service waiting list exists and funding is available.

49 35 9. The state resource centers shall develop a proposal  
50 1 providing options for addressing the service needs of persons  
50 2 with developmental disabilities who behave in a manner that

Requires the State Resource Centers to develop options for servicing

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50 3	presents a danger to themselves or to others. The proposal	persons with developmental disabilities that are a danger to
50 4	shall be submitted to the governor and general assembly on or	themselves or others. Requires a report to the Governor and the
50 5	before December 15, 2003.	General Assembly by December 15, 2003.
50 6	Sec. 24. MI/MR/DD STATE CASES. There is appropriated from	General Fund appropriation to the DHS for State Cases.
50 7	the general fund of the state to the department of human	
50 8	services for the fiscal year beginning July 1, 2003, and	
50 9	ending June 30, 2004, the following amount, or so much thereof	DETAIL: This is a decrease of \$400,000 compared to the FY 2003
50 10	as is necessary, to be used for the purpose designated:	estimated net General Fund appropriation to reflect a previous
50 11	For purchase of local services for persons with mental	transfer.
50 12	illness, mental retardation, and developmental disabilities	
50 13	where the client has no established county of legal	
50 14	settlement:	
50 15	..... \$ 11,014,619	
50 16	The general assembly encourages the department to continue	Specifies that the General Assembly encourages the DHS to discuss
50 17	discussions with the Iowa state association of counties and	with the Iowa State Association of Counties and Central Point
50 18	administrators of county central point of coordination offices	Coordinators moving the State Cases responsibility to county budgets.
50 19	regarding proposals for moving state cases to county budgets.	
50 20	Sec. 25. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES —	General Fund appropriation for the Mental Health Community Services
50 21	COMMUNITY SERVICES FUND. There is appropriated from the	Fund.
50 22	general fund of the state to the mental health and	
50 23	developmental disabilities community services fund created in	DETAIL: Maintains the current level of General Fund support.
50 24	section 225C.7 for the fiscal year beginning July 1, 2003, and	
50 25	ending June 30, 2004, the following amount, or so much thereof	
50 26	as is necessary, to be used for the purpose designated:	
50 27	For mental health and developmental disabilities community	
50 28	services in accordance with this Act:	
50 29	..... \$ 17,757,890	
50 30	1. Of the funds appropriated in this section, \$17,727,890	Allocates \$17,727,890 to counties for funding of Community-Based
50 31	shall be allocated to counties for funding of community-based	Services. Specifies that the funds be allocated 50.00% based on
50 32	mental health and developmental disabilities services. The	population and 50.00% based on income.
50 33	moneys shall be allocated to a county as follows:	
50 34	a. Fifty percent based upon the county's proportion of the	DETAIL: Maintains the current allocation formula.
50 35	state's population of persons with an annual income which is	
51 1	equal to or less than the poverty guideline established by the	

51 2 federal office of management and budget.  
51 3 b. Fifty percent based upon the county's proportion of the  
51 4 state's general population.

51 5 2. a. A county shall utilize the funding the county  
51 6 receives pursuant to subsection 1 for services provided to  
51 7 persons with a disability, as defined in section 225C.2.  
51 8 However, no more than 50 percent of the funding shall be used  
51 9 for services provided to any one of the service populations.  
51 10 b. A county shall use at least 50 percent of the funding  
51 11 the county receives under subsection 1 for contemporary  
51 12 services provided to persons with a disability, as described  
51 13 in rules adopted by the department.

51 14 3. Of the funds appropriated in this section, \$30,000  
51 15 shall be used to support the Iowa compass program providing  
51 16 computerized information and referral services for lowans with  
51 17 disabilities and their families.

51 18 4. a. Funding appropriated for purposes of the federal  
51 19 social services block grant is allocated for distribution to  
51 20 counties for local purchase of services for persons with  
51 21 mental illness or mental retardation or other developmental  
51 22 disability.

51 23 b. The funds allocated in this subsection shall be  
51 24 expended by counties in accordance with the county's approved  
51 25 county management plan. A county without an approved county  
51 26 management plan shall not receive allocated funds until the  
51 27 county's management plan is approved.

51 28 c. The funds provided by this subsection shall be  
51 29 allocated to each county as follows:  
51 30 (1) Fifty percent based upon the county's proportion of  
51 31 the state's population of persons with an annual income which  
51 32 is equal to or less than the poverty guideline established by  
51 33 the federal office of management and budget.

Requires the funds to be used for services to persons with mental illness, mental retardation, developmental disabilities, and brain injuries. Specifies that no more than 50.00% may be used for any one of these populations. Requires counties to use at least 50.00% of the funding received on contemporary services.

Allocates \$30,000 to support the Iowa Compass Program, which provides computerized information and referral services for lowans with developmental disabilities and their families.

DETAIL: Maintains the current level of General Fund support.

Allocates federal funds appropriated in HF 472 (FY 2004 Block Grant and Federal Funds Appropriations Act) from the Social Services Block Grant for distribution to counties for local purchase of services for persons with mental illness, mental retardation, and developmental disabilities.

Requires that counties expend Social Services Block Grant funds according to their approved county management plans. Prohibits a county from receiving an allocation of Social Services Block Grant funds until the county's plan is approved.

Requires the funds provided in this Subsection be allocated to each county according to a specified formula.

DETAIL: The formula remains unchanged from the FY 1997 formula.



51 34 (2) Fifty percent based upon the amount provided to the  
51 35 county for local purchase of services in the preceding fiscal  
52 1 year.

52 2 5. A county is eligible for funds under this section if  
52 3 the county qualifies for a state payment as described in  
52 4 section 331.439.

52 5 Sec. 26. PERSONAL ASSISTANCE. There is appropriated from  
52 6 the general fund of the state to the department of human  
52 7 services for the fiscal year beginning July 1, 2003, and  
52 8 ending June 30, 2004, the following amount, or so much thereof  
52 9 as is necessary, to be used for the purpose designated:  
52 10 For continuation of a pilot project for the personal  
52 11 assistance services program in accordance with this section:  
52 12 ..... \$ 205,748

52 13 1. The funds appropriated in this section shall be used to  
52 14 continue the pilot project for the personal assistance  
52 15 services program under section 225C.46 in an urban and a rural  
52 16 area. Not more than 10 percent of the amount appropriated  
52 17 shall be used for administrative costs. The pilot project  
52 18 shall not be implemented in a manner which would require  
52 19 additional county or state costs for assistance provided to an  
52 20 individual served under the pilot project.

52 21 2. In accordance with 2001 Iowa Acts, chapter 191, section  
52 22 25, subsection 2, new applicants shall not be accepted into  
52 23 the pilot project. An individual receiving services under the  
52 24 pilot project as of June 30, 2003, shall continue receiving  
52 25 services until the individual voluntarily leaves the project  
52 26 or until another program with similar services exists.

52 27 Sec. 27. SEXUALLY VIOLENT PREDATORS.  
52 28 1. There is appropriated from the general fund of the  
52 29 state to the department of human services for the fiscal year  
52 30 beginning July 1, 2003, and ending June 30, 2004, the  
52 31 following amount, or so much thereof as is necessary, to be

Specifies that a county is eligible for State funding through the Community Mental Health Services Fund if it meets the requirements for receiving Property Tax Relief funds and Allowed Growth funds.

General Fund appropriation for the Personal Assistance Services Pilot Program.

DETAIL: This is an increase of \$47,827 compared to the FY 2003 estimated net General Fund appropriation to reflect the transfer from the Developmental Disabled Special Needs Grant Program budget unit.

Requires funds appropriated for the Personal Assistance Services Pilot Program be used to continue the Program. Limits the amount that may be spent upon administrative expenses to \$20,574 (10.00%). Prohibits implementation in a manner that would increase costs for counties or the State.

Prohibits additional clients from being added into the Personal Assistance Program Pilot Project.

DETAIL: The Program is being phased out.

General Fund appropriation to the DHS for the Sexual Predator Commitment Program.

PG LN	House File 667	Explanation
52 32	used for the purpose designated:	DETAIL: This is a decrease of \$700,000 compared to the FY 2003 estimated net General Fund appropriation as a result of carryforward from FY 2003 to FY 2004 and one-time funds in FY 2003. This is an increase of 2.00 FTE positions to reflect the positions utilized.
52 33	For costs associated with the commitment and treatment of	
52 34	sexually violent predators in the unit located at the state	
52 35	mental health institute at Cherokee, including costs of legal	
53 1	services and other associated costs, including salaries,	
53 2	support, maintenance, and miscellaneous purposes and for not	
53 3	more than the following full-time equivalent positions:	
53 4	..... \$ 2,675,179	
53 5	..... FTEs 46.00	
53 6	2. Unless specifically prohibited by law, if the amount	Permits the Unit for Commitment of Sexually Violent Predators to accept out-of-state clients when the entire cost is reimbursed.
53 7	charged provides for recoupment of at least the entire amount	
53 8	of direct and indirect costs, the department of human services	
53 9	may contract with other states to provide care and treatment	
53 10	of persons placed by the other states at the unit for sexually	
53 11	violent predators at Cherokee. The moneys received under such	
53 12	a contract shall be considered to be repayment receipts and	
53 13	used for the purposes of the appropriation made in this	
53 14	section.	
53 15	Sec. 28. FIELD OPERATIONS. There is appropriated from the	General Fund appropriation to the DHS for Field Operations staff and support.
53 16	general fund of the state to the department of human services	
53 17	for the fiscal year beginning July 1, 2003, and ending June	
53 18	30, 2004, the following amount, or so much thereof as is	
53 19	necessary, to be used for the purposes designated:	DETAIL: This is an increase of \$706,735 and an increase of 28.50 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$924,635 in other funds for FY 2004 compared to the FY 2003 estimate net appropriation for the elimination of one-time salary funding. The change includes:
53 20	1. For field operations, including salaries, support,	
53 21	maintenance, and miscellaneous purposes and for not more than	
53 22	the following full-time equivalent positions:	
53 23	..... \$ 50,657,828	
53 24	..... FTEs 1,800.00	<ul style="list-style-type: none"> <li>• An increase of \$924,635 to replace FY 2003 salary adjustment funding.</li> <li>• An increase of 28.50 FTE positions to reflect possible federally funded FTE positions.</li> <li>• A decrease of \$217,900 which is replaced by FY 2004 federal Temporary Assistance for Needy Families (TANF) moneys.</li> </ul>

53 25 Priority in filling full-time equivalent positions shall be  
53 26 given to those positions related to child protection services.

Requires that priority be given to child protection service FTE positions when filling positions.

53 27 2. In operating the service area system established  
53 28 pursuant to 2001 Iowa Acts, Second Extraordinary Session,  
53 29 chapter 4, for the fiscal year beginning July 1, 2003, and  
53 30 ending June 30, 2004, the department shall utilize the service  
53 31 areas and service area administrators in lieu of regions and  
53 32 regional administrators, notwithstanding the references to  
53 33 department regions or regional administrators in sections  
53 34 232.2, 232.52, 232.68, 232.72, 232.102, 232.117, 232.127,  
53 35 232.143, 232.188, and 234.35, or other provision in law. [The  
54 1 department shall submit proposed legislation under section  
54 2 2.16 for consideration by the Eightieth General Assembly, 2004  
54 3 Session, to correct the references in the necessary Code  
54 4 sections.]

CODE: Requires the DHS to utilize the newly created service areas and administrators in lieu of the referenced regions and administrators as a transition. Requires the DHS to submit legislation regarding specific changes to specific Sections of the Code of Iowa.

VETOED: The Governor item vetoed the sentence from this

Subsection requiring the DHS to submit proposed legislation to amend the Code of Iowa to parallel the service areas. The Governor indicated that the proposed legislation should be the responsibility of legislative staff.

VETOED

54 5 Sec. 29. GENERAL ADMINISTRATION. There is appropriated  
54 6 from the general fund of the state to the department of human  
54 7 services for the fiscal year beginning July 1, 2003, and  
54 8 ending June 30, 2004, the following amount, or so much thereof  
54 9 as is necessary, to be used for the purpose designated:  
54 10 For general administration, including salaries, support,  
54 11 maintenance, and miscellaneous purposes and for not more than  
54 12 the following full-time equivalent positions:  
54 13 ..... \$ 10,803,626  
54 14 ..... FTEs 286.00

General Fund Appropriation to the DHS for General Administration.

DETAIL: This is a decrease of \$500,707 and 37.50 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$330,962 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- A decrease of \$80,075 for changes in cost allocations with the federal government.
- A decrease of \$351,594 for reduction in postage due to utilizing an electronic benefits transfer for food stamp delivery.
- An increase of \$330,962 to replace FY 2003 salary adjustment funding.
- A decrease of \$400,000 to reflect a previous transfer.
- A decrease of 37.50 FTE positions to reflect the FTE positions utilized.

PG LN	House File 667	Explanation
54 15	1. Of the funds appropriated in this section, \$57,000 is	Allocates \$57,000 to the Prevention of Disabilities Policy Council.
54 16	allocated for the prevention of disabilities policy council	
54 17	established in section 225B.3.	DETAIL: Maintains the current level of General Fund support.
54 18	2. Up to \$500,000 of the moneys received in any settlement	
54 19	of overpayments made to a child development center or to any	Requires that funds received from a possible settlement of
54 20	other provider that results in a settlement in excess of	overpayment to a child development center is to be used for the salary
54 21	\$150,000 shall be considered as repayment receipts and shall	cost of additional FTE positions within the General Administration line-
54 22	only be used for the costs of filling full-time equivalent	item appropriation in lieu of deposit into the General Fund.
54 23	positions authorized but not funded by the appropriations made	
54 24	for the purposes of this section.	
54 25	Sec. 30. VOLUNTEERS. There is appropriated from the	
54 26	general fund of the state to the department of human services	General Fund appropriation to the DHS for the development and
54 27	for the fiscal year beginning July 1, 2003, and ending June	coordination of the Volunteer Services Program.
54 28	30, 2004, the following amount, or so much thereof as is	
54 29	necessary, to be used for the purpose designated:	DETAIL: Maintains the current level of General Fund support.
54 30	For development and coordination of volunteer services:	
54 31	..... \$ 109,568	
54 32	Sec. 31. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY	
54 33	ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER	
THE		
54 34	DEPARTMENT OF HUMAN SERVICES.	
54 35	1. a. For the fiscal year beginning July 1, 2003, nursing	
55 1	facilities shall be reimbursed at 100 percent of the modified	Specifies method of reimbursement to nursing facilities as provided in
55 2	price-based case-mix reimbursement rate. Nursing facilities	HF 2613 (FY 2003 Senior Living Trust Fund and Hospital Trust Fund
55 3	reimbursed under the medical assistance program shall submit	Appropriations Act) and cost report requirements.
55 4	annual cost reports and additional documentation as required	
55 5	by rules adopted by the department.	
55 6	b. For the fiscal year beginning July 1, 2003, the	
55 7	department shall reimburse pharmacy dispensing fees using a	Specifies the reimbursement rate for pharmacist services using a
55 8	single rate of \$4.26 per prescription or the pharmacy's usual	single dispensing fee of \$4.26 per prescription or the usual and
55 9	and customary fee, whichever is lower.	customary fee, whichever is lower.

55 10 c. For the fiscal year beginning July 1, 2003,  
55 11 reimbursement rates for inpatient and outpatient hospital  
55 12 services shall remain at the rates in effect on June 30, 2003.  
55 13 The department shall continue the outpatient hospital  
55 14 reimbursement system based upon ambulatory patient groups  
55 15 implemented pursuant to 1994 Iowa Acts, chapter 1186, section  
55 16 25, subsection 1, paragraph "f". In addition, the department  
55 17 shall continue the revised medical assistance payment policy  
55 18 implemented pursuant to that paragraph to provide  
55 19 reimbursement for costs of screening and treatment provided in  
55 20 the hospital emergency room if made pursuant to the  
55 21 prospective payment methodology developed by the department  
55 22 for the payment of outpatient services provided under the  
55 23 medical assistance program. Any rebasing of hospital  
55 24 inpatient or outpatient rates shall not increase total  
55 25 payments for inpatient and outpatient services.

Requires the rate of reimbursement for inpatient and outpatient hospital services to remain at the rates in effect on June 30, 2003, and requires continuation of the outpatient reimbursement system utilizing Ambulatory Patient Groups implemented in FY 1995. Requires the DHS to continue the revised payment policy relating to screening and treatment provided in hospital emergency waiting rooms. Specifies that changes in rates will not increase total payments for services.

55 26 d. For the fiscal year beginning July 1, 2003,  
55 27 reimbursement rates for rural health clinics, hospices,  
55 28 independent laboratories, and acute mental hospitals shall be  
55 29 increased in accordance with increases under the federal  
55 30 Medicare program or as supported by their Medicare audited  
55 31 costs.

Requires rural health clinics, hospice services, and acute mental hospitals to be reimbursed at the rate established under the federal Medicare Program for FY 2004.

55 32 e. For the fiscal year beginning July 1, 2003,  
55 33 reimbursement rates for home health agencies shall remain at  
55 34 the rates in effect on June 30, 2003.

Requires rates to home health agencies remain the same as rates in effect on June 30, 2003.

55 35 f. For the fiscal year beginning July 1, 2003, federally  
56 1 qualified health centers shall receive cost-based  
56 2 reimbursement for 100 percent of the reasonable costs for the  
56 3 provision of services to recipients of medical assistance.

Requires the DHS to reimburse federally qualified health centers 100.00% of reasonable costs for provision of services to Medical Assistance Program recipients.

56 4 g. Beginning July 1, 2003, the reimbursement rates for  
56 5 dental services shall remain at the rates in effect on June  
56 6 30, 2003.

Requires the reimbursement rates for dental services remain the same as rates in effect on June 30, 2003.

56 7 h. Beginning July 1, 2003, the reimbursement rates for  
56 8 community mental health centers shall remain at the rates in  
56 9 effect on June 30, 2003.

Requires the reimbursement rates for community mental health centers remain the same as rates in effect on June 30, 2003.

56 10 i. For the fiscal year beginning July 1, 2003, the maximum  
56 11 reimbursement rate for psychiatric medical institutions for  
56 12 children shall remain at the rate in effect on June 30, 2003,  
56 13 based on per day rates for actual costs.

Requires the FY 2004 maximum reimbursement rate for Psychiatric Medical Institutions for Children (PMICs) remain at the rate in effect on June 30, 2003, based on per day rates for actual costs.

56 14 j. For the fiscal year beginning July 1, 2003, unless  
56 15 otherwise specified in this Act, all noninstitutional medical  
56 16 assistance provider reimbursement rates shall remain at the  
56 17 rates in effect on June 30, 2003, except for area education  
56 18 agencies, local education agencies, infant and toddler  
56 19 services providers, and those providers whose rates are  
56 20 required to be determined pursuant to section 249A.20.

Requires the FY 2004 reimbursement rates for all non-institutional Medical Assistance providers, with specified exceptions, remain the same as rates in effect on June 30, 2003.

56 21 k. Notwithstanding section 249A.20, the average  
56 22 reimbursement rates for health care providers eligible for use  
56 23 of the reimbursement methodology under that section shall  
56 24 remain at the rate in effect on June 30, 2003; however, this  
56 25 rate shall not exceed the maximum level authorized by the  
56 26 federal government.

CODE: The rates for health providers eligible for average rate reimbursement, pursuant to Section 249A.20, Code of Iowa, remain the same as rates in effect on June 30, 2003.

56 27 2. For the fiscal year beginning July 1, 2003, the  
56 28 reimbursement rate for residential care facilities shall not  
56 29 be less than the minimum payment level as established by the  
56 30 federal government to meet the federally mandated maintenance  
56 31 of effort requirement. The flat reimbursement rate for  
56 32 facilities electing not to file semiannual cost reports shall  
56 33 not be less than the minimum payment level as established by  
56 34 the federal government to meet the federally mandated  
56 35 maintenance of effort requirement.

Requires the reimbursement rates for residential care facilities to be no less than the minimum payment level required to meet the federal maintenance of effort requirement.

57 1 3. For the fiscal year beginning July 1, 2003, the  
57 2 reimbursement rate for providers reimbursed under the in-home-  
57 3 related care program shall not be less than the minimum  
57 4 payment level as established by the federal government to meet

Establishes the maximum FY 2004 reimbursement rate for in-home health-related care providers at the minimum payment level established by the Federal government.

57 5 the federally mandated maintenance of effort requirement.

57 6 4. Unless otherwise directed in this section, when the  
57 7 department's reimbursement methodology for any provider  
57 8 reimbursed in accordance with this section includes an  
57 9 inflation factor, this factor shall not exceed the amount by  
57 10 which the consumer price index for all urban consumers  
57 11 increased during the calendar year ending December 31, 2002.

Specifies when the required reimbursement methodology for providers under this section includes an inflation factor, the factor shall not exceed the increase in the Consumer Price Index (CPI) for Urban Consumers for the calendar year ending December 31, 2002.

57 12 5. Notwithstanding section 234.38, in the fiscal year  
57 13 beginning July 1, 2003, the foster family basic daily  
57 14 maintenance rate and the maximum adoption subsidy rate for  
57 15 children ages 0 through 5 years shall be \$14.28, the rate for  
57 16 children ages 6 through 11 years shall be \$15.07, the rate for  
57 17 children ages 12 through 15 years shall be \$16.83, and the  
57 18 rate for children ages 16 and older shall be \$16.83.

CODE: Provides the maximum foster family basic daily maintenance rate and the maximum adoption subsidy rate for children by age range for FY 2004.

57 19 6. For the fiscal year beginning July 1, 2003, the maximum  
57 20 reimbursement rates for social service providers shall remain  
57 21 at the rates in effect on June 30, 2003. However, the rates  
57 22 may be adjusted under any of the following circumstances:  
57 23 a. If a new service was added after June 30, 2003, the  
57 24 initial reimbursement rate for the service shall be based upon  
57 25 actual and allowable costs.  
57 26 b. If a social service provider loses a source of income  
57 27 used to determine the reimbursement rate for the provider, the  
57 28 provider's reimbursement rate may be adjusted to reflect the  
57 29 loss of income, provided that the lost income was used to  
57 30 support actual and allowable costs of a service purchased  
57 31 under a purchase of service contract.

Requires that the maximum reimbursement rates for social service providers for FY 2004 remain at the rates in effect on June 30, 2003, and provides for circumstances when the rates may be adjusted.

57 32 7. The group foster care reimbursement rates paid for  
57 33 placement of children out of state shall be calculated  
57 34 according to the same rate-setting principles as those used  
57 35 for in-state providers unless the director of human services  
58 1 or the director's designee determines that appropriate care  
58 2 cannot be provided within the state. The payment of the daily  
58 3 rate shall be based on the number of days in the calendar

Requires the group foster care reimbursement rates paid for placement of children out-of-state be calculated according to the same rate-setting principles as those used for in-state providers unless the director of the DHS determines that appropriate care cannot be provided within the State. Also, requires the payment of the daily rate be based on the number of days in the calendar month in which service is provided.

58 4 month in which service is provided.

58 5 8. For the fiscal year beginning July 1, 2003, the  
58 6 reimbursement rates for rehabilitative treatment and support  
58 7 services providers shall remain at the rates in effect on June  
58 8 30, 2003.

Requires the FY 2004 reimbursement rates for rehabilitative treatment and support service providers remain at the rates in effect on June 30, 2003.

58 9 9. For the fiscal year beginning July 1, 2003, the  
58 10 combined service and maintenance components of the  
58 11 reimbursement rate paid to a shelter care provider shall be  
58 12 based on the cost report submitted to the department. The  
58 13 maximum reimbursement rate shall be \$83.69 per day. The  
58 14 department shall reimburse a shelter care provider at the  
58 15 provider's actual and allowable unit cost, plus inflation, not  
58 16 to exceed the maximum reimbursement rate.

Requires the FY 2004 combined service and maintenance components of the reimbursement rate paid to a shelter care provider be based on the cost report submitted to the DHS. Requires a maximum reimbursement rate of \$83.69 per day. Also, requires the DHS to reimburse a shelter care provider at the provider's actual and allowable unit cost, plus inflation, not to exceed the maximum reimbursement rate.

58 17 10. For the fiscal year beginning July 1, 2003, the  
58 18 department shall calculate reimbursement rates for  
58 19 intermediate care facilities for persons with mental  
58 20 retardation at the 80th percentile.

Requires the DHS to calculate reimbursement rates for intermediate care facilities for persons with mental retardation (ICF/MRs) at the 80th percentile for FY 2004.

58 21 11. For the fiscal year beginning July 1, 2003, for child  
58 22 care providers, the department shall set provider  
58 23 reimbursement rates based on the rate reimbursement survey  
58 24 completed in December 1998. The department shall set rates in  
58 25 a manner so as to provide incentives for a nonregistered  
58 26 provider to become registered.

Requires the DHS to set FY 2004 provider reimbursement rates for child care providers based on the rate reimbursement survey completed in December 1998. Also, requires the DHS to set rates in a manner that will provide incentives or a non-registered provider to become registered.

58 27 12. For the fiscal year beginning July 1, 2003,  
58 28 reimbursements for providers reimbursed by the department of  
58 29 human services may be modified if appropriated funding is  
58 30 allocated for that purpose from the senior living trust fund  
58 31 created in section 249H.4, or as specified in appropriations  
58 32 from the healthy lowans tobacco trust created in section  
58 33 12.65.

Specifies FY 2004 reimbursements for providers reimbursed by the DHS may be modified if appropriated funding is allocated for that purpose from the Senior Living Trust Fund or as specified in appropriations from the Healthy lowans Tobacco Trust Fund.



58 34 13. The department may adopt emergency rules to implement  
58 35 the hospital crossover claims process.

Permits the DHS to adopt emergency rules to implement the hospital crossover claims process.

DETAIL: These rule changes will shift the cost of Medicare co-insurance and deductibles from Medicaid to Medicare for Medicaid recipients that are also enrolled in Medicare.

59 1 14. The department may adopt emergency rules to implement  
59 2 this section.

Allows the DHS to adopt emergency rules to implement this Section.

59 3 Sec. 32. TRANSFER AUTHORITY. Subject to the provisions of  
59 4 section 8.39, for the fiscal year beginning July 1, 2003, if  
59 5 necessary to meet federal maintenance of effort requirements  
59 6 or to transfer federal temporary assistance for needy families  
59 7 block grant funding to be used for purposes of the federal  
59 8 social services block grant or to meet cash flow needs  
59 9 resulting from delays in receiving federal funding or to  
59 10 implement, in accordance with this Act, targeted case  
59 11 management for child protection and for activities currently  
59 12 funded with juvenile court services, county, or community  
59 13 moneys and state moneys used in combination with such moneys,  
59 14 the department of human services may transfer within or  
59 15 between any of the appropriations made in this Act and  
59 16 appropriations in law for the federal social services block  
59 17 grant to the department for the following purposes, provided  
59 18 that the combined amount of state and federal temporary  
59 19 assistance for needy families block grant funding for each  
59 20 appropriation remains the same before and after the transfer:  
59 21 1. For the family investment program.  
59 22 2. For child care assistance.  
59 23 3. For child and family services.  
59 24 4. For field operations.  
59 25 5. For general administration.  
59 26 6. MH/MR/DD/BI community services (local purchase).  
59 27 This section shall not be construed to prohibit existing  
59 28 state transfer authority for other purposes.

Specifies that the DHS may transfer TANF, Social Services Block Grant, or General Fund appropriations within or between the following appropriations, provided that the combined funding is unchanged:

- Family Investment Program.
- Child Care Assistance.
- Child and Family Services.
- Field Operations.
- General Administration.
- Mental Health/Mental Retardation/Developmental Disabilities/Brain Injury Community Services for Local Purchase of Services.

59 29 Sec. 33. FRAUD AND RECOUPMENT ACTIVITIES. During the  
 59 30 fiscal year beginning July 1, 2003, notwithstanding the  
 59 31 restrictions in section 239B.14, recovered moneys generated  
 59 32 through fraud and recoupment activities are appropriated to  
 59 33 the department of human services to be used for additional  
 59 34 fraud and recoupment activities performed by the department of  
 59 35 human services or the department of inspections and appeals,  
 60 1 and the department of human services may add not more than  
 60 2 five full-time equivalent positions, in addition to those  
 60 3 funded in this Act, subject to both of the following  
 60 4 conditions:  
 60 5 1. The director of human services determines that the  
 60 6 investment can reasonably be expected to increase recovery of  
 60 7 assistance paid in error, due to fraudulent or nonfraudulent  
 60 8 actions, in excess of the amount recovered in the fiscal year  
 60 9 beginning July 1, 1997.  
 60 10 2. The amount expended for the additional fraud and  
 60 11 recoupment activities shall not exceed the amount of the  
 60 12 projected increase in assistance recovered.

CODE: Permits the DHS to expend funds recovered through fraud investigations to perform additional fraud investigations as long as the additional investigations are anticipated to recover moneys in excess of both the costs of performing the investigations and the amount recovered in FY 1998. Limits the number of new staff to no more than 5.00 FTE positions.

60 13 Sec. 34. ELECTRONIC BENEFIT TRANSFER IMPLEMENTATION  
 60 14 NONREVERSION. Unspent funds appropriated in 2002 Iowa Acts,  
 60 15 Second Extraordinary Session, chapter 1003, section 112, and  
 60 16 allocated by the department of human services for the purpose  
 60 17 of meeting federal food stamp electronic benefit transfer  
 60 18 requirements shall not revert but shall remain available for  
 60 19 the same purpose until the close of the succeeding fiscal  
 60 20 year.

CODE: Allows the DHS to retain unexpended FY 2003 Electronic Benefit Transfer (EBT) moneys until the close of FY 2004.

60 21 [Sec. 35. VEHICLE DEPRECIATION. The following facilities  
 60 22 and institutions administered by the department of human  
 60 23 services are exempt from the depreciation requirement in  
 60 24 section 18.120, subsection 1, and the appropriations for the  
 60 25 facilities, institutions, and the department shall not be  
 60 26 charged for vehicle depreciation otherwise attributable to the  
 60 27 facilities and institutions during the fiscal year beginning  
 60 28 July 1, 2003:  
 60 29 1. The state juvenile institutions.

VETOED

CODE: Prohibits the Department of General Services from charging depreciation for the vehicles utilized by the institutions under the operation of the Department of Human Services.

VETOED: The Governor vetoed this Section, indicating that the State gains purchasing efficiencies with the vehicle depreciation process.

60 30 2. The state resource centers.  
60 31 3. The state mental health institutes.  
60 32 4. The unit for commitment of sexually violent predators  
60 33 located at the state mental health institute at Cherokee.]

60 34 Sec. 36. NEW SECTION. 217A.1 PARENTAL INVOLVEMENT  
60 35 PROGRAM.

61 1 1. The department of human services shall convene an  
61 2 advisory group that includes representatives of the Iowa  
61 3 department of public health, the department of education, the  
61 4 department of workforce development, the department of  
61 5 corrections, the Iowa empowerment board, other state agencies  
61 6 that provide services to families, and representatives of  
61 7 business and industry, parents, faith-based organizations, and  
61 8 state and local community leaders, to present a plan to the  
61 9 general assembly that provides a comprehensive approach to  
61 10 policy and service delivery at the state, county, and local  
61 11 level and provides a network of services to assist both  
61 12 mothers and fathers in parenting their children. While the  
61 13 comprehensive approach shall address the needs of both  
61 14 parents, the focus shall be on creating a policy and service  
61 15 delivery system that provides a network of resources to assist  
61 16 fathers in becoming and remaining engaged in their children's  
61 17 lives. The plan shall be submitted on or before December 31,  
61 18 2003.

61 19 [2. The comprehensive approach to parental involvement  
61 20 shall provide for all of the following:

61 21 a. STRUCTURE AND POLICIES.

61 22 (1) Identification of practices that interfere with or  
61 23 fail to help fathers become or remain engaged in their  
61 24 children's lives.

61 25 (2) Development of flexible service delivery options  
61 26 within the state system, including the public assistance  
61 27 system, to address the varying needs of families which may  
61 28 include modifying traditional enforcement of program  
61 29 requirements, referral to services, or other options.

61 30 (3) Continuation of child support program efforts to

CODE: Requires the DHS to convene an advisory group to present a plan to the General Assembly by December 31, 2003, that provides a network of services to assist mothers and fathers in parenting children and requires the focus be on creating a system that provides resources that assist fathers in becoming and remaining involved in their children's lives.

VETOED

CODE: Specifies the requirements for developing a comprehensive approach to parental involvement.

VETOED: The Governor vetoed this subsection, indicating the language was very prescriptive, time intensive, and could be accomplished without directing the effort.

61 31 assist fathers in providing for their children and remaining  
61 32 engaged in their children's lives while complying with federal  
61 33 requirements. The efforts may include continuing the  
61 34 fatherhood internet site, seeking additional federal access  
61 35 and visitation grants, and applying for other federal funds  
62 1 that become available, for the purpose of actively engaging  
62 2 fathers in the lives of their children.

62 3 (4) Integration of the state system and community level  
62 4 services to provide a social service network that is  
62 5 accessible to fathers as well as mothers.

62 6 (5) Creation of a systemwide approach for delivery of  
62 7 services to families that creates a family support network  
62 8 that does all of the following:

62 9 (a) Trains service workers to include both fathers and  
62 10 mothers as a family unit, rather than separately, in the  
62 11 delivery of services.

62 12 (b) Promotes a common awareness across disciplines, for  
62 13 workers providing services to parents and families, of the  
62 14 importance of both parents in children's lives.

62 15 (c) Systematically engages both parents and does not  
62 16 segment families in the provision of services.

62 17 (d) Improves communication across delivery systems.

62 18 (e) Provides for the partnering of various disciplines and  
62 19 levels of government in providing services to parents and  
62 20 families.

62 21 b. CONNECTING FATHERS WITH NECESSARY SERVICES.

62 22 (1) Utilization of the existing service system to connect  
62 23 fathers with local community-based services that help fathers  
62 24 develop the skills to become better parents and partners and  
62 25 more productive members of the workforce.

62 26 (2) Utilization of employment opportunities and training  
62 27 as catalysts to involve fathers with programs that help  
62 28 fathers develop skills to retain jobs and build healthy  
62 29 relationships.

62 30 c. PUBLIC AWARENESS.

62 31 (1) Promotion of public awareness of the importance of the  
62 32 emotional and financial involvement of both parents in their  
62 33 children's lives.

62 34 (2) Use of the media to encourage parents to discuss  
62 35 pregnancy prevention and parental responsibility with their  
63 1 children.]

63 2 Sec. 37. Section 234.35, subsection 1, paragraph c, Code  
63 3 2003, is amended to read as follows:  
63 4 c. When the department has agreed to provide foster care  
63 5 services for the child for a period of not more than ~~thirty~~  
63 6 ninety days on the basis of a signed placement agreement  
63 7 between the department and the child's parent or guardian  
63 8 ~~initiated on or after July 1, 1992.~~

CODE: Extends the time for the Voluntary Placement Agreements between the DHS and a child's parent or guardian from 30 to 90 days.

63 9 Sec. 38. Section 514I.4, Code 2003, is amended by adding  
63 10 the following new subsection:  
63 11 NEW SUBSECTION. 1A. The director, with the approval of  
63 12 the board, may contract with participating insurers to provide  
63 13 dental only services.

CODE: Allows the DHS to contract separately for dental services.

63 14 Sec. 39. Section 514I.5, Code 2003, is amended by adding  
63 15 the following new subsection:  
63 16 NEW SUBSECTION. 9. The hawk-i board may provide approval  
63 17 to the director to contract with participating insurers to  
63 18 provide dental only services. In determining whether to  
63 19 provide such approval to the director, the board shall take  
63 20 into consideration the impact on the overall program of single  
63 21 source contracting for dental services.

CODE: Requires the *hawk-i* Board to consider the impact to the program of a single source contract for dental services.

63 22 Sec. 40. 2002 Iowa Acts, chapter 1125, section 1,  
63 23 subsection 2, paragraphs b and d, are amended to read as  
63 24 follows:  
63 25 b. Amending rules ~~to maintain the group care standard for~~  
63 26 ~~a weekly average number of hours of therapy and counseling,~~  
63 27 ~~but determine compliance by averaging the hours per week over~~  
63 28 ~~the course of a month for group care documentation and~~  
63 29 recoupment to streamline requirements relating to skills  
63 30 development by removing the requirements for billed services  
63 31 documentation and clarifying the requirements for meeting  
63 32 weekly average hours of therapy and counseling and the

CODE: Amends the group care documentation requirements enacted by the 2002 General Assembly.

DETAIL: The DHS and various private group care providers are in the process of working with the federal Centers for Medicare and Medicaid Services (CMS) in provider requirements for service documentation.

63 33 ~~methodology for determining compliance and overpayments. The~~  
 63 34 ~~recoupment for failure to comply shall be applied for a week~~  
 63 35 ~~at a time for noncompliance, not to exceed the number of days~~  
 64 1 ~~paid. This standard shall not be applied to a highly~~  
 64 2 ~~structured juvenile group care program.~~  
 64 3 ~~d. Utilizing a weekly results summary for documentation of~~  
 64 4 ~~the group care requirement for daily provision of skills~~  
 64 5 ~~development.~~

64 6 Sec. 41. 2002 Iowa Acts, chapter 1175, section 104, is  
 64 7 amended to read as follows:  
 64 8 SEC. 104. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND  
 64 9 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR  
 ADJUSTMENT

64 10 AND ALLOCATIONS — FISCAL YEAR 2003–2004. There is  
 64 11 appropriated from the general fund of the state to the  
 64 12 department of human services for the fiscal year beginning  
 64 13 July 1, 2003, and ending June 30, 2004, the following amount,  
 64 14 or so much thereof as is necessary, to be used for the purpose  
 64 15 designated:

64 16 For distribution to counties of the county mental health,  
 64 17 mental retardation, and developmental disabilities allowed  
 64 18 growth factor adjustment, as provided in this section in lieu  
 64 19 of the provisions of section 331.438, subsection 2, and  
 64 20 section 331.439, subsection 3, and chapter 426B:

64 21 ..... \$ 19,073,638

64 22 1. The funding appropriated in this section is the allowed  
 64 23 growth factor adjustment for fiscal year 2003–2004, and is  
 64 24 allocated as follows:

64 25 a. For distribution as provided in this section:

64 26 ..... \$ 17,073,638

64 27 b. For deposit in the risk pool created in the property  
 64 28 tax relief fund and for distribution in accordance with  
 64 29 section 426B.5, subsection 2:

64 30 ..... \$ 2,000,000

64 31 2. The following formula amounts shall be utilized only to  
 64 32 calculate preliminary distribution amounts for fiscal year  
 64 33 2003–2004 under this section by applying the indicated formula

CODE: Technical Correction to the FY 2004 Mental Health Allowed Growth Factor appropriation to reflect changes between the FY 2003 Omnibus Appropriations Act and the FY 2003 Second Omnibus Appropriations Act.

DETAIL: This increase of \$4,892,638 was enacted during the 2002 General Assembly in SF 2326 (FY 2003 Omnibus Appropriations Act). Due to changes to one of the internal references for the distribution of the mental health funds, this technical change is necessary.

64 34 provisions to the formula amounts and producing a preliminary  
64 35 distribution total for each county:

65 1 a. For calculation of an allowed growth factor adjustment  
65 2 amount for each county in accordance with the formula in  
65 3 section 331.438, subsection 2, paragraph "b":  
65 4 .....

65 4 ..... \$ 12,000,000

65 5 b. For calculation of a distribution amount for eligible  
65 6 counties from the per capita expenditure target pool created  
65 7 in the property tax relief fund in accordance with the  
65 8 requirements in section 426B.5, subsection 1:  
65 9 .....

65 9 ..... \$ 12,492,712

65 10 c. For calculation of a distribution amount for counties  
65 11 from the mental health and developmental disabilities (MH/DD)  
65 12 community services fund in accordance with the formula  
65 13 provided in ~~2002 Iowa Acts, Senate File 2326, section 119,~~  
65 14 ~~subsection 4~~ the appropriation made for the MH/DD community  
65 15 services fund for the fiscal year beginning July 1, 2003:  
65 16 .....

65 16 ..... ~~\$ 18,127,352~~

65 17 ..... 17,727,890

65 18 3. Notwithstanding any contrary provisions of sections  
65 19 225C.7, 331.438, subsection 2, 331.439, subsection 3, and  
65 20 426B.5, the moneys allocated for distribution in subsection 1,  
65 21 paragraph "b", and in any other Act of the Eightieth General  
65 22 Assembly, 2003 Session, for distribution to counties in the  
65 23 fiscal year beginning July 1, 2003, for purposes of the mental  
65 24 health and developmental disabilities (MH/DD) community  
65 25 services fund under section 225C.7, and for the allowed growth  
65 26 factor adjustment for services paid under a county's section  
65 27 331.424A mental health, mental retardation, and developmental  
65 28 disabilities services fund and as calculated under subsection  
65 29 2 to produce preliminary distribution amounts for counties  
65 30 shall be subject to withholding as provided in this section.

65 31 4. After applying the applicable statutory distribution  
65 32 formulas to the amounts indicated in subsection 2 for purposes  
65 33 to produce preliminary distribution totals, the department of  
65 34 human services shall apply a withholding factor to adjust an  
65 35 eligible individual county's preliminary distribution total.

66 1 An ending balance percentage for each county shall be

66 2 determined by expressing the county's ending balance on a  
66 3 modified accrual basis under generally accepted accounting  
66 4 principles for the fiscal year beginning July 1, 2002, in the  
66 5 county's mental health, mental retardation, and developmental  
66 6 disabilities services fund created under section 331.424A, as  
66 7 a percentage of the county's gross expenditures from that fund  
66 8 for that fiscal year. The withholding factor for a county  
66 9 shall be the following applicable percent:

66 10 a. For an ending balance percentage of less than 10  
66 11 percent, a withholding factor of 0 percent.

66 12 b. For an ending balance percentage of 10 through 24  
66 13 percent, a withholding factor of 25 percent.

66 14 c. For an ending balance percentage of 25 through 34  
66 15 percent, a withholding factor of 60 percent.

66 16 d. For an ending balance percentage of 35 through 44  
66 17 percent, a withholding factor of 85 percent.

66 18 e. For an ending balance percentage of 45 percent or more,  
66 19 a withholding factor of 100 percent.

66 20 5. The total withholding amounts applied pursuant to  
66 21 subsection 4 shall be equal to a withholding target amount of  
66 22 \$7,419,074 and the appropriation enacted by the Eightieth  
66 23 General Assembly, 2003 Session, for the MH/DD community  
66 24 services fund shall be reduced by the amount necessary to  
66 25 attain the withholding target amount. If the department of  
66 26 human services determines that the amount to be withheld in  
66 27 accordance with subsection 4 is not equal to the target  
66 28 withholding amount, the department shall adjust the  
66 29 withholding factors listed in subsection 4 as necessary to  
66 30 achieve the withholding target amount. However, in making  
66 31 such adjustments to the withholding factors, the department  
66 32 shall strive to minimize changes to the withholding factors  
66 33 for those ending balance percentage ranges that are lower than  
66 34 others and shall not adjust the zero withholding factor  
66 35 specified in subsection 4, paragraph "a".

67 1 6. A county must comply with both the requirements listed  
67 2 in this subsection to be eligible to receive a funding  
67 3 distribution under this section. The amount that would  
67 4 otherwise be available for distribution to a county that fails



67 5 to so comply shall be proportionately distributed among the  
67 6 eligible counties. Both of the following requirements are  
67 7 applicable:  
67 8 a. A county must comply with the December 1, 2003, filing  
67 9 deadline for the county annual financial report in accordance  
67 10 with section 331.403.  
67 11 b. A county must levy the not less than 70 percent of the  
67 12 maximum amount allowed for the county's mental health, mental  
67 13 retardation, and developmental disabilities services fund  
67 14 under section 331.424A for taxes due and payable in the fiscal  
67 15 year beginning July 1, 2003.  
67 16 7. The department of human services shall authorize the  
67 17 issuance of warrants payable to the county treasurer for the  
67 18 distribution amounts due the counties eligible under this  
67 19 section and notwithstanding prior practice for the MH/DD  
67 20 community services fund, the warrants shall be issued in  
67 21 January 2004.

67 22 Sec. 42. 2002 Iowa Acts, Second Extraordinary Session,  
67 23 chapter 1003, section 126, subsection 3, paragraph d, is  
67 24 amended to read as follows:  
67 25 d. Notwithstanding section 8.33, ~~up to \$500,000~~ of a state  
67 26 resource center's revenues that remain unencumbered or  
67 27 unobligated at the close of the fiscal year shall not revert  
67 28 but shall remain available to be used in the succeeding fiscal  
67 29 year.

67 30 Sec. 43. 2002 Iowa Acts, Second Extraordinary Session,  
67 31 chapter 1003, section 131, is amended by adding the following  
67 32 new unnumbered paragraph:  
67 33 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33,  
67 34 moneys appropriated in this section that remain unencumbered  
67 35 or unobligated at the close of the fiscal year shall not  
68 1 revert but shall remain available until the close of the  
68 2 succeeding fiscal year for the purposes designated under this  
68 3 section.

CODE: Provides that all funds remaining from FY 2003 from the two State Resource Centers are to carry forward to FY 2004.

DETAIL: For FY 2003 the net budgeting limit for carryforward was \$500,000 for each of the State Resource Centers (Glenwood and Woodward). Additional funds are expected to be available for carryforward due to the limited amount of time to expend the FY 2003 supplemental appropriation received. The Section takes effect upon enactment.

CODE: Provides that funds unexpended by the Sexual Predator Commitment Program from FY 2003 are to carry forward to FY 2004.

DETAIL: For FY 2003, funds were appropriated for one-time expenditures due to the relocation of the Program from Oakdale to Cherokee. Due to the delay of relocation, the funds may not be expended within FY 2003.

68 4 Sec. 44. EMERGENCY RULES. If specifically authorized by a  
68 5 provision of this Act, the department of human services or the  
68 6 mental health and developmental disabilities commission may  
68 7 adopt administrative rules under section 17A.4, subsection 2,  
68 8 and section 17A.5, subsection 2, paragraph "b", to implement  
68 9 the provisions and the rules shall become effective  
68 10 immediately upon filing or on a later effective date specified  
68 11 in the rules, unless the effective date is delayed by the  
68 12 administrative rules review committee. Any rules adopted in  
68 13 accordance with this section shall not take effect before the  
68 14 rules are reviewed by the administrative rules review  
68 15 committee. The delay authority provided to the administrative  
68 16 rules review committee under section 17A.4, subsection 5, and  
68 17 section 17A.8, subsection 9, shall be applicable to a delay  
68 18 imposed under this section, notwithstanding a provision in  
68 19 those sections making them inapplicable to section 17A.5,  
68 20 subsection 2, paragraph "b". Any rules adopted in accordance  
68 21 with the provisions of this section shall also be published as  
68 22 notice of intended action as provided in section 17A.4.

Permits the Department of Human Services and the Mental Health and Developmental Disabilities Commission to adopt emergency rules.

68 23 Sec. 45. REPORTS.

68 24 1. Any reports or information required to be compiled and  
68 25 submitted under this Act shall be submitted to the  
68 26 chairpersons and ranking members of the joint appropriations  
68 27 subcommittee on health and human services, the legislative  
68 28 fiscal bureau, the legislative service bureau, and to the  
68 29 legislative caucus staffs on or before the dates specified for  
68 30 submission of the reports or information.

Requires any required reports or information in this Act to be submitted to:

- The Chairpersons and Ranking Members of the Joint Appropriations Subcommittee on Health and Human Services.
- The Legislative Fiscal Bureau and the Legislative Service Bureau.
- The Legislative caucus staffs.

68 31 2. In order to reduce mailing and paper processing costs,  
68 32 the department shall provide, to the extent feasible, reports,  
68 33 notices, minutes, and other documents by electronic means to  
68 34 those persons who have the capacity to access the documents in  
68 35 that manner.

Requires the Department to utilize electronic means for distribution of information as much as possible.

69 1 Sec. 46. LAW INAPPLICABLE FOR FISCAL YEAR 2003–2004.

69 2 1. The following provisions in Code or rule shall be  
69 3 suspended for the period beginning July 1, 2003, and ending  
69 4 June 30, 2004:

69 5 a. The requirements of section 239B.2A, relating to school  
69 6 attendance by children participating in the family investment  
69 7 program.

69 8 b. For a case permanency plan, as defined in section  
69 9 232.2, the requirement for a six-month case permanency plan  
69 10 review for an intact family.

69 11 c. The requirements of section 225C.42, relating to an  
69 12 annual evaluation of the family support subsidy program.

69 13 2. The department may adopt emergency rules to implement  
69 14 the provisions of this section.

69 15 Sec. 47. EFFECTIVE DATES. The following provisions of  
69 16 this division of this Act, being deemed of immediate  
69 17 importance, take effect upon enactment:

69 18 1. The provision under the appropriation for child and  
69 19 family services, relating to requirements of section 232.143  
69 20 for representatives of the department of human services and  
69 21 juvenile court services to establish a plan for continuing  
69 22 group foster care expenditures for the 2002–2003 fiscal year.

69 23 2. The provision under the appropriation for child and  
69 24 family services, relating to the state court administrator  
69 25 determining allocation of court-ordered services funding by  
69 26 June 15, 2003.

69 27 3. The provision under the appropriation for child and  
69 28 family services, relating to the requirements in section  
69 29 237.5A involving a foster parent unable to complete annual  
69 30 training due to being engaged in active duty in the military  
69 31 service.

69 32 4. The provision relating to unspent funds for food stamp  
69 33 electronic benefit transfer remaining available from the  
69 34 appropriation made in 2002 Iowa Acts, Second Extraordinary  
69 35 Session, chapter 1003, section 112, for the 2003–2004 fiscal  
70 1 year.

70 2 5. The provisions amending 2002 Iowa Acts, Second

CODE: Requires that the following Sections of the Code of Iowa be suspended for FY 2004:

- School attendance requirement reporting for children within the Family Investment Program (FIP).
- A six-month case permanency plan review.
- The annual family support subsidy program evaluation.

Provides the following items within this Act take effect upon enactment:

- The Juvenile Court Services plan for group foster care expenditures.
- The allocation of court-ordered services funding by the State Court Administrator.
- The exemption from foster care training for those in active military duty.
- The carryforward of FY 2003 food stamp electronic benefit transfer (EBT) funds.
- The carryforward of FY 2003 State Resource Centers and for the Sexually Violent Predator Program.

PG LN	House File 667	Explanation
70 3	Extraordinary Session, chapter 1003, sections 126 and 131,	
70 4	relating to nonreversion of moneys appropriated in fiscal year	
70 5	2002–2003 for the state resource centers and for the sexually	
70 6	violent predator program.	
70 7	DIVISION IV	Senior Living Trust Fund appropriations for the Departments of Elder
70 8	SENIOR LIVING TRUST FUND	Affairs, Human Services, and Inspections and Appeals for FY 2004.
70 9	Sec. 48. DEPARTMENT OF ELDER AFFAIRS. There is	Senior Living Trust Fund appropriation to the Department of Elder
70 10	appropriated from the senior living trust fund created in	Affairs for the Senior Living Program.
70 11	section 249H.4 to the department of elder affairs for the	
70 12	fiscal year beginning July 1, 2003, and ending June 30, 2004,	DETAIL: This is an increase of \$888,522 and a decrease of 6.00 FTE
70 13	the following amount, or so much thereof as is necessary, to	positions compared to the FY 2003 estimated net appropriation.
70 14	be used for the purpose designated:	
70 15	For the development and implementation of a comprehensive	
70 16	senior living program, including program administration and	
70 17	costs associated with implementation, salaries, support,	
70 18	maintenance, and miscellaneous purposes:	
70 19	..... \$ 7,480,814	
70 20	1. It is the intent of the general assembly that the	Specifies the intent of the General Assembly that the Department of
70 21	department not transfer moneys appropriated to the department	Elder Affairs not transfer moneys appropriated to the Department for
70 22	for purposes of the assisted living program and adult day care	assisted living and adult day care regulation in FY 2004.
70 23	for the fiscal year beginning July 1, 2003.	
		DETAIL: In FY 2003, the Department of Elder Affairs transferred a
		total of \$484,000 to the Department of Inspections and Appeals and
		the Department of Public Safety (Fire Marshal's Office) through
		Chapter 28E agreements for activities associated with the regulation of
		assisted living programs. For FY 2004, the Department of Inspections
		and Appeals will receive an appropriation in Section 49 of this Act for
		the oversight of assisted living and adult day care programs.
70 24	2. Notwithstanding section 249H.7, the department of elder	CODE: Requires the Department of Elder Affairs to distribute up to
70 25	affairs shall distribute up to \$300,000 of the funds	\$300,000 of the FY 2004 Senior Living Trust Fund appropriation in a
70 26	appropriated in this section in a manner that will supplement	manner that will supplement and maximize federal funds under the
70 27	and maximize federal funds under the federal Older Americans	Older Americans Act and requires these funds not be used for any
70 28	Act and shall not use the amount distributed for any	administrative purposes.
70 29	administrative purposes of either the department of elder	

70 30 affairs or the area agencies on aging.

70 31 Sec. 49. DEPARTMENT OF INSPECTIONS AND APPEALS. There is  
 70 32 appropriated from the senior living trust fund created in  
 70 33 section 249H.4 to the department of inspections and appeals  
 70 34 for the fiscal year beginning July 1, 2003, and ending June  
 70 35 30, 2004, the following amount, or so much thereof as is  
 71 1 necessary, to be used for the purpose designated:  
 71 2 For the inspection and certification of assisted living  
 71 3 facilities and adult day care services, including program  
 71 4 administration and costs associated with implementation,  
 71 5 salaries, support, maintenance, and miscellaneous purposes and  
 71 6 for not more than the following full-time equivalent  
 71 7 positions:  
 71 8 ..... \$ 800,000  
 71 9 ..... FTEs 6.00

Senior Living Trust Fund appropriation to the Department of  
 Inspections and Appeals for FY 2004.

DETAIL: This is a new appropriation for FY 2004 for the regulation of  
 assisted living and adult day care programs.

71 10 Sec. 50. DEPARTMENT OF HUMAN SERVICES. There is  
 71 11 appropriated from the senior living trust fund created in  
 71 12 section 249H.4 to the department of human services for the  
 71 13 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 71 14 the following amounts, or so much thereof as is necessary, to  
 71 15 be used for the purposes designated:

Appropriates from the Senior Living Trust Fund to the Department of  
 Human Services for the purposes designated in FY 2004.

71 16 1. To provide grants to nursing facilities for conversion  
 71 17 to assisted living programs or to provide long-term care  
 71 18 alternatives and to provide grants to ICF/MR for conversion to  
 71 19 assisted living programs or home and community-based services  
 71 20 and to provide grants to long-term care providers for  
 71 21 development of long-term care alternatives:  
 71 22 ..... \$ 20,000,000

Senior Living Trust Fund appropriation to the DHS to provide grants to  
 Nursing or Intermediate Care Facilities for persons with Mental  
 Retardation (ICF/MR) for conversion to assisted living programs or to  
 provide long-term care service alternatives.

DETAIL: In FY 2003, the General Assembly placed a moratorium on  
 nursing facility conversion grants and did not make an appropriation  
 for this purpose.

71 23 Up to 25 percent of this amount may be used for development  
 71 24 of less restrictive community-based services with a  
 71 25 significant focus on reducing the numbers of persons served in

Specifies that up to 25.00% of the amount appropriated for conversion

71 26 state resource centers and other intermediate care facilities  
 71 27 for persons with mental retardation as well as for activities  
 71 28 designed to facilitate the planning for or placement of such  
 71 29 services and persons.

grants may be used for the development of less restrictive community-based services with an emphasis on reducing the numbers of persons served in State resource centers and other intermediate care facilities for persons with mental retardation, as well as for activities designed to facilitate the planning for or placement of such services and persons.

71 30 2. To supplement the medical assistance appropriation,  
 71 31 including program administration and costs associated with  
 71 32 implementation, salaries, support, maintenance, and  
 71 33 miscellaneous purposes, and for not more than the following  
 71 34 full-time equivalent positions:  
 71 35 ..... \$101,600,000  
 72 1 ..... FTEs 5.00

Senior Living Trust Fund appropriation to the DHS to supplement the Medical Assistance (Medicaid) appropriation.

DETAIL: This is an increase of \$65,600,000 and no change in FTE positions compared to the FY 2003 estimated net appropriation. This is an increase of \$56,135,000 compared to the FY 2003 appropriation when the supplemental appropriation is included.

72 2 3. To provide reimbursement for health care services and  
 72 3 rent expenses to eligible persons through the home and  
 72 4 community-based services waiver and the state supplementary  
 72 5 assistance program, including program administration and data  
 72 6 system costs associated with implementation, salaries,  
 72 7 support, maintenance, and miscellaneous purposes:  
 72 8 ..... \$ 1,733,406

Senior Living Trust Fund appropriation to the DHS to provide reimbursement for health care services and rent expenses to eligible persons through the home and community-based services waiver and the State supplementary assistance program.

DETAIL: Maintains the current level of Senior Living Trust Fund support.

72 9 Participation in the rent subsidy program shall be limited  
 72 10 to only those persons who are at risk for nursing facility  
 72 11 care. The department shall adopt emergency rules to implement  
 72 12 this provision.

Requires participation in the rent subsidy program be limited only to persons who are at risk for nursing facility care. Also, requires the DHS to adopt emergency rules to implement this provision.

72 13 4. To implement nursing facility provider reimbursements  
 72 14 as provided in 2001 Iowa Acts, chapter 192, section 4,  
 72 15 subsection 2, paragraph "c":  
 72 16 ..... \$ 29,950,000

Senior Living Trust Fund appropriation to the DHS for nursing facility provider reimbursements based on a case-mix reimbursement system.

DETAIL: Maintains the current level of Senior Living Trust Fund support.

72 17 In order to carry out the purposes of this section, the  
 72 18 department shall transfer funds appropriated in this section  
 72 19 to supplement other appropriations made to the department of

Requires the DHS to transfer funds to supplement other appropriations made to the DHS in order to carry out the purposes of this Section.

72 20 human services.

72 21 5. Notwithstanding sections 249H.4 and 249H.5, the  
72 22 department of human services may use moneys from the senior  
72 23 living trust fund for cash flow purposes to make payments  
72 24 under the nursing facility or hospital upper payment limit  
72 25 methodology. The amount of any moneys so used shall be  
72 26 refunded to the senior living trust fund within the same  
72 27 fiscal year and in a prompt manner.

CODE: Permits the DHS to use the moneys from the Senior Living Trust Fund for cash flow purposes to make payments under the nursing facility or hospital upper payment limit methodology. Also, requires that any moneys used for cash flow purposes be refunded to the Senior Living Trust Fund within the same fiscal year.

72 28 6. Notwithstanding section 8.33, moneys committed to  
72 29 grantees under contract to provide for conversion to assisted  
72 30 living programs or for development of long-term care  
72 31 alternatives that remain unexpended at the close of the fiscal  
72 32 year shall not revert to any fund but shall remain available  
72 33 for expenditure for purposes of the contract.

CODE: Requires funds committed to contracts for assisted living conversion or for the development of long-term care alternatives that remain unexpended at the end of FY 2004 not revert but remain available for the expenditure purposes of the contract during FY 2005.

72 34 Sec. 51. CONVERSION GRANT PROJECTS — RULES.  
72 35 1. For the fiscal year beginning July 1, 2003, and ending  
73 1 June 30, 2004, the department of human services shall continue  
73 2 to give greater weight in the scoring methodology to nursing  
73 3 facility conversion projects that are primarily for the  
73 4 renovation and remodeling of the existing nursing facility  
73 5 structure and give less weight to conversion projects that are  
73 6 primarily for new construction. The department of human  
73 7 services shall encourage cooperative efforts between the  
73 8 department of inspections and appeals, the state fire marshal,  
73 9 and the grant applicant to promote the acceptance of nursing  
73 10 facility conversion projects that are primarily renovation and  
73 11 remodeling of the existing nursing facility structure.

Requires the DHS to continue to give greater priority in the scoring methodology to nursing facility conversion projects that are primarily for the renovation and remodeling of an existing nursing facility structure than for new construction projects. Also, requires the DHS to encourage cooperative efforts between the Department of Inspections and Appeals, the State Fire Marshal, and grant applicants with regard to renovation projects.

73 12 2. For the fiscal year beginning July 1, 2003, and ending  
73 13 June 30, 2004, the department of inspections and appeals shall  
73 14 certify all assisted living programs established through  
73 15 nursing facility conversion grants. The department of  
73 16 inspections and appeals shall consult with conversion grant  
73 17 applicants and recipients to establish and monitor occupancy  
73 18 agreements and assisted living program residents shall be

Requires the Department of Inspections and Appeals to certify all assisted living programs established through nursing facility conversion grants in FY 2004 and that the Department consult with conversion grant applicants and recipients to establish and monitor occupancy agreements. Also, requires that assisted living program residents be allowed to access third-party payors.

PG LN	House File 667	Explanation
73 19	allowed access to third-party payors.	
73 20	DIVISION V	
73 21	HOSPITAL TRUST FUND	
73 22	Sec. 52. DEPARTMENT OF HUMAN SERVICES APPROPRIATION.	FY 2004 Hospital Trust Fund appropriation to supplement the Medical Assistance (Medicaid) Program.
73 23	There is appropriated from the hospital trust fund created in	
73 24	section 249I.4 to the department of human services for the	
73 25	fiscal year beginning July 1, 2003, and ending June 30, 2004,	DETAIL: This is a decrease of \$4,000,000 compared to the FY 2003 estimated net Hospital Trust Fund appropriation.
73 26	the following amount, or so much thereof as is necessary, to	
73 27	be used for the purpose designated:	
73 28	To supplement the medical assistance appropriation:	
73 29	..... \$ 15,000,000	
73 30	DIVISION VI	
73 31	MEDICAL ASSISTANCE PROGRAM SUPPLEMENTATION	
73 32	Sec. 53. MEDICAL ASSISTANCE APPROPRIATION	FY 2003 supplemental appropriation of \$58,000,000 from various funds for the Medical Assistance Program (Medicaid).
73 33	SUPPLEMENTATION	
73 34	— FISCAL YEAR 2002–2003. There is appropriated from the	
73 35	following sources, to the department of human services, for	
74 1	the fiscal year beginning July 1, 2002, and ending June 30,	
74 2	2003, the following amounts, or so much thereof as is	
74 3	necessary, to supplement the appropriations made for the	
74 4	medical assistance program for that fiscal year:	
74 4	1. From the general fund of the state:	FY 2003 General Fund supplemental appropriation for the Medical Assistance Program.
74 5	..... \$ 41,535,000	
		DETAIL: This is an increase of \$41,535,000 compared to the FY 2003 estimated net appropriation.
74 6	2. From the senior living trust fund created in section	FY 2003 Senior Living Trust Fund supplemental appropriation for the Medical Assistance Program.
74 7	249H.4:	
74 8	..... \$ 9,465,000	DETAIL: This is an increase of \$9,465,000 compared to the FY 2003 estimated net appropriation.



74 9	3. From the hospital trust fund created in section 249I.4:	FY 2003 Hospital Trust Fund supplemental appropriation for the
74 10	..... \$ 7,000,000	Medical Assistance Program.
		DETAIL: This is an increase of \$7,000,000 compared to the FY 2003 estimated net appropriation.
74 11	Sec. 54. MEDICAL ASSISTANCE PROGRAM — REVERSION TO	CODE: Requires any moneys from the Medical Assistance Program
74 12	SENIOR	supplemental appropriation remaining unencumbered or unexpended
74 13	LIVING TRUST FUND FOR FY 2002–2003. Notwithstanding section	at the close of FY 2003 to be transferred to the Senior Living Trust
74 14	8.33, if moneys appropriated in this division for	Fund.
74 15	supplementation of the medical assistance program	
74 16	appropriation for the fiscal year beginning July 1, 2002, and	
74 17	ending June 30, 2003, from the general fund of the state, the	
74 18	senior living trust fund, and the hospital trust fund are in	
74 19	excess of actual expenditures for the medical assistance	
74 20	program and remain unencumbered or unobligated at the close of	
74 21	the fiscal year, the excess moneys shall not revert but shall	
74 22	be transferred to the senior living trust fund created in	
	section 249H.4.	
74 23	Sec. 55. EFFECTIVE DATE. This division of this Act, being	Specifies that the Division providing supplemental appropriations to
74 24	deemed of immediate importance, takes effect upon enactment.	the Medical Assistance Program takes effect upon enactment.
74 25	DIVISION VII	
74 26	COMMISSION OF VETERANS AFFAIRS	
74 27	Sec. 56. COMMISSION OF VETERANS AFFAIRS. There is	
74 28	appropriated from the general fund of the state to the	
74 29	commission of veterans affairs for the fiscal year beginning	
74 30	July 1, 2003, and ending June 30, 2004, the following amounts,	
74 31	or so much thereof as is necessary, to be used for the	
74 32	purposes designated:	
74 33	1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION	General Fund appropriation to the Commission of Veterans Affairs.
74 34	For salaries, support, maintenance, miscellaneous purposes,	
74 35	including the war orphans educational aid fund established	

PG LN	House File 667	Explanation
75 1	pursuant to chapter 35, and for not more than the following	DETAIL: This is an increase of \$100,119 and 1.00 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$119 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation of one-time salary funding. The change includes:
75 2	full-time equivalent positions:	
75 3	..... \$ 288,193	
75 4	..... FTEs 4.00	
75 5	The commission of veterans affairs may use the gifts	<ul style="list-style-type: none"> <li>• An increase of \$119 to replace FY 2003 salary adjustment funding.</li> <li>• An increase of \$100,000 for staff to assist veterans with applying for federal pension benefits.</li> <li>• An increase of 1.00 FTE position and utilization of an existing vacant FTE position for the application assistance process.</li> </ul>
75 6	accepted by the chairperson of the commission of veterans	
75 7	affairs, or designee, and other resources available to the	
75 8	commission for use at its Camp Dodge office. The commission	
75 9	shall report annually to the governor and the general assembly	Permits the Chairperson of the Commission of Veteran Affairs to accept gifts to use. Requires the Commission to report annually to the Governor and the General Assembly regarding any monetary gifts.
75 10	on monetary gifts received by the commission for the Camp	
75 11	Dodge office.	
75 12	2. IOWA VETERANS HOME	
75 13	For salaries, support, maintenance, miscellaneous purposes,	General Fund appropriation to the Veterans Home.
75 14	and for not more than the following full-time equivalent	
75 15	positions:	
75 16	..... \$ 14,205,741	
75 17	..... FTEs 843.50	DETAIL: This is an increase of \$113,590 and 0.50 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$902,711 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation of one-time salary funding. The change includes: <ul style="list-style-type: none"> <li>• An increase of \$902,711 to replace FY 2003 salary adjustment funding.</li> <li>• A decrease of \$30,000 for FY 2003 due to services provided by the former Commandant.</li> <li>• A decrease of \$500,000 for carryforward from FY 2003 to FY 2004.</li> <li>• A decrease of \$78,579 for one-time equipment purchases.</li> <li>• A decrease of \$180,542 for receipt of additional Medicaid revenues.</li> </ul>

75 18 a. The Iowa veterans home may use the gifts accepted by  
75 19 the chairperson of the commission of veterans affairs and  
75 20 other resources available to the commission for use at the  
75 21 Iowa veterans home.

- An increase of 0.50 FTE position to reflect utilization.

Permits the Veterans Home to accept gifts to use at the Veterans Home.

75 22 b. Any Iowa veterans home successor contractor shall not  
75 23 consider employees of a state institution or facility to be  
75 24 new employees for purposes of employee wages, health  
75 25 insurance, or retirement benefits.

Prohibits a contractor utilized at the Veterans Home from considering employees of the Home new employees for salaries and benefits.

75 26 c. The chairpersons and ranking members of the joint  
75 27 appropriations subcommittee on health and human services or  
75 28 successor subcommittee shall be notified by January 15 of any  
75 29 calendar year during which a request for proposals is  
75 30 anticipated to be issued regarding any Iowa veterans home  
75 31 contract involving employment, for purposes of providing  
75 32 legislative review and oversight.

Requires the Veterans Home to notify the Chairpersons and Ranking Members of the Joint Health and Human Services Appropriations Subcommittee of a request for proposal for additional contracting.

75 33 d. The Iowa veterans home shall operate with a net state  
75 34 general fund appropriation. The amount appropriated in this  
75 35 subsection is the net amount of state moneys projected to be  
76 1 needed for the Iowa veterans home. The purposes of operating  
76 2 with a net state general fund appropriation are to encourage  
76 3 the Iowa veterans home to operate with increased self-  
76 4 sufficiency, to improve quality and efficiency, and to support  
76 5 collaborative efforts among all funders of services available  
76 6 from the Iowa veterans home. Moneys appropriated in this  
76 7 subsection may be used throughout the fiscal year in the  
76 8 manner necessary for purposes of cash flow management, and for  
76 9 purposes of cash flow management the Iowa veterans home may  
76 10 temporarily draw more than the amount appropriated, provided  
76 11 the amount appropriated is not exceeded at the close of the  
76 12 fiscal year.

Requires the Veterans Home to operate under a net budgeting system. Specifies the purposes of the system and how the money appropriated in this subsection may be used.

76 13 e. Revenues attributable to the Iowa veterans home for the  
76 14 fiscal year beginning July 1, 2003, shall be deposited into  
76 15 the Iowa veterans home account and shall be treated as  
76 16 repayment receipts, including but not limited to all of the  
76 17 following:  
76 18 (1) Federal veterans administration payments.  
76 19 (2) Medical assistance revenue received under chapter  
76 20 249A.  
76 21 (3) Federal Medicare program payments.  
76 22 (4) Moneys received from client financial participation.  
76 23 (5) Other revenues generated from current, new, or  
76 24 expanded services which the Iowa veterans home is authorized  
76 25 to provide.

Requires revenues received by the Veterans Home to be deposited into the Veterans Home Account and specifies sources of revenue to be included.

76 26 f. For the purposes of allocating the salary adjustment  
76 27 fund moneys appropriated in another Act, the Iowa veterans  
76 28 home shall be considered to be funded entirely with state  
76 29 moneys.

Requires salary adjustment appropriations (not included in this Act) to be allocated assuming the State funds the entire cost of the Veterans Home.

76 30 g. Notwithstanding section 8.33, up to \$500,000 of the  
76 31 Iowa veterans home revenues that remain unencumbered or  
76 32 unobligated at the close of the fiscal year shall not revert  
76 33 but shall remain available to be used in the succeeding fiscal  
76 34 year.

CODE: Permits the Veterans Home to carry forward up to \$500,000 of the FY 2004 revenues to FY 2005.

76 35 Sec. 57. 2002 Iowa Acts, Second Extraordinary Session,  
77 1 chapter 1003, section 102, subsection 2, paragraph g, is  
77 2 amended to read as follows:  
77 3 g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000  
77 4 of the Iowa veterans home revenues that remain unencumbered or  
77 5 unobligated at the close of the fiscal year shall not revert  
77 6 but shall remain available to be used in the succeeding fiscal  
77 7 year.

CODE: Increases the FY 2003 carry forward amount from \$500,000 to \$1,000,000 for the Veterans Home due to additional funds being available.

77 8 Sec. 58. EFFECTIVE DATE. The section of this division of  
77 9 this Act amending 2002 Iowa Acts, Second Extraordinary  
77 10 Session, chapter 1003, section 102, being deemed of immediate  
77 11 importance, takes effect upon enactment.

Specifies that the Section increasing the FY 2003 carryforward amount for the Veterans Home takes effect upon enactment.

PG LN	House File 667	Explanation
77 12 HF 667		
77 13 pf/es/25		

# EXECUTIVE SUMMARY INFRASTRUCTURE APPROPRIATIONS ACT

**SENATE FILE 452**

## FUNDING SUMMARY

- Senate File 452 appropriates a total of \$138.6 million for FY 2004 from the following sources:
  - Restricted Capital Fund: \$80.8 million
  - Rebuild Iowa Infrastructure Fund (RIIF): \$22.8 million
  - Environment First Fund: \$35.0 million
- The Act also appropriates \$750,000 from the RIIF for FY 2005, and \$11.7 million for FY 2005 and \$11.7 million for FY 2006 from the Restricted Capital Fund.

## REBUILD IOWA INFRASTRUCTURE FUND APPROPRIATIONS

### DEPARTMENT OF CULTURAL AFFAIRS

- Appropriates a total of \$1.1 million to the Department of Cultural Affairs for the Historical Site Preservation Grant Program (\$830,000), the preservation of the Iowa Battle Flag collection (\$150,000), and for allocation to the State Historical Society for construction of a Medal of Honor kiosk (\$125,000). (Page 1, Line 27 through Page 2, Line 20)

### DEPARTMENT OF ECONOMIC DEVELOPMENT

- Appropriates \$800,000 for the Local Housing Assistance Program. (Page 2, Line 28)
- Appropriates \$3.0 million for vertical infrastructure improvements at community colleges associated with implementing the Accelerated Career Education (ACE) Program. (Page 3, Line 1)

### DEPARTMENT OF EDUCATION

- Appropriates \$600,000 for the Enrich Iowa Libraries Program. (Page 3, Line 12)

### DEPARTMENT OF GENERAL SERVICES

- Appropriates \$4.8 million for the renovation of the Records and Property Building. (Page 3, Line 29)
- Appropriates \$1.7 million for routine maintenance of facilities under the purview of the Department of General Services. (Page 3, Line 35)
- Appropriates \$729,000 for relocation and transition costs associated with the renovation of the Records and Property Building. (Page 4, Line 4)
- Appropriates \$631,000 for facility leases for agencies temporarily relocated off the Capitol Complex due to remodeling of State facilities located on the Capitol Complex. (Page 4, Line 11)

### INFORMATION TECHNOLOGY DEPARTMENT

- Appropriates \$2.0 million to fund technology projects through the Pooled Technology Account and allocates a total of \$315,000 for the Enterprise Warehouse Technology Project and the Justice Data Warehouse Project. (Page 4, Line 25)

# **EXECUTIVE SUMMARY INFRASTRUCTURE APPROPRIATIONS ACT**

**SENATE FILE 452**

## **IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION**

- Appropriates \$2.7 million to pay the costs of maintenance and leases associated with the build-out of Part III of the Iowa Communications Network (ICN). (Page 5, Line 6)

## **BOARD OF REGENTS**

- Appropriates \$500,000 to the Board of Regents for the National Program for Playground Safety at the University of Northern Iowa. (Page 5, Line 17)

## **DEPARTMENT OF PUBLIC DEFENSE**

- Appropriates a total of \$1.7 million over two fiscal years for new National Guard readiness centers near Iowa City and Fort Dodge. (Page 6, Line 6 through Page 6, Line 12)

## **DEPARTMENT OF PUBLIC SAFETY**

- Appropriates \$800,000 for costs associated with providing security at the Capitol Building and the Judicial Building. (Page 6, Line 19)
- Appropriates \$500,000 to the Department of Public Safety for establishment of a revolving loan fund for the purchase of fire equipment by local fire departments. (Page 6, Line 27)

## **DEPARTMENT OF TRANSPORTATION**

- Appropriates \$500,000 for aviation improvement programs for general aviation airports. (Page 6, Line 33)

## **ENVIRONMENT FIRST FUND**

### **DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP**

- Appropriates a total of \$14.0 million to the Department of Agriculture and Land Stewardship for environmental programs. (Page 9, Line 5 through Page 11, Line 8)

### **DEPARTMENT OF ECONOMIC DEVELOPMENT**

- Appropriates \$500,000 for the Brownfield Redevelopment Program. (Page 11, Line 9)

### **DEPARTMENT OF NATURAL RESOURCES**

- Appropriates a total of \$20.6 million to the Department of Natural Resources for environmental programs. (Page 11, Line 19 through Page 13, Line 5)

## **RESTRICTED CAPITAL FUND APPROPRIATIONS**

### **DEPARTMENT OF ECONOMIC DEVELOPMENT**

- Appropriates \$2.5 million for the Accelerated Career Education (ACE) Program. (Page 13, Line 32)

### **DEPARTMENT OF EDUCATION**

- Appropriates \$10.0 million for conversion of Iowa Public Television broadcasts to digital technology. (Page 14, Line 9)

# EXECUTIVE SUMMARY INFRASTRUCTURE APPROPRIATIONS ACT

SENATE FILE 452

## DEPARTMENT OF GENERAL SERVICES

## INFORMATION TECHNOLOGY DEPARTMENT

## STATE FAIR AUTHORITY

## DEPARTMENT OF NATURAL RESOURCES

## DEPARTMENT OF PUBLIC DEFENSE

## DEPARTMENT OF PUBLIC SAFETY

## DEPARTMENT OF TRANSPORTATION

## TREASURER OF STATE

## DEPARTMENT OF CORRECTIONS

## BOARD OF REGENTS

## TREASURER OF STATE

- Appropriates \$11.5 million for major maintenance of State-owned buildings under the purview of the Department. (Page 14, Line 15)
- Appropriates \$6.1 million for the second year costs associated with the purchase of the Integrated Information for Iowa System. (Page 14, Line 32)
- Appropriates \$500,000 for infrastructure improvements at the State Fairgrounds. (Page 15, Line 2)
- Appropriates \$3.0 million for continued funding of the Destination State Park located at Honey Creek State Park. (Page 15, Line 6)
- Appropriates \$2.5 million for funding of the Restore the Outdoors Program. (Page 15, Line 15)
- Appropriates \$2.4 million for construction and maintenance of National Guard armories and facilities. (Page 15, Line 19 through Page 15, line 25)
- Appropriates \$1.0 million for security enhancement systems to the buildings on the Capitol Complex. (Page 15, Line 26)
- Appropriates \$1.1 million for vertical infrastructure improvements at Iowa's commercial service airports and \$581,000 for improvements at general aviation airports. (Page 15, Line 31 through Page 16, Line 18)
- Appropriates \$1.0 million for the Recreational Trails Program. (Page 16, Line 19)
- Appropriates \$1.1 million for distribution to county fair societies that belong to the Association of Iowa Fairs. (Page 16, Line 29)
- Appropriates a total of \$30.9 million over three fiscal years for the construction of a 170-bed special needs unit and a new power plant at the Iowa Medical and Classification Center at Oakdale. (Page 17, Line 20)
- Appropriates \$10.6 million from the Restricted Capital Fund for Regents Tuition Replacement. (Page 18, Line 8)
- Appropriates \$700,000 for the final attorney litigation payment associated with the Tobacco Master Settlement Agreement. (Page 18, Line 25)
- Appropriates \$13.0 million for the FY 2004 debt service payments on the Iowa Communications Network (ICN) bonds. (Page 18, Line 35)



# EXECUTIVE SUMMARY INFRASTRUCTURE APPROPRIATIONS ACT

SENATE FILE 452

## TREASURER OF STATE (CONTINUED)

### INTENT LANGUAGE

## SIGNIFICANT CHANGES TO THE CODE OF IOWA

## GOVERNOR'S VETOES

## ENACTMENT DATE

- Appropriates \$5.4 million for the FY 2004 debt service payments on the Prison Infrastructure Bonds. (Page 19, Line 20)
- Requires the Department of General Services to issue a request for proposals for the management, operation, and maintenance of the parking structure located on the Capitol Complex. *This item was vetoed by the Governor.* (Page 20, Line 19)
- Requires the Department of General Services to establish reasonable parking fees for the public and State employees for use of the State-owned parking structure. The fees will be deposited into the Capitol Complex Parking Structure Revolving Fund. *This item was vetoed by the Governor.* (Page 21, Line 1)
- Deappropriates a \$7.0 million RIIF appropriation from the Board of Regents that was to be used to repay the bonds issued to complete Phase II construction of the Engineering Teaching Research complex at Iowa State University. These funds were previously appropriated in HF 2625 (FY 2002 Budget Adjustment Act). The Board of Regents issued academic revenue bonds to fund the facility and the first year's debt service payment is estimated to be \$350,000. This Act appropriates the \$350,000 from the RIIF. (Page 7, Line 34)
- Allows the Judicial Branch to use up to \$400,000 from funds appropriated for the construction of the Judicial Building in FY 2000 and FY 2001 for operation and maintenance costs of the Judicial Building. (Page 8, Line 27)
- Creates a Capitol Complex Parking Structure Revolving Fund to be administered by the Department of General Services. The fees deposited into the Fund will be used to manage, operate, and maintain the State-owned parking structure. *This item was vetoed by the Governor.* (Page 19, Line 32)
- The Governor vetoed language pertaining to the establishment of a Capitol Complex Parking Structure Revolving Fund, establishing a fee for parking in the parking structure, and requiring the Department of General Services to issue a request for proposals for the management, operation, and maintenance of the parking structure. The Governor stated that these provisions operate as a hidden tax for the visiting public and would discourage some people from exercising their fundamental rights as citizens to participate in their democracy. (Page 19, Line 32 through Page 21, Line 8)
- The Act was passed by the General Assembly on May 1, 2003, and signed and item vetoed by the Governor on May 30, 2003.

Senate File 452 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
2	11	3.2	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
2	16	3.3	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
2	28	4.1	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
3	1	4.2	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
3	12	5	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
3	35	6.3	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
4	4	6.4	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
4	11	6.5	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
4	21	6.7	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
4	25	7	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
5	6	8	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
5	17	9	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
6	19	11.1	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
6	27	11.3	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
6	33	12	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure

Page #	Line #	Bill Section	Action	Code Section	Description
7	11	13	Nwthstnd	Sec. 8.57(5)(c)	Notwithstanding the Definition of Vertical Infrastructure
7	27	14	Nwthstnd	Sec. 8.33	Nonreversion of Funds
7	34	15	Amends	Sec. 6, Chapter 1001, 2002 Iowa Acts, Second Extraordinary Session	Deappropriation of Funds
8	27	16	Amends	Sec. 6, Chapter 204, 1999 Iowa Acts	Use of Unexpended Construction Funds
12	31	20	Nwthstnd	Sec. 455A.18(3)	Notwithstanding the General Fund Appropriation for REAP
13	6	21.1	Nwthstnd	Sec. 8.33	Nonreversion of Funds
13	15	21.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
13	32	22.1	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
14	9	22.2	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
14	22	22.3(a)	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
14	28	22.3(b)	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
15	6	22.6(a)	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
15	15	22.6(b)	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
15	26	22.8	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
17	13	22.13	Nwthstnd	Sec. 8.33	Nonreversion of Funds
18	2	23.3	Nwthstnd	Sec. 8.33	Nonreversion of Funds
18	8	24	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
18	35	26	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure
19	20	27	Nwthstnd	Sec. 12E.12(1)(b)(1)	Notwithstanding the Definition of Vertical Infrastructure

Page #	Line #	Bill Section	Action	Code Section	Description
19	32	28	Adds	Sec. 18A.8	Capitol Complex Parking Structure Revolving fund

PG LN	Senate File 452	Explanation
1 1	DIVISION I	
1 2	REBUILD IOWA INFRASTRUCTURE FUND	
1 3	STATE BOARD OF REGENTS	
1 4	Section 1. There is appropriated from the rebuild Iowa	
1 5	infrastructure fund to the state board of regents for the	
1 6	fiscal year beginning July 1, 2003, and ending June 30, 2004,	
1 7	the following amounts, or so much thereof as is necessary, to	
1 8	be used for the purposes designated:	
1 9	1. For correction of deferred maintenance at the Iowa	Rebuild Iowa Infrastructure Fund appropriation to the Board of
1 10	school for the deaf, notwithstanding section 8.57, subsection	Regents for deferred maintenance at the Iowa School for the Deaf.
1 11	5, paragraph "c":	
1 12	..... \$ 100,000	
1 13	2. For correction of deferred maintenance at the Iowa	Rebuild Iowa Infrastructure Fund appropriation to the Board of
1 14	braille and sight saving school, notwithstanding section 8.57,	Regents for facility improvements at the Iowa Braille and Sight Saving
1 15	subsection 5, paragraph "c":	School.
1 16	..... \$ 100,000	
1 17	DEPARTMENT OF CORRECTIONS	
1 18	Sec. 2. There is appropriated from the rebuild Iowa	Rebuild Iowa Infrastructure Fund appropriation to the Department of
1 19	infrastructure fund to the department of corrections for the	Corrections to pay the debt service for a lease purchase agreement
1 20	fiscal year beginning July 1, 2003, and ending June 30, 2004,	with Alliant Energy to upgrade the electrical system for the Fort
1 21	the following amount, or so much thereof as is necessary, to	Madison Special Needs Facility.
1 22	be used for the purpose designated:	
1 23	For costs of entering into a lease-purchase agreement to	DETAIL: This will be the third year of funding for a seven-year lease
1 24	connect the electrical system supporting the special needs	purchase agreement. The total cost of the project is estimated to be
1 25	unit at Fort Madison:	\$1,637,000.
1 26	..... \$ 333,168	
1 27	DEPARTMENT OF CULTURAL AFFAIRS	
1 28	Sec. 3. There is appropriated from the rebuild Iowa	
1 29	infrastructure fund to the department of cultural affairs for	
1 30	the fiscal year beginning July 1, 2003, and ending June 30,	
1 31	2004, the following amounts, or so much thereof as is	
1 32	necessary, to be used for the purposes designated:	

PG LN	Senate File 452	Explanation
1 33	1. For historical site preservation grants, to be used for	Rebuild Iowa Infrastructure Fund appropriation to the Department of Cultural Affairs for funding of the Historical Site Preservation Grant Program.
1 34	the restoration, preservation, and development of historical	
1 35	sites:	
2 1	..... \$ 830,000	DETAIL: The funds are used to provide financial assistance for acquisition, repair, rehabilitation, and development of historic sites. The funds are awarded on a competitive grant basis and, by rule, applicants are required to provide at least 50.00% of the project cost. House File 2614 (FY 2003 Infrastructure Appropriations Act) appropriated \$800,000 for this Program in FY 2003; however, the funds were deappropriated in HF 2627 (FY 2003 Second Omnibus Appropriations Act).
2 2	Historical site preservation grants shall only be awarded	Requires that grants awarded through the Historical Site Preservation Grant Program meet the definition of vertical infrastructure.
2 3	for projects which meet the definition of "vertical	
2 4	infrastructure" in section 8.57, subsection 5, paragraph "c".	
2 5	In making grants pursuant to this subsection, the	Requires that the Department consider local funding contributions for projects seeking assistance through the Historical Site Preservation Grant Program. Requires that grants not exceed \$100,000 per project and that not more than two grants be awarded in each county.
2 6	department shall consider the existence and amount of other	
2 7	funds available to an applicant for the designated project.	
2 8	Each grant awarded from moneys appropriated in this subsection	
2 9	shall not exceed \$100,000 per project. Not more than two	
2 10	grants may be awarded in each county.	
2 11	2. For continuation of the project recommended by the Iowa	CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of Cultural Affairs for the preservation of the Iowa Battle Flag collection. This appropriation notwithstanding the definition of vertical infrastructure.
2 12	battle flag advisory committee to stabilize the condition of	
2 13	the battle flag collection, notwithstanding section 8.57,	
2 14	subsection 5, paragraph "c":	
2 15	..... \$ 150,000	DETAIL: This is an increase of \$50,000 compared to the estimated FY 2003 funding level.
2 16	3. For allocation to the state historical society for the	CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of Cultural Affairs for allocation to the State Historical Society for costs associated with the construction of a Medal of Honor kiosk. This appropriation notwithstanding the definition of vertical infrastructure.
2 17	design, construction, and installation of a medal of honor	
2 18	kiosk, notwithstanding section 8.57, subsection 5, paragraph	
2 19	"c":	
2 20	..... \$ 125,000	

2 21 DEPARTMENT OF ECONOMIC DEVELOPMENT  
 2 22 Sec. 4. There is appropriated from the rebuild Iowa  
 2 23 infrastructure fund to the department of economic development,  
 2 24 or the Iowa finance authority, as designated, for the fiscal  
 2 25 year beginning July 1, 2003, and ending June 30, 2004, the  
 2 26 following amounts, or so much thereof as is necessary, to be  
 2 27 used for the purposes designated:

2 28 1. To the department of economic development for deposit  
 2 29 in the local housing assistance program fund created in  
 2 30 section 15.354, or, if the housing trust fund is created  
 2 31 within the Iowa finance authority by the Eightieth General  
 2 32 Assembly, 2003 Session, to the Iowa finance authority for  
 2 33 deposit in the housing trust fund, notwithstanding section  
 2 34 8.57, subsection 5, paragraph "c":  
 2 35 ..... \$ 800,000

CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of Economic Development for the Local Housing Assistance Program. If a Housing Trust Fund is created within the Iowa Financing Authority, these funds will be appropriated to the Iowa Finance Authority. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: The Program provides financial and technical assistance to local housing organizations in order to address affordable housing needs. No funding was provided for this Program in FY 2003.

3 1 2. For accelerated career education program capital  
 3 2 projects at community colleges that are authorized under  
 3 3 chapter 260G and that meet the definition of "vertical  
 3 4 infrastructure" in section 8.57, subsection 5, paragraph "c":  
 3 5 ..... \$ 3,000,000

CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of Economic Development for vertical infrastructure improvements at community colleges associated with implementing the Accelerated Career Education (ACE) Program. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: The Accelerated Career Education (ACE) Program is established in Chapter 260G, Code of Iowa, and involves agreements between community colleges and employers. Under the agreements, an employer pays at least 20.00% of the costs associated with educating potential employees for specific skills required by the employer. Section 22.1 of this Act appropriates an additional \$2,500,000 from the Restricted Capital Fund for total funding of \$5,500,000 for this Program in FY 2004. The ACE Program was appropriated \$2,500,000 from the Restricted Capital Fund for FY 2003.

3 6 The moneys appropriated in this subsection shall be  
 3 7 allocated equally among the community colleges in the state.  
 3 8 If any portion of the equal allocation to a community college  
 3 9 is not obligated or encumbered by April 1, 2004, the

Requires the Accelerated Career Education (ACE) appropriation to be distributed equally to all community colleges. Specifies that any

PG LN	Senate File 452	Explanation
3 10	unobligated and unencumbered portions shall be available for	unencumbered or unobligated funds remaining after April 1, 2004, be available for use by other community colleges.
3 11	use by other community colleges.	
3 12	DEPARTMENT OF EDUCATION	CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of Education for the Enrich Iowa's Libraries Program. This appropriation notwithstanding the definition of vertical infrastructure.
3 13	Sec. 5. There is appropriated from the rebuild Iowa	
3 14	infrastructure fund to the department of education for the	DETAIL: Maintains the current level of funding. The Program provides funding assistance for structural and technological improvements to local libraries.
3 15	fiscal year beginning July 1, 2003, and ending June 30, 2004,	
3 16	the following amount, or so much thereof as is necessary, to	
3 17	be used for the purpose designated:	
3 18	To provide resources for structural and technological	
3 19	improvements to local libraries, notwithstanding section 8.57,	
3 20	subsection 5, paragraph "c":	
3 21	..... \$ 600,000	
3 22	DEPARTMENT OF GENERAL SERVICES	
3 23	Sec. 6. There is appropriated from the rebuild Iowa	
3 24	infrastructure fund to the department of general services, or	
3 25	any successor agency, for the fiscal year beginning July 1,	
3 26	2003, and ending June 30, 2004, the following amounts, or so	
3 27	much thereof as is necessary, to be used for the purposes	
3 28	designated:	
3 29	1. For costs associated with the remodeling of the records	Rebuild Iowa Infrastructure Fund appropriation to the Department of General Services for the renovation of the Records and Property Building.
3 30	and property center:	
3 31	..... \$ 4,750,000	DETAIL: The General Assembly appropriated \$1,600,000 in FY 2003 for planning and design costs associated with the renovation. An additional \$6,017,000 will be needed in FY 2005 to complete the Records and Property Building renovation, bringing the total estimated cost of the renovation to \$12,367,000. Renovation of this building is part of a larger Capitol Complex renovation plan, which will provide office space for the relocation of agencies currently housed in the Wallace Building.
3 32	2. For costs associated with the planning for the vacation	
3 33	and demolition of the Wallace building:	Rebuild Iowa Infrastructure Fund appropriation to the Department of General Services for planning costs associated with vacating and demolishing the Wallace Building.
3 34	..... \$ 50,000	



DETAIL: The plan will examine the estimated cost to demolish the Building.

3 35 3. For routine maintenance of state buildings and  
4 1 facilities, notwithstanding section 8.57, subsection 5,  
4 2 paragraph "c":  
4 3 ..... \$ 1,664,000

CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of General Services for costs associated with routine maintenance of State facilities. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: In FY 2002, funds were allocated to State agencies based on the square footage of building space. The method of allocation was established through a policy of the Governor's Vertical Infrastructure Advisory Committee. House File 2614 (FY 2003 Infrastructure Appropriations Act) appropriated \$2,000,000 for this Program in FY 2003; however, the funds were deappropriated in HF 2627 (FY 2003 Second Omnibus Appropriations Act).

4 4 4. For relocation and transition costs directly associated  
4 5 with renovation of the records and property building,  
4 6 notwithstanding section 8.57, subsection 5, paragraph "c":  
4 7 ..... \$ 729,237

CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of General Services for relocation of records and equipment from the Records and Property Building. This appropriation notwithstanding the definition of vertical infrastructure.

4 8 The move and relocation associated with renovation of the  
4 9 records and property building shall not commence until April  
4 10 1, 2004.

Requires the Department of General Services not to begin moving records and equipment from the Records and Property Building until April 1, 2004.

4 11 5. For facility lease payments for the department of  
4 12 corrections, the Iowa department of public health, and the  
4 13 department of public safety, notwithstanding section 8.57,  
4 14 subsection 5, paragraph "c":  
4 15 ..... \$ 631,449

CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of General Services for facility lease costs for certain State agencies. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: The appropriation will be used to fund the facility leases for agencies temporarily relocated due to remodeling of State facilities located on the Capitol Complex.

4 16 6. To provide matching funds for construction of the  
4 17 medical and education building for a child treatment center  
4 18 located in a county with a population between 189,000 and  
4 19 196,000:  
4 20 ..... \$ 250,000

Rebuild Iowa Infrastructure Fund appropriation to the Department of General Services to provide matching funds for construction of a medical and education building for a child treatment center located in a county with a population between 189,000 and 196,000.

PG LN	Senate File 452	Explanation
4 21	7. For construction and display of permanent exhibits for	CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of General Services for construction and display of permanent exhibits for the African-American museum located in Linn County. This appropriation notwithstanding the definition of vertical infrastructure.
4 22	the statewide African-American museum located in Linn county,	
4 23	notwithstanding section 8.57, subsection 5, paragraph "c":	
4 24	..... \$ 300,000	
4 25	INFORMATION TECHNOLOGY DEPARTMENT	CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of Information Technology for the Pooled Technology Account. This appropriation notwithstanding the definition of vertical infrastructure.
4 26	Sec. 7. There is appropriated from the rebuild Iowa	
4 27	infrastructure fund to the information technology department,	
4 28	or any successor agency, for the fiscal year beginning July 1,	
4 29	2003, and ending June 30, 2004, the following amount, or so	DETAIL: The Pooled Technology Account is administered by the Information Technology Department provides centralized funding coordination for technology projects for State agencies. The Pooled Technology Account did not receive an appropriation in FY 2003.
4 30	much thereof as is necessary, to be used for the purpose	
4 31	designated:	
4 32	For technology improvement projects, notwithstanding	
4 33	section 8.57, subsection 5, paragraph "c":	Allocates a total of \$315,000 from the appropriation to the Pooled Technology Account for costs associated with operating the Enterprise Warehouse Technology Project and the Justice Data Warehouse Project.
4 34	..... \$ 2,000,000	
4 35	Of the amount appropriated in this section, \$250,000 is	
5 1	allocated to maintain and operate the enterprise warehouse	
5 2	technology project and \$65,000 is allocated to the division of	DETAIL: The General Assembly appropriated \$624,000 from the RIIF for the Justice Data Warehouse in FY 2003.
5 3	criminal and juvenile justice planning of the department of	
5 4	human rights for 1.00 full-time equivalent position to provide	
5 5	support for the justice data warehouse technology project.	
5 6	IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION	CODE: Rebuild Iowa Infrastructure Fund appropriation to the Iowa Telecommunications and Technology Commission to pay the costs of maintenance and leases associated with the build-out of Part III of the Iowa Communications Network (ICN). This appropriation notwithstanding the definition of vertical infrastructure.
5 7	Sec. 8. There is appropriated from the rebuild Iowa	
5 8	infrastructure fund to the Iowa telecommunications and	
5 9	technology commission for the fiscal year beginning July 1,	
5 10	2003, and ending June 30, 2004, the following amount, or so	DETAIL: Maintains the current level of funding. The fiber optic cable for Part III sites are leased from the private sector on a seven-year lease from the vendors that installed the cable.
5 11	much thereof as is necessary, to be used for the purpose	
5 12	designated:	
5 13	For maintenance and lease costs associated with Part III	
5 14	connections, notwithstanding section 8.57, subsection 5,	
5 15	paragraph "c":	
5 16	..... \$ 2,727,000	

PG LN	Senate File 452	Explanation
5 17	NATIONAL PROGRAM FOR PLAYGROUND SAFETY	CODE: Rebuild Iowa Infrastructure Fund appropriation to the Board of Regents for the National Program for Playground Safety at the University of Northern Iowa. This appropriation notwithstanding the definition of vertical infrastructure.
5 18	Sec. 9. There is appropriated from the rebuild Iowa	
5 19	infrastructure fund to the national program for playground	
5 20	safety at the university of northern Iowa for the fiscal year	
5 21	beginning July 1, 2003, and ending June 30, 2004, the	
5 22	following amount, or so much thereof as is necessary, to be	
5 23	used for the purpose designated:	Requires that no more than 2.50% appropriation for the National Program for Playground Safety can be used for administrative costs.
5 24	For the Iowa safe surfacing initiative, notwithstanding	
5 25	section 8.57, subsection 5, paragraph "c":	
5 26	..... \$ 500,000	
5 27	No more than 2.5 percent of the funds appropriated in this	
5 28	section shall be used by the national program for playground	
5 29	safety for administrative costs associated with the Iowa safe	Requires the crumb rubber playground tiles meet certain standards.
5 30	surfacing initiative.	
5 31	The crumb rubber playground tiles for the initiative shall	
5 32	be international play equipment manufacturers association	
5 33	(IPEMA)—certified to the American society for testing and	
5 34	materials (ASTM) F1292 standard.	
5 35	DEPARTMENT OF PUBLIC DEFENSE	Rebuild Iowa Infrastructure Fund appropriation to the Department of Public Defense for planning and design costs associated with the construction of a National Guard readiness center near Iowa City.
6 1	Sec. 10. There is appropriated from the rebuild Iowa	
6 2	infrastructure fund to the department of public defense for	
6 3	the designated fiscal years the following amounts, or so much	
6 4	thereof as is necessary, to be used for the purposes	
6 5	designated:	
6 6	1. For planning and design of a national guard readiness	DETAIL: The funds will be matched with \$787,000 in federal funds in Federal Fiscal Year (FFY) 2004. An additional \$8,746,000 in federal money will be available in FFY 2005 for the construction of the facility, which will require a State match of \$2,177,000.
6 7	center in or near Iowa City:	
6 8	FY 2003–2004..... \$ 195,000	

PG LN	Senate File 452	Explanation
6 9	2. For planning, design, and construction of a national	Rebuild Iowa Infrastructure Fund appropriations total \$1,500,000 to
6 10	guard readiness center in or near Fort Dodge:	the Department of Public Defense for costs associated with the
6 11	FY 2003–2004..... \$ 750,000	construction of a National Guard readiness center near Fort Dodge.
6 12	FY 2004–2005..... \$ 750,000	
		DETAIL: The funds will be matched with \$1,500,000 in federal funds
		in FFY 2004.
6 13	DEPARTMENT OF PUBLIC SAFETY	
6 14	Sec. 11. There is appropriated from the rebuild Iowa	
6 15	infrastructure fund to the department of public safety for the	
6 16	fiscal year beginning July 1, 2003, and ending June 30, 2004,	
6 17	the following amounts, or so much thereof as is necessary, to	
6 18	be used for the purposes designated:	
6 19	1. For capitol building and judicial building security,	CODE: Rebuild Iowa Infrastructure Fund appropriation to the
6 20	notwithstanding section 8.57, subsection 5, paragraph "c":	Department of Public Safety for costs related to security in the Capitol
6 21	..... \$ 800,000	Building and the Judicial Building. This appropriation notwithstanding
		the definition of vertical infrastructure.
		DETAIL: This is a decrease of \$50,000 compared to the estimated net
		FY 2003. In FY 2003, the funds were only used for security in the
		Capitol Building. This Act extends the use of the funds to include the
		new Judicial Building.
6 22	2. To the division of fire safety of the department for	Rebuild Iowa Infrastructure Fund appropriation to the Department of
6 23	allocation to the fire service training bureau for the	Public Safety for the planning, design, and construction of regional fire
6 24	planning, design, and construction of regional training	training facilities in the State.
6 25	facilities in the state:	
6 26	..... \$ 50,000	
6 27	3. To the division of fire safety of the department for	CODE: Rebuild Iowa Infrastructure Fund appropriation to the
6 28	allocation to the fire service training bureau to establish a	Department of Public Safety for establishment of a revolving loan fund
6 29	revolving loan program for equipment purchases by local fire	for the purchase of fire equipment by local fire departments. This
6 30	departments, notwithstanding section 8.57, subsection 5,	appropriation notwithstanding the definition of vertical infrastructure.
6 31	paragraph "c":	
6 32	..... \$ 500,000	

6 33 STATE DEPARTMENT OF TRANSPORTATION  
 6 34 Sec. 12. There is appropriated from the rebuild Iowa  
 6 35 infrastructure fund to the state department of transportation  
 7 1 for the fiscal year beginning July 1, 2003, and ending June  
 7 2 30, 2004, the following amounts, or so much thereof as is  
 7 3 necessary, to be used for the purposes designated,  
 7 4 notwithstanding section 8.57, subsection 5, paragraph "c":  
 7 5 For operation and maintenance of the network of automated  
 7 6 weather observation and data transfer systems associated with  
 7 7 the Iowa aviation weather system, the runway marking program  
 7 8 for public airports, the windsock program for public airports,  
 7 9 and the aviation improvement program:  
 7 10 ..... \$ 500,000

CODE: Rebuild Iowa Infrastructure Fund appropriation to the Department of Transportation for the aviation improvement programs. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: These programs were not funded in FY 2003. In years prior to FY 2003, these programs were funded through the General Fund.

7 11 Sec. 13. PAYMENTS IN LIEU OF TUITION. There is  
 7 12 appropriated from the rebuild Iowa infrastructure fund to the  
 7 13 state board of regents for the fiscal year beginning July 1,  
 7 14 2003, and ending June 30, 2004, the following amount, or so  
 7 15 much thereof as may be necessary, to be used for the purpose  
 7 16 designated:  
 7 17 For allocation by the state board of regents to the state  
 7 18 university of Iowa, the Iowa state university of science and  
 7 19 technology, and the university of northern Iowa to reimburse  
 7 20 the institutions for deficiencies in their operating funds  
 7 21 resulting from the pledging of tuitions, student fees and  
 7 22 charges, and institutional income to finance the cost of  
 7 23 providing academic and administrative buildings and facilities  
 7 24 and utility services at the institutions, notwithstanding  
 7 25 section 8.57, subsection 5, paragraph "c":  
 7 26 ..... \$ 350,000

CODE: Rebuild Iowa Infrastructure Fund appropriation to the Board of Regents for Tuition Replacement. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: The tuition replacement appropriations are used to replace the student tuition fees that are used to pay the debt service on academic revenue bonds authorized in prior fiscal years. This appropriation will replace tuition fees that will be used for the first year debt service payment on bonds issued to complete Phase II construction of the Engineering Teaching Research complex at Iowa State University. The total amount required for Tuition Replacement in FY 2004 is \$23,953,809. Section 24 of this Act appropriates \$10,610,409 from the Restricted Capital Fund for Tuition Replacement. The remainder of the Tuition Replacement (\$13,343,050) is being funded from the General Fund in HF 662 (FY 2004 Education Appropriations Act).

7 27 Sec. 14. REVERSION. Notwithstanding section 8.33, moneys  
 7 28 appropriated in this division of this Act shall not revert at  
 7 29 the close of the fiscal year for which they were appropriated  
 7 30 but shall remain available for the purposes designated until  
 7 31 the close of the fiscal year that begins July 1, 2006, or  
 7 32 until the project for which the appropriation was made is  
 7 33 completed, whichever is earlier.

CODE: Specifies that the funds appropriated in Division I of this Act shall remain available for expenditure through FY 2007. However, if a project is completed in an earlier fiscal year, the unobligated funds will revert at the close of that fiscal year.

7 34 Sec. 15. 2002 Iowa Acts, Second Extraordinary Session,  
7 35 chapter 1001, section 6, is amended to read as follows:

8 1 SEC. 6. STATE BOARD OF REGENTS — ENGINEERING COMPLEX —  
8 2 BONDING.

8 3 There is appropriated from the rebuild Iowa infrastructure  
8 4 fund to the state board of regents for the fiscal year  
8 5 beginning July 1, 2003, and ending June 30, 2004, the  
8 6 following amount, or so much thereof as is necessary, to be  
8 7 used for the purpose designated:

8 8 For repayment of the bonding for the phase II construction  
8 9 of the engineering teaching and research complex at Iowa state  
8 10 university of science and technology, as authorized in this  
8 11 section:

8 12 ..... \$ ~~7,000,000~~

8 13 ..... 0

8 14 Moneys appropriated in this section are not subject to  
8 15 transfer.

8 16 1. The state board of regents is authorized to issue bonds  
8 17 as provided in chapter 262A in an amount not exceeding \$7  
8 18 million, except as provided in subsection 2, to undertake and  
8 19 carry out completion of the engineering teaching and research  
8 20 phase II construction at Iowa state university of science and  
8 21 technology and to finance the remaining cost of the project.

8 22 2. Notwithstanding the limitation established in  
8 23 subsection 1, the amount of bonds issued as authorized in  
8 24 subsection 1 may be exceeded by the amount the state board of  
8 25 regents determines to be necessary to capitalize interest,  
8 26 bond reserves, and issuance costs.

8 27 Sec. 16. 1999 Iowa Acts, chapter 204, section 6,  
8 28 unnumbered paragraph 2, as amended by 2000 Iowa Acts, chapter  
8 29 1225, section 13, is amended to read as follows:

8 30 For planning, design, and construction of a new judicial  
8 31 building:

8 32 FY 1999–2000..... \$ 10,000,000

8 33 FY 2000–2001..... \$ 8,000,000

8 34 Of the amount appropriated in this section for FY 2000–  
8 35 2001, up to \$400,000 may be used by the judicial branch for  
9 1 costs associated with operation of the judicial building.

CODE: Deappropriates a \$7,000,000 RIIF appropriation from the Board of Regents that was to be used to repay the bonds issued to complete Phase II construction of the Engineering Teaching Research complex at Iowa State University.

DETAIL: These funds were previously appropriated in HF 2625 (FY 2002 Budget Adjustment Act). The Board of Regents issued Academic Revenue Bonds to fund the facility and the first year's debt service payment is appropriated in Section 13 of this Act.

CODE: Allows the Judicial Branch to use up to \$400,000 from unexpended funds appropriated from the RIIF in FY 2000 and FY 2001 for the construction of the Judicial Building for costs associated with operating and maintaining the new Judicial Building.

PG LN	Senate File 452	Explanation
9 2	<u>notwithstanding section 8.57, subsection 5, paragraph "c".</u>	
9 3	DIVISION II	
9 4	ENVIRONMENT FIRST FUND	
9 5	DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP	
9 6	Sec. 17. There is appropriated from the environment first	
9 7	fund to the department of agriculture and land stewardship for	
9 8	the fiscal year beginning July 1, 2003, and ending June 30,	
9 9	2004, the following amounts, or so much thereof as is	
9 10	necessary, to be used for the purposes designated:	
9 11	1. For the conservation reserve enhancement program to	Environment First Fund appropriation to the Department of Agriculture
9 12	restore and construct wetlands for the purposes of	and Land Stewardship for continued funding of the Conservation
9 13	intercepting tile line runoff, reducing nutrient loss,	Reserve Enhancement Program (CREP).
9 14	improving water quality, and enhancing agricultural production	
9 15	practices:	DETAIL: Maintains the current level of funding. The Program is
9 16	..... \$ 1,500,000	designed to protect floodplains and improve water quality from
		agricultural drainage systems through the removal of nitrates from tile-
		drained water.
9 17	2. For continuation of a program that provides multi-	Environment First Fund appropriation to the Department of Agriculture
9 18	objective resource protections for flood control, water	and Land Stewardship for the Watershed Protection Program.
9 19	quality, erosion control, and natural resource conservation:	
9 20	..... \$ 2,700,000	DETAIL: Maintains the current level of funding. The Program
		provides grants to local communities and soil and water conservation
		districts for development of water quality projects that improve flood
		protection and erosion control.
9 21	3. For continuation of a statewide voluntary farm	Environment First Fund appropriation to the Department of Agriculture
9 22	management demonstration program to demonstrate the	and Land Stewardship for funding of the Farm Demonstration
9 23	effectiveness and adaptability of emerging practices in	Program.
9 24	agronomy that protect water resources and provide other	
9 25	environmental benefits:	DETAIL: This is an increase of \$350,000 compared to the FY 2003
9 26	..... \$ 850,000	estimated net appropriation. The Program provides grants to farmers
		to demonstrate the effectiveness of emerging agricultural systems for

nutrient and pesticide management, air quality, and soil and water protection. Section 466.6(2), Code of Iowa, requires the Department to implement a statewide, voluntary Farm-Management Demonstration Program to demonstrate effective livestock and crop production techniques that optimize production and minimize adverse environmental impacts.

9 27 4. For deposit in the alternative drainage system  
 9 28 assistance fund created in section 460.303 to be used for  
 9 29 purposes of supporting the alternative drainage system  
 9 30 assistance program as provided in section 460.304:  
 9 31 ..... \$ 500,000

Environment First Fund appropriation to the Department of Agriculture and Land Stewardship for the Alternative Drainage System Assistance Program.

DETAIL: The funds are used for the closure of agricultural drainage wells and to construct alternative drainage systems on agricultural land. No funding for the Alternative Drainage System Assistance Program was provided in FY 2003.

9 32 5. To provide financial assistance for the establishment  
 9 33 of permanent soil and water conservation practices:  
 9 34 ..... \$ 5,500,000

Environment First Fund appropriation to the Department of Agriculture and Land Stewardship for the Soil Conservation Cost Share Program.

DETAIL: This is an increase of \$2,000,000 compared to the FY 2003 estimated net appropriation. The Program provides financial assistance to landowners to fund a portion of the cost associated with permanent soil and water conservation. The Program provides 50.00% of the project cost with the landowner contributing the remaining 50.00%.

9 35 a. Not more than 5 percent of the moneys appropriated in  
 10 1 this subsection may be allocated for cost-sharing to abate  
 10 2 complaints filed under section 161A.47.

Permits a maximum of 5.00% of cost-share funds to be used to abate complaints filed under Section 161A.47, Code of Iowa, which relates to inspection of land upon receipt of a complaint.

10 3 b. Of the moneys appropriated in this subsection, 5  
 10 4 percent shall be allocated for financial incentives to  
 10 5 establish practices to protect watersheds above publicly owned  
 10 6 lakes of the state from soil erosion and sediment as provided  
 10 7 in section 161A.73.

Requires 5.00% of cost-share funds be used for financial incentives to establish practices to protect watersheds above publicly owned lakes from soil erosion and sediment.



PG LN	Senate File 452	Explanation
10 8	c. Not more than 30 percent of a district's allocation of	Permits a maximum of 30.00% of a district's allocation to be used for management practices to control soil erosion on land that is row-cropped.
10 9	moneys as financial incentives may be provided for the purpose	
10 10	of establishing management practices to control soil erosion	
10 11	on land that is row-cropped, including but not limited to no-	
10 12	till planting, ridge-till planting, contouring, and contour	
10 13	strip-cropping as provided in section 161A.73.	
10 14	d. The state soil conservation committee created in	Permits the State Soil Conservation Committee to allocate funds for research and demonstration projects to promote conservation tillage and nonpoint source pollution control practices.
10 15	section 161A.4 may allocate moneys appropriated in this	
10 16	subsection to conduct research and demonstration projects to	
10 17	promote conservation tillage and nonpoint source pollution	
10 18	control practices.	
10 19	e. The financial incentive payments may be used in	Permits the use of financial incentive payments in combination with funds from the Department of Natural Resources.
10 20	combination with department of natural resources moneys.	
10 21	f. Not more than 10 percent of the moneys appropriated in	Permits a maximum of 10.00% of the cost-share funds to be used for administration and costs associated with the implementation of soil and water conservation practices.
10 22	this subsection may be used for costs of administration and	
10 23	implementation of soil and water conservation practices.	
10 24	6. To encourage and assist farmers in enrolling in the	Environment First Fund appropriation to the Department of Agriculture and Land Stewardship for the Conservation Reserve Program (CRP).
10 25	continuous sign-up federal conservation reserve program and	
10 26	work with them to enhance their revegetation efforts to	DETAIL: The Program is designed to establish vegetative buffers, field borders, and wetlands on Iowa's private land in an effort to improve water quality and wildlife habitat. No funding was provided for the Conservation Reserve Program (CRP) in FY 2003.
10 27	improve water quality and habitat:	
10 28	..... \$ 2,000,000	
10 29	7. For deposit in the loess hills development and	Environment First Fund appropriation to the Department of Agriculture and Land Stewardship for deposit in the Loess Hills Development and Conservation Fund.
10 30	conservation fund created in section 161D.2:	
10 31	..... \$ 600,000	DETAIL: The Loess Hills Development and Conservation Authority administer the funds for streambed stabilization projects and preservation of the Loess Hills region. No funding was provided for the Loess Hills Development and Conservation Fund in FY 2003.

PG LN	Senate File 452	Explanation
10 32	Of the amount appropriated in this subsection, \$400,000	Allocates \$400,000 to the Hungry Canyons Account and \$200,000 to the Loess Hills Alliance Account of the Loess Hills Development and Conservation Fund.  DETAIL: The funds allocated to the Hungry Canyons Account are used for streambed stabilization, and the funds for the Alliance are used to promote the conservation and preservation of the Loess Hills area.
10 33	shall be allocated to the hungry canyons account and \$200,000	
10 34	shall be allocated to the loess hills alliance account, to be	
10 35	used for the purposes for which the moneys in those accounts	
11 1	are authorized to be used under chapter 161D.	
11 2	No more than five percent of the moneys appropriated in	Requires that not more than 5.00% of the funds appropriated to the Loess Hills Development and Conservation Fund can be for administrative costs.
11 3	this subsection may be used for administrative costs.	
11 4	8. For deposit in the southern Iowa development and	Environment First Fund appropriation for deposit in the Southern Iowa Development and Conservation Fund.  DETAIL: The Southern Iowa Conservation and Development Authority administers the Fund for the purpose of developing and implementing plans to protect county infrastructure and rural development from soil erosion and destabilization of stream channels. The Authority is comprised of a ten-county area in southern Iowa. No funding was provided for the Authority in FY 2003.
11 5	conservation fund created in section 161D.12:	
11 6	..... \$ 300,000	
11 7	No more than five percent of the moneys appropriated in	Requires that not more than 5.00% of the funds appropriated to the Southern Iowa Development and Conservation Fund can be for administrative costs.
11 8	this subsection may be used for administrative costs.	
11 9	DEPARTMENT OF ECONOMIC DEVELOPMENT	Environment First Fund appropriation to the Department of Economic Development for the Brownfield Redevelopment Program.  DETAIL: The Program provides technical and financial assistance for the acquisition, remediation, or redevelopment of Brownfield sites. No funding was provided for the Program in FY 2003.
11 10	Sec. 18. There is appropriated from the environment first	
11 11	fund to the department of economic development for the fiscal	
11 12	year beginning July 1, 2003, and ending June 30, 2004, the	
11 13	following amount or so much thereof as necessary to be used	
11 14	for the purpose designated:	
11 15	For deposit in the brownfield redevelopment fund created in	
11 16	section 15.293 to provide assistance under the brownfield	
11 17	redevelopment program:	
11 18	..... \$ 500,000	

11 19 DEPARTMENT OF NATURAL RESOURCES  
11 20 Sec. 19. There is appropriated from the environment first  
11 21 fund to the department of natural resources for the fiscal  
11 22 year beginning July 1, 2003, and ending June 30, 2004, the  
11 23 following amounts, or so much thereof as is necessary, to be  
11 24 used for the purposes designated:

11 25 1. To provide local watershed managers with geographic  
11 26 information system data for their use in developing,  
11 27 monitoring, and displaying results of their watershed work:  
11 28 ..... \$ 195,000

Environment First Fund appropriation to the Department of Natural Resources (DNR) to provide geographic information system data for use in developing, monitoring, and displaying results of watershed work.

DETAIL: Section 466.6(5), Code of Iowa, requires the Department to provide local watershed managers with geographic information system data for their use in developing, monitoring, and displaying results of their watershed work. No funding was provided for this Program in FY 2003.

11 29 2. For statewide coordination of volunteer efforts under  
11 30 the water quality and keepers of the land programs:  
11 31 ..... \$ 100,000

Environment First Fund appropriation to the DNR to support local volunteer management efforts in water quality programs.

DETAIL: Maintains the current level of funding. Section 466.6(6), Code of Iowa, requires the Department to provide support to local volunteer water quality management efforts. The Department is required to assist in coordinating and tracking the volunteer component of the various water quality programs to increase efficiency and avoid duplication of efforts in water quality monitoring and watershed improvement.

11 32 3. For continuing the establishment and operation of water  
11 33 quality monitoring stations:  
11 34 ..... \$ 2,955,000

Environment First Fund appropriation to the DNR for the establishment of water quality monitoring stations.

DETAIL: This is an increase of \$350,000 compared to the FY 2003 estimated net appropriation. Section 466.5, Code of Iowa, requires the Department to operate water quality monitoring stations for the purpose of gathering information and data to establish benchmarks for water quality in Iowa.

PG LN	Senate File 452	Explanation
11 35	4. For deposit in the administration account of the water	Environment First Fund appropriation to the DNR for the Water Quality
12 1	quality protection fund, to carry out the purposes of that	Protection Program.
12 2	account:	
12 3	..... \$ 500,000	DETAIL: Maintains the current level of funding. The funds will be
		used to carry out relevant <u>Code of Iowa</u> provisions relating to the
		administration, regulation, and enforcement of the federal Safe
		Drinking Water Act and to provide technical assistance to water supply
		systems.
12 4	5. For air quality monitoring equipment:	Environment First Fund appropriation to the DNR for air quality
12 5	..... \$ 500,000	monitoring equipment.
		DETAIL: Maintains the current level of funding. The funds will be
		used to purchase air quality monitoring equipment to measure and
		evaluate emissions from animal feeding operations.
12 6	6. For the dredging of lakes, including necessary	Environment First Fund appropriation to the DNR for continued
12 7	preparation for dredging, in accordance with the department's	funding for the dredging of lakes in accordance with the Department's
12 8	classification of Iowa lakes restoration report:	Classification of Iowa Lakes Restoration Report.
12 9	..... \$ 1,000,000	DETAIL: This is an increase of \$650,000 compared to the FY 2003
		estimated net appropriation.
12 10	It is the intent of the general assembly that the	Specifies that it is the intent of the General Assembly that the DNR
12 11	department shall consider the following criteria for funding	consider specific criteria for selecting lakes that will receive funding
12 12	lake dredging projects as provided in this subsection, and	from the appropriation for dredging of lakes.
12 13	shall prioritize projects based on the following:	
12 14	a. Documented efforts to address watershed protection,	
12 15	considering testing, conservation efforts, and amount of time	
12 16	devoted to watershed protection.	
12 17	b. Protection of a natural resource and natural habitat.	
12 18	c. Percentage of public access and undeveloped lakefront	
12 19	property.	
12 20	d. Continuation of current projects partially funded by	
12 21	state resources to achieve department recommendations.	

PG LN	Senate File 452	Explanation
12 22	7. For purposes of funding capital projects for the	Environment First Fund appropriation to the DNR for projects that meet the criteria under Section 452A.79, <u>Code of Iowa</u> , which pertains to the use of funds from the Marine Fuel Tax receipts.
12 23	purposes specified in section 452A.79, and for expenditures	
12 24	for the local cost share grants to be used for capital	DETAIL: Maintains the current level of funding. The appropriation's use is restricted to the following purposes:
12 25	expenditures to local governmental units for boating	
12 26	accessibility:	
12 27	..... \$ 2,300,000	
		<ol style="list-style-type: none"> <li>1. Dredging and renovation of lakes.</li> <li>2. Acquisition, development, and maintenance of access to public boating waters.</li> <li>3. Development and maintenance of boating facilities and navigation aids.</li> <li>4. Administration, operation, and maintenance of recreational boating activities of the DNR.</li> <li>5. Acquisition, development, and maintenance of recreation facilities associated with recreational boating.</li> </ol>
12 28	8. For regular maintenance of state parks and staff time	Environment First Fund appropriation to the DNR for the operation and maintenance of State parks.
12 29	associated with these activities:	
12 30	..... \$ 2,000,000	DETAIL: Funds were not appropriated for park operations and maintenance in FY 2003. In years prior to FY 2003, the Department received a General Fund appropriation for this purpose.
12 31	RESOURCES ENHANCEMENT AND PROTECTION FUND	CODE: Environment First Fund appropriation to the Resources Enhancement and Protection (REAP) Fund. This appropriation notwithstands the General Fund standing appropriation of \$20,000,000.
12 32	Sec. 20. Notwithstanding the amount of the standing	
12 33	appropriation from the general fund of the state under section	DETAIL: The REAP Fund was appropriated \$10,500,000 in FY 2001 and \$10,000,000 in FY 2002 from the Environment First Fund. The REAP Fund was originally appropriated \$10,000,000 for FY 2003; however, HF 2627 (FY 2003 Second Omnibus Appropriations Act) reduced this appropriation by \$8,000,000 and required the remaining \$2,000,000 be used to reimburse political subdivisions for property tax dollars lost to the acquisition of open spaces.
12 34	455A.18, subsection 3, there is appropriated from the	
12 35	environment first fund to the Iowa resources enhancement and	
13 1	protection fund, in lieu of the appropriation made in section	
13 2	455A.18, for the fiscal year beginning July 1, 2003, and	
13 3	ending June 30, 2004, the following amount, to be allocated as	
13 4	provided in section 455A.19:	
13 5	..... \$ 11,000,000	

PG LN	Senate File 452	Explanation
13 6	Sec. 21. REVERSION.	
13 7	1. Except as provided in subsection 2, and notwithstanding	
13 8	section 8.33, moneys appropriated in this division of this Act	
13 9	that remain unencumbered or unobligated shall not revert at	
13 10	the close of the fiscal year for which they were appropriated	
13 11	but shall remain available for the purposes designated until	
13 12	the close of the fiscal year beginning July 1, 2004, or until	
13 13	the project for which the appropriation was made is completed,	
13 14	whichever is earlier.	CODE: Specifies that the unobligated or unexpended funds from the Environment First Fund shall not revert until the end of FY 2005. However, if a project is completed in an earlier fiscal year, the unobligated funds will revert at the close of that fiscal year.
13 15	2. Notwithstanding section 8.33, moneys appropriated in	
13 16	this division of this Act to the department of agriculture and	
13 17	land stewardship to provide financial assistance for the	
13 18	establishment of permanent soil and water conservation	
13 19	practices that remain unencumbered or unobligated at the close	
13 20	of the fiscal year shall not revert but shall remain available	
13 21	for expenditure for the purposes designated until the close of	
13 22	the fiscal year that begins July 1, 2006.	CODE: Specifies that the funds appropriated for the Soil Conservation Cost Share Program, in Section 17.5 of this Act, shall remain available for expenditure through FY 2006.
13 23	DIVISION III	
13 24	TOBACCO SETTLEMENT TRUST FUND	
13 25	Sec. 22. There is appropriated from the tax-exempt bond	
13 26	proceeds restricted capital funds account of the tobacco	
13 27	settlement trust fund to the following departments and	
13 28	agencies for the fiscal year beginning July 1, 2003, and	
13 29	ending June 30, 2004, the following amounts, or so much	
13 30	thereof as is necessary, to be used for the purposes	
13 31	designated:	
13 32	1. DEPARTMENT OF ECONOMIC DEVELOPMENT	
13 33	For accelerated career education program capital projects	
13 34	at community colleges that are authorized under chapter 260G	
13 35	and that meet the definition of "vertical infrastructure" in	
14 1	section 12E.12, subsection 1, paragraph "b", subparagraph (1):	
14 2	..... \$ 2,500,000	Restricted Capital Fund appropriation to the Department of Economic Development for vertical infrastructure improvements at community colleges associated with implementing the Accelerated Career Education (ACE) Program.  DETAIL: The Accelerated Career Education (ACE) Program is established in Chapter 260G, <u>Code of Iowa</u> , and involves agreements

between community colleges and employers. Under the agreements, an employer pays at least 20.00% of the costs associated with educating potential employees for specific skills required by the employer. Section 4.2 of this Act appropriates \$3,000,000 from the RIIF for total funding of \$5,500,000 for the Program in FY 2004. The ACE Program was appropriated \$2,500,000 from the Restricted Capital Fund for FY 2003.

14 3 The moneys appropriated in this subsection shall be  
 14 4 allocated equally among the community colleges in the state.  
 14 5 If any portion of the equal allocation to a community college  
 14 6 is not obligated or encumbered by April 1, 2004, the  
 14 7 unobligated and unencumbered portions shall be available for  
 14 8 use by other community colleges.

Requires the Accelerated Career Education (ACE) appropriation to be distributed equally to all community colleges. Specifies that any unencumbered or unobligated funds remaining after April 1, 2004, be available for use by other community colleges.

14 9 2. DEPARTMENT OF EDUCATION  
 14 10 For allocation to the public broadcasting division for  
 14 11 costs of installation of digital television for Iowa public  
 14 12 television facilities, notwithstanding section 12E.12,  
 14 13 subsection 1, paragraph "b", subparagraph (1):  
 14 14 ..... \$ 10,000,000

CODE: Restricted Capital Fund appropriation to the Department of Education for conversion of Iowa Public Television broadcasts to digital technology. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: Iowa Public Television is required by the Federal Communications Commission (FCC) to have the broadcasts converted to high-definition by May 1, 2003, and maintain dual broadcast modes until 85.00% of the homes in the broadcast area have the ability to receive digital signal. Stations are required to simulcast their broadcasts through FY 2006. The total cost of the transmission and content creation infrastructure is estimated at \$42,000,000. Iowa Public Television estimates receiving \$2,000,000 from federal sources. The total State cost is estimated at \$39,900,000. From FY 1999 to FY 2002, the Department has received total State funding of \$11,888,818. Iowa Public Television will require a total of \$28,000,000 from FY 2004 through FY 2006 to complete the conversion.

14 15 3. DEPARTMENT OF GENERAL SERVICES (or any successor  
 14 16 agency)  
 14 17 For major renovation and major repair needs including  
 14 18 health, life, and fire safety needs, and for compliance with  
 14 19 the federal Americans With Disabilities Act, for state-owned  
 14 20 buildings and facilities:  
 14 21 ..... \$ 11,500,000

Restricted Capital Fund appropriation to the Department of General Services for major renovation and repair needs of State-owned buildings under the purview of the Department.

DETAIL: This is a decrease of \$4,250,000 compared to the FY 2003 estimated net appropriation. The funds will be used to correct deficiencies in State buildings and make a wide range of repairs. The funds will be spent on projects selected and prioritized by the Governor's Vertical Infrastructure Advisory Committee. State agencies and Department of General Services staff will work together to identify projects that will be presented to the Advisory Committee for funding consideration.

14 22 a. Of the amount appropriated in this subsection, up to  
14 23 \$375,000 may be used for costs associated with project  
14 24 management services in the division of design and construction  
14 25 of the department, or to a similar division of any successor  
14 26 agency, notwithstanding section 12E.12, subsection 1,  
14 27 paragraph "b", subparagraph (1).

CODE: Allows the Department of General Services to spend up to \$375,000 of the funds appropriated for major maintenance purposes for Projects Management Services within the Department's Design and Construction Office. This allocation notwithstanding the definition of vertical infrastructure.

DETAIL: Project Management Services includes financial, construction, and inspection oversight of capital projects under the purview of the Department of General Services.

14 28 b. Of the amount appropriated in this subsection, \$200,000  
14 29 may be used for costs associated with the vertical  
14 30 infrastructure program, notwithstanding section 12E.12,  
14 31 subsection 1, paragraph "b", subparagraph (1).

CODE: Allows the Department of General Services to spend up to \$200,000 for costs to operate the Vertical Infrastructure Program. This allocation notwithstanding the definition of vertical infrastructure.

DETAIL: The primary responsibility of the Vertical Infrastructure Program is to maintain the infrastructure assessment database and to provide support for the Governor's Vertical Infrastructure Advisory Committee.

14 32 4. INFORMATION TECHNOLOGY DEPARTMENT (or any successor  
14 33 agency)  
14 34 For the payment of claims relating to the purchase and  
14 35 implementation of an integrated information for Iowa system:  
15 1 ..... \$ 6,131,075

Restricted Capital Fund appropriation to the Information Technology Department for the second-year costs associated with the purchase and implementation of an Integrated Information for Iowa System.

DETAIL: The System is a computer system that will integrate data systems of State government including, human resources, payroll, benefits, electronic procurement, accounting, and budget. The total cost to make the System fully operational is estimated at \$13,626,000. The General Assembly appropriated \$4,400,000 for FY 2003. The System will require an additional appropriation of \$3,095,116 in FY 2005.



PG LN	Senate File 452	Explanation
15 2	5. IOWA STATE FAIR AUTHORITY	Restricted Capital Fund appropriation to the State Fair Authority for infrastructure improvements at the State Fairgrounds.
15 3	For vertical infrastructure improvements on the state	
15 4	fairgrounds:	
15 5	..... \$ 500,000	DETAIL: Maintains the current level of funding. The funds will be used for various infrastructure-related improvements including, renovation of facilities for compliance with the federal Americans with Disabilities Act; maintenance of roofs; and sewer, water, and electrical system upgrades.
15 6	6. DEPARTMENT OF NATURAL RESOURCES	CODE: Restricted Capital Fund appropriation to the Department of Natural Resources for continued funding of the Destination State Park located at Honey Creek State Park. This appropriation notwithstanding the definition of vertical infrastructure.
15 7	a. For costs associated with the planning, design, and	
15 8	construction of a premier destination park, notwithstanding	
15 9	section 12E.12, subsection 1, paragraph "b", subparagraph (1):	
15 10	..... \$ 3,000,000	DETAIL: The proposed State park is intended to provide expanded facilities and recreation opportunities to encourage visitors to plan vacations, meetings, and other types of gatherings. The Department received appropriations from the Restricted Capital Fund in FY 2002 and FY 2003 for the park project totaling \$2,000,000.
15 11	The appropriation in this paragraph "a" is contingent upon	Provides that the appropriation for the Destination State Park is contingent upon a funding commitment by a private developer for the development of the proposed Honey Creek resort areas.
15 12	receipt by the department of a funding commitment by June 30,	
15 13	2005, from a private developer for development of the proposed	
15 14	honey creek resort areas near the premier destination park.	
15 15	b. For continuation of the restore the outdoors program,	CODE: Restricted Capital Fund appropriation to the Department of Natural Resources for funding of the Restore the Outdoors Program. This appropriation notwithstanding the definition of vertical infrastructure.
15 16	notwithstanding section 12E.12, subsection 1, paragraph "b",	
15 17	subparagraph (1):	
15 18	..... \$ 2,500,000	DETAIL: Maintains the current level of funding. The funds will be used for improvements to State park facilities built by the Civilian Conservation Corps (CCC) and the Work Progress Administration (WPA). The Restore the Outdoors Program was first funded in FY 1997 with a \$3,000,000 RIIF appropriation. During the 1998 Legislative Session, the Department was appropriated \$3,000,000 per year for four years from the RIIF. The General Assembly appropriated \$2,500,000 from the Restricted Capital Fund for the Program in FY 2002 and \$2,500,000 in FY 2003.

PG LN	Senate File 452	Explanation
15 19	7. DEPARTMENT OF PUBLIC DEFENSE	Restricted Capital Fund appropriation to the Department of Public
15 20	a. For maintenance and repair of national guard armories	Defense for maintenance of National Guard armories and facilities.
15 21	and facilities:	
15 22	..... \$ 1,269,636	DETAIL: This is an increase of \$569,636 compared to the FY 2003 estimated net appropriation. The Department estimates the State funds will be matched with \$4,129,000 in federal funds. The State funds are planned to be used as follows:
		<ul style="list-style-type: none"> <li>• Camp Dodge Water System Renovation – \$186,000</li> <li>• Camp Dodge Electric System Renovation – \$133,636</li> <li>• Storm Lake Armory Renovation/Addition – \$250,000</li> <li>• Spencer Armory Renovation/Addition – \$250,000</li> <li>• Ottumwa Armory Renovation – \$250,000</li> <li>• Camp Dodge Armory Renovation – \$200,000</li> </ul>
15 23	b. For construction of a new national guard armory at	Restricted Capital Fund appropriation to the Department of Public
15 24	Boone:	Defense for construction of a National Guard Armory located at
15 25	..... \$ 1,095,000	Boone.
		DETAIL: The State funds will be matched with \$4,262,000 in federal funds.
15 26	8. DEPARTMENT OF PUBLIC SAFETY	CODE: Restricted Capital Fund appropriation to the Department of
15 27	For improvements to the capitol complex security system,	Public Safety for security enhancements to buildings on the Capitol
15 28	notwithstanding section 12E.12, subsection 1, paragraph "b",	Complex. This appropriation notwithstanding the definition of vertical
15 29	subparagraph (1):	infrastructure.
15 30	..... \$ 1,000,000	DETAIL: Maintains the current level of funding. In FY 2003, the funding for facility security enhancements was made to the Department of General Services. The enhancements will include installation of controlled access systems to tunnels, installation of electronic surveillance systems, employee training, issuance of employee badges, and installation of a control center in the Lucas Building.
15 31	9. STATE DEPARTMENT OF TRANSPORTATION	Restricted Capital Fund appropriation to the Department of
15 32	a. For vertical infrastructure improvements at the	Transportation (DOT) for vertical infrastructure improvements at Iowa's
15 33	commercial air service airports within the state:	commercial service airports.
15 34	..... \$ 1,100,000	

15 35 One-half of the funds appropriated in this paragraph "a"  
 16 1 shall be allocated equally between each commercial service  
 16 2 airport, 40 percent of the funds shall be allocated based on  
 16 3 the percentage that the number of enplaned passengers at each  
 16 4 commercial service airport bears to the total number of  
 16 5 enplaned passengers in the state during the previous fiscal  
 16 6 year, and 10 percent of the funds shall be allocated based on  
 16 7 the percentage that the air cargo tonnage at each commercial  
 16 8 service airport bears to the total air cargo tonnage in the  
 16 9 state during the previous fiscal year. In order for a  
 16 10 commercial service airport to receive funding under this  
 16 11 paragraph "a", the airport shall be required to submit  
 16 12 applications for funding of specific projects to the  
 16 13 department for approval by the state transportation  
 16 14 commission.

16 15 b. For a vertical infrastructure improvement grant program  
 16 16 for improvements at general aviation airports within the  
 16 17 state:  
 16 18 ..... \$ 581,400

16 19 c. For acquiring, constructing, and improving recreational  
 16 20 trails within the state:  
 16 21 ..... \$ 1,000,000

16 22 Of the amount appropriated in this paragraph "c", \$500,000  
 16 23 shall be used for funding, on a matching basis, recreational  
 16 24 trail projects, with priority given to completion of trail  
 16 25 connections and sections between existing trails and parks  
 16 26 within the established state recreational trails system. Such  
 16 27 projects shall be matched by \$1 of private or other funds for  
 16 28 each \$3 of state funds.

DETAIL: Maintains the current level of funding.

Requires \$550,000 of the funds appropriated to be allocated equally between each of the commercial service airports, \$440,000 to be allocated based on the percentage of enplaned passengers during the previous fiscal year, and \$110,000 to be allocated based on each airport's proportion of air cargo tonnage during the previous fiscal year. Requires airports to submit applications for funding to the DOT for approval by the Transportation Commission.

DETAIL: The commercial service airports include: Burlington, Cedar Rapids, Des Moines, Dubuque, Fort Dodge, Mason City, Sioux City, and Waterloo.

Restricted Capital Fund appropriation to the DOT for infrastructure improvements at general aviation airports.

DETAIL: Maintains the current level of funding.

Restricted Capital Fund appropriation to the DOT for the Recreational Trails Program.

DETAIL: This is a decrease of \$1,000,000 compared to the FY 2003 estimated net appropriation.

Requires \$500,000 of the appropriation for recreational trails be used to fund trail projects, with priority given to completion of the trail connections between existing trails and parks within the State Recreational Trails System. Requires State funds to be matched with 25.00% local funds.

PG LN	Senate File 452	Explanation
16 29	10. OFFICE OF TREASURER OF STATE	Restricted Capital Fund appropriation to the Treasurer of State for distribution to county fair societies that belong to the Association of Iowa Fairs.
16 30	For county fair infrastructure improvements for	
16 31	distribution in accordance with chapter 174 to qualified fairs	DETAIL: Maintains the current level of funding. The funds are distributed equally to all qualified county fair societies for infrastructure improvements at county fairs.
16 32	which belong to the association of Iowa fairs:	
16 33	..... \$ 1,060,000	
16 34	11. STATE BOARD OF REGENTS	Restricted Capital Fund appropriation to the Board of Regents for repairs to the Old Capitol Building at the University of Iowa that are not associated with fire damage.
16 35	For non-fire-related restoration of the Old Capitol on the	
17 1	University of Iowa campus in Iowa City, including but not	
17 2	limited to capital and other improvements related to exterior	
17 3	metal roofing, masonry repointing, and window replacement;	
17 4	electrical upgrades; asbestos abatement; elevator	
17 5	improvements; interior painting and lighting and exhibit	
17 6	displays; and site walkway and landscaping improvements:	
17 7	..... \$ 350,000	
17 8	12. TAX-EXEMPT STATUS — USE OF APPROPRIATIONS. Payment	Requires the Restricted Capital Fund appropriations in Section 22 of this Act be expended in a manner that does not jeopardize the tax-exempt status of bonds issued by the Tobacco Settlement Authority.
17 9	of moneys from the appropriations in this section shall be	
17 10	made in a manner that does not adversely affect the tax-exempt	
17 11	status of any outstanding bonds issued by the tobacco	
17 12	settlement authority.	
17 13	13. REVERSION. Notwithstanding section 8.33, moneys	CODE: Specifies that the funds appropriated in Section 22 of this Act shall remain available for expenditure through FY 2007. However, if a project is completed in an earlier fiscal year, the unobligated funds will revert at the close of that fiscal year.
17 14	appropriated in this section shall not revert at the close of	
17 15	the fiscal year for which they were appropriated but shall	
17 16	remain available for the purposes designated until the close	
17 17	of the fiscal year that begins July 1, 2006, or until the	
17 18	project for which the appropriation was made is completed,	
17 19	whichever is earlier.	
17 20	Sec. 23. DEPARTMENT OF CORRECTIONS — USE OF	Restricted Capital Fund appropriations totaling \$30,900,000 to the Department of Corrections for the construction of a 170-bed special needs unit at the Iowa Medical and Classification Center at Oakdale.
17 21	APPROPRIATIONS — REVERSION.	
17 22	1. There is appropriated from the tax-exempt bond proceeds	
17 23	restricted capital funds account of the tobacco settlement	
17 24	trust fund to the department of corrections for the fiscal	
17 25	period beginning July 1, 2003, and ending June 30, 2006, the	
17 26	following amounts, or so much thereof as is necessary, to be	

17 27 used for the purpose designated:  
 17 28 For construction of a 170-bed facility at the Iowa medical  
 17 29 and classification center at Oakdale:  
 17 30 FY 2003–2004 ..... \$ 7,500,000  
 17 31 FY 2004–2005 ..... \$ 11,700,000  
 17 32 FY 2005–2006 ..... \$ 11,700,000

DETAIL: The Department received \$4,100,000 in FY 2003 to begin the design and construction of the facility. The total cost of this project is estimated at \$35,000,000, which includes the replacement of the power plant. The facility is being built in order for the State to comply with a federal court order.

17 33 2. Payment of moneys from the appropriations in this  
 17 34 section shall be made in a manner that does not adversely  
 17 35 affect the tax-exempt status of any outstanding bonds issued  
 18 1 by the tobacco settlement authority.

Requires the Restricted Capital Fund appropriations to the Department of Corrections to be expended in a manner that does not jeopardize the tax-exempt status of bonds issued by the Tobacco Settlement Authority.

18 2 3. Notwithstanding section 8.33, moneys appropriated in  
 18 3 this section shall not revert at the close of the fiscal year  
 18 4 for which they were appropriated, but shall remain available  
 18 5 for the purpose designated until the close of the fiscal year  
 18 6 that begins July 1, 2008, or until the project for which the  
 18 7 appropriation was made is completed, whichever is earlier.

CODE: Specifies that the funds appropriated in Section 23 of this Act shall remain available for expenditure through FY 2007. However, if the project is completed in an earlier fiscal year, the unobligated funds will revert at the close of that fiscal year.

18 8 Sec. 24. PAYMENTS IN LIEU OF TUITION. There is  
 18 9 appropriated from the tax-exempt bond proceeds restricted  
 18 10 capital funds account of the tobacco settlement trust fund of  
 18 11 the state to the state board of regents for the fiscal year  
 18 12 beginning July 1, 2003, and ending June 30, 2004, the  
 18 13 following amount, or so much thereof as may be necessary, to  
 18 14 be used for the purpose designated:  
 18 15 For allocation by the state board of regents to the state  
 18 16 university of Iowa, the Iowa state university of science and  
 18 17 technology, and the university of northern Iowa to reimburse  
 18 18 the institutions for deficiencies in their operating funds  
 18 19 resulting from the pledging of tuitions, student fees and  
 18 20 charges, and institutional income to finance the cost of  
 18 21 providing academic and administrative buildings and facilities  
 18 22 and utility services at the institutions, notwithstanding  
 18 23 section 12E.12, subsection 1, paragraph "b", subparagraph (1):  
 18 24 ..... \$ 10,610,409

CODE: Restricted Capital Fund appropriation to the Board of Regents for Tuition Replacement. This appropriation notwithstanding the definition of vertical infrastructure.

DETAIL: The tuition replacement appropriations are used to replace the student tuition fees that are used to pay the debt service on academic revenue bonds authorized in prior fiscal years. The total amount required for Tuition Replacement in FY 2004 is \$23,953,809. Section 13 of this Act appropriates \$350,000 from the RIIF to fund a portion of the Regents FY 2004 Tuition Replacement. The remainder of the Tuition Replacement (\$13,343,050) is being funded from the General Fund in HF 662 (FY 2004 Education Appropriations Act).

PG LN	Senate File 452	Explanation
18 25	Sec. 25. TOBACCO MASTER SETTLEMENT AGREEMENT LITIGATION	Restricted Capital Fund appropriation to the Treasurer of State for the final attorney litigation payment associated with the Tobacco Master Settlement Agreement.
18 26	FEES. There is appropriated from the tax-exempt bond proceeds	
18 27	restricted capital funds account of the tobacco settlement	
18 28	trust fund to the treasurer of state for the fiscal year	
18 29	beginning July 1, 2003, and ending June 30, 2004, the	
18 30	following amount, or so much thereof as is necessary, to be	
18 31	used for the purpose designated:	
18 32	For payment of litigation fees incurred pursuant to the	
18 33	tobacco master settlement agreement:	
18 34	..... \$ 700,000	
18 35	Sec. 26. IOWA COMMUNICATIONS NETWORK DEBT SERVICE. There	CODE: Restricted Capital Fund appropriation to the Treasurer of State for the FY 2004 debt service payments on the Iowa Communications Network (ICN) bonds. This appropriation notwithstanding the definition of vertical infrastructure.  DETAIL: This is a decrease of \$5,406 compared to the FY 2003 estimated net appropriation. The amount of the appropriation is based the debt service schedule for repayment of the bonds.
19 1	is appropriated from the tax-exempt bond proceeds restricted	
19 2	capital funds account of the tobacco settlement trust fund to	
19 3	the treasurer of state for the fiscal year beginning July 1,	
19 4	2003, and ending June 30, 2004, the following amount, or so	
19 5	much thereof as is necessary, to be used for the purpose	
19 6	designated:	
19 7	For debt service for the Iowa communications network,	
19 8	notwithstanding section 12E.12, subsection 1, paragraph "b",	
19 9	subparagraph (1):	
19 10	..... \$ 13,039,378	
19 11	Funds appropriated in this section shall be deposited in a	Specifies that the funds appropriated for the ICN debt service payments be deposited into a separate fund to be used only for debt service. Requires the Telecommunications and Technology Commission to certify to the Treasurer of State when debt service payments are due and requires the Treasurer of State to make the payments.
19 12	separate fund established in the office of the treasurer of	
19 13	state to be used solely for debt service for the Iowa	
19 14	communications network. The Iowa telecommunications and	
19 15	technology commission shall certify to the treasurer of state	
19 16	when a debt service payment is due, and upon receipt of the	
19 17	certification, the treasurer shall make the payment. The	
19 18	commission shall pay any additional amount due from funds	
19 19	deposited in the Iowa communications network fund.	
19 20	Sec. 27. PRISON DEBT SERVICE. There is appropriated from	CODE: Restricted Capital Fund appropriation to the Treasurer of State for the FY 2004 debt service payments on the Prison Infrastructure Bonds. This appropriation notwithstanding the definition of vertical infrastructure.
19 21	the tax-exempt bond proceeds restricted capital funds account	
19 22	of the tobacco settlement trust fund to the treasurer of state	
19 23	for the fiscal year beginning July 1, 2003, and ending June	
19 24	30, 2004, the following amount, or so much thereof as is	

19 25 necessary, to be used for the purpose designated:  
 19 26 For repayment of prison infrastructure bonds under section  
 19 27 16.177, notwithstanding section 12E.12, subsection 1,  
 19 28 paragraph "b", subparagraph (1):  
 19 29 ..... \$ 5,411,986

DETAIL: Prior to FY 2002 and tobacco securitization, all debt service for the prison bonds was paid from the Prison Infrastructure Fund. This Fund receives the first \$9,500,000 from fines collected through the Judicial System. The total annual debt service on the prison bonds is approximately \$8,400,000. The amount in the Prison Infrastructure Fund not used for debt service annually reverts to the General Fund. In FY 2004, the amount of the reversion is estimated to be \$4,088,000 due to funding the debt service from the Restricted Capital Fund.

19 30 **[DIVISION IV]**  
 19 31 **CAPITOL COMPLEX PARKING STRUCTURE**

19 32 **Sec. 28. NEW SECTION. 18A.8 CAPITOL COMPLEX PARKING**  
 19 33 **STRUCTURE REVOLVING FUND.**

19 34 A capitol complex parking structure revolving fund is  
 19 35 created in the state treasury. The capitol complex parking  
 20 1 structure revolving fund shall be administered by the  
 20 2 department of general services and shall consist of moneys  
 20 3 collected by the department as parking fees, moneys  
 20 4 appropriated to the fund by the general assembly, and any  
 20 5 other moneys obtained or accepted by the department for  
 20 6 deposit in the revolving fund. The proceeds of the revolving  
 20 7 fund are appropriated to and shall be used by the department  
 20 8 for costs associated with the management, operation, and  
 20 9 maintenance of the capitol complex parking structure located  
 20 10 at the intersection of Pennsylvania and Grand avenues in Des  
 20 11 Moines. The department shall submit an annual report not  
 20 12 later than January 31 to the members of the general assembly  
 20 13 and the legislative fiscal bureau, of the activities funded by  
 20 14 and expenditures made from the revolving fund during the  
 20 15 preceding fiscal year. Section 8.33 does not apply to any  
 20 16 moneys in the revolving fund and, notwithstanding section  
 20 17 12C.7, subsection 2, earnings or interest on moneys deposited  
 20 18 in the revolving fund shall be credited to the revolving fund.

**VETOED**

CODE: Creates a Capitol Complex Parking Structure Revolving Fund to be administered by the Department of General Services. Moneys in the fund are to be used for the operation, maintenance, and management of the Parking structure located at the intersection of Pennsylvania and Grand Avenues in Des Moines.

Requires the Department to submit an annual report to the Legislative Fiscal Bureau by January 31 of each year, concerning the activity of the Revolving Fund.

VETOED: The Governor vetoed this Section along with related Sections 29 and 30, stating that these provisions operate as a hidden tax for the visiting public and would discourage some people from exercising their fundamental rights as citizens to participate in their democracy.

NOTE: This language was also included in Division XV of HF 683 (Grow Iowa Values Fund Appropriations Act), which was passed on June 4 by the General Assembly during the 2003 Extraordinary Session. The Governor item vetoed the language and signed the Act on June 19.

20 19 Sec. 29. CAPITOL COMPLEX PARKING STRUCTURE MANAGEMENT —  
 20 20 REQUEST FOR PROPOSALS. The department of general services, or  
 20 21 any successor agency, shall issue a request for proposals for  
 20 22 the management, operation, and maintenance of the state-owned  
 20 23 parking structure located at the intersection of Pennsylvania  
 20 24 and Grand avenues in Des Moines. The request for proposals  
 20 25 shall include all of the following services:  
 20 26 1. The collection of parking fees and administration of  
 20 27 parking permits.  
 20 28 2. Daily janitorial maintenance and necessary annual  
 20 29 maintenance, pursuant to standards outlined in the parking  
 20 30 garage maintenance manual published by the parking consultants  
 20 31 council of the national parking association.  
 20 32 3. Long-term structural maintenance.  
 20 33 Awarding of a contract for the management, operation, and  
 20 34 maintenance of the parking structure is subject to approval by  
 20 35 the general assembly.

VETOED

Requires the Department of General Services to issue a request for proposals for the management, operation, and maintenance of the Capitol Complex parking structure.

VETOED: The Governor vetoed this Section along with related Sections 28 and 30, stating that these provisions operate as a hidden tax for the visiting public and would discourage some people from exercising their fundamental rights as citizens to participate in their democracy.

NOTE: This language was also included in Division XV of HF 683 (Grow Iowa Values Fund Appropriations Act), which was passed on June 4 by the General Assembly during the 2003 Extraordinary Session. The Governor item vetoed the language and signed the Act on June 19.

21 1 Sec. 30. CAPITOL COMPLEX PARKING STRUCTURE — PARKING  
 21 2 FEES. The department of general services, or any successor  
 21 3 agency, shall establish reasonable parking fees for the public  
 21 4 and for state employees for the use of the state-owned parking  
 21 5 structure located at the intersection of Pennsylvania and  
 21 6 Grand avenues in Des Moines. Such fees shall be deposited in  
 21 7 the capitol complex parking structure revolving fund created  
 21 8 in section 18A.8, as enacted by this Act.]

VETOED

Requires the Department of General Services to establish a reasonable parking fee to be charged to the public and State employees for the use of the parking structure located on the Capitol Complex. Requires the fees to be deposited into the Capitol Complex Parking Structure Revolving Fund.

VETOED: The Governor vetoed this Section along with related Sections 28 and 29, stating that these provisions operate as a hidden tax for the visiting public and would discourage some people from exercising their fundamental rights as citizens to participate in their democracy.

NOTE: Similar language was also included in Division XV of HF 683 (Grow Iowa Values Fund Appropriations Act), which was passed on June 4 by the General Assembly during the 2003 Extraordinary Session. However, the language in HF 683 exempted the general public from paying a fee to park in the parking structure. The Governor item vetoed the language and signed the Act on June 19.



# EXECUTIVE SUMMARY

## JUDICIAL BRANCH APPROPRIATIONS ACT

SENATE FILE 435

### FUNDING SUMMARY

- Appropriates a total of \$115.4 million from the General Fund to the Judicial Branch. This is an increase of \$4.2 million compared to the FY 2003 estimated net General Fund appropriation. Judicial Branch FTE positions are not appropriated in the Act; however, there are 1,921.0 FTE positions, which is an increase of 2.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$4.0 million was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$4.0 million has been included in the General Fund appropriation for FY 2004.

### NEW PROGRAMS, SERVICES, OR ACTIVITIES

- Maintains current level of the State's contribution to the Judicial Retirement System. The statutory contribution rate for Judicial Retirement is notwithstanding, and the percentage is reduced from 23.7% to 8.4% of covered payroll. (Page 3, Line 22)

### STUDIES AND INTENT LANGUAGE

- Prohibits District Court Judges from beginning the appointment process for a Clerk of District Court vacancy until the State Court Administrator approves filling the vacancy. (Page 3, Line 32)
- Specifies that the Offices of the Clerks of the District Court operate in all 99 counties and be accessible to the public as much as reasonably possible. (Page 2, Line 2)
- Requires the Judicial Branch to report to the Legislative Fiscal Bureau by January 1, 2004, regarding the revenues and expenditures for the Enhanced Court Collections Fund and the Court Technology and Modernization Fund. The report shall include revenues and expenditures for FY 2003 and planned expenditures for FY 2004. (Page 2, Line 24)
- Requires the Supreme Court, in consultation with outside entities, to study methods on ways to achieve efficiency and cost savings within the Judicial Branch. A separate report will be filed with the Supreme Court detailing recommendations on achieving efficiency and cost savings by October 1, 2003. The Supreme Court is to present the report to the General Assembly by December 15, 2003. (Page 2, Line 34)

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Notwithstanding Section 602.9104, Code of Iowa, to reduce the State's contribution for the Judicial Retirement Fund from 23.7% to 8.4% of covered payroll. (Page 3, Line 22)

### ENACTMENT DATE

- This Act was approved by the General Assembly May 1, 2003, and signed by the Governor on May 23, 2003.

Senate File 435

Senate File 435 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
3	22	2	Nwthstnd	Sec. 602.9104	Reduces State's Share of Covered Payroll

1 1 Section 1. JUDICIAL BRANCH. There is appropriated from  
 1 2 the general fund of the state to the judicial branch for the  
 1 3 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 1 4 the following amount, or so much thereof as is necessary, to  
 1 5 be used for the purposes designated:  
 1 6 For salaries of supreme court justices, appellate court  
 1 7 judges, district court judges, district associate judges,  
 1 8 judicial magistrates and staff, state court administrator,  
 1 9 clerk of the supreme court, district court administrators,  
 1 10 clerks of the district court, juvenile court officers, board  
 1 11 of law examiners and board of examiners of shorthand reporters  
 1 12 and judicial qualifications commission, receipt and  
 1 13 disbursement of child support payments, reimbursement of the  
 1 14 auditor of state for expenses incurred in completing audits of  
 1 15 the offices of the clerks of the district court during the  
 1 16 fiscal year beginning July 1, 2003, and maintenance,  
 1 17 equipment, and miscellaneous purposes:  
 1 18 ..... \$113,354,603

1 19 1. The judicial branch, except for purposes of internal  
 1 20 processing, shall use the current state budget system, the  
 1 21 state payroll system, and the Iowa finance and accounting  
 1 22 system in administration of programs and payments for  
 1 23 services, and shall not duplicate the state payroll,  
 1 24 accounting, and budgeting systems.

1 25 2. The judicial branch shall submit monthly financial  
 1 26 statements to the legislative fiscal bureau and the department  
 1 27 of management containing all appropriated accounts in the same  
 1 28 manner as provided in the monthly financial status reports and  
 1 29 personal services usage reports of the department of revenue  
 1 30 and finance. The monthly financial statements shall include a  
 1 31 comparison of the dollars and percentage spent of budgeted  
 1 32 versus actual revenues and expenditures on a cumulative basis  
 1 33 for full-time equivalent positions and dollars.

General Fund appropriation to the Judicial Branch for operations.

DETAIL: This is an increase of \$4,200,000 compared to the FY 2003 estimated net General Fund appropriation. Judicial Branch FTE positions are not appropriated in the Act; however, there are 1,921.01 FTE positions, which is an increase of 2.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$4,000,000 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

Prohibits the Judicial Branch from duplicating current State payroll, budgeting, and accounting systems, except for the implementation of an internal accounting and record keeping system.

Requires the Judicial Branch to submit monthly financial statements on all appropriated accounts to the Legislative Fiscal Bureau (LFB) and the Department of Management (DOM). Specifies what is to be included in the financial statements.

1 34 3. The judicial branch shall focus efforts upon the  
1 35 collection of delinquent fines, penalties, court costs, fees,  
2 1 surcharges, or similar amounts.

Requires the Judicial Branch to focus efforts on collecting delinquent fines and fees.

2 2 4. It is the intent of the general assembly that the  
2 3 offices of the clerks of the district court operate in all  
2 4 ninety-nine counties and be accessible to the public as much  
2 5 as is reasonably possible in order to address the relative  
2 6 needs of the citizens of each county.

Specifies that it is the intent of the General Assembly that the Judicial Branch operate the Clerk of Court offices in all 99 counties and ensure the offices are accessible to the public as much as is reasonably possible.

2 7 5. In addition to the requirements for transfers under  
2 8 section 8.39, the judicial branch shall not change the  
2 9 appropriations from the amounts appropriated to the judicial  
2 10 branch in this Act, unless notice of the revisions is given  
2 11 prior to their effective date to the legislative fiscal  
2 12 bureau. The notice shall include information on the branch's  
2 13 rationale for making the changes and details concerning the  
2 14 work load and performance measures upon which the changes are  
2 15 based.

Requires the Judicial Branch to notify the LFB prior to any intradepartmental transfer of funds. Specifies the contents of the notice.

2 16 6. The judicial branch shall submit a semiannual update to  
2 17 the legislative fiscal bureau specifying the amounts of fines,  
2 18 surcharges, and court costs collected using the Iowa court  
2 19 information system since the last report. The judicial branch  
2 20 shall continue to facilitate the sharing of vital sentencing  
2 21 and other information with other state departments and  
2 22 governmental agencies involved in the criminal justice system  
2 23 through the Iowa court information system.

Requires the Judicial Branch to provide a semi-annual report to the LFB, specifying the amount of fines, surcharges, and court costs collected using the Iowa Court Information System (ICIS). The Judicial Branch will continue to share vital sentencing and other information with departments and government agencies involved with the criminal justice system through the ICIS.

2 24 7. The judicial branch shall provide a report to the  
2 25 general assembly by January 1, 2004, concerning the amounts  
2 26 received and expended from the enhanced court collections fund  
2 27 created in section 602.1304 and the court technology and  
2 28 modernization fund created in section 602.8108, subsection 5,  
2 29 during the fiscal year beginning July 1, 2002, and ending June  
2 30 30, 2003, and the plans for expenditures from each fund during  
2 31 the fiscal year beginning July 1, 2003, and ending June 30,  
2 32 2004. A copy of the report shall be provided to the

Requires the Judicial Branch to report to the General Assembly by January 1, 2004, concerning the revenues and expenditures of the Enhanced Court Collections Fund and the Court Technology and Modernization Fund for FY 2003 and plans for expenditures for FY 2004. The Judicial Branch is required to provide a copy of this report to the LFB.

2 33 legislative fiscal bureau.

2 34 8. The supreme court, in consultation with the Iowa state  
 2 35 bar association and district judges, shall study methods to  
 3 1 achieve efficiency and cost savings within the judicial  
 3 2 branch. The state public defender, juvenile probation  
 3 3 officers, clerks of the district court, the legal services  
 3 4 corporation of Iowa, the supervisors affiliate of the Iowa  
 3 5 state association of counties, the judicial district  
 3 6 department of correctional services, the Iowa county attorneys  
 3 7 association, and other interested departments, agencies, or  
 3 8 organizations may each file a report with the supreme court  
 3 9 detailing their recommendations on achieving efficiency and  
 3 10 cost savings within the judicial branch by October 1, 2003.  
 3 11 The study shall include recommendations on the best practices  
 3 12 for court administration, utilizing court personnel including  
 3 13 judges, magistrates, and clerks of the district court,  
 3 14 customer service and delivery of court services, measuring of  
 3 15 performance and performance-based budgeting, and judicial  
 3 16 district redistricting. The supreme court, after consulting  
 3 17 with the Iowa state bar association and the district judges,  
 3 18 and after reviewing the reports filed by the interested  
 3 19 departments, agencies, or organizations, shall submit a report  
 3 20 with findings and recommendations to the general assembly by  
 3 21 December 15, 2003.

3 22 Sec. 2. JUDICIAL RETIREMENT FUND. There is appropriated  
 3 23 from the general fund of the state to the judicial retirement  
 3 24 fund for the fiscal year beginning July 1, 2003, and ending  
 3 25 June 30, 2004, the following amount, or so much thereof as is  
 3 26 necessary, to be used for the purpose designated:  
 3 27 Notwithstanding section 602.9104, for the state's  
 3 28 contribution to the judicial retirement fund in the amount of  
 3 29 8.4 percent of the basic salaries of the judges covered under  
 3 30 chapter 602, article 9:  
 3 31 ..... \$ 2,039,664

Requires the Supreme Court, in consultation with the Iowa State Bar Association and district court judges, to study methods to achieve efficiency and cost savings within the Judicial Branch. Allows juvenile probation officers, the State Public Defender, clerks of district court, Iowa Legal Services Corporation, County Boards of Supervisors, Community-Based Corrections, and the Iowa County Attorneys Association to file separate reports with the Supreme Court on cost efficiencies and cost savings by October 1, 2003. Specifies what will be contained in the report and requires that the Supreme Court present a report to the General Assembly by December 15, 2003.

General Fund appropriation to the Judicial Branch for the Judicial Retirement Fund.

DETAIL: Maintains current level of General Fund support.

CODE: Notwithstanding Section 602.9104, Code of Iowa, to reduce the State's contribution to the Judicial Retirement Fund from 23.70% to 8.40% of the basic salaries of the judges covered under Chapter 602, Article 9.

3 32 Sec. 3. APPOINTMENT OF CLERK OF COURT. The appointment of  
3 33 a clerk of the district court shall not occur unless the state  
3 34 court administrator approves the appointment.

Requires the State Court Administrator to approve all Clerk of Court appointments.

DETAIL: The State Court Administrator is supervising the appointment of clerks of the district court for State budgetary reasons.

3 35 Sec. 4. POSTING OF REPORTS IN ELECTRONIC FORMAT —  
4 1 LEGISLATIVE FISCAL BUREAU. All reports or copies of reports  
4 2 required to be provided by the judicial branch for fiscal year  
4 3 2003–2004 to the legislative fiscal bureau shall be provided  
4 4 in an electronic format. The legislative fiscal bureau shall  
4 5 post the reports on its internet site and shall notify by  
4 6 electronic means all the members of the joint appropriations  
4 7 subcommittee on the justice system when a report is posted.  
4 8 Upon request, copies of the reports may be mailed to members  
4 9 of the joint appropriations subcommittee on the justice  
4 10 system.

Requires the Judicial Branch to provide the LFB with reports in electronic format so that the reports can be placed on the LFB web site. The LFB is to notify members of the Joint Justice System Appropriations Subcommittee when reports have been received and published.

# EXECUTIVE SUMMARY JUSTICE SYSTEM APPROPRIATIONS ACT

SENATE FILE 439

## FUNDING SUMMARY

## MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Appropriates a total of \$367.6 million from the General Fund and 6,051.9 FTE positions for FY 2004. This is an increase of \$9.6 million and 17.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$5.7 million was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$5.7 million has been included in the General Fund appropriations for FY 2004.
- Appropriates a total of \$10.0 million from the General Fund and 257.5 FTE positions to the Department of Justice. This is an increase of \$167,000 and 3.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation. (Page 1, Line 7 through Page 5, Line 22)
- Appropriates a total of \$251.2 million from the General Fund and 4,136.5 FTE positions to the DOC. This is an increase of \$8.5 million and 11.5 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Major changes include:
  - Institutions: Increases the appropriation by \$4.8 million and 14.4 FTE positions. The change includes:
    - An increase of \$2.8 million to fund FY 2003 salary adjustment from the General Fund in FY 2004. (Page 5, line 32 through Page 7, Line 28)
    - An increase of \$2.1 million and 30.9 FTE positions to annualize the operating costs of the new, 200-bed Clinical Care Unit at the Iowa State Penitentiary at Fort Madison. (Page 5, Line 32)
  - Administration: Increases the appropriation for the Corrections Education Program by \$900,000. (Page 10, Line 10)
  - Community-Based Corrections (CBC): Increases the appropriation by \$2.7 million and decreases FTE positions by 2.9. The change includes:
    - An increase of \$1.1 million to fund FY 2003 salary adjustment from the General Fund in FY 2004. (Page 13, Line 7 through Page 14, Line 19)
    - An increase of \$1.0 million to partially fund the FY 2003 salary adjustment shortfall. (Page 13, Line 7 through Page 14, Line 19)
- Appropriates a total of \$36.2 million from the General Fund and 202.0 FTE positions to the Office of the State Public Defender. This is an increase of \$360,000 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. (Page 16, Line 26 through Page 16, Line 34)
- Appropriates \$1.0 million from the General Fund and 30.1 FTE positions to the Iowa Law Enforcement Academy. This is an increase of \$27,000 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. (Page 17, Line 20)

## EXECUTIVE SUMMARY JUSTICE SYSTEM APPROPRIATIONS ACT

SENATE FILE 439

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS (CONTINUED)

- Appropriates a total of \$1.0 million from the General Fund and 16.5 FTE positions to the Board of Parole. This is an increase of \$53,000 and 0.5 FTE position compared to the FY 2003 estimated net General Fund appropriation. (Page 18, Line 13)
- Appropriates a total of \$6.1 million from the General Fund and 323.3 FTE positions to the Department of Public Defense. This is an increase of \$101,000 and 8.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation. (Page 19, Line 1 and Page 19, Line 12)
- Appropriates a total of \$60.7 million from the General Fund and 953.0 FTE positions to the Department of Public Safety. This is an increase of \$1.1 million and 1.0 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$1.2 million in other funds in FY 2004 compared to the FY 2003 estimated net General Fund appropriation which will be made up with Operating While Intoxicated (OWI) incentive money. (Page 20, Line 12 through Page 23, Line 10)

### STUDIES AND INTENT LANGUAGE

- Department of Justice:
  - Requires the Department to maintain a record of the estimated time incurred representing each agency or department. (Page 1, Line 17)
  - Requires the Department to report the actual costs and an estimate of the time incurred enforcing the Iowa Competition Law and the Iowa Consumer Fraud Law to the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee and the Legislative Fiscal Bureau (LFB) by November 15, 2003. (Page 1, Line 22 through Page 2, Line 32)
- Department of Corrections:
  - Requires the DOC to increase produce gardening by inmates and file a report by December 1, 2003. (Page 11, Line 27)
  - Requires the DOC and CBC District Departments to develop an agency strategic plan for treatment programs and file a report by December 15, 2003. (Page 12, Line 12)
  - Permits the DOC to exceed the FTE limitation to alleviate staff shortages caused by members of the Iowa National Guard or Reserve being called up for active military duty. (Page 12, Line 29)
- Extends the lease between Iowa State University and the Fire Service Training Bureau until July 1, 2010. (Page 23, Line 33)
- Continues funding of \$200,000 to the Emergency Management Division from the Wireless E-911 Emergency Communications Fund for administration of the E-911 Program. (Page 24, Line 17)

### SIGNIFICANT CHANGES TO THE CODE OF IOWA



**EXECUTIVE SUMMARY**  
**JUSTICE SYSTEM APPROPRIATIONS ACT**

**SENATE FILE 439**

EFFECTIVE DATE

- Specifies that Section 17 of this Act allows for continued funding of the Emergency Management Division from the Wireless E-911 Emergency Communications Fund takes effect upon enactment. (Page 25, Line 21)

ENACTMENT DATE

- The Act was approved by the General Assembly on May 1, 2003, and was signed by the Governor on May 23, 2003.

Senate File 439

Senate File 439 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
5	7	2	Nwthstnd	Sec. 8.33	Nonreversion of Contingent Appropriation from the Environmental Crime Fund
8	5	4.2(a)	Nwthstnd	Sec. 8.33	Nonreversion of Inmate Tort Claims Fund
10	13	5.1(b)	Nwthstnd	Sec. 8.33	Nonreversion of Inmate Education Appropriation
12	29	5.7	Nwthstnd	Sec. 5, Senate File 439	Full Time Equivalent Position Allowance
19	29	13.2	Nwthstnd	Sec. 8.33 or 8.39	Nonreversion of ICN Funds
23	6	14.8	Nwthstnd	Sec. 8.33	Nonreversion of Volunteer Fire Fighter Training Grants
23	33	16	Amends	Sec. 100B.9	Lease Extension for the Fire Service Training Bureau
24	17	17	Amends	Sec. 15.2, Chapter 1101, 1998 Iowa Acts	Continued Funding for the Emergency Management Division

1 1 Section 1. DEPARTMENT OF JUSTICE.  
 1 2 1. There is appropriated from the general fund of the  
 1 3 state to the department of justice for the fiscal year  
 1 4 beginning July 1, 2003, and ending June 30, 2004, the  
 1 5 following amount, or so much thereof as is necessary, to be  
 1 6 used for the purposes designated:

1 7 For the general office of attorney general for salaries,  
 1 8 support, maintenance, miscellaneous purposes including the  
 1 9 prosecuting attorney training program, victim assistance  
 1 10 grants, office of drug control policy (ODCP) prosecuting  
 1 11 attorney program, legal services for persons in poverty grants  
 1 12 as provided in section 13.34, odometer fraud enforcement, and  
 1 13 for not more than the following full-time equivalent  
 1 14 positions:  
 1 15 ..... \$ 7,271,979  
 1 16 ..... FTEs 208.50

General Fund appropriation to the Department of Justice for the Office of the Attorney General, Prosecuting Attorney Training Program, Victim Assistance Grants, Office of Drug Control Policy Prosecuting Attorney Program, and Legal Services Grants.

DETAIL: This is an increase of \$111,364 and 3.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$111,364 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$111,364 to fund the FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of 3.00 FTE positions funded from federal funds from the U.S. Department of Justice for Multidisciplinary Family Violence Response Teams.

1 17 It is the intent of the general assembly that as a  
 1 18 condition of receiving the appropriation provided in this  
 1 19 subsection, the department of justice shall maintain a record  
 1 20 of the estimated time incurred representing each agency or  
 1 21 department.

Specifies that it is the intent of the General Assembly that the Department of Justice maintain a record of the estimated time incurred to represent each agency or department.

1 22 2. In addition to the funds appropriated in subsection 1,  
 1 23 there is appropriated from the general fund of the state to  
 1 24 the department of justice for the fiscal year beginning July  
 1 25 1, 2003, and ending June 30, 2004, an amount not exceeding  
 1 26 \$200,000 to be used for the enforcement of the Iowa

Contingent General Fund appropriation to the Department of Justice for the enforcement of the Iowa Competition Law. The appropriation is contingent upon the receipt of damages due to anti-trust lawsuits and is limited to \$200,000. Requires the Department of Justice to report the Department's actual costs and an estimate of the time incurred to enforce the Iowa Competition Law to the Chairpersons and

1 27 competition law. The funds appropriated in this subsection  
1 28 are contingent upon receipt by the general fund of the state  
1 29 of an amount at least equal to the expenditure amount from  
1 30 either damages awarded to the state or a political subdivision  
1 31 of the state by a civil judgment under chapter 553, if the  
1 32 judgment authorizes the use of the award for enforcement  
1 33 purposes or costs or attorneys fees awarded the state in state  
1 34 or federal antitrust actions. However, if the amounts  
1 35 received as a result of these judgments are in excess of  
2 1 \$200,000, the excess amounts shall not be appropriated to the  
2 2 department of justice pursuant to this subsection. The  
2 3 department of justice shall report the department's actual  
2 4 costs and an estimate of the time incurred enforcing the  
2 5 competition law, to the cochairpersons and ranking members of  
2 6 the joint appropriations subcommittee on the justice system,  
2 7 and to the legislative fiscal bureau by November 15, 2003.

2 8 3. In addition to the funds appropriated in subsection 1,  
2 9 there is appropriated from the general fund of the state to  
2 10 the department of justice for the fiscal year beginning July  
2 11 1, 2003, and ending June 30, 2004, an amount not exceeding  
2 12 \$1,125,000 to be used for public education relating to  
2 13 consumer fraud and for enforcement of section 714.16, and an  
2 14 amount not exceeding \$75,000 for investigation, prosecution,  
2 15 and consumer education relating to consumer and criminal fraud  
2 16 against older Iowans. The funds appropriated in this  
2 17 subsection are contingent upon receipt by the general fund of  
2 18 the state of an amount at least equal to the expenditure  
2 19 amount from damages awarded to the state or a political  
2 20 subdivision of the state by a civil consumer fraud judgment or  
2 21 settlement, if the judgment or settlement authorizes the use  
2 22 of the award for public education on consumer fraud. However,  
2 23 if the funds received as a result of these judgments and  
2 24 settlements are in excess of \$1,200,000, the excess funds  
2 25 shall not be appropriated to the department of justice  
2 26 pursuant to this subsection. The department of justice shall  
2 27 report to the cochairpersons and ranking members of the joint

Ranking Members of the Justice System Appropriations  
Subcommittee and the Legislative Fiscal Bureau (LFB) by November  
15, 2003.

DETAIL: Maintains the current level of contingent funding.

Contingent General Fund appropriation to the Department of Justice  
for consumer education and the enforcement of consumer fraud law.  
The appropriation is contingent upon the receipt of damages due to  
consumer fraud lawsuits and is limited to \$1,200,000. Of this amount,  
\$1,125,000 is to be used for public education and enforcement  
purposes, and \$75,000 is to be used for investigation, prosecution,  
and consumer education relating to fraud against older Iowans.  
Requires the Department of Justice to report the Department's actual  
costs and an estimate of the time incurred for education and  
enforcement of consumer fraud law to the Chairpersons and Ranking  
Members of the Justice System Appropriations Subcommittee and the  
LFB by November 15, 2003.

DETAIL: Maintains the current level of contingent funding.

2 28 appropriations subcommittee on the justice system, and to the  
2 29 legislative fiscal bureau by November 15, 2003, the  
2 30 department's actual costs and an estimate of the time incurred  
2 31 in providing education pursuant to and enforcing this  
2 32 subsection.

2 33 4. a. The funds used for victim assistance grants shall  
2 34 be used to provide grants to care providers providing services  
2 35 to crime victims of domestic abuse or to crime victims of rape  
3 1 and sexual assault.

Requires that the Victim Assistance Funds be awarded as grants to providers of services for victims of domestic abuse, rape, and sexual assault.

3 2 b. The balance of the victim compensation fund established  
3 3 in section 915.94 may be used to provide salary and support of  
3 4 not more than 22 FTEs and to provide maintenance for the  
3 5 victim compensation functions of the department of justice.

Permits 22.00 FTE positions to be funded from the Victim Compensation Fund to administer the victim compensation functions of the Department of Justice. This is no change compared to the FY 2003 estimated net appropriation.

3 6 5. The department of justice shall submit monthly  
3 7 financial statements to the legislative fiscal bureau and the  
3 8 department of management containing all appropriated accounts  
3 9 in the same manner as provided in the monthly financial status  
3 10 reports and personal services usage reports of the department  
3 11 of revenue and finance. The monthly financial statements  
3 12 shall include comparisons of the moneys and percentage spent  
3 13 of budgeted to actual revenues and expenditures on a  
3 14 cumulative basis for full-time equivalent positions and  
3 15 available moneys.

Requires the Department of Justice to submit monthly financial statements on all appropriated accounts to the LFB and the Department of Management (DOM). Specifies information to be included in the financial statements.

3 16 6. a. The department of justice, in submitting budget  
3 17 estimates for the fiscal year commencing July 1, 2004,  
3 18 pursuant to section 8.23, shall include a report of funding  
3 19 from sources other than amounts appropriated directly from the  
3 20 general fund of the state to the department of justice or to  
3 21 the office of consumer advocate. These funding sources shall  
3 22 include, but are not limited to, reimbursements from other  
3 23 state agencies, commissions, boards, or similar entities, and

Requires the Department of Justice, in submitting FY 2005 budget estimates, to submit a report to the DOM that specifies the amount of funding from all sources other than the General Fund. The report is to include actual reimbursements from other fund accounts for FY 2003 and FY 2004.

3 24 reimbursements from special funds or internal accounts within  
3 25 the department of justice. The department of justice shall  
3 26 report actual reimbursements for the fiscal year commencing  
3 27 July 1, 2002, and actual and expected reimbursements for the  
3 28 fiscal year commencing July 1, 2003.

3 29 b. The department of justice shall include the report  
3 30 required under paragraph "a", as well as information regarding  
3 31 any revisions occurring as a result of reimbursements actually  
3 32 received or expected at a later date, in a report to the co-  
3 33 chairpersons and ranking members of the joint appropriations  
3 34 subcommittee on the justice system and the legislative fiscal  
3 35 bureau. The department of justice shall submit the report on  
4 1 or before January 15, 2004.

Requires the Department of Justice to submit a report that specifies the amount of funding from all sources other than the General Fund and any revisions that occur as a result of actual reimbursements. The report is to be submitted to the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee and the LFB by January 15, 2004.

4 2 7. As a condition for accepting a grant for legal services  
4 3 for persons in poverty funded pursuant to section 13.34, an  
4 4 organization receiving a grant shall submit a report to the  
4 5 general assembly by January 1, 2004, concerning the use of any  
4 6 grants received during the previous fiscal year and efforts  
4 7 made by the organization to find alternative sources of  
4 8 revenue to replace any reductions in federal funding for the  
4 9 organization.

Requires organizations receiving grants to report to the General Assembly by January 1, 2004, concerning grants received in FY 2003 and efforts to obtain alternative funding.

4 10 8. The department of justice and the department of revenue  
4 11 and finance shall, in consultation with one another, issue a  
4 12 request for information from private sector collection  
4 13 agencies, concerning the use of such agencies for the  
4 14 collection of fines, fees, surcharges, and court costs which  
4 15 are delinquent more than one year. The department of justice  
4 16 and the department of revenue and finance shall submit a  
4 17 report regarding the request for information by December 15,  
4 18 2003, for consideration by the general assembly in 2004.

Requires the Department of Justice and the Department of Revenue and Finance to issue a request for information from private sector collection agencies regarding the collection of fines, fees, surcharges, and court costs that are delinquent more than one year. Requires the Departments to submit a report to the General Assembly by December 15, 2003, regarding the results of the request for information.

4 19 Sec. 2. DEPARTMENT OF JUSTICE -- ENVIRONMENTAL CRIMES

Contingent appropriation from the Environmental Crime Fund of up to

4 20 INVESTIGATION AND PROSECUTION -- FUNDING. There is  
 4 21 appropriated from the environmental crime fund of the  
 4 22 department of justice, consisting of court-ordered fines and  
 4 23 penalties awarded to the department arising out of the  
 4 24 prosecution of environmental crimes, to the department of  
 4 25 justice for the fiscal year beginning July 1, 2003, and ending  
 4 26 June 30, 2004, an amount not exceeding \$20,000 to be used by  
 4 27 the department, at the discretion of the attorney general, for  
 4 28 the investigation and prosecution of environmental crimes,  
 4 29 including the reimbursement of expenses incurred by county,  
 4 30 municipal, and other local governmental agencies cooperating  
 4 31 with the department in the investigation and prosecution of  
 4 32 environmental crimes.  
 4 33 The funds appropriated in this section are contingent upon  
 4 34 receipt by the environmental crime fund of the department of  
 4 35 justice of an amount at least equal to the appropriations made  
 5 1 in this section and received from contributions, court-ordered  
 5 2 restitution as part of judgments in criminal cases, and  
 5 3 consent decrees entered into as part of civil or regulatory  
 5 4 enforcement actions. However, if the funds received during  
 5 5 the fiscal year are in excess of \$20,000, the excess funds  
 5 6 shall be deposited in the general fund of the state.

5 7 Notwithstanding section 8.33, moneys appropriated in this  
 5 8 section that remain unexpended or unobligated at the close of  
 5 9 the fiscal year shall not revert but shall remain available  
 5 10 for expenditure for the purpose designated until the close of  
 5 11 the succeeding fiscal year.

5 12 Sec. 3. OFFICE OF CONSUMER ADVOCATE. There is  
 5 13 appropriated from the general fund of the state to the office  
 5 14 of consumer advocate of the department of justice for the  
 5 15 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 5 16 the following amount, or so much thereof as is necessary, to  
 5 17 be used for the purposes designated:  
 5 18 For salaries, support, maintenance, miscellaneous purposes,

\$20,000 to the Department of Justice. The appropriation is contingent upon receipt of contributions, court-ordered restitution, and consent decrees as a part of civil or regulatory enforcement actions. The funds are to be used for the investigation and prosecution of environmental crimes.

DETAIL: Maintains current level of contingent funding.

CODE: Allows any ending balance of the contingent appropriation to carry forward to the next fiscal year

General Fund appropriation to the Department of Justice for the Office of the Consumer Advocate.

DETAIL: This is an increase of \$55,438 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$55,438 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

5 19 and for not more than the following full-time equivalent  
 5 20 positions:  
 5 21 ..... \$ 2,750,386  
 5 22 ..... FTEs 27.00

5 23 Sec. 4. DEPARTMENT OF CORRECTIONS -- FACILITIES.

5 24 1. There is appropriated from the general fund of the  
 5 25 state to the department of corrections for the fiscal year  
 5 26 beginning July 1, 2003, and ending June 30, 2004, the  
 5 27 following amounts, or so much thereof as is necessary, to be  
 5 28 used for the purposes designated:  
 5 29 For the operation of adult correctional institutions,  
 5 30 reimbursement of counties for certain confinement costs, and  
 5 31 federal prison reimbursement, to be allocated as follows:

5 32 a. For the operation of the Fort Madison correctional  
 5 33 facility, including salaries, support, maintenance, employment  
 5 34 of correctional officers, miscellaneous purposes, and for not  
 5 35 more than the following full-time equivalent positions:  
 6 1 ..... \$ 35,673,163  
 6 2 ..... FTEs 576.50

General Fund appropriation to the Department of Corrections (DOC)  
 for the Fort Madison Correctional Facility.

DETAIL: This is an increase of \$2,504,558 and 22.44 FTE positions  
 compared to the FY 2003 estimated net General Fund appropriation.  
 This is a decrease of \$512,137 in other funds for FY 2004 compared  
 to the FY 2003 estimated net appropriation for the elimination of one-  
 time salary funding. The change includes:

- An increase of \$512,137 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$181,482 for increased city sewer rates, increased county landfill charges, and to connect Farm One to the city sewer system.
- An increase of \$2,145,167 and 30.94 FTE positions to annualize the operating costs of the new, 200-bed Clinical Care Unit. The FY 2003 funding was based on opening the facility in three phases. During FY 2004, all 200 beds will be in use for the entire year.
- A decrease of \$334,228 and 8.50 FTE positions to reflect the staff savings associated with installing a perimeter fence. The



6 3 b. For the operation of the Anamosa correctional facility,  
 6 4 including salaries, support, maintenance, employment of  
 6 5 correctional officers and a part-time chaplain to provide  
 6 6 religious counseling to inmates of a minority race,  
 6 7 miscellaneous purposes, and for not more than the following  
 6 8 full-time equivalent positions:  
 6 9 ..... \$ 24,531,917  
 6 10 ..... FTEs 375.75

fence was installed midway through FY 2003, and the FY 2003 appropriation was reduced for six months of savings. The FY 2004 appropriation annualizes the savings associated with the fence.

House File 685 (FY 2004 Healthy Iowans Tobacco Trust Fund Appropriations Act) provides an additional \$1,100,000 and 17.87 FTE positions for the Clinical Care Unit. This appropriation provides seven months of operating funds for 80 beds.

General Fund appropriation to the DOC for the Anamosa Correctional Facility.

DETAIL: This is an increase of \$145,288 and a decrease of 4.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$306,744 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$306,744 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- A decrease of \$161,456 and 4.00 FTE positions to reflect staff savings associated with installing a perimeter fence. The fence was installed midway through FY 2003, and the FY 2003 appropriation was reduced for six months of savings. The FY 2004 appropriation annualizes the savings associated with the fence.

House File 683 (FY 2004 Grow Iowa Values Fund Act) appropriates \$92,000 from the Rebuild Iowa Infrastructure Fund (RIIF) to the Department of Corrections (DOC) for renovation of the Luster Heights Prison Camp. The renovation includes upgrading the sewer lagoon and water system to add 38 minimum-security beds at the Luster Heights Prison Camp. Upon completion of the renovation, designed capacity at the Camp will be increased. The designed capacity of the Camp is being determined in cooperation with staff of the Central Office, Anamosa State Penitentiary, and the First Judicial District Department of Correctional Services.

House File 683 also increases the General Fund allocation to the

6 11 Moneys are provided within this appropriation for one full-  
 6 12 time substance abuse counselor for the Luster Heights  
 6 13 facility, for the purpose of certification of a substance  
 6 14 abuse program at that facility.

Anamosa State Penitentiary by \$664,168 and 9.50 FTE positions to operate the additional 38 minimum-security beds at the Luster Heights Camp. The appropriation provides a full year of funding for the additional beds. The FTE positions include: 1.00 Security Manager, 1.00 Corrections Trades Leader, 1.00 Corrections Food Service Coordinator, 3.00 Counselors, 3.00 Correctional Officers, and 0.50 Nurse.

Specifies that funds be provided for one substance abuse counselor to be employed at the Luster Heights Facility.

6 15 c. For the operation of the Oakdale correctional facility,  
 6 16 including salaries, support, maintenance, employment of  
 6 17 correctional officers, miscellaneous purposes, and for not  
 6 18 more than the following full-time equivalent positions:  
 6 19 ..... \$ 22,107,007  
 6 20 ..... FTEs 326.50

General Fund appropriation to the DOC for the Oakdale Correctional Facility.

DETAIL: This is an increase of \$609,644 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$290,583 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$290,583 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$319,061 to pay water rates to connect to the City of Coralville water line and tower.

6 21 d. For the operation of the Newton correctional facility,  
 6 22 including salaries, support, maintenance, employment of  
 6 23 correctional officers, miscellaneous purposes, and for not  
 6 24 more than the following full-time equivalent positions:  
 6 25 ..... \$ 22,865,691  
 6 26 ..... FTEs 371.25

General Fund appropriation to the DOC for the Newton Correctional Facility.

DETAIL: This is an increase of \$363,800 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$363,800 of other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

House File 685 (FY 2004 Healthy Iowans Tobacco Trust Fund

Appropriations Act) provides \$310,000 for a value-based treatment program at the Newton Correctional Facility. The Act permits a portion of these funds to be used to establish a similar program at the Iowa Correctional Institution for Women at Mitchellville.

6 27 e. For the operation of the Mt. Pleasant correctional  
6 28 facility, including salaries, support, maintenance, employment  
6 29 of correctional officers and a full-time chaplain to provide  
6 30 religious counseling at the Oakdale and Mt. Pleasant  
6 31 correctional facilities, miscellaneous purposes, and for not  
6 32 more than the following full-time equivalent positions:  
6 33 ..... \$ 21,329,386  
6 34 ..... FTEs 327.06

General Fund appropriation to the DOC for the Mount Pleasant Correctional Facility.

DETAIL: This is an increase of \$168,253 and a decrease of 4.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$329,709 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$329,709 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- A decrease of \$161,456 and 4.00 FTE positions to reflect staff savings associated with installing a perimeter fence. The fence was installed midway through FY 2003, and the FY 2003 appropriation was reduced for six months of savings. The FY 2004 appropriation annualizes the savings associated with the fence.

6 35 f. For the operation of the Rockwell City correctional  
7 1 facility, including salaries, support, maintenance, employment  
7 2 of correctional officers, miscellaneous purposes, and for not  
7 3 more than the following full-time equivalent positions:  
7 4 ..... \$ 7,383,506  
7 5 ..... FTEs 110.00

General Fund appropriation to the DOC for the Rockwell City Correctional Facility.

DETAIL: This is an increase of \$115,457 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$115,457 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

7 6 g. For the operation of the Clarinda correctional  
7 7 facility, including salaries, support, maintenance, employment  
7 8 of correctional officers, miscellaneous purposes, and for not  
7 9 more than the following full-time equivalent positions:

General Fund appropriation to the DOC for the Clarinda Correctional Facility.

DETAIL: This is an increase of \$269,482 and no change in FTE positions compared to the FY 2003 estimated net General Fund

7 10 ..... \$ 18,595,788  
 7 11 ..... FTEs 291.76

appropriation. This is a decrease of \$269,482 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

House File 683 (FY 2004 Grow Iowa Values Fund Act) appropriates \$730,400 from the RIIF to the DOC for renovation of an employee lodge at the Clarinda Correctional Facility. The renovation includes converting the lodge to house 225 minimum-security beds. The renovation is expected to require 10 months. Employees of the Department of Human Services (DHS) currently rent the lodge. Rent receipts are approximately \$35,000 annually. Housing inmates in the building will eliminate the receipts from the DHS budget.

House File 683 also increases the General Fund allocation to the Clarinda Correctional Facility to add \$793,432 and 12.82 FTE positions to operate the additional 225 minimum-security beds. The allocation provides one-time costs of \$277,500 and two months of funding (May and June) in FY 2004 for operating the additional beds. The FY 2005 costs are anticipated to be an additional \$2,428,672 and 42.93 FTE positions to annualize the operating costs (provide 10 months of additional funding). The FTE positions include: 30.00 Correctional Officers, 5.00 Nurses, 5.00 Senior Correctional Officers, 3.00 Counselors, and additional support positions.

7 12 Moneys received by the department of corrections as  
 7 13 reimbursement for services provided to the Clarinda youth  
 7 14 corporation are appropriated to the department and shall be  
 7 15 used for the purpose of operating the Clarinda correctional  
 7 16 facility.

Appropriates reimbursements from the Clarinda Youth Academy to the DOC for operating costs associated with the Clarinda Correctional Facility.

DETAIL: The Clarinda Youth Academy's annual reimbursement to the prison is approximately \$1,100,000.

7 17 h. For the operation of the Mitchellville correctional  
 7 18 facility, including salaries, support, maintenance, employment  
 7 19 of correctional officers, miscellaneous purposes, and for not  
 7 20 more than the following full-time equivalent positions:  
 7 21 ..... \$ 12,260,590

General Fund appropriation to the DOC for the Mitchellville Correctional Facility.

DETAIL: This is an increase of \$236,174 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$236,174 in other funds in FY

7 22 .....	FTEs 216.00	2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
7 23 i. For the operation of the Fort Dodge correctional		General Fund appropriation to the DOC for the Fort Dodge
7 24 facility, including salaries, support, maintenance, employment		Correctional Facility.
7 25 of correctional officers, miscellaneous purposes, and for not		
7 26 more than the following full-time equivalent positions:		DETAIL: This is an increase of \$394,742 and no change in FTE
7 27 .....	\$ 24,693,949	positions compared to the FY 2003 estimated net General Fund
7 28 .....	FTEs 394.00	appropriation. This is a decrease of \$394,742 in other funds for FY
		2004 compared to the FY 2003 estimated net appropriation for the
		elimination of one-time salary funding.
7 29 j. For reimbursement of counties for temporary confinement		General Fund appropriation to the DOC for the County Confinement
7 30 of work release and parole violators, as provided in sections		Account to pay for holding alleged parole and work release violators
7 31 901.7, 904.908, and 906.17 and for offenders confined pursuant		until their revocation hearing.
7 32 to section 904.513:		
7 33 .....	\$ 674,954	DETAIL: Maintains the current level of General Fund support.
7 34 k. For federal prison reimbursement, reimbursements for		General Fund appropriation to the DOC to reimburse the federal
7 35 out-of-state placements, and miscellaneous contracts:		Bureau of Prisons for confining Iowa inmates and to pay
8 1 .....	\$ 241,293	miscellaneous contracts.
		DETAIL: Maintains the current level of General Fund support.
8 2 The department of corrections shall use funds appropriated		Requires the DOC to contract with a Muslim imam to provide religious
8 3 in this subsection to continue to contract for the services of		services and religious counseling.
8 4 a Muslim imam.		DETAIL: This contract is required pursuant to a federal court order.
8 5 2. a. If the inmate tort claim fund for inmate claims of		CODE: Specifies that the Inmate Tort Claim Fund that pays for
8 6 less than \$100 is exhausted during the fiscal year, sufficient		inmate tort claims of less than \$100.00 against the State not revert to
8 7 funds shall be transferred from the institutional budgets to		the General Fund.
8 8 pay approved tort claims for the balance of the fiscal year.		
8 9 The warden or superintendent of each institution or		Requires shortfalls to be paid from the Institutions' budgets. Denied
		claims are to be forwarded to the State Appeal Board for

8 10 correctional facility shall designate an employee to receive,  
 8 11 investigate, and recommend whether to pay any properly filed  
 8 12 inmate tort claim for less than the above amount. The  
 8 13 designee's recommendation shall be approved or denied by the  
 8 14 warden or superintendent and forwarded to the department of  
 8 15 corrections for final approval and payment. The amounts  
 8 16 appropriated to this fund pursuant to 1987 Iowa Acts, chapter  
 8 17 234, section 304, subsection 2, are not subject to reversion  
 8 18 under section 8.33.  
 8 19 b. Tort claims denied at the institution shall be  
 8 20 forwarded to the state appeal board for their consideration as  
 8 21 if originally filed with that body. This procedure shall be  
 8 22 used in lieu of chapter 669 for inmate tort claims of less  
 8 23 than \$100.

consideration.

8 24 3. It is the intent of the general assembly that the  
 8 25 department of corrections shall timely fill correctional  
 8 26 positions authorized for correctional facilities pursuant to  
 8 27 this section.

Specifies that it is the intent of the General Assembly that the DOC fill positions in a timely manner.

#### 8 28 Sec. 5. DEPARTMENT OF CORRECTIONS -- ADMINISTRATION.

8 29 1. There is appropriated from the general fund of the  
 8 30 state to the department of corrections for the fiscal year  
 8 31 beginning July 1, 2003, and ending June 30, 2004, the  
 8 32 following amounts, or so much thereof as is necessary, to be  
 8 33 used for the purposes designated:

8 34 a. For general administration, including salaries,  
 8 35 support, maintenance, employment of an education director and  
 9 1 clerk to administer a centralized education program for the  
 9 2 correctional system, miscellaneous purposes, and for not more  
 9 3 than the following full-time equivalent positions:  
 9 4 ..... \$ 2,713,159  
 9 5 ..... FTEs 42.18

General Fund appropriation to the DOC for the Central Office.

DETAIL: This is an increase of \$46,935 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$46,935 in other funds compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

9 6 (1) The department shall monitor the use of the  
9 7 classification model by the judicial district departments of  
9 8 correctional services and has the authority to override a  
9 9 district department's decision regarding classification of  
9 10 community-based clients. The department shall notify a  
9 11 district department of the reasons for the override.

Requires the DOC to monitor the Community-Based Corrections (CBC) District Departments' use of the risk/needs assessment model, and permits the DOC to override a District Department's classification, upon notice to the District Department.

9 12 (2) It is the intent of the general assembly that as a  
9 13 condition of receiving the appropriation provided in this  
9 14 paragraph, the department of corrections shall not, except as  
9 15 otherwise provided in subparagraph (3), enter into a new  
9 16 contract, unless the contract is a renewal of an existing  
9 17 contract, for the expenditure of moneys in excess of \$100,000  
9 18 during the fiscal year beginning July 1, 2003, for the  
9 19 privatization of services performed by the department using  
9 20 state employees as of July 1, 2003, or for the privatization  
9 21 of new services by the department, without prior consultation  
9 22 with any applicable state employee organization affected by  
9 23 the proposed new contract and prior notification of the  
9 24 cochairpersons and ranking members of the joint appropriations  
9 25 subcommittee on the justice system.

Specifies that it is the intent of the General Assembly that, as a condition of receiving appropriated funds, the DOC not enter into a contract in excess of \$100,000 for privatized services during FY 2004 without prior notification of the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee. Existing contracts may be renewed without notification.

9 26 (3) It is the intent of the general assembly that each  
9 27 lease negotiated by the department of corrections with a  
9 28 private corporation for the purpose of providing private  
9 29 industry employment of inmates in a correctional institution  
9 30 shall prohibit the private corporation from utilizing inmate  
9 31 labor for partisan political purposes for any person seeking  
9 32 election to public office in this state and that a violation  
9 33 of this requirement shall result in a termination of the lease  
9 34 agreement.

Specifies that it is the intent of the General Assembly that the DOC shall prohibit the use of inmate labor for partisan political activities within Iowa when contracting for inmate workers to be employed by a private business. Violation of these contract terms will result in termination of the contract.

9 35 (4) It is the intent of the general assembly that as a  
10 1 condition of receiving the appropriation provided in this  
10 2 paragraph, the department of corrections shall not enter into

Specifies that it is the intent of the General Assembly that, as a condition of receiving the appropriated funds, the DOC, when contracting with a private business for inmate employment, shall

10 3 a lease or contractual agreement pursuant to section 904.809  
 10 4 with a private corporation for the use of building space for  
 10 5 the purpose of providing inmate employment without providing  
 10 6 that the terms of the lease or contract establish safeguards  
 10 7 to restrict, to the greatest extent feasible, access by  
 10 8 inmates working for the private corporation to personal  
 10 9 identifying information of citizens.

restrict inmates' access to citizens' personal identifying information.

10 10 b. For educational programs for inmates at state penal  
 10 11 institutions:  
 10 12 ..... \$ 1,000,000

General Fund appropriation to the DOC for educational programs for inmates.

DETAIL: This is an increase of \$900,000 compared to the FY 2003 estimated net General Fund appropriation. The DOC contracts with local community colleges to provide education to inmates.

10 13 It is the intent of the general assembly that moneys  
 10 14 appropriated in this paragraph shall be used solely for the  
 10 15 purpose indicated and that the moneys shall not be transferred  
 10 16 for any other purpose. In addition, it is the intent of the  
 10 17 general assembly that the department shall consult with the  
 10 18 community colleges in the areas in which the institutions are  
 10 19 located to utilize moneys appropriated in this subsection to  
 10 20 fund the high school completion, high school equivalency  
 10 21 diploma, adult literacy, and adult basic education programs in  
 10 22 a manner so as to maintain these programs at the institutions.

Specifies that it is the intent of the General Assembly that these funds be used only for inmate education. Also requires the DOC to consult with community colleges located within the area of the prisons regarding how to maintain the high school completion, high school equivalency diploma, adult literacy, and adult basic education programs at the Institutions. Requires the DOC to establish guidelines and procedures to prioritize admission to educational and vocational programs to facilitate inmates' successful release from prison. Permits the DOC to transfer funds from the Iowa Prison Industries Revolving Fund for educational programs for inmates.

10 23 To maximize the funding for educational programs, the  
 10 24 department shall establish guidelines and procedures to  
 10 25 prioritize the availability of educational and vocational  
 10 26 training for inmates based upon the goal of facilitating an  
 10 27 inmate's successful release from the correctional institution.

CODE: Requires that unexpended and unobligated educational program funds not revert to the General Fund but remain available in FY 2005 only for the specified purposes.

10 28 The director of the department of corrections may transfer  
 10 29 moneys from Iowa prison industries for use in educational  
 10 30 programs for inmates.

10 31 Notwithstanding section 8.33, moneys appropriated in this  
 10 32 paragraph that remain unobligated or unexpended at the close  
 10 33 of the fiscal year shall not revert but shall remain available



10 34 for expenditure only for the purpose designated in this  
10 35 paragraph until the close of the succeeding fiscal year.

11 1 c. For the development of the Iowa corrections offender  
11 2 network (ICON) data system:  
11 3 ..... \$ 427,700

General Fund appropriation to the DOC for the Iowa Corrections  
Offender Network (ICON).

DETAIL: Maintains the current level of General Fund support.

11 4 2. The department of corrections shall submit a report to  
11 5 the cochairpersons and ranking members of the joint  
11 6 appropriations subcommittee on the justice system and the  
11 7 legislative fiscal bureau, on or before January 15, 2004,  
11 8 concerning the development and implementation of the Iowa  
11 9 corrections offender network (ICON) data system.

Requires the DOC to report to the Chairpersons and Ranking  
Members of the Justice System Appropriations Subcommittee and the  
LFB by January 15, 2004, concerning the development and  
implementation of the ICON.

11 10 3. It is the intent of the general assembly that the  
11 11 department of corrections shall continue to operate the  
11 12 correctional farms under the control of the department at the  
11 13 same or greater level of participation and involvement as  
11 14 existed as of January 1, 2003, shall not enter into any rental  
11 15 agreement or contract concerning any farmland under the  
11 16 control of the department that is not subject to a rental  
11 17 agreement or contract as of January 1, 2003, without prior  
11 18 legislative approval, and shall further attempt to provide job  
11 19 opportunities at the farms for inmates. The department shall  
11 20 attempt to provide job opportunities at the farms for inmates  
11 21 by encouraging labor-intensive farming or gardening where  
11 22 appropriate, using inmates to grow produce and meat for  
11 23 institutional consumption, researching the possibility of  
11 24 instituting food canning and cook-and-chill operations, and  
11 25 exploring opportunities for organic farming and gardening,  
11 26 livestock ventures, horticulture, and specialized crops.

Specifies that it is the intent of the General Assembly that the DOC  
continue farm operations at the same or greater level as existed on  
January 1, 2003. The DOC is prohibited from renting farmland under  
the control of the DOC that is not currently being rented without  
legislative approval. The DOC is to provide meaningful job  
opportunities for inmates employed on the farms.

11 27 4. The department shall work to increase produce gardening  
11 28 by inmates under the control of the correctional institutions,

Requires the DOC to increase produce gardening by inmates and, if  
appropriate, permits the DOC to use the central distribution network at

11 29 and, if appropriate, may use the central distribution network  
11 30 at the Woodward state resource center. The department shall  
11 31 file a report with the cochairpersons and ranking members of  
11 32 the joint appropriations subcommittee on the justice system by  
11 33 December 1, 2003, regarding the feasibility of expanding the  
11 34 number of acres devoted to organic gardening and to the  
11 35 growing of organic produce for sale.

the Woodward State Resource Center. Requires the DOC to file a report with the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee by December 1, 2003, regarding the feasibility of expanding the number of acres devoted to organic gardening and to growing organic produce for sale.

12 1 5. The department of corrections shall submit a report to  
12 2 the general assembly by January 1, 2004, concerning moneys  
12 3 recouped from inmate earnings for the reimbursement of  
12 4 operational expenses of the applicable facility during the  
12 5 fiscal year beginning July 1, 2002, for each correctional  
12 6 institution and judicial district department of correctional  
12 7 services. In addition, each correctional institution and  
12 8 judicial district department of correctional services shall  
12 9 continue to submit a report to the legislative fiscal bureau  
12 10 on a monthly basis concerning moneys recouped from inmate  
12 11 earnings pursuant to sections 904.702, 904.809, and 905.14.

Requires the DOC to submit a report to the General Assembly by January 1, 2004, concerning the FY 2003 revenues recouped from inmate earnings for operational expenses for each prison and CBC District Department. Each prison and CBC District Department is required to submit monthly reports to the LFB concerning funds recovered from offenders for inmate deductions, private sector employment of inmates, and enrollment fees.

12 12 6. The department of corrections, in cooperation with the  
12 13 judicial district departments of correctional services, shall  
12 14 develop an agency strategic plan as required by section  
12 15 8E.204. The plan shall consist of outcome measures for all  
12 16 treatment programs, including but not limited to successful  
12 17 completion and return rates, and cost per offender treated.  
12 18 The plan shall also include a brief description for each  
12 19 program offered within each judicial district department, the  
12 20 goals for each program, the program capacity, and the funding  
12 21 source of the program. The plan shall further include the  
12 22 level and sublevel classifications for each program on the  
12 23 corrections continuum in Code chapter 901B. The department  
12 24 and the judicial district departments of correctional services  
12 25 shall file a report by December 15, 2003, with the  
12 26 cochairpersons and ranking members of the joint appropriations  
12 27 subcommittee on the justice system, and to the legislative

Requires the DOC, in cooperation with the CBC District Departments, to develop an agency strategic plan as required by statute. Specifies the content of the strategic plan. Requires the DOC and CBC District Departments to file a report by December 15, 2003, with the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee detailing the agency strategic plan.

12 28 fiscal bureau, detailing the agency strategic plan.

12 29 7. Notwithstanding the number of full-time equivalent  
12 30 positions authorized for the department of corrections, the  
12 31 department may employ more than the number of full-time  
12 32 equivalent positions as necessary to alleviate staff shortages  
12 33 caused by members of the Iowa national guard or armed forces  
12 34 reserve units being called up for active duty.

CODE: Allows the DOC to exceed the FTE limitation as necessary to alleviate staff shortages caused by members of the Iowa National Guard or Reserves units being called to active military duty.

12 35 Sec. 6. JUDICIAL DISTRICT DEPARTMENTS OF CORRECTIONAL  
13 1 SERVICES.

13 2 1. There is appropriated from the general fund of the  
13 3 state to the department of corrections for the fiscal year  
13 4 beginning July 1, 2003, and ending June 30, 2004, the  
13 5 following amounts, or so much thereof as is necessary, to be  
13 6 allocated as follows:

13 7 a. For the first judicial district department of  
13 8 correctional services, including the treatment and supervision  
13 9 of probation and parole violators who have been released from  
13 10 the department of corrections violator program, the following  
13 11 amount, or so much thereof as is necessary:  
13 12 ..... \$ 9,282,883

General Fund appropriation to the DOC for the First CBC District Department.

DETAIL: This is an increase of \$329,088 and 1.00 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$178,088 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$178,088 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$151,000 to partially fund the FY 2003 salary adjustment shortfall.
- An increase of 1.00 FTE position funded from federal funds for the supervision of sex offenders in rural areas.

13 13 b. For the second judicial district department of

General Fund appropriation to the DOC for the Second CBC District

13 14 correctional services, including the treatment and supervision  
 13 15 of probation and parole violators who have been released from  
 13 16 the department of corrections violator program, the following  
 13 17 amount, or so much thereof as is necessary:  
 13 18 ..... \$ 7,288,784

Department.

DETAIL: This is an increase of \$296,723 and 1.00 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$160,723 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$160,723 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$136,000 to partially fund the FY 2003 salary adjustment shortfall.
- An increase of 1.00 FTE position funded from federal funds for the supervision of sex offenders in rural areas.

House File 685 (FY 2004 Healthy Iowans Tobacco Trust Fund Appropriations Act) provides \$127,217 for a Day Program that includes 3.00 FTE positions.

13 19 c. For the third judicial district department of  
 13 20 correctional services, including the treatment and supervision  
 13 21 of probation and parole violators who have been released from  
 13 22 the department of corrections violator program, the following  
 13 23 amount, or so much thereof as is necessary:  
 13 24 ..... \$ 4,232,132

General Fund appropriation to the DOC for the Third CBC District Department.

DETAIL: This is an increase of \$158,494 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$85,494 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$85,494 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$73,000 to partially fund the FY 2003 salary adjustment shortfall.

House File 685 (FY 2004 Healthy Iowans Tobacco Trust Fund Appropriations Act) provides \$35,359 for a Drug Court that includes 1.00 FTE position.

13 25 d. For the fourth judicial district department of

General Fund appropriation to the DOC for the Fourth CBC District Department.

13 26 correctional services, including the treatment and supervision  
 13 27 of probation and parole violators who have been released from  
 13 28 the department of corrections violator program, the following  
 13 29 amount, or so much thereof as is necessary:  
 13 30 ..... \$ 3,998,773

DETAIL: This is an increase of \$238,865 and 0.09 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$81,865 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$81,865 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$78,000 to restore the FY 2003 furlough reduction.
- An increase of \$79,000 to partially fund the FY 2003 salary adjustment shortfall.
- An increase of 0.09 FTE position for a budget adjustment.

House File 685 (FY 2004 Healthy Iowans Tobacco Trust Fund Appropriations Act) provides \$191,731 for a Drug Court that includes 3.50 FTE positions.

13 31 e. For the fifth judicial district department of  
 13 32 correctional services, including the treatment and supervision  
 13 33 of probation and parole violators who have been released from  
 13 34 the department of corrections violator program, the following  
 13 35 amount, or so much thereof as is necessary:  
 14 1 ..... \$ 12,129,142

General Fund appropriation to the DOC for the Fifth CBC District Department.

DETAIL: This is an increase of \$712,768 and a decrease of 2.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$243,768 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$243,768 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$234,000 to restore the FY 2003 furlough reduction.
- An increase of \$235,000 to partially fund the FY 2003 salary adjustment shortfall.
- A decrease of 2.00 FTE positions to eliminate unfunded positions.

House File 685 (FY 2004 Healthy Iowans Tobacco Trust Fund Appropriations Act) provides \$255,693 for a Drug Court that includes 2.50 FTE positions.

14 2 f. For the sixth judicial district department of  
14 3 correctional services, including the treatment and supervision  
14 4 of probation and parole violators who have been released from  
14 5 the department of corrections violator program, the following  
14 6 amount, or so much thereof as is necessary:  
14 7 ..... \$ 9,293,841

General Fund appropriation to the DOC for the Sixth CBC District Department.

DETAIL: This is an increase of \$547,700 and a decrease of 3.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$187,700 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$187,700 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$180,000 to restore the FY 2003 furlough reduction.
- An increase of \$180,000 to partially fund the FY 2003 salary adjustment shortfall.
- A decrease of 3.00 FTE positions to eliminate unfunded positions.

14 8 g. For the seventh judicial district department of  
14 9 correctional services, including the treatment and supervision  
14 10 of probation and parole violators who have been released from  
14 11 the department of corrections violator program, the following  
14 12 amount, or so much thereof as is necessary:  
14 13 ..... \$ 5,231,406

General Fund appropriation to the DOC for the Seventh CBC District Department.

DETAIL: This is an increase of \$231,257 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$61,257 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$61,257 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$108,000 to restore the FY 2003 furlough reduction.
- An increase of \$62,000 to partially fund the FY 2003 salary adjustment shortfall.

14 14 h. For the eighth judicial district department of  
14 15 correctional services, including the treatment and supervision  
14 16 of probation and parole violators who have been released from  
14 17 the department of corrections violator program, the following

General Fund appropriation to the DOC for the Eighth CBC District Department.

DETAIL: This is an increase of \$183,328 and no change in FTE positions compared to the FY 2003 estimated net General Fund

14 18 amount, or so much thereof as is necessary:  
 14 19 ..... \$ 5,280,849

appropriation. This is a decrease of \$99,328 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination one-time salary funding. The change includes:

- An increase of \$99,328 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$84,000 to partially fund the FY 2003 salary adjustment shortfall.

14 20 2. Each judicial district department of correctional  
 14 21 services, within the funding available, shall continue  
 14 22 programs and plans established within that district to provide  
 14 23 for intensive supervision, sex offender treatment, diversion  
 14 24 of low-risk offenders to the least restrictive sanction  
 14 25 available, job development, and expanded use of intermediate  
 14 26 criminal sanctions.

Requires each CBC District Department, within available funding, to continue programs and plans established within the District Department for intensive supervision, sex offender treatment, diversion of low-risk offenders to the least restrictive sanction available, job development, and expanded use of intermediate sanctions.

14 27 3. Each judicial district department of correctional  
 14 28 services shall provide alternatives to prison consistent with  
 14 29 chapter 901B. The alternatives to prison shall ensure public  
 14 30 safety while providing maximum rehabilitation to the offender.  
 14 31 A judicial district department may also establish a day  
 14 32 program.

Requires each CBC District Department to provide alternatives to prison consistent with statute. Permits the District Departments to establish day programs.

14 33 4. The governor's office of drug control policy shall  
 14 34 consider federal grants made to the department of corrections  
 14 35 for the benefit of each of the eight judicial district  
 15 1 departments of correctional services as local government  
 15 2 grants, as defined pursuant to federal regulations.

Requires the Office of Drug Control Policy to consider grants made to the DOC for the benefit of the CBC District Departments as local government grants rather than State government grants or as defined by federal regulations.

15 3 5. In addition to the requirements of section 8.39, the  
 15 4 department of corrections shall not make an intradepartmental  
 15 5 transfer of moneys appropriated to the department, unless  
 15 6 notice of the intradepartmental transfer is given prior to its

Requires the DOC to notify the LFB prior to transferring funds between budget units. The DOC is required to explain why the transfer is needed, including workload and performance measures.

15 7 effective date to the legislative fiscal bureau. The notice  
15 8 shall include information on the department's rationale for  
15 9 making the transfer and details concerning the work load and  
15 10 performance measures upon which the transfers are based.

15 11     Sec. 7. INTENT -- REPORTS.

15 12     1. It is the intent of the general assembly that each  
15 13 correctional facility make all reasonable efforts to maintain  
15 14 vocational education programs for inmates during the fiscal  
15 15 year beginning July 1, 2003, and to identify available funding  
15 16 sources to continue these programs. The department of  
15 17 corrections shall submit a report to the general assembly by  
15 18 January 1, 2004, concerning the efforts made by each  
15 19 correctional facility in maintaining vocational education  
15 20 programs for inmates.

Specifies that it is the intent of the General Assembly that the DOC make all reasonable efforts to maintain vocational education programs and seek additional funding to continue the programs. Requires the DOC to submit a report to the General Assembly by January 1, 2004, concerning efforts to maintain the vocational education program for inmates.

15 21     2. The department of corrections shall submit a report on  
15 22 inmate labor to the general assembly, the cochairpersons, and  
15 23 the ranking members of the joint appropriations subcommittee  
15 24 on the justice system, and to the legislative fiscal bureau by  
15 25 January 15, 2004. The report shall specifically address the  
15 26 progress the department has made in implementing the  
15 27 requirements of section 904.701, inmate labor on capital  
15 28 improvement projects, community work crews, inmate produce  
15 29 gardening, and private-sector employment.

Requires the DOC to submit a report to the General Assembly, Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee, and the LFB by January 15, 2004, regarding inmate labor. Specifies the content of the report.

15 30     3. Each month the department shall provide a status report  
15 31 regarding private-sector employment to the legislative fiscal  
15 32 bureau beginning on July 1, 2003. The report shall include  
15 33 the number of offenders employed in the private sector, the  
15 34 combined number of hours worked by the offenders, and the  
15 35 total amount of allowances, and the distribution of allowances  
16 1 pursuant to section 904.702, including any moneys deposited in  
16 2 the general fund of the state.

Requires the DOC to provide a monthly status report to the LFB regarding private sector employment of inmates.



16 3 Sec. 8. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.

16 4 1. As used in this section, unless the context otherwise  
 16 5 requires, "state agency" means the government of the state of  
 16 6 Iowa, including but not limited to all executive branch  
 16 7 departments, agencies, boards, bureaus, and commissions, the  
 16 8 judicial branch, the general assembly and all legislative  
 16 9 agencies, institutions within the purview of the state board  
 16 10 of regents, and any corporation whose primary function is to  
 16 11 act as an instrumentality of the state.

16 12 2. State agencies are hereby encouraged to purchase  
 16 13 products from Iowa state industries, as defined in section  
 16 14 904.802, when purchases are required and the products are  
 16 15 available from Iowa state industries. State agencies shall  
 16 16 obtain bids from Iowa state industries for purchases of office  
 16 17 furniture exceeding \$5,000 or in accordance with applicable  
 16 18 administrative rules related to purchases for the agency.

16 19 Sec. 9. STATE PUBLIC DEFENDER. There is appropriated from  
 16 20 the general fund of the state to the office of the state  
 16 21 public defender of the department of inspections and appeals  
 16 22 for the fiscal year beginning July 1, 2003, and ending June  
 16 23 30, 2004, the following amounts, or so much thereof as is  
 16 24 necessary, to be allocated as follows for the purposes  
 16 25 designated:

16 26 1. For salaries, support, maintenance, and miscellaneous  
 16 27 purposes, and for not more than the following full-time  
 16 28 equivalent positions:  
 16 29 ..... \$ 16,330,999  
 16 30 ..... FTEs 202.00

Encourages State agencies to buy products from Iowa Prison Industries whenever possible. Requires State agencies to obtain a bid from Iowa Prison Industries for purchases of office furniture exceeding \$5,000.

General Fund appropriation to the Department of Inspections and Appeals for the Office of the State Public Defender.

DETAIL: This is an increase of \$946,232 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$229,898 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$229,898 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$716,334 to fully fund all currently authorized

positions in the Office to avoid increased costs to the Indigent Defense Program.

16 31 2. For the fees of court-appointed attorneys for indigent  
16 32 adults and juveniles, in accordance with section 232.141 and  
16 33 chapter 815:  
16 34 ..... \$ 19,851,587

General Fund appropriation to the Department of Inspections and Appeals for the Indigent Defense Program.

DETAIL: This is a decrease of \$585,999 compared to the FY 2003 estimated net General Fund appropriation. The decrease reflects the savings associated with filling all currently authorized FTE positions in the Office of the State Public Defender.

16 35 The office of the state public defender may reallocate the  
17 1 moneys appropriated in this section if the legislative fiscal  
17 2 bureau and the department of management are notified prior to  
17 3 the reallocation.

Permits the State Public Defender to reallocate funds between the Office of the State Public Defender and the Indigent Defense Program if notice is given to the LFB and the DOM prior to the reallocation.

17 4 The state public defender's office shall, in consultation  
17 5 with the indigent defense advisory commission, the judicial  
17 6 branch, the Iowa state bar association, and other interested  
17 7 parties, file a report detailing how efficiency and cost  
17 8 savings measures can be achieved within the state public  
17 9 defender's office. The report shall be filed with the general  
17 10 assembly by December 15, 2003. The report shall include a  
17 11 review of the federal guidelines for appointing an attorney  
17 12 for an indigent defendant in federal court, make  
17 13 recommendations for changes to the definition of "indigent"  
17 14 for the purposes of appointing an attorney in state court,  
17 15 make recommendations on methods which can be used for  
17 16 recouping delinquent indigent defense fees, court costs,  
17 17 surcharges, fines, and other fees, and detail the office's  
17 18 cost containment efforts, and measurements of performance and  
17 19 performance-based budgeting.

Requires the Office of the State Public Defender to consult with the Indigent Defense Advisory Commission, the Judicial Branch, the Iowa State Bar Association, and other interested parties, and to file a report regarding efficiency and cost saving measures that may be achieved within the Office. Requires the report to be filed by December 15, 2003, and specifies the contents of the report.

17 20 Sec. 10. IOWA LAW ENFORCEMENT ACADEMY.  
17 21 1. There is appropriated from the general fund of the

General Fund appropriation to the Iowa Law Enforcement Academy (ILEA).

17 22 state to the Iowa law enforcement academy for the fiscal year  
 17 23 beginning July 1, 2003, and ending June 30, 2004, the  
 17 24 following amount, or so much thereof as is necessary, to be  
 17 25 used for the purposes designated:  
 17 26 For salaries, support, maintenance, miscellaneous purposes,  
 17 27 including jailer training and technical assistance, and for  
 17 28 not more than the following full-time equivalent positions:  
 17 29 ..... \$ 1,002,629  
 17 30 ..... FTEs 30.05

DETAIL: This is an increase of \$27,103 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$27,103 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

The Iowa Law Enforcement Academy received an additional appropriation of \$45,000 for operating expenses in SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act).

17 31 It is the intent of the general assembly that the Iowa law  
 17 32 enforcement academy may provide training of state and local  
 17 33 law enforcement personnel concerning the recognition of and  
 17 34 response to persons with Alzheimer's disease.

Specifies that it is the intent of the General Assembly that the Iowa Law Enforcement Academy may offer training for law enforcement officers in recognizing and responding to persons with Alzheimer's disease.

17 35 2. The Iowa law enforcement academy may select at least  
 18 1 five automobiles of the department of public safety, division  
 18 2 of the Iowa state patrol, prior to turning over the  
 18 3 automobiles to the state fleet administrator to be disposed of  
 18 4 by public auction and the Iowa law enforcement academy may  
 18 5 exchange any automobile owned by the academy for each  
 18 6 automobile selected if the selected automobile is used in  
 18 7 training law enforcement officers at the academy. However,  
 18 8 any automobile exchanged by the academy shall be substituted  
 18 9 for the selected vehicle of the department of public safety  
 18 10 and sold by public auction with the receipts being deposited  
 18 11 in the depreciation fund to the credit of the department of  
 18 12 public safety, division of the Iowa state patrol.

Allows the Iowa Law Enforcement Academy to annually select at least five vehicles being turned in to the State fleet administrator by the Department of Public Safety and exchange them for any of the Academy's training vehicles. The vehicles received by the Department of Public Safety from the Academy are to be sold at public auction. Requires the receipts be deposited into the depreciation fund used to purchase new vehicles for the Department of Public Safety.

18 13 Sec. 11. BOARD OF PAROLE. There is appropriated from the  
 18 14 general fund of the state to the board of parole for the  
 18 15 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 18 16 the following amount, or so much thereof as is necessary, to

General Fund appropriation to the Board of Parole.

DETAIL: This is an increase of \$53,291 and 0.50 FTE position compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$5,036 in other funds for FY 2004 compared to

18 17 be used for the purposes designated:  
 18 18 For salaries, support, maintenance, miscellaneous purposes,  
 18 19 and for not more than the following full-time equivalent  
 18 20 positions:  
 18 21 ..... \$ 1,015,780  
 18 22 ..... FTEs 16.50

the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$5,036 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- An increase of \$32,040 to fully fund a currently authorized Administrative Law Judge position.
- An increase of \$16,215 and 0.50 FTE position for a part-time Clerk Specialist position.

18 23 The board of parole shall make recommendations regarding  
 18 24 options to improve the criminal justice system which shall  
 18 25 ensure public safety while providing maximum rehabilitation to  
 18 26 the offender. The board shall file a report detailing the  
 18 27 recommendations with the cochairpersons and ranking members of  
 18 28 the joint appropriations subcommittee on the justice system by  
 18 29 December 15, 2003.

Requires the Board of Parole to make recommendations to improve the criminal justice system. Requires the Board to file a report detailing these recommendations with the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee by December 15, 2003.

18 30 Sec. 12. DEPARTMENT OF PUBLIC DEFENSE. There is  
 18 31 appropriated from the general fund of the state to the  
 18 32 department of public defense for the fiscal year beginning  
 18 33 July 1, 2003, and ending June 30, 2004, the following amounts,  
 18 34 or so much thereof as is necessary, to be used for the  
 18 35 purposes designated:

19 1 1. MILITARY DIVISION  
 19 2 For salaries, support, maintenance, miscellaneous purposes,  
 19 3 and for not more than the following full-time equivalent  
 19 4 positions:  
 19 5 ..... \$ 5,081,502  
 19 6 ..... FTEs 298.00

General Fund appropriation to the Military Division of the Department of Public Defense.

DETAIL: This is an increase of \$91,269 and 7.99 FTE positions compared to the FY 2003 estimated net General Fund appropriation. The FTE positions are funded by federal funds in the amount of \$428,046. This is a decrease of \$91,269 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

19 7 If there is a surplus in the general fund of the state for

Allows the Military Division to incur a negative cash balance as long

19 8 the fiscal year ending June 30, 2004, within 60 days after the  
 19 9 close of the fiscal year, the military division may incur up  
 19 10 to an additional \$500,000 in expenditures from the surplus  
 19 11 prior to transfer of the surplus pursuant to section 8.57.

as the Division has federal reimbursable expenses to cover the negative balance.

DETAIL: The Military Division can experience a delay of up to 30 days in federal reimbursement of eligible expenses. This authorization allows the Division to borrow State General Fund dollars to cover federal reimbursable expenses until the federal funds are received. To alleviate the cash flow problem, the federal government has instituted an Advance Payment System that allows the State to receive an advance of federal funds in order to meet payroll and other requirements. The Division has implemented the accounting procedures to use the new System.

19 12 2. EMERGENCY MANAGEMENT DIVISION  
 19 13 For salaries, support, maintenance, miscellaneous purposes,  
 19 14 and for not more than the following full-time equivalent  
 19 15 positions:  
 19 16 ..... \$ 1,060,492  
 19 17 ..... FTEs 25.25

General Fund appropriation to the Emergency Management Division of the Department of Public Defense.

DETAIL: This is an increase of \$9,505 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$9,505 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for elimination of one-time salary funding.

19 18 Sec. 13. IOWA COMMUNICATIONS NETWORK OPERATIONS.  
 19 19 1. There is appropriated from the general fund of the  
 19 20 state to the Iowa telecommunications and technology commission  
 19 21 for the fiscal year beginning July 1, 2003, and ending June  
 19 22 30, 2004, the following amount, or so much thereof as is  
 19 23 necessary, to be used for the purposes designated in this  
 19 24 subsection:  
 19 25 For operations of the network consistent with chapter 8D  
 19 26 and for the following full-time equivalent positions:  
 19 27 ..... \$ 500,000  
 19 28 ..... FTEs 105.10

General Fund appropriation to the Iowa Telecommunications and Technology Commission for network operations costs related to the production of interactive video.

DETAIL: This is a decrease of \$502,356 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The funding decrease is due in part to the ICN attaining Common Carrier status as of December 2000. The ICN now has the ability to subsidize the General Fund appropriation with Universal Service Fund funding.

19 29 2. Notwithstanding section 8.33 or 8.39, moneys  
 19 30 appropriated in this section which remain unobligated or

CODE: Allows funds that are unencumbered or unobligated at the end of FY 2003 to carry forward into FY 2004 for the purposes for

19 31 unexpended at the close of the fiscal year shall not revert  
 19 32 but shall remain available for the purposes designated in the  
 19 33 succeeding fiscal year, and shall not be transferred to any  
 19 34 other program.

which they were appropriated.

19 35 3. It is the intent of the general assembly that the Iowa  
 20 1 telecommunications and technology commission annually review  
 20 2 the hourly rates established, as provided in section 8D.3,  
 20 3 subsection 3, paragraph "i". Such rates shall be established  
 20 4 in a manner to minimize any subsidy provided through state  
 20 5 general fund appropriations.

Specifies the intent of the General Assembly that the Iowa Telecommunications and Technology Commission annually review the rates charged for services in order to minimize the need for State subsidization.

20 6 Sec. 14. DEPARTMENT OF PUBLIC SAFETY. There is  
 20 7 appropriated from the general fund of the state to the  
 20 8 department of public safety for the fiscal year beginning July  
 20 9 1, 2003, and ending June 30, 2004, the following amounts, or  
 20 10 so much thereof as is necessary, to be used for the purposes  
 20 11 designated:

20 12 1. For the department's administrative functions,  
 20 13 including the criminal justice information system, and for not  
 20 14 more than the following full-time equivalent positions:  
 20 15 ..... \$ 2,377,580  
 20 16 ..... FTEs 38.50

General Fund appropriation to the Department of Public Safety for the Administrative Services Division.

DETAIL: This is a decrease of \$20,964 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. The Department requested a reduction in funding for the one-time supplemental appropriation to reduce furlough reductions in FY 2003. This is a decrease of \$23,222 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$23,222 to fund the FY 2003 salary adjustment from the General Fund for FY 2004.
- An increase of \$33,410 to restore the FY 2003 furlough reductions.
- A decrease of \$77,596 for the one-time FY 2003 supplemental appropriation to reduce furlough reductions in FY 2003.

20 17 The department shall study the security needs for the state  
 20 18 criminalistics laboratory, the state hygienic laboratory, the  
 20 19 department of agriculture and land stewardship laboratory, and  
 20 20 the state medical examiner's office located on the Des Moines  
 20 21 area community college's campus in Ankeny. The department  
 20 22 shall file a report detailing the results of the department's  
 20 23 study with the general assembly by December 15, 2003.

Requires the Department of Public Safety to submit a report to the General Assembly by December 15, 2003, detailing the results of the Department's study of security for the laboratory facility located at the Ankeny campus.

20 24 2. For the division of criminal investigation and bureau  
 20 25 of identification including the state's contribution to the  
 20 26 peace officers' retirement, accident, and disability system  
 20 27 provided in chapter 97A in the amount of 17 percent of the  
 20 28 salaries for which the funds are appropriated, to meet federal  
 20 29 fund matching requirements, and for not more than the  
 20 30 following full-time equivalent positions:  
 20 31 ..... \$ 12,863,855  
 20 32 ..... FTEs 230.50

General Fund appropriation to the Department of Public Safety for the Division of Criminal Investigation (DCI).

DETAIL: This is an increase of \$363,969 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$274,737 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$274,737 to fund the FY 2003 salary adjustment from the General Fund for FY 2004.
- An increase of \$89, 232 to restore the FY 2003 furlough reductions.

20 33 The department of public safety, with the approval of the  
 20 34 department of management, may employ no more than two special  
 20 35 agents and four gaming enforcement officers for each  
 21 1 additional riverboat regulated after July 1, 2003, and one  
 21 2 special agent for each racing facility which becomes  
 21 3 operational during the fiscal year which begins July 1, 2003.  
 21 4 One additional gaming enforcement officer, up to a total of  
 21 5 four per boat, may be employed for each riverboat that has  
 21 6 extended operations to 24 hours and has not previously  
 21 7 operated with a 24-hour schedule. Positions authorized in  
 21 8 this paragraph are in addition to the full-time equivalent  
 21 9 positions otherwise authorized in this subsection.

Permits the Department of Public Safety to employ a maximum of two special agents and four gaming officers upon receiving approval from the DOM for new riverboats licensed after July 1, 2003, and for riverboats that have extended operations to 24 hours. Also, permits the employment of one special agent for each racing facility that becomes operational during FY 2004.

21 10 3. a. For the division of narcotics enforcement,

General Fund appropriation to the Department of Public Safety for the

21 11 including the state's contribution to the peace officers'  
 21 12 retirement, accident, and disability system provided in  
 21 13 chapter 97A in the amount of 17 percent of the salaries for  
 21 14 which the funds are appropriated, to meet federal fund  
 21 15 matching requirements, and for not more than the following  
 21 16 full-time equivalent positions:  
 21 17 ..... \$ 3,608,471  
 21 18 ..... FTEs 61.00

Narcotics Enforcement Division.

DETAIL: This is an increase of \$98,100 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$67,038 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$67,038 to fund the FY 2003 salary adjustment from the General Fund for FY 2004.
- An increase of \$31,062 to restore the FY 2003 furlough reductions.

21 19 b. For the division of narcotics enforcement for  
 21 20 undercover purchases:  
 21 21 ..... \$ 123,343

General Fund appropriation to the Department of Public Safety for undercover purchases by the Division of Narcotics Enforcement.

DETAIL: Maintains current level of General Fund support.

21 22 4. a. For the state fire marshal's office, including the  
 21 23 state's contribution to the peace officers' retirement,  
 21 24 accident, and disability system provided in chapter 97A in the  
 21 25 amount of 17 percent of the salaries for which the funds are  
 21 26 appropriated, and for not more than the following full-time  
 21 27 equivalent positions:  
 21 28 ..... \$ 1,818,352  
 21 29 ..... FTEs 40.00

General Fund appropriation to the Department of Public Safety for the State Fire Marshal's Office.

DETAIL: This is a decrease of \$70,650 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$46,062 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$84,228 to fund the FY 2003 salary adjustment from the General Fund for FY 2004.
- A decrease of \$154,878 for the one-time supplemental appropriation to reduce furlough reductions in FY 2003.

21 30 b. For the state fire marshal's office, for fire  
 21 31 protection services as provided through the state fire service  
 21 32 and emergency response council as created in the department,  
 21 33 and for not more than the following full-time equivalent

General Fund appropriation to the State Fire Marshal's Office for Fire Protection Services.

DETAIL: This is an increase of \$37,472 and no change in FTE positions compared to the FY 2003 estimated net General Fund



21 34 positions:  
 21 35 ..... \$ 595,619  
 22 1 ..... FTEs 12.00

appropriation. This is a decrease of \$25,632 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$25,632 to fund the FY 2003 salary adjustment from the General Fund for FY 2004.
- An increase of \$11,840 to restore the FY 2003 furlough reductions.

22 2 5. a. For the division of the Iowa state patrol of the  
 22 3 department of public safety, for salaries, support,  
 22 4 maintenance, workers' compensation costs, and miscellaneous  
 22 5 purposes, including the state's contribution to the peace  
 22 6 officers' retirement, accident, and disability system provided  
 22 7 in chapter 97A in the amount of 17 percent of the salaries for  
 22 8 which the funds are appropriated, and for not more than the  
 22 9 following full-time equivalent positions:  
 22 10 ..... \$ 37,339,586  
 22 11 ..... FTEs 544.00

General Fund appropriation to the Department of Public Safety for the Iowa State Patrol.

DETAIL: This is an increase of \$703,217 and 1.00 FTE position compared to the FY 2003 estimated net General Fund appropriation. The increase of 1.00 FTE position is for a federal safety grant program. This is a decrease of \$758,560 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$758,560 to fund the FY 2003 salary adjustment from the General Fund for FY 2004.
- A decrease of \$55,343 to restore the FY 2003 furlough reductions.

The General Assembly requested that the Department use \$281,320 from the State Asset Forfeiture Fund to fund salary expenditures. The General Assembly plans to use the receipt of \$1,200,000 in federal incentive money from the implementation of the 0.08 Blood Alcohol Concentration legislation in Iowa to fund State Patrol Trooper salaries. If these federal funds are not received, the Patrol will have to lay off approximately 20.00 FTE positions.

22 12 b. District 16, including the state's contribution to the  
 22 13 peace officers' retirement, accident, and disability system  
 22 14 provided in chapter 97A in the amount of 17 percent of the  
 22 15 salaries for which the funds are appropriated and for not more  
 22 16 than the following full-time equivalent positions:

General Fund appropriation for the Post 16 (Capitol Police) Division of the Iowa State Patrol.

DETAIL: This is an increase of \$51 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$51 in other funds for FY 2004 compared to the

PG LN	Senate File 439	Explanation
22 17	..... \$ 1,210,075	FY 2003 estimated net appropriation for the elimination of one-time salary funding.
22 18	..... FTEs 26.00	
22 19	6. For deposit in the public safety law enforcement sick	General Fund appropriation to create a non-reversionary fund in the Department of Public Safety to be used for sick leave payout. All sworn officers of the Department are eligible to receive benefits for accrued sick leave under the collective bargaining agreement.  DETAIL: This is a decrease of \$56,317 compared to the FY 2003 estimated net General Fund appropriation. The Department request for FY 2004 was below the FY 2003 General Fund appropriation level.
22 20	leave benefits fund established under section 80.42, for all	
22 21	departmental employees eligible to receive benefits for	
22 22	accrued sick leave under the collective bargaining agreement:	
22 23	..... \$ 216,104	
22 24	7. An employee of the department of public safety who	Allows employees of the Department of Public Safety that retire after July 1, 2003, but prior to June 30, 2004, to be eligible for insurance benefits as provided by the collective bargaining agreement. The employees must have previously served in positions that would have been covered by the agreement. This allows supervisors in the Department to keep benefits earned while under the collective bargaining contract.
22 25	retires after July 1, 2003, but prior to June 30, 2004, is	
22 26	eligible for payment of life or health insurance premiums as	
22 27	provided for in the collective bargaining agreement covering	
22 28	the public safety bargaining unit at the time of retirement if	
22 29	that employee previously served in a position which would have	
22 30	been covered by the agreement. The employee shall be given	
22 31	credit for the service in that prior position as though it	
22 32	were covered by that agreement. The provisions of this	
22 33	subsection shall not operate to reduce any retirement benefits	
22 34	an employee may have earned under other collective bargaining	
22 35	agreements or retirement programs.	
23 1	8. For costs associated with the training and equipment	General Fund appropriation to the Department of Public Safety for Volunteer Fire Fighter Training Grants.
23 2	needs of volunteer fire fighters and for not more than the	
23 3	following full-time equivalent position:	DETAIL: This is an increase of \$1,317 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$1,317 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
23 4	..... \$ 544,587	
23 5	..... FTEs 1.00	
23 6	Notwithstanding section 8.33, moneys appropriated in this	CODE: Allows the balance remaining at the end of the fiscal year to

23 7 subsection that remain unobligated or unexpended at the close  
 23 8 of the fiscal year shall not revert but shall remain available  
 23 9 for expenditure only for the purpose designated in this  
 23 10 subsection until the close of the succeeding fiscal year.

carry forward to the next fiscal year for fire fighter training grants.

23 11 Sec. 15. CIVIL RIGHTS COMMISSION. There is appropriated  
 23 12 from the general fund of the state to the Iowa state civil  
 23 13 rights commission for the fiscal year beginning July 1, 2003,  
 23 14 and ending June 30, 2004, the following amount, or so much  
 23 15 thereof as is necessary, to be used for the purposes  
 23 16 designated:

23 17 For salaries, support, maintenance, miscellaneous purposes,  
 23 18 and for not more than the following full-time equivalent  
 23 19 positions:  
 23 20 ..... \$ 806,894  
 23 21 ..... FTEs 28.00

General Fund appropriation to the Civil Rights Commission.

DETAIL: This is a decrease of \$79,130 and 7.00 FTE positions compared to the FY 2003 estimated net General Fund appropriation. This is a decrease of \$20,870 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding. The change includes:

- An increase of \$20,870 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- A general decrease of \$100,000.
- A decrease of 7.00 FTE positions to eliminate unfunded positions.

23 22 If the anticipated amount of federal funding from the  
 23 23 federal equal employment opportunity commission and the  
 23 24 federal department of housing and urban development exceeds  
 23 25 \$1,144,875 during the fiscal year beginning July 1, 2003, the  
 23 26 Iowa state civil rights commission may exceed the staffing  
 23 27 level authorized in this section to hire additional staff to  
 23 28 process or to support the processing of employment and housing  
 23 29 complaints during that fiscal year.

Permits the Civil Rights Commission to exceed the staffing level in this Act, if the additional positions are funded from federal funds.

23 30 The Iowa state civil rights commission may enter into a

Permits the Civil Rights Commission to contract with a nonprofit

23 31 contract with a nonprofit organization to provide legal  
 23 32 assistance to resolve civil rights complaints.

organization to provide legal assistance to resolve civil rights complaints.

23 33 Sec. 16. Section 100B.9, unnumbered paragraph 1, Code  
 23 34 2003, is amended to read as follows:

CODE: Extends the lease between Iowa State University and the Fire Service Training Bureau until July 1, 2010.

23 35 The building known as the fire service institute at Iowa  
 24 1 state university, the land upon which the building is located,  
 24 2 and parking space associated with the building shall, until  
 24 3 July 1, ~~2003~~ 2010, be leased by Iowa state university to the  
 24 4 department of public safety at a cost not to exceed the actual  
 24 5 cost of heating, lighting, and maintaining the building and  
 24 6 parking space. ~~In the event the department of public safety~~  
 24 7 ~~locates suitable facilities prior to that time, the lease may~~  
 24 8 ~~be terminated at the option of the department.~~ All equipment  
 24 9 owned by Iowa state university and used exclusively to conduct  
 24 10 fire service training, classes, or business shall transfer on  
 24 11 July 1, 2000, to the department of public safety unless such  
 24 12 transfer is prohibited or restricted by law or agreement.  
 24 13 This equipment includes, but is not limited to, breathing  
 24 14 apparatus, fire suppression gear, mobile equipment, office  
 24 15 furniture, computers, copying machines, library, file  
 24 16 cabinets, and training records.

24 17 Sec. 17. 1998 Iowa Acts, chapter 1101, section 15,  
 24 18 subsection 2, as amended by 1999 Iowa Acts, chapter 202,  
 24 19 section 25, as amended by 2000 Iowa Acts, chapter 1229,  
 24 20 section 25, as amended by 2001 Iowa Acts, chapter 186, section  
 24 21 21, and as amended by 2002 Iowa Acts, Second Extraordinary  
 24 22 Session, chapter 1003, section 170, is amended to read as  
 24 23 follows:

CODE: Permits continued funding from the Wireless E-911 Emergency Communications Fund for the Emergency Management Division, Department of Public Defense, through FY 2004.

DETAIL: The Division receives up to \$200,000 for administration of the implementation of the wireless E-911 service.

24 24 2. a. There is appropriated from surcharge moneys  
 24 25 received by the E911 administrator and deposited into the  
 24 26 wireless E911 emergency communications fund, for each fiscal  
 24 27 year in the fiscal period beginning July 1, 1998, and ending  
 24 28 June 30, ~~2003~~ 2004, an amount not to exceed two hundred  
 24 29 thousand dollars to be used for the implementation, support,

24 30 and maintenance of the functions of the E911 administrator.  
24 31 The amount appropriated in this paragraph includes any amounts  
24 32 necessary to reimburse the division of emergency management of  
24 33 the department of public defense pursuant to paragraph "b".  
24 34 b. Notwithstanding the distribution formula in section  
24 35 34A.7A, as enacted in this Act, and prior to any such  
25 1 distribution, of the initial surcharge moneys received by the  
25 2 E911 administrator and deposited into the wireless E911  
25 3 emergency communications fund, for each fiscal year in the  
25 4 fiscal period beginning July 1, 1998, and ending June 30, ~~2003~~  
25 5 2004, an amount is appropriated to the division of emergency  
25 6 management of the department of public defense as necessary to  
25 7 reimburse the division for amounts expended for the  
25 8 implementation, support, and maintenance of the E911  
25 9 administrator, including the E911 administrator's salary.

25 10 Sec. 18. POSTING OF REPORTS IN ELECTRONIC FORMAT --  
25 11 LEGISLATIVE FISCAL BUREAU. All reports or copies of reports  
25 12 required to be provided in this Act for fiscal year 2003-2004  
25 13 to the legislative fiscal bureau shall be provided in an  
25 14 electronic format. The legislative fiscal bureau shall post  
25 15 the reports on its internet site and shall notify by  
25 16 electronic means all the members of the joint appropriations  
25 17 subcommittee on the justice system when a report is posted.  
25 18 Upon request, copies of the reports may be mailed to members  
25 19 of the joint appropriations subcommittee on the justice  
25 20 system.

Requires all reports required by this Act to be provided to the LFB in electronic format. The LFB will publish the reports on the LFB web site and notify the Justice System Appropriations Subcommittee members that the reports have been received and published.

25 21 Sec. 19. EFFECTIVE DATE. The section of this Act amending  
25 22 1998 Iowa Acts, chapter 1101, being deemed of immediate  
25 23 importance, takes effect upon enactment.

States that Section 17 of this Act authorizing continued funding from the Wireless E-911 Emergency Communications Fund takes effect upon enactment.

# EXECUTIVE SUMMARY TRANSPORTATION APPROPRIATIONS ACT

HOUSE FILE 652

## FUNDING SUMMARY

## NEW PROGRAMS, SERVICES OR ACTIVITIES

## MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- The Transportation Appropriations Act appropriates a total of \$267.0 million to the Department of Transportation (DOT), which includes \$43.5 million from the Road Use Tax Fund, \$223.4 million from the Primary Road Fund, and 3,442.0 FTE positions. This is a decrease of \$1.7 million and 16.0 FTE positions compared to the FY 2003 estimated net appropriation.
- Appropriates a total of \$2.0 million from the Primary Road Fund for costs associated with the replacement of maintenance garages at various locations throughout the State. This is a new appropriation for FY 2004. (Page 4, Line 10)
- Appropriates a total of \$2.8 million from the Road Use Tax Fund for the Driver's License Digitized Photolicensing System. This is a decrease of \$1.2 million compared to the FY 2003 estimated net appropriation. (Page 1, Line 6)
- Appropriates a total of \$37.3 million and 270.0 FTE positions from the Road Use Tax Fund and the Primary Road Fund for the Operations and Finance Division. This is an increase of \$686,000 and 3.0 FTE positions compared to the FY 2003 estimated net appropriation. (Page 1, Line 17 and Page 3, Line 4)
- Appropriates a total of \$3.7 million and 37.0 FTE positions from the Road Use Tax Fund and the Primary Road Fund for the Administrative Services Division. This is no change compared to the FY 2003 estimated net appropriation. (Page 1, Line 19 and Page 3, Line 7)
- Appropriates a total of \$8.9 million and 142.0 FTE positions from the Road Use Tax Fund and the Primary Road Fund for the Planning Division. This is a decrease of \$357,000 and 4.0 FTE positions compared to the FY 2003 estimated net appropriation. (Page 1, Line 21 and Page 3, Line 10)
- Appropriates a total of \$29.9 million and 508.0 FTE positions from the Road Use Tax Fund and the Primary Road Fund for the Motor Vehicles Division. This is a decrease of \$652,000 and 18.0 FTE positions compared to the FY 2003 estimated net appropriation. (Page 1, Line 23 and Page 3, Line 16)
- Appropriates a total of \$2.0 million from the Road Use Tax Fund and the Primary Road Fund for workers' compensation costs. This is no change compared to the FY 2003 estimated net appropriation. (Page 1, Line 32 and Page 3, Line 26)
- Appropriates a total of \$5.0 million from the Road Use Tax Fund to rewrite the Vehicle Registration System, which is no change compared to the FY 2003 estimated net appropriation. (Page 2, Line 14)
- Appropriates a total of \$170.8 million and 2,485.0 FTE positions from the Primary Road Fund for the Highways Division. This is an increase of \$300,000 and 3.0 FTE positions compared to the FY 2003 estimated net appropriation. (Page 3, Line 13)

## EXECUTIVE SUMMARY TRANSPORTATION APPROPRIATIONS ACT

HOUSE FILE 652

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Permits moneys appropriated for scale facility improvements in Clarke and Worth counties be extended to other scale facilities throughout the State. The Act also extends the period for which the appropriation may be used. (Page 4, Line 22)
- Permits moneys appropriated for scale facility improvements in Clarke County be extended to other scale facilities throughout the State. The Act also extends the period for which the appropriation may be used. (Page 4, Line 32)
- Section 4 of this Act takes effect upon enactment. This section extends the period for which appropriations for scale facility improvements may be used. (Page 5, Line 7)
- The Act was approved by the General Assembly on April 8, 2003, and signed by the Governor on April 17, 2003.

### EFFECTIVE DATE

### ENACTMENT DATE

House File 652

House File 652 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	10	1.1	Nwthstnd	Sec. 8.33	Nonreversion of Driver's License Photolicensing Equipment Lease Appropriation
2	26	1.13	Nwthstnd	Sec. 8.33	Nonreversion of Scale Facility Appropriation
4	16	2.11	Nwthstnd	Sec. 8.33	Nonreversion of Capital Project Appropriations
4	22	3	Amends	Sec. 2.10, Chapter 1216, 2000 Iowa Acts	Scale Facility Funding
4	27	3	Nwthstnd	Sec. 8.33	Nonreversion of Scale Facility Appropriation
4	32	4	Amends	Sec. 2.9, Chapter 198, 1999 Iowa Acts	Scale Facility Funding
5	2	4	Nwthstnd	Sec. 8.33	Nonreversion of Scale Facility Appropriation



PG LN	House File 652	Explanation
1 1	Section 1. There is appropriated from the road use tax	
1 2	fund to the state department of transportation for the fiscal	
1 3	year beginning July 1, 2003, and ending June 30, 2004, the	
1 4	following amounts, or so much thereof as is necessary, for the	
1 5	purposes designated:	
1 6	1. For the payment of costs associated with the production	Road Use Tax Fund appropriation to the Department of Transportation
1 7	of driver's licenses, as defined in section 321.1, subsection	(DOT) for lease of the Driver's License Digitized Photolicensing
1 8	20A:	System.
1 9	..... \$ 2,820,000	DETAIL: This is a decrease of \$1,177,000 compared to the FY 2003
		estimated net appropriation. The lease costs are based on the total
		number of licenses issued, including those issued by the counties. In
		prior years, the actual costs have been more than the amount
		appropriated. This resulted in the Department having to use a portion
		of the appropriation to fund prior-year lease costs. In FY 2003, the
		DOT was appropriated additional funds to cover payments due for FY
		2002. The FY 2004 appropriation is expected to be sufficient to cover
		the FY 2004 costs.
1 10	Notwithstanding section 8.33, unencumbered or unobligated	
1 11	funds remaining on June 30, 2004, from the appropriation made	
1 12	in this subsection, shall not revert, but shall remain	
1 13	available for subsequent fiscal years for the purposes	
1 14	specified in this subsection.	CODE: Specifies that the funds appropriated for lease of the Driver's
		License Digitized Photolicensing System do not revert but remain
		available for expenditure in subsequent fiscal years.
1 15	2. For salaries, support, maintenance, and miscellaneous	
1 16	purposes:	
1 17	a. Operations and finance:	Road Use Tax Fund appropriation to the Operations and Finance
1 18	..... \$ 5,227,174	Division.
		DETAIL: This is an increase of \$170,854 compared to the FY 2003
		estimated net appropriation.
		The Operations and Finance Division is also receiving an
		appropriation of \$32,109,775 and 270.00 FTE positions from the

Primary Road Fund (Section 2.1(a) of this Act), for a total appropriation of \$37,336,949. This combined funding represents an increase of \$686,000 and 3.00 FTE positions compared to the FY 2003 estimated net appropriation. The changes include:

1. An increase of \$132,000 to fund an 8.00% inflationary increase on existing leases for office space, driver's license stations, and storage buildings.
2. An increase of \$110,000 to fund the following telecommunications increases: \$63,000 for a 2.00% increase in telecommunications tariff rates, and \$47,000 for increased costs due to county courthouses upgrading telecommunications systems from analog to digital.
3. An increase of \$261,000 to fund the following: \$213,000 for a 5.00% increase in existing equipment and software maintenance agreements; \$32,000 for equipment and software maintenance agreements associated with county courthouse upgrades; and \$16,000 for increased costs associated with verifying social security numbers of all new driver's license applicants on-line.
4. An increase of \$126,000 to transfer 2.00 FTE positions from the Motor Vehicles Division to the Information Technology Division under the Operations and Finance Division.
5. An increase of \$57,000 to transfer 1.00 FTE position from the Highways Division to the Information Technology Division under the Operations and Finance Division.

1 19 b. Administrative services:

1 20 ..... \$ 517,917

Road Use Tax Fund appropriation to the Administrative Services Division.

DETAIL: This is an increase of \$834 compared to the FY 2003 estimated net appropriation.

The Administrative Services Division is also receiving an appropriation of \$3,181,482 and 37.00 FTE positions from the Primary Road Fund (Section 2.1(b) of this Act), for a total appropriation of \$3,699,399. This combined funding maintains the current level of funding and FTE positions.

1 21 c. Planning:

1 22 ..... \$ 443,851

Road Use Tax Fund appropriation to the Planning Division.

DETAIL: This is a decrease of \$17,847 compared to the FY 2003 estimated net appropriation.

The Planning Division is also receiving an appropriation of \$8,433,165 and 142.00 FTE positions from the Primary Road Fund (Section 2.1(c) of this Act), for a total appropriation of \$8,877,016. This combined funding is a decrease of \$356,984 and 4.00 FTE positions compared to the FY 2003 estimated net appropriation. The changes include transferring 4.00 FTE positions from the Research Management Division under the Planning Division to the Highways Division.

Road Use Tax Fund appropriation to the Motor Vehicles Division.

DETAIL: This is an increase of \$441,081 compared to the FY 2003 estimated net appropriation.

The Motor Vehicles Division is also receiving an appropriation of \$1,147,381 and 508.00 FTE positions from the Primary Road Fund (Section 2.1(e) of this Act), for a total appropriation of \$29,945,718. This combined funding is a decrease of \$652,000 and 18.00 FTE positions compared to the FY 2003 estimated net appropriation. The changes include:

1. A decrease of \$526,000 and 16.00 FTE positions to eliminate six driver's licensing teams as a result of driver's license issuance being shifted to counties.
2. A decrease of \$126,000 to transfer 2.00 FTE positions from the Motor Vehicles Division to the Information Technology Division under the Operations and Finance Division.

Road Use Tax Fund appropriation for payment to the Iowa Department of Personnel for administrative costs.

DETAIL: Maintains current level of funding. The Department of Transportation is also receiving an appropriation of \$712,500 from the Primary Road Fund (Section 2.2 of this Act), for a total appropriation of \$750,000.

1 23 d. Motor vehicles:

1 24 ..... \$ 28,798,337

1 25 3. For payments to the department of personnel for  
1 26 expenses incurred in administering the merit system on behalf  
1 27 of the state department of transportation, as required by  
1 28 chapter 19A:

1 29 ..... \$ 37,500

1 30 4. Unemployment compensation:

1 31 ..... \$ 17,000

Road Use Tax Fund appropriation for the payment of unemployment compensation costs.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation from the Primary Road Fund of \$328,000 (Section 2.3 of this Act), for a total appropriation of \$345,000.

1 32 5. For payments to the department of personnel for paying  
1 33 workers' compensation claims under chapter 85 on behalf of  
1 34 employees of the state department of transportation:  
1 35 ..... \$ 77,000

Road Use Tax Fund appropriation for the payment of workers' compensation costs.

DETAIL: Maintains the current level of funding. The Department is also receiving an appropriation from the Primary Road Fund of \$1,883,000 (Section 2.4 of this Act), for a total appropriation of \$1,960,000.

2 1 6. For payment to the general fund of the state for  
2 2 indirect cost recoveries:  
2 3 ..... \$ 102,000

Road Use Tax Fund appropriation for payment to the General Fund for indirect cost recoveries.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation of \$748,000 from the Primary Road Fund (Section 2.6 of this Act), for a total appropriation of \$850,000 for indirect cost recoveries.

Section 421.17(33)(a), Code of Iowa, requires the DOT to make payments to the General Fund for recovery of indirect costs associated with centralized services provided by other State agencies whose funding comes from the General Fund.

2 4 7. For reimbursement to the auditor of state for audit  
2 5 expenses as provided in section 11.5B:  
2 6 ..... \$ 54,314

Road Use Tax Fund appropriation for State Auditor reimbursement.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation of \$336,036 from the Primary Road Fund (Section 2.7 of this Act), for a total appropriation of \$390,350 for State Auditor expenses.

2 7 8. For costs associated with the county issuance of  
2 8 driver's licenses:  
2 9 ..... \$ 30,000

Road Use Tax Fund appropriation for costs associated with the county issuance of driver's licenses.

DETAIL: Maintains current level of funding. The funds are used to purchase materials, supplies, and equipment for counties that issue driver's licenses through county treasurer offices.

Counties that issue licenses also receive an annual standing appropriation of \$650,000 for automation and telecommunications equipment and support for vehicle registration, titling, and driver licensing.

2 10 9. For transfer to the department of public safety for  
2 11 operating a system providing toll-free telephone road and  
2 12 weather conditions information:  
2 13 ..... \$ 100,000

Road Use Tax Fund appropriation for costs associated with the Toll-Free Telephone Road and Weather Information Reporting System through the Department of Public Safety.

DETAIL: Maintains current level of funding. In November 2002, the DOT and the Department of Public Safety (DPS) upgraded this System to the 511 Travel Information System. The cost of maintaining the 511 System is estimated to be \$250,000 annually. The FY 2004 appropriation remains at \$100,000; the additional \$150,000 will be covered by federal funds. All funds are transferred from the DOT to the DPS for operation of the System.

2 14 10. For costs associated with the rewrite of the vehicle  
2 15 registration system:  
2 16 ..... \$ 5,000,000

Road Use Tax Fund appropriation to rewrite the Vehicle Registration System.

DETAIL: Maintains current level of funding. The Vehicle Registration System produces vehicle titles and registrations and contains information on the 3,400,000 vehicles that are registered in Iowa. The total cost for hiring a vendor/consultant to redesign the System is estimated at \$10,000,000. The DOT received an appropriation of \$5,000,000 in FY 2003 for the first-year cost of implementing the upgrade. The FY 2004 appropriation completes the funding.

The DOT is also upgrading the Driver's License Issuance and Records System in FY 2004. The cost of this upgrade is estimated to be approximately \$9,000,000. Costs associated with the upgrade will be paid from additional fees collected from a one-time surcharge fee of \$3.00 for driver's licenses issued from July 1, 2003, to June 30, 2008. (For more information, see the Notes on Bills and Amendments (NOBA) for SF 97 (FY 2004 Transportation Omnibus Act)).

2 17 11. For costs associated with the participation in the  
2 18 Mississippi river parkway commission:  
2 19 ..... \$ 40,000

Road Use Tax Fund appropriation for the Mississippi River Parkway Commission.

DETAIL: Maintains current level of funding. The ten-member Commission is responsible for promoting transportation and tourism along the Iowa Great River Road. Specifically, the Commission develops and implements a Corridor Management Plan, that includes establishing signage requirements, restrictions on outdoor advertising, methods to market and promote the Corridor, and actions to involve the public. The request is for annual organization dues and operational costs.

2 20 12. For membership in the North America's superhighway  
2 21 corridor coalition:  
2 22 ..... \$ 50,000

Road Use Tax Fund appropriation for membership in North America's Super Highway Corridor Coalition.

DETAIL: Maintains current level of funding. The General Assembly has been appropriating money for membership in the Coalition since its creation in 1997. The Coalition consists of members from various states, including Iowa, that promote infrastructure and technology improvements along the International Trade Corridor of I-35, I-29, I-80/I-94, and Highway 75 in Canada. The Coalition also lobbies for federal funding for Corridor-related projects. Projects include creating international trade processing centers that will speed cross-border trade and increase security along the Corridor.

2 23 13. For scale facilities improvements throughout the  
2 24 state:  
2 25 ..... \$ 200,000

Road Use Tax Fund appropriation for the Missouri Valley Scale project.

DETAIL: This is a new appropriation for FY 2004. The request is for surface repair at two scale sites near Missouri Valley. Surface repair includes \$100,000 for each site.

2 26 Notwithstanding section 8.33, moneys appropriated in this  
2 27 subsection that remain unencumbered or unobligated at the  
2 28 close of the fiscal year shall not revert but shall remain  
2 29 available for expenditure for the purpose designated until the  
2 30 close of the fiscal year that begins July 1, 2006.

CODE: Specifies that the unencumbered or unobligated funds appropriated for scale facility improvements in Section 1.13 of this Act remain available for expenditure until June 30, 2007.

2 31 Sec. 2. There is appropriated from the primary road fund  
2 32 to the state department of transportation for the fiscal year  
2 33 beginning July 1, 2003, and ending June 30, 2004, the  
2 34 following amounts, or so much thereof as is necessary, to be

PG LN	House File 652	Explanation
2 35	used for the purposes designated:	
3 1	1. For salaries, support, maintenance, and miscellaneous	
3 2	purposes and for not more than the following full-time	
3 3	equivalent positions:	
3 4	a. Operations and finance:	Primary Road Fund appropriation to the Operations and Finance Division of the DOT.
3 5	..... \$ 32,109,775	
3 6	..... FTEs 270	DETAIL: This is an increase of \$515,146 and 3.00 FTE positions compared to the FY 2003 estimated net appropriation. The Department is also receiving an appropriation from the Road Use Tax Fund for the Operations and Finance Division (Section 1.2(a) of this Act).
3 7	b. Administrative services:	Primary Road Fund appropriation to the Administrative Services Division of the DOT.
3 8	..... \$ 3,181,482	
3 9	..... FTEs 37	DETAIL: This is a decrease of \$834 and no change in FTE positions compared to the FY 2003 estimated net appropriation. The Department is also receiving an appropriation from the Road Use Tax Fund for the Administrative Services Division (Section 1.2(b) of this Act).
3 10	c. Planning:	Primary Road Fund appropriation to the Planning Division of the DOT.
3 11	..... \$ 8,433,165	
3 12	..... FTEs 142	DETAIL: This is a decrease of \$339,137 and 4.00 FTE positions compared to the FY 2003 estimated net appropriation. The Department is also receiving an appropriation from the Road Use Tax Fund for the Planning Division (Section 1.2(c) of this Act).
3 13	d. Highways:	Primary Road Fund appropriation to the Highways Division of the DOT.
3 14	..... \$170,840,643	
3 15	..... FTEs 2,485	DETAIL: This is an increase of \$299,984 and 3.00 FTE positions compared to the FY 2003 estimated net appropriation. The changes include:

1. An increase of \$356,984 to transfer 4.00 FTE positions from the Research Management Division under the Planning Division to the Highway Division.
2. A decrease of \$57,000 to transfer 1.00 FTE position from the Highways Division to the Information Technology Division under the Operations and Finance Division.

3 16 e. Motor vehicles:

3 17 ..... \$ 1,147,381

3 18 ..... FTEs 508

Primary Road Fund appropriation to the Motor Vehicles Division of the DOT.

DETAIL: This is a decrease of \$1,093,091 and 18.00 FTE positions compared to the FY 2003 estimated net appropriation. The Department is also receiving an appropriation from the Road Use Tax Fund for the Motor Vehicles Division (Section 1.2(d) of this Act).

3 19 2. For payments to the department of personnel for  
3 20 expenses incurred in administering the merit system on behalf  
3 21 of the state department of transportation, as required by  
3 22 chapter 19A:

3 23 ..... \$ 712,500

Primary Road Fund appropriation for payment to the Iowa Department of Personnel for administrative costs.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation from the Road Use Tax Fund for Department of Personnel reimbursements (Section 1.3 of this Act).

3 24 3. Unemployment compensation:

3 25 ..... \$ 328,000

Primary Road Fund appropriation for the payment of unemployment compensation costs.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation from the Road Use Tax Fund for unemployment compensation (Section 1.4 of this Act).

3 26 4. For payments to the department of personnel for paying  
3 27 workers' compensation claims under chapter 85 on behalf of the  
3 28 employees of the state department of transportation:

3 29 ..... \$ 1,883,000

Primary Road Fund appropriation for the payment of workers' compensation costs.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation from the Road Use Tax Fund for unemployment compensation (Section 1.5 of this Act).

3 30 5. For disposal of hazardous wastes from field locations  
3 31 and the central complex:

3 32 ..... \$ 800,000

Primary Road Fund appropriation for costs associated with the disposal of hazardous wastes.



DETAIL: Maintains current level of funding. The appropriation will be used for costs associated with hazardous waste resulting from the day-to-day operations of the Department to comply with environmental regulations. The DOT contracts with the private sector for hazardous waste disposal services.

3 33 6. For payment to the general fund for indirect cost  
3 34 recoveries:  
3 35 ..... \$ 748,000

Primary Road Fund appropriation for payment to the General Fund for indirect cost recoveries.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation from the Road Use Tax Fund for indirect cost recoveries (Section 1.6 of this Act).

4 1 7. For reimbursement to the auditor of state for audit  
4 2 expenses as provided in section 11.5B:  
4 3 ..... \$ 336,036

Primary Road Fund appropriation for State Auditor reimbursement.

DETAIL: Maintains current level of funding. The Department is also receiving an appropriation from the Road Use Tax Fund for State Auditor expenses (Section 1.7 of this Act).

4 4 8. For costs associated with producing transportation  
4 5 maps:  
4 6 ..... \$ 275,000

Primary Road Fund appropriation for costs associated with the production of State transportation maps.

DETAIL: Maintains current level of funding.

4 7 9. For replacement of roofs according to the department's  
4 8 priority list at field facilities throughout the state:  
4 9 ..... \$ 300,000

Primary Road Fund appropriation for the replacement of roofs at maintenance garages throughout the State.

DETAIL: This is a decrease of \$100,000 compared to the FY 2003 estimated net appropriation. The decrease is due to fewer garage roofs being replaced.

4 10 10. For replacement of field garage facilities throughout  
4 11 the state:  
4 12 ..... \$ 2,000,000

Primary Road Fund appropriation for costs associated with the replacement of garages at various locations throughout the State.

DETAIL: This is a new appropriation for FY 2004. The Department is considering the following locations for garage replacements: Clarinda, Fairfield, and Sheldon/Ashton.

PG LN	House File 652	Explanation
4 13	11. For deferred maintenance projects at field facilities	Primary Road Fund appropriation to fund facility improvements at DOT facilities throughout the State. DETAIL: Maintains current level of funding. The funds will be used for a variety of purposes, including: siding, insulation, lighting improvements, roof repairs, generator upgrades, window replacements, air-conditioning/heating replacements, and electric panel replacements.
4 14	throughout the state:	
4 15	..... \$ 351,500	
4 16	Notwithstanding section 8.33, moneys appropriated in	CODE: Specifies that the unencumbered or unobligated funds appropriated for capital improvements in Sections 2.9 through 2.11 of this Act remain available for expenditure until June 30, 2007.
4 17	subsections 9 through 11 that remain unencumbered or	
4 18	unobligated at the close of the fiscal year shall not revert	
4 19	but shall remain available for expenditure for the purposes	
4 20	designated until the close of the fiscal year that begins July	
4 21	1, 2006.	
4 22	Sec. 3. 2000 Iowa Acts, chapter 1216, section 2,	CODE: Permits moneys appropriated for scale facility improvements in Clarke and Worth counties be extended to other scale facilities throughout the State.
4 23	subsection 10, is amended to read as follows:	
4 24	10. For improvements to <del>the</del> <u>various</u> scale facilities <del>in</del>	DETAIL: Of the total appropriation, approximately \$249,000 was spent on the Clarke and Worth County scale facilities in FY 2001. The planned improvements to the scale sites were changed, resulting in \$691,000 of the appropriation left unexpended. The DOT is proposing to expend approximately \$670,000 to construct a new scale facility in Henry County. The remaining \$21,000 and an additional \$229,000 (see Section 4 of this Act), will be used to replace obsolete scales in Avoca. Any remaining funds will revert to the Road Use Tax Fund.
4 25	<del>Clarke and Worth counties</del> <u>throughout the state</u> :	
4 26	..... \$ 940,000	
4 27	Notwithstanding section 8.33, moneys appropriated in this	CODE: Specifies that the unencumbered or unobligated funds appropriated for scale facility improvements in Section 3 of this Act remain available for expenditure until June 30, 2005.
4 28	subsection that remain unencumbered or unobligated at the	
4 29	close of the fiscal year shall not revert but shall remain	
4 30	available for expenditure for the purpose designated until the	
4 31	close of the fiscal year that begins July 1, <del>2003</del> <u>2004</u> .	
4 32	Sec. 4. 1999 Iowa Acts, chapter 198, section 2, subsection	CODE: Permits moneys appropriated for scale facility improvements in Clarke County to be extended to other scale facilities throughout the State.
4 33	9, is amended to read as follows:	
4 34	9. For improvements to <del>the</del> <u>various</u> scale <del>facility in</del>	
4 35	<del>Clarke county</del> <u>facilities throughout the state</u> :	
5 1	..... \$ 550,000	

DETAIL: Of the total appropriation, approximately \$314,000 was spent on the Clarke County scale in FY 2000. The planned improvements to the scale site were changed, resulting in \$236,000 of the appropriation left unexpended. The DOT is proposing to expend approximately \$229,000 and an additional \$21,000 (see Section 3 of this Act) to replace obsolete scales in Avoca. Any remaining funds will revert to the Road Use Tax Fund.

5 2 Notwithstanding section 8.33, moneys appropriated in this  
5 3 subsection that remain unencumbered or unobligated at the  
5 4 close of the fiscal year shall not revert but shall remain  
5 5 available for expenditure for the purpose designated until the  
5 6 close of the fiscal year that begins July 1, ~~2002~~ 2004.

CODE: Specifies that the unencumbered or unobligated funds appropriated for scale facility improvements in Section 4 of this Act remain available for expenditure until June 30, 2005.

5 7 Sec. 5. EFFECTIVE DATE. The section of this Act amending  
5 8 1999 Acts, chapter 198, being deemed of immediate importance,  
5 9 takes effect upon enactment.

Provides that Section 4 of this Act takes effect upon enactment.

DETAIL: This section relates to funding for scale facility improvements.

# **EXECUTIVE SUMMARY**

## **FY 2004 BLOCK GRANT & FEDERAL FUNDS APPROPRIATIONS ACT**

**HOUSE FILE 472**

### **FFY 2004 BLOCK GRANTS**

- House File 472 provides the mechanism for the State to receive \$164.2 million in federal block grant funds, including the following:
  - Substance Abuse: \$12.1 million. (Page 1, Line 2)
  - Community Mental Health Services: \$3.6 million. (Page 2, Line 1)
  - Maternal and Child Health Services: \$7.1 million. (Page 2, Line 32)
  - Preventive Health and Health Services: \$1.5 million. (Page 4, Line 16)
  - Drug Control and System Improvement Program: \$6.7 million. (Page 5, Line 24)
  - Stop Violence Against Women Program: \$1.9 million. (Page 6, Line 12)
  - Local Law Enforcement Program: \$305,000. (Page 6, Line 34)
  - Residential Substance Abuse Treatment for State Prisoners Program: \$633,000. (Page 7, Line 20)
  - Community Services: \$7.0 million. (Page 8, Line 1)
  - Community Development: \$32.6 million. (Page 9, Line 4)
  - Low-Income Home Energy Assistance Program: \$31.1 million. (Page 9, Line 35)
  - Social Services: \$17.6 million. (Page 11, Line 13)
  - Child Care and Development Fund: \$42.1 million. (Page 14, Line 12)

### **PROCEDURES FOR REDUCED OR INCREASED BLOCK GRANTS**

- Specifies the procedures for the Governor to prorate funds for the various programs, with the exception of services to victims of sex offenses and for rape prevention education under Section 4, Subsection 2, if funding received from the federal government is less than the amount appropriated. (Page 14, Line 25)
- If federal funds received exceed the amount appropriated, the excess is to be prorated with the exception of the Low-Income Home Energy Assistance Program and the Community Services Block Grants. (Page 15, Line 29)

### **FEDERAL AND NONSTATE FUNDS APPROPRIATIONS**

- Provides the mechanism for agencies to receive additional federal and nonstate funds to the extent necessary. Requires notification of the Legislative Fiscal Committee if funds become available to permit the Committee to comment on the expenditure of funds. (Page 16, Line 19)

# EXECUTIVE SUMMARY

## FY 2004 BLOCK GRANT & FEDERAL FUNDS APPROPRIATIONS ACT

HOUSE FILE 472

### FFY 2004 CATEGORICAL GRANTS

- Provides the mechanism for State agencies to receive \$3.127 billion in categorical federal and nonstate funds. The specified appropriations, by department, include:
  - Department of Agriculture and Land Stewardship: \$5.8 million. (Page 17, Line 7)
  - Department for the Blind: \$6.5 million. (Page 18, Line 11)
  - Civil Rights Commission: \$971,000. (Page 19, Line 1)
  - College Student Aid Commission: \$28.0 million. (Page 19, Line 17)
  - Department of Corrections: \$198,000. (Page 20, Line 6)
  - Department of Cultural Affairs: \$1.2 million. (Page 20, Line 21)
  - Department of Economic Development: \$16.5 million. (Page 21, Line 4)
  - Department of Education: \$397.4 million. (Page 21, Line 26)
  - Department of Elder Affairs: \$17.8 million. (Page 26, Line 1)
  - Governor's Office - Drug Control Policy Coordinator: \$2.4 million. (Page 27, Line 23)
  - Department of Human Rights: \$8.7 million. (Page 28, Line 11)
  - Department of Human Services: \$1.492 billion. (Page 28, Line 35)
  - Department of Inspections and Appeals: \$3.4 million. (Page 31, Line 8)
  - Judicial Branch: \$499,000. (Page 31, Line 29)
  - Department of Justice: \$6.7 million. (Page 32, Line 9)
  - Department of Natural Resources: \$28.5 million. (Page 33, Line 6)
  - Department of Public Defense: \$43.7 million. (Page 34, Line 29)
  - Department of Public Health: \$75.5 million. (Page 35, Line 34)
  - Department of Public Safety: \$5.2 million. (Page 39, Line 5)
  - Board of Regents: \$290.6 million. (Page 39, Line 29)
  - Treasurer of State: \$350,000. (Page 41, Line 25)
  - Department of Transportation: \$261.7 million. (Page 42, Line 2)
  - Veterans Affairs: \$12.5 million. (Page 42, Line 20)
  - Department of Workforce Development: \$420.6 million. (Page 43, Line 8)

### ENACTMENT DATE

- The Act was approved by the General Assembly on April 7, 2003, and signed by the Governor on April 14, 2003.

1 1 Section 1. SUBSTANCE ABUSE APPROPRIATION.

1 2 1. There is appropriated from the fund created by section  
1 3 8.41 to the Iowa department of public health for the federal  
1 4 fiscal year beginning October 1, 2003, and ending September  
1 5 30, 2004, the following amount:  
1 6 ..... \$ 12,078,439

Federal Substance Abuse Block Grant appropriation to the  
Department of Public Health.

DETAIL: Maintains current level of funding.

1 7 a. Funds appropriated in this subsection are the  
1 8 anticipated funds to be received from the federal government  
1 9 for the designated federal fiscal year under 42 U.S.C.,  
1 10 chapter 6A, subchapter XVII, which provides for the substance  
1 11 abuse prevention and treatment block grant. The department  
1 12 shall expend the funds appropriated in this subsection as  
1 13 provided in the federal law making the funds available and in  
1 14 conformance with chapter 17A.

Requires the Department of Public Health to expend the funds  
appropriated according to federal law and in conformance with  
administrative procedure as defined in Chapter 17A, Code of Iowa.

1 15 b. Of the funds appropriated in this subsection, an amount  
1 16 not exceeding 5 percent shall be used by the department for  
1 17 administrative expenses.

Requires a maximum allocation of 5.00% of the Substance Abuse  
Block Grant funds for administrative expenses.

DETAIL: The maximum allocation of \$603,922 is a decrease of  
\$25,674 compared to the estimated FFY 2003 allocation.

1 18 c. The department shall expend no less than an amount  
1 19 equal to the amount expended for treatment services in the  
1 20 state fiscal year beginning July 1, 2002, for pregnant women  
1 21 and women with dependent children.

Requires a minimum allocation equal to the State FY 2003 allocation  
for treatment services for pregnant women and women with  
dependent children.

DETAIL: The minimum allocation of \$1,390,939 is no change  
compared to the estimated FFY 2003 allocation.

1 22 d. Of the funds appropriated in this subsection, an amount  
1 23 not exceeding \$24,585 shall be used for audits.

Requires a maximum allocation of \$24,585 of the Substance Abuse  
Block Grant funds for audit costs.

DETAIL: The maximum allocation of \$24,585 is no change compared  
to the estimated FFY 2003 allocation.

1 24 2. At least 20 percent of the funds remaining from the  
 1 25 appropriation made in subsection 1 shall be allocated for  
 1 26 prevention programs.

Requires a minimum allocation of 20.00% of the remaining Substance Abuse Block Grant funds be used for prevention programs.

DETAIL: This allocation is merged due to federal grant changes. With all prevention programs combined in FFY 2004, it is an increase of \$15,674 compared to estimated FFY 2003.

1 27 3. In implementing the federal substance abuse prevention  
 1 28 and treatment block grant under 42 U.S.C., chapter 6A,  
 1 29 subchapter XVII, and any other applicable provisions of the  
 1 30 federal Public Health Service Act under 42 U.S.C., chapter 6A,  
 1 31 subchapter III-A, the department shall apply the provisions of  
 1 32 Pub. L. No. 106-310, § 3305, as codified in 42 U.S.C. § 300x-  
 1 33 65, relating to services under such federal law being provided  
 1 34 by religious and other nongovernmental organizations.

Requires the Department of Public Health to apply federal law regarding non-discrimination requirements for religious or other nongovernmental organizations that may provide services when implementing the federal substance abuse prevention and treatment block grant.

1 35 Sec. 2. COMMUNITY MENTAL HEALTH SERVICES APPROPRIATION.

2 1 1. a. There is appropriated from the fund created by  
 2 2 section 8.41 to the Iowa department of human services for the  
 2 3 federal fiscal year beginning October 1, 2003, and ending  
 2 4 September 30, 2004, the following amount:  
 2 5 ..... \$ 3,612,827

Federal Community Mental Health Services Block Grant appropriation to the Department of Human Services (DHS).

DETAIL: Maintains current level of funding.

2 6 b. Funds appropriated in this subsection are the  
 2 7 anticipated funds to be received from the federal government  
 2 8 for the designated federal fiscal year under 42 U.S.C.,  
 2 9 chapter 6A, subchapter XVII, which provides for the community  
 2 10 mental health services block grant. The department shall  
 2 11 expend the funds appropriated in this subsection as provided  
 2 12 in the federal law making the funds available and in  
 2 13 conformance with chapter 17A.

Requires the DHS to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

2 14 c. The administrator of the division of mental health and

Requires a minimum allocation of 95.00% of the Community Mental

2 15 developmental disabilities of the department of human services  
 2 16 shall allocate not less than 95 percent of the amount of the  
 2 17 block grant to eligible community mental health services  
 2 18 providers for carrying out the plan submitted to and approved  
 2 19 by the federal substance abuse and mental health services  
 2 20 administration for the fiscal year involved.

Health Services Block Grant funds be used for eligible community mental health services providers.

DETAIL: The minimum allocation of \$3,432,186 is no change compared to the estimated FFY 2003 allocation.

2 21 2. An amount not exceeding 5 percent of the funds  
 2 22 appropriated in subsection 1 shall be used by the department  
 2 23 of human services for administrative expenses. From the funds  
 2 24 set aside by this subsection for administrative expenses, the  
 2 25 division of mental health and developmental disabilities shall  
 2 26 pay to the auditor of state an amount sufficient to pay the  
 2 27 cost of auditing the use and administration of the state's  
 2 28 portion of the funds appropriated in subsection 1. The  
 2 29 auditor of state shall bill the division of mental health and  
 2 30 developmental disabilities for the costs of the audits.

Requires a maximum allocation of 5.00% of the Community Mental Health Services Block Grant funds be used for administrative and audit costs.

DETAIL: The maximum allocation of \$180,641 is no change compared to the estimated FFY 2003 allocation.

### 2 31 Sec. 3. MATERNAL AND CHILD HEALTH SERVICES APPROPRIATIONS.

2 32 1. There is appropriated from the fund created by section  
 2 33 8.41 to the Iowa department of public health for the federal  
 2 34 fiscal year beginning October 1, 2003, and ending September  
 2 35 30, 2004, the following amount:  
 3 1 ..... \$ 7,131,009

Federal Maternal and Child Health Services Block Grant appropriation to the Department of Public Health.

DETAIL: This is no change compared to the estimated FFY 2003 appropriation.

3 2 The funds appropriated in this subsection are the funds  
 3 3 anticipated to be received from the federal government for the  
 3 4 designated federal fiscal year under 42 U.S.C., chapter 7,  
 3 5 subchapter V, which provides for the maternal and child health  
 3 6 services block grant. The department shall expend the funds  
 3 7 appropriated in this subsection as provided in the federal law  
 3 8 making the funds available and in conformance with chapter  
 3 9 17A.

Requires the Department of Public Health to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.



3 10 Of the funds appropriated in this subsection, an amount not  
3 11 exceeding \$45,700 shall be used for audits.

Requires a maximum allocation of the Maternal and Child Health Services Block Grant for audit costs.

DETAIL: The maximum allocation of \$45,700 is no change compared to the estimated FFY 2003 allocation.

3 12 Funds appropriated in this subsection shall not be used by  
3 13 the university of Iowa hospitals and clinics for indirect  
3 14 costs.

Prohibits the use of the appropriated funds by the University of Iowa Hospitals and Clinics for indirect costs.

3 15 2. An amount not exceeding \$150,000 of the funds  
3 16 appropriated in subsection 1 to the Iowa department of public  
3 17 health shall be used by the Iowa department of public health  
3 18 for administrative expenses in addition to the amount to be  
3 19 used for audits in subsection 1.

Requires a maximum allocation of the Maternal and Child Health Services Block Grant funds for administrative costs, in addition to the amount for audit costs.

DETAIL: The maximum allocation of \$150,000 is no change compared to the estimated FFY 2003 allocation.

3 20 The departments of public health, human services, and  
3 21 education and the university of Iowa's mobile and regional  
3 22 child health specialty clinics shall continue to pursue to the  
3 23 maximum extent feasible the coordination and integration of  
3 24 services to women and children.

Requires the Departments of Public Health, Human Services, Education, and the University of Iowa's Mobile and Regional Child Health Specialty Clinics to continue integration and coordination of services to women and children.

3 25 3. a. Sixty-three percent of the remaining funds  
3 26 appropriated in subsection 1 shall be allocated to supplement  
3 27 appropriations for maternal and child health programs within  
3 28 the Iowa department of public health. Of these funds,  
3 29 \$300,291 shall be set aside for the statewide perinatal care  
3 30 program.

Requires an allocation of 63.00% of the remaining Maternal and Child Health Services Block Grant funds be used for maternal and child health programs.

DETAIL: The allocation of \$4,068,954 is no change compared to the estimated FFY 2003 allocation.

Requires an allocation of the remaining Maternal and Child Health Services Block Grant funds appropriated in this Subsection for the Statewide Perinatal Care Program.

DETAIL: The allocation of \$300,291 is no change compared to the estimated FFY 2003 allocation.

3 31 b. Thirty-seven percent of the remaining funds  
 3 32 appropriated in subsection 1 shall be allocated to the  
 3 33 university of Iowa hospitals and clinics under the control of  
 3 34 the state board of regents for mobile and regional child  
 3 35 health specialty clinics. The university of Iowa hospitals  
 4 1 and clinics shall not receive an allocation for indirect costs  
 4 2 from the funds for this program. Priority shall be given to  
 4 3 establishment and maintenance of a statewide system of mobile  
 4 4 and regional child health specialty clinics.

Requires an allocation of 37.00% of the remaining Maternal and Child Health Services Block Grant funds be used for the mobile and regional child health specialty clinics operated by the University of Iowa Hospitals and Clinics.

DETAIL: The allocation of \$2,566,064 is no change compared to the estimated FFY 2003 allocation.

Prohibits the University of Iowa Hospitals and Clinics from receiving an allocation for indirect costs. Requires priority be given to the establishment and maintenance of a statewide system of mobile and regional child health specialty clinics.

4 5 4. The Iowa department of public health shall administer  
 4 6 the statewide maternal and child health program and the  
 4 7 crippled children's program by conducting mobile and regional  
 4 8 child health specialty clinics and conducting other activities  
 4 9 to improve the health of low-income women and children and to  
 4 10 promote the welfare of children with actual or potential  
 4 11 handicapping conditions and chronic illnesses in accordance  
 4 12 with the requirements of Title V of the federal Social  
 4 13 Security Act.

Requires the Department of Public Health to administer the Statewide Maternal and Child Health Program and the Crippled Children's Program.

4 14 Sec. 4. PREVENTIVE HEALTH AND HEALTH SERVICES  
 4 15 APPROPRIATIONS.

4 16 1. There is appropriated from the fund created by section  
 4 17 8.41 to the Iowa department of public health for the federal  
 4 18 fiscal year beginning October 1, 2003, and ending September  
 4 19 30, 2004, the following amount:  
 4 20 ..... \$ 1,505,162

Federal Preventive Health and Health Services Block Grant appropriation to the Department of Public Health.

DETAIL: This is no change compared to the estimated FFY 2003 appropriation.

4 21 Funds appropriated in this subsection are the funds  
 4 22 anticipated to be received from the federal government for the  
 4 23 designated federal fiscal year under 42 U.S.C., chapter 6A,

Requires the Department of Public Health to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

4 24 subchapter XVII, which provides for the preventive health and  
4 25 health services block grant. The department shall expend the  
4 26 funds appropriated in this subsection as provided in the  
4 27 federal law making the funds available and in conformance with  
4 28 chapter 17A.

4 29 Of the funds appropriated in this subsection, an amount not  
4 30 exceeding \$5,522 shall be used for audits.

Requires a maximum allocation of the Preventive Health and Health Services Block Grant funds for audit costs.

DETAIL: The maximum allocation of \$5,522 is no change compared to the estimated FFY 2003 allocation.

4 31 2. Of the funds appropriated in subsection 1, the specific  
4 32 amount of funds stipulated by the notice of the block grant  
4 33 award shall be allocated for services to victims of sex  
4 34 offenses and for rape prevention education.

Requires that the funds designated by the federal government be allocated for services to victims of sex offenses and for rape prevention education.

DETAIL: The allocation of \$496,937 is an increase of \$428,717 compared to the estimated FFY 2003 allocation. Federal changes in grant requirements impacted the FFY 2003 allocation.

4 35 3. After deducting the funds allocated in subsections 1  
5 1 and 2, an amount not exceeding \$94,670 of the remaining funds  
5 2 appropriated in subsection 1 shall be used by the Iowa  
5 3 department of public health for administrative expenses in  
5 4 addition to the amount to be used for audits in subsection 1.

Requires a maximum allocation of the Preventive Health and Health Services Block Grant funds for administrative costs, in addition to the amount for audit costs.

DETAIL: The maximum allocation of \$94,670 is no change compared to the estimated FFY 2003 allocation.

5 5 4. After deducting the funds allocated in subsections 1,  
5 6 2, and 3, the remaining funds appropriated in subsection 1  
5 7 shall be used by the department for healthy people  
5 8 2010/healthy Iowans 2010 program objectives, preventive health  
5 9 advisory committee, and risk reduction services, including  
5 10 nutrition programs, health incentive programs, chronic disease  
5 11 services, emergency medical services, monitoring of the  
5 12 fluoridation program and start-up fluoridation grants, and  
5 13 acquired immune deficiency syndrome services. The moneys

Requires an allocation of the remaining Preventive Health and Health Services Block Grant funds for selected services, including:

1. Healthy People 2010/Healthy Iowans 2010 Program
2. Preventive Health Advisory Committee
3. Risk Reduction Services, including:
  - a. Nutrition programs
  - b. Health incentive programs
  - c. Chronic disease services
  - d. Emergency medical services

5 14 specified in this subsection shall not be used by the  
 5 15 university of Iowa hospitals and clinics or by the state  
 5 16 hygienic laboratory for the funding of indirect costs. Of the  
 5 17 funds used by the department under this subsection, an amount  
 5 18 not exceeding \$90,000 shall be used for the monitoring of the  
 5 19 fluoridation program and for start-up fluoridation grants to  
 5 20 public water systems, and an amount not exceeding \$50,000  
 5 21 shall be used to provide chlamydia testing.

- e. Fluoridation Program monitoring and start-up fluoridation grants
- f. Acquired Immune Deficiency Syndrome (AIDS) services

Prohibits the use of Preventive Health and Health Services Block Grant funds by the University of Iowa Hospitals and Clinics and the State Hygienic Laboratory for indirect costs.

DETAIL: The allocation of \$908,033 is a decrease of \$428,717 compared to the estimated FFY 2003 allocation due to a decrease in the estimated federal funds to be received for preventive health and health services.

Requires a maximum allocation of the Preventive Health and Health Services Block Grant funds in this Subsection be used for start-up grants and to monitor the Fluoridation Program.

DETAIL: The maximum allocation of \$90,000 is no change compared to the estimated FFY 2003 allocation.

Requires a maximum allocation of the Preventive Health and Health Services Block Grant funds in this Subsection be used to provide Chlamydia testing.

DETAIL: The maximum allocation of \$50,000 is no change compared to the estimated FFY 2003 allocation.

Prohibits the use of Preventive Health and Health Services Block Grant funds by the University of Iowa Hospitals and Clinics and the State Hygienic Laboratory to fund indirect costs.

5 22 Sec. 5. DRUG CONTROL AND SYSTEM IMPROVEMENT GRANT PROGRAM  
 5 23 APPROPRIATION.

5 24 1. There is appropriated from the fund created by section  
 5 25 8.41 to the office of the governor for the drug policy  
 5 26 coordinator for the federal fiscal year beginning October 1,  
 5 27 2003, and ending September 30, 2004, the following amount:

Federal Drug Control and System Improvement Block Grant appropriation to the Office of the Governor for the Drug Policy Coordinator.

DETAIL: This is an increase of \$64,762 compared to the estimated

5 28 ..... \$ 6,731,524

FFY 2003 appropriation due to an increase in the estimated funds to be received from the federal government for drug control and system improvement.

5 29 Funds appropriated in this subsection are the anticipated  
5 30 funds to be received from the federal government for the  
5 31 designated fiscal year under 42 U.S.C., chapter 46, subchapter  
5 32 V, which provides for the drug control and system improvement  
5 33 grant program. The drug policy coordinator shall expend the  
5 34 funds appropriated in this subsection as provided in the  
5 35 federal law making the funds available and in conformance with  
6 1 chapter 17A.

Requires the Drug Policy Coordinator to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

6 2 2. An amount not exceeding 10 percent of the funds  
6 3 appropriated in subsection 1 shall be used by the drug policy  
6 4 coordinator for administrative expenses. From the funds set  
6 5 aside by this subsection for administrative expenses, the drug  
6 6 policy coordinator shall pay to the auditor of state an amount  
6 7 sufficient to pay the cost of auditing the use and  
6 8 administration of the state's portion of the funds  
6 9 appropriated in subsection 1.

Requires a maximum allocation of 10.00% of the Drug Control and System Improvement Program Block Grant funds be used for administrative and audit costs.

DETAIL: The maximum allocation of \$491,524 is no change compared to the estimated FFY 2003 allocation.

The amount available for drug control and system improvement programs after the 10.00% allocation is \$6,240,000, which is an increase of \$64,762 compared to the estimated FFY 2003 appropriation.

6 10 Sec. 6. STOP VIOLENCE AGAINST WOMEN GRANT PROGRAM  
6 11 APPROPRIATION.

6 12 1. There is appropriated from the fund created by section  
6 13 8.41 to the department of justice for the federal fiscal year  
6 14 beginning October 1, 2003, and ending September 30, 2004, the  
6 15 following amount:  
6 16 ..... \$ 1,853,100

Federal Stop Violence Against Women Block Grant appropriation to the Office of the Governor for the Drug Policy Coordinator.

DETAIL: This is a decrease of \$124,900 compared to the estimated FFY 2003 appropriation due to a decrease in the estimated funds to be received from the federal government for the Stop Violence Against Women Grant Program.

6 17 Funds appropriated in this subsection are the anticipated  
 6 18 funds to be received from the federal government for the  
 6 19 designated fiscal year under 42 U.S.C., chapter 46, subchapter  
 6 20 XII-H, which provides for grants to combat violent crimes  
 6 21 against women. The department of justice shall expend the  
 6 22 funds appropriated in this subsection as provided in the  
 6 23 federal law making the funds available and in conformance with  
 6 24 chapter 17A.

Requires the Drug Policy Coordinator to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

6 25 2. An amount not exceeding 5 percent of the funds  
 6 26 appropriated in subsection 1 shall be used by the department  
 6 27 of justice for administrative expenses. From the funds set  
 6 28 aside by this subsection for administrative expenses, the  
 6 29 department shall pay to the auditor of state an amount  
 6 30 sufficient to pay the cost of auditing the use and  
 6 31 administration of the state's portion of the funds  
 6 32 appropriated in subsection 1.

Requires a maximum allocation of 5.00% of the Stop Violence Against Women Block Grant funds for administrative and audit costs.

DETAIL: The maximum allocation of \$92,655 is a decrease of \$6,245 compared to the estimated FFY 2003 allocation.

The amount available for the Stop Violence Against Women Program is \$1,760,445, which is a decrease of \$118,655 compared to the estimated FFY 2003 allocation.

#### 6 33 Sec. 7. LOCAL LAW ENFORCEMENT BLOCK GRANT APPROPRIATION.

6 34 1. There is appropriated from the fund created by section  
 6 35 8.41 to the office of the governor for the drug policy  
 7 1 coordinator for the federal fiscal year beginning October 1,  
 7 2 2003, and ending September 30, 2004, the following amount:  
 7 3 ..... \$ 304,748

Federal Local Law Enforcement Block Grant appropriation to the Office of the Governor for the Office of the Drug Policy Coordinator.

DETAIL: This is a decrease of \$7,528 compared to the estimated FFY 2003 appropriation due to a change in the estimated funds to be received from the federal government for local law enforcement.

7 4 Funds appropriated in this subsection are the funds  
 7 5 anticipated to be received from the federal government for the  
 7 6 designated federal fiscal year under annual federal  
 7 7 appropriations which provide for grants to reduce crime and  
 7 8 improve public safety. The drug policy coordinator shall  
 7 9 expend the funds appropriated in this subsection as provided  
 7 10 in the federal law making the funds available and in  
 7 11 conformance with chapter 17A.

Requires the Drug Policy Coordinator to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

7 12 2. An amount not exceeding 3 percent of the funds  
 7 13 appropriated in subsection 1 shall be used by the drug policy  
 7 14 coordinator for administrative expenses. From the funds set  
 7 15 aside by this subsection for administrative expenses, the drug  
 7 16 policy coordinator shall pay to the auditor of state an amount  
 7 17 sufficient to pay the cost of auditing the use and  
 7 18 administration of the state's portion of the funds  
 7 19 appropriated in subsection 1.

Requires a maximum allocation of 3.00% of the Local Law Enforcement Block Grant funds be used for administrative and audit costs.

DETAIL: The maximum allocation of \$9,142 is a decrease of \$4,606 compared to the estimated FFY 2003 allocation.

The amount available for local law enforcement programs is \$295,606 which is a decrease of \$2,922 compared to the estimated FFY 2003 allocation.

7 20 Sec. 8. RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE  
 7 21 PRISONERS FORMULA GRANT PROGRAM. There is appropriated from  
 7 22 the fund created by section 8.41 to the office of the governor  
 7 23 for the drug policy coordinator for the federal fiscal year  
 7 24 beginning October 1, 2003, and ending September 30, 2004, the  
 7 25 following amount:  
 7 26 ..... \$ 633,248

Residential Substance Abuse Treatment for State Prisoners Formula Grant Program appropriation to the Office of the Governor for the Drug Policy Coordinator.

DETAIL: This is a decrease of \$75,434 compared to the estimated FFY 2003 appropriation due to a change in the estimated federal funds to be received for residential substance abuse treatment for State prisoners.

7 27 Funds appropriated in this section are the funds  
 7 28 anticipated to be received from the federal government for the  
 7 29 designated federal fiscal year under 42 U.S.C., chapter 136,  
 7 30 which provides grants for substance abuse treatment programs  
 7 31 in state and local correctional facilities. The drug policy  
 7 32 coordinator shall expend the funds appropriated in this  
 7 33 section as provided in the federal law making the funds  
 7 34 available and in conformance with chapter 17A.

Requires the Office of the Drug Policy Coordinator to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

7 35 Sec. 9. COMMUNITY SERVICES APPROPRIATIONS.

8 1 1. a. There is appropriated from the fund created by  
 8 2 section 8.41 to the division of community action agencies of  
 8 3 the department of human rights for the federal fiscal year  
 8 4 beginning October 1, 2003, and ending September 30, 2004, the  
 8 5 following amount:

Federal Community Services Block Grant appropriation to the Department of Human Rights.

DETAIL: Maintains current level of funding.

8 6 ..... \$ 6,956,142

8 7 Funds appropriated in this subsection are the funds  
8 8 anticipated to be received from the federal government for the  
8 9 designated federal fiscal year under 42 U.S.C., chapter 106,  
8 10 which provides for the community services block grant. The  
8 11 division of community action agencies of the department of  
8 12 human rights shall expend the funds appropriated in this  
8 13 subsection as provided in the federal law making the funds  
8 14 available and in conformance with chapter 17A.

Requires the Department of Human Rights to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

8 15 b. The administrator of the division of community action  
8 16 agencies of the department of human rights shall allocate not  
8 17 less than 96 percent of the amount of the block grant to  
8 18 eligible community action agencies for programs benefiting  
8 19 low-income persons. Each eligible agency shall receive a  
8 20 minimum allocation of not less than \$100,000. The minimum  
8 21 allocation shall be achieved by redistributing increased funds  
8 22 from agencies experiencing a greater share of available funds.  
8 23 The funds shall be distributed on the basis of the poverty-  
8 24 level population in the area represented by the community  
8 25 action areas compared to the size of the poverty-level  
8 26 population in the state.

Requires a minimum allocation of 96.00% of the Community Services Block Grant funds to go to eligible Community Action Agencies for programs benefiting low-income persons.

DETAIL: The minimum allocation of \$6,677,896 is no change compared to the estimated FFY 2003 allocation.

Requires that each eligible Community Action Agency receive a minimum allocation of \$100,000 of the Community Services Block Grant funds based upon the following:

1. A redistribution of increased funds from Community Action Agencies experiencing a greater share of available funds.
2. A comparison of the poverty-level population of a Community Action Agency catchment area compared to the size of the poverty-level population of the State.

8 27 2. An amount not exceeding 4 percent of the funds  
8 28 appropriated in subsection 1 shall be used by the division of  
8 29 community action agencies of the department of human rights  
8 30 for administrative expenses. From the funds set aside by this  
8 31 subsection for administrative expenses, the division of  
8 32 community action agencies of the department of human rights  
8 33 shall pay to the auditor of state an amount sufficient to pay  
8 34 the cost of auditing the use and administration of the state's

Requires a maximum allocation of 4.00% of the Community Services Block Grant funds to be used by the Division of Community Action Agencies, Department of Human Rights, for administrative and audit costs.

DETAIL: The maximum allocation of \$278,246 is no change compared to the estimated FFY 2003 allocation.



8 35 portion of the funds appropriated in subsection 1. The  
9 1 auditor of state shall bill the division of community action  
9 2 agencies for the costs of the audits.

9 3 Sec. 10. COMMUNITY DEVELOPMENT APPROPRIATIONS.

9 4 1. There is appropriated from the fund created by section  
9 5 8.41 to the Iowa department of economic development for the  
9 6 federal fiscal year beginning October 1, 2003, and ending  
9 7 September 30, 2004, the following amount:  
9 8 ..... \$ 32,600,000

Federal Community Development Block Grant appropriation to the Department of Economic Development.

DETAIL: This is an increase of \$1,479,000 due to a change in the estimated funds to be received from the federal government for community development.

9 9 Funds appropriated in this subsection are the funds  
9 10 anticipated to be received from the federal government for the  
9 11 designated federal fiscal year under 42 U.S.C., chapter 69,  
9 12 which provides for community development block grants. The  
9 13 Iowa department of economic development shall expend the funds  
9 14 appropriated in this subsection as provided in the federal law  
9 15 making the funds available and in conformance with chapter  
9 16 17A.

Requires the Department of Economic Development to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.

9 17 2. An amount not exceeding \$1,504,000 for the federal  
9 18 fiscal year beginning October 1, 2003, shall be used by the  
9 19 Iowa department of economic development for administrative  
9 20 expenses for the community development block grant. The total  
9 21 amount used for administrative expenses includes \$752,000 for  
9 22 the federal fiscal year beginning October 1, 2003, of funds  
9 23 appropriated in subsection 1 and a matching contribution from  
9 24 the state equal to \$752,000 from the appropriation of state  
9 25 funds for the community development block grant and state  
9 26 appropriations for related activities of the Iowa department  
9 27 of economic development. From the funds set aside for  
9 28 administrative expenses by this subsection, the Iowa  
9 29 department of economic development shall pay to the auditor of

Requires a maximum allocation of Community Development Block Grant funds for administrative and audit costs. Requires that the amount used include \$752,000 of the funds appropriated in Subsection 1 and a \$752,000 matching contribution from the State.

DETAIL: The allocation of \$752,000 is an increase of \$29,580 compared to the estimated FFY 2003 allocation.

The amount available for Community Development Programs is \$31,848,000, which is an increase of \$1,449,420 compared to the estimated FFY 2003 allocation.

9 30 state an amount sufficient to pay the cost of auditing the use  
9 31 and administration of the state's portion of the funds  
9 32 appropriated in subsection 1. The auditor of state shall bill  
9 33 the department for the costs of the audit.

9 34 Sec. 11. LOW-INCOME HOME ENERGY ASSISTANCE APPROPRIATIONS.

9 35 1. There is appropriated from the fund created by section  
10 1 8.41 to the division of community action agencies of the  
10 2 department of human rights for the federal fiscal year  
10 3 beginning October 1, 2003, and ending September 30, 2004, the  
10 4 following amount:  
10 5 ..... \$ 31,116,126

Federal Low-Income Home Energy Assistance Program (LIHEAP)  
Block Grant appropriation to the Division of Community Action  
Agencies, Department of Human Rights.

DETAIL: Maintains current level of funding.

10 6 The funds appropriated in this subsection are the funds  
10 7 anticipated to be received from the federal government for the  
10 8 designated federal fiscal year under 42 U.S.C., chapter 94,  
10 9 subchapter II, which provides for the low-income home energy  
10 10 assistance block grants. The division of community action  
10 11 agencies of the department of human rights shall expend the  
10 12 funds appropriated in this subsection as provided in the  
10 13 federal law making the funds available and in conformance with  
10 14 chapter 17A.

Requires the Department of Human Rights to expend the funds  
appropriated according to federal law and in conformance with  
administrative procedure as defined in Chapter 17A, Code of Iowa.

10 15 2. Up to 15 percent of the amount appropriated in this  
10 16 section that is actually received shall be used for  
10 17 residential weatherization or other related home repairs for  
10 18 low-income households. Of this allocation amount, not more  
10 19 than 10 percent may be used for administrative expenses. In  
10 20 order to receive low-income home energy assistance program  
10 21 funding, the head of an eligible household must be willing to  
10 22 allow residential weatherization or other related home  
10 23 repairs. However, if the eligible household is located in  
10 24 rental property, the unwillingness of the property owner to  
10 25 allow residential weatherization or other related home repairs

Requires a maximum allocation of up to 15.00% of the Low-Income  
Home Energy Assistance Block Grant funds to be utilized for  
residential weatherization or other related home repairs for low-  
income households. Of this allocation amount, not more than 10.00%  
may be used for administrative costs.

DETAIL: The maximum allocation of \$4,668,919 is no change  
compared to the estimated FFY 2003 allocation.

The maximum allocation is distributed as follows:

1. An allocation of \$4,202,027 may be used for residential

10 26 shall not prevent the eligible household from receiving low-  
 10 27 income home energy assistance program funding.

weatherization or other related home repairs for eligible low-income households. This is no change compared to the estimated FFY 2003 allocation.

2. A maximum allocation of \$466,892 may be used for administrative costs associated with the Residential Weatherization Program in the Division of Community Action Agencies, Department of Human Rights. This is no change compared to the estimated FFY 2003 allocation.

Requires that an eligible household allow residential weatherization or other related home repairs to receive home energy assistance. Eligible households residing in rental property are not prevented from receiving home energy assistance if the property owner is unwilling to allow for residential weatherization or other related home repairs.

10 28 3. After subtracting the allocation in subsection 2, up to  
 10 29 \$2,645,721 is allocated for administrative expenses of the  
 10 30 low-income home energy assistance program of which \$290,000 is  
 10 31 allocated for administrative expenses of the division. The  
 10 32 costs of auditing the use and administration of the portion of  
 10 33 the appropriation in this section that is retained by the  
 10 34 state shall be paid from the amount allocated in this  
 10 35 subsection to the division. The auditor of state shall bill  
 11 1 the division for the audit costs.

Allows for a maximum allocation of \$2,645,721 (10.00%) to be used for State and local administration and audit costs associated with the Low-Income Home Energy Assistance Program. Requires that the allocation in Subsection 2 be subtracted first.

Allows for \$290,000 of the above allocation to be used for State administration and audit costs in the Division of Community Action Agencies, Department of Human Rights.

DETAIL: The maximum allocation of \$2,645,721 is no change compared to the estimated FFY 2003 allocation.

The maximum allocation is distributed as follows:

1. An allocation of \$2,355,721 for local administration and audit costs associated with the Low-Income Home Energy Assistance Program. This is no change compared to the estimated FFY 2003 allocation.
2. A maximum allocation of \$290,000 for State administration and audit costs associated with the Low-Income Home Energy Assistance Program. This is no change compared to the estimated FFY 2003 allocation.

11 2 4. The remainder of the appropriation in this section

Requires that the remainder of the Low-Income Home Energy

11 3 following the allocations made in subsections 2 and 3, shall  
 11 4 be used to help eligible households as defined in 42 U.S.C.,  
 11 5 chapter 94, subchapter II, to meet home energy costs.

Assistance Block Grant funds, after allocations for weatherization, administration, audits, and assessment and resolution activities be used for home energy assistance costs.

DETAIL: The remaining \$22,245,180 in funds is to be used to assist eligible households in meeting home energy costs. This is no change compared to the estimated FFY 2003 allocation.

11 6 5. Not more than 10 percent of the amount appropriated in  
 11 7 this section that is actually received may be carried forward  
 11 8 for use in the succeeding federal fiscal year.

Permits a maximum of 10.00% of the total Low-Income Home Energy Assistance Block Grant funds to be carried forward for use in FFY 2004.

11 9 6. Expenditures for assessment and resolution of energy  
 11 10 problems shall be limited to 5 percent of the amount  
 11 11 appropriated in this section that is actually received.

Allows for a maximum of 5.00% of the total Low-Income Home Energy Assistance Block Grant funds to be used for assessment and resolution activities.

DETAIL: A maximum of \$1,556,306 may used for assessment and resolution activities, which is no change compared to the estimated FFY 2003 allocation. These activities include delivering client energy conservation education, family needs assessment, household energy use planning, and low-cost energy efficiency measures.

## 11 12 Sec. 12. SOCIAL SERVICES APPROPRIATIONS.

11 13 1. There is appropriated from the fund created by section  
 11 14 8.41 to the department of human services for the federal  
 11 15 fiscal year beginning October 1, 2003, and ending September  
 11 16 30, 2004, the following amount:  
 11 17 ..... \$ 17,578,494

Federal Social Services Block Grant appropriation to the Department of Human Services (DHS).

DETAIL: This is a decrease of \$981,477 compared to the estimated FFY 2003 appropriation due to a decrease in the estimated funds to be received from the federal government.

11 18 Funds appropriated in this subsection are the funds  
 11 19 anticipated to be received from the federal government for the

Requires the DHS to expend the funds appropriated according to federal law and in conformance with administrative procedure as

11 20 designated federal fiscal year under 42 U.S.C., chapter 7,  
 11 21 subchapter XX, which provides for the social services block  
 11 22 grant. The department of human services shall expend the  
 11 23 funds appropriated in this subsection as provided in the  
 11 24 federal law making the funds available and in conformance with  
 11 25 chapter 17A.

defined in Chapter 17A, Code of Iowa.

11 26 2. Not more than \$1,117,774 of the funds appropriated in  
 11 27 subsection 1 shall be used by the department of human services  
 11 28 for general administration. From the funds set aside in this  
 11 29 subsection for general administration, the department of human  
 11 30 services shall pay to the auditor of state an amount  
 11 31 sufficient to pay the cost of auditing the use and  
 11 32 administration of the state's portion of the funds  
 11 33 appropriated in subsection 1.

Requires a maximum allocation of \$1,117,774 of the Social Services Block Grant funds for administrative and audit costs.

DETAIL: The maximum allocation of \$1,117,774 is a decrease of \$62,410 compared to the estimated FFY 2003 allocation.

11 34 3. In addition to the allocation for general  
 11 35 administration in subsection 2, the remaining funds  
 12 1 appropriated in subsection 1 shall be allocated in the  
 12 2 following amounts to supplement appropriations for the federal  
 12 3 fiscal year beginning October 1, 2003, for the following  
 12 4 programs within the department of human services:

Requires allocations to the DHS for:

1. Field Operations
2. Child and Family Services
3. Local Administrative Costs and Services
4. Volunteers
5. Community-Based Services
6. Mental Health/Mental Retardation/Developmental Disabilities/Brain Injured Community Services

12 5 a. Field operations:  
 12 6 ..... \$ 6,685,530

Requires an allocation of the Social Services Block Grant funds for Field Operations.

DETAIL: The allocation is a decrease of \$373,280 compared to the estimated FFY 2003 allocation.

12 7 b. Child and family services:  
 12 8 ..... \$ 999,970

Requires an allocation of the Social Services Block Grant funds for Child and Family Services.

DETAIL: The allocation is a decrease of \$55,830 compared to the

		estimated FFY 2003 allocation.
12 9	c. Local administrative costs and other local services:	Requires an allocation of the Social Services Block Grant funds for
12 10	..... \$ 709,019	Local Administrative Costs and Services.
		DETAIL: The allocation is a decrease of \$39,588 compared to the
		estimated FFY 2003 allocation.
12 11	d. Volunteers:	Requires an allocation of the Social Services Block Grant funds for
12 12	..... \$ 77,490	Volunteers.
		DETAIL: The allocation is a decrease of \$4,326 compared to the
		estimated FFY 2003 allocation.
12 13	e. Community-based services:	Requires an allocation of the Social Services Block Grant funds for
12 14	..... \$ 89,111	Community-Based Services.
		DETAIL: The allocation is a decrease of \$4,975 compared to the
		estimated FFY 2003 allocation.
12 15	f. MH/MR/DD/BI community service (local purchase):	Requires an allocation of the Social Services Block Grant funds for
12 16	..... \$ 7,899,600	Mental Health/Mental Retardation/Developmental Disabilities/Brain
		Injured Community Services.
		DETAIL: The allocation is a decrease of \$441,068 compared to the
		estimated FFY 2003 allocation.
12 17	Sec. 13. SOCIAL SERVICES BLOCK GRANT PLAN. The department	Requires the DHS to develop a plan for the use of federal Social
12 18	of human services during each state fiscal year shall develop	Services Block Grant funds for the subsequent State fiscal year.
12 19	a plan for the use of federal social services block grant	Specifies the contents of the plan and requires that the plan be
12 20	funds for the subsequent state fiscal year.	submitted with the Department's budget requests to the Governor and
12 21	The proposed plan shall include all programs and services	the General Assembly.
12 22	at the state level which the department proposes to fund with	
12 23	federal social services block grant funds, and shall identify	
12 24	state and other funds which the department proposes to use to	
12 25	fund the state programs and services.	

12 26 The proposed plan shall also include all local programs and  
12 27 services which are eligible to be funded with federal social  
12 28 services block grant funds, the total amount of federal social  
12 29 services block grant funds available for the local programs  
12 30 and services, and the manner of distribution of the federal  
12 31 social services block grant funds to the counties. The  
12 32 proposed plan shall identify state and local funds which will  
12 33 be used to fund the local programs and services.  
12 34 The proposed plan shall be submitted with the department's  
12 35 budget requests to the governor and the general assembly.

13 1 Sec. 14. PROJECTS FOR ASSISTANCE IN TRANSITION FROM  
13 2 HOMELESSNESS.

13 3 1. Upon receipt of the minimum formula grant from the  
13 4 federal alcohol, drug abuse, and mental health administration  
13 5 to provide mental health services for the homeless, for the  
13 6 federal fiscal year beginning October 1, 2003, and ending  
13 7 September 30, 2004, the department of human services shall  
13 8 assure that a project which receives funds under the formula  
13 9 grant from either the federal or local match share of 25  
13 10 percent in order to provide outreach services to persons who  
13 11 have chronic mental illness and are homeless or who are  
13 12 subject to a significant probability of becoming homeless  
13 13 shall do all of the following:

13 14 a. Provide community mental health services, diagnostic  
13 15 services, crisis intervention services, and habilitation and  
13 16 rehabilitation services.

13 17 b. Refer clients to medical facilities for necessary  
13 18 hospital services, and to entities that provide primary health  
13 19 services and substance abuse services.

13 20 c. Provide appropriate training to persons who provide  
13 21 services to persons targeted by the grant.

13 22 d. Provide case management to homeless persons.

13 23 e. Provide supportive and supervisory services to certain  
13 24 homeless persons living in residential settings which are not  
13 25 otherwise supported.

13 26 2. Projects may expend funds for housing services

Requires the DHS to administer the projects for the Transition from Homelessness Block Grant. Outlines the requirements for projects receiving funds from the Transition from Homelessness Block Grant.

13 27 including minor renovation, expansion and repair of housing,  
 13 28 security deposits, planning of housing, technical assistance  
 13 29 in applying for housing, improving the coordination of housing  
 13 30 services, the costs associated with matching eligible homeless  
 13 31 individuals with appropriate housing, and one-time rental  
 13 32 payments to prevent eviction.

13 33 3. If the department has data indicating that a geographic  
 13 34 area has a substantial number of persons with mental illness  
 13 35 who are homeless and are not being served by an existing  
 14 1 grantee for that area under the formula grant and the existing  
 14 2 grantee has expressed a desire to no longer provide services  
 14 3 or the grantee's contract was terminated by the department for  
 14 4 nonperformance, the department shall issue a request for  
 14 5 proposals to replace the grantee. Otherwise, the department  
 14 6 shall maximize available funding by continuing to contract to  
 14 7 the extent possible with those persons who are grantees as of  
 14 8 the effective date of this subsection. The department shall  
 14 9 issue a request for proposals if additional funding becomes  
 14 10 available for expansion to persons who are not being served  
 14 11 and it is not possible to utilize existing grantees.

Requires the DHS to issue a new Request For Proposal (RFP) to replace the existing grantee under specified circumstances. Also, requires the Department to issue a RFP, if additional funding becomes available and it is not possible to use existing grantees.

14 12 Sec. 15. CHILD CARE AND DEVELOPMENT APPROPRIATION. There  
 14 13 is appropriated from the fund created by section 8.41 to the  
 14 14 department of human services for the federal fiscal year  
 14 15 beginning October 1, 2003, and ending September 30, 2004, the  
 14 16 following amount:  
 14 17 ..... \$ 42,089,767

Federal Child Care and Development Fund appropriation to the DHS.

DETAIL: This is an increase of \$1,920,641 compared to the estimated FFY 2003 appropriation due to an increase in the amount of estimated funds to be received from the federal government for child care.

14 18 Funds appropriated in this section are the funds  
 14 19 anticipated to be received from the federal government under  
 14 20 42 U.S.C., chapter 105, subchapter II-B, which provides for  
 14 21 the child care and development block grant. The department  
 14 22 shall expend the funds appropriated in this section as  
 14 23 provided in the federal law making the funds available and in  
 14 24 conformance with chapter 17A.

Requires the DHS to expend the funds appropriated according to federal law and in conformance with administrative procedure as defined in Chapter 17A, Code of Iowa.



## 14 25 Sec. 16. PROCEDURE FOR REDUCED FEDERAL FUNDS.

14 26 1. If the funds received from the federal government for  
14 27 the block grants specified in this Act are less than the  
14 28 amounts appropriated, the funds actually received shall be  
14 29 prorated by the governor for the various programs, other than  
14 30 for the services to victims of sex offenses and for rape  
14 31 prevention education under section 4, subsection 2, of this  
14 32 Act, for which each block grant is available according to the  
14 33 percentages that each program is to receive as specified in  
14 34 this Act. However, if the governor determines that the funds  
14 35 allocated by the percentages will not be sufficient to effect  
15 1 the purposes of a particular program, or if the appropriation  
15 2 is not allocated by percentage, the governor may allocate the  
15 3 funds in a manner which will effect to the greatest extent  
15 4 possible the purposes of the various programs for which the  
15 5 block grants are available.

15 6 2. Before the governor implements the actions provided for  
15 7 in subsection 1, the following procedures shall be taken:  
15 8 a. The chairpersons and ranking members of the senate and  
15 9 house standing committees on appropriations, the appropriate  
15 10 chairpersons and ranking members of subcommittees of those  
15 11 committees, and the director of the legislative service bureau  
15 12 and the director of the legislative fiscal bureau or the  
15 13 director of legislative services agency succeeding the two  
15 14 bureaus if such agency is established by law, shall be  
15 15 notified of the proposed action.  
15 16 b. The notice shall include the proposed allocations, and  
15 17 information on the reasons why particular percentages or  
15 18 amounts of funds are allocated to the individual programs, the  
15 19 departments and programs affected, and other information  
15 20 deemed useful. Chairpersons notified shall be allowed at  
15 21 least two weeks to review and comment on the proposed action  
15 22 before the action is taken.

Requires the Governor to allocate the funds received to the various programs on a prorated basis equal to the percentages specified in this Act, other than for the services to victims of sex offenses and for rape prevention education under Section 4.2 of this Act, if funding from the federal block grants is less than the amounts appropriated. If the Governor determines the funds allocated will not be sufficient, the Governor may allocate the funds in a manner that will attain the purposes of the various programs to the greatest extent possible.

Requires the following procedures be taken before the Governor makes any modifications to block grant funding levels:

1. The Chairpersons and Ranking Members of the Senate and House Appropriations Committees, the Chairpersons and Ranking Members of the Appropriations Subcommittees, and the Director of the Legislative Fiscal Bureau (LFB) and Legislative Service Bureau (LSB) are to be notified of the proposed action.
2. The notice is to include the proposed allocations and justification of the percentages or amounts allocated to the individual departments and programs. Notified Chairpersons are allowed at least two weeks to review and comment on the proposed allocations.

15 23 3. If the amount of moneys received from the federal  
 15 24 government for a specific grant number specified in this Act  
 15 25 is less than the amount appropriated, the amount appropriated  
 15 26 shall be reduced accordingly. An annual report listing any  
 15 27 such appropriation reduction shall be submitted to the fiscal  
 15 28 committee of the legislative council.

Requires specific grant appropriations be reduced according to reductions in federal funds for those grants. Requires an annual report of reductions in federal appropriations to be submitted to the Fiscal Committee of the Legislative Council.

15 29 Sec. 17. PROCEDURE FOR INCREASED FEDERAL FUNDS.

15 30 1. If funds received from the federal government in the  
 15 31 form of block grants exceed the amounts appropriated in  
 15 32 sections 1, 2, 3, 4, 5, 7, 10, and 12 of this Act, the excess  
 15 33 shall be prorated to the appropriate programs according to the  
 15 34 percentages specified in those sections, except additional  
 15 35 funds shall not be prorated for administrative expenses.

Requires funds received from block grants in excess of the anticipated amount be prorated according to the percentages specified in the Act for the following grants:

1. Substance Abuse (Section 1)
2. Community Mental Health Services (Section 2)
3. Maternal and Child Health Services (Section 3)
4. Preventive Health and Health Services (Section 4)
5. Drug Control and System Improvement (Section 5)
6. Local Law Enforcement (Section 7)
7. Community Development (Section 10)
8. Social Services (Section 12)

Specifies that additional funds are not to be prorated for administrative expenses.

16 1 2. If actual funds received from the federal government  
 16 2 from block grants exceed the amount appropriated in section 11  
 16 3 of this Act for the low-income home energy assistance program,  
 16 4 not more than 15 percent of the excess may be allocated to the  
 16 5 low-income residential weatherization program and not more  
 16 6 than 5 percent of the excess may be used for administrative  
 16 7 costs.

Specifies that if funds received are in excess of the amounts appropriated for the Low-Income Home Energy Assistance Program Block Grant in Section 11 of this Act, not more than 15.00% of the excess may be allocated to the Low-Income Residential Weatherization Program, and not more than 5.00% of the excess may be used for administrative costs.

16 8 3. If funds received from the federal government from  
 16 9 community services block grants exceed the amount appropriated  
 16 10 in section 9 of this Act, 100 percent of the excess is  
 16 11 allocated to the community services block grant program.

Requires all excess funds received from the Community Services Block Grant (Section 9 of this Act) be allocated to the Community Services Block Grant Program.

16 12 4. If the amount of moneys received from the federal

Requires specific grant appropriations be increased according to

16 13 government for a specific grant number specified in this Act  
 16 14 exceeds the amount appropriated, the excess amount is  
 16 15 appropriated for the purpose designated in the specific  
 16 16 grant's appropriation. An annual report listing any such  
 16 17 excess appropriations shall be submitted to the fiscal  
 16 18 committee of the legislative council.

increases in federal funds for those grants. Requires an annual report of increases in federal appropriations be submitted to the Fiscal Committee of the Legislative Council.

16 19 Sec. 18. PROCEDURE FOR EXPENDITURE OF ADDITIONAL FEDERAL  
 16 20 FUNDS. If other federal grants, receipts, and funds and other  
 16 21 nonstate grants, receipts, and funds become available or are  
 16 22 awarded which are not available or awarded during the period  
 16 23 in which the general assembly is in session, but which require  
 16 24 expenditure by the applicable department or agency prior to  
 16 25 March 15 of the fiscal year beginning July 1, 2003, and ending  
 16 26 June 30, 2004, these grants, receipts, and funds are  
 16 27 appropriated to the extent necessary, provided that the fiscal  
 16 28 committee of the legislative council is notified within thirty  
 16 29 days of receipt of the grants, receipts, or funds and the  
 16 30 fiscal committee of the legislative council has an opportunity  
 16 31 to comment on the expenditure of the grants, receipts, or  
 16 32 funds.

Appropriates additional federal and non-state funds to the extent necessary and requires the Fiscal Committee of the Legislative Council to be notified within 30 days of receipt of the funds. Requires the Fiscal Committee be given an opportunity to comment on the expenditure of funds.

16 33 Sec. 19. DEPARTMENT OF ADMINISTRATIVE SERVICES. Federal  
 16 34 grants, receipts, and funds and other nonstate grants,  
 16 35 receipts, and funds, available in whole or in part of the  
 17 1 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 17 2 are appropriated to the department of administrative services,  
 17 3 if the department is established in law by the Eightieth  
 17 4 General Assembly, 2003 Session, for the purposes set forth in  
 17 5 the grants, receipts, or conditions accompanying the receipt  
 17 6 of the funds, unless otherwise provided by law.

Appropriates federal and nonstate funds to the Department of Administrative Services for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

17 7 Sec. 20. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP.  
 17 8 Federal grants, receipts, and funds and other nonstate grants,  
 17 9 receipts, and funds, available in whole or in part for the  
 17 10 fiscal year beginning July 1, 2003, and ending June 30, 2004,

Appropriates a total of \$5,775,767 in federal and nonstate funds to the Department of Agriculture and Land Stewardship for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

17 11 are appropriated to the department of agriculture and land  
 17 12 stewardship for the purposes set forth in the grants,  
 17 13 receipts, or conditions accompanying the receipt of the funds,  
 17 14 unless otherwise provided by law. The following amounts are  
 17 15 appropriated to the department of agriculture and land  
 17 16 stewardship for the fiscal year beginning July 1, 2003, and  
 17 17 ending June 30, 2004:

17 18 1. For plant and animal disease and pest control, grant  
 17 19 number 10025:

17 20 ..... \$ 1,622,448

17 21 2. For assistance for intrastate meat and poultry, grant  
 17 22 number 10475:

17 23 ..... \$ 1,086,850

17 24 3. For surface coal mining regulation, grant number 15250:

17 25 ..... \$ 51,908

17 26 4. For abandoned mine land reclamation, grant number  
 17 27 15252:

17 28 ..... \$ 1,133,350

17 29 5. For farmers market nutrition program, grant number  
 17 30 10572:

17 31 ..... \$ 978,520

17 32 6. For performance partnership grants -- pesticide use,  
 17 33 grant number 66605:

17 34 ..... \$ 867,691

17 35 7. For agricultural and rural economic research, grant  
 18 1 number 10250:

18 2 ..... \$ 35,000

DETAIL: This is a decrease of \$1,274,380 compared to the estimated  
 FFY 2003 appropriation.

18 3 Sec. 21. OFFICE OF AUDITOR OF STATE. Federal grants,  
 18 4 receipts, and funds and other nonstate grants, receipts, and  
 18 5 funds, available in whole or in part for the fiscal year  
 18 6 beginning July 1, 2003, and ending June 30, 2004, are  
 18 7 appropriated to the office of auditor of state for the  
 18 8 purposes set forth in the grants, receipts, or conditions  
 18 9 accompanying the receipt of the funds, unless otherwise  
 18 10 provided by law.

Appropriates federal and nonstate funds to the Office of Auditor of  
 State for the purposes set forth in the grants, receipts, or conditions  
 accompanying the funds, unless otherwise provided by law.

18 11 Sec. 22. DEPARTMENT FOR THE BLIND. Federal grants,  
 18 12 receipts, and funds and other nonstate grants, receipts, and  
 18 13 funds, available in whole or in part for the fiscal year  
 18 14 beginning July 1, 2003, and ending June 30, 2004, are  
 18 15 appropriated to the department for the blind for the purposes  
 18 16 set forth in the grants, receipts, or conditions accompanying  
 18 17 the receipt of the funds, unless otherwise provided by law.  
 18 18 The following amounts are appropriated to the department for  
 18 19 the blind for the fiscal year beginning July 1, 2003, and  
 18 20 ending June 30, 2004:

18 21 1. For vocational rehabilitation, grant number 84126:  
 18 22 ..... \$ 704,777  
 18 23 2. For rehabilitation services -- basic support, grant  
 18 24 number 84126:  
 18 25 ..... \$ 5,143,433  
 18 26 3. For rehabilitation training, grant number 84265:  
 18 27 ..... \$ 20,081  
 18 28 4. For independent living project, grant number 84169:  
 18 29 ..... \$ 61,132  
 18 30 5. For older blind, grant number 84177:  
 18 31 ..... \$ 271,841  
 18 32 6. For supported employment, grant number 84187:  
 18 33 ..... \$ 68,254  
 18 34 7. For field research, grant number 84133:  
 18 35 ..... \$ 279,094

Appropriates a total of \$6,548,612 in federal and nonstate funds to the Department for the Blind for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$130,555 compared to the estimated FFY 2003 appropriation.

19 1 Sec. 23. IOWA STATE CIVIL RIGHTS COMMISSION. Federal  
 19 2 grants, receipts, and funds and other nonstate grants,  
 19 3 receipts, and funds, available in whole or in part for the  
 19 4 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 19 5 are appropriated to the Iowa state civil rights commission for  
 19 6 the purposes set forth in the grants, receipts, or conditions  
 19 7 accompanying the receipt of the funds, unless otherwise  
 19 8 provided by law. The following amounts are appropriated to  
 19 9 the Iowa state civil rights commission for the fiscal year  
 19 10 beginning July 1, 2003, and ending June 30, 2004:  
 19 11 1. For housing and urban development (HUD) discrimination

Appropriates a total of \$971,250 in federal and nonstate funds to the Iowa State Civil Rights Commission for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$367,989 compared to the estimated FFY 2003 appropriation.

19 12 complaints, grant number 14401:  
 19 13 ..... \$ 138,600  
 19 14 2. For job discrimination -- special projects, grant  
 19 15 number 30002:  
 19 16 ..... \$ 832,650

19 17 Sec. 24. COLLEGE STUDENT AID COMMISSION. Federal grants,  
 19 18 receipts, and funds and other nonstate grants, receipts, and  
 19 19 funds, available in whole or in part for the fiscal year  
 19 20 beginning July 1, 2003, and ending June 30, 2004, are  
 19 21 appropriated to the college student aid commission for the  
 19 22 purposes set forth in the grants, receipts, or conditions  
 19 23 accompanying the receipt of the funds, unless otherwise  
 19 24 provided by law. The following amounts are appropriated to  
 19 25 the college student aid commission for the fiscal year  
 19 26 beginning July 1, 2003, and ending June 30, 2004:  
 19 27 1. For Stafford loan program, grant number 84032:  
 19 28 ..... \$ 26,884,185  
 19 29 2. For federal improvement of education (FIE), grant  
 19 30 number 84215:  
 19 31 ..... \$ 800,000  
 19 32 3. For LEAP, grant number 84069:  
 19 33 ..... \$ 322,339

Appropriates a total of \$28,006,524 in federal and nonstate funds to the College Student Aid Commission for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$3,238 compared to the estimated FFY 2003 appropriation.

19 34 Sec. 25. DEPARTMENT OF COMMERCE. Federal grants,  
 19 35 receipts, and funds and other nonstate grants, receipts, and  
 20 1 funds, available in whole or in part for the fiscal year  
 20 2 beginning July 1, 2003, and ending June 30, 2004, are  
 20 3 appropriated to the department of commerce for the purposes  
 20 4 set forth in the grants, receipts, or conditions accompanying  
 20 5 the receipt of the funds, unless otherwise provided by law.

Appropriates federal and nonstate funds to the Department of Commerce for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

20 6 Sec. 26. DEPARTMENT OF CORRECTIONS. Federal grants,  
 20 7 receipts, and funds and other nonstate grants, receipts, and  
 20 8 funds, available in whole or in part for the fiscal year

Appropriates a total of \$198,000 in federal and nonstate funds to the Department of Corrections for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

20 9 beginning July 1, 2003, and ending June 30, 2004, are  
 20 10 appropriated to the department of corrections for the purposes  
 20 11 set forth in the grants, receipts, or conditions accompanying  
 20 12 the receipt of the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$2,000,000 compared to the estimated  
 FFY 2003 appropriation.

20 13 The following amounts are appropriated to the department of  
 20 14 corrections for the fiscal year beginning July 1, 2003, and  
 20 15 ending June 30, 2004:

20 16 1. For corrections and law enforcement family support,  
 20 17 grant number 16563:

20 18 ..... \$ 100,000

20 19 2. For incarcerated youth, grant number 84331:

20 20 ..... \$ 98,000

20 21 Sec. 27. DEPARTMENT OF CULTURAL AFFAIRS. Federal grants,  
 20 22 receipts, and funds and other nonstate grants, receipts, and  
 20 23 funds, available in whole or in part for the fiscal year  
 20 24 beginning July 1, 2003, and ending June 30, 2004, are  
 20 25 appropriated to the department of cultural affairs for the  
 20 26 purposes set forth in the grants, receipts, or conditions  
 20 27 accompanying the receipt of the funds, unless otherwise  
 20 28 provided by law. The following amounts are appropriated to  
 20 29 the department of cultural affairs for the fiscal year  
 20 30 beginning July 1, 2003, and ending June 30, 2004:

Appropriates a total of \$1,228,242 in federal and nonstate funds to the  
 Department of Cultural Affairs for the purposes set forth in the grants,  
 receipts, or conditions accompanying the funds, unless otherwise  
 provided by law.

DETAIL: This is a decrease of \$77,803 compared to the estimated  
 FFY 2003 appropriation.

20 31 1. For historic preservation grants-in-aid, grant number  
 20 32 15904:

20 33 ..... \$ 641,383

20 34 2. For national endowment for the arts (NEA) partner,  
 20 35 grant number 45025:

21 1 ..... \$ 556,800

21 2 3. For library and museum grants, grant number 45312:

21 3 ..... \$ 30,059

21 4 Sec. 28. IOWA DEPARTMENT OF ECONOMIC DEVELOPMENT. Federal  
 21 5 grants, receipts, and funds and other nonstate grants,  
 21 6 receipts, and funds, available in whole or in part for the  
 21 7 fiscal year beginning July 1, 2003, and ending June 30, 2004,

Appropriates a total of \$16,451,000 in federal and nonstate funds to  
 the Department of Economic Development for the purposes set forth  
 in the grants, receipts, or conditions accompanying the funds, unless  
 otherwise provided by law.

21 8 are appropriated to the Iowa department of economic  
 21 9 development for the purposes set forth in the grants,  
 21 10 receipts, or conditions accompanying the receipt of the funds,  
 21 11 unless otherwise provided by law. The following amounts are  
 21 12 appropriated to the department of economic development for the  
 21 13 fiscal year beginning July 1, 2003, and ending June 30, 2004:  
 21 14 1. For federal Affordable Housing Act, grant number 14239:  
 21 15 ..... \$ 12,900,000  
 21 16 2. For federal Community Service Act funds for state  
 21 17 commissions, grant number 94003:  
 21 18 ..... \$ 1,681,000  
 21 19 3. For empowerment zones, grant number 10772:  
 21 20 ..... \$ 125,000  
 21 21 4. For national corporation for community service, grant  
 21 22 number 94006:  
 21 23 ..... \$ 185,000  
 21 24 5. For shelter grants, grant number 14231:  
 21 25 ..... \$ 1,560,000

DETAIL: This is an increase of \$1,474,000 compared to the  
 estimated FFY 2003 appropriation.

21 26 Sec. 29. DEPARTMENT OF EDUCATION. Federal grants,  
 21 27 receipts, and funds and other nonstate grants, receipts, and  
 21 28 funds, available in whole or in part for the fiscal year  
 21 29 beginning July 1, 2003, and ending June 30, 2004, are  
 21 30 appropriated to the department of education for the purposes  
 21 31 set forth in the grants, receipts, or conditions accompanying  
 21 32 the receipt of the funds, unless otherwise provided by law.  
 21 33 The following amounts are appropriated to the department of  
 21 34 education for the fiscal year beginning July 1, 2003, and  
 21 35 ending June 30, 2004:  
 22 1 1. For school breakfast program, grant number 10553:  
 22 2 ..... \$ 10,286,966  
 22 3 2. For school lunch program, grant number 10555:  
 22 4 ..... \$ 52,320,000  
 22 5 3. For special milk program for children, grant number  
 22 6 10556:  
 22 7 ..... \$ 140,000  
 22 8 4. For child care food program, grant number 10558:

Appropriates a total of \$397,405,166 in federal and nonstate funds to  
 the Department of Education for the purposes set forth in the grants,  
 receipts, or conditions accompanying the funds, unless otherwise  
 provided by law.

DETAIL: This is a decrease of \$1,035,210 compared to the estimated  
 FFY 2003 appropriation.



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## House File 472

## Explanation

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22	9	.....	\$ 17,129,628
22	10	5. For summer food service for children, grant number	
22	11	10559:	
22	12	.....	\$ 685,843
22	13	6. For administration expenses for child nutrition, grant	
22	14	number 10560:	
22	15	.....	\$ 1,377,949
22	16	7. For public telecommunication facilities, grant number	
22	17	11550:	
22	18	.....	\$ 1,000,000
22	19	8. For vocational rehabilitation -- state supplementary	
22	20	assistance, grant number 84101:	
22	21	.....	\$ 704,454
22	22	9. For vocational rehabilitation -- FICA, grant number	
22	23	84048:	
22	24	.....	\$ 16,061,107
22	25	10. For nutrition education and training, grant number	
22	26	10574:	
22	27	.....	\$ 200,000
22	28	11. For safe and drug-free schools and communities --	
22	29	community service for suspended and expelled students, grant	
22	30	number 84184:	
22	31	.....	\$ 9,119
22	32	12. For star schools, grant number 84203:	
22	33	.....	\$ 3,500,000
22	34	13. For twenty-first century community learning centers,	
22	35	grant number 84287:	
23	1	.....	\$ 3,205,078
23	2	14. For ready to learn television, grant number 84295:	
23	3	.....	\$ 45,000
23	4	15. For innovative education program strategies, grant	
23	5	number 84298:	
23	6	.....	\$ 3,766,125
23	7	16. For class size reduction, grant number 84340:	
23	8	.....	\$ 12,781,129
23	9	17. For occupational and employment information state	
23	10	grants, grant number 84346:	
23	11	.....	\$ 150,814

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23	12	18. For reading first state grants, grant number 84357:
23	13	..... \$ 6,384,963
23	14	19. For rural education achievement program, grant number
23	15	84358:
23	16	..... \$ 245,454
23	17	20. For English language acquisition, grant number 84365:
23	18	..... \$ 1,958,427
23	19	21. For mathematics and science partnership, grant number
23	20	84366:
23	21	..... \$ 21,991,566
23	22	22. For state assessments and related activities, grant
23	23	number 84369:
23	24	..... \$ 5,226,824
23	25	23. For mine health and safety, grant number 17600:
23	26	..... \$ 108,578
23	27	24. For veterans education, grant number 64120:
23	28	..... \$ 254,295
23	29	25. For adult education, grant number 84002:
23	30	..... \$ 4,279,336
23	31	26. For federal Elementary and Secondary Education Act
23	32	(ESEA) Title I -- chapter 1, grant number 84010:
23	33	..... \$ 66,070,681
23	34	27. For migrant education, grant number 84011:
23	35	..... \$ 1,674,993
24	1	28. For education for neglected -- delinquent children,
24	2	grant number 84013:
24	3	..... \$ 341,984
24	4	29. For rehabilitation services demonstration and
24	5	training, grant number 84235:
24	6	..... \$ 96,138
24	7	30. For special education grants to states, grant number
24	8	84027:
24	9	..... \$ 92,392,607
24	10	31. For technology literacy challenge, grant number 84318:
24	11	..... \$ 3,629,131
24	12	32. For library services and technology, grant number
24	13	45310:
24	14	..... \$ 1,949,609

24 15	33. For vocational education -- state grants, grant number
24 16	84048:
24 17	..... \$ 13,308,530
24 18	34. For rehabilitation services -- basic support, grant
24 19	number 84126:
24 20	..... \$ 21,206,716
24 21	35. For rehabilitation training, grant number 84129:
24 22	..... \$ 68,161
24 23	36. For independent living project, grant number 84169:
24 24	..... \$ 239,199
24 25	37. For special education preschool grants -- incentive,
24 26	grant number 84173:
24 27	..... \$ 4,077,008
24 28	38. For special education grants for infants and families
24 29	with disabilities, grant number 84181:
24 30	..... \$ 4,036,730
24 31	39. For Byrd scholarship program, grant number 84185:
24 32	..... \$ 414,000
24 33	40. For drug-free schools/communities, grant number 84186:
24 34	..... \$ 3,419,873
24 35	41. For supported employment, grant number 84187:
25 1	..... \$ 288,695
25 2	42. For homeless youth and children, grant number 84196:
25 3	..... \$ 282,472
25 4	43. For even start, grant number 84213:
25 5	..... \$ 1,020,237
25 6	44. For AIDS prevention project, grant number 93938:
25 7	..... \$ 234,928
25 8	45. For headstart collaborative grant, grant number 93600:
25 9	..... \$ 125,000
25 10	46. For infrastructure under the Iowa demonstration
25 11	construction grant program and character education, grant
25 12	number 84215:
25 13	..... \$ 10,120,003
25 14	47. For teacher preparation education, grant number 84243:
25 15	..... \$ 1,248,679
25 16	48. For learn and serve America, grant number 94004:
25 17	..... \$ 176,442

25 18 49. For federal Elementary and Secondary Education Act  
 25 19 (ESEA) Title I, accountability, grant number 84348:  
 25 20 ..... \$ 1,395,000  
 25 21 50. For school repair and renovation, grant number 84352:  
 25 22 ..... \$ 500,000  
 25 23 51. For state program improvement, grant number 84323:  
 25 24 ..... \$ 882,875  
 25 25 52. For school reform, grant number 84332:  
 25 26 ..... \$ 3,838,666  
 25 27 53. For ready to change, grant number 84286:  
 25 28 ..... \$ 124,776  
 25 29 54. For refugee schools, grant number 93576:  
 25 30 ..... \$ 250,000  
 25 31 55. For United States department of education task orders,  
 25 32 grant number 84999:  
 25 33 ..... \$ 160,928  
 25 34 56. For advanced placement, grant number 84330:  
 25 35 ..... \$ 18,450

26 1 Sec. 30. DEPARTMENT OF ELDER AFFAIRS. Federal grants,  
 26 2 receipts, and funds and other nonstate grants, receipts, and  
 26 3 funds, available in whole or in part for the fiscal year  
 26 4 beginning July 1, 2003, and ending June 30, 2004, are  
 26 5 appropriated to the department of elder affairs for the  
 26 6 purposes set forth in the grants, receipts, or conditions  
 26 7 accompanying the receipt of the funds, unless otherwise  
 26 8 provided by law. The following amounts are appropriated to  
 26 9 the department of elder affairs for the fiscal year beginning  
 26 10 July 1, 2003, and ending June 30, 2004:  
 26 11 1. For nutrition program for elderly, grant number 10570:  
 26 12 ..... \$ 2,076,739  
 26 13 2. For senior community service employment program, grant  
 26 14 number 17235:  
 26 15 ..... \$ 1,135,441  
 26 16 3. For preventive health, grant number 93043:  
 26 17 ..... \$ 230,015  
 26 18 4. For supportive services, grant number 93044:

Appropriates a total of \$17,817,904 in federal and nonstate funds to the Department of Elder Affairs for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$831,999 compared to the estimated FFY 2003 appropriation.

26 19 ..... \$ 4,623,557

26 20 5. For nutrition, grant number 93045:

26 21 ..... \$ 6,754,839

26 22 6. For health care financing administration, grant number

26 23 93779:

26 24 ..... \$ 345,566

26 25 7. For elder abuse, grant number 93041:

26 26 ..... \$ 55,928

26 27 8. For ombudsman program, grant number 93042:

26 28 ..... \$ 97,123

26 29 9. For federal Older Americans Act of 1965, Title IV,

26 30 aging programs, grant number 93048:

26 31 ..... \$ 995,307

26 32 10. For caregiver support, grant number 93052:

26 33 ..... \$ 1,503,389

26 34 Sec. 31. ETHICS AND CAMPAIGN DISCLOSURE BOARD. Federal

26 35 grants, receipts, and funds and other nonstate grants,

27 1 receipts, and funds, available in whole or in part for the

27 2 fiscal year beginning July 1, 2003, and ending June 30, 2004,

27 3 are appropriated to the Iowa ethics and campaign disclosure

27 4 board for the purposes set forth in the grants, receipts, or

27 5 conditions accompanying the receipt of the funds, unless

27 6 otherwise provided by law.

Appropriates federal and nonstate funds to the Ethics and Campaign Disclosure Board for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

27 7 Sec. 32. DEPARTMENT OF GENERAL SERVICES. Federal grants,

27 8 receipts, and funds and other nonstate grants, receipts, and

27 9 funds, available in whole or in part for the fiscal year

27 10 beginning July 1, 2003, and ending June 30, 2004, are

27 11 appropriated to the department of general services for the

27 12 purposes set forth in the grants, receipts, or conditions

27 13 accompanying the receipt of the funds, unless otherwise

27 14 provided by law.

Appropriates federal and nonstate funds to the Department of General Services for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

27 15 Sec. 33. OFFICES OF THE GOVERNOR AND LIEUTENANT GOVERNOR.

Appropriates federal and nonstate funds to the Offices of the Governor and Lieutenant Governor for the purposes set forth in the

27 16 Federal grants, receipts, and funds and other nonstate grants,  
 27 17 receipts, and funds, available in whole or in part for the  
 27 18 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 27 19 are appropriated to the offices of the governor and lieutenant  
 27 20 governor for the purposes set forth in the grants, receipts,  
 27 21 or conditions accompanying the receipt of the funds, unless  
 27 22 otherwise provided by law.

grants, receipts, or conditions accompanying the funds, unless  
 otherwise provided by law.

27 23 Sec. 34. GOVERNOR -- DRUG POLICY COORDINATOR. Federal  
 27 24 grants, receipts, and funds and other nonstate grants,  
 27 25 receipts, and funds, available in whole or in part for the  
 27 26 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 27 27 are appropriated to the office of the governor for the drug  
 27 28 policy coordinator for the purposes set forth in the grants,  
 27 29 receipts, or conditions accompanying the receipt of the funds,  
 27 30 unless otherwise provided by law. The following amounts are  
 27 31 appropriated to the office of the governor for the drug policy  
 27 32 coordinator for the fiscal year beginning July 1, 2003, and  
 27 33 ending June 30, 2004:

Appropriates a total of \$2,420,000 in federal and nonstate funds to the  
 Office of the Governor for the Drug Policy Coordinator for the  
 purposes set forth in the grants, receipts, or conditions accompanying  
 the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$25,752 compared to the estimated  
 FFY 2003 appropriation.

27 34 1. For bulletproof vest partnership program, grant number  
 27 35 16607:  
 28 1 ..... \$ 20,000  
 28 2 2. For community prosecution and safe neighborhood  
 28 3 project, grant number 16609:  
 28 4 ..... \$ 100,000  
 28 5 3. For public safety partnership and community policy  
 28 6 grants, grant number 16710:  
 28 7 ..... \$ 300,000  
 28 8 4. For discretionary drug and criminal justice assistance  
 28 9 program, grant number 16580:  
 28 10 ..... \$ 2,000,000

28 11 Sec. 35. DEPARTMENT OF HUMAN RIGHTS. Federal grants,  
 28 12 receipts, and funds and other nonstate grants, receipts, and  
 28 13 funds, available in whole or in part for the fiscal year  
 28 14 beginning July 1, 2003, and ending June 30, 2004, are

Appropriates a total of \$8,680,085 in federal and nonstate funds to the  
 Department of Human Rights for the purposes set forth in the grants,  
 receipts, or conditions accompanying the funds, unless otherwise  
 provided by law.

28 15 appropriated to the department of human rights for the  
 28 16 purposes set forth in the grants, receipts, or conditions  
 28 17 accompanying the receipt of the funds, unless otherwise  
 28 18 provided by law. The following amounts are appropriated to  
 28 19 the department of human rights for the fiscal year beginning  
 28 20 July 1, 2003, and ending June 30, 2004:  
 28 21 1. For juvenile justice and delinquency prevention, grant  
 28 22 number 16540:  
 28 23 ..... \$ 864,000  
 28 24 2. For weatherization assistance, grant number 81042:  
 28 25 ..... \$ 5,051,761  
 28 26 3. For client assistance, grant number 84161:  
 28 27 ..... \$ 120,724  
 28 28 4. For federal Juvenile Justice and Delinquency Prevention  
 28 29 Act of 1974, § 505, Title V, delinquency prevention, grant  
 28 30 number 16546:  
 28 31 ..... \$ 270,000  
 28 32 5. For juvenile accountability incentive block grant,  
 28 33 grant number 16523:  
 28 34 ..... \$ 2,373,600

DETAIL: This is an increase of \$1,412,800 compared to the estimated FFY 2003 appropriation.

28 35 Sec. 36. DEPARTMENT OF HUMAN SERVICES. Federal grants,  
 29 1 receipts, and funds and other nonstate grants, receipts, and  
 29 2 funds, available in whole or in part for the fiscal year  
 29 3 beginning July 1, 2003, and ending June 30, 2004, are  
 29 4 appropriated to the department of human services, for the  
 29 5 purposes set forth in the grants, receipts, or conditions  
 29 6 accompanying the receipt of the funds, unless otherwise  
 29 7 provided by law. The following amounts are appropriated to  
 29 8 the department of human services for the fiscal year beginning  
 29 9 July 1, 2003, and ending June 30, 2004:  
 29 10 1. For food stamps, grant number 10551:  
 29 11 ..... \$ 500,000  
 29 12 2. For administration expense for food stamps, grant  
 29 13 number 10561:  
 29 14 ..... \$ 16,510,125  
 29 15 3. For commodity support food program, grant number 10565:

Appropriates a total of \$1,492,381,462 in federal and nonstate funds to the DHS for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is an increase of \$119,658,159 compared to the estimated FFY 2003 appropriation.

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## Explanation

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29 16	.....	\$ 309,557
29 17	4. For temporary emergency food assistance, grant number	
29 18	10568:	
29 19	.....	\$ 332,440
29 20	5. For health care and other facilities inspections, grant	
29 21	number 98887:	
29 22	.....	\$ 100,000
29 23	6. For foster grandparent program, grant number 94011:	
29 24	.....	\$ 205,616
29 25	7. For mental health training, grant number 93244:	
29 26	.....	\$ 706,365
29 27	8. For child support enforcement, grant number 93563:	
29 28	.....	\$ 33,320,705
29 29	9. For refugee and entrant assistance, grant number 93566:	
29 30	.....	\$ 3,144,266
29 31	10. For developmental disabilities basic support, grant	
29 32	number 93630:	
29 33	.....	\$ 713,398
29 34	11. For children's justice, grant number 93643:	
29 35	.....	\$ 203,995
30 1	12. For child welfare services, grant number 93645:	
30 2	.....	\$ 3,222,880
30 3	13. For federal Social Security Act, Title IV-E, foster	
30 4	care, grant number 93658:	
30 5	.....	\$ 17,488,776
30 6	14. For federal Social Security Act, Title IV-E, adoption	
30 7	assistance, grant number 93659:	
30 8	.....	\$ 23,047,667
30 9	15. For child abuse and neglect discretionary activity,	
30 10	grant number 93670:	
30 11	.....	\$ 227,725
30 12	16. For federal Social Security Act, Title IV-E,	
30 13	independent living, grant number 93674:	
30 14	.....	\$ 1,204,098
30 15	17. For preventive health services sexually transmitted	
30 16	diseases control grants, grant number 93977:	
30 17	.....	\$ 2,822,050
30 18	18. For medical assistance, grant number 93778:	



30 19 ..... \$1,336,501,417  
 30 20 19. For empowerment zones, grant number 10772:  
 30 21 ..... \$ 327,142  
 30 22 20. For promoting safe and stable families, grant number  
 30 23 93556:  
 30 24 ..... \$ 2,195,360  
 30 25 21. For state children's health insurance program, grant  
 30 26 number 93767:  
 30 27 ..... \$ 48,607,780  
 30 28 22. For adoption opportunities, grant number 93652:  
 30 29 ..... \$ 325,000  
 30 30 23. For mental health and mental retardation (MH/MR)  
 30 31 federal crisis nurseries, grant number 93556:  
 30 32 ..... \$ 85,378  
 30 33 24. For child abuse and neglect, grant number 93669:  
 30 34 ..... \$ 279,722

30 35 Sec. 37. INFORMATION TECHNOLOGY DEPARTMENT. Federal  
 31 1 grants, receipts, and funds and other nonstate grants,  
 31 2 receipts, and funds, available in whole or in part for the  
 31 3 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 31 4 are appropriated to the information technology department for  
 31 5 the purposes set forth in the grants, receipts, or conditions  
 31 6 accompanying the receipt of the funds, unless otherwise  
 31 7 provided by law.

Appropriates federal and nonstate funds to the Information Technology Department for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

31 8 Sec. 38. DEPARTMENT OF INSPECTIONS AND APPEALS. Federal  
 31 9 grants, receipts, and funds and other nonstate grants,  
 31 10 receipts, and funds, available in whole or in part for the  
 31 11 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 31 12 are appropriated to the department of inspections and appeals  
 31 13 for the purposes set forth in the grants, receipts, or  
 31 14 conditions accompanying the receipt of the funds, unless  
 31 15 otherwise provided by law. The following amounts are  
 31 16 appropriated to the department of inspections and appeals for  
 31 17 the fiscal year beginning July 1, 2003, and ending June 30,

Appropriates a total of \$3,440,290 in federal and nonstate funds to the Department of Inspections and Appeals for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is an increase of \$26,440 compared to the estimated FFY 2003 appropriation.

31 18 2004:  
 31 19 1. For assistance for intrastate meat and poultry, grant  
 31 20 number 10475:  
 31 21 ..... \$ 32,518  
 31 22 2. For food and drug research grants, grant number 13103:  
 31 23 ..... \$ 39,653  
 31 24 3. For Title XVIII Medicare inspections, grant number  
 31 25 13773:  
 31 26 ..... \$ 2,811,626  
 31 27 4. For state Medicaid fraud control, grant number 93775:  
 31 28 ..... \$ 556,493

31 29 Sec. 39. JUDICIAL BRANCH. Federal grants, receipts, and  
 31 30 funds and other nonstate grants, receipts, and funds,  
 31 31 available in whole or in part for the fiscal year beginning  
 31 32 July 1, 2003, and ending June 30, 2004, are appropriated to  
 31 33 the judicial branch for the purposes set forth in the grants,  
 31 34 receipts, or conditions accompanying the receipt of the funds,  
 31 35 unless otherwise provided by law. The following amount is  
 32 1 appropriated to the judicial branch for the fiscal year  
 32 2 beginning July 1, 2003, and ending June 30, 2004:  
 32 3 1. For United States department of health and human  
 32 4 services, grant number 13000:  
 32 5 ..... \$ 350,000  
 32 6 2. For United States department of justice, grant number  
 32 7 16000:  
 32 8 ..... \$ 148,583

Appropriates a total of \$498,583 in federal and nonstate funds to the Judicial Branch for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is no change compared to the estimated FFY 2003 appropriation.

32 9 Sec. 40. DEPARTMENT OF JUSTICE. Federal grants, receipts,  
 32 10 and funds and other nonstate grants, receipts, and funds,  
 32 11 available in whole or in part for the fiscal year beginning  
 32 12 July 1, 2003, and ending June 30, 2004, are appropriated to  
 32 13 the department of justice for the purposes set forth in the  
 32 14 grants, receipts, or conditions accompanying the receipt of  
 32 15 the funds, unless otherwise provided by law. The following  
 32 16 amounts are appropriated to the department of justice for the

Appropriates a total of \$6,732,474 in federal and nonstate funds to the Department of Justice for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$560,200 compared to the estimated FFY 2003 appropriation.

32 17 fiscal year beginning July 1, 2003, and ending June 30, 2004:

32 18 1. For crime victim assistance, grant number 16575:

32 19 ..... \$ 5,050,000

32 20 2. For family violence prevention and services/grants for

32 21 battered women's shelters, grant number 93671:

32 22 ..... \$ 1,200,000

32 23 3. For rural domestic violence and child victimization

32 24 enforcement, grant number 16589:

32 25 ..... \$ 482,474

32 26 Sec. 41. IOWA LAW ENFORCEMENT ACADEMY. Federal grants,  
32 27 receipts, and funds and other nonstate grants, receipts, and  
32 28 funds, available in whole or in part for the fiscal year  
32 29 beginning July 1, 2003, and ending June 30, 2004, are  
32 30 appropriated to the Iowa law enforcement academy for the  
32 31 purposes set forth in the grants, receipts, or conditions  
32 32 accompanying the receipt of the funds, unless otherwise  
32 33 provided by law.

Appropriates federal and nonstate funds to the Iowa Law Enforcement Academy for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

32 34 Sec. 42. DEPARTMENT OF MANAGEMENT. Federal grants,  
32 35 receipts, and funds and other nonstate grants, receipts, and  
33 1 funds, available in whole or in part for the fiscal year  
33 2 beginning July 1, 2003, and ending June 30, 2004, are  
33 3 appropriated to the department of management for the purposes  
33 4 set forth in the grants, receipts, or conditions accompanying  
33 5 the receipt of the funds, unless otherwise provided by law.

Appropriates federal and nonstate funds to the Department of Management for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

33 6 Sec. 43. DEPARTMENT OF NATURAL RESOURCES. Federal grants,  
33 7 receipts, and funds and other nonstate grants, receipts, and  
33 8 funds, available in whole or in part for the fiscal year  
33 9 beginning July 1, 2003, and ending June 30, 2004, are  
33 10 appropriated to the department of natural resources for the  
33 11 purposes set forth in the grants, receipts, or conditions  
33 12 accompanying the receipt of the funds, unless otherwise  
33 13 provided by law. The following amounts are appropriated to  
33 14 the department of natural resources for the fiscal year

Appropriates a total of \$28,450,777 in federal and nonstate funds to the Department of Natural Resources for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$74,999 compared to the estimated FFY 2003 appropriation.

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33 15 beginning July 1, 2003, and ending June 30, 2004:  
 33 16 1. For forestry incentive program, grant number 10064:  
 33 17 ..... \$ 350,000  
 33 18 2. For cooperative forestry assistance, grant number  
 33 19 10664:  
 33 20 ..... \$ 657,025  
 33 21 3. For fish restoration, grant number 15605:  
 33 22 ..... \$ 4,039,281  
 33 23 4. For wildlife restoration, grant number 15611:  
 33 24 ..... \$ 2,862,000  
 33 25 5. For acquisition, development, and planning, grant  
 33 26 number 15916:  
 33 27 ..... \$ 200,000  
 33 28 6. For recreational boating safety financial assistance,  
 33 29 grant number 20005:  
 33 30 ..... \$ 920,000  
 33 31 7. For consolidated environmental programs support, grant  
 33 32 number 66600:  
 33 33 ..... \$ 15,290,112  
 33 34 8. For energy conservation, grant number 81041:  
 33 35 ..... \$ 1,404,020  
 34 1 9. For federal Clean Water Act revolving loan fund, grant  
 34 2 number 66458:  
 34 3 ..... \$ 1,399,826  
 34 4 10. For flood mitigation assistance, grant number 83536:  
 34 5 ..... \$ 322,542  
 34 6 11. For United States geological survey, soil conservation  
 34 7 service, mapping projects, grant number 15808:  
 34 8 ..... \$ 185,827  
 34 9 12. For wildlife restoration, grant number 15611:  
 34 10 ..... \$ 56,000  
 34 11 13. For highway construction, grant number 20205:  
 34 12 ..... \$ 564,144  
 34 13 14. For fish and wildlife watershed, grant number 10904:  
 34 14 ..... \$ 200,000

34 16 funds and other nonstate grants, receipts, and funds,  
 34 17 available in whole or in part for the fiscal year beginning  
 34 18 July 1, 2003, and ending June 30, 2004, are appropriated to  
 34 19 the board of parole for the purposes set forth in the grants,  
 34 20 receipts, or conditions accompanying the receipt of the funds,  
 34 21 unless otherwise provided by law.

purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

34 22 Sec. 45. DEPARTMENT OF PERSONNEL. Federal grants,  
 34 23 receipts, and funds and other nonstate grants, receipts, and  
 34 24 funds, available in whole or in part for the fiscal year  
 34 25 beginning July 1, 2003, and ending June 30, 2004, are  
 34 26 appropriated to the department of personnel for the purposes  
 34 27 set forth in the grants, receipts, or conditions accompanying  
 34 28 the receipt of the funds, unless otherwise provided by law.

Appropriates federal and nonstate funds to the Department of Personnel for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

34 29 Sec. 46. DEPARTMENT OF PUBLIC DEFENSE. Federal grants,  
 34 30 receipts, and funds and other nonstate grants, receipts, and  
 34 31 funds, available in whole or in part for the fiscal year  
 34 32 beginning July 1, 2003, and ending June 30, 2004, are  
 34 33 appropriated to the department of public defense for the  
 34 34 purposes set forth in the grants, receipts, or conditions  
 34 35 accompanying the receipt of the funds, unless otherwise  
 35 1 provided by law. The following amounts are appropriated to  
 35 2 the department of public defense for the fiscal year beginning  
 35 3 July 1, 2003, and ending June 30, 2004:  
 35 4 1. For public assistance grants, grant number 83544:  
 35 5 ..... \$ 1,231,286  
 35 6 2. For military construction, grant number 12400:  
 35 7 ..... \$ 5,305,000  
 35 8 3. For hazardous materials grants, grant number 83548:  
 35 9 ..... \$ 6,290,923  
 35 10 4. For emergency management performance grants, grant  
 35 11 number 83552:  
 35 12 ..... \$ 2,154,520  
 35 13 5. For flood mitigation assistance, grant number 83535:  
 35 14 ..... \$ 141,900

Appropriates a total of \$43,685,692 in federal and nonstate funds to the Department of Public Defense for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$8,123,124 compared to the estimated FFY 2003 appropriation.

35 15 6. For flood mitigation assistance, grant number 83536:  
 35 16 ..... \$ 205,000  
 35 17 7. For community disaster loans, grant number 83537:  
 35 18 ..... \$ 247,402  
 35 19 8. For hazardous materials transport, grant number 20703:  
 35 20 ..... \$ 231,996  
 35 21 9. For operations and maintenance, grant number 12401:  
 35 22 ..... \$ 27,759,665  
 35 23 10. For public defense operations projects, grant number  
 35 24 12402:  
 35 25 ..... \$ 118,000

35 26 Sec. 47. PUBLIC EMPLOYMENT RELATIONS BOARD. Federal  
 35 27 grants, receipts, and funds and other nonstate grants,  
 35 28 receipts, and funds, available in whole or in part for the  
 35 29 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 35 30 are appropriated to the public employment relations board for  
 35 31 the purposes set forth in the grants, receipts, or conditions  
 35 32 accompanying the receipt of the funds, unless otherwise  
 35 33 provided by law.

Appropriates federal and nonstate funds to the Public Employment  
 Relations Board for the purposes set forth in the grants, receipts, or  
 conditions accompanying the funds, unless otherwise provided by law.

35 34 Sec. 48. IOWA DEPARTMENT OF PUBLIC HEALTH. Federal  
 35 35 grants, receipts, and funds and other nonstate grants,  
 36 1 receipts, and funds, available in whole or in part for the  
 36 2 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 36 3 are appropriated to the Iowa department of public health for  
 36 4 the purposes set forth in the grants, receipts, or conditions  
 36 5 accompanying the receipt of the funds, unless otherwise  
 36 6 provided by law. The following amounts are appropriated to  
 36 7 the Iowa department of public health for the fiscal year  
 36 8 beginning July 1, 2003, and ending June 30, 2004:  
 36 9 1. For women, infants, and children, grant number 10557:  
 36 10 ..... \$ 33,235,646  
 36 11 2. For research on health care costs, quality, and  
 36 12 outcomes, grant number 93226:  
 36 13 ..... \$ 260,000

Appropriates a total of \$75,456,875 in federal and nonstate funds to  
 the Iowa Department of Public Health for the purposes set forth in the  
 grants, receipts, or conditions accompanying the funds, unless  
 otherwise provided by law.

DETAIL: This is a decrease of \$2,784,123 compared to the estimated  
 FFY 2003 appropriation.

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36 14 3. For radon control, grant number 66032:  
 36 15 ..... \$ 472,290  
 36 16 4. For toxic substance compliance monitoring, grant number  
 36 17 66701:  
 36 18 ..... \$ 194,291  
 36 19 5. For drug-free schools -- communities, grant number  
 36 20 84186:  
 36 21 ..... \$ 683,975  
 36 22 6. For hazardous waste, grant number 66802:  
 36 23 ..... \$ 109,872  
 36 24 7. For regional delivery systems, grant number 93110:  
 36 25 ..... \$ 803,738  
 36 26 8. For tuberculosis control -- elimination, grant number  
 36 27 93116:  
 36 28 ..... \$ 783,077  
 36 29 9. For physician education, grant number 93161:  
 36 30 ..... \$ 109,675  
 36 31 10. For childhood lead abatement, grant number 93197:  
 36 32 ..... \$ 682,027  
 36 33 11. For family planning projects, grant number 93217:  
 36 34 ..... \$ 973,723  
 36 35 12. For public health and social services emergency fund,  
 37 1 grant number 93003:  
 37 2 ..... \$ 1,383,675  
 37 3 13. For injury prevention and control research and state  
 37 4 and community-based programs, grant number 93136:  
 37 5 ..... \$ 429,959  
 37 6 14. For disabilities prevention, grant number 93184:  
 37 7 ..... \$ 449,711  
 37 8 15. For state capacity building, grant number 93240:  
 37 9 ..... \$ 281,639  
 37 10 16. For improving EMS trauma care in rural areas, grant  
 37 11 number 93952:  
 37 12 ..... \$ 40,000  
 37 13 17. For immunization program, grant number 93268:  
 37 14 ..... \$ 2,022,925  
 37 15 18. For investigation and technical assistance, grant  
 37 16 number 93283:

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Explanation

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37	17	.....	\$ 15,647,191
37	18	19. For rural health, grant number 93913:	
37	19	.....	\$ 1,183,573
37	20	20. For HIV cares grants, grant number 93917:	
37	21	.....	\$ 1,886,371
37	22	21. For preventive health services, grant number 93977:	
37	23	.....	\$ 825,570
37	24	22. For AIDS prevention project, grant number 93940:	
37	25	.....	\$ 1,672,474
37	26	23. For breast and cervical cancer, grant number 93919:	
37	27	.....	\$ 3,067,191
37	28	24. For health care financing research, grant number	
37	29	93779:	
37	30	.....	\$ 1,500,000
37	31	25. For federal emergency medical services for children,	
37	32	grant number 93127:	
37	33	.....	\$ 100,428
37	34	26. For refugee and entrant assistance, grant number	
37	35	93576:	
38	1	.....	\$ 64,916
38	2	27. For federal environmental protection agency lead	
38	3	certification program, grant number 66707:	
38	4	.....	\$ 559,954
38	5	28. For loan repayment, grant number 93165:	
38	6	.....	\$ 265,000
38	7	29. For primary care services, grant number 93130:	
38	8	.....	\$ 175,721
38	9	30. For diabetes, grant number 93988:	
38	10	.....	\$ 255,026
38	11	31. For abstinence education, grant number 93235:	
38	12	.....	\$ 458,503
38	13	32. For AIDS prevention project, grant number 93944:	
38	14	.....	\$ 169,198
38	15	33. For data information systems, grant number 93000:	
38	16	.....	\$ 276,966
38	17	34. For traumatic brain injury, grant number 93234:	
38	18	.....	\$ 98,115
38	19	35. For treatment outcome performance protocol, grant	



38 20 number 93238:  
 38 21 ..... \$ 13,780  
 38 22 36. For United States department of justice, grant number  
 38 23 16000:  
 38 24 ..... \$ 74,048  
 38 25 37. For consolidated knowledge development and  
 38 26 application, grant number 93230:  
 38 27 ..... \$ 3,261,467  
 38 28 38. For infants and families with disabilities, grant  
 38 29 number 84181:  
 38 30 ..... \$ 5,906  
 38 31 39. For state and rural health, grant number 93241:  
 38 32 ..... \$ 680,318  
 38 33 40. For lung diseases research, grant number 93838:  
 38 34 ..... \$ 41,179  
 38 35 41. For risk surveillance, grant number 93945:  
 39 1 ..... \$ 183,426  
 39 2 42. For state administration matching grants for food  
 39 3 stamp program, grant number 10561:  
 39 4 ..... \$ 74,331  
  
 39 5 Sec. 49. DEPARTMENT OF PUBLIC SAFETY. Federal grants,  
 39 6 receipts, and funds and other nonstate grants, receipts, and  
 39 7 funds, available in whole or in part for the fiscal year  
 39 8 beginning July 1, 2003, and ending June 30, 2004, are  
 39 9 appropriated to the department of public safety, for the  
 39 10 purposes set forth in the grants, receipts, or conditions  
 39 11 accompanying the receipt of the funds, unless otherwise  
 39 12 provided by law. The following amounts are appropriated to  
 39 13 the department of public safety for the fiscal year beginning  
 39 14 July 1, 2003, and ending June 30, 2004:  
 39 15 1. For department of housing and urban development, grant  
 39 16 number 14100:  
 39 17 ..... \$ 25,000  
 39 18 2. For department of justice, grant number 16000:  
 39 19 ..... \$ 1,120,620  
 39 20 3. For discretionary drug and criminal justice assistance,

Appropriates a total of \$5,247,859 in federal and nonstate funds to the Department of Public Safety for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$2,185,657 compared to the estimated FFY 2003 appropriation.

39 21 grant number 16580:  
 39 22 ..... \$ 80,000  
 39 23 4. For state and community highway safety, grant number  
 39 24 20600:  
 39 25 ..... \$ 2,772,239  
 39 26 5. For law enforcement assistance narcotics and dangerous  
 39 27 drug training, grant number 16004:  
 39 28 ..... \$ 1,250,000

39 29 Sec. 50. STATE BOARD OF REGENTS. Federal grants,  
 39 30 receipts, and funds and other nonstate grants, receipts, and  
 39 31 funds, available in whole or in part for the fiscal year  
 39 32 beginning July 1, 2003, and ending June 30, 2004, are  
 39 33 appropriated to the state board of regents for the purposes  
 39 34 set forth in the grants, receipts, or conditions accompanying  
 39 35 the receipt of the funds, unless otherwise provided by law.  
 40 1 The following amounts are appropriated to the state board of  
 40 2 regents for the fiscal year beginning July 1, 2003, and ending  
 40 3 June 30, 2004:  
 40 4 1. For agricultural experiment, grant number 10203:  
 40 5 ..... \$ 4,125,373  
 40 6 2. For cooperative extension service, grant number 10500:  
 40 7 ..... \$ 8,400,000  
 40 8 3. For school breakfast program, grant number 10553:  
 40 9 ..... \$ 9,000  
 40 10 4. For school lunch program, grant number 10555:  
 40 11 ..... \$ 201,091  
 40 12 5. For maternal and child health, grant number 93110:  
 40 13 ..... \$ 144,716  
 40 14 6. For cancer treatment research, grant number 93395:  
 40 15 ..... \$ 37,758  
 40 16 7. For general research, grant number 83500:  
 40 17 ..... \$277,619,637  
 40 18 8. For special education grants to states, grant number  
 40 19 84027:  
 40 20 ..... \$ 69,240

Appropriates a total of \$290,606,815 in federal and nonstate funds to the Board of Regents for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is an increase of \$9,864,000 compared to the estimated FFY 2003 appropriation.

40 21 Sec. 51. DEPARTMENT OF REVENUE AND FINANCE. Federal  
40 22 grants, receipts, and funds and other nonstate grants,  
40 23 receipts, and funds, available in whole or in part for the  
40 24 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
40 25 are appropriated to the department of revenue and finance for  
40 26 the purposes set forth in the grants, receipts, or conditions  
40 27 accompanying the receipt of the funds, unless otherwise  
40 28 provided by law.

Appropriates federal and nonstate funds to the Department of Revenue and Finance for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

40 29 Sec. 52. OFFICE OF SECRETARY OF STATE. Federal grants,  
40 30 receipts, and funds and other nonstate grants, receipts, and  
40 31 funds, available in whole or in part for the fiscal year  
40 32 beginning July 1, 2003, and ending June 30, 2004, are  
40 33 appropriated to the office of secretary of state for the  
40 34 purposes set forth in the grants, receipts, or conditions  
40 35 accompanying the receipt of the funds, unless otherwise  
41 1 provided by law.

Appropriates federal and nonstate funds to the Office of Secretary of State for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

41 2 Sec. 53. IOWA STATE FAIR AUTHORITY. Federal grants,  
41 3 receipts, and funds and other nonstate grants, receipts, and  
41 4 funds, available in whole or in part for the fiscal year  
41 5 beginning July 1, 2003, and ending June 30, 2004, are  
41 6 appropriated to the Iowa state fair authority for the purposes  
41 7 set forth in the grants, receipts, or conditions accompanying  
41 8 the receipt of the funds, unless otherwise provided by law.

Appropriates federal and nonstate funds to the Iowa State Fair Authority for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

41 9 Sec. 54. OFFICE OF STATE-FEDERAL RELATIONS. Federal  
41 10 grants, receipts, and funds and other nonstate grants,  
41 11 receipts, and funds, available in whole or in part for the  
41 12 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
41 13 are appropriated to the office of state-federal relations for  
41 14 the purposes set forth in the grants, receipts, or conditions  
41 15 accompanying the receipt of the funds, unless otherwise  
41 16 provided by law.

Appropriates federal and nonstate funds to the Office of State-Federal Relations for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

41 17 Sec. 55. IOWA TELECOMMUNICATIONS AND TECHNOLOGY

Appropriates federal and nonstate funds to the Iowa

41 18 COMMISSION. Federal grants, receipts, and funds and other  
 41 19 nonstate grants, receipts, and funds, available in whole or in  
 41 20 part for the fiscal year beginning July 1, 2003, and ending  
 41 21 June 30, 2004, are appropriated to the Iowa telecommunications  
 41 22 and technology commission for the purposes set forth in the  
 41 23 grants, receipts, or conditions accompanying the receipt of  
 41 24 the funds, unless otherwise provided by law.

Telecommunications and Technology Commission for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

41 25 Sec. 56. OFFICE OF TREASURER OF STATE. Federal grants,  
 41 26 receipts, and funds and other nonstate grants, receipts, and  
 41 27 funds, available in whole or in part for the fiscal year  
 41 28 beginning July 1, 2003, and ending June 30, 2004, are  
 41 29 appropriated to the office of treasurer of state for the  
 41 30 purposes set forth in the grants, receipts, or conditions  
 41 31 accompanying the receipt of the funds, unless otherwise  
 41 32 provided by law. The following amount is appropriated to the  
 41 33 treasurer of state for the fiscal year beginning July 1, 2003,  
 41 34 and ending June 30, 2004:  
 41 35 For flood control, grant number 90000:  
 42 1 ..... \$ 350,000

Appropriates a total of \$350,000 in federal and nonstate funds to the Office of Treasurer of State for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$60,000 compared to the estimated FFY 2003 appropriation.

42 2 Sec. 57. STATE DEPARTMENT OF TRANSPORTATION. Federal  
 42 3 grants, receipts, and funds and other nonstate grants,  
 42 4 receipts, and funds, available in whole or in part for the  
 42 5 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 42 6 are appropriated to the state department of transportation for  
 42 7 the purposes set forth in the grants, receipts, or conditions  
 42 8 accompanying the receipt of the funds, unless otherwise  
 42 9 provided by law. The following amounts are appropriated to  
 42 10 the state department of transportation for the fiscal year  
 42 11 beginning July 1, 2003, and ending June 30, 2004:  
 42 12 1. For highway research, plan and construction, grant  
 42 13 number 20205:  
 42 14 ..... \$254,800,000  
 42 15 2. For motor carrier safety assistance, grant number  
 42 16 20217:

Appropriates a total of \$261,650,000 in federal and nonstate funds to the Department of Transportation for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$45,055,000 compared to the estimated FFY 2003 appropriation.

42 17 ..... \$ 50,000  
 42 18 3. For urban mass transportation, grant number 20507:  
 42 19 ..... \$ 6,800,000

42 20 Sec. 58. COMMISSION OF VETERANS AFFAIRS. Federal grants,  
 42 21 receipts, and funds and other nonstate grants, receipts, and  
 42 22 funds, available in whole or in part for the fiscal year  
 42 23 beginning July 1, 2003, and ending June 30, 2004, are  
 42 24 appropriated to the commission of veterans affairs for the  
 42 25 purposes set forth in the grants, receipts, or conditions  
 42 26 accompanying the receipt of the funds, unless otherwise  
 42 27 provided by law.

42 28 The following amounts are appropriated to the commission of  
 42 29 veterans affairs for the fiscal year beginning July 1, 2003,  
 42 30 and ending June 30, 2004:

42 31 1. For the veterans state domiciliary care, grant number  
 42 32 64014:

42 33 ..... \$ 303,023

42 34 2. For the veterans state nursing home care, grant number  
 42 35 64015:

43 1 ..... \$ 10,589,647

43 2 3. For Medicare supplementary medical insurance, grant  
 43 3 number 93774:

43 4 ..... \$ 600,000

43 5 4. For the veterans prescription service, grant number  
 43 6 64012:

43 7 ..... \$ 1,036,000

Appropriates a total of \$12,528,670 in federal and nonstate funds to the Commission of Veterans Affairs for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is an increase of \$1,162,384 compared to the estimated FFY 2003 appropriation.

43 8 Sec. 59. DEPARTMENT OF WORKFORCE DEVELOPMENT. Federal  
 43 9 grants, receipts, and funds and other nonstate grants,  
 43 10 receipts, and funds, available in whole or in part for the  
 43 11 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 43 12 are appropriated to the department of workforce development  
 43 13 for the purposes set forth in the grants, receipts, or  
 43 14 conditions accompanying the receipt of the funds, unless  
 43 15 otherwise provided by law. The following amounts are

Appropriates a total of \$420,638,317 in federal and nonstate funds to the Department of Workforce Development for the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

DETAIL: This is a decrease of \$19,337,064 compared to the estimated FFY 2003 appropriation.

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43 16 appropriated to the department of workforce development for  
 43 17 the fiscal year beginning July 1, 2003, and ending June 30,  
 43 18 2004:  
 43 19     1. For employment statistics, grant number 17002:  
 43 20 ..... \$ 2,521,732  
 43 21     2. For research and statistics, grant number 17005:  
 43 22 ..... \$ 155,449  
 43 23     3. For labor certification, grant number 17202:  
 43 24 ..... \$ 49,000  
 43 25     4. For employment service, grant number 17207:  
 43 26 ..... \$ 10,100,000  
 43 27     5. For unemployment insurance grant to state, grant number  
 43 28 17225:  
 43 29 ..... \$ 32,200,000  
 43 30     6. For occupational safety and health, grant number 17503:  
 43 31 ..... \$ 2,013,359  
 43 32     7. For disabled veterans outreach, grant number 17801:  
 43 33 ..... \$ 887,000  
 43 34     8. For local veterans employment representation, grant  
 43 35 number 17804:  
 44 1 ..... \$ 1,322,000  
 44 2     9. For unemployment insurance trust receipts, grant number  
 44 3 17225:  
 44 4 ..... \$357,465,000  
 44 5    10. For food stamps, grant number 10561:  
 44 6 ..... \$ 250,000  
 44 7    11. For WIA adult program, grant number 17258:  
 44 8 ..... \$ 4,979,493  
 44 9    12. For WIA youth activities, grant number 17259:  
 44 10 ..... \$ 6,049,284  
 44 11    13. For labor certification, grant number 17203:  
 44 12 ..... \$ 96,000  
 44 13    14. For federal Trade Adjustment Act, grant number 17245:  
 44 14 ..... \$ 2,500,000  
 44 15    15. For Title IV, grant number 93668:  
 44 16 ..... \$ 50,000

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House File 472

Explanation

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44 18 jp/es/25

# Federal Block Grant Appropriations and Allocations

FY 2001 - FY 2004

Bill Section	DEPARTMENT/PROGRAM	Actual FY 2001	Actual FY 2002	HF 2582 FY 2003	Revised Est. FY 2003	Estimated FY 2004	FY 2004 vs. Revised FY 03	Page/Line
<b>1</b>	<b>SUBSTANCE ABUSE BLOCK GRANT</b>							
	Department of Public Health							
	Administrative Expenses (5.00%)	\$ 627,111	\$ 629,596	\$ 634,920	\$ 629,596	\$ 603,922	\$ -25,674	
	Womens' Programs	1,211,044	1,390,939	1,211,044	1,390,939	1,390,939	0	
	Audits	24,585	24,585	24,585	24,585	24,585	0	
	Prevention Programs	2,135,896	2,395,011	2,165,568	2,395,011	10,058,993	7,663,982	
	Drug/Alcohol Treatment and Prevention	3,737,818	3,819,154	3,789,745	3,819,154	0	-3,819,154	
	Alcohol Treatment and Prevention	3,737,818	3,819,154	3,789,745	3,819,154	0	-3,819,154	
	Undesignated	1,067,948	0	1,082,784	0	0	0	
	<b>Total</b>	<u>\$ 12,542,220</u>	<u>\$ 12,078,439</u>	<u>\$ 12,698,391</u>	<u>\$ 12,078,439</u>	<u>\$ 12,078,439</u>	<u>\$ 0</u>	Page 1, Line 2
<b>2</b>	<b>COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT</b>							
	Department of Human Services							
	Services	\$ 2,917,952	\$ 3,179,078	\$ 3,408,436	\$ 3,432,186	\$ 3,432,186	\$ 0	
	Administration/Audits Costs (5.00%)	153,576	167,320	179,391	180,641	180,641	0	
	<b>Total</b>	<u>\$ 3,071,528</u>	<u>\$ 3,346,398</u>	<u>\$ 3,587,827</u>	<u>\$ 3,612,827</u>	<u>\$ 3,612,827</u>	<u>\$ 0</u>	Page 2, Line 1
<b>3</b>	<b>MATERNAL AND CHILD HEALTH BLOCK GRANT</b>							
	Department of Public Health							
	Audits	\$ 45,700	\$ 45,700	\$ 45,700	\$ 45,700	\$ 45,700	\$ 0	
	Administrative Services	150,000	150,000	150,000	150,000	150,000	0	
	Maternal & Child Health Programs	3,851,800	4,050,575	4,012,314	4,068,954	4,068,954	0	
	Statewide Perinatal Care Program	284,548	294,692	284,548	300,291	300,291	0	
	U of I Hospitals/Clinics	2,429,283	2,361,519	2,523,554	2,566,064	2,566,064	0	
	<b>Total</b>	<u>\$ 6,761,331</u>	<u>\$ 6,902,486</u>	<u>\$ 7,016,116</u>	<u>\$ 7,131,009</u>	<u>\$ 7,131,009</u>	<u>\$ 0</u>	Page 2, Line 32
<b>4</b>	<b>PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT</b>							
	Department of Public Health							
	Audits	\$ 5,522	\$ 5,522	\$ 5,522	\$ 5,522	\$ 5,522	\$ 0	
	Rape Prevention Ed. & Sex Offenses	496,937	307,057	497,555	68,220	496,937	428,717	
	Administrative Services	94,670	94,670	94,670	94,670	94,670	0	
	Risk Reduction Services	1,566,194	1,266,359	1,337,011	1,336,750	908,033	-428,717	
	<b>Total</b>	<u>\$ 2,163,323</u>	<u>\$ 1,673,608</u>	<u>\$ 1,934,758</u>	<u>\$ 1,505,162</u>	<u>\$ 1,505,162</u>	<u>\$ 0</u>	Page 4, Line 16



# Federal Block Grant Appropriations and Allocations

FY 2001 - FY 2004

Bill Section	DEPARTMENT/PROGRAM	Actual FY 2001	Actual FY 2002	HF 2582 FY 2003	Revised Est. FY 2003	Estimated FY 2004	FY 2004 vs. Revised FY 03	Page/Line
5	<b>DRUG CONTROL &amp; SYSTEM IMPROVEMENT BLOCK GRANT</b>							
	Gov. Office-Drug Enforce Coordinator							
	Administration/Audits Costs (10.00%)	\$ 407,943	\$ 326,292	\$ 647,352	\$ 491,524	\$ 491,524	\$ 0	
	Drug Control/System Improvement	5,419,816	5,194,920	5,826,176	6,175,238	6,240,000	64,762	
	<b>Total</b>	<u>\$ 5,827,759</u>	<u>\$ 5,521,212</u>	<u>\$ 6,473,528</u>	<u>\$ 6,666,762</u>	<u>\$ 6,731,524</u>	<u>\$ 64,762</u>	Page 5, Line 24
6	<b>STOP VIOLENCE AGAINST WOMEN BLOCK GRANT</b>							
	Department of Justice							
	Administration/Audits Costs (5.00%)	\$ 67,761	\$ 104,600	\$ 90,575	\$ 98,900	\$ 92,655	\$ -6,245	
	Stop Violence Against Women	1,287,449	1,354,700	1,720,927	1,879,100	1,760,445	-118,655	
	<b>Total</b>	<u>\$ 1,355,210</u>	<u>\$ 1,459,300</u>	<u>\$ 1,811,502</u>	<u>\$ 1,978,000</u>	<u>\$ 1,853,100</u>	<u>\$ -124,900</u>	Page 6, Line 12
7	<b>LOCAL LAW ENFORCEMENT BLOCK GRANT</b>							
	Gov. Office-Drug Enforce Coordinator							
	Administration/Audits Costs (3.00%)	\$ 9,293	\$ 5,155	\$ 10,252	\$ 13,748	\$ 9,142	\$ -4,606	
	Local Law Enforcement	300,474	316,931	331,481	298,528	295,606	-2,922	
	<b>Total</b>	<u>\$ 309,767</u>	<u>\$ 322,086</u>	<u>\$ 341,733</u>	<u>\$ 312,276</u>	<u>\$ 304,748</u>	<u>\$ -7,528</u>	Page 6, Line 34
8	<b>RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS</b>							
	Gov. Office-Drug Enforce Coordinator							
	Administration Costs (3.00%)	\$ 0	\$ 7,500	\$ 0	\$ 17,408	\$ 17,408	\$ 0	
	Residential Treatment	520,237	692,792	838,162	691,274	615,840	-75,434	
	<b>Total</b>	<u>\$ 520,237</u>	<u>\$ 700,292</u>	<u>\$ 838,162</u>	<u>\$ 708,682</u>	<u>\$ 633,248</u>	<u>\$ -75,434</u>	Page 7, Line 20
9	<b>COMMUNITY SERVICES BLOCK GRANT</b>							
	Department of Human Rights							
	Community Action Agencies	\$ 6,196,575	\$ 6,721,586	\$ 6,721,586	\$ 6,677,896	\$ 6,677,896	\$ 0	
	Administration/Audit Costs (4.00%)	258,191	280,066	280,066	278,246	278,246	0	
	<b>Total</b>	<u>\$ 6,454,766</u>	<u>\$ 7,001,652</u>	<u>\$ 7,001,652</u>	<u>\$ 6,956,142</u>	<u>\$ 6,956,142</u>	<u>\$ 0</u>	Page 8, Line 1
10	<b>COMMUNITY DEVELOPMENT BLOCK GRANT</b>							
	Department of Economic Develop.							
	Administration/Audit Costs	\$ 700,760	\$ 859,341	\$ 722,420	\$ 722,420	\$ 752,000	\$ 29,580	
	Community Development Programs	28,762,274	26,983,349	31,121,000	30,398,580	31,848,000	1,449,420	
	<b>Total</b>	<u>\$ 29,463,034</u>	<u>\$ 27,842,690</u>	<u>\$ 31,843,420</u>	<u>\$ 31,121,000</u>	<u>\$ 32,600,000</u>	<u>\$ 1,479,000</u>	Page 9, Line 4

# Federal Block Grant Appropriations and Allocations

FY 2001 - FY 2004

Bill Section	DEPARTMENT/PROGRAM	Actual FY 2001	Actual FY 2002	HF 2582 FY 2003	Revised Est. FY 2003	Estimated FY 2004	FY 2004 vs. Revised FY 03	Page/Line
11	<b>LOW-INCOME HOME ENERGY ASSISTANCE BLOCK GRANT</b>							
	Department of Human Rights							
	Weatherization Prog. (No admin)	\$ 2,305,113	\$ 4,202,027	\$ 4,202,027	\$ 4,202,027	\$ 4,202,027	\$ 0	
	Weatherization Admin.	256,124	466,892	466,892	466,892	466,892	0	
	Admin./Audit Costs (CAAs) (10.00%)	2,311,902	2,429,854	2,355,721	2,355,721	2,355,721	0	
	Admin./Audit Costs (Department)	290,000	290,000	290,000	290,000	290,000	0	
	Home Energy Assistance	45,187,721	24,384,950	22,245,180	22,245,180	22,245,180	0	
	Assessment/Resolution (5.00%)	706,215	707,251	1,556,306	1,556,306	1,556,306	0	
	<b>Total</b>	<u>\$ 51,057,075</u>	<u>\$ 32,480,974</u>	<u>\$ 31,116,126</u>	<u>\$ 31,116,126</u>	<u>\$ 31,116,126</u>	<u>\$ 0</u>	Page 9, Line 35
12	<b>SOCIAL SERVICES BLOCK GRANT</b>							
	Department of Human Services							
	Administration/Audit Costs	\$ 1,196,211	\$ 1,180,184	\$ 1,117,773	\$ 1,180,184	\$ 1,117,774	\$ -62,410	
	Field Operations	7,154,673	2,709,544	6,685,525	7,058,810	6,685,530	-373,280	
	Child and Family Services	1,070,140	1,055,802	999,969	1,055,800	999,970	-55,830	
	Local Administration Costs	758,773	748,607	709,019	748,607	709,019	-39,588	
	Volunteers	82,927	81,816	77,490	81,816	77,490	-4,326	
	Community-Based Services	95,365	94,086	89,111	94,086	89,111	-4,975	
	MH/MR/DD/BI Community Services	8,453,938	12,689,934	7,899,595	8,340,668	7,899,600	-441,068	
	<b>Total</b>	<u>\$ 18,812,027</u>	<u>\$ 18,559,973</u>	<u>\$ 17,578,482</u>	<u>\$ 18,559,971</u>	<u>\$ 17,578,494</u>	<u>\$ -981,477</u>	Page 11, Line 13
15	<b>CHILD CARE &amp; DEVELOPMENT BLOCK GRANT</b>							
	Department of Human Services							
	Child Care Development Fund	\$ 28,923,877	\$ 39,595,379	\$ 40,975,932	\$ 40,169,126	\$ 42,089,767	\$ 1,920,641	Page 14, Line 12
	<b>GRAND TOTAL</b>	<u>\$ 167,262,154</u>	<u>\$ 157,484,489</u>	<u>\$ 163,217,629</u>	<u>\$ 161,915,522</u>	<u>\$ 164,190,586</u>	<u>\$ 2,275,064</u>	

## FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
20	Agriculture	10025	Plant and Animal Disease and Pest Control	\$ 2,147,056	\$ 2,660,595	\$ 1,622,448	\$ -1,038,147	
		10475	Intrastate Meat and Poultry	1,010,365	1,086,850	1,086,850	0	
		13103	Food and Drug - Research Grants	138,000	0	0	0	
		15250	Surface Coal Mining Regulation	136,780	51,908	51,908	0	
		15252	Abandoned Mine Land Reclamation	1,119,850	1,133,350	1,133,350	0	
		10000	USDA	37,380	0	0	0	
		10572	Farmers Market Nutrition Program-WIC Recipients	739,078	978,520	978,520	0	
		66605	Performance Partnership Grants-Pesticide Use	899,767	867,691	867,691	0	
		66606	Air Quality	103,574	0	0	0	
		10163	Market Promotion	0	236,233	0	-236,233	
		10250	Agricultural and World Economic Research	0	35,000	35,000	0	
		10156	Marketing Improvement	55,000	0	0	0	
		Total		\$ 6,386,850	\$ 7,050,147	\$ 5,775,767	\$ -1,274,380	Page 17, Line 7
22	Blind	84126	Vocational Rehabilitation	\$ 396,485	\$ 627,005	\$ 704,777	\$ 77,772	
		84224	Assistive Technology Information Network	2,000	0	0	0	
		84126	Rehabilitation Services - Basic Support	5,612,555	5,273,988	5,143,433	-130,555	
		84265	Rehabilitation Training	20,094	20,081	20,081	0	
		84169	Independent Living Project	59,516	59,814	61,132	1,318	
		84177	Older Blind	260,599	350,931	271,841	-79,090	
		84187	Supported Employment	68,254	68,254	68,254	0	
		84133	Field Research	144,827	279,094	279,094	0	
		Total		\$ 6,564,330	\$ 6,679,167	\$ 6,548,612	\$ -130,555	Page 18, Line 11
23	Civil Rights	14401	HUD Discrimination Complaints	\$ 187,800	\$ 277,470	\$ 138,600	\$ -138,870	
		16110	Department of Justice Education	0	54,869	0	-54,869	
		30002	Job Discrimination - Sp. Proj.	957,075	1,006,900	832,650	-174,250	
		Total		\$ 1,144,875	\$ 1,339,239	\$ 971,250	\$ -367,989	Page 19, Line 1
24	College Student Aid Commission	84032	Stafford Loan	\$ 26,884,185	\$ 26,884,185	\$ 26,884,185	\$ 0	
		84215	Federal Improvement of Education	405,400	800,000	800,000	0	
		84069	LEAP	325,577	325,577	322,339	-3,238	
		Total		\$ 27,615,162	\$ 28,009,762	\$ 28,006,524	\$ -3,238	Page 19, Line 17
26	Corrections	16572	Criminal Alien Assistance	\$ 500,000	\$ 0	\$ 0	\$ 0	
		16202	Offender Reentry	0	2,000,000	0	-2,000,000	
		16563	Corrections and Law Enforcement Family Support	0	100,000	100,000	0	
		84331	Incarcerated Youth	140,000	98,000	98,000	0	
		Total		\$ 640,000	\$ 2,198,000	\$ 198,000	\$ -2,000,000	Page 20, Line 6
27	Cultural Affairs	15904	Historic Preservation Grants-in-Aid	\$ 555,917	\$ 613,383	\$ 641,383	\$ 28,000	
		45025	Nat'l. Endowment for the Arts Partner	462,700	621,910	556,800	-65,110	
		89003	NHPRC	0	8,636	0	-8,636	
		45312	Library and Museum Grants	30,059	30,059	30,059	0	
		45026	Nat'l. Endowment for the Arts Leaders	25,000	32,057	0	-32,057	
		Total		\$ 1,073,676	\$ 1,306,045	\$ 1,228,242	\$ -77,803	Page 20, Line 21

## FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
28	Economic Dev.	14239	Affordable Housing Act	\$ 11,587,000	\$ 11,587,000	\$ 12,900,000	\$ 1,313,000	
		94003	Community Service Act Funds	2,390,520	1,681,000	1,681,000	0	
		10772	Empowerment Zone	0	125,000	125,000	0	
		94006	National Corporation for Community Service	175,000	185,000	185,000	0	
		14231	Shelter Grant	1,399,000	1,399,000	1,560,000	161,000	
		Total		\$ 15,551,520	\$ 14,977,000	\$ 16,451,000	\$ 1,474,000	Page 21, line 4
29	Education	10553	School Breakfast Program	\$ 9,300,000	\$ 10,286,966	\$ 10,286,966	0	
		10555	School Lunch Program	48,321,600	52,320,000	52,320,000	0	
		10556	Special Milk Program for Children	150,000	140,000	140,000	0	
		10558	Child Care Food Program	15,819,573	17,129,628	17,129,628	0	
		10559	Summer Food Service for Children	750,000	685,843	685,843	0	
		10560	Administration Expenses for Child Nutrition	1,364,169	1,377,949	1,377,949	0	
		11550	Public Telecommunication Facilities	250,000	1,800,000	1,000,000	-800,000	
		84101	Vocational Rehabilitation - State Supplementary Assistance	599,175	680,235	704,454	24,219	
		84048	Vocational Rehabilitation - FICA	14,311,912	15,822,298	16,061,107	238,809	
		10574	Nutrition Education and Training	236,512	200,000	200,000	0	
		17249	School to Work DOL	0	24,301	0	-24,301	
		84154	Public Library	0	21,345	0	-21,345	
		84184	Safe and Drug Free Schools and Communities	0	336,264	9,119	-327,145	
		84203	Star Schools	0	2,500,000	3,500,000	1,000,000	
		84287	21st Century Community Learning Centers	0	1,783,539	3,205,078	1,421,539	
		84295	Ready to Learn	0	88,000	45,000	-43,000	
		84298	Innovative Education Program Strategies	0	3,753,929	3,766,125	12,196	
		84303	Technology Challenge	0	800,698	0	-800,698	
		84340	Class Size	0	12,781,129	12,781,129	0	
		84346	Occupational and Employment Information	0	150,814	150,814	0	
		84357	Reading First	0	5,624,841	6,384,963	760,122	
		84358	Rural Education Achievement Program	0	245,454	245,454	0	
		84365	English Language Acquisition	0	1,717,075	1,958,427	241,352	
		84366	Mathematics and Science Partnership	0	21,394,521	21,991,566	597,045	
		84369	State Assessment	0	5,167,619	5,226,824	59,205	
		17600	Mine Health and Safety	56,000	108,578	108,578	0	
		64120	Post Vietnam Era Veterans' Educational Assistance	246,921	254,295	254,295	0	
		84002	Adult Education	4,176,686	4,478,338	4,279,336	-199,002	
		84194	Bilingual Education	100,000	13,485	0	-13,485	
		84010	ESEA Title I	61,732,442	62,955,699	66,070,681	3,114,982	
		84011	Migrant Education	1,582,236	1,674,993	1,674,993	0	
		84013	Education for Neglected - Delinquent Children	388,321	341,984	341,984	0	
		84235	Rehabilitation Services Demonstration and Training Grant	96,138	96,138	96,138	0	
		84027	Special Education Grants to States	75,000,000	87,679,860	92,392,607	4,712,747	
		84318	Technology Literacy Challenge	2,612,528	3,534,232	3,629,131	94,899	
		45310	Library Services and Technology	1,735,160	2,111,407	1,949,609	-161,798	
		84048	Vocational Education - State Grants	12,385,507	13,281,368	13,308,530	27,162	
		84126	Rehabilitation Services - Basic Support	22,623,668	22,243,639	21,206,716	-1,036,923	
		84129	Rehabilitation Training	68,161	73,641	68,161	-5,480	

## FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
	<b>Education Cont.</b>	84281	ESEA Title II	2,859,074	385,072	0	-385,072	
		84162	Emergency Immigrant Education	626,000	22,099	0	-22,099	
		84169	Independent Living Project	238,065	238,065	239,199	1,134	
		84173	Special Education - PreSchool	4,003,283	4,077,008	4,077,008	0	
		84181	Special Education - Infants and Toddlers	3,315,713	3,851,252	4,036,730	185,478	
		84185	Byrd Scholarship Program	411,000	411,000	414,000	3,000	
		84186	Drug Free Schools/ Communities	3,419,873	3,419,873	3,419,873	0	
		84187	Supported Employment	291,740	288,694	288,695	1	
		84196	Homeless Youth and Children	284,029	289,667	282,472	-7,195	
		84213	Even Start	1,160,000	1,296,254	1,020,237	-276,017	
		84276	Goals 2000	253,472	1,000,120	0	-1,000,120	
		93938	AIDS Prevention Project	243,000	234,928	234,928	0	
		93600	Headstart Collaborative Grant	125,000	175,000	125,000	-50,000	
		84215	School Infrastructure Grants	50,000,000	10,100,271	10,120,003	19,732	
		84243	Tech Preparation Education	1,252,884	1,248,679	1,248,679	0	
		94004	Learn and Serve America	181,634	176,442	176,442	0	
		84326	IDEA General Supervision Enhancement	144,472	361,482	0	-361,482	
		84348	ESEA Title 1 - Title I Accountability Grant	1,465,942	1,395,000	1,395,000	0	
		84352	School Renovation Grant	4,919,363	5,498,372	500,000	-4,998,372	
		84323	State Program Improvement Grant	882,825	882,875	882,875	0	
		84332	School Reform	1,055,479	3,838,666	3,838,666	-	
		84338	Reading Excellence	2,961,969	2,635,836	0	-2,635,836	
		84286	Ready to Change	499,261	499,261	124,776	-374,485	
		93576	Refugee Schools	250,000	251,377	250,000	-1,377	
		84999	USDE Task Orders	40,000	164,528	160,928	-3,600	
		84330	Advanced Placement	18,450	18,450	18,450	-	
		Total		\$ 354,809,237	\$ 398,440,376	\$ 397,405,166	\$ -1,035,210	Page 21, line 26
<b>30</b>	<b>Elder Affairs</b>	10570	Nutrition Program for the Elderly	\$ 2,125,789	\$ 2,076,739	\$ 2,076,739	\$ 0	
		17235	Senior Community Service Employment Program	1,123,021	1,135,441	1,135,441	0	
		93043	Preventive Health	232,560	230,015	230,015	0	
		93044	Supportive Services	4,490,995	4,545,890	4,623,557	77,667	
		93045	Nutrition	6,591,658	6,754,839	6,754,839	0	
		93779	Health Care Financing Administration	229,194	345,566	345,566	0	
		93041	Elder Abuse	61,508	72,913	55,928	-16,985	
		93042	Ombudsman Program	48,252	96,622	97,123	501	
		93048	Title IV Aging Programs	810,572	1,888,489	995,307	-893,182	
		93052	Caregivers	1,322,144	1,503,389	1,503,389	0	
		Total		\$ 17,035,693	\$ 18,649,903	\$ 17,817,904	\$ -831,999	Page 26, Line 1
<b>34</b>	<b>Gov's Office of Drug Control Policy</b>	16607	Bullet Proof Vest Partnership Program	\$ 45,000	\$ 32,494	\$ 20,000	\$ -12,494	
		16609	Safe Neighbor	0	340,000	100,000	-240,000	
		16710	Community Policy	0	200,000	300,000	100,000	
		16580	Discretionary Drug and Criminal Justice Assistance	998,700	1,788,572	2,000,000	211,428	
		16589	Rural Domestic Violence and Child Victimization	350,000	0	0	0	
		16560	National Forensic Science Implementation Act	0	33,182	0	-33,182	
		Total		\$ 1,393,700	\$ 2,394,248	\$ 2,420,000	\$ 25,752	Page 27, Line 23

## FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
35	Human Rights	16540	Juvenile Justice and Delinquency Prevention	\$ 864,000	\$ 866,000	\$ 864,000	\$ -2,000	
		81042	Weatherization Assistance	5,051,761	5,051,761	5,051,761	0	
		84161	Client Assistance	120,724	120,724	120,724	0	
		16546	Title V - Delinquency Prevention	270,000	384,000	270,000	-114,000	
		16523	Juvenile Accountability Incentive Block Grant	2,373,600	844,800	2,373,600	1,528,800	
		Total		\$ 8,680,085	\$ 7,267,285	\$ 8,680,085	\$ 1,412,800	Page 28, Line 11
36	Human Services	10551	Food Stamps	\$ 2,025,000	\$ 3,000,000	\$ 500,000	\$ -2,500,000	
		10561	Administration Expense for Food Stamps	17,449,684	16,374,485	16,510,125	135,640	
		10565	Commodity Support Food Program	309,557	359,557	309,557	-50,000	
		10568	Temporary Emergency Food Assistance	332,440	332,440	332,440	0	
		98887	Health Care and Other Facilities	100,000	100,000	100,000	0	
		94011	Foster Grandparent Program	197,490	205,616	205,616	0	
		93244	Mental Health Training	706,365	557,687	706,365	148,678	
		93563	Child Support Enforcement	35,411,069	33,171,743	33,320,705	148,962	
		93566	Refugee and Entrant Assistance	3,272,498	3,310,702	3,144,266	-166,436	
		93630	Developmental Disabilities Basic Support	834,997	663,398	713,398	50,000	
		93643	Children's Justice	203,995	203,995	203,995	0	
		93645	Child Welfare Services	3,222,880	3,222,880	3,222,880	0	
		93658	Foster Care Title IV-E	25,862,477	16,389,877	17,488,776	1,098,899	
		93659	Title IV-E Adoption Assistance	24,767,321	24,447,655	23,047,667	-1,399,988	
		93670	Child Abuse and Neglect Discretionary Activities	227,725	462,736	227,725	-235,011	
		93576	Refugee and Entrant Assistance	0	72,075	0	-72,075	
		93597	Child Support Access and Visitation	0	99,146	0	-99,146	
		93603	Adoption	0	102	0	-102	
		93886	Physician Assistant Training	0	120,000	0	-120,000	
		93982	FEMA	0	1,087,625	0	-1,087,625	
		96007	MH Training	0	441,023	0	-441,023	
		93674	Title IV-E Independent Living	1,012,105	1,204,051	1,204,098	47	
		93.977	PHS: Sexually Transmitted Disease Control	2,822,047	2,822,047	2,822,050	3	
		93778	Medical Assistance	1,259,497,463	1,222,820,507	1,336,501,417	113,680,910	
		10772	Empowerment Zones	1,649,661	327,142	327,142	0	
		93556	Promoting Safe and Stable Families	1,843,340	1,814,744	2,195,360	380,616	
		93595	Welfare Reform Research Evaluation	10,000	0	0	0	
		93239	Welfare Reform	150,000	50,000	0	-50,000	
		93767	Children's Health Insurance Program	44,014,767	38,396,075	48,607,780	10,211,705	
		93652	General Admin - Adoption Opp	351,780	325,000	325,000	0	
		93556	MH/MR Federal - Crisis Nurs.	85,378	85,378	85,378	0	
		93560	Field Operations - Asst. Paymt.	408,316	300	0	-300	
		93669	Child Abuse and Neglect	279,722	255,317	279,722	24,405	
		Total		\$ 1,427,048,077	\$ 1,372,723,303	\$ 1,492,381,462	\$ 119,658,159	Page 28, Line 35
38	Inspections and Appeals	10475	Assistance for Intrastate Meat and Poultry	\$ 19,182	\$ 19,182	\$ 32,518	\$ 13,336	
		13103	Food and Drug - Research Grants	22,519	35,363	39,653	4,290	
		13773	Title XVIII Medicare Inspections	2,187,712	2,735,837	2,811,626	75,789	
		93245	Food Safety	0	33,430	0	-33,430	
		93775	State Medicaid Fraud Control	575,907	590,038	556,493	-33,545	
		Total		\$ 2,805,320	\$ 3,413,850	\$ 3,440,290	\$ 26,440	Page 31, line 8

## FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
39	Judicial	13000	Department of Health and Human Services	\$ 350,000	\$ 350,000	\$ 350,000	\$ 0	
		16000	Judicial Branch - Dept. of Just.	148,583	148,583	148,583	0	
			Total	\$ 498,583	\$ 498,583	\$ 498,583	\$ 0	Page 31, line 29
40	Department of Justice - Attorney General	16000	Department of Justice	\$ 5,150,000	\$ 0	\$ 0	\$ 0	
		13000	Department of Health and Human Services	1,000,000	0	0	0	
		16575	Victim Assistance	0	5,078,000	5,050,000	-28,000	
		16580	Discretionary Drug and Criminal Justice Assistance	0	269,900	0	-269,900	
		20600	Highway Safety	0	30,000	0	-30,000	
		93671	Family Violence	0	1,168,581	1,200,000	31,419	
		16589	Rural Domestic Violence and Child Victimization	0	746,193	482,474	-263,719	
			Total	\$ 6,150,000	\$ 7,292,674	\$ 6,732,474	\$ -560,200	Page 32, line 9
43	Natural Resources	10064	Forestry Incentive Program	\$ 345,000	\$ 350,000	\$ 350,000	\$ 0	
		10664	Cooperative Forestry Assistance	595,576	657,025	657,025	0	
		15605	Fish Restoration	6,670,323	4,039,281	4,039,281	0	
		15611	Wildlife Restoration	2,850,785	2,862,000	2,862,000	0	
		15916	Acquisition, Development and Planning	300,000	200,000	200,000	0	
		20005	Recreation Boating Safety Financial Assistance	1,065,000	920,000	920,000	0	
		66600	Consolidated Environmental Programs Support	11,882,841	15,290,112	15,290,112	0	
		81041	Energy Conservation	2,220,077	1,404,020	1,404,020	0	
		66458	Title VI Revolving Loan Fund	3,167,289	1,474,825	1,399,826	-74,999	
		83536	Flood Mitigation Assistance	254,001	322,542	322,542	0	
		15808	USGS - SCS Mapping Projects	175,750	185,827	185,827	0	
		15611	Wildlife Restoration	67,000	56,000	56,000	0	
		20205	Highway Construction	329,945	564,144	564,144	0	
		10904	Fish and Wildlife Watershed	200,000	200,000	200,000	0	
			Total	\$ 30,123,587	\$ 28,525,776	\$ 28,450,777	\$ -74,999	Page 33, Line 6
46	Public Defense	83544	Public Assistance Grants	\$ 1,262,786	\$ 6,303,761	\$ 1,231,286	\$ -5,072,475	
		12400	Military Construction	150,000	196,010	5,305,000	5,108,990	
		83548	Hazardous Materials Grants	6,406,303	3,562,114	6,290,923	2,728,809	
		83552	Emergency Management Performance Grant	1,722,236	3,875,406	2,154,520	-1,720,886	
		83535	Flood Mitigation Assistance	0	272,911	141,900	-131,011	
		83536	Flood Mitigation Assistance	154,930	200,000	205,000	5,000	
		12404	Youth Programs	0	68,634	0	-68,634	
		83516	Disaster Assistance	0	0	0	5,000	
		83537	Community Disaster	0	259,332	247,402	-11,930	
		83999	Pub/Priv	0	1,043,810	0	-1,043,810	
		93283	Investigations/Technical	0	15,250	0	-15,250	
		16007	Dept. of Justice Domestic Preparedness/Terrorism	574,554	0	0	0	
		20703	Hazardous Materials Preparedness	311,625	204,938	231,996	27,058	
		12401	Operations/Maintenance	20,156,233	23,352,426	27,759,665	4,407,239	
		12402	Public Defense - Ops/Projects	24,308,425	12,454,224	118,000	-12,336,224	
			Total	\$ 55,047,092	\$ 51,808,816	\$ 43,685,692	\$ -8,123,124	Page 34, Line 29

## FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
48	Public Health	10557	Women, Infants, and Children	\$ 34,228,664	\$ 33,215,146	\$ 33,235,646	\$ 20,500	
		93.226	Research on Healthcare Costs, Quality and Outcomes	250,000	300,000	260,000	-40,000	
		93999	POS Contract	0	324,520	0	-324,520	
		66032	Radon Control	566,536	472,290	472,290	0	
		66701	Toxic Substance Compliance Monitoring	202,358	194,291	194,291	0	
		84186	Drug-Free Schools - Communities	741,386	683,975	683,975	0	
		66802	Hazardous Waste	167,928	109,872	109,872	0	
		93110	Regional Delivery Systems	509,761	860,737	803,738	-56,999	
		93116	TB Control - Elimination	551,070	783,077	783,077	0	
		93161	Physician Education	304,560	110,406	109,675	-731	
		93197	Childhood Lead Abatement	696,158	767,898	682,027	-85,871	
		93217	Family Planning Projects	978,405	1,041,345	973,723	-67,622	
		93003	Emergency Funding	0	1,383,675	1,383,675	0	
		93136	Injury Prevention	0	477,636	429,959	-47,677	
		93184	Disabilities Prevention	0	604,516	449,711	-154,805	
		93240	Capacity Building	0	283,558	281,639	-1,919	
		93912	Rural Health	0	28,938	0	-28,938	
		93952	Trauma Care	0	40,000	40,000	0	
		93268	Immunization Program	2,072,290	2,022,925	2,022,925	0	
		93283	Investigations and Technical Assistance	3,306,852	19,749,282	15,647,191	-4,102,091	
		93913	Rural Health	79,950	122,285	1,183,573	1,061,288	
		93917	HIV Care Grants	1,584,910	1,886,371	1,886,371	0	
		93977	Preventive Health Services	771,372	770,570	825,570	55,000	
		93940	Aids Prevention Project	1,549,025	1,672,474	1,672,474	0	
		93919	Breast and Cervical Cancer	2,486,470	885,008	3,067,191	2,182,183	
		93779	Health Care Financing Research	724,310	1,782,045	1,500,000	-282,045	
		93127	Emergency Medical Services for Children	98,965	207,264	100,428	-106,836	
		93576	Refugee & Entrant Assistance	69,474	64,916	64,916	0	
		66707	EPA Lead Certification Program	535,764	589,798	559,954	-29,844	
		93165	Loan Repayment	120,000	150,000	265,000	115,000	
		93130	Primary Care Services	335,366	382,010	175,721	-206,289	
		93988	Diabetes	297,902	298,744	255,026	-43,718	
		93235	Abstinence Education	455,703	420,501	458,503	38,002	
		93944	AIDS Prevention Project	187,230	169,198	169,198	0	
		93000	Data Information Systems	953,043	276,966	276,966	0	
		93234	Trauma Brain Injury	200,000	97,150	98,115	965	
		93238	Treatment Outcome Performance Protocol	19,000	197,522	13,780	-183,742	
		16000	Department of Justice	245,048	74,048	74,048	0	
		93230	Consolidated Knowledge Development and Application	865,918	3,833,087	3,261,467	-571,620	
		84181	Infants and Families with Disabilities	12,250	5,906	5,906	0	
		93241	State and Rural Health	392,927	421,153	680,318	259,165	
		93838	Lung Diseases Research	199,227	41,179	41,179	0	
		93945	Risk Survey	93,095	364,385	183,426	-180,959	
		93137	Adult Wellness - Minority Com.	20,689	0	0	0	
		93556	Family Preservation	548,250	0	0	0	
		93566	Refugee & Entrant Asst.	182,750	0	0	0	
		10561	Food Stamps	0	74,331	74,331	0	
		Total		\$ 57,604,606	\$ 78,240,998	\$ 75,456,875	\$ -2,784,123	Page 35, Line 34



## FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
49	Public Safety	14100	Department of Housing and Urban Development	\$ 15,768	\$ 25,000	\$ 25,000	\$ 0	
		16000	Department of Justice	611,937	1,396,114	1,120,620	-275,494	
		16580	Discretionary Drug and Criminal Justice Assistance	97,141	58,000	80,000	22,000	
		16710	Cops/Spec In	0	63,560	0	-63,560	
		20600	State and Community Highway Safety	3,569,062	5,140,842	2,772,239	-2,368,603	
		16004	Law Enforcement, Assistance, and Dangerous Drug Training	1,133,963	750,000	1,250,000	500,000	
		Total		\$ 5,427,871	\$ 7,433,516	\$ 5,247,859	\$ -2,185,657	Page 39, Line 5
50	Regents	10203	Agricultural Experiment	\$ 4,125,373	\$ 4,125,373	\$ 4,125,373	\$ 0	
		10500	Cooperative Extension Service	8,300,000	8,400,000	8,400,000	0	
		10553	School Breakfast Program	9,000	9,000	9,000	0	
		10555	School Lunch Program	198,920	201,091	201,091	0	
		93110	Maternal and Child Health	160,861	144,716	144,716	0	
		93395	Cancer Treatment Research	27,583	37,758	37,758	0	
		83500	General Research	268,184,236	267,755,637	277,619,637	9,864,000	
		84027	Special Education - State Grants	437,891	69,240	69,240	0	
		84126	Rehab. Services - Basic Support	63,700	0	0	0	
		Total		\$ 281,507,564	\$ 280,742,815	\$ 290,606,815	\$ 9,864,000	Page 39, Line 29
56	Treasurer	90000	Flood Control	\$ 350,000	\$ 350,000	\$ 350,000	\$ 0	
		20600	Highway Safety	0	60,000	0	-60,000	
		Total		\$ 350,000	\$ 410,000	\$ 350,000	\$ -60,000	Page 41, Line 25
57	Transportation	20106	Airport Improvement Program - Federal Aviation Admin.	\$ 5,000	\$ 5,000	\$ 0	\$ -5,000	
		20205	Highway Research, Plan and Construction	247,575,000	299,800,000	254,800,000	-45,000,000	
		20217	Motor Carrier Safety Assistance	50,000	50,000	50,000	0	
		20308	Local Rail Service Assistance	50,000	50,000	0	-50,000	
		20507	Urban Mass Transportation	6,800,000	6,800,000	6,800,000	0	
		Total		\$ 254,480,000	\$ 306,705,000	\$ 261,650,000	\$ -45,055,000	Page 42, Line 2
58	Veterans Affairs	64014	Veterans Domiciliary	\$ 0	\$ 303,023	\$ 303,023	\$ 0	
		64015	Veterans Nursing Facility	0	10,463,263	10,589,647	126,384	
		93774	Medicare Part B	0	600,000	600,000	0	
		64012	Veterans Prescriptions	0		1,036,000	1,036,000	
		Total		\$ 0	\$ 11,366,286	\$ 12,528,670	\$ 1,162,384	Page 42, line 20

# FY 2004 Categorical Funds

Bill Section	Agency	Catalog No.	Grant Name	HF 2583 FY 2003 Amount	Revised FY 2003 Information	Categorical FY 2004 Estimate	FY 2004 vs. Revised FY 2003	Page/Line
59	Workforce Dev.	11309	Trade Expansion Act	\$ 1,310,000	\$ 0	\$ 0	\$ 0	
		17002	Employment Statistics	1,776,882	2,488,583	2,521,732	33,149	
		17005	Research and Statistics	176,277	155,449	155,449	0	
		17202	Labor Certification	49,000	49,000	49,000	0	
		17207	Employment Service	13,704,497	10,087,011	10,100,000	12,989	
		17225	Unemployment Insurance Grant to State	21,471,713	32,201,667	32,200,000	-1,667	
		17503	Occupational Health and Safety	2,313,087	2,061,836	2,013,359	-48,477	
		17801	Disabled Veterans Outreach	180,000	887,000	887,000	0	
		17804	Local Veterans Employment Representation	300,000	1,322,000	1,322,000	0	
		17998	Unemployment Insurance Trust Receipts	184,010,000	357,465,000	357,465,000	0	
		17250	Job Training Partnership Act	565,948	0	0	0	
		10561	Food Stamps	549,000	250,000	250,000	0	
		17253	Welfare to Work	0	2,688,006	0	-2,688,006	
		17258	WIA Adult Program	0	4,979,493	4,979,493	0	
		17259	WIA Youth Program	0	6,049,284	6,049,284	0	
		17260	WIA Dislocated Worker and National Emergency Grants	0	13,476,040	0	-13,476,040	
		17260	Min Wia Dislocation	0	1,870,491	0	-1,870,491	
		34002	Workforce Min LMC Programs	0	650,000	0	-650,000	
		83541	DUA Grants	0	299,000	0	-299,000	
		17203	Labor Certification	60,100	96,629	96,000	-629	
		17245	Trade Adjustment Act	1,417,823	2,848,892	2,500,000	-348,892	
		17246	JTPA - Dislocated Worker	1,340,840	0	0	0	
		17255	Workforce Investment Act	11,581,919	0	0	0	
		93668	Title IV	50,000	50,000	50,000	0	
Total				\$ 240,857,086	\$ 439,975,381	\$ 420,638,317	\$ -19,337,064	Page 43, Line 8
<b>TOTAL</b>			Grand Total	<u>\$ 2,802,794,914</u>	<u>\$ 3,077,448,170</u>	<u>\$ 3,127,170,364</u>	<u>\$ 49,722,194</u>	

# EXECUTIVE SUMMARY

## DEPARTMENT OF EDUCATION STATUTORY REVISIONS ACT

HOUSE FILE 549

### DEPARTMENT OF EDUCATION STATUTORY REVISIONS

### ELECTRONIC TRANSFER OF STUDENT RECORDS

### EDUCATIONAL ASSESSMENT AND REPORTING

### EARLY INTERVENTION BLOCK GRANT PROGRAM EXTENDED

### SCHOOL DISTRICT REORGANIZATION INCENTIVES EXPANSION

- This Act makes a number of changes to the duties, operations and programs of the Department of Education, the Board of Educational Examiners, the Board of Regents and its institutions, and local school boards. It also establishes the FY 2004 minimum teacher salary, makes changes to property tax school reorganization incentives, and extends whole-grade sharing supplemental weighting through FY 2006. The major features of this Act are described below.
- The Department of Education is directed to develop and implement a comprehensive management information system to provide electronic transfer of individual student records between schools, districts, post-secondary institutions, and the Department. Funding of \$230,000 that is currently allocated from the standing General Fund appropriation for the Educational Excellence Program will be sufficient for the Department to manage the costs of this provision.
- The Department of Education is directed to develop and implement a statewide program of educational assessment reporting and to approve the use of a single value-added system to calculate annual academic growth for each student, school, and district, in reading, mathematics, and other core academic areas where possible. The program meets the requirements of the federal No Child Left Behind Act. *This item was vetoed by the Governor.*
- The repeal date for the Early Intervention Block Grant Program is extended one year to July 1, 2004. Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) extended the Program's General Fund appropriation of \$30.0 million through FY 2004.
- Incentives for school district reorganization are expanded. Currently, school districts with fewer than 600 students receive a \$1.00 reduction in their Uniform Levy Property Tax (\$5.40 per \$1,000 valuation) to encourage them to dissolve or merge with another school district. This is an 18.5% reduction in the school foundation property taxes residents and businesses in the school district pay beginning the year before the merger or dissolution. Over the next three years, the levy reduction is phased out, returning to \$5.40 per \$1,000 taxable valuation. In this Act, a school district with more than 600 students that merges with a school district with fewer than 600 students receives the same total dollar amount of school foundation property tax reduction as the smaller school district. When the property tax support is reduced in these school districts, the General Fund State Aid is increased by a like amount.

FISCAL IMPACT: The cost in General Fund State Aid to offset the reorganization incentive reduction in school foundation property taxes is projected to cost the General Fund \$90,000 in FY 2005 and \$46,000 in FY 2006 based upon anticipated mergers. There is a potential for other mergers that would increase the cost to the General Fund.

# EXECUTIVE SUMMARY

## DEPARTMENT OF EDUCATION STATUTORY REVISIONS ACT

HOUSE FILE 549

### WHOLE-GRADE SHARING SUPPLEMENTAL WEIGHTING EXTENDED

- Whole-grade sharing supplemental weighting is extended through FY 2006. Schools that participate in whole-grade sharing while in the process of merging or dissolving receive a three-year incentive weighting of one-tenth of the percentage of the pupil's school day spent attending classes in the other school district. The incentive was to expire at the end of FY 2004; however, this Act extended the expiration date for two years. Receipt of the supplemental weighting in the second and third years is contingent upon a report indicating progress toward reorganization.

FISCAL IMPACT: The fiscal impact of this provision cannot be estimated due to a lack of information on how many districts will begin the merger process in FY 2005 and FY 2006.

### SEXUAL EXPLOITATION BY A SCHOOL EMPLOYEE

- A new criminal offense of sexual exploitation by a school employee is created and a penalty is provided.

FISCAL IMPACT: The fiscal and correctional impact cannot be determined due to insufficient information.

### VOLUNTARY DESEGREGATION PLANS

- Prohibits school districts from using the effect on the district's voluntary desegregation plan as grounds for denying an open enrollment request for transfer if the request was submitted in a timely manner prior to the district's adoption of the desegregation plan.
- Requires the State Board of Education to adopt rules by July 1, 2004, to establish guidelines and a review process for voluntary desegregation plans. Requires the Department of Education to provide technical assistance to districts considering such a plan.

### EDUCATIONAL EXCELLENCE PROGRAM

- The Phase III portion of the Educational Excellence Program is eliminated. Senate File 458 (FY 204 Standing Appropriations, Salary Provisions, and Statutory Changes Act) reduced the standing appropriation for the Program by \$24.0 million to \$56.9 million.

### STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

- The minimum teacher salary for FY 2004 is maintained at the FY 2003 level. This is estimated to cost local school districts \$4.7 million in FY 2004 for new first-year teachers and for teachers advancing to new salary levels in the Program.
- The Team-Based Variable Pay Pilot Project of the Student Achievement and Teacher Quality Program is extended through FY 2005, and the Department is directed to provide technical assistance to school districts participating in the pilot. The purpose of the Pilot Project is expanded to include comparison of student achievement gains in participating districts with gains in non-participating districts that are similar.

# EXECUTIVE SUMMARY DEPARTMENT OF EDUCATION STATUTORY REVISIONS ACT

HOUSE FILE 549

## STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM, CONTINUED CONTRACTS FOR PART-TIME AND SUBSTITUTE BUS DRIVERS READING INSTRUCTION PILOT PROGRAM

FISCAL IMPACT: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) provides an allocation of \$500,000 from the Student Achievement and Teacher Quality Program funding to continue the Pilot Project through FY 2005.

- The contract requirement for part-time and substitute school bus drivers is eliminated. *This item was vetoed by the Governor.*
- A Reading Instruction Pilot Program is established to improve student reading achievement and improve instruction beginning in FY 2004. School districts with 600 or more students or smaller districts that jointly participate with a combined student population of 600 or more are eligible to participate. The Program will implement intensive phonics reading instruction and direct instruction for students up through the eighth grade and will adhere to the United States Department of Education National Institute for Literacy standards. The Department of Education will administer the Pilot Program, which will include training and ongoing support for teachers and student assessment. Implementation of the Program is contingent upon receipt of an appropriation. The scope of the Program is dependent upon the available funding and will be scaled accordingly. *This item was vetoed by the Governor.*
- Specifies that the Sections of this Act relating to repeal of the Early Intervention Block Grant Program, reorganization incentives, and a reading instruction pilot program are effective upon enactment.
- The Governor vetoed the provision for a statewide program of educational assessment reporting, indicating that it was redundant to the requirements of the federal No Child Left Behind Act and that he could not support mandating the use of a single proprietary system for analysis and reporting.
- The Governor vetoed the elimination of the contract requirement for part-time and substitute school bus drivers, indicating that it would eliminate secure employment relationships for bus drivers.
- The Governor vetoed the provision for a reading instruction pilot program, indicating that it would duplicate current efforts to implement the federally funded Reading First program and that it is very late for school districts to plan to participate in a new program this fall.
- This Act was approved by the General Assembly on May 1, 2003, and item vetoed and signed by the Governor on May 30, 2003.

## EFFECTIVE DATES

## GOVERNOR'S VETOES

## ENACTMENT DATE

# EXECUTIVE SUMMARY

## GROW IOWA VALUES FUND APPROPRIATIONS ACT

HOUSE FILE 683

### GROW IOWA VALUES FUND

- House File 683 appropriates a total of \$503.0 million to the Grow Iowa Values Fund over a seven-year period beginning in FY 2004 from the following:
  - Appropriates a total of \$100.0 million to the Grow Iowa Values Fund over two fiscal years from the federal funds received through the federal Jobs and Growth Tax Relief Reconciliation Act of 2003. (Page 39, Line 26)
  - Appropriates a total of \$403.0 million to the Grow Iowa Values Fund over seven fiscal years from the revenues to be deposited into the General Fund that will be generated from the State entering into the streamlined sales and use tax agreement. These appropriations are contingent upon a 2.0% increase in the total amount of sales and use tax receipts credited to the General Fund. (Page 40, Line 11 through Page 41 Line 15)
- House File 683 appropriates a total of \$277.5 million from the Grow Iowa Values Fund over a four-year period (FY 2004 – FY 2007) for economic development initiatives discussed below.
  - Appropriates a total of \$20.0 million over three fiscal years to the Department of Economic Development (DED) for strategic marketing. (Page 32, Line 30)
  - Appropriates a total of \$178.0 million over four fiscal years for economic development programs administered by the DED. (Page 33, Line 13)
  - Appropriates a total of \$27.0 million over four fiscal years to the Grow Iowa Values Board for financial assistance to the Regents universities and accredited private institutions for a variety of biotechnology-related programs. (Page 34, Line 31)
  - Appropriates a total of \$1.0 million over two fiscal years beginning in FY 2006 for Rehabilitation Project Tax Credits. (Page 36, Line 19)
  - Appropriates a total of \$22.5 million over four fiscal years to the DED for the Loan and Credit Guarantee Fund. (Page 37, Line 1)
  - Appropriates a total of \$1.0 million over three fiscal years beginning in FY 2005 for payments of Endow Iowa Tax Credits. (Page 37, Line 19)
  - Appropriates a total of \$1.0 million over three fiscal years beginning in FY 2005 to the DED for the Endow Iowa Grants Program. (Page 38, Line 1)
  - Appropriates a total of \$1.0 million (\$500,000 in FY 2004 and \$500,000 in FY 2007) to the Grow Iowa Values Board for improvement at State and destination Parks. (Page 38, Line 18)

# EXECUTIVE SUMMARY

## GROW IOWA VALUES FUND APPROPRIATIONS ACT

HOUSE FILE 683

### GROW IOWA VALUES FUND (CONTINUED)

### GENERAL FUND APPROPRIATIONS AND APPROPRIATION ADJUSTMENTS

- Appropriates a total of \$1.0 million (\$500,000 in FY 2004 and \$500,000 in FY 2007) to the Treasurer of State for the Iowa Cultural Trust Fund. (Page 39, Line 9)
- Appropriates a total of \$25.0 million for deposit into the community colleges' workforce training and economic development funds. (Page 43, Line 22)
- Increases the appropriation for the FY 2004 State salary adjustment by \$2.0 million and increases the amount allocated for Judicial Branch employees by \$150,000. (Page 1, Line 3)
- Allocates \$150,000 to provide a 2.0% salary increase on December 5, 2003, for justices, judges, and magistrates. (Page 1, Line 31)
- Appropriates \$1.0 million to the Department of Management for the Local Government Innovation Fund. (Page 3, Line 10)
- Appropriates \$312,000 to the Department of Human Services (DHS) for providing mental health care services by county hospitals located in counties with populations of 225,000 or more. (Page 3, Line 27)
- Increases the appropriation to the Department of Corrections (DOC) Anamosa Correctional Facility by \$664,000 and 9.5 FTE positions to operate an additional 38 minimum-security beds at the Luster Heights Camp. (Page 4, Line 24)
- Increases the appropriation to the DOC Clarinda Correctional Facility by \$793,000 and 12.8 FTE positions to operate an additional 225 minimum-security beds. (Page 5, Line 9)
- Reduces the FY 2004 General Fund standing appropriation for Public Transit Assistance by \$2.6 million. (Page 5, Line 27)
- Increases the appropriation to the Governor's Office by \$250,000 and 2.0 FTE positions to fund the positions from the Governor's Office rather than other State agencies. (Page 6, Line 4)
- Increases the appropriation to the Department of Revenue by \$100,000 and 2.0 FTE positions to assist in preparation of information for the Revenue Estimating Conference and improve turnaround time for processing corporate tax filings. (Page 6, Line 21)
- Increases the appropriation to the Infectious Diseases Program in the Department of Public Health by \$98,000. (Page 7, Line 20)

## EXECUTIVE SUMMARY

### GROW IOWA VALUES FUND APPROPRIATIONS ACT

## HOUSE FILE 683

#### REBUILD IOWA INFRASTRUCTURE FUND APPROPRIATIONS

- Appropriates a total of \$822,000 to the DOC for renovation of the Luster Heights Prison Camp and conversion of the employee lodge to a minimum-security facility at the Clarinda Correctional Facility to increase bed capacity. (Page 4, Line 17 and Page 4, Line 21)

#### SCHOOL INFRASTRUCTURE LOCAL OPTION SALES TAX (SILO)

- Amends SF 445 (FY 2004 Local Option Sales Tax for Schools Act) to establish a guaranteed per pupil amount of \$575 per student. If the per pupil amount generated by the sales tax in a county is less than the guarantee, the county would receive a supplemental appropriation from the Secure an Advanced Vision for Education (SAVE) Fund for the difference. School districts in counties with the tax in place prior to April 1, 2003, would receive a greater amount than they would have received under current law or that amount plus the supplemental, bringing them up to the guarantee. School districts in counties implementing the tax after April 1, 2003, would receive the guaranteed amount or the pro rata share plus the supplemental. If the revenues in the Fund are insufficient to meet the supplemental amounts, the available funds will be distributed by funding the school district with the lowest sales tax capacity per student until it is equal to the next lowest school district. Those districts will be funded until they equal the next lowest district, and so on until the Fund is exhausted. (Page 12, Line 8 through Page 14, Line 26)

#### SECURE AN ADVANCED VISION FOR EDUCATION (SAVE) FUND

- Appropriates up to \$10.0 million per year from the RIIF for ten years beginning in FY 2005 to the Secure an Advanced Vision for Education (SAVE) Fund. The funds are appropriated to the SAVE Fund only after the first \$47.0 million is credited to the RIIF. (Page 51, Line 14)
- Appropriates up to \$5.0 million per year for ten years beginning in FY 2005 from the moneys credited to the General Fund that result from the State entering into the streamlined sales and use tax agreement to the Secure an Advanced Vision for Education (SAVE) Fund. The funds are appropriated to the SAVE Fund only after the funds from this source are appropriated to the Grow Iowa Values Fund. (Page 51, Line 24)

#### STREAMLINED SALES AND USE TAX CHANGES

- Revises Iowa's sales and use tax provisions to bring Iowa into compliance with model Streamlined Sales Tax legislation proposed by a national group representing states and other interested parties. Once in compliance, Iowa will participate with other compliance states in a program of voluntary tax collections by out-of-state retailers. (Page 52, Line 15 through Page 189, Line 24)

FISCAL IMPACT: It is estimated that the proposed changes to the sales and use tax provision will result in the following revenue increases to the General Fund through FY 2007:

- FY 2004: \$1.0 million
- FY 2005: \$15.0 million
- FY 2006: \$71.8 million
- FY 2007: \$71.8 million



# EXECUTIVE SUMMARY

## GROW IOWA VALUES FUND APPROPRIATIONS ACT

HOUSE FILE 683

### IOWA STREAMLINED SALES AND USE TAX ADVISORY COUNCIL

- Establishes the Iowa Streamlined Sales Tax Advisory Council review the streamlined sales and use tax agreement. Requires the Council to submit recommendations to the Iowa Streamlined Sales and Use Tax delegation concerning conformance of Iowa's sales and use taxes to the national agreement. (Page 189, Line 25 through Page 191, Line 1)

### PARKING STRUCTURE

- Creates a Capitol Complex Parking Structure Revolving Fund to be administered by the Department of Administrative Services. The fees deposited into the Fund will be used to manage, operate, and maintain the State-owned parking structure. (Page 191, Line 7) *The Governor vetoed this item.*
- Requires the Department of Administrative Services to issue a request for proposals for the management, operation, and maintenance of the parking structure located on the Capitol Complex. (Page 191, Line 29) *The Governor vetoed this item.*
- Requires the Department of General Services to establish reasonable parking fees for State employees for use of the State-owned parking structure. The fees will be deposited into the Capitol Complex Parking Structure Revolving Fund. (Page 192, Line 11) *The Governor vetoed this item.*

### OTHER PROVISIONS

- Requires commercial animal scales be placed on a concrete floor with adequate drainage away from the scale and specifies the minimum clearance level between the weigh bridge and the concrete floor should be at least eight inches. (Page 9, Line 7)
- Requires that a continuing care retirement community that is in compliance with Chapter 523D, Code of Iowa, not be held in violation of laws relating to assisted living programs if personal services are provided to tenants under specified conditions. (Page 9, Line 31)
- Provides a standing appropriation of up to \$125,000 from increased indirect cost reimbursements from State agencies to the Department of Management to fund the Office of Grants Enterprise Management. (Page 17, Line 15)
- Provides the option of judicial discretion for sentencing Operating While Intoxicated (OWI) offenders to the mandatory minimum two-day county jail term. (Page 22, Line 30)
- Creates an Interstate Compact Fund for administering the Interstate Compact. Permits the DOC to charge a fee of up to \$100 for offenders to transfer out of the State under the provisions of the Interstate Compact. The fees will be deposited into the Interstate Compact Fund. (Page 25, Line 34 and Page 31, Line 14)
- Establishes the Loan and Credit Guarantee Fund and specifies the purposes for use of the Fund's proceeds. (Page 47, Line 7)

# EXECUTIVE SUMMARY

## GROW IOWA VALUES FUND APPROPRIATIONS ACT

HOUSE FILE 683

### OTHER PROVISIONS (CONTINUED)

- Provides a General Fund appropriation in an amount sufficient to fund tax credits to a Regents university where research was conducted to develop technology that receives a patent and the application of the technology has sufficient potential impact on Iowa's economic development. (Page 48, Line 16)
- Provides an income tax credit equal to 20.0% of a taxpayer's endowment gift. Requires that the total amount of tax credits authorized not exceed \$2.0 million and that no tax credits will be authorized after December 31, 2005. (Page 48, Line 29)
- Provides an additional \$500,000 in tax credits beginning FY 2006 and FY 2007 for rehabilitation projects located in cultural and entertainment districts. (Page 50, Line 25)

### GOVERNOR'S VETOES

- The Governor vetoed the sales tax exemption on the sale of metered gas, electricity, and fuel oil to residential customers stating that he vetoed postponing the tax cut in HF 692 (FY 2004 Taxation Changes, Grow Iowa Values Program, Regulatory Reform Act) making this provision unnecessary. The Governor stated that he would recommend bringing continued reduction in the sales tax on residential utilities into alignment with the Streamlined Sales and Use Tax initiative for the next legislative session. (Page 52, Line 15)
- The Governor vetoed language pertaining to the establishment of a Capitol Complex Parking Structure Revolving Fund, establishing a fee for parking in the parking structure, and requiring the Department of Administrative Services to issue a request for proposals for the management, operation, and maintenance of the parking structure. The Governor stated that the fee discriminates against State employees and would also create an inequitable system where some State employees are charged a parking fee on the Capitol Complex while other State employees can park for free. (Page 191, Line 5 through Page 192, Line 20)

### EFFECTIVE DATES

- Specifies Section 17 relating to assisted living programs is effective upon enactment. (Page 17, Line 6)
- Specifies Section 29 relating to tobacco enforcement is effective retroactive to April 11, 2003. (Page 17, Line 9)
- Specifies Section 36 relating to a technical correction to HF 674 (Military Service Income Tax Deductions and Exemptions Act) is effective retroactive to January 1, 2003. (Page 22, Line 16)
- Specifies Section 43 relating to the effective date for the urban search and rescue team to supplement and enhance emergency and disaster operations is effective upon enactment. (Page 22, Line 20)
- Specifies Section 140 of SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) relating to nonreversion language for specified Rebuild Iowa Infrastructure Fund appropriations for restoration of the State Capitol building is effective upon enactment. (Page 22, Line 23)

**EXECUTIVE SUMMARY**  
**GROW IOWA VALUES FUND APPROPRIATIONS ACT**

**HOUSE FILE 683**

**ENACTMENT DATE**

- Specifies the creation of the Iowa Streamlined Sales Tax Advisory Council takes effect on July 1, 2004.  
(Page 191, Line 2)
- House File 683 was passed by the General Assembly on June 4, 2003, and signed by the Governor on June 19, 2003.

House File 683 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	3	1	Amends	Sec. 48, SF 458, 2003 Iowa Acts	Salary Adjustment Appropriation Increase
3	20	4	Nwthstnd	Sec. 8.64(4) as enacted in Sec. 27, SF 453, 2003 Iowa Acts	Local Innovation Fund
4	3	6	Amends	Sec. 13.2, HF 667, 2003 Iowa Acts	Medical Assistance Contract
4	24	8	Amends	Sec. 4.1(b), SF 439, 2003 Iowa Acts	Anamosa Appropriation Increase
5	9	8	Amends	Sec. 4.1(g), SF 439, 2003 Iowa Acts	Clarinda Appropriation Increase
5	27	9	Amends	Sec. 8, SF 458, 2003 Iowa Acts	Public Transit Assistance Decrease
6	4	10	Amends	Sec. 5.1, HF 655, 2003 Iowa Acts	Governor's Office Appropriation Increase
6	21	11	Amends	Sec. 31, HF 655, 2003 Iowa Acts	Department of Revenue Appropriation Increase
7	20	12	Amends	Sec. 2.8, HF 667, 2003 Iowa Acts	Infectious Diseases Program Appropriation Increase
8	6	14	Amends	Sec. 7J.1(1) as amended	Designation of Charter Agencies
8	22	15	Amends	15E.193B(4) as amended	Housing Development Businesses
9	7	16	Amends	Sec. 215.14	Animal Weighing and Measuring Devices
9	31	17	Amends	Sec. 231C.17(4)	Assisted Living Program
10	20	18	Adds	Sec. 237A.25	Child Care Provider Consumer Information
12	2	19	Adds	Sec. 384.84(9)	City Utility Services Liens
12	8	20	Amends	Sec. 422E.3A(2)(a) as enacted in Sec. 8, SF 445, 2003 Iowa Acts	Local Options Sales Tax for Schools

Page #	Line #	Bill Section	Action	Code Section	Description
12	22	21	Amends	Sec. 422E.3A(2)(b)(1) as enacted in Sec. 8, SF 445, 2003 Iowa Acts	Local Options Sales Tax for Schools
13	3	22	Amends	Sec. 422E.3A(3)(a) as enacted in SF 445, 2003 Iowa Acts	Local Options Sales Tax for Schools
13	12	23	Amends	Sec. 422E.3A(3)(b)(3) as enacted in SF 445, 2003 Iowa Acts	Local Options Sales Tax for Schools
13	20	24	Amends	Sec. 422E.3A(5) as enacted in SF 445, 2003 Iowa Acts	Local Options Sales Tax for Schools
14	5	25	Amends	Sec. 422E.3A(6) as enacted in SF 445, 2003 Iowa Acts	Local Options Sales Tax for Schools
14	27	26	Amends	Sec. 435.26A(5) as amended	Technical Correction to SF 458
15	4	27	Adds	Sec. 459.315(4A) as amended	Small Animal Feeding Operators
15	12	28	Amends	Sec. 508.31A(2)(a)(4) as enacted in Sec. 7, HF 647, 2003 Iowa Acts	Technical Correction to HF 647
15	19	29	Amends	Sec. 5.1, SF 401, 2003 Iowa Acts	Technical Correction to SF 401
15	34	30	Amends	Sec. 21, SF 458, 2003 Iowa Acts	National Guard Counseling Services
16	10	31	Amends	Sec. 149, SF 458, 2003 Iowa Acts	Supplemental Pay for Physician Services
16	28	32	Amends	Sec. 27.1, HF 667, 2003 Iowa Acts	Sexual Predator Commitment Program
17	15	34	Adds	Sec. 8A.505 as enacted in Sec. 87, HF 534, 2003 Iowa Acts	Office of Grants Enterprise Management
17	33	35	Amends	Sec. 12C.4 as amended	Technical Correction to HF 289

Page #	Line #	Bill Section	Action	Code Section	Description
18	32	36	Amends	Sec. 29A.28(3) as enacted in Sec. 3, HF 674, 2003 Iowa Acts	Technical Correction to HF 674
19	10	37	Amends	Sec. 70A.39(1)(b) as enacted in Sec. 1, HF 381, 2003 Iowa Acts	Technical Correction to HF 381
19	17	38	Amends	Sec. 99B.7(1)(1)(1) as amended	Technical Correction to SF 453
19	25	39	Amends	Sec. 507A.4(9)(e) as amended	Technical Correction to HF 647
19	32	40	Amends	Sec. 556.11(5) as amended	Technical Correction to SF 180
20	15	41	Repeals	Sec. 3, SF 438, 2003 Iowa Acts	Technical Correction to SF 438
20	17	42	Amends	Sec. 11, SF 453, 2003 Iowa Acts	Technical Correction to SF 453
20	22	43	Amends	Sec. 159, SF 458, 2003 Iowa Acts	Urban Search and Rescue Team
21	20	44	Amends	Sec. 112, HF 171, 2003 Iowa Acts	Technical Correction to HF 171
21	24	45	Amends	Sec. 5.8(a & b)	Technical Correction to HF 662
22	10	46	Amends	Sec. 6, HF 662, 2003 Iowa Acts	Technical Correction to HF 662
22	30	48	Amends	Sec. 321J.2(2)(a)(1)	Operating While Intoxicated (OWI) Law
23	5	49	Adds	Sec. 811.2A	Pre-Trial Release
23	20	50	Amends	Sec. 901.4	Presentence Investigation Reports
24	23	51	Amends	Sec. 901B.1(1)(c)(5)	Substance Abuse Treatment Facility
24	28	52	Amends	Sec. 903A.2(1)(a)	Reduction of Sentences
25	21	53	Amends	Sec. 903A.3(2)	Loss of Earned Time
25	34	54	Adds	Sec. 904.117	Interstate Compact Fund
26	10	55	Amends	Sec. 904.503(2)	Placement of Mentally Ill Inmates
26	25	56	Amends	Sec. 904.508(2)	Inmate Savings Fund
27	26	57	Amends	Sec. 904.508A	Inmate Telephone Fund
27	35	58	Amends	Sec. 904.513(1)(b)(4)	OWI Offender Confinement
28	13	59	Amends	Sec. 904.702(1)	Inmate Accounts
29	28	60	Amends	Sec. 907.4	Deferred Judgment Docket

Page #	Line #	Bill Section	Action	Code Section	Description
30	17	61	Amends	Sec. 907.9(1, 2, & 4)	CBC Supervision Fees
31	14	62	Adds	Sec. 907B.4	Interstate Compact Fee
31	23	63	Amends	Sec. 910.3B	Restitution for Death of Victim
32	20	64	Amends	Sec. 915.100(2)(c)	Restitution for Death of Victim
33	9	65.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
33	27	66.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
35	25	67.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
36	32	68.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
37	15	69.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
37	32	70.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
38	14	71.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
38	31	72.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
39	22	73.2	Nwthstnd	Sec. 8.33	Nonreversion of Funds
40	7	74.3	Nwthstnd	Sec. 8.33	Nonreversion of Funds
41	12	75.3	Nwthstnd	Sec. 8.33	Nonreversion of Funds
41	18	76.1O	Adds	Sec. 260C.18A(1)	Workforce Training and Economic Development Funds
41	32	76.2	Adds	Sec. 260C.18A(2)	Workforce Training and Economic Development Funds
43	11	76.3	Adds	Sec. 260C.18A(3)	Job Retention Program Allocations
43	22	76.4	Adds	Sec. 260C.18A(4)	Workforce Training and Economic Development Fund Appropriations
44	3	76.5	Adds	Sec. 260C.18A(5)	Workforce Training and Economic Development Funds Allocations
44	8	76.6	Adds	Sec. 260C.18A(6)	Workforce Training and Economic Development Fund Plans
44	25	76.7	Adds	Sec. 260C.18A(7)	Workforce Training and Economic Development Fund Projects
44	29	77	Adds	Sec. 260F.9(1)	Job Retention Program
45	2	77	Adds	Sec. 260F.9(2)	Job Retention Program
45	29	78	Adds	260F.101	Job Retention Program Reporting
46	3	79	Amends	Sec. 260G.3(2)	ACE Job Credits
46	31	80	Adds	260G.101	ACE Program Reporting
47	7	81	Adds	Sec. 15E.227	Loan and Credit Guarantee Fund
48	16	82	Adds	Sec. 262B.12	University-Based Research Utilization Program

Page #	Line #	Bill Section	Action	Code Section	Description
48	29	83	Adds	Sec. 15E.305	Endow Iowa Tax Credits
49	32	84	Adds	Sec. 422.11H	Endow Iowa Tax Credits
50	2	85	Adds	422.33(14)	Endow Iowa Tax Credits
50	7	86	Adds	422.60(7)	Endow Iowa Tax Credits
50	12	87	Adds	432.12D	Endow Iowa Tax Credits
50	15	88	Adds	Sec. 533.24	Endow Iowa Tax Credits
50	25	90	Amends	Sec. 404A.4(4)	Rehabilitation Project Tax Credits
51	14	91	Adds	Sec. 8.57(5)(f)	SAVE Fund Appropriation
51	24	92	Adds	Sec. 292A.3A	SAVE Fund Appropriation
52	7	93	Repeals	Various	Repeal Date of the Grow Iowa Values Fund
52	15	94	Adds	Sec. 423.1	Streamlined Sales & Use Tax Definitions
62	15	95	Adds	Sec. 423.2	Imposition of Sales Tax
69	29	96	Adds	Sec. 423.3	Sales Tax Exemptions
96	23	97	Adds	Sec. 423.4	Sales Tax Refunds
100	9	98	Adds	Sec. 423.5	Imposition of Use Tax
101	19	99	Adds	Sec. 423.6	Use Tax Exemptions
108	25	100	Adds	Sec. 423.7	Uniform Sales and Use Tax Administration Act
108	28	101	Adds	Sec. 423.8	Legislative Findings and Intent
109	5	102	Adds	Sec. 423.9	Authority to Enter Agreements and Represent the State
109	21	103	Adds	Sec. 423.10	Relationship to State Law
109	27	104	Adds	Sec. 423.11	Agreement Requirements
111	23	105	Adds	Sec. 423.12	Limited Binding and Beneficial Effect
112	12	106	Adds	Sec. 423.13	Purpose of Subchapter V
112	22	107	Adds	Sec. 423.14	Sales and Use Tax Collection
114	19	108	Adds	Sec. 423.15	General Source Rulings
117	14	109	Adds	Sec. 423.16	Transactions to which General Source Rulings do not Apply
118	3	110	Adds	Sec. 423.17	Source Rulings for Leased or Rented Equipment
118	27	111	Adds	Sec. 423.18	Multiple Points of Use Exemption Reports
119	25	112	Adds	Sec. 423.19	Direct Mail Sourcing
120	22	113	Adds	Sec. 423.20	Telecommunication Service Sourcing
124	22	114	Adds	Sec. 423.21	Bad Debt Deductions
125	27	115	Adds	Sec. 423.22	Taxation in Another State



Page #	Line #	Bill Section	Action	Code Section	Description
126	7	116	Adds	Sec. 423.23	Sellers' Agreements
126	17	117	Adds	Sec. 423.24	Absorbing Tax Prohibited
126	27	118	Adds	Sec. 423.25	Director's Power to Adopt Rules
126	35	119	Adds	Sec. 423.26	Manufactured Housing
127	31	120	Adds	Sec. 423.27	Motor Vehicle Lease Tax
129	23	121	Adds	Sec. 423.28	Sales Tax Report Deduction
130	1	122	Adds	Sec. 423.29	Collections by Sellers
130	18	123	Adds	Sec. 423.30	Unregistered Foreign Sellers
131	4	124	Adds	Sec. 423.31	Filing of Sales Tax Returns and Payment of Sales Tax
133	11	125	Adds	Sec. 423.32	Filing of Use Tax Returns and Payment of Use Tax
134	29	126	Adds	Sec. 423.33	Liability of Persons
136	11	127	Adds	Sec. 423.34	Liability of User
136	24	128	Adds	Sec. 423.35	Posting Bond to Secure Payment
137	10	129	Adds	Sec. 423.36	Sales and Use Tax Permits
140	17	130	Adds	Sec. 423.37	Failure to File Sales & Use Tax Returns
141	20	131	Adds	Sec. 423.38	Judicial Review
141	33	132	Adds	Sec. 423.39	Service of Notices
142	14	133	Adds	Sec. 423.40	Penalties
143	30	134	Adds	Sec. 423.41	Examination of Books
144	15	135	Adds	Sec. 423.42	Applicable Statutes
145	6	136	Adds	Sec. 423.43	Deposit of Motor Vehicle Use Tax Revenue
146	8	137	Adds	Sec. 423.44	Reimbursement for Primary Road Fund
146	22	138	Adds	Sec. 423.45	Refunds - Exemption Certificates
151	8	139	Adds	Sec. 423.46	Rate and Base Changes
151	17	140	Adds	Sec. 423.47	Refunds and Credits
151	33	141	Adds	Sec. 423.48	Responsibilities of Sellers
153	29	142	Adds	Sec. 423.49	Returns
154	21	143	Adds	Sec. 423.50	Remittance of Funds
155	4	144	Adds	Sec. 423.51	Administration of Exemptions
156	8	145	Adds	Sec. 423.52	Relief from Liability for Sellers
156	21	146	Adds	Sec. 423.53	Bad Debts and Model 1 Sellers
156	28	147	Adds	Sec. 423.54	Amnesty for Registered Sellers
157	34	148	Adds	Sec. 423.55	Databases

Page #	Line #	Bill Section	Action	Code Section	Description
158	3	149	Adds	Sec. 423.56	Confidentiality & Privacy Protections
160	9	150	Adds	Sec. 423.57	Applicable Statutes
160	19	151	Repeals	Sec. 422.42 - 422.59 & Chapter 423	Repeals Current Sales and Use Tax Provisions
160	24	152	Amends	Sec. 15.331A	Contractor & Subcontractor Refunds
162	1	153	Amends	Sec. 15.334A	Sales & Use Tax Exemptions
162	10	154	Amends	Sec. 15A.9(5,6, & 7)	Property Tax Exemption
164	15	155	Amends	Sec. 28A.17	Quad Cities Interstate Metropolitan Authority
165	5	156	Amends	Sec. 29C.15	Tax-Exempt Purchases - Emergency Management
165	11	157	Amends	Sec. 99E.10(1)(b)	Iowa Lottery
165	18	158	Amends	Sec. 123.187(2)	Alcoholic Beverages
165	32	159	Amends	Sec. 262.54	Computer Sales - Conforming Change
166	4	160	Amends	Sec. 303.9(2)	Cultural Affairs - Technical Change
166	20	161	Amends	Sec. 312.1(4)	Road Use Tax Fund - Conforming Change
166	26	162	Amends	Sec. 312.2(14 & 16)	Road Use Tax Fund - Conforming Change
167	14	163	Amends	Sec. 321.20(5)	Motor Vehicles - Conforming Change
167	18	164	Amends	Sec. 321.24(1 & 3)	Motor Vehicles - Conforming Change
168	18	165	Amends	Sec. 321.34(7)(c)	Motor Vehicles - Conforming Change
169	6	166	Amends	Sec. 321.34(11)(c)	Motor Vehicles - Conforming Change
169	23	167	Amends	Sec. 321.34(11A)(c)	Motor Vehicles - Conforming Change
170	5	168	Amends	Sec. 321.34(11B)(c)	Motor Vehicles - Conforming Change
170	21	169	Amends	Sec. 321.34(13)(d)	Motor Vehicles - Conforming Change
171	6	170	Amends	Sec. 321.34(21)(c)	Motor Vehicles - Conforming Change
171	17	171	Amends	Sec. 321.34(22)(b)	Motor Vehicles - Conforming Change
172	3	172	Amends	Sec. 321F.9	Motor Vehicles - Conforming Change
172	16	173	Amends	Sec. 327I.26	Railway Finance Authority - Conforming Change
172	33	174	Amends	Sec. 328.26	Aeronautics - Conforming Change
173	5	175	Amends	Sec. 331.557(3)	County Home Rule - Conforming Change
173	10	176	Amends	Sec. 357A.15	Rural Water Districts - Conforming Change
173	22	177	Amends	Sec. 421.10	Revenue and Finance - Conforming Change
173	33	178	Amends	Sec. 421.17(22B)	Revenue and Finance - Conforming Change
174	23	179	Amends	Sec. 421.17(29)(j)	Revenue and Finance - Conforming Change
174	33	180	Amends	Sec. 421.17(34)(i)	Revenue and Finance - Conforming Change

Page #	Line #	Bill Section	Action	Code Section	Description
175	13	181	Amends	Sec. 421.26	Revenue and Finance - Conforming Change
175	34	182	Amends	Sec. 421.28	Revenue and Finance - Conforming Change
176	24	183	Amends	Sec. 421B.11	Cigarette Sales - Conforming Change
176	29	184	Amends	Sec. 422.7(21)(a)(1)	Conforming Change
177	8	185	Repeals	Sec. 422.73(1)	Conforming Change
177	10	186	Amends	Sec. 422A.1	Hotel & Motel Tax - Conforming Change
179	1	187	Amends	Sec. 422B.8	Local Option Taxes - Conforming Change
181	5	188	Amends	Sec. 422B.9(1 & 2)	Local Option Taxes - Conforming Change
183	3	189	Amends	Sec. 422C.2(4 & 6)	Car Rental Excise Tax - Conforming Change
183	11	190	Amends	Sec. 422C.3	Car Rental Excise Tax - Conforming Change
183	30	191	Amends	Sec. 422C.4	Car Rental Excise Tax - Conforming Change
184	11	192	Amends	Sec. 422E.1(1)	School Infrastructure Funding - Conforming Change
184	33	193	Amends	Sec. 422E.3(1, 2, & 3)	School Infrastructure Funding - Conforming Change
186	19	194	Amends	Sec. 425.30	Homestead Tax Credit - Conforming Change
186	24	195	Amends	Sec. 425.31	Homestead Tax Credit - Conforming Change
186	32	196	Amends	Sec. 452A.66	Motor Fuel Excise Tax - Conforming Change
187	3	197	Amends	Sec. 455B.455	Hazardous Waste Surcharge - Conforming Change
187	32	198	Amends	Sec. 455G.3(1)	Underground Storage Tanks - Conforming Change
188	29	199	Amends	Sec. 455G.6(4)	Underground Storage Tanks - Conforming Change
189	2	200	Amends	Sec. 455G.8(2)	Underground Storage Tanks - Conforming Change
189	12	201	Amends	Sec. 455G.9(2)	Underground Storage Tanks - Conforming Change
189	18	202	Repeals	Sec. 2.67	Legislative Branch - Conforming Change
191	7	206	Adds	Sec. 18A.8	Capitol Complex Parking Revolving Fund

PG LN	House File 683	Explanation
1 1	DIVISION I	
1 2	STATE EMPLOYEE SALARIES	
1 3	Section 1. 2003 Iowa Acts, Senate File 458, section 48,	CODE: Increases the appropriation for the FY 2004 State salary
1 4	unnumbered paragraphs 1 and 2, if enacted, are amended to read	adjustment by \$2,000,000 and increases the amount allocated for
1 5	as follows:	Judicial Branch employees by \$150,000.
1 6	There is appropriated from the general fund of the state to	
1 7	the salary adjustment fund for distribution by the department	
1 8	of management to the various state departments, boards,	
1 9	commissions, councils, and agencies, and to the state board of	
1 10	regents for those persons employed at the state school for the	
1 11	deaf and the Iowa braille and sight saving school, for the	
1 12	fiscal year beginning July 1, 2003, and ending June 30, 2004,	
1 13	the amount of <del>\$28,000,000</del> <u>\$30,000,000</u> , or so much thereof as	
1 14	may be necessary, to fully fund annual pay adjustments,	
1 15	expense reimbursements, and related benefits implemented	
1 16	pursuant to the following:	
1 17	Of the amount appropriated in this section, <del>\$2,668,000</del>	
1 18	<u>\$2,818,000</u> shall be allocated to the judicial branch for the	
1 19	purpose of funding annual pay adjustments, expense	
1 20	reimbursements, and related benefits implemented for judicial	
1 21	branch employees. In distributing the remainder of the amount	
1 22	appropriated in this section, the department of management, in	
1 23	order to address essential public protection functions and	
1 24	recognizing the availability of funds appropriated in other	
1 25	Acts of the general assembly and other sources, shall give	
1 26	priority, in descending order, to the department of	
1 27	corrections, department of human services, and department of	
1 28	public safety, and then to the remaining state departments,	
1 29	boards, commissions, councils, and agencies to which the	
1 30	appropriation is applicable.	
1 31	Sec. 2. STATE COURTS — JUSTICES, JUDGES, AND MAGISTRATES.	Allocates \$150,000 to provide a 2.00% salary increase on December
1 32	1. Of the amount allocated for the judicial branch in 2003	5, 2003, for justices, judges, and magistrates. Specifies that the
1 33	Iowa Acts, Senate File 458, section 48, if enacted, \$150,000	justices, judges, and magistrates shall not receive any additional
1 34	is allocated to fund the changes in this section to the	salary adjustment appropriated in SF 458 (FY 2004 Standing
1 35	salaries of justices, judges, and magistrates.	Appropriations, Salary Provisions, and Statutory Changes Act).
2 1	2. The following annual salary rates shall be paid to the	

2 2 persons holding the judicial positions indicated during the  
2 3 fiscal year beginning July 1, 2003, effective with the pay  
2 4 period beginning December 5, 2003, and for subsequent pay  
2 5 periods:

2 6 a. Chief justice of the supreme court:

2 7 ..... \$ 127,040

2 8 b. Each justice of the supreme court:

2 9 ..... \$ 122,500

2 10 c. Chief judge of the court of appeals:

2 11 ..... \$ 122,380

2 12 d. Each associate judge of the court of appeals:

2 13 ..... \$ 117,850

2 14 e. Each chief judge of a judicial district:

2 15 ..... \$ 116,760

2 16 f. Each district judge except the chief judge of a

2 17 judicial district:

2 18 ..... \$ 112,010

2 19 g. Each district associate judge:

2 20 ..... \$ 97,610

2 21 h. Each associate juvenile judge:

2 22 ..... \$ 97,610

2 23 i. Each associate probate judge:

2 24 ..... \$ 97,610

2 25 j. Each judicial magistrate:

2 26 ..... \$ 29,100

2 27 k. Each senior judge:

2 28 ..... \$ 6,500

2 29 3. Persons receiving the salary rates established under

2 30 subsection 2 shall not receive any additional salary

2 31 adjustments provided by 2003 Iowa Acts, Senate File 458,

2 32 division V.

2 33 DIVISION II

2 34 APPROPRIATIONS AND APPROPRIATIONS REVISIONS

2 35 INSURANCE DIVISION

3 1 Sec. 3. INSURANCE STUDY. There is appropriated from the

3 2 general fund of the state to the department of commerce for

PG LN	House File 683	Explanation
3 3	the fiscal year beginning July 1, 2003, and ending June 30,	General Fund appropriation to the Insurance Division of the Department of Commerce to conduct a study to review health insurance coverage for school districts and their employees as required by SF 386 (FY 2004 Shared Risk Pool for School Teachers and Employees Act).
3 4	2004, the following amount, or so much thereof as is	
3 5	necessary, to be used for the purpose designated:	
3 6	For the insurance division to implement the school health	
3 7	insurance reform team study in accordance with 2003 Iowa Acts,	
3 8	Senate File 386:	
3 9	..... \$ 15,000	
3 10	DEPARTMENT OF MANAGEMENT	General Fund appropriation to the Department of Management for the Local Government Innovation Fund.
3 11	Sec. 4. LOCAL GOVERNMENT INNOVATION FUND APPROPRIATION.	
3 12	There is appropriated from the general fund of the state to	DETAIL: This is a new appropriation for FY 2004. In SF 453 (Reinvention of Government Act) \$10,000,000 was appropriated for the Fund. In SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) the appropriation was eliminated.
3 13	the department of management for the fiscal year beginning	
3 14	July 1, 2003, and ending June 30, 2004, the following amount,	
3 15	or so much thereof as is necessary, to be used for the purpose	
3 16	designated:	
3 17	For deposit in the local government innovation fund created	
3 18	in section 8.64:	
3 19	..... \$ 1,000,000	
3 20	Notwithstanding section 8.64, subsection 4, if enacted by	CODE: Specifies that up to 20.00% of the funds appropriated for the Local Innovation Fund may be expended for forgivable loans or grants in lieu of loans.
3 21	2003 Iowa Acts, Senate File 453, section 27, the local	
3 22	government innovation fund committee may provide up to 20	
3 23	percent of the amount appropriated in this section in the form	
3 24	of forgivable loans or as grants for those projects that	
3 25	propose a new and innovative sharing initiative that would	
3 26	serve as an important model for cities and counties.	
3 27	DEPARTMENT OF HUMAN SERVICES	General Fund appropriation to the Department of Human Services (DHS) for providing mental health care services by county hospitals located in counties with populations of 225,000 or more.
3 28	Sec. 5. COUNTY HOSPITALS. There is appropriated from the	
3 29	general fund of the state to the department of human services	DETAIL: The Governor vetoed similar language from HF 667 (FY 2004 Health and Human Services Appropriations Act). The eligibility would be limited to Broadlawns Medical Center in Polk County.
3 30	for the fiscal year beginning July 1, 2003, and ending June	
3 31	30, 2004, the following amount, or so much thereof as is	
3 32	necessary, for the purpose designated:	
3 33	For support of mental health care services provided to	
3 34	persons who are elderly or poor by county hospitals in	
3 35	counties having a population of two hundred twenty-five	
4 1	thousand or more:	
4 2	..... \$ 312,000	

PG LN	House File 683	Explanation
4 3	Sec. 6. 2003 Iowa Acts, House File 667, section 13,	CODE: Permits the DHS to spend up to \$500,000 from the Medical Assistance (Medicaid) appropriation in HF 667 (FY 2004 Health and Human Services Appropriations Act) to re-procure the contract with the Department's fiscal agent.
4 4	subsection 2, is amended to read as follows:	
4 5	2. The department may either continue or reprocure the	
4 6	contract existing on June 30, 2003, with the department's	
4 7	fiscal agent. <u>If the department initiates reprocurement of</u>	
4 8	<u>the contract, of the amount appropriated in this Act for the</u>	
4 9	<u>medical assistance program, up to \$500,000 may be used to</u>	
4 10	<u>begin the implementation process.</u>	
4 11	DEPARTMENT OF CORRECTIONS	
4 12	Sec. 7. There is appropriated from the rebuild Iowa	
4 13	infrastructure fund to the department of corrections for the	
4 14	fiscal year beginning July 1, 2003, and ending June 30, 2004,	
4 15	the following amounts, or so much thereof as is necessary, to	
4 16	be used for the purposes designated:	
4 17	1. For expansion of the Luster Heights facility into a	Rebuild Iowa Infrastructure Fund appropriation to the Department of Corrections (DOC) for renovation of the Luster Heights Prison Camp.
4 18	community-based corrections facility and an institutional work	
4 19	and substance abuse treatment center:	
4 20	..... \$ 92,000	DETAIL: The renovation includes upgrading the sewer lagoon and water system to add 38 minimum-security beds at the Luster Heights Prison Camp. Upon completion of the renovation, designed capacity at the Camp will be increased. The designed capacity of the Camp is being determined in cooperation with staff of the Central Office, Anamosa State Penitentiary, and the First Judicial District Department of Correctional Services.
4 21	2. For conversion of the Clarinda lodge into minimum	Rebuild Iowa Infrastructure Fund appropriation to the DOC for renovation of an employee lodge at the Clarinda Correctional Facility.
4 22	security bed space:	
4 23	..... \$ 730,400	DETAIL: The renovation includes converting the lodge to house 225 minimum-security beds for "minimum outs" inmates. The renovation is expected to require ten months. Employees of the Department of Human Services (DHS) currently rent the lodge. Rent receipts are approximately \$35,000 annually. Housing inmates in the building will eliminate the receipts from the DHS budget.

PG LN	House File 683	Explanation
4 24	Sec. 8. 2003 Iowa Acts, Senate File 439, section 4,	CODE: Amends SF 439 (FY 2004 Justice System Appropriations Act) to provide an increase of \$664,168 and 9.50 FTE positions to operate an additional 38 minimum-security beds at the Luster Heights Camp.
4 25	subsection 1, paragraphs b and g, as enacted, are amended to	
4 26	read as follows:	
4 27	b. For the operation of the Anamosa correctional facility,	DETAIL: The appropriation provides a full year of funding for the additional beds.
4 28	including salaries, support, maintenance, employment of	
4 29	correctional officers and a part-time chaplain to provide	
4 30	religious counseling to inmates of a minority race,	
4 31	miscellaneous purposes, and for not more than the following	
4 32	full-time equivalent positions:	
4 33	..... \$ 24,531,917	
4 34	..... <u>25,196,085</u>	
4 35	..... FTEs 375.75	
5 1	..... <u>385.25</u>	
5 2	Moneys are provided within this appropriation for one full-	
5 3	time substance abuse counselor for the Luster Heights	
5 4	facility, for the purpose of certification of a substance	
5 5	abuse program at that facility. <u>Of the funds appropriated in</u>	
5 6	<u>this paragraph "b", \$664,168 is allocated for implementation</u>	
5 7	<u>costs associated with expansion of the Luster Heights</u>	
5 8	<u>facility.</u>	
5 9	g. For the operation of the Clarinda correctional	CODE: Increases the appropriation to the DOC by \$793,432 and 12.82 FTE positions for operation of the Clarinda Correctional Facility and requires the Department to allocate \$277,500 for one-time costs and \$515,932 for ongoing costs associated with the expansion of the Clarinda Lodge.
5 10	facility, including salaries, support, maintenance, employment	
5 11	of correctional officers, miscellaneous purposes, and for not	
5 12	more than the following full-time equivalent positions:	
5 13	..... \$ <del>18,595,788</del>	
5 14	..... <u>19,389,220</u>	
5 15	..... FTEs <del>291.76</del>	
5 16	..... <u>304.58</u>	
5 17	Moneys received by the department of corrections as	DETAIL: The additional funds and positions will be used to operate an additional 225 minimum-security beds at the Clarinda Correctional Facility for the last two months of FY 2004. The annualized cost for FY 2005 is estimated to be an additional \$2,430,000 and 42.93 FTE positions.
5 18	reimbursement for services provided to the Clarinda youth	
5 19	corporation are appropriated to the department and shall be	
5 20	used for the purpose of operating the Clarinda correctional	
5 21	facility.	
5 22	<u>Of the funds appropriated in this paragraph "g", \$793,432</u>	
5 23	<u>is allocated for implementation costs associated with</u>	
5 24	<u>expansion of the conversion of the Clarinda lodge, with</u>	
5 25	<u>\$277,500 of the allocation for one-time costs and \$515,932 for</u>	



5 26 ongoing costs.

5 27 PUBLIC TRANSIT

5 28 Sec. 9. 2003 Iowa Acts, Senate File 458, section 8, if  
5 29 enacted, is amended to read as follows:

5 30 SEC. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.

5 31 Notwithstanding section 312.2, subsection 14, the amount  
5 32 appropriated from the general fund of the state under section  
5 33 312.2, subsection 14, to the state department of  
5 34 transportation for public transit assistance under chapter  
5 35 324A for the fiscal year beginning July 1, 2003, and ending  
6 1 June 30, 2004, is reduced by the following amount:

6 2 ..... \$ ~~1,298,675~~  
6 3 2,582,800

CODE: Amends SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) by further reducing the FY 2004 General Fund standing appropriation to the Department of Transportation for Public Transit Assistance. The amount of the further reduction is \$1,284,125.

DETAIL: Section 312.2(14), Code of Iowa, credits an amount equal to 1/20th of 80.00% of motor vehicle use tax receipts to the General Fund and appropriates this amount to the Department of Transportation for distribution to Iowa's 35 public transit systems from the General Fund. Motor vehicle use tax receipts designated for public transit are estimated to be \$11,061,934 in FY 2004. The reduction of \$2,582,800 will result in an estimated appropriation of \$8,479,134 for Public Transit Assistance. The General Fund will retain the \$2,582,800. This is the same level of funding as the FY 2003 estimated net appropriation.

6 4 OFFICE OF THE GOVERNOR

6 5 Sec. 10. 2003 Iowa Acts, House File 655, section 5,  
6 6 subsection 1, if enacted, is amended to read as follows:

6 7 1. GENERAL OFFICE

6 8 For salaries, support, maintenance, and miscellaneous  
6 9 purposes for the general office of the governor and the  
6 10 general office of the lieutenant governor, and for not more  
6 11 than the following full-time equivalent positions:

6 12 ..... \$ ~~1,243,643~~  
6 13 1,493,643  
6 14 ..... FTEs ~~17.25~~  
6 15 19.25

6 16 Of the amount appropriated in this section, \$250,000 is  
6 17 allocated for two full-time equivalent positions in the office  
6 18 of the governor that were previously funded by other state  
6 19 departments and agencies.

CODE: Increases the appropriation to the Governor's Office by \$250,000 and 2.00 FTE positions to fund the positions from the Governor's Office rather than other State agencies.

DETAIL: The Governor's Office has not yet determined the total amount of funding that will be provided by other State Departments and agencies to the Governor's Office for FY 2003.

## 6 20 DEPARTMENT OF REVENUE

6 21 Sec. 11. 2003 Iowa Acts, House File 655, section 31, if  
 6 22 enacted, is amended to read as follows:  
 6 23 SEC. 31. DEPARTMENT OF REVENUE. There is appropriated  
 6 24 from the general fund of the state to the department of  
 6 25 revenue for the fiscal year beginning July 1, 2003, and ending  
 6 26 June 30, 2004, the following amounts, or so much thereof as is  
 6 27 necessary, to be used for the purposes designated, and for not  
 6 28 more than the following full-time equivalent positions used  
 6 29 for the purposes designated in subsection 1:

6 30 ..... FTEs ~~378.87~~  
 6 31 380.87

6 32 Of the full-time equivalent positions authorized in this  
 6 33 section, two full-time equivalent positions are allocated for  
 6 34 new positions to assist in preparation of information for the  
 6 35 revenue estimating conference and in improving the turnaround  
 7 1 time for processing corporate tax filings.

7 2 1. COMPLIANCE — INTERNAL RESOURCES MANAGEMENT — STATE  
 7 3 FINANCIAL MANAGEMENT — STATEWIDE PROPERTY TAX  
 ADMINISTRATION

7 4 For salaries, support, maintenance, and miscellaneous  
 7 5 purposes:

7 6 ..... \$ ~~23,259,111~~  
 7 7 23,359,111

7 8 Of the funds appropriated pursuant to this subsection,  
 7 9 \$400,000 shall be used to pay the direct costs of compliance  
 7 10 related to the collection and distribution of local sales and  
 7 11 services taxes imposed pursuant to chapters 422B and 422E.  
 7 12 The director of revenue shall prepare and issue a state  
 7 13 appraisal manual and the revisions to the state appraisal  
 7 14 manual as provided in section 421.17, subsection 18, without  
 7 15 cost to a city or county.

## 7 16 2. COLLECTION COSTS AND FEES

7 17 For payment of collection costs and fees pursuant to  
 7 18 section 422.26:

7 19 ..... \$ 28,166

Amends HF 655 (FY 2004 Administration and Regulation  
 Appropriations Act) and increases the appropriation to the Department  
 of Revenue by \$100,000 and 2.00 FTE positions to assist in  
 preparation of information for the Revenue Estimating Conference and  
 improve turnaround time for processing corporate tax filings.

FISCAL IMPACT: An estimated \$100,000 less will be paid annually in  
 interest on corporate tax filings with a reduced turnaround time on  
 corporate tax filings.

PG LN	House File 683	Explanation
7 20	DEPARTMENT OF PUBLIC HEALTH	
7 21	Sec. 12. 2003 Iowa Acts, House File 667, section 2,	
7 22	subsection 8, as enacted, is amended to read as follows:	CODE: Increases the FY 2004 General Fund appropriation to the Infectious Diseases Program in the Department of Public Health by \$97,548.
7 23	8. INFECTIOUS DISEASES	
7 24	For reducing the incidence and prevalence of communicable	
7 25	diseases, and for not more than the following full-time	DETAIL: The major programs funded by Infectious Diseases include the State Center for Acute Disease Epidemiology, vaccinations against preventable diseases for children, and prescription services for individuals with tuberculosis or sexually transmitted diseases.
7 26	equivalent positions:	
7 27	..... \$ 977,340	
7 28	1,074,888	
7 29	..... FTEs 36.90	
7 30	DIVISION III	
7 31	MISCELLANEOUS PROVISIONS	
7 32	Sec. 13. GOVERNMENT OVERSIGHT COMMITTEE — REVIEW OF	
7 33	CONTINUING CARE RETIREMENT COMMUNITIES — ASSISTED LIVING	
7 34	PROGRAM APPLICABILITY. The government oversight committees	
7 35	shall review the application of chapter 231C, relating to	Requires the Government Oversight Committee to review the application of Iowa's Assisted Living Program statutes to continuing care communities and to make recommendations for legislation for consideration during the 2004 Legislative Session.
8 1	assisted living programs, to continuing care retirement	
8 2	communities, as defined in section 523D.1. The committees	
8 3	shall submit recommendations for any legislation deemed	
8 4	necessary for consideration during the 2004 regular	
8 5	legislative session.	
8 6	Sec. 14. Section 7J.1, subsection 1, as enacted by 2003	
8 7	Iowa Acts, Senate File 453, section 32, and amended by 2003	CODE: Adds the Iowa Lottery Authority to the list of State agencies that the Governor may designate as a charter agency.
8 8	Iowa Acts, Senate File 458, section 85, is amended to read as	
8 9	follows:	
8 10	1. DESIGNATION OF CHARTER AGENCIES — PURPOSE. The	DETAIL: The Iowa Lottery has determined that the new corporate structure created in Chapter 99G, <u>Code of Iowa</u> , will not fit with the concept of a Charter Agency.
8 11	governor may, by executive order, designate state departments	
8 12	or agencies, as described in section 7E.5, <u>or the Iowa lottery</u>	
8 13	<u>authority established in chapter 99G</u> , other than the	
8 14	department of administrative services, if the department is	
8 15	established in law, or the department of management, as a	
8 16	charter agency by July 1, 2003. The designation of a charter	
8 17	agency shall be for a period of five years which shall	
8 18	terminate as of June 30, 2008. The purpose of designating a	
8 19	charter agency is to grant the agency additional authority as	

8 20 provided by this chapter while reducing the total  
8 21 appropriations to the agency.

8 22 Sec. 15. Section 15E.193B, subsection 4, Code 2003, as  
8 23 amended by 2003 Iowa Acts, Senate File 458, section 100, if  
8 24 enacted, is amended to read as follows:  
8 25 4. The eligible housing business shall complete its  
8 26 building or rehabilitation within two years from the time the  
8 27 business begins construction on the single-family homes and  
8 28 dwelling units. The failure to complete construction or  
8 29 rehabilitation within two years shall result in the eligible  
8 30 housing business becoming ineligible and subject to the  
8 31 repayment requirements and penalties enumerated in subsection  
8 32 7. The department may extend the prescribed two-year  
8 33 completion period for any current or future project which has  
8 34 not been completed if the department determines that  
8 35 completion within the two-year period is impossible or  
9 1 impractical as a result of a substantial loss caused by flood,  
9 2 fire, earthquake, storm, or other catastrophe. For purposes  
9 3 of this subsection, "substantial loss" means damage or  
9 4 destruction in an amount in excess of thirty percent of the  
9 5 project's expected eligible basis as set forth in the eligible  
9 6 housing business's application.

CODE: Technical change relating to housing development businesses under the Enterprise Zone Program.

9 7 Sec. 16. Section 215.14, Code 2003, is amended to read as  
9 8 follows:  
9 9 215.14 APPROVAL BY DEPARTMENT.  
9 10 A commercial weighing and measuring device shall not be  
9 11 installed in this state unless approved by the department.  
9 12 ~~All livestock scales and~~  
9 13 1. A pit type ~~scales~~ scale or any other scale installed in  
9 14 a pit, regardless of capacity, ~~that is~~ installed on or after  
9 15 July 1, 1990, shall have a clearance of not less than four  
9 16 feet from the finished floor line of the scale to the bottom  
9 17 of the "I" beam of the scale bridge. Livestock shall not be  
9 18 weighed on any scale other than a livestock scale or pit type  
9 19 scale.  
9 20 2. An electronic pitless scale shall be placed on concrete

CODE: Expands the language in the Code of Iowa, relating to animal weighing and measuring devices that are approved by the Department of Agriculture and Land Stewardship and requires commercial animal scales be placed on a concrete floor with adequate drainage away from the scale. Specifies the minimum clearance level between the weigh bridge and the concrete floor should be at least eight inches.

9 21 footings with concrete floor. The concrete floor shall allow  
9 22 for adequate drainage away from the scale as required by the  
9 23 department. There shall be a clearance of not less than eight  
9 24 inches between the weigh bridge and the concrete floor to  
9 25 facilitate inspection and cleaning.

9 26 3. After approval by the department, the specifications  
9 27 for a commercial weighing and measuring device shall be  
9 28 furnished to the purchaser of the device by the manufacturer.  
9 29 The approval shall be based upon the recommendation of the  
9 30 United States national institute of standards and technology.

9 31 Sec. 17. Section 231C.17, subsection 4, if enacted by 2003  
9 32 Iowa Acts, House File 675, section 24, is amended by striking  
9 33 the subsection and inserting in lieu thereof the following:

9 34 4. A continuing care retirement community, as defined in  
9 35 section 523D.1, may provide limited personal care services and  
10 1 emergency response services to its independent living tenants  
10 2 if all of the following conditions are met:

10 3 a. The provision of such personal care services or  
10 4 emergency response services does not result in inadequate  
10 5 staff coverage to meet the service needs of all tenants of the  
10 6 continuing care retirement community.

10 7 b. The staff providing the personal care or emergency  
10 8 response services is trained or qualified to the extent  
10 9 necessary to provide such services.

10 10 c. The continuing care retirement community documents the  
10 11 date, time, and nature of the personal care or emergency  
10 12 response services provided.

10 13 d. Emergency response services are only provided in  
10 14 situations which constitute an urgent need for immediate  
10 15 action or assistance due to unforeseen circumstances.

10 16 This subsection shall not be construed to prohibit an  
10 17 independent living tenant of a continuing care retirement  
10 18 community from contracting with a third party for personal  
10 19 care or emergency response services.

CODE: Requires that a continuing care retirement community that is in compliance with Chapter 523D, Code of Iowa, not be held in violation of laws relating to assisted living programs if personal services are provided to tenants under specified conditions.

10 20 Sec. 18. NEW SECTION. 237A.25 CONSUMER INFORMATION.

10 21 1. The department shall develop consumer information  
10 22 material to assist parents in selecting a child care provider.  
10 23 In developing the material, the department shall consult with  
10 24 department of human services staff, department of education  
10 25 staff, the state child care advisory council, the Iowa  
10 26 empowerment board, and child care resource and referral  
10 27 services. In addition, the department may consult with other  
10 28 entities at the local, state, and national level.

10 29 2. The consumer information material developed by the  
10 30 department for parents and other consumers of child care  
10 31 services shall include but is not limited to all of the  
10 32 following:

10 33 a. A pamphlet or other printed material containing  
10 34 consumer-oriented information on locating a quality child care  
10 35 provider.

11 1 b. Information explaining important considerations a  
11 2 consumer should take into account in selecting a licensed or  
11 3 registered child care provider.

11 4 c. Information explaining how a consumer can identify  
11 5 quality services, including what questions to ask of providers  
11 6 and what a consumer might expect or demand to know before  
11 7 selecting a provider.

11 8 d. An explanation of the applicable laws and regulations  
11 9 written in layperson's terms.

11 10 e. An explanation of what it means for a provider to be  
11 11 licensed, registered, or unregistered.

11 12 f. An explanation of the information considered in  
11 13 registry and record background checks.

11 14 g. Other information deemed relevant to consumers.

11 15 3. The department shall implement and publicize an  
11 16 internet page or site that provides all of the following:

11 17 a. The written information developed pursuant to  
11 18 subsections 1 and 2.

11 19 b. Regular informational updates, including when a child  
11 20 care provider was last subject to a state quality review or  
11 21 inspection and, based upon a final score or review, the  
11 22 results indicating whether the provider passed or failed the

CODE: Requires the DHS to develop consumer information material to assist parents in selecting a childcare provider and specifies the contents of the information.

11 23 review or inspection.  
11 24 c. Capability for a consumer to be able to access  
11 25 information concerning child care providers, such as  
11 26 informational updates, identification of provider location,  
11 27 name, and capacity, and identification of providers  
11 28 participating in the state child care assistance program and  
11 29 those participating in the child care food program, by sorting  
11 30 the information or employing other means that provide the  
11 31 information in a manner that is useful to the consumer.  
11 32 Information regarding provider location shall identify  
11 33 providers located in the vicinity of an address selected by a  
11 34 consumer and provide contact information without listing the  
11 35 specific addresses of the providers.  
12 1 d. Other information deemed appropriate by the department.

12 2 Sec. 19. Section 384.84, Code 2003, is amended by adding  
12 3 the following new subsection:  
12 4 NEW SUBSECTION. 9. Notwithstanding subsection 3, a lien  
12 5 shall not be filed against the land if the premises are  
12 6 located on leased land. If the premises are located on leased  
12 7 land, a lien may be filed against the premises only.

CODE: Requires that a lien for the discontinuance of city utility services to premises located on leased land can only be filed against the premises and not the land.

12 8 Sec. 20. Section 422E.3A, subsection 2, paragraph a, if  
12 9 enacted by 2003 Iowa Acts, Senate File 445, section 8, is  
12 10 amended to read as follows:  
12 11 a. A school district that is located in whole or in part  
12 12 in a county that voted on and approved prior to April 1, 2003,  
12 13 the local sales and services tax for school infrastructure  
12 14 purposes and that has a sales tax capacity per student above  
12 15 the guaranteed school infrastructure amount shall receive for  
12 16 the remainder of the term of the tax an amount equal to its  
12 17 pro rata share of the local sales and services tax receipts as  
12 18 provided in section 422E.3, subsection 5, paragraph "d",  
12 19 unless the school board passes a resolution by October 1,  
12 20 2003, agreeing to receive a distribution pursuant to paragraph  
12 21 "b", subparagraph (1).

CODE: Amends SF 445 (FY 2004 Local Options Sales Tax for Schools Act) so that the school districts in counties that enacted a school infrastructure local option (SILO) sales tax prior to April 1, 2003, and receive a pro rata share above the guaranteed school infrastructure amount, shall receive a pro rata share of the county SILO sales tax through the expiration of the current term of the tax. The school district may, by October 1, 2003, pass a resolution and opt to receive the guaranteed school infrastructure amount or its pro rata share plus the supplemental school infrastructure amount as do school districts in counties that passed a school infrastructure local option sales tax after April 1, 2003.

12 22 Sec. 21. Section 422E.3A, subsection 2, paragraph b,  
12 23 subparagraph (1), if enacted by 2003 Iowa Acts, Senate File  
12 24 445, section 8, is amended to read as follows:

12 25 (1) A school district that is located in whole or in part  
12 26 in a county that voted on and approved prior to April 1, 2003,  
12 27 the local sales and services tax for school infrastructure  
12 28 purposes and that has a sales tax capacity per student below  
12 29 its guaranteed school infrastructure amount shall receive for  
12 30 the remainder of the term of the tax an amount equal to its  
12 31 pro rata share of the local sales and services tax receipts as  
12 32 provided in section 422E.3, subsection 5, paragraph "d", plus  
12 33 an amount equal to its supplemental school infrastructure  
12 34 amount, unless the school district passes a resolution by  
12 35 October 1, 2003, agreeing to receive only an amount equal to  
13 1 its pro rata share as provided in section 422E.3, subsection  
13 2 5, paragraph "d", in all subsequent years.

CODE: Amends SF 445 (FY 2004 Local Options Sales Tax for Schools Act) so that the school districts in counties that enacted a school infrastructure local option (SILO) sales tax prior to April 1, 2003, and receive a pro rata share below the guaranteed school infrastructure amount, shall receive a pro rata share of the county SILO sales tax plus the supplemental school infrastructure amount through the expiration of the current term of the tax. The school district may, by October 1, 2003, pass a resolution and opt to receive its pro rata share without the supplemental school infrastructure amount.

13 3 Sec. 22. Section 422E.3A, subsection 3, paragraph a, as  
13 4 enacted by 2003 Iowa Acts, Senate File 445, is amended to read  
13 5 as follows:

13 6 a. The director of revenue and finance by June 1 preceding  
13 7 each fiscal year shall compute the guaranteed school  
13 8 infrastructure amount for each school district, each school  
13 9 district's sales tax capacity per student for each county, ~~the~~  
13 10 ~~statewide tax revenues per student~~, and the supplemental  
13 11 school infrastructure amount for the coming fiscal year.

CODE: Eliminates the requirement that the Department of Revenue and Finance compute the statewide tax revenue per student for purposes of determining the allocation of school infrastructure funds to eligible school districts.

13 12 Sec. 23. Section 422E.3A, subsection 3, paragraph b,  
13 13 subparagraph (3), as enacted by 2003 Iowa Acts, Senate File  
13 14 445, is amended by striking the subparagraph and inserting in  
13 15 lieu thereof the following:

13 16 (3) "Statewide tax revenues per student" means five  
13 17 hundred seventy-five dollars per student. The general  
13 18 assembly shall review this amount annually to determine its  
13 19 appropriateness.

CODE: Establishes the amount of Statewide Tax Revenue per Student at \$575 and requires the General Assembly to annually review the amount.



13 20 Sec. 24. Section 422E.3A, subsection 5, as enacted by 2003  
13 21 Iowa Acts, Senate File 445, is amended to read as follows:

13 22 5. In the case of a deficiency in the fund to pay the  
13 23 supplemental school infrastructure amounts in full, the amount  
13 24 available in the fund less the sales and services tax revenues  
13 25 for school infrastructure purposes attributed to each school  
13 26 district should be allocated ~~based on the proportion of actual~~  
13 27 ~~enrollment in the district to the combined actual enrollment~~  
13 28 ~~in the counties where the sales and services tax for school~~  
13 29 ~~infrastructure purposes has been imposed and the school~~  
13 30 ~~districts in the counties qualify for the supplemental school~~  
13 31 ~~infrastructure amount first to increase the school district~~  
13 32 with the lowest sales tax capacity per student to an amount  
13 33 equal to the school district or school districts with the next  
13 34 lowest sales tax capacity per student and then increase the  
13 35 school districts to an amount equal to the school district or  
14 1 school districts with the next lowest sales tax capacity per  
14 2 student and continue on in this manner until money is no  
14 3 longer available or all school districts reach their  
14 4 guaranteed school infrastructure amount.

CODE: Amends SF 445 (FY 2004 Local Options Sales Tax for Schools Act) by changing the method by which funds from the Secure an Advanced Vision for Education (SAVE) are distributed to eligible school districts if revenues in the Fund are insufficient to meet the supplemental amounts. Requires the available funds to be distributed by funding the school district with the lowest sales tax capacity per student until it is equal to the next lowest school district. Those districts will be funded until they equal the next lowest district, and so on until the Fund is exhausted.

14 5 Sec. 25. Section 422E.3A, subsection 6, unnumbered  
14 6 paragraph 1, as enacted by 2003 Iowa Acts, Senate File 445, is  
14 7 amended to read as follows:

14 8 A school district ~~with less than two hundred fifty actual~~  
14 9 ~~enrollment or less than one hundred actual enrollment in the~~  
14 10 ~~high school~~ shall not expend the supplemental school  
14 11 infrastructure amount received for new construction or for  
14 12 payments for bonds issued for new construction against the  
14 13 supplemental school infrastructure amount without prior  
14 14 application to the department of education and receipt of a  
14 15 certificate of need pursuant to this subsection. However, a  
14 16 certificate of need is not required for the payment of  
14 17 outstanding bonds issued for new construction pursuant to  
14 18 section 296.1, before April 1, 2003. A certificate of need is  
14 19 also not required for repairing schoolhouses or buildings,  
14 20 equipment, technology, or transportation equipment for  
14 21 transporting students as provided in section 298.3, or for

CODE: Amends SF 445 (FY 2004 Local Options Sales Tax for Schools Act) to require school districts to have a certificate of need from the Department of Education to expend the supplemental school infrastructure amount for new construction. A certificate of need is not required for payment of outstanding bonds issued before April 1, 2003, or for certain repairs and expenditures.

14 22 construction necessary for compliance with the federal  
14 23 Americans With Disabilities Act pursuant to 42 U.S.C. § 12101–  
14 24 12117. In determining whether a certificate of need shall be  
14 25 issued or denied, the department shall consider all of the  
14 26 following:

14 27 Sec. 26. Section 435.26A, subsection 5, as enacted by 2003  
14 28 Iowa Acts, Senate File 134, section 7, and as amended by 2003  
14 29 Iowa Acts, Senate File 458, section 128, if enacted, is  
14 30 amended to read as follows:

14 31 5. An owner of a manufactured home who has surrendered a  
14 32 certificate of title under this section and requires another  
14 33 certificate of title for the manufactured home is required to  
14 34 apply for a certificate of title under ~~section 321.42 chapter~~  
14 35 321. If supporting documents for the reissuance of a title  
15 1 are not available or sufficient, the procedure for the  
15 2 reissuance of a title specified in the rules of the department  
15 3 of transportation shall be used.

CODE: Technical correction to SF 134 (FY 2004 Duties of the County Treasurer Act).

15 4 Sec. 27. Section 459.315, Code 2003, as amended by 2003  
15 5 Iowa Acts, House File 644, if enacted, is amended by adding  
15 6 the following new subsection:

15 7 NEW SUBSECTION. 4A. This section shall not require a  
15 8 person to be certified as a confinement site manure applicator  
15 9 if the person applies manure which originates from a manure  
15 10 storage structure which is part of a small animal feeding  
15 11 operation.

CODE: Exempts small animal feeding operators from having to be certified as a confinement site manure applicator.

15 12 Sec. 28. Section 508.31A, subsection 2, paragraph a,  
15 13 subparagraph (4), as enacted by 2003 Iowa Acts, House File  
15 14 647, section 7, is amended to read as follows:

15 15 (4) A person other than a natural person for the purpose  
15 16 of providing collateral security for securities ~~issued by such~~  
15 17 ~~person and~~ registered with the federal securities and exchange  
15 18 commission.

CODE: Technical correction to HF 647 (FY 2004 Insurance Omnibus Act).

15 19 Sec. 29. 2003 Iowa Acts, Senate File 401, section 5,  
15 20 subsection 1, is amended to read as follows:  
15 21 1. Notwithstanding any provision of law to the contrary,  
15 22 the section of this Act creating section 453A.2, subsection  
15 23 5A, is applicable to violations pending on the effective date  
15 24 of this Act for which a penalty has not been assessed under  
15 25 section 453A.22, subsection 2. Notwithstanding this  
15 26 subsection, however, if a county health department, a city  
15 27 health department, or a city assesses a penalty under section  
15 28 453A.22, subsection 2, on or after April 11, 2003 but prior to  
15 29 June 30, 2003, for a violation of section 453A.2, subsection  
15 30 1, which was pending on April 11, 2003, the county health  
15 31 department, city health department or city assessing the  
15 32 penalty shall be deemed to have jurisdiction to assess the  
15 33 penalty and the penalty assessed is deemed valid.

CODE: Technical correction for SF 401 (FY 2004 Cigarette Retail Compliance Act) pertaining to enforcement dates of cigarette retail compliance.

15 34 Sec. 30. 2003 Iowa Acts, Senate File 458, section 21,  
15 35 unnumbered paragraph 3, if enacted, is amended to read as  
16 1 follows:  
16 2 Of the funds appropriated in this section, up to \$10,000 is  
16 3 transferred to the ~~Iowa~~ department of ~~public health~~ human  
16 4 services for allocation to community mental health centers to  
16 5 provide counseling services to persons who are members of the  
16 6 national guard and reservists activated but as yet not sent to  
16 7 combat zones and to the persons' family members. The sessions  
16 8 shall be provided on a first come, first served basis and  
16 9 shall be limited to three visits per family.

CODE: Amends SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) for the appropriation for counseling services for certain national guard and reservists from the Department of Public Health to the Department of Human Services.

16 10 Sec. 31. 2003 Iowa Acts, Senate File 458, section 149, if  
16 11 enacted, is amended to read as follows:  
16 12 SEC. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR  
PHYSICIAN  
16 13 SERVICES. To the extent that, pursuant to law enacted by the  
16 14 Eightieth General Assembly, 2003 Session, supplemental payment  
16 15 adjustments are implemented for physician services provided to  
16 16 medical assistance program participants at publicly owned  
16 17 acute care hospitals, the department of human services shall  
16 18 not, directly or indirectly, recoup the supplemental payment

CODE: Allows the Department of Human Services to implement a supplemental payment adjustment for physician services provided at publicly owned acute care hospitals. Allows the Department to recoup the adjustment only if payment is first made to the University of Iowa College of Medicine.

16 19 adjustments for any reason, unless an amount equivalent to the  
 16 20 amount of adjustment funds ~~that were~~ is first transferred to  
 16 21 the ~~department by the state~~ university of Iowa college of  
 16 22 medicine ~~is transferred by the department to the qualifying~~  
 16 23 ~~physicians.~~ Any such amount transferred and identified as a  
 16 24 supplemental payment under this section shall then be refunded  
 16 25 to the department of human services, per the agreement  
 16 26 executed for this purpose between the department and the  
 16 27 university of Iowa.

16 28 Sec. 32. 2003 Iowa Acts, House File 667, section 27,  
 16 29 subsection 1, unnumbered paragraph 2, is amended to read as  
 16 30 follows:

16 31 For costs associated with the commitment and treatment of  
 16 32 sexually violent predators in the unit located at the state  
 16 33 mental health institute at Cherokee, including costs of legal  
 16 34 services and other associated costs, including salaries,  
 16 35 support, maintenance, and miscellaneous purposes and for not  
 17 1 more than the following full-time equivalent positions:  
 17 2 ..... \$ 2,675,179  
 17 3 ..... FTEs ~~46.00~~  
 17 4 57.00

17 5 Sec. 33. EFFECTIVE DATE — RETROACTIVE APPLICABILITY.  
 17 6 1. The section of this division of this Act amending  
 17 7 section 231C.17, being deemed of immediate importance, takes  
 17 8 effect upon enactment.

17 9 2. The section of this division of this Act amending 2003  
 17 10 Iowa Acts, Senate File 401, being deemed of immediate  
 17 11 importance, takes effect upon enactment and is retroactively  
 17 12 applicable to April 11, 2003.

17 13 DIVISION IV  
 17 14 CORRECTIVE PROVISIONS

CODE: Increases the FY 2004 FTE positions authorized in HF 667  
 (FY 2004 Health and Human Services Appropriations Act) for the  
 Sexual Predator Commitment Program under the Department of  
 Human Services by 11.00 FTE positions.

Provides that Section 17 of this Act, which pertains to assisted living  
 programs, is effective upon enactment.

Provides that the Section 29 of the Act which pertains to tobacco  
 enforcement, is effective retroactive to April 11, 2003.

17 15 Sec. 34. Section 8A.505, as enacted by 2003 Iowa Acts,  
17 16 House File 534, section 87, is amended by adding the following  
17 17 new unnumbered paragraph:  
17 18 NEW UNNUMBERED PARAGRAPH. There is appropriated annually  
17 19 from the increase in indirect cost reimbursements over the  
17 20 amount of indirect cost reimbursements received during the  
17 21 fiscal year beginning July 1, 2002, to the office of grants  
17 22 enterprise management of the department of management the sum  
17 23 of up to one hundred twenty-five thousand dollars. The  
17 24 director shall transfer the funds appropriated to the  
17 25 department of management as provided in this paragraph and  
17 26 shall make the funds resulting from the increase in  
17 27 reimbursements available during the fiscal year to the  
17 28 department of management on a monthly basis. If the amount of  
17 29 the increase in indirect cost reimbursements is insufficient  
17 30 to pay the maximum appropriation provided for in this  
17 31 paragraph, the amount appropriated is equal to the amount of  
17 32 such increase.

CODE: Amends HF 534 (FY 2004 Department of Administrative Services Act) to provide an appropriation of up to \$125,000 from increased indirect cost reimbursements to the Department of Management to fund the Office of Grants Enterprise Management.

DETAIL: This language was originally contained in SF 438 (FY 2004 Grant Enterprise Management Act); however, that language specified that the Director of Revenue and Finance would be responsible for the transfer of funds to the Department of Management for the operation of the Office of Grants Management. With the creation of the new Department of Administrative Services in HF 534 (FY 2004 Department of Administrative Services Act) and the transferring of the State accounting functions to the new Department of Administrative Services, the Director of the Department of Administrative Services is the proper official to make the transfer. The language specifies that the Director of the Department of Administrative Services will be responsible for the transfer.

The original language contained in SF 438 (FY 2004 Grant Enterprise Management Act) is repealed by Section 41 of this Act.

17 33 Sec. 35. Section 12C.4, Code 2003, as amended by 2003 Iowa  
17 34 Acts, House File 289, section 2, is amended to read as  
17 35 follows:

18 1 12C.4 LOCATION OF DEPOSITORIES.  
18 2 Deposits by the treasurer of state shall be in depositories  
18 3 located in this state; by a county officer or county public  
18 4 hospital officer or merged area hospital officer, in  
18 5 depositories located in the county or in an adjoining county  
18 6 within this state; by a memorial hospital treasurer, in a  
18 7 depository located within this state which shall be selected  
18 8 by the memorial hospital treasurer and approved by the  
18 9 memorial hospital commission; by a city treasurer or other  
18 10 city financial officer, in depositories located in the county  
18 11 in which the city is located or in an adjoining county, but if  
18 12 there is no depository in the county in which the city is  
18 13 located or in an adjoining county then in any other depository  
18 14 located in this state which shall be selected as a depository  
18 15 by the city council; by a school treasurer or by a school

CODE: Technical correction to HF 289 (FY 2004 County Treasurer Electronic Transactions Act).

18 16 secretary in a depository within this state which shall be  
18 17 selected by the board of directors or the trustees of the  
18 18 school district; by a township clerk in a depository located  
18 19 within this state which shall be selected by the township  
18 20 clerk and approved by the trustees of the township. However,  
18 21 deposits may be made in depositories outside of Iowa for the  
18 22 purpose of paying principal and interest on bonded  
18 23 indebtedness of any municipality when the deposit is made not  
18 24 more than ten days before the date the principal or interest  
18 25 becomes due. Further, the treasurer of state may maintain an  
18 26 account or accounts outside the state of Iowa for the purpose  
18 27 of providing custodial services for the state and state  
18 28 retirement fund accounts. Deposits made for the purpose of  
18 29 completing an electronic financial transaction pursuant to  
18 30 section ~~44B.203~~ 8A.222 or 331.427 may be made in any  
18 31 depository located in this state.

18 32 Sec. 36. Section 29A.28, subsection 3, as enacted by 2003  
18 33 Iowa Acts, House File 674, section 3, is amended to read as  
18 34 follows:

18 35 3. Upon returning from a leave of absence under this  
19 1 section, an employee shall be entitled to return to the same  
19 2 position and classification held by the employee at the time  
19 3 of entry ~~onto~~ into state active duty, active state service, or  
19 4 federal service or to the position and classification that the  
19 5 employee would have been entitled to if the continuous civil  
19 6 service of the employee had not been interrupted by state  
19 7 active duty, active state service, or federal service. Under  
19 8 this subsection, "position" includes the geographical location  
19 9 of the position.

CODE: Technical correction to HF 674 (FY 2004 Military Service  
Income Tax Deductions and Exemptions Act).

19 10 Sec. 37. Section 70A.39, subsection 1, paragraph b, as  
19 11 enacted by 2003 Iowa Acts, House File 381, section 1, is  
19 12 amended to read as follows:

19 13 b. ~~"Vascularized"~~ "Vascular" organ" means a heart, lung,  
19 14 liver, pancreas, kidney, intestine, or other organ that  
19 15 requires the continuous circulation of blood to remain useful  
19 16 for purposes of transplantation.

CODE: Technical correction to HF 381 (FY 2004 Anatomical Gifts  
Act).

19 17 Sec. 38. Section 99B.7, subsection 1, paragraph 1,  
19 18 subparagraph (1), Code 2003, as amended by 2003 Iowa Acts,  
19 19 Senate File 453, section 104, if enacted, is amended to read  
19 20 as follows:

19 21 (1) No other gambling is engaged in at the same location,  
19 22 except that lottery tickets or shares issued by the Iowa  
19 23 lottery ~~division of the department of revenue and finance~~  
19 24 authority may be sold pursuant to chapter 99G.

CODE: Technical correction to SF 453 (FY 2004 Reinvention of Government Act).

DETAIL: Makes the proper reference to the Iowa Lottery Authority, rather than the Iowa Lottery as a Division of the Department of Revenue and Finance to reflect the organizational restructuring of the Iowa Lottery made in SF 453 (FY 2004 Reinvention of Government Act) that makes the Lottery a stand-alone entity.

19 25 Sec. 39. Section 507A.4, subsection 9, paragraph e, as  
19 26 enacted by 2003 Iowa Acts, House File 647, section 4, is  
19 27 amended to read as follows:

19 28 e. When not otherwise provided, a foreign or domestic  
19 29 multiple ~~employee~~ employer welfare arrangement doing business  
19 30 in this state shall pay to the commissioner of insurance the  
19 31 fees as required in section 511.24.

CODE: Technical correction to HF 647 (FY 2004 Insurance Regulation Act).

19 32 Sec. 40. Section 556.11, subsection 5, Code 2003, as  
19 33 amended by 2003 Iowa Acts, Senate File 180, section 2, is  
19 34 amended to read as follows:

19 35 5. If the holder of property presumed abandoned under this  
20 1 chapter knows the whereabouts of the owner and if the owner's  
20 2 claim has not been barred by the statute of limitations, the  
20 3 holder shall, before filing the annual report, communicate  
20 4 with the owner and take necessary steps to prevent abandonment  
20 5 from being presumed. The holder shall exercise due diligence  
20 6 to ascertain the whereabouts of the owner. A holder is not  
20 7 required to make a due diligence mailing to owners whose  
20 8 property has an aggregate value of less than fifty dollars.  
20 9 The treasurer of state may charge a holder that fails to  
20 10 timely exercise due diligence, as required in this subsection,  
20 11 five dollars for each name and address account reported if  
20 12 thirty-five percent ~~of~~ or more of the accounts are claimed  
20 13 within the twenty-four months immediately following the filing  
20 14 of the holder report.

CODE: Technical correction to SF 180 (FY 2004 Abandoned Property Act).

20 15 Sec. 41. 2003 Iowa Acts, Senate File 438, section 3, is  
20 16 repealed.

Repeals Section 3 of SF 438 (FY 2004 Grant Enterprise Management Act), which incorrectly specified the Director of the Department of Revenue and Finance where it should have specified the Director of the Department of Administrative Services.

DETAIL: The corrected language is contained in Section 34 of this Act.

20 17 Sec. 42. 2003 Iowa Acts, Senate File 453, section 11, if  
20 18 enacted, is amended to read as follows:  
20 19 SEC. 11. Sections ~~403.23~~, 405A.1, 405A.2, 405A.3, 405A.4,  
20 20 405A.5, 405A.6, 405A.7, 405A.8, 405A.9, 405A.10, 422.65,  
20 21 427A.12, and 427B.19B, Code 2003, are repealed.

CODE: Technical correction to SF 453 (FY 2004 Reinvention of Government Act).

20 22 Sec. 43. 2003 Iowa Acts, Senate File 458, section 159, if  
20 23 enacted, is amended to read as follows:  
20 24 SEC. 159. EFFECTIVE DATES. The following provisions of  
20 25 this division of this Act, being deemed of immediate  
20 26 importance, take effect upon enactment:  
20 27 1. The amendments to sections 8.23, 8.31, and 8.57 which  
20 28 are first applicable to appropriations made for the fiscal  
20 29 year beginning July 1, 2003.  
20 30 2. The amendment to section 12E.12.  
20 31 3. The amendments to sections 15E.42, 15E.43, 15E.45, and  
20 32 15E.51, which apply retroactively to January 1, 2002, for tax  
20 33 years beginning on or after that date.  
20 34 4. The amendment to section 15E.193B.  
20 35 5. The amendment to section 435.26A.  
21 1 6. The amendment to section 453A.2, which shall only take  
21 2 effect if 2003 Iowa Acts, Senate File 401, is enacted by the  
21 3 Eightieth General Assembly, 2003 Regular Session.  
21 4 7. The amendments to sections 453C.1 and 453C.2 and the  
21 5 related severability provision.  
21 6 8. The amendments to sections 518.18 and 518A.35.  
21 7 9. The section directing the department of corrections to  
21 8 develop a plan for selling certain land.

CODE: Amends Section 159 of SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act), by eliminating the immediate effective date language for the urban search and rescue team to supplement and enhance emergency and disaster operations. This change makes the provision in Section 159 of SF 458 effective on July 1, 2003.



21 9 10. The section relating to the sales and use tax refund.  
21 10 11. The section relating to the school district  
21 11 reimbursement claim.  
21 12 The sections of this division of this Act amending section  
21 13 80B.5 and enacting section 80B.5A are applicable to the  
21 14 appointment of the director of the Iowa law enforcement  
21 15 academy for the term beginning May 1, 2004.  
21 16 ~~Section 29C.8, subsection 3, paragraph "f", as enacted in~~  
21 17 ~~this division of this Act, and the amendment to section~~  
21 18 ~~29C.20, subsection 1, as enacted in this division of this Act,~~  
21 19 ~~take effect July 1, 2004.~~

21 20 Sec. 44. 2003 Iowa Acts, House File 171, section 112, the  
21 21 bill section amending clause, is amended to read as follows:  
21 22 Section 656.2, subsection 2, paragraph a, unnumbered  
21 23 paragraph 44 3, Code 2003, is amended to read as follows:

CODE: Technical correction to HF 171 (FY 2004 Nonsubstantive Code Corrections Act).

21 24 Sec. 45. 2003 Iowa Acts, House File 662, section 5,  
21 25 subsection 8, paragraphs a and b, if enacted, are amended to  
21 26 read as follows:  
21 27 a. Of the amount appropriated in this ~~section~~ subsection,  
21 28 \$347,371 shall be allocated to the public broadcasting  
21 29 division for purposes of providing support for functions  
21 30 related to the Iowa communications network, including but not  
21 31 limited to the following functions: development of distance  
21 32 learning applications; development of a central information  
21 33 source on the internet relating to educational uses of the  
21 34 network; second-line technical support for network sites;  
21 35 testing and initializing sites onto the network; and  
22 1 coordinating the work of the education telecommunications  
22 2 council.  
22 3 b. Of the amount appropriated in this ~~section~~ subsection,  
22 4 \$1,272,285 shall be allocated to the regional  
22 5 telecommunications councils established in section 8D.5. The  
22 6 regional telecommunications councils shall use the funds to  
22 7 provide technical assistance for network classrooms, planning  
22 8 and troubleshooting for local area networks, scheduling of  
22 9 video sites, and other related support activities.

CODE: Technical correction to HF 662 (FY 2004 Education Appropriations Act).

PG LN	House File 683	Explanation
22 10	Sec. 46. 2003 Iowa Acts, House File 662, section 6,	CODE: Technical correction to HF 662 (FY 2004 Education Appropriations Act).
22 11	unnumbered paragraph 2, if enacted, is amended to read as	
22 12	follows:	
22 13	The funds allocated in this <del>subsection</del> <u>section</u> shall be	
22 14	distributed as follows:	
22 15	Sec. 47. EFFECTIVE AND APPLICABILITY DATES.	Provides that Section 36 of this Act is effective retroactively to January 1, 2003.
22 16	1. The section of this division of this Act amending	
22 17	section 29A.28, subsection 3, being deemed of immediate	
22 18	importance, takes effect upon enactment and applies	
22 19	retroactively to January 1, 2003.	
22 20	2. The section of this division of this Act amending 2003	Provides that Section 43 of this Act is effective upon enactment.
22 21	Iowa Acts, Senate File 458, section 159, being deemed of	
22 22	immediate importance, takes effect upon enactment.	
22 23	3. 2003 Iowa Acts, Senate File 458, section 140, relating	Provides that the nonreversion language for specified Rebuild Iowa Infrastructure Fund appropriations for restoration of the exterior of the State Capitol building is effective upon enactment.
22 24	to nonreversion of funds appropriated in 1996 Iowa Acts,	
22 25	chapter 1218, and 1997 Iowa Acts, chapter 215, if enacted,	
22 26	being deemed of immediate importance, takes effect upon	
22 27	enactment of this Act.	
22 28	DIVISION V	
22 29	CRIMINAL OFFENDERS AND INMATES	
22 30	Sec. 48. Section 321J.2, subsection 2, paragraph a,	CODE: Provides the option of judicial discretion for sentencing Operating While Intoxicated (OWI) offenders to the mandatory minimum two-day county jail term. Time spent in a court-ordered OWI program where security is provided may be credited for the two-day mandatory minimum county jail term.
22 31	subparagraph (1), Code 2003, is amended to read as follows:	
22 32	(1) Imprisonment in the county jail for not less than	
22 33	forty-eight hours, to be served as ordered by the court, less	
22 34	credit for any time the person was confined in a jail or	CORRECTIONAL IMPACT: This option is currently used in certain judicial districts. This Section codifies existing practice and has no correctional impact in those jurisdictions. To the extent that this Section is utilized in other jurisdictions; there may be a reduction in jail bed days and/or waiting lists to serve time in jail. Such reductions cannot be estimated because it is not known how many judges will use this sentencing option.
22 35	detention facility following arrest <u>or for any time the person</u>	
23 1	<u>spent in a court-ordered operating-while-intoxicated program</u>	
23 2	<u>that provides law enforcement security.</u> However, the court,	
23 3	in ordering service of the sentence and in its discretion, may	
23 4	accommodate the defendant's work schedule.	

FISCAL IMPACT: The provision is discretionary for judges to utilize. Therefore, it is not possible to project cost savings for those jurisdictions that are not currently using this option, but may do so in the future.

23 5 Sec. 49. NEW SECTION. 811.2A PRETRIAL RELEASE.  
23 6 A person, who has been released under a plan of pretrial  
23 7 release or on the person's own recognizance and who is  
23 8 subsequently arrested for a new criminal offense while under  
23 9 the plan of pretrial release or released on the person's own  
23 10 recognizance, shall not be eligible for another release  
23 11 pursuant to pretrial release guidelines or released on the  
23 12 person's own recognizance, if all of the following apply:  
23 13 1. The arrest for the new criminal offense is based on a  
23 14 set of facts or an event that is different than involved in  
23 15 the earlier arrest.  
23 16 2. The new criminal offense is classified as greater than  
23 17 a serious misdemeanor.  
23 18 However, a person may be admitted to bail if eligible  
23 19 pursuant to section 811.1.

CODE: Provides that a person may be admitted to bail if they have been released on Pre-Trial Release and are rearrested for a different crime that is punishable as at least an aggravated misdemeanor.

CORRECTIONAL IMPACT: This Section codifies current practice in certain jurisdictions and has no correctional impact in those jurisdictions. To the extent that this Section is utilized in other jurisdictions; there may be an increase in jail bed days, specifically in larger metropolitan areas. Such increases cannot be estimated due to a lack of data, but is anticipated to be minimal.

FISCAL IMPACT: It is not possible to estimate the fiscal impact due to a lack of data. However, the fiscal impact on counties for operating jails is anticipated to be minimal.

23 20 Sec. 50. Section 901.4, Code 2003, is amended to read as  
23 21 follows:  
23 22 901.4 PRESENTENCE INVESTIGATION REPORT CONFIDENTIAL —  
23 23 DISTRIBUTION.  
23 24 The presentence investigation report is confidential and  
23 25 the court shall provide safeguards to ensure its  
23 26 confidentiality, including but not limited to sealing the  
23 27 report, which may be opened only by further court order. At  
23 28 least three days prior to the date set for sentencing, the  
23 29 court shall serve all of the presentence investigation report  
23 30 upon the defendant's attorney and the attorney for the state,  
23 31 and the report shall remain confidential except upon court  
23 32 order. However, the court may conceal the identity of the  
23 33 person who provided confidential information. The report of a  
23 34 medical examination or psychological or psychiatric evaluation  
23 35 shall be made available to the attorney for the state and to

CODE: Provides that a copy of a Pre-Sentence Investigation report may be provided to a substance abuse or mental health services provider when referring an offender for services.

24 1 the defendant upon request. The reports are part of the  
24 2 record but shall be sealed and opened only on order of the  
24 3 court. If the defendant is committed to the custody of the  
24 4 Iowa department of corrections and is not a class "A" felon, a  
24 5 copy of the presentence investigation report shall be  
24 6 forwarded to the director with the order of commitment by the  
24 7 clerk of the district court and to the board of parole at the  
24 8 time of commitment. ~~The~~ Pursuant to section 904.602, the  
24 9 presentence investigation report may also be released by the  
24 10 department of corrections or a judicial district department of  
24 11 correctional services pursuant to section 904.602 to another  
24 12 jurisdiction for the purpose of providing interstate probation  
24 13 and parole compact services or evaluations, or to a substance  
24 14 abuse or mental health services provider when referring a  
24 15 defendant for services. The defendant or the defendant's  
24 16 attorney may file with the presentence investigation report, a  
24 17 denial or refutation of the allegations, or both, contained in  
24 18 the report. The denial or refutation shall be included in the  
24 19 report. If the person is sentenced for an offense which  
24 20 requires registration under chapter 692A, the court shall  
24 21 release the report to the department which is responsible  
24 22 under section 692A.13A for performing the assessment of risk.

24 23 Sec. 51. Section 901B.1, subsection 1, paragraph c,  
24 24 subparagraph (5), Code 2003, is amended to read as follows:  
24 25 (5) A substance abuse treatment facility as established  
24 26 and operated by the Iowa department of public health or the  
24 27 department of corrections.

CODE: Permits the DOC to operate a substance abuse treatment facility as part of the corrections continuum.

24 28 Sec. 52. Section 903A.2, subsection 1, paragraph a, Code  
24 29 2003, is amended to read as follows:  
24 30 a. Category "A" sentences are those sentences which are  
24 31 not subject to a maximum accumulation of earned time of  
24 32 fifteen percent of the total sentence of confinement under  
24 33 section 902.12. To the extent provided in subsection 5,  
24 34 category "A" sentences also include life sentences imposed  
24 35 under section 902.1. An inmate of an institution under the  
25 1 control of the department of corrections who is serving a

CODE: Permits the Director of the DOC to allow up to an additional 365 days as earned time credit for inmates who perform exemplary acts.

CORRECTIONAL AND FISCAL IMPACT: It is assumed this Section will be rarely used. Therefore, there is no significant correctional or fiscal impact.

25 2 category "A" sentence is eligible for a reduction of sentence  
25 3 equal to one and two-tenths days for each day the inmate  
25 4 demonstrates good conduct and satisfactorily participates in  
25 5 any program or placement status identified by the director to  
25 6 earn the reduction. The programs include but are not limited  
25 7 to the following:

25 8 (1) Employment in the institution.

25 9 (2) Iowa state industries.

25 10 (3) An employment program established by the director.

25 11 (4) A treatment program established by the director.

25 12 (5) An inmate educational program approved by the  
25 13 director.

25 14 An inmate serving a category "A" sentence is eligible for  
25 15 an additional reduction of sentence of up to three hundred  
25 16 sixty-five days of the full term of the sentence of the inmate  
25 17 for exemplary acts. In accordance with section 903A.4, the  
25 18 director shall by policy identify what constitutes an  
25 19 exemplary act that may warrant an additional reduction of  
25 20 sentence.

25 21 Sec. 53. Section 903A.3, subsection 2, Code 2003, is  
25 22 amended to read as follows:

25 23 2. The orders of the administrative law judge are subject  
25 24 to appeal to the superintendent or warden of the institution,  
25 25 or the superintendent's or warden's designee, who may either  
25 26 affirm, modify, remand for correction of procedural errors, or  
25 27 reverse an order. However, sanctions shall not be increased  
25 28 on appeal. ~~A decision of the superintendent, warden, or~~  
25 29 ~~designee is subject to review by the director of the Iowa~~  
25 30 ~~department of corrections who may either affirm, modify,~~  
25 31 ~~remand for correction of procedural errors, or reverse the~~  
25 32 ~~decision. However, sanctions shall not be increased on~~  
25 33 ~~review.~~

CODE: Eliminates the two-step appeal process for inmates who are appealing the loss of earned time. An inmate may appeal the decision of an administrative law judge to the warden or superintendent. The inmate can no longer appeal the warden or superintendent's decision to the Director of the DOC.

25 34 Sec. 54. NEW SECTION. 904.117 INTERSTATE COMPACT FUND.

25 35 An interstate compact fund is established under the control  
26 1 of the department. All interstate compact fees collected by  
26 2 the department pursuant to section 907B.5 shall be deposited

CODE: Creates an Interstate Compact Fund for administering the Interstate Compact. Receipts generated by an application fee to

26 3 into the fund and the moneys shall be used by the department  
26 4 to offset the costs of complying with the interstate compact  
26 5 for adult offender supervision in chapter 907B.  
26 6 Notwithstanding section 8.33, moneys remaining in the fund at  
26 7 the end of a fiscal year shall not revert to the general fund  
26 8 of the state. Notwithstanding section 12C.7, interest and  
26 9 earnings deposited in the fund shall be credited to the fund.

transfer out of state under the Interstate Compact will be deposited into the Fund. The year-end balance in the Fund does not revert to the General Fund. Interest and earnings remain in the Fund.

FISCAL IMPACT: The fee may not exceed \$100 per offender who is applying to be placed out-of-state under the supervision requirements of the Interstate Compact. Annual fees are estimated to be \$42,000. The DOC intends to use the receipts to pay the State's dues under the Interstate Compact that are estimated to be \$25,000 annually. Any receipts in excess of the State's dues will be used to offset the costs of administering the Interstate Compact, such as transporting offenders between states.

26 10 Sec. 55. Section 904.503, subsection 2, Code 2003, is  
26 11 amended to read as follows:  
26 12 2. When the director has cause to believe that an inmate  
26 13 in a state correctional institution is mentally ill, the Iowa  
26 14 department of corrections may cause the inmate to be  
26 15 transferred to the Iowa medical and classification center, or  
26 16 to another appropriate facility within the department, for  
26 17 examination, diagnosis, or treatment. The inmate shall be  
26 18 confined at that institution center or facility or a state  
26 19 hospital for persons with mental illness until the expiration  
26 20 of the inmate's sentence or until the inmate is pronounced in  
26 21 good mental health. If the inmate is pronounced in good  
26 22 mental health before the expiration of the inmate's sentence,  
26 23 the inmate shall be returned to the state correctional  
26 24 institution until the expiration of the inmate's sentence.

CODE: Permits the DOC to house mentally ill inmates at the Iowa Medical Classification Center at Oakdale or any other appropriate facility.

DETAIL: The DOC is now operating a 200-bed Clinical Care Unit at the Iowa State Penitentiary and is constructing a 170-bed Special Needs Unit at the Iowa Medical Classification Center at Oakdale. Either of these locations may be appropriate facilities for housing and treating mentally ill inmates.

26 25 Sec. 56. Section 904.508, subsection 2, Code 2003, is  
26 26 amended to read as follows:  
26 27 2. The Pursuant to section 904.702, the director shall  
26 28 establish and maintain an inmate savings fund in an interest-  
26 29 bearing account for the deposit of all or part of an inmate's  
26 30 allowances, as provided in section 904.702 and amounts, except  
26 31 amounts directed to be deposited in the inmate telephone fund  
26 32 established in section 904.508A, sent to the inmate from a  
26 33 source other than the department. All or part of an inmate's  
26 34 allowances and amounts, except amounts directed to be

CODE: Permits the DOC to apply inmate allowances and other sources of income to the inmate savings fund until the \$100 discharge amount or "gate money" is satisfied. Before this Section was amended, the DOC could only deduct 10.00% of the funds received by inmates from other sources. The DOC may have paid the gate money to inmates who may have received money from other sources.

FISCAL IMPACT: Any fiscal impact is not expected to be significant. This is a cost containment effort rather than a true savings for the

26 35 deposited in the inmate telephone fund established in section  
27 1 904.508A, from a source other than the department shall be  
27 2 deposited into the savings fund, until the inmate's deposit is  
27 3 equal to the amount due the inmate upon discharge, parole, or  
27 4 placement on work release, one hundred dollars as provided in  
27 5 section 906.9. If an inmate's deposits are equal this amount  
27 6 to or in excess of one hundred dollars, the inmate may  
27 7 voluntarily withdraw from the savings fund. The director  
27 8 shall notify the inmate of this right to withdraw and shall  
27 9 provide the inmate with a written request form to facilitate  
27 10 the withdrawal. If the inmate withdraws and the inmate's  
27 11 deposits exceed the amount due as provided in section 906.9,  
27 12 the director shall disburse the excess amount as provided for  
27 13 allowances under section 904.702, except the director shall  
27 14 not deposit the excess amount in the inmate savings fund. If  
27 15 the inmate chooses to continue to participate in the savings  
27 16 fund, the inmate's deposits shall be returned to the inmate  
27 17 upon discharge, parole, or placement on work release.  
27 18 Otherwise, the inmate's deposits shall be disposed of as  
27 19 provided in subsection 3. An inmate's deposits into the  
27 20 savings fund may be used to provide the money due the inmate  
27 21 upon discharge, parole, or placement on work release, as  
27 22 required under section 906.9. Interest earned from the  
27 23 savings fund shall be placed in a separate account, and may be  
27 24 used for purchases approved by the director to directly and  
27 25 collectively benefit inmates.

27 26 Sec. 57. Section 904.508A, Code 2003, is amended to read  
27 27 as follows:  
27 28 904.508A INMATE TELEPHONE ~~REBATE~~ FUND.  
27 29 The department is authorized to establish and maintain an  
27 30 inmate telephone ~~rebate~~ fund in each institution for the  
27 31 deposit of moneys received for inmate telephone ~~rebates~~ calls.  
27 32 All funds deposited in this fund shall be used for the benefit  
27 33 of inmates. The director shall adopt rules providing for the  
27 34 disbursement of moneys from the fund.

prisons' operating budgets. The operating budgets are based on serving 7,600 inmates while the prison population currently exceeds 8,300 inmates.

CODE: Permits the DOC to maintain one Fund, rather than a Fund at each of the nine prisons, for deposit of receipts from inmate telephone calls.

FISCAL IMPACT: This Section codifies current practice so there is no fiscal impact.

27 35 Sec. 58. Section 904.513, subsection 1, paragraph b,  
28 1 subparagraph (4), Code 2003, is amended to read as follows:

28 2 (4) Assignment may also be made on the basis of the  
28 3 offender's treatment program performance, as a disciplinary  
28 4 measure, for medical needs, and for space availability at  
28 5 community residential facilities. If there is insufficient  
28 6 space at a community residential facility, the court may order  
28 7 an offender to be released to the supervision of the judicial  
28 8 district department of correctional services, ~~or held in jail,~~  
28 9 or committed to the custody of the director of the department  
28 10 of corrections for assignment to an appropriate correctional  
28 11 facility until there is sufficient space at a community  
28 12 residential facility.

CODE: Permits the DOC to house certain OWI offenders within the prison system, pending space availability at a Community-Based Corrections (CBC) residential facility.

FISCAL IMPACT: This Section codifies current practice so there is no fiscal impact.

28 13 Sec. 59. Section 904.702, unnumbered paragraph 1, Code  
28 14 2003, is amended to read as follows:

28 15 If allowances are paid pursuant to section 904.701, the  
28 16 director shall establish an inmate account, for deposit of  
28 17 those allowances and for deposit of moneys sent to the inmate  
28 18 from a source other than the department of corrections. The  
28 19 director may deduct an amount, not to exceed ten percent of  
28 20 the amount of the allowance, unless the inmate requests a  
28 21 larger amount, to be deposited into the inmate savings fund as  
28 22 required under section 904.508, subsection 2. In addition to  
28 23 deducting a portion of the allowance, the director may also  
28 24 deduct from an inmate account any amount, except amounts  
28 25 directed to be deposited in the inmate telephone fund  
28 26 established in section 904.508A, sent to the inmate from a  
28 27 source other than the department of corrections for deposit in  
28 28 the inmate savings fund as required under section 904.508,  
28 29 subsection 2, until the amount in the fund equals the amount  
28 30 due the inmate upon discharge, parole, or placement on work  
28 31 release. The director shall deduct from the inmate account an  
28 32 amount established by the inmate's restitution plan of  
28 33 payment. The director shall also deduct from any remaining  
28 34 account balance an amount sufficient to pay all or part of any  
28 35 judgment against the inmate, including but not limited to  
29 1 judgments for taxes and child support, and court costs and

CODE: Permits the DOC to apply inmate allowances and other sources of income to the inmate savings fund until the \$100 discharge amount or "gate money" is satisfied. Before this Section was amended, the DOC could only deduct 10.00% of the funds received by inmates from other sources. The DOC may have paid the gate money to inmates who may have received money from other sources.

FISCAL IMPACT: Any fiscal impact is not expected to be significant. This is a cost containment effort rather than a true savings for the prisons' operating budgets. The operating budgets are based on serving 7,600 inmates while the prison population currently exceeds 8,300 inmates.



29 2 fees assessed either as a result of the inmate's confinement  
29 3 or amounts required to be paid under section 610A.1. Written  
29 4 notice of the amount of the deduction shall be given to the  
29 5 inmate, who shall have five days after receipt of the notice  
29 6 to submit in writing any and all objections to the deduction  
29 7 to the director, who shall consider the objections prior to  
29 8 transmitting the deducted amount to the clerk of the district  
29 9 court. The director need give only one notice for each action  
29 10 or appeal under section 610A.1 for which periodic deductions  
29 11 are to be made. The director shall next deduct from any  
29 12 remaining account balance an amount sufficient to pay all or  
29 13 part of any costs assessed against the inmate for misconduct  
29 14 or damage to the property of others. The director may deduct  
29 15 from the inmate's account an amount sufficient to pay for the  
29 16 inmate's share of the costs of health services requested by  
29 17 the inmate and for the treatment of injuries inflicted by the  
29 18 inmate on the inmate or others. The director may deduct and  
29 19 disburse an amount sufficient for industries' programs to  
29 20 qualify under the eligibility requirements established in the  
29 21 Justice Assistance Act of 1984, Pub. L. No. 98-473, including  
29 22 an amount to pay all or part of the cost of the inmate's  
29 23 incarceration. The director may pay all or any part of  
29 24 remaining allowances paid pursuant to section 904.701 directly  
29 25 to a dependent of the inmate, or may deposit the allowance to  
29 26 the account of the inmate, or may deposit a portion and allow  
29 27 the inmate a portion for the inmate's personal use.

29 28 Sec. 60. Section 907.4, Code 2003, is amended to read as  
29 29 follows:

29 30 907.4 DEFERRED JUDGMENT DOCKET.

29 31 A deferment of judgment under section 907.3 shall be  
29 32 reported promptly by the clerk of the district court, or the  
29 33 clerk's designee, to the state court administrator for entry  
29 34 in the deferred judgment docket. The docket shall contain a  
29 35 permanent record of the deferred judgment including the name  
30 1 and date of birth of the defendant, the district court docket  
30 2 number, the nature of the offense, and the date of the  
30 3 deferred judgment. Before granting deferred judgment in any

CODE: Permits CBC District Departments to have access to the  
deferred judgment docket.

30 4 case, the court shall request of the state court administrator  
30 5 a search of the deferred judgment docket and shall consider  
30 6 any prior record of a deferred judgment against the defendant.  
30 7 The permanent record provided for in this section is a  
30 8 confidential record exempted from public access under section  
30 9 22.7 and shall be available only to justices of the supreme  
30 10 court, judges of the court of appeals, district judges,  
30 11 district associate judges, judicial magistrates, clerks of the  
30 12 district court, judicial district departments of correctional  
30 13 services, and county attorneys requesting information pursuant  
30 14 to this section, or the designee of a justice, judge,  
30 15 magistrate, clerk, judicial district department of  
30 16 correctional services, or county attorney.

30 17 Sec. 61. Section 907.9, subsections 1, 2, and 4, Code  
30 18 2003, are amended to read as follows:

30 19 1. At any time that the court determines that the purposes  
30 20 of probation have been fulfilled and the fees imposed under  
30 21 section 905.14 have been paid ~~to or waived by the judicial~~  
30 22 ~~district department of correctional services~~ or on condition  
30 23 that unpaid supervision fees be paid, the court may order the  
30 24 discharge of a person from probation.

30 25 2. At any time that a probation officer determines that  
30 26 the purposes of probation have been fulfilled and the fees  
30 27 imposed under section 905.14 have been paid ~~to or waived by~~  
30 28 ~~the judicial district department of correctional services~~ or  
30 29 on condition that unpaid supervision fees be paid, the officer  
30 30 may order the discharge of a person from probation after  
30 31 approval of the district director and notification of the  
30 32 sentencing court and the county attorney who prosecuted the  
30 33 case.

30 34 4. At the expiration of the period of probation and if the  
30 35 fees imposed under section 905.14 have been paid ~~to or waived~~  
31 1 ~~by the judicial district department of correctional services~~  
31 2 or on condition that unpaid supervision fees be paid, the  
31 3 court shall order the discharge of the person from probation,  
31 4 and the court shall forward to the governor a recommendation  
31 5 for or against restoration of citizenship rights to that

CODE: Permits an offender to be discharged from probation supervision on the condition that supervision fees are paid to the CBC District Department.

FISCAL IMPACT: This Section has no significant fiscal impact.

31 6 person. A person who has been discharged from probation shall  
31 7 no longer be held to answer for the person's offense. Upon  
31 8 discharge from probation, if judgment has been deferred under  
31 9 section 907.3, the court's criminal record with reference to  
31 10 the deferred judgment shall be expunged. The record  
31 11 maintained by the state court administrator as required by  
31 12 section 907.4 shall not be expunged. The court's record shall  
31 13 not be expunged in any other circumstances.

31 14 Sec. 62. NEW SECTION. 907B.4 INTERSTATE COMPACT FEE.  
31 15 The department of corrections may assess a fee, not to  
31 16 exceed one hundred dollars, for an application to transfer out  
31 17 of the state under the interstate compact for adult offender  
31 18 supervision. The fee may be waived by the department. The  
31 19 moneys collected pursuant to this section shall be deposited  
31 20 into the interstate compact fund established in section  
31 21 904.117 and shall be used to offset the costs of complying  
31 22 with the interstate compact for adult offender supervision.

CODE: Creates an Interstate Compact Fund for administering the Interstate Compact. Receipts generated by an application fee to transfer out of state under the Interstate Compact will be deposited into the Fund. The year-end balance in the Fund does not revert to the General Fund. Interest and earnings remain in the Fund.

FISCAL IMPACT: The fee may not exceed \$100 per offender who is applying to be placed out-of-state under the supervision requirements of the Interstate Compact. Annual fees are estimated to be \$42,000. The DOC intends to use the receipts to pay the State's dues under the Interstate Compact that are estimated to be \$25,000 annually. Any receipts in excess of the State's dues will be used to offset the costs of administering the Interstate Compact, such as transporting offenders between states.

31 23 Sec. 63. Section 910.3B, Code 2003, is amended to read as  
31 24 follows:  
31 25 910.3B RESTITUTION FOR DEATH OF VICTIM.  
31 26 1. In all criminal cases in which the offender is  
31 27 convicted of a felony in which the act or acts committed by  
31 28 the offender caused the death of another person, in addition  
31 29 to the amount determined to be payable and ordered to be paid  
31 30 to a victim for pecuniary damages, as defined under section  
31 31 910.1, and determined under section 910.3, the court shall  
31 32 also order the offender to pay at least one hundred fifty  
31 33 thousand dollars in restitution to the victim's estate if the  
31 34 victim died testate. If the victim died intestate the court  
31 35 shall order the offender to pay the restitution to the  
32 1 victim's heirs at law as determined pursuant to section  
32 2 633.210. The obligation to pay the additional amount shall

CODE: Provides that if a victim died without a will, the offender is required to pay any court-ordered restitution to the victim's heirs by law.

FISCAL IMPACT: This Section has no significant fiscal impact.

32 3 not be dischargeable in any proceeding under the federal  
32 4 Bankruptcy Act. Payment of the additional amount shall have  
32 5 the same priority as payment of a victim's pecuniary damages  
32 6 under section 910.2, in the offender's plan for restitution.

32 7 2. An award under this section does not preclude or  
32 8 supersede the right of a victim's estate or heirs at law to  
32 9 bring a civil action against the offender for damages arising  
32 10 out of the same facts or event. However, no evidence relating  
32 11 to the entry of the judgment against the offender pursuant to  
32 12 this section or the amount of the award ordered pursuant to  
32 13 this section shall be permitted to be introduced in any civil  
32 14 action for damages arising out of the same facts or event.

32 15 3. An offender who is ordered to pay a victim's estate or  
32 16 heirs at law under this section is precluded from denying the  
32 17 elements of the felony offense which resulted in the order for  
32 18 payment in any subsequent civil action for damages arising out  
32 19 of the same facts or event.

32 20 Sec. 64. Section 915.100, subsection 2, paragraph c, Code  
32 21 2003, is amended to read as follows:

32 22 c. In cases where the act committed by an offender causes  
32 23 the death of another person, in addition to the amount ordered  
32 24 for payment of the victim's pecuniary damages, the court shall  
32 25 also order the offender to pay at least one hundred fifty  
32 26 thousand dollars in restitution to the victim's estate or  
32 27 heirs at law, pursuant to the provisions of section 910.3B.

CODE: Provides that if a victim died without a will, the offender is required to pay any court-ordered restitution to the victim's heirs by law.

FISCAL IMPACT: This Section has no significant fiscal impact.

32 28 DIVISION VI  
32 29 ECONOMIC DEVELOPMENT APPROPRIATIONS

32 30 Sec. 65. MARKETING APPROPRIATION.

32 31 1. There is appropriated from the grow Iowa values fund  
32 32 created in section 15G.107, if enacted by 2003 Iowa Acts,  
32 33 House File 692 or another Act, to the department of economic  
32 34 development, for the fiscal period beginning July 1, 2003, and  
32 35 ending June 30, 2006, the following amounts, or so much  
33 1 thereof as is necessary, to be used for the purpose  
33 2 designated:

Appropriates a total of \$20,000,000 over three fiscal years from the Grow Iowa Values Fund to the Department of Economic Development (DED) for strategic marketing.

DETAIL: Section 85 of HF 692 (FY 2004 Taxation Changes, Grow Iowa Values Program, Regulatory Reform Act) creates an economic

PG LN	House File 683	Explanation
33 3	For implementing and administering the marketing strategy	development marketing board to accept proposals for marketing
33 4	approved under section 15G.108, if enacted by 2003 Iowa Acts,	strategies for purposes of selecting a standard for the Department to
33 5	House File 692 or another Act:	implement.
33 6	FY 2003–2004..... \$ 2,500,000	
33 7	FY 2004–2005..... \$ 7,500,000	The General Assembly approved HF 692 (Taxation Changes, Grow
33 8	FY 2005–2006..... \$ 10,000,000	Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the
		Governor signed the Act on June 19, 2003.
33 9	2. Notwithstanding section 8.33, moneys that remain	
33 10	unexpended at the end of a fiscal year shall not revert to any	CODE: Provides that the funds appropriated for strategic marketing
33 11	fund but shall remain available for expenditure for the	remain available for expenditure for two fiscal years.
33 12	designated purposes during the succeeding fiscal year.	
33 13	Sec. 66. DEPARTMENT OF ECONOMIC DEVELOPMENT	
	APPROPRIATION.	Appropriates a total of \$178,000,000 over four fiscal years from the
33 14	1. There is appropriated from the grow Iowa values fund	Grow Iowa Values Fund for economic development programs
33 15	created in section 15G.107, if enacted by 2003 Iowa Acts,	administered by the DED.
33 16	House File 692 or another Act, to the department of economic	
33 17	development for the fiscal period beginning July 1, 2003, and	The General Assembly approved HF 692 (Taxation Changes, Grow
33 18	ending June 30, 2007, the following amounts, or so much	Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the
33 19	thereof as is necessary, to be used for the purpose	Governor signed the Act on June 19, 2003.
33 20	designated:	
33 21	For programs administered by the department of economic	
33 22	development:	
33 23	FY 2003–2004..... \$ 45,000,000	
33 24	FY 2004–2005..... \$ 41,000,000	
33 25	FY 2005–2006..... \$ 44,000,000	
33 26	FY 2006–2007..... \$ 48,000,000	
33 27	2. Notwithstanding section 8.33, moneys that remain	
33 28	unexpended at the end of a fiscal year shall not revert to any	CODE: Provides that the funds appropriated for programs
33 29	fund but shall remain available for expenditure for the	administered by the DED remain available for expenditure for two
33 30	designated purposes during the succeeding fiscal year.	fiscal years.
33 31	3. Each year that moneys are appropriated under this	
33 32	section, the grow Iowa values board shall allocate a	Requires the Grow Iowa Values Board to annually allocate a portion of
33 33	percentage of the moneys for each of the following types of	the funds appropriated in this Section for specified business activities
33 34	activities:	and marketing.
33 35	a. Business start-ups.	

- 34 1 b. Business expansion.  
34 2 c. Business modernization.  
34 3 d. Business attraction.  
34 4 e. Business retention.  
34 5 f. Marketing.

34 6 4. An applicant for moneys appropriated under this section  
34 7 shall be required by the department to include in the  
34 8 application a statement regarding the intended return on  
34 9 investment. A recipient of moneys appropriated under this  
34 10 section shall annually submit a statement to the department  
34 11 regarding the progress achieved on the intended return on  
34 12 investment stated in the application. The department, in  
34 13 cooperation with the department of revenue and finance, shall  
34 14 develop a method of identifying and tracking each new job  
34 15 created through financial assistance from moneys appropriated  
34 16 under this section.

34 17 5. The department may use moneys appropriated under this  
34 18 section to procure technical assistance from either the public  
34 19 or private sector, for information technology purposes, and  
34 20 for rail, air, or river port transportation-related purposes.  
34 21 The use of moneys appropriated for rail, air, or river port  
34 22 transportation-related purposes must be directly related to an  
34 23 economic development project and the moneys must be used to  
34 24 leverage other financial assistance moneys.

34 25 6. Of the moneys appropriated under this section, the  
34 26 department may use one-half of one percent for administrative  
34 27 purposes.

Requires applicants and recipients of funds appropriated in this Section to submit information concerning the return on investment and requires the DED in cooperation with the Department of Revenue and Finance to identify and track each new job created through the funds appropriated in this Section.

Allows the DED to use funds appropriated under this Section to procure technical assistance, technology, and rail, air, or river transportation. Funds for rail, air, or river transportation must be directly related to an economic development project and used to leverage other funds.

Allows the Department to use up to 0.50% of the funds appropriated in this Section for administrative purposes.

DETAIL: The amounts available for administrative cost are as follows:

- FY 2004: \$225,000
- FY 2005: \$205,000
- FY 2006: \$220,000
- FY 2007: \$240,000

34 28 7. The grow Iowa values board is required to approve or  
 34 29 deny applications for financial assistance from moneys  
 34 30 appropriated under this section.

Requires the Iowa Values Board to approve or deny applications for funding under this Section.

34 31 Sec. 67. UNIVERSITY AND COLLEGE FINANCIAL ASSISTANCE  
 34 32 APPROPRIATION.

Appropriates a total of \$27,000,000 over four fiscal years from the Grow Iowa Values Fund to the Grow Iowa Values Board for financial assistance to the Regents universities and accredited private institutions for a variety of biotechnology-related programs.

34 33 1. There is appropriated from the grow Iowa values fund  
 34 34 created in section 15G.107, if enacted by 2003 Iowa Acts,  
 34 35 House File 692 or another Act, to the grow Iowa values board  
 35 1 for the fiscal period beginning July 1, 2003, and ending June  
 35 2 30, 2007, the following amounts, or so much thereof as is  
 35 3 necessary, to be used for the purposes designated:  
 35 4 For financial assistance for institutions of higher  
 35 5 learning under the control of the state board of regents and  
 35 6 for accredited private institutions as defined in section  
 35 7 261.9 for multiuse, goods manufacturing processes approved by  
 35 8 the food and drug administration of the United States  
 35 9 department of health and human services, protein purification  
 35 10 facilities for plant, animal, and chemical manufactured  
 35 11 proteins; accelerating new business creation; innovation  
 35 12 accelerators and business parks; incubator facilities;  
 35 13 upgrading food and drug administration drug approval  
 35 14 laboratories in Iowa City to a larger multiclient, goods  
 35 15 manufacturing processes facility; crop and animal livestock  
 35 16 facilities for the growing of transgenic crops and livestock,  
 35 17 protein extraction facilities, containment facilities, and  
 35 18 bioanalytical, biochemical, chemical, and microbiological  
 35 19 support facilities; a national center for food safety and  
 35 20 security; and advanced laboratory space:

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

35 21 FY 2003–2004..... \$ 6,000,000  
 35 22 FY 2004–2005..... \$ 7,000,000  
 35 23 FY 2005–2006..... \$ 7,000,000  
 35 24 FY 2006–2007..... \$ 7,000,000

35 25 2. Notwithstanding section 8.33, moneys that remain  
 35 26 unexpended at the end of a fiscal year shall not revert to any  
 35 27 fund but shall remain available for expenditure for the  
 35 28 designated purposes during the succeeding fiscal year.

CODE: Provides that the funds appropriated for financial assistance in this Section remain available for expenditure for two fiscal years.

35 29 3. In the distribution of moneys appropriated pursuant to  
 35 30 this section, the grow Iowa values board shall examine the  
 35 31 potential for using moneys appropriated pursuant to this  
 35 32 section to leverage other moneys for financial assistance to  
 35 33 accredited private institutions.

35 34 4. In awarding moneys appropriated pursuant to this  
 35 35 section, the grow Iowa values board shall consider whether the  
 36 1 purchase of suitable existing infrastructure is more cost-  
 36 2 efficient than building new infrastructure.

36 3 5. An institution of higher learning under the control of  
 36 4 the state board of regents may apply to use financial  
 36 5 assistance moneys under this section for purposes of a public  
 36 6 and private joint venture to acquire infrastructure assets or  
 36 7 research facilities or to leverage moneys in a manner  
 36 8 consistent with meeting the goals and performance measures  
 36 9 provided in section 15G.106, if enacted by 2003 Iowa Acts,  
 36 10 House File 692 or another Act.

36 11 6. Of the moneys appropriated under this section and  
 36 12 provided applications are submitted meeting the requirements  
 36 13 of the grow Iowa values board, not less than \$10,000,000 in  
 36 14 financial assistance shall be awarded to the university of  
 36 15 Iowa, not less than \$10,000,000 in financial assistance shall  
 36 16 be awarded to Iowa state university of science and technology,  
 36 17 and not less than \$5,000,000 in financial assistance shall be  
 36 18 awarded to the university of northern Iowa.

# 36 19 Sec. 68. REHABILITATION PROJECT TAX CREDITS APPROPRIATION.

36 20 1. There is appropriated from the grow Iowa values fund  
 36 21 created in section 15G.107, if enacted by 2003 Iowa Acts,  
 36 22 House File 692 or another Act, to the general fund of the  
 36 23 state, for the fiscal period beginning July 1, 2005, and  
 36 24 ending June 30, 2007, the following amounts, or so much  
 36 25 thereof as is necessary, to be used for the purpose  
 36 26 designated:

36 27 For payment of tax credits approved pursuant to section  
 36 28 404A.4 for projects located in certified cultural and  
 36 29 entertainment districts:

36 30 FY 2005–2006..... \$ 500,000

Requires the Grow Iowa Values Board to:

- Examine the potential using the funds appropriated in this Section to leverage other funds for assistance to accredited private institutions.
- Consider whether the purchase of existing infrastructure is more cost-effective than building new infrastructure.
- Allow a Regent university to apply for funds for developing a public/private venture to acquire infrastructure assets or research facilities, or to leverage additional funds.
- Allocate financial assistance of not less than \$10,000,000 to the University of Iowa, \$10,000,000 to Iowa State University, and \$5,000,000 to the University of Northern Iowa.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

Appropriates a total of \$1,000,000 over two fiscal years beginning in FY 2006 from the Grow Iowa Values Fund for Rehabilitation Project Tax Credits.

DETAIL: Rehabilitation tax credits are capped at \$2,400,000 per year. Section 9 of this Act amends the Code of Iowa to allow for an additional expenditure of \$500,000 per year for FY 2006 and FY 2007.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.



PG LN	House File 683	Explanation
36 31	FY 2006–2007..... \$ 500,000	
36 32	2. Notwithstanding section 8.33, moneys that remain	CODE: Provides that the funds appropriated for Rehabilitation Project Tax Credits remain available for expenditure for two fiscal years.
36 33	unexpended at the end of a fiscal year shall not revert to any	
36 34	fund but shall remain available for expenditure for the	
36 35	designated purposes during the succeeding fiscal year.	
37 1	Sec. 69. LOAN AND CREDIT GUARANTEE FUND APPROPRIATION.	Appropriates a total of \$22,500,000 over four fiscal years from the Grow Iowa Values Fund to the DED for the Loan and Credit Guarantee Fund.
37 2	1. There is appropriated from the grow Iowa values fund	
37 3	created in section 15G.107, if enacted by 2003 Iowa Acts,	
37 4	House File 692 or another Act, to the department of economic	
37 5	development for the fiscal period beginning July 1, 2003, and	DETAIL: Section 104 of HF 692 (FY 2004 Taxation Changes, Grow Iowa Values Program, Regulatory Reform Act) creates the Loan and Credit Guarantee Fund.
37 6	ending June 30, 2007, the following amounts, or so much	
37 7	thereof as is necessary, to be used for the purpose	
37 8	designated:	
37 9	For deposit in the loan and credit guarantee fund created	The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.
37 10	in section 15E.227:	
37 11	FY 2003–2004..... \$ 2,500,000	
37 12	FY 2004–2005..... \$ 5,000,000	
37 13	FY 2005–2006..... \$ 7,500,000	CODE: Provides that the funds appropriated for Loan and Credit Guarantee Fund remain available for expenditure for two fiscal years.
37 14	FY 2006–2007..... \$ 7,500,000	
37 15	2. Notwithstanding section 8.33, moneys that remain	
37 16	unexpended at the end of a fiscal year shall not revert to any	
37 17	fund but shall remain available for expenditure for the	Appropriates a total of \$1,000,000 over three fiscal years beginning in FY 2005 from the Grow Iowa Values Fund for payments of Endow Iowa Tax Credits.
37 18	designated purpose during the succeeding fiscal year.	
37 19	Sec. 70. ENDOW IOWA TAX CREDITS.	
37 20	1. There is appropriated from the grow Iowa values fund	
37 21	created in section 15G.107, if enacted by 2003 Iowa Acts,	DETAIL: Section 83 of this Act authorizes up to \$2,000,000 in Endow Iowa Tax Credits and allows tax credits against taxes imposed for tax years 2003, 2004, and 2005.
37 22	House File 692 or another Act, to the general fund of the	
37 23	state, for the fiscal period beginning July 1, 2004, and	
37 24	ending June 30, 2007, the following amounts, or so much	
37 25	thereof as is necessary, to be used for the purpose	The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.
37 26	designated:	
37 27	For payment of endow Iowa tax credits authorized pursuant	
37 28	to section 15E.305:	
37 29	FY 2004–2005..... \$ 250,000	

PG LN	House File 683	Explanation
37 30	FY 2005–2006..... \$ 250,000	FISCAL IMPACT: The ability to utilize tax credits awarded depends on an individuals tax liability. While the tax liability and amount of donations are unknown, it is assumed that the DED will award the tax credits evenly over the three fiscal years and that the tax credits will be utilized evenly over those fiscal years. Therefore, General Fund revenues will be reduced by \$417,000 each year in FY 2005 and FY 2006, and by \$167,000 in FY 2007.
37 31	FY 2006–2007..... \$ 500,000	
37 32	2. Notwithstanding section 8.33, moneys that remain	CODE: Provides that the funds appropriated for payment of Endow Iowa Tax Credits remain available for expenditure for two fiscal years.
37 33	unexpended at the end of a fiscal year shall not revert to any	
37 34	fund but shall remain available for expenditure for the	
37 35	designated purposes during the succeeding fiscal year.	
38 1	Sec. 71. ENDOW IOWA GRANTS APPROPRIATION.	Appropriates a total of \$1,000,000 over three fiscal years beginning in FY 2005 from the Grow Iowa Values Fund to the Department of Economic Development for the Endow Iowa Grants Program.
38 2	1. There is appropriated from the grow Iowa values fund	
38 3	created in section 15G.107, if enacted by 2003 Iowa Acts,	DETAIL: Section 91 of HF 692 (FY 2004 Taxation Changes, Grow Iowa Values Program, Regulatory Reform Act) creates the Endow Iowa Grant Program.
38 4	House File 692 or another Act, to the department of economic	
38 5	development for the fiscal period beginning July 1, 2004, and	
38 6	ending June 30, 2007, the following amounts, or so much	
38 7	thereof as is necessary, to be used for the purpose	The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.
38 8	designated:	
38 9	For endow Iowa grants to lead philanthropic entities	
38 10	pursuant to section 15E.304:	
38 11	FY 2004–2005..... \$ 250,000	CODE: Provides that the funds appropriated for the Endow Iowa Grants Program remain available for expenditure for two fiscal years.
38 12	FY 2005–2006..... \$ 250,000	
38 13	FY 2006–2007..... \$ 500,000	
38 14	2. Notwithstanding section 8.33, moneys that remain	
38 15	unexpended at the end of a fiscal year shall not revert to any	CODE: Provides that the funds appropriated for the Endow Iowa Grants Program remain available for expenditure for two fiscal years.
38 16	fund but shall remain available for expenditure for the	
38 17	designated purposes during the succeeding fiscal year.	
38 18	Sec. 72. STATE PARKS AND DESTINATION PARKS APPROPRIATION.	
38 19	1. There is appropriated from the grow Iowa values fund	Appropriates a total of \$1,000,000 (\$500,000 in FY 2004 and \$500,000 in FY 2007) from the Grow Iowa Values Fund to the Grow Iowa Values Board for improvement at State and destination Parks.
38 20	created in section 15G.107, if enacted by 2003 Iowa Acts,	
38 21	House File 692 or another Act, to the grow Iowa values board	
38 22	for the fiscal period beginning July 1, 2003, and ending June	
38 23	30, 2007, the following amount, or so much thereof as is	

PG LN	House File 683	Explanation
38 24	necessary, to be used for the purpose designated:	The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.
38 25	For the purpose of providing financial assistance for	
38 26	projects in targeted state parks and destination parks:	
38 27	FY 2003–2004..... \$ 500,000	
38 28	FY 2004–2005..... \$ 0	
38 29	FY 2005–2006..... \$ 0	CODE: Provides that the funds appropriated for State and destination parks remain available for expenditure for two fiscal years.
38 30	FY 2006–2007..... \$ 500,000	
38 31	2. Notwithstanding section 8.33, moneys that remain	
38 32	unexpended at the end of a fiscal year shall not revert to any	
38 33	fund but shall remain available for expenditure for the	
38 34	designated purposes during the succeeding fiscal year.	
38 35	3. The department of natural resources, in cooperation	Requires the Department of Natural Resources in cooperation with the DED to submit a plan to the Grow Iowa Values Board outlining the planned expenditure of funds for State and destination park improvements for economic development purposes.
39 1	with the department of economic development, shall submit a	
39 2	plan to the grow Iowa values board for the expenditure of	
39 3	moneys appropriated under this section. The plan shall focus	
39 4	on improving state parks and destination parks for economic	
39 5	development purposes. Based on the report submitted, the grow	
39 6	Iowa values board shall provide financial assistance to the	
39 7	department of natural resources for support of state parks and	
39 8	destination parks.	
39 9	Sec. 73. IOWA CULTURAL TRUST FUND APPROPRIATION.	Appropriates a total of \$1,000,000 (\$500,000 in FY 2004 and \$500,000 in FY 2007) from the Grow Iowa Values Fund to the Treasurer of State for the Iowa Cultural Trust Fund.
39 10	1. There is appropriated from the grow Iowa values fund	
39 11	created in section 15G.107, if enacted by 2003 Iowa Acts,	DETAIL: The Iowa Cultural Trust Fund was created in FY 2003 but received no State or other funding. Appropriated funds cannot be drawn down by the Trust until matched by documented new local investment in local cultural organizations. The principal of the Trust cannot be used or accessed by the Department of Cultural Affairs or the Board of Trustees of the Iowa Cultural Trust for any purpose. Interest earned on the principal is to be deposited in the Cultural Trust Grant Account and used initially for a statewide educational program to assist cultural organizations in endowment development and then to
39 12	House File 692 or another Act, to the office of the treasurer	
39 13	of state, for the fiscal period beginning July 1, 2003, and	
39 14	ending June 30, 2007, the following amount, or so much thereof	
39 15	as is necessary, to be used for the purpose designated:	
39 16	For deposit in the Iowa cultural trust fund created in	
39 17	section 303A.4:	
39 18	FY 2003–2004..... \$ 500,000	
39 19	FY 2004–2005..... \$ 0	
39 20	FY 2005–2006..... \$ 0	
39 21	FY 2006–2007..... \$ 500,000	

fund grant awards as directed by the Board of Trustees. The grant awards are intended to supplement the operating budgets of nonprofit cultural organizations that meet certain criteria, including criteria related to long-term financial stability and sustainability.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

CODE: Provides that the funds appropriated for the Iowa Cultural Trust Fund remain available for expenditure for two fiscal years.

39 22 2. Notwithstanding section 8.33, moneys that remain  
39 23 unexpended at the end of a fiscal year shall not revert to any  
39 24 fund but shall remain available for expenditure for the  
39 25 designated purposes during the succeeding fiscal year.

39 26 Sec. 74. ANTICIPATED FEDERAL MONEYS — APPROPRIATION.

39 27 1. There is appropriated from the fund created by section  
39 28 8.41, for the fiscal period beginning July 1, 2003, and ending  
39 29 June 30, 2005, the following amounts to be used for the  
39 30 purpose designated:

39 31 For deposit in the grow Iowa values fund created in section  
39 32 15G.107, if enacted by 2003 Iowa Acts, House File 692 or  
39 33 another Act:

39 34 FY 2003–2004..... \$ 59,000,000

39 35 FY 2004–2005..... \$ 41,000,000

Appropriates a total of \$100,000,000 over two fiscal years from the federal funds to the Grow Iowa Values Fund.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

40 1 2. Moneys appropriated in this section are moneys  
40 2 anticipated to be received from the federal government for  
40 3 state and local government fiscal relief under the federal  
40 4 Jobs and Growth Tax Relief Reconciliation Act of 2003 and  
40 5 shall be expended as provided in the federal law making the  
40 6 moneys available and in conformance with chapter 17A.

Specifies that the federal funds will be received through the federal Jobs and Growth Tax Relief Reconciliation Act of 2003.

40 7 3. Notwithstanding section 8.33, moneys that remain  
40 8 unexpended at the end of a fiscal year shall not revert to any  
40 9 fund but shall remain available for expenditure for the  
40 10 designated purposes during the succeeding fiscal year.

CODE: Provides that the federal funds appropriated to the Grow Iowa Values Fund remain available for expenditure for two fiscal years.

40 11 Sec. 75. STREAMLINED SALES AND USE TAX REVENUE —  
40 12 APPROPRIATION.

40 13 1. There is appropriated from the general fund of the  
40 14 state from moneys credited to the general fund of the state as  
40 15 a result of entering into the streamlined sales and use tax  
40 16 agreement, for the fiscal period beginning July 1, 2003, and  
40 17 ending June 30, 2010, the following amounts to be used for the  
40 18 purpose designated:

40 19 For deposit in the grow Iowa values fund created in section  
40 20 15G.107, if enacted by 2003 Iowa Acts, House File 692 or  
40 21 another Act:

40 22 FY 2003–2004..... \$ 5,000,000  
40 23 FY 2004–2005..... \$ 23,000,000  
40 24 FY 2005–2006..... \$ 75,000,000  
40 25 FY 2006–2007..... \$ 75,000,000  
40 26 FY 2007–2008..... \$ 75,000,000  
40 27 FY 2008–2009..... \$ 75,000,000  
40 28 FY 2009–2010..... \$ 75,000,000

40 29 2. For purposes of this section, "moneys credited to the  
40 30 general fund of the state as a result of entering into the  
40 31 streamlined sales and use tax agreement" means the amount of  
40 32 sales and use tax receipts credited to the general fund of the  
40 33 state during a fiscal year that exceeds by two percent or more  
40 34 the total sales and use tax receipts credited to the general  
40 35 fund of the state during the previous fiscal year.

41 1 a. If the moneys credited to the general fund of the state  
41 2 as a result of entering into the streamlined sales and use tax  
41 3 agreement during a fiscal year total less than the amount  
41 4 appropriated in this section, the appropriation in this  
41 5 section shall be reduced to equal the total amount of the  
41 6 moneys so credited.

41 7 b. If the appropriation for a fiscal year is reduced  
41 8 pursuant to paragraph "a", all appropriations made from the  
41 9 grow Iowa values fund for the same fiscal year shall be  
41 10 reduced proportionately to the amount reduced due to paragraph

Appropriates a total of \$403,000,000 to the Grow Iowa Values Fund over seven fiscal years from the revenues to be deposited into the General Fund that will be generated from the State entering into the streamlined sales and use tax agreement.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

Specifies that for the purpose of appropriation to the Grow Iowa Values Fund, the streamline sales and use tax revenues are the total amount of sales and use tax receipts credited to the General Fund that exceeds by 2.00% or more the total sales and use tax receipts from the previous fiscal year.

Requires that if the sales and use tax receipts are not sufficient to fully fund the appropriation to the Grow Iowa Values Fund, that the appropriation is reduced to amount of receipts that exceed 2.00% growth over the previous fiscal year.

Requires that all appropriations for programs funded from the Grow Iowa Values Fund be reduced proportionately if the appropriations to the Grow Iowa Values Fund from the sales and use tax receipts are less than the amounts specified in Section 75 of this Act.

41 11 "a".

41 12 3. Notwithstanding section 8.33, moneys that remain  
41 13 unexpended at the end of a fiscal year shall not revert to any  
41 14 fund but shall remain available for expenditure for the  
41 15 designated purposes during the succeeding fiscal year.

CODE: Provides that the sales and use tax receipts appropriated to the Grow Iowa Values Fund remain available for expenditure for two fiscal years.

41 16 DIVISION VII  
41 17 WORKFORCE-RELATED ISSUES

41 18 Sec. 76. NEW SECTION. 260C.18A WORKFORCE TRAINING AND  
41 19 ECONOMIC DEVELOPMENT FUNDS.

CODE: Establishes workforce training and economic development funds at each of the State's community colleges and specifies that moneys in the funds do not revert.

41 20 1. a. A workforce training and economic development fund  
41 21 is created for each community college. Moneys shall be  
41 22 deposited and expended from a fund as provided under this  
41 23 section.

41 24 b. Moneys in the funds shall consist of any moneys  
41 25 appropriated by the general assembly and any other moneys  
41 26 available to and obtained or accepted by the department of  
41 27 economic development from federal sources or private sources  
41 28 for placement in the funds. Notwithstanding section 8.33,  
41 29 moneys in the funds at the end of each fiscal year shall not  
41 30 revert to any other fund but shall remain in the funds for  
41 31 expenditure in subsequent fiscal years.

41 32 2. On July 1 of each year for the fiscal year beginning  
41 33 July 1, 2003, and for every fiscal year thereafter, moneys  
41 34 from the grow Iowa values fund created in section 15G.107, if  
41 35 enacted by 2003 Iowa Acts, House File 692 or another Act, are  
42 1 appropriated to the department of economic development for  
42 2 deposit in the workforce training and economic development  
42 3 funds in amounts determined pursuant to subsection 3. Moneys  
42 4 deposited in the funds and disbursed to community colleges for  
42 5 a fiscal year shall be expended for the following purposes,  
42 6 provided seventy percent of the moneys shall be used on  
42 7 projects in the areas of advanced manufacturing, information  
42 8 technology and insurance, and life sciences which include the  
42 9 areas of biotechnology, health care technology, and nursing

CODE: Requires that on July 1 of each year moneys from the Grow Iowa Values Fund are appropriated to the DED for allocation to the community colleges' workforce training and economic development funds. Specifies the purposes for which the funds are to be expended.

DETAIL: Section 76.4 of this Act appropriates a total of \$25,000,000 over four fiscal years to the community colleges' workforce training and economic development funds. Section 76.5 of this Act allocates the funds based on same formula that allocates State Aid to community colleges.

42 10 care technology:  
42 11 a. Projects in which an agreement between a community  
42 12 college and an employer located within the community college's  
42 13 merged area meet all of the requirements of the accelerated  
42 14 career education program under chapter 260G.  
42 15 b. Projects in which an agreement between a community  
42 16 college and a business meet all the requirements of the Iowa  
42 17 jobs training Act under chapter 260F.  
42 18 c. For the development and implementation of career  
42 19 academies designed to provide new career preparation  
42 20 opportunities for high school students that are formally  
42 21 linked with postsecondary career and technical education  
42 22 programs. For purposes of this section, "career academy"  
42 23 means a program of study that combines a minimum of two years  
42 24 of secondary education with an associate degree, or the  
42 25 equivalent, career preparatory program in a nonduplicative,  
42 26 sequential course of study that is standards based, integrates  
42 27 academic and technical instruction, utilizes work-based and  
42 28 worksite learning where appropriate and available, utilizes an  
42 29 individual career planning process with parent involvement,  
42 30 and leads to an associate degree or postsecondary diploma or  
42 31 certificate in a career field that prepares an individual for  
42 32 entry and advancement in a high-skill and reward career field  
42 33 and further education. The department of economic  
42 34 development, in conjunction with the state board of education  
42 35 and the division of community colleges and workforce  
43 1 preparation of the department of education, shall adopt  
43 2 administrative rules for the development and implementation of  
43 3 such career academies pursuant to section 256.11, subsection  
43 4 5, paragraph "h", section 260C.1, and Title II of Pub. L. No.  
43 5 105-332, Carl D. Perkins Vocational and Technical Education  
43 6 Act of 1998.  
43 7 d. Programs and courses that provide vocational and  
43 8 technical training, and programs for in-service training and  
43 9 retraining under section 260C.1, subsections 2 and 3.  
43 10 e. Job retention projects under section 260F.9.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

43 11 3. Of the moneys appropriated in this section, for the  
43 12 fiscal period beginning July 1, 2003, and ending June 30,  
43 13 2006, the following amounts shall be designated for the  
43 14 purposes of funding job retention projects under section  
43 15 260F.9:

43 16 a. One million dollars for the fiscal year beginning July  
43 17 1, 2003.

43 18 b. One million dollars for the fiscal year beginning July  
43 19 1, 2004.

43 20 c. One million dollars for the fiscal year beginning July  
43 21 1, 2005.

CODE: Allocates \$1,000,000 per year for three fiscal years from the funds appropriated to the community colleges' workforce training and economic development funds for funding job retention projects.

43 22 4. The maximum cumulative total amount of moneys that may  
43 23 be deposited in all the workforce training and economic  
43 24 development funds for distribution to community colleges in a  
43 25 fiscal year shall be determined as follows:

43 26 a. Five million dollars for the fiscal year beginning July  
43 27 1, 2003.

43 28 b. Five million dollars for the fiscal year beginning July  
43 29 1, 2004.

43 30 c. Five million dollars for the fiscal year beginning July  
43 31 1, 2005.

43 32 d. Ten million dollars for the fiscal year beginning July  
43 33 1, 2006.

43 34 e. For the fiscal year beginning July 1, 2007, and each  
43 35 succeeding fiscal year, the grow Iowa values board shall make  
44 1 a determination if sufficient moneys exist in the grow Iowa  
44 2 values fund to distribute to community colleges.

CODE: Appropriates a total of \$25,000,000 from the Grow Iowa Values Fund for deposit into the community colleges' workforce training and economic development funds.

44 3 5. The department of economic development shall allocate  
44 4 the moneys appropriated pursuant to this section to the  
44 5 community college workforce training and economic development  
44 6 funds utilizing the same distribution formula used for the  
44 7 allocation of state general aid to the community colleges.

CODE: Requires the funds appropriated to the community colleges' workforce training and economic development funds to be allocated in the same manner as State Aid is allocated to community colleges.

44 8 6. Each community college shall do all of the following:

44 9 a. Adopt a two-year workforce training and economic  
44 10 development fund plan outlining the community college's

CODE: Requires each community college to prepare and annually



44 11 proposed use of moneys appropriated under subsection 2.  
44 12 b. Update the two-year plan annually.  
44 13 c. Prepare an annual progress report on the two-year  
44 14 plan's implementation.  
44 15 d. Annually submit the two-year plan and progress report  
44 16 to the department of economic development in a manner  
44 17 prescribed by rules adopted by the department pursuant to  
44 18 chapter 17A and annually file a copy of the plan and progress  
44 19 report with the grow iowa values board. For the fiscal year  
44 20 beginning July 1, 2004, and each fiscal year thereafter, a  
44 21 community college shall not have moneys deposited in the  
44 22 workforce training and economic development fund of that  
44 23 community college unless the grow iowa values board approves  
44 24 the annual progress report of the community college.

update a two-year workforce training and economic development fund plan, and provide annual progress reports concerning the plan's implementation. Requires the plans and progress reports be submitted to the DED and the Grow Iowa Values Board and requires the Board to approve the annual progress report before funds can be allocated to a community college.

44 25 7. Any individual project using over one million dollars  
44 26 of moneys from a workforce training and economic development  
44 27 fund shall require prior approval from the grow iowa values  
44 28 board.

CODE: Requires approval of individual projects in excess of \$1,000,000 from a workforce training and economic development fund by the Grow Iowa Values Board.

44 29 Sec. 77. NEW SECTION. 260F.9 JOB RETENTION PROGRAM.  
44 30 1. The department of economic development shall administer  
44 31 the job retention program. The department shall adopt rules  
44 32 pursuant to chapter 17A necessary for the administration of  
44 33 this section. By January 15 of each year, the department  
44 34 shall submit a written report to the general assembly and the  
44 35 governor regarding the activities of the job retention program  
45 1 during the previous calendar year.

CODE: Requires the DED to administer the Job Retention Program and submit a progress report by January 15 of each year to the General Assembly and the Governor.

45 2 2. A community college and the department may enter into  
45 3 an agreement to establish a job retention project. A job  
45 4 retention project agreement shall include, but not be limited  
45 5 to, the following:  
45 6 a. The date of the agreement.  
45 7 b. The anticipated number of employees to be trained.  
45 8 c. The estimated cost of training.  
45 9 d. A statement regarding the number of employees employed  
45 10 by the participating business on the date of the agreement

CODE: Allows the Department and a community college to enter into an agreement for the establishment of a job retention project. Specifies the criteria of the agreement.

45 11 which must equal at least the lesser of one thousand employees  
45 12 or four percent or more of the county's resident labor force  
45 13 based on the most recent annual labor force statistics from  
45 14 the department of workforce development.

45 15 e. A commitment that the participating business shall  
45 16 invest at least fifteen million dollars to retool the  
45 17 workplace and upgrade the facilities of the participating  
45 18 business.

45 19 f. A commitment that the participating business shall not  
45 20 move the business operation out of this state or close the  
45 21 business operation for at least ten years following the date  
45 22 of the agreement.

45 23 g. Other criteria established by the department of  
45 24 economic development.

45 25 3. A job retention project agreement entered into pursuant  
45 26 to this section must be approved by the board of trustees of  
45 27 the applicable community college, the department of economic  
45 28 development, and the participating business.

45 29 Sec. 78. NEW SECTION. 260F.101 REPORTING.

45 30 A community college entering into an agreement pursuant to  
45 31 this chapter shall submit an annual written report by the end  
45 32 of each calendar year with the grow Iowa values board created  
45 33 in section 15G.102, if enacted by 2003 Iowa Acts, House File  
45 34 692 or another Act. The report shall provide information  
45 35 regarding how the agreement affects the achievement of the  
46 1 goals and performance measures provided in section 15G.106, if  
46 2 enacted by 2003 Iowa Acts, House File 692 or another Act.

CODE: Requires a community college that enters into a Job Retention Project agreement to submit an annual report to the Grow Iowa Values Board.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

46 3 Sec. 79. Section 260G.3, subsection 2, Code 2003, is  
46 4 amended to read as follows:

46 5 2. An agreement may include reasonable and necessary  
46 6 provisions to implement the accelerated career education  
46 7 program. If an agreement that utilizes program job credits is  
46 8 entered into, the community college and the employer shall  
46 9 notify the department of revenue and finance as soon as  
46 10 possible. The community college shall also file a copy of the  
46 11 agreement with the department of economic development as

CODE: Allows for job credits under an Accelerated Career Enhancement (ACE) Program agreement to be funded through community college workforce training and economic development funds.

46 12 required in section 260G.4B. The agreement shall provide for  
46 13 program costs, including deferred costs, which may be paid  
46 14 from any of the following sources:

46 15 a. Program job credits which the employer receives based  
46 16 on the number of program job positions agreed to by the  
46 17 employer to be available under the agreement.

46 18 b. Cash or in-kind contributions by the employer toward  
46 19 the program cost. At a minimum, the employer contribution  
46 20 shall be twenty percent of the program costs.

46 21 c. Tuition, student fees, or special charges fixed by the  
46 22 board of directors to defray program costs.

46 23 d. Guarantee by the employer of payments to be received  
46 24 under paragraphs "a" and "b".

46 25 e. Moneys from a workforce training and economic  
46 26 development fund created in section 260C.18A, based on the  
46 27 number of program job positions agreed to by the employer to  
46 28 be available under the agreement, the amount of which shall be  
46 29 calculated in the same manner as the program job credits  
46 30 provided for in section 260G.4A.

46 31 Sec. 80. NEW SECTION. 260G.101 REPORTING.

46 32 A community college entering into an agreement pursuant to  
46 33 this chapter shall submit an annual written report by the end  
46 34 of each calendar year with the grow Iowa values board created  
46 35 in section 15G.102, if enacted by 2003 Iowa Acts, House File  
47 1 692 or another Act. The report shall provide information  
47 2 regarding how the agreement affects the achievement of the  
47 3 goals and performance measures provided in section 15G.106, if  
47 4 enacted by 2003 Iowa Acts, House File 692 or another Act.

CODE: Requires a community college that enters into an Accelerated Career Enhancement (ACE) Program agreement to annually submit a report to the Grow Iowa Values Board.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

47 5 DIVISION VIII

47 6 LOAN AND CREDIT GUARANTEE FUND

47 7 Sec. 81. NEW SECTION. 15E.227 LOAN AND CREDIT GUARANTEE  
47 8 FUND.

47 9 1. A loan and credit guarantee fund is created and  
47 10 established as a separate and distinct fund in the state  
47 11 treasury. Moneys in the fund shall only be used for purposes

CODE: Establishes the Loan and Credit Guarantee Fund and specifies the purposes for use of the Funds proceeds. Specifies that the moneys in the Fund do not revert and that the interest earned by the Fund shall be retained in the Fund.

47 12 provided in this section. The moneys in the fund are  
47 13 appropriated to the department to be used for all of the  
47 14 following purposes:

- 47 15 a. Payment of claims pursuant to loan and credit guarantee
- 47 16 agreements entered into under this division.
- 47 17 b. Payment of administrative costs of the department for
- 47 18 actual and necessary administrative expenses incurred by the
- 47 19 department in administering the program.
- 47 20 c. Purchase or buyout of superior or prior liens,
- 47 21 mortgages, or security interests.
- 47 22 d. Purchase of insurance to cover the default of loans
- 47 23 made pursuant to the requirements of the loan and credit
- 47 24 guarantee program.

47 25 2. Moneys in the loan and credit guarantee fund shall

47 26 consist of all of the following:

- 47 27 a. Moneys appropriated by the general assembly for that
- 47 28 purpose and any other moneys available to and obtained or
- 47 29 accepted by the department for placement in the fund.
- 47 30 b. Proceeds from collateral assigned to the department,
- 47 31 fees for guarantees, gifts, and moneys from any grant made to
- 47 32 the fund by any federal agency.
- 47 33 c. Moneys appropriated from the grow Iowa values fund
- 47 34 created in section 15G.107, if enacted by 2003 Iowa Acts,
- 47 35 House File 692 or another Act.

48 1 3. Moneys in the fund are not subject to section 8.33.

48 2 Notwithstanding section 12C.7, interest or earnings on the

48 3 moneys in the fund shall be credited to the fund.

48 4 4. a. The department shall only pledge moneys in the loan

48 5 and credit guarantee fund and not any other moneys of the

48 6 department. In a fiscal year, the department may pledge an

48 7 amount not to exceed the total amount appropriated to the fund

48 8 for the same fiscal year to assure the repayment of loan and

48 9 credit guarantees or other extensions of credit made to or on

48 10 behalf of qualified businesses or targeted industry businesses

48 11 for eligible project costs.

48 12 b. The department shall not pledge the credit or taxing

48 13 power of this state or any political subdivision of this state

48 14 or make debts payable out of any moneys except for those in

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

48 15 the loan and credit guarantee fund.

48 16 DIVISION IX  
48 17 UNIVERSITY-BASED RESEARCH UTILIZATION  
48 18 PROGRAM APPROPRIATION  
48 19 Sec. 82. NEW SECTION. 262B.12 APPROPRIATION.  
48 20 On July 1 of each year there is appropriated from the  
48 21 general fund of the state to each university under the control  
48 22 of the state board of regents, an amount equal to the amount  
48 23 determined by the department of economic development pursuant  
48 24 to section 262B.11, subsection 4, paragraph "c", subparagraph  
48 25 (2), if enacted by 2003 Iowa Acts, House File 692 or another  
48 26 Act.

CODE: Provides a General Fund appropriation in an amount sufficient to fund tax credits to a Regents university where research was conducted to develop technology that receives a patent and the application of the technology has sufficient potential impact on Iowa economic development.

DETAIL: Section 111 of HF 692 (FY 2004 Taxation Changes, Grow Iowa Values Program, and Regulatory Reform Act) establishes the University-Based Research Utilization Program. The Program allows for a Regents university where the research was conducted to receive an appropriation equal to 30.00% of the approved company's tax liability for five years. For each project, the university appropriation is limited to \$225,000 per year and \$600,000 total.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.

FISCAL IMPACT: The tax credits and appropriations established in HF 692 are projected to reduce General Fund receipts by the following amounts:

- FY 2005 - \$0.1 million
- FY 2006 - \$0.8 million
- FY 2007 - \$1.4 million
- FY 2008 - \$2.0 million
- FY 2009 - \$2.7 million

48 27 DIVISION X  
48 28 ENDOW IOWA TAX CREDIT

48 29 Sec. 83. NEW SECTION. 15E.305 ENDOW IOWA TAX CREDIT.  
48 30 1. For tax years beginning on or after January 1, 2003, a  
48 31 tax credit shall be allowed against the taxes imposed in  
48 32 chapter 422, divisions II, III, and V, and in chapter 432, and  
48 33 against the moneys and credits tax imposed in section 533.24  
48 34 equal to twenty percent of a taxpayer's endowment gift to a  
48 35 qualified community foundation. An individual may claim a tax

CODE: Provides an income tax credit equal to 20.00% of a taxpayer's endowment gift. Requires that the total amount of tax credits authorized not exceed \$2,000,000 and that no tax credits will be authorized after December 31, 2005.

49 1 credit under this section of a partnership, limited liability  
49 2 company, S corporation, estate, or trust electing to have  
49 3 income taxed directly to the individual. The amount claimed  
49 4 by the individual shall be based upon the pro rata share of  
49 5 the individual's earnings from the partnership, limited  
49 6 liability company, S corporation, estate, or trust. A tax  
49 7 credit shall be allowed only for an endowment gift made to a  
49 8 qualified community foundation for a permanent endowment fund  
49 9 established to benefit a charitable cause in this state. Any  
49 10 tax credit in excess of the taxpayer's tax liability for the  
49 11 tax year may be credited to the tax liability for the  
49 12 following five years or until depleted, whichever occurs  
49 13 first. A tax credit shall not be carried back to a tax year  
49 14 prior to the tax year in which the taxpayer claims the tax  
49 15 credit.

49 16 2. The aggregate amount of tax credits authorized pursuant  
49 17 to this section shall not exceed a total of two million  
49 18 dollars. The maximum amount of tax credits granted to a  
49 19 taxpayer shall not exceed five percent of the aggregate amount  
49 20 of tax credits authorized.

49 21 3. A tax credit shall not be transferable to any other  
49 22 taxpayer.

49 23 4. A tax credit shall not be authorized pursuant to this  
49 24 section after December 31, 2005.

49 25 5. The department shall develop a system for registration  
49 26 and authorization of tax credits under this section and shall  
49 27 control the distribution of all tax credits to taxpayers  
49 28 providing an endowment gift subject to this section. The  
49 29 department shall adopt administrative rules pursuant to  
49 30 chapter 17A for the qualification and administration of  
49 31 endowment gifts.

49 32 Sec. 84. NEW SECTION. 422.11H ENDOW IOWA TAX CREDIT.  
49 33 The tax imposed under this division, less the credits  
49 34 allowed under sections 422.12 and 422.12B, shall be reduced by  
49 35 an endow Iowa tax credit authorized pursuant to section  
50 1 15E.305.

DETAIL: Section 70 of the Act appropriates a total of \$1,000,000 over three fiscal years for payment of tax credits.

CODE: Requires that personal income tax liability be reduced by the Endow Iowa Tax Credit after accounting for deductions and earned income tax credits.

PG LN	House File 683	Explanation
50 2	Sec. 85. Section 422.33, Code 2003, is amended by adding	CODE: Requires corporate income tax liability to be reduced by the Endow Iowa Tax Credit.
50 3	the following new subsection:	
50 4	<u>NEW SUBSECTION.</u> 14. The taxes imposed under this division	
50 5	shall be reduced by an endow Iowa tax credit authorized	
50 6	pursuant to section 15E.305.	
50 7	Sec. 86. Section 422.60, Code 2003, is amended by adding	CODE: Requires franchise tax liability to be reduced by the Endow Iowa Tax Credit.
50 8	the following new subsection:	
50 9	<u>NEW SUBSECTION.</u> 7. The taxes imposed under this division	
50 10	shall be reduced by an endow Iowa tax credit authorized	
50 11	pursuant to section 15E.305.	
50 12	Sec. 87. <u>NEW SECTION.</u> 432.12D ENDOW IOWA TAX CREDIT.	CODE: Requires insurance premium tax liability to be reduced by the Endow Iowa Tax Credit.
50 13	The tax imposed under this chapter shall be reduced by an	
50 14	endow Iowa tax credit authorized pursuant to section 15E.305.	
50 15	Sec. 88. Section 533.24, Code 2003, is amended by adding	CODE: Requires taxes imposed against credit unions to be reduced by the Endow Iowa Tax Credit.
50 16	the following new unnumbered paragraph:	
50 17	<u>NEW UNNUMBERED PARAGRAPH.</u> The moneys and credits tax	
50 18	imposed under this section shall be reduced by an endow Iowa	
50 19	tax credit authorized pursuant to section 15E.305.	
50 20	Sec. 89. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.	Provides that the provisions providing for Endow Iowa Tax Credits are effective upon enactment and apply retroactively to January 1, 2003.
50 21	This division of this Act, being deemed of immediate	
50 22	importance, takes effect upon enactment and is retroactively	
50 23	applicable to January 1, 2003, for tax years beginning on or	
50 24	after that date.	
50 25	DIVISION XI	CODE: Provides an additional \$500,000 in tax credits beginning FY 2006 and FY 2007 for rehabilitation projects located in cultural and entertainment districts.
50 26	REHABILITATION PROJECT TAX CREDITS	
50 27	Sec. 90. Section 404A.4, subsection 4, Code 2003, is	DETAIL: Section 68 of this Act provides an additional appropriation of \$500,000 per year for FY 2006 and FY 2007.
50 28	amended to read as follows:	
50 29	4. The total amount of tax credits that may be approved	The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.
50 30	for a fiscal year under this chapter shall not exceed two	
50 31	million four hundred thousand dollars. <u>For the fiscal years</u>	
50 32	<u>beginning July 1, 2005, and July 1, 2006, an additional five</u>	
50 33	<u>hundred thousand dollars of tax credits may be approved each</u>	
50 34	<u>fiscal year for purposes of projects located in cultural and</u>	

50 35 entertainment districts certified pursuant to section 303.3B,  
51 1 if enacted by 2003 Iowa Acts, House File 692 or another Act.  
51 2 Any of the additional tax credits allocated for projects  
51 3 located in certified cultural and entertainment districts that  
51 4 are not approved during a fiscal year may be carried over to  
51 5 the succeeding fiscal year. Tax credit certificates shall be  
51 6 issued on the basis of the earliest awarding of certifications  
51 7 of completion as provided in subsection 1. The departments of  
51 8 economic development and revenue and finance shall each adopt  
51 9 rules to jointly administer this subsection and shall provide  
51 10 by rule for the method to be used to determine for which  
51 11 fiscal year the tax credits are approved.

FISCAL IMPACT: This provision will not have a fiscal impact on the General Fund.

51 12 DIVISION XII  
51 13 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE FUND

51 14 Sec. 91. Section 8.57, subsection 5, Code 2003, is amended  
51 15 by adding the following new paragraph:  
51 16 NEW PARAGRAPH. f. There is appropriated from the rebuild  
51 17 Iowa infrastructure fund to the secure an advanced vision for  
51 18 education fund created in section 422E.3A, for each fiscal  
51 19 year of the fiscal period beginning July 1, 2004, and ending  
51 20 June 30, 2014, the amount of the moneys in excess of the first  
51 21 forty-seven million dollars credited to the rebuild Iowa  
51 22 infrastructure fund during the fiscal year, not to exceed ten  
51 23 million dollars.

CODE: Appropriates up to \$10,000,000 per year from the Rebuild Iowa Infrastructure Fund (RIIF) from FY 2005 to FY 2014 to the Secure an Advanced Vision for Education (SAVE) Fund. The funds are appropriated to the SAVE Fund only after the first \$47,000,000 is first credited to the RIIF.

51 24 Sec. 92. NEW SECTION. 292A.3A APPROPRIATION.  
51 25 There is appropriated from the general fund of the state  
51 26 from moneys credited to the general fund of the state as a  
51 27 result of the state entering into the streamlined sales and  
51 28 use tax agreement to the secure an advanced vision for  
51 29 education fund created in section 422E.3A, the sum of five  
51 30 million dollars for each fiscal year of the fiscal period  
51 31 beginning July 1, 2004, and ending June 30, 2014. The  
51 32 appropriation in this section shall be made after the  
51 33 appropriation from the same source to the grow Iowa fund  
51 34 created in 2003 Iowa Acts, House File 692 or another Act. For

CODE: Appropriates up to \$5,000,000 per year from FY 2005 to FY 2014 from the moneys credited to the General Fund that result from the State entering into the streamlined sales and use tax agreement to the Secure an Advanced Vision for Education (SAVE) Fund. The funds are appropriated to the SAVE Fund only after the funds from this source are appropriated to the Grow Iowa Values Fund in Section 75 of this Act.

The General Assembly approved HF 692 (Taxation Changes, Grow Iowa Values, and Regulatory Reform Act) on June 4, 2003, and the Governor signed the Act on June 19, 2003.



51 35 purposes of this section, "moneys credited to the general fund  
52 1 of the state as a result of entering into the streamlined  
52 2 sales and use tax agreement" means the amount of sales and use  
52 3 tax receipts credited to the general fund of the state during  
52 4 a fiscal year that exceeds by two percent or more the total  
52 5 sales and use tax receipts credited to the general fund of the  
52 6 state during the previous fiscal year.

52 7 DIVISION XIII

52 8 REPEALS

52 9 Sec. 93. The divisions of this Act designated economic  
52 10 development appropriations, workforce-related issues, loan and  
52 11 credit guarantee fund, university-based research utilization  
52 12 program appropriation, endow Iowa tax credit, and  
52 13 rehabilitation project tax credits are repealed effective June  
52 14 30, 2010.

CODE: Repeals Divisions VI through XI of this Act on June 30, 2010.

DETAIL: These division relate to the programs and tax credits funded from the Grow Iowa Values Fund.

52 15 DIVISION XIV

52 16 STREAMLINED SALES AND USE TAXES

52 17 SUBCHAPTER I

52 18 DEFINITIONS

52 19 Sec. 94. NEW SECTION. 423.1 DEFINITIONS.

52 20 As used in this chapter the following words, terms, and  
52 21 phrases have the meanings ascribed to them by this section,  
52 22 except where the context clearly indicates that a different  
52 23 meaning is intended:

52 24 1. "Agent" means a person appointed by a seller to  
52 25 represent the seller before the member states.

52 26 2. "Agreement" means the streamlined sales and use tax  
52 27 agreement authorized by subchapter IV of this chapter to  
52 28 provide a mechanism for establishing and maintaining a  
52 29 cooperative, simplified system for the application and  
52 30 administration of sales and use taxes.

52 31 3. "Agricultural production" includes the production of  
52 32 flowering, ornamental, or vegetable plants in commercial  
52 33 greenhouses or otherwise, and production from aquaculture.  
52 34 "Agricultural products" includes flowering, ornamental, or  
52 35 vegetable plants and those products of aquaculture.

Sections 94 through 203 of this Act revise Iowa's sales and use tax provisions to bring Iowa into compliance with model Streamlined Sales Tax legislation proposed by a national group representing states and other interested parties. Once in compliance, Iowa will participate with other compliance states in a program of voluntary tax collections by out-of-state retailers.

FISCAL IMPACT: It is estimated that the proposed changes to the sales and use tax provision will result in the following revenue increases to the General Fund through FY 2007:

- FY 2004: \$1,000,000
- FY 2005: \$15,000,000
- FY 2006: \$71,800,000
- FY 2007: \$71,800,000

VETOED: The Governor item vetoed Section 96, Subsection 68, which exempts the sales tax on the sale of metered gas, electricity, and fuel oil to residential customers. The Governor stated that he vetoed postponing the tax cut in HF 692 (FY 2004 Taxation Changes, Grow Iowa Values Program, Regulatory Reform Act) making this

53 1 4. "Business" includes any activity engaged in by any  
53 2 person or caused to be engaged in by the person with the  
53 3 object of gain, benefit, or advantage, either direct or  
53 4 indirect.  
53 5 5. "Certificate of title" means a certificate of title  
53 6 issued for a vehicle or for manufactured housing under chapter  
53 7 321.  
53 8 6. "Certified automated system" means software certified  
53 9 under the agreement to calculate the tax imposed by each  
53 10 jurisdiction on a transaction, determine the amount of tax to  
53 11 remit to the appropriate state, and maintain a record of the  
53 12 transaction.  
53 13 7. "Certified service provider" means an agent certified  
53 14 under the agreement to perform all of a seller's sales or use  
53 15 tax functions, other than the seller's obligation to remit tax  
53 16 on its own purchases.  
53 17 8. "Computer" means an electronic device that accepts  
53 18 information in digital or similar form and manipulates the  
53 19 information for a result based on a sequence of instructions.  
53 20 9. "Computer software" means a set of coded instructions  
53 21 designed to cause a computer or automatic data processing  
53 22 equipment to perform a task.  
53 23 10. "Delivered electronically" means delivered to the  
53 24 purchaser by means other than tangible storage media.  
53 25 11. "Delivery charges" means charges assessed by a seller  
53 26 of personal property or services for preparation and delivery  
53 27 to a location designated by the purchaser of personal property  
53 28 or services including, but not limited to, transportation,  
53 29 shipping, postage, handling, crating, and packing charges.  
53 30 12. "Department" means the department of revenue and  
53 31 finance.  
53 32 13. "Direct mail" means printed material delivered or  
53 33 distributed by United States mail or other delivery service to  
53 34 a mass audience or to addressees on a mailing list provided by  
53 35 the purchaser or at the direction of the purchaser when the  
54 1 cost of the items is not billed directly to the recipients.  
54 2 "Direct mail" includes tangible personal property supplied  
54 3 directly or indirectly by the purchaser to the direct mail

provision unnecessary. The Governor also stated that he will recommend bringing continued reduction in the sales tax on residential utilities into alignment with the Streamlined Sales and Use Tax initiative for the next legislative session.

54 4 seller for inclusion in the package containing the printed  
54 5 material. "Direct mail" does not include multiple items of  
54 6 printed material delivered to a single address.

54 7 14. "Director" means the director of revenue and finance.

54 8 15. "Electronic" means relating to technology having  
54 9 electrical, digital, magnetic, wireless, optical,  
54 10 electromagnetic, or similar capabilities.

54 11 16. "Farm deer" means the same as defined in section  
54 12 189A.2.

54 13 17. "Farm machinery and equipment" means machinery and  
54 14 equipment used in agricultural production.

54 15 18. "First use of a service". A "first use of a service"  
54 16 occurs, for the purposes of this chapter, when a service is  
54 17 rendered, furnished, or performed in Iowa or if rendered,  
54 18 furnished, or performed outside of Iowa, when the product or  
54 19 result of the service is used in Iowa.

54 20 19. "Goods, wares, or merchandise" means the same as  
54 21 tangible personal property.

54 22 20. "Governing board" means the group comprised of  
54 23 representatives of the member states of the agreement which is  
54 24 created by the agreement to be responsible for the agreement's  
54 25 administration and operation.

54 26 21. "Installed purchase price" is the amount charged,  
54 27 valued in money whether paid in money or otherwise, by a  
54 28 building contractor to convert manufactured housing from  
54 29 tangible personal property into realty. "Installed purchase  
54 30 price" includes, but is not limited to, amounts charged for  
54 31 installing a foundation and electrical and plumbing hookups.  
54 32 "Installed purchase price" excludes any amount charged for  
54 33 landscaping in connection with the conversion.

54 34 22. "Lease or rental".

54 35 a. "Lease or rental" means any transfer of possession or  
55 1 control of tangible personal property for a fixed or  
55 2 indeterminate term for consideration. A "lease or rental" may  
55 3 include future options to purchase or extend.

55 4 b. "Lease or rental" includes agreements covering motor  
55 5 vehicles and trailers when the amount of consideration may be  
55 6 increased or decreased by reference to the amount realized

55 7 upon sale or disposition of the property as defined in 26  
55 8 U.S.C. § 7701(h)(1).  
55 9 c. "Lease or rental" does not include any of the  
55 10 following:  
55 11 (1) A transfer of possession or control of property under  
55 12 a security agreement or deferred payment plan that requires  
55 13 the transfer of title upon completion of the required  
55 14 payments.  
55 15 (2) A transfer of possession or control of property under  
55 16 an agreement that requires the transfer of title upon  
55 17 completion of required payments, and payment of any option  
55 18 price does not exceed the greater of one hundred dollars or  
55 19 one percent of the total required payments.  
55 20 (3) Providing tangible personal property along with an  
55 21 operator for a fixed or indeterminate period of time. A  
55 22 condition of this exclusion is that the operator is necessary  
55 23 for the equipment to perform as designed. For the purpose of  
55 24 this subparagraph, an operator must do more than maintain,  
55 25 inspect, or set up the tangible personal property.  
55 26 d. This definition shall be used for sales and use tax  
55 27 purposes regardless of whether a transaction is characterized  
55 28 as a lease or rental under generally accepted accounting  
55 29 principles, the Internal Revenue Code, the Uniform Commercial  
55 30 Code, or other provisions of federal, state, or local law.  
55 31 23. "Livestock" includes but is not limited to an animal  
55 32 classified as an ostrich, rhea, emu, bison, or farm deer.  
55 33 24. "Manufactured housing" means "manufactured home" as  
55 34 defined in section 321.1.  
55 35 25. "Member state" is any state which has signed the  
56 1 agreement.  
56 2 26. "Mobile home" means "manufactured or mobile home" as  
56 3 defined in section 321.1.  
56 4 27. "Model 1 seller" is a seller that has selected a  
56 5 certified service provider as its agent to perform all the  
56 6 seller's sales and use tax functions, other than the seller's  
56 7 obligation to remit tax on its own purchases.  
56 8 28. "Model 2 seller" is a seller that has selected a  
56 9 certified automated system to perform part of its sales and

56 10 use tax functions, but retains responsibility for remitting  
56 11 the tax.

56 12 29. "Model 3 seller" is a seller that has sales in at  
56 13 least five member states, has total annual sales revenue of at  
56 14 least five hundred million dollars, has a proprietary system  
56 15 that calculates the amount of tax due each jurisdiction, and  
56 16 has entered into a performance agreement with the member  
56 17 states that establishes a tax performance standard for the  
56 18 seller. As used in this definition, a "seller" includes an  
56 19 affiliated group of sellers using the same proprietary system.

56 20 30. "Nonresidential commercial operations" means  
56 21 industrial, commercial, mining, or agricultural operations,  
56 22 whether for profit or not, but does not include apartment  
56 23 complexes or mobile home parks.

56 24 31. "Not registered under the agreement" means lack of  
56 25 registration by a seller with the member states under the  
56 26 central registration system referenced in section 423.11,  
56 27 subsection 4.

56 28 32. "Person" means an individual, trust, estate,  
56 29 fiduciary, partnership, limited liability company, limited  
56 30 liability partnership, corporation, or any other legal entity.

56 31 33. "Place of business" means any warehouse, store, place,  
56 32 office, building, or structure where goods, wares, or  
56 33 merchandise are offered for sale at retail or where any  
56 34 taxable amusement is conducted, or each office where gas,  
56 35 water, heat, communication, or electric services are offered  
57 1 for sale at retail.

57 2 When a retailer or amusement operator sells merchandise by  
57 3 means of vending machines or operates music or amusement  
57 4 devices by coin-operated machines at more than one location  
57 5 within the state, the office, building, or place where the  
57 6 books, papers, and records of the taxpayer are kept shall be  
57 7 deemed to be the taxpayer's place of business.

57 8 34. "Prewritten computer software" includes software  
57 9 designed and developed by the author or other creator to the  
57 10 specifications of a specific purchaser when it is sold to a  
57 11 person other than the purchaser. The combining of two or more  
57 12 prewritten computer software programs or prewritten portions

57 13 of prewritten programs does not cause the combination to be  
57 14 other than prewritten computer software. "Prewritten computer  
57 15 software" also means computer software, including prewritten  
57 16 upgrades, which is not designed and developed by the author or  
57 17 other creator to the specifications of a specific purchaser.

57 18 When a person modifies or enhances computer software of  
57 19 which the person is not the author or creator, the person  
57 20 shall be deemed to be the author or creator only of such  
57 21 person's modifications or enhancements. Prewritten computer  
57 22 software or a prewritten portion of the prewritten software  
57 23 that is modified or enhanced to any degree, when such  
57 24 modification or enhancement is designed and developed to the  
57 25 specifications of a specific purchaser, remains prewritten  
57 26 computer software. However, when there is a reasonable,  
57 27 separately stated charge or an invoice or other statement of  
57 28 the price given to the purchaser for such modification or  
57 29 enhancement, such modification or enhancement shall not  
57 30 constitute prewritten computer software.

57 31 35. "Property purchased for resale in connection with the  
57 32 performance of a service" means property which is purchased  
57 33 for resale in connection with the rendition, furnishing, or  
57 34 performance of a service by a person who renders, furnishes,  
57 35 or performs the service if all of the following occur:

58 1 a. The provider and user of the service intend that a sale  
58 2 of the property will occur.

58 3 b. The property is transferred to the user of the service  
58 4 in connection with the performance of the service in a form or  
58 5 quantity capable of a fixed or definite price value.

58 6 c. The sale is evidenced by a separate charge for the  
58 7 identifiable piece of property.

58 8 36. "Purchase" means any transfer, exchange, or barter,  
58 9 conditional or otherwise, in any manner or by any means  
58 10 whatsoever, for a consideration.

58 11 37. "Purchase price" means the same as "sales price" as  
58 12 defined in this section.

58 13 38. "Purchaser" is a person to whom a sale of personal  
58 14 property is made or to whom a service is furnished.

58 15 39. "Receive" and "receipt" mean any of the following:

58 16 a. Taking possession of tangible personal property.  
58 17 b. Making first use of a service.  
58 18 c. Taking possession or making first use of digital goods,  
58 19 whichever comes first.  
58 20 "Receive" and "receipt" do not include possession by a  
58 21 shipping company on behalf of a purchaser.  
58 22 40. "Registered under the agreement" means registration by  
58 23 a seller under the central registration system referenced in  
58 24 section 423.11, subsection 4.  
58 25 41. "Relief agency" means the state, any county, city and  
58 26 county, city, or district thereof, or any agency engaged in  
58 27 actual relief work.  
58 28 42. "Retailer" means and includes every person engaged in  
58 29 the business of selling tangible personal property or taxable  
58 30 services at retail, or the furnishing of gas, electricity,  
58 31 water, or communication service, and tickets or admissions to  
58 32 places of amusement and athletic events or operating amusement  
58 33 devices or other forms of commercial amusement from which  
58 34 revenues are derived. However, when in the opinion of the  
58 35 director it is necessary for the efficient administration of  
59 1 this chapter to regard any salespersons, representatives,  
59 2 truckers, peddlers, or canvassers as agents of the dealers,  
59 3 distributors, supervisors, employers, or persons under whom  
59 4 they operate or from whom they obtain tangible personal  
59 5 property sold by them irrespective of whether or not they are  
59 6 making sales on their own behalf or on behalf of such dealers,  
59 7 distributors, supervisors, employers, or persons, the director  
59 8 may so regard them, and may regard such dealers, distributors,  
59 9 supervisors, employers, or persons as retailers for the  
59 10 purposes of this chapter. "Retailer" includes a seller  
59 11 obligated to collect sales or use tax.  
59 12 43. "Retailer maintaining a place of business in this  
59 13 state" or any like term includes any retailer having or  
59 14 maintaining within this state, directly or by a subsidiary, an  
59 15 office, distribution house, sales house, warehouse, or other  
59 16 place of business, or any representative operating within this  
59 17 state under the authority of the retailer or its subsidiary,  
59 18 irrespective of whether that place of business or

59 19 representative is located here permanently or temporarily, or  
59 20 whether the retailer or subsidiary is admitted to do business  
59 21 within this state pursuant to chapter 490.

59 22 44. "Retailers who are not model sellers" means all  
59 23 retailers other than model 1, model 2, or model 3 sellers.

59 24 45. "Retail sale" or "sale at retail" means any sale,  
59 25 lease, or rental for any purpose other than resale, sublease,  
59 26 or subrent.

59 27 46. "Sales" or "sale" means any transfer, exchange, or  
59 28 barter, conditional or otherwise, in any manner or by any  
59 29 means whatsoever, for consideration.

59 30 47. "Sales price" applies to the measure subject to sales  
59 31 tax.

59 32 a. "Sales price" means the total amount of consideration,  
59 33 including cash, credit, property, and services, for which  
59 34 personal property or services are sold, leased, or rented,  
59 35 valued in money, whether received in money or otherwise,  
60 1 without any deduction for any of the following:

60 2 (1) The seller's cost of the property sold.

60 3 (2) The cost of materials used, labor or service cost,  
60 4 interest, losses, all costs of transportation to the seller,  
60 5 all taxes imposed on the seller, and any other expenses of the  
60 6 seller.

60 7 (3) Charges by the seller for any services necessary to  
60 8 complete the sale, other than delivery and installation  
60 9 charges.

60 10 (4) Delivery charges.

60 11 (5) Installation charges.

60 12 (6) The value of exempt personal property given to the  
60 13 purchaser where taxable and exempt personal property have been  
60 14 bundled together and sold by the seller as a single product or  
60 15 piece of merchandise.

60 16 (7) Credit for any trade-in authorized by section 423.3,  
60 17 subsection 58.

60 18 b. "Sales price" does not include:

60 19 (1) Discounts, including cash, term, or coupons that are  
60 20 not reimbursed by a third party that are allowed by a seller  
60 21 and taken by a purchaser on a sale.



60 22 (2) Interest, financing, and carrying charges from credit  
60 23 extended on the sale of personal property or services, if the  
60 24 amount is separately stated on the invoice, bill of sale, or  
60 25 similar document given to the purchaser.  
60 26 (3) Any taxes legally imposed directly on the consumer  
60 27 that are separately stated on the invoice, bill of sale, or  
60 28 similar document given to the purchaser.  
60 29 (4) The amounts received for charges included in paragraph  
60 30 "a", subparagraphs (3) through (7), if they are separately  
60 31 contracted for and separately stated on the invoice, billing,  
60 32 or similar document given to the purchaser.  
60 33 48. "Sales tax" means the tax levied under subchapter II  
60 34 of this chapter.  
60 35 49. "Seller" means any person making sales, leases, or  
61 1 rentals of personal property or services.  
61 2 50. "Services" means all acts or services rendered,  
61 3 furnished, or performed, other than services used in  
61 4 processing of tangible personal property for use in retail  
61 5 sales or services, for an employer, as defined in section  
61 6 422.4, subsection 3, for a valuable consideration by any  
61 7 person engaged in any business or occupation specifically  
61 8 enumerated in section 423.2. The tax shall be due and  
61 9 collectible when the service is rendered, furnished, or  
61 10 performed for the ultimate user of the service.  
61 11 51. "Services used in the processing of tangible personal  
61 12 property" includes the reconditioning or repairing of tangible  
61 13 personal property of the type normally sold in the regular  
61 14 course of the retailer's business and which is held for sale.  
61 15 52. "State" means any state of the United States and the  
61 16 District of Columbia.  
61 17 53. "System" means the central electronic registration  
61 18 system maintained by Iowa and other states which are  
61 19 signatories to the agreement.  
61 20 54. "Tangible personal property" means personal property  
61 21 that can be seen, weighed, measured, felt, or touched, or that  
61 22 is in any other manner perceptible to the senses. "Tangible  
61 23 personal property" includes electricity, water, gas, steam,  
61 24 and prewritten computer software.

61 25 55. "Taxpayer" includes any person who is subject to a tax  
61 26 imposed by this chapter, whether acting on the person's own  
61 27 behalf or as a fiduciary.

61 28 56. "Trailer" shall mean every trailer, as is now or may  
61 29 be hereafter so defined by chapter 321, which is required to  
61 30 be registered or is subject only to the issuance of a  
61 31 certificate of title under chapter 321.

61 32 57. "Use" means and includes the exercise by any person of  
61 33 any right or power over tangible personal property incident to  
61 34 the ownership of that property. A retailer's or building  
61 35 contractor's sale of manufactured housing for use in this  
62 1 state, whether in the form of tangible personal property or of  
62 2 realty, is a use of that property for the purposes of this  
62 3 chapter.

62 4 58. "Use tax" means the tax levied under subchapter III of  
62 5 this chapter for which the retailer collects and remits tax to  
62 6 the department.

62 7 59. "User" means the immediate recipient of the services  
62 8 who is entitled to exercise a right of power over the product  
62 9 of such services.

62 10 60. "Value of services" means the price to the user  
62 11 exclusive of any direct tax imposed by the federal government  
62 12 or by this chapter.

62 13 61. "Vehicles subject to registration" means any vehicle  
62 14 subject to registration pursuant to section 321.18.

62 15 SUBCHAPTER II

62 16 SALES TAX

62 17 Sec. 95. NEW SECTION. 423.2 TAX IMPOSED.

62 18 1. There is imposed a tax of five percent upon the sales  
62 19 price of all sales of tangible personal property, consisting  
62 20 of goods, wares, or merchandise, sold at retail in the state  
62 21 to consumers or users except as otherwise provided in this  
62 22 subchapter.

62 23 a. For the purposes of this subchapter, sales of the  
62 24 following services are treated as if they were sales of  
62 25 tangible personal property:

62 26 (1) Sales of engraving, photography, retouching, printing,

62 27 and binding services.

62 28 (2) Sales of vulcanizing, recapping, and retreading  
62 29 services.

62 30 (3) Sales of prepaid telephone calling cards and prepaid  
62 31 authorization numbers.

62 32 (4) Sales of optional service or warranty contracts,  
62 33 except residential service contracts regulated under chapter  
62 34 523C, which provide for the furnishing of labor and materials  
62 35 and require the furnishing of any taxable service enumerated  
63 1 under this section. The sales price is subject to tax even if  
63 2 some of the services furnished are not enumerated under this  
63 3 section. Additional sales, services, or use taxes shall not  
63 4 be levied on services, parts, or labor provided under optional  
63 5 service or warranty contracts which are subject to tax under  
63 6 this subsection.

63 7 If the optional service or warranty contract is a computer  
63 8 software maintenance or support service contract and there is  
63 9 no separately stated fee for the taxable personal property or  
63 10 for the nontaxable service, the tax imposed by this subsection  
63 11 shall be imposed on fifty percent of the sales price from the  
63 12 sale of such contract. If the contract provides for technical  
63 13 support services only, no tax shall be imposed under this  
63 14 subsection. The provisions of this subparagraph (4) also  
63 15 apply to the use tax.

63 16 (5) Renting of rooms, apartments, or sleeping quarters in  
63 17 a hotel, motel, inn, public lodging house, rooming house,  
63 18 mobile home which is tangible personal property, or tourist  
63 19 court, or in any place where sleeping accommodations are  
63 20 furnished to transient guests for rent, whether with or  
63 21 without meals. "Renting" and "rent" include any kind of  
63 22 direct or indirect charge for such rooms, apartments, or  
63 23 sleeping quarters, or their use. However, the tax does not  
63 24 apply to the sales price from the renting of a room,  
63 25 apartment, or sleeping quarters while rented by the same  
63 26 person for a period of more than thirty-one consecutive days.

63 27 b. Sales of building materials, supplies, and equipment to  
63 28 owners, contractors, subcontractors, or builders for the  
63 29 erection of buildings or the alteration, repair, or

63 30 improvement of real property are retail sales of tangible  
63 31 personal property in whatever quantity sold. Where the owner,  
63 32 contractor, subcontractor, or builder is also a retailer  
63 33 holding a retail sales tax permit and transacting retail sales  
63 34 of building materials, supplies, and equipment, the person  
63 35 shall purchase such items of tangible personal property  
64 1 without liability for the tax if such property will be subject  
64 2 to the tax at the time of resale or at the time it is  
64 3 withdrawn from inventory for construction purposes. The sales  
64 4 tax shall be due in the reporting period when the materials,  
64 5 supplies, and equipment are withdrawn from inventory for  
64 6 construction purposes or when sold at retail. The tax shall  
64 7 not be due when materials are withdrawn from inventory for use  
64 8 in construction outside of Iowa and the tax shall not apply to  
64 9 tangible personal property purchased and consumed by the  
64 10 manufacturer as building materials in the performance by the  
64 11 manufacturer or its subcontractor of construction outside of  
64 12 Iowa. The sale of carpeting is not a sale of building  
64 13 materials. The sale of carpeting to owners, contractors,  
64 14 subcontractors, or builders shall be treated as the sale of  
64 15 ordinary tangible personal property and subject to the tax  
64 16 imposed under this subsection and the use tax.

64 17 c. The use within this state of tangible personal property  
64 18 by the manufacturer thereof, as building materials, supplies,  
64 19 or equipment, in the performance of construction contracts in  
64 20 Iowa, shall, for the purpose of this subchapter, be construed  
64 21 as a sale at retail of tangible personal property by the  
64 22 manufacturer who shall be deemed to be the consumer of such  
64 23 tangible personal property. The tax shall be computed upon  
64 24 the cost to the manufacturer of the fabrication or production  
64 25 of the tangible personal property.

64 26 2. A tax of five percent is imposed upon the sales price  
64 27 of the sale or furnishing of gas, electricity, water, heat,  
64 28 pay television service, and communication service, including  
64 29 the sales price from such sales by any municipal corporation  
64 30 or joint water utility furnishing gas, electricity, water,  
64 31 heat, pay television service, and communication service to the  
64 32 public in its proprietary capacity, except as otherwise

64 33 provided in this subchapter, when sold at retail in the state  
64 34 to consumers or users.

64 35 3. A tax of five percent is imposed upon the sales price  
65 1 of all sales of tickets or admissions to places of amusement,  
65 2 fairs, and athletic events except those of elementary and  
65 3 secondary educational institutions. A tax of five percent is  
65 4 imposed on the sales price of an entry fee or like charge  
65 5 imposed solely for the privilege of participating in an  
65 6 activity at a place of amusement, fair, or athletic event  
65 7 unless the sales price of tickets or admissions charges for  
65 8 observing the same activity are taxable under this subchapter.  
65 9 A tax of five percent is imposed upon that part of private  
65 10 club membership fees or charges paid for the privilege of  
65 11 participating in any athletic sports provided club members.

65 12 4. A tax of five percent is imposed upon the sales price  
65 13 derived from the operation of all forms of amusement devices  
65 14 and games of skill, games of chance, raffles, and bingo games  
65 15 as defined in chapter 99B, operated or conducted within the  
65 16 state, the tax to be collected from the operator in the same  
65 17 manner as for the collection of taxes upon the sales price of  
65 18 tickets or admission as provided in this section. Nothing in  
65 19 this subsection shall legalize any games of skill or chance or  
65 20 slot-operated devices which are now prohibited by law.

65 21 The tax imposed under this subsection covers the total  
65 22 amount from the operation of games of skill, games of chance,  
65 23 raffles, and bingo games as defined in chapter 99B, and  
65 24 musical devices, weighing machines, shooting galleries,  
65 25 billiard and pool tables, bowling alleys, pinball machines,  
65 26 slot-operated devices selling merchandise not subject to the  
65 27 general sales taxes and on the total amount from devices or  
65 28 systems where prizes are in any manner awarded to patrons and  
65 29 upon the receipts from fees charged for participation in any  
65 30 game or other form of amusement, and generally upon the sales  
65 31 price from any source of amusement operated for profit, not  
65 32 specified in this section, and upon the sales price from which  
65 33 tax is not collected for tickets or admission, but tax shall  
65 34 not be imposed upon any activity exempt from sales tax under  
65 35 section 423.3, subsection 78. Every person receiving any

66 1 sales price from the sources described in this section is  
66 2 subject to all provisions of this subchapter relating to  
66 3 retail sales tax and other provisions of this chapter as  
66 4 applicable.

66 5 5. There is imposed a tax of five percent upon the sales  
66 6 price from the furnishing of services as defined in section  
66 7 423.1.

66 8 6. The sales price of any of the following enumerated  
66 9 services is subject to the tax imposed by subsection 5:

66 10 alteration and garment repair; armored car; vehicle repair;  
66 11 battery, tire, and allied; investment counseling; service  
66 12 charges of all financial institutions; barber and beauty; boat  
66 13 repair; vehicle wash and wax; campgrounds; carpentry; roof,  
66 14 shingle, and glass repair; dance schools and dance studios;  
66 15 dating services; dry cleaning, pressing, dyeing, and  
66 16 laundering; electrical and electronic repair and installation;  
66 17 excavating and grading; farm implement repair of all kinds;  
66 18 flying service; furniture, rug, carpet, and upholstery repair  
66 19 and cleaning; fur storage and repair; golf and country clubs  
66 20 and all commercial recreation; gun and camera repair; house  
66 21 and building moving; household appliance, television, and  
66 22 radio repair; janitorial and building maintenance or cleaning;  
66 23 jewelry and watch repair; lawn care, landscaping, and tree  
66 24 trimming and removal; limousine service, including driver;  
66 25 machine operator; machine repair of all kinds; motor repair;  
66 26 motorcycle, scooter, and bicycle repair; oilers and  
66 27 lubricators; office and business machine repair; painting,  
66 28 papering, and interior decorating; parking facilities; pay  
66 29 television; pet grooming; pipe fitting and plumbing; wood  
66 30 preparation; executive search agencies; private employment  
66 31 agencies, excluding services for placing a person in  
66 32 employment where the principal place of employment of that  
66 33 person is to be located outside of the state; reflexology;  
66 34 security and detective services; sewage services for  
66 35 nonresidential commercial operations; sewing and stitching;

67 1 shoe repair and shoeshine; sign construction and installation;  
67 2 storage of household goods, mini-storage, and warehousing of  
67 3 raw agricultural products; swimming pool cleaning and

67 4 maintenance; tanning beds or salons; taxidermy services;  
67 5 telephone answering service; test laboratories, including  
67 6 mobile testing laboratories and field testing by testing  
67 7 laboratories, and excluding tests on humans or animals;  
67 8 termite, bug, roach, and pest eradicators; tin and sheet metal  
67 9 repair; Turkish baths, massage, and reducing salons, excluding  
67 10 services provided by massage therapists licensed under chapter  
67 11 152C; water conditioning and softening; weighing; welding;  
67 12 well drilling; wrapping, packing, and packaging of merchandise  
67 13 other than processed meat, fish, fowl, and vegetables;  
67 14 wrecking service; wrecker and towing.  
67 15 For the purposes of this subsection, the sales price of a  
67 16 lease or rental includes rents, royalties, and copyright and  
67 17 license fees. For the purposes of this subsection, "financial  
67 18 institutions" means all national banks, federally chartered  
67 19 savings and loan associations, federally chartered savings  
67 20 banks, federally chartered credit unions, banks organized  
67 21 under chapter 524, savings and loan associations and savings  
67 22 banks organized under chapter 534, and credit unions organized  
67 23 under chapter 533.  
67 24 7. a. A tax of five percent is imposed upon the sales  
67 25 price from the sales, furnishing, or service of solid waste  
67 26 collection and disposal service.  
67 27 For purposes of this subsection, "solid waste" means  
67 28 garbage, refuse, sludge from a water supply treatment plant or  
67 29 air contaminant treatment facility, and other discarded waste  
67 30 materials and sludges, in solid, semisolid, liquid, or  
67 31 contained gaseous form, resulting from nonresidential  
67 32 commercial operations, but does not include auto hulks; street  
67 33 sweepings; ash; construction debris; mining waste; trees;  
67 34 tires; lead acid batteries; used oil; hazardous waste; animal  
67 35 waste used as fertilizer; earthen fill, boulders, or rock;  
68 1 foundry sand used for daily cover at a sanitary landfill;  
68 2 sewage sludge; solid or dissolved material in domestic sewage  
68 3 or other common pollutants in water resources, such as silt,  
68 4 dissolved or suspended solids in industrial waste water  
68 5 effluents or discharges which are point sources subject to  
68 6 permits under section 402 of the federal Water Pollution

68 7 Control Act, or dissolved materials in irrigation return  
68 8 flows; or source, special nuclear, or by-product material  
68 9 defined by the federal Atomic Energy Act of 1954.  
68 10 A recycling facility that separates or processes recyclable  
68 11 materials and that reduces the volume of the waste by at least  
68 12 eighty-five percent is exempt from the tax imposed by this  
68 13 subsection if the waste exempted is collected and disposed of  
68 14 separately from other solid waste.  
68 15 b. A person who transports solid waste generated by that  
68 16 person or another person without compensation shall pay the  
68 17 tax imposed by this subsection at the collection or disposal  
68 18 facility based on the disposal charge or tipping fee.  
68 19 However, the costs of a service or portion of a service to  
68 20 collect and manage recyclable materials separated from solid  
68 21 waste by the waste generator are exempt from the tax imposed  
68 22 by this subsection.  
68 23 8. a. A tax of five percent is imposed upon the sales  
68 24 price from sales of bundled services contracts. For purposes  
68 25 of this subsection, a "bundled services contract" means an  
68 26 agreement providing for a retailer's performance of services,  
68 27 one or more of which is a taxable service enumerated in this  
68 28 section and one or more of which is not, in return for a  
68 29 consumer's or user's single payment for the performance of the  
68 30 services, with no separate statement to the consumer or user  
68 31 of what portion of that payment is attributable to any one  
68 32 service which is a part of the contract.  
68 33 b. For purposes of the administration of the tax on  
68 34 bundled services contracts, the director may enter into  
68 35 agreements of limited duration with individual retailers,  
69 1 groups of retailers, or organizations representing retailers  
69 2 of bundled services contracts. Such an agreement shall impose  
69 3 the tax rate only upon that portion of the sales price from a  
69 4 bundled services contract which is attributable to taxable  
69 5 services provided under the contract.  
69 6 9. A tax of five percent is imposed upon the sales price  
69 7 from any mobile telecommunications service which this state is  
69 8 allowed to tax by the provisions of the federal Mobile  
69 9 Telecommunications Sourcing Act, Pub. L. No. 106-252, 4 U.S.C.



69 10 § 116 et seq. For purposes of this subsection, taxes on  
69 11 mobile telecommunications service, as defined under the  
69 12 federal Mobile Telecommunications Sourcing Act that are deemed  
69 13 to be provided by the customer's home service provider, shall  
69 14 be paid to the taxing jurisdiction whose territorial limits  
69 15 encompass the customer's place of primary use, regardless of  
69 16 where the mobile telecommunications service originates,  
69 17 terminates, or passes through and shall in all other respects  
69 18 be taxed in conformity with the federal Mobile  
69 19 Telecommunications Sourcing Act. All other provisions of the  
69 20 federal Mobile Telecommunications Sourcing Act are adopted by  
69 21 the state of Iowa and incorporated into this subsection by  
69 22 reference. With respect to mobile telecommunications service  
69 23 under the federal Mobile Telecommunications Sourcing Act, the  
69 24 director shall, if requested, enter into agreements consistent  
69 25 with the provisions of the federal Act.  
69 26 10. All revenues arising under the operation of the  
69 27 provisions of this section shall be deposited into the general  
69 28 fund of the state.

69 29 Sec. 96. NEW SECTION. 423.3 EXEMPTIONS.

69 30 There is exempted from the provisions of this subchapter  
69 31 and from the computation of the amount of tax imposed by it  
69 32 the following:

69 33 1. The sales price from sales of tangible personal  
69 34 property and services furnished which this state is prohibited  
69 35 from taxing under the Constitution or laws of the United  
70 1 States or under the Constitution of this state.

70 2 2. The sales price of sales for resale of tangible  
70 3 personal property or taxable services, or for resale of  
70 4 tangible personal property in connection with the furnishing  
70 5 of taxable services.

70 6 3. The sales price of agricultural breeding livestock and  
70 7 domesticated fowl.

70 8 4. The sales price of commercial fertilizer.

70 9 5. The sales price of agricultural limestone, herbicide,  
70 10 pesticide, insecticide, including adjuvants, surfactants, and  
70 11 other products directly related to the application enhancement

70 12 of those products, food, medication, or agricultural drain  
70 13 tile, including installation of agricultural drain tile, any  
70 14 of which are to be used in disease control, weed control,  
70 15 insect control, or health promotion of plants or livestock  
70 16 produced as part of agricultural production for market.  
70 17 6. The sales price of tangible personal property which  
70 18 will be consumed as fuel in creating heat, power, or steam for  
70 19 grain drying, or for providing heat or cooling for livestock  
70 20 buildings or for greenhouses or buildings or parts of  
70 21 buildings dedicated to the production of flowering,  
70 22 ornamental, or vegetable plants intended for sale in the  
70 23 ordinary course of business, or for use in cultivation of  
70 24 agricultural products by aquaculture, or in implements of  
70 25 husbandry engaged in agricultural production.  
70 26 7. The sales price of services furnished by specialized  
70 27 flying implements of husbandry used for agricultural aerial  
70 28 spraying.  
70 29 8. The sales price exclusive of services of farm machinery  
70 30 and equipment, including auxiliary attachments which improve  
70 31 the performance, safety, operation, or efficiency of the  
70 32 machinery and equipment and replacement parts, if the  
70 33 following conditions are met:  
70 34 a. The farm machinery and equipment shall be directly and  
70 35 primarily used in production of agricultural products.  
71 1 b. The farm machinery and equipment shall constitute self-  
71 2 propelled implements or implements customarily drawn or  
71 3 attached to self-propelled implements or the farm machinery or  
71 4 equipment is a grain dryer.  
71 5 c. The replacement part is essential to any repair or  
71 6 reconstruction necessary to the farm machinery's or  
71 7 equipment's exempt use in the production of agricultural  
71 8 products.  
71 9 Vehicles subject to registration, as defined in section  
71 10 423.1, or replacement parts for such vehicles, are not  
71 11 eligible for this exemption.  
71 12 9. The sales price of wood chips, sawdust, hay, straw,  
71 13 paper, or other materials used for bedding in the production  
71 14 of agricultural livestock or fowl.

71 15 10. The sales price of gas, electricity, water, or heat to  
71 16 be used in implements of husbandry engaged in agricultural  
71 17 production.

71 18 11. The sales price exclusive of services of farm  
71 19 machinery and equipment, including auxiliary attachments which  
71 20 improve the performance, safety, operation, or efficiency of  
71 21 the machinery and equipment and replacement parts, if all of  
71 22 the following conditions are met:

71 23 a. The implement, machinery, or equipment is directly and  
71 24 primarily used in livestock or dairy production, aquaculture  
71 25 production, or the production of flowering, ornamental, or  
71 26 vegetable plants.

71 27 b. The implement is not a self-propelled implement or  
71 28 implement customarily drawn or attached to self-propelled  
71 29 implements.

71 30 c. The replacement part is essential to any repair or  
71 31 reconstruction necessary to the farm machinery's or  
71 32 equipment's exempt use in livestock or dairy production,  
71 33 aquaculture production, or the production of flowering,  
71 34 ornamental, or vegetable plants.

71 35 12. The sales price, exclusive of services, from sales of  
72 1 irrigation equipment used in farming operations.

72 2 13. The sales price from the sale or rental of irrigation  
72 3 equipment, whether installed above or below ground, to a  
72 4 contractor or farmer if the equipment will be primarily used  
72 5 in agricultural operations.

72 6 14. The sales price from the sales of horses, commonly  
72 7 known as draft horses, when purchased for use and so used as  
72 8 draft horses.

72 9 15. The sales price from the sale of property which is a  
72 10 container, label, carton, pallet, packing case, wrapping,  
72 11 baling wire, twine, bag, bottle, shipping case, or other  
72 12 similar article or receptacle sold for use in agricultural,  
72 13 livestock, or dairy production.

72 14 16. The sales price from the sale of feed and feed  
72 15 supplements and additives when used for consumption by farm  
72 16 deer or bison.

72 17 17. The sales price of all goods, wares, or merchandise,

72 18 or services, used for educational purposes sold to any private  
72 19 nonprofit educational institution in this state. For the  
72 20 purpose of this subsection, "educational institution" means an  
72 21 institution which primarily functions as a school, college, or  
72 22 university with students, faculty, and an established  
72 23 curriculum. The faculty of an educational institution must be  
72 24 associated with the institution and the curriculum must  
72 25 include basic courses which are offered every year.  
72 26 "Educational institution" includes an institution primarily  
72 27 functioning as a library.

72 28 18. The sales price of tangible personal property sold, or  
72 29 of services furnished, to the following nonprofit  
72 30 corporations:

72 31 a. Residential care facilities and intermediate care  
72 32 facilities for persons with mental retardation and residential  
72 33 care facilities for persons with mental illness licensed by  
72 34 the department of inspections and appeals under chapter 135C.

72 35 b. Residential facilities licensed by the department of  
73 1 human services pursuant to chapter 237, other than those  
73 2 maintained by individuals as defined in section 237.1,  
73 3 subsection 7.

73 4 c. Rehabilitation facilities that provide accredited  
73 5 rehabilitation services to persons with disabilities which are  
73 6 accredited by the commission on accreditation of  
73 7 rehabilitation facilities or the accreditation council for  
73 8 services for persons with mental retardation and other persons  
73 9 with developmental disabilities and adult day care services  
73 10 approved for reimbursement by the state department of human  
73 11 services.

73 12 d. Community mental health centers accredited by the  
73 13 department of human services pursuant to chapter 225C.

73 14 e. Community health centers as defined in 42 U.S.C. §  
73 15 254(c) and migrant health centers as defined in 42 U.S.C. §  
73 16 254(b).

73 17 19. The sales price of tangible personal property sold to  
73 18 a nonprofit organization which was organized for the purpose  
73 19 of lending the tangible personal property to the general  
73 20 public for use by them for nonprofit purposes.

73 21 20. The sales price of tangible personal property sold, or  
73 22 of services furnished, to nonprofit legal aid organizations.  
73 23 21. The sales price of goods, wares, or merchandise, or of  
73 24 services, used for educational, scientific, historic  
73 25 preservation, or aesthetic purpose sold to a nonprofit private  
73 26 museum.  
73 27 22. The sales price from sales of goods, wares, or  
73 28 merchandise, or from services furnished, to a nonprofit  
73 29 private art center to be used in the operation of the art  
73 30 center.  
73 31 23. The sales price of tangible personal property sold, or  
73 32 of services furnished, by a fair society organized under  
73 33 chapter 174.  
73 34 24. The sales price from services furnished by the  
73 35 notification center established pursuant to section 480.3, and  
74 1 the vendor selected pursuant to section 480.3 to provide the  
74 2 notification service.  
74 3 25. The sales price of food and beverages sold for human  
74 4 consumption by a nonprofit organization which principally  
74 5 promotes a food or beverage product for human consumption  
74 6 produced, grown, or raised in this state and whose income is  
74 7 exempt from federal taxation under section 501(c) of the  
74 8 Internal Revenue Code.  
74 9 26. The sales price of tangible personal property sold, or  
74 10 of services furnished, to a statewide nonprofit organ  
74 11 procurement organization, as defined in section 142C.2.  
74 12 27. The sales price of tangible personal property sold, or  
74 13 of services furnished, to a nonprofit hospital licensed  
74 14 pursuant to chapter 135B to be used in the operation of the  
74 15 hospital.  
74 16 28. The sales price of tangible personal property sold, or  
74 17 of services furnished, to a freestanding nonprofit hospice  
74 18 facility which operates a hospice program as defined in 42  
74 19 C.F.R., ch. IV, § 418.3, which property or services are to be  
74 20 used in the hospice program.  
74 21 29. The sales price of all goods, wares, or merchandise  
74 22 sold, or of services furnished, which are used in the  
74 23 fulfillment of a written construction contract with a

74 24 nonprofit hospital licensed pursuant to chapter 135B if all of  
74 25 the following apply:

74 26   a. The sales and delivery of the goods, wares, or  
74 27 merchandise, or the services furnished occurred between July  
74 28 1, 1998, and December 31, 2001.

74 29   b. The written construction contract was entered into  
74 30 prior to December 31, 1999, or bonds to fund the construction  
74 31 were issued prior to December 31, 1999.

74 32   c. The sales or services were purchased by a contractor as  
74 33 the agent for the hospital or were purchased directly by the  
74 34 hospital.

74 35   30. The sales price of livestock ear tags sold by a  
75 1 nonprofit organization whose income is exempt from federal  
75 2 taxation under section 501(c)(6) of the Internal Revenue Code  
75 3 where the proceeds are used in bovine research programs  
75 4 selected or approved by such organization.

75 5   31. The sales price of goods, wares, or merchandise sold  
75 6 to and of services furnished, and used for public purposes  
75 7 sold to a tax-certifying or tax-levying body of the state or a  
75 8 governmental subdivision of the state, including regional  
75 9 transit systems, as defined in section 324A.1, the state board  
75 10 of regents, department of human services, state department of  
75 11 transportation, any municipally owned solid waste facility  
75 12 which sells all or part of its processed waste as fuel to a  
75 13 municipally owned public utility, and all divisions, boards,  
75 14 commissions, agencies, or instrumentalities of state, federal,  
75 15 county, or municipal government which have no earnings going  
75 16 to the benefit of an equity investor or stockholder, except  
75 17 any of the following:

75 18   a. The sales price of goods, wares, or merchandise sold  
75 19 to, or of services furnished, and used by or in connection  
75 20 with the operation of any municipally owned public utility  
75 21 engaged in selling gas, electricity, heat, or pay television  
75 22 service to the general public.

75 23   b. The sales price of furnishing of sewage services to a  
75 24 county or municipality on behalf of nonresidential commercial  
75 25 operations.

75 26   c. The furnishing of solid waste collection and disposal

75 27 service to a county or municipality on behalf of  
75 28 nonresidential commercial operations located within the county  
75 29 or municipality.

75 30 The exemption provided by this subsection shall also apply  
75 31 to all such sales of goods, wares, or merchandise or of  
75 32 services furnished and subject to use tax.

75 33 32. The sales price of tangible personal property sold, or  
75 34 of services furnished, by a county or city. This exemption  
75 35 does not apply to any of the following:

76 1 a. The tax specifically imposed under section 423.2 on the  
76 2 sales price from sales or furnishing of gas, electricity,  
76 3 water, heat, pay television service, or communication service  
76 4 to the public by a municipal corporation in its proprietary  
76 5 capacity.

76 6 b. The sale or furnishing of solid waste collection and  
76 7 disposal service to nonresidential commercial operations.

76 8 c. The sale or furnishing of sewage service for  
76 9 nonresidential commercial operations.

76 10 d. Fees paid to cities and counties for the privilege of  
76 11 participating in any athletic sports.

76 12 33. The sales price of mementos and other items relating  
76 13 to Iowa history and historic sites, the general assembly, and  
76 14 the state capitol, sold by the legislative service bureau and  
76 15 its legislative information office on the premises of property  
76 16 under the control of the legislative council, at the state  
76 17 capitol, and on other state property.

76 18 34. The sales price from sales of mementos and other items  
76 19 relating to Iowa history and historic sites by the department  
76 20 of cultural affairs on the premises of property under its  
76 21 control and at the state capitol.

76 22 35. The sales price from sales or services furnished by  
76 23 the state fair organized under chapter 173.

76 24 36. The sales price from sales of tangible personal  
76 25 property or of the sale or furnishing of electrical energy,  
76 26 natural or artificial gas, or communication service to another  
76 27 state or political subdivision of another state if the other  
76 28 state provides a similar reciprocal exemption for this state  
76 29 and political subdivision of this state.

76 30 37. The sales price of services on or connected with new  
76 31 construction, reconstruction, alteration, expansion,  
76 32 remodeling, or the services of a general building contractor,  
76 33 architect, or engineer.

76 34 38. The sales price from the sale of building materials,  
76 35 supplies, or equipment sold to rural water districts organized  
77 1 under chapter 504A as provided in chapter 357A and used for  
77 2 the construction of facilities of a rural water district.

77 3 39. The sales price from "casual sales".

77 4 "Casual sales" means:

77 5 a. Sales of tangible personal property, or the furnishing  
77 6 of services, of a nonrecurring nature, by the owner, if the  
77 7 seller, at the time of the sale, is not engaged for profit in  
77 8 the business of selling tangible personal property or services  
77 9 taxed under section 423.2.

77 10 b. The sale of all or substantially all of the tangible  
77 11 personal property or services held or used by a seller in the  
77 12 course of the seller's trade or business for which the seller  
77 13 is required to hold a sales tax permit when the seller sells  
77 14 or otherwise transfers the trade or business to another person  
77 15 who shall engage in a similar trade or business.

77 16 40. The sales price from the sale of automotive fluids to  
77 17 a retailer to be used either in providing a service which  
77 18 includes the installation or application of the fluids in or  
77 19 on a motor vehicle, which service is subject to section 423.2,  
77 20 subsection 6, or to be installed in or applied to a motor  
77 21 vehicle which the retailer intends to sell, which sale is  
77 22 subject to section 423.26. For purposes of this subsection,  
77 23 automotive fluids are all those which are refined,  
77 24 manufactured, or otherwise processed and packaged for sale  
77 25 prior to their installation in or application to a motor  
77 26 vehicle. They include but are not limited to motor oil and  
77 27 other lubricants, hydraulic fluids, brake fluid, transmission  
77 28 fluid, sealants, undercoatings, antifreeze, and gasoline  
77 29 additives.

77 30 41. The sales price from the rental of motion picture  
77 31 films, video and audio tapes, video and audio discs, records,  
77 32 photos, copy, scripts, or other media used for the purpose of



77 33 transmitting that which can be seen, heard, or read, if either  
77 34 of the following conditions are met:

77 35 a. The lessee imposes a charge for the viewing of such  
78 1 media and the charge for the viewing is subject to taxation  
78 2 under this subchapter or is subject to use tax.

78 3 b. The lessee broadcasts the contents of such media for  
78 4 public viewing or listening.

78 5 42. The sales price from the sale of tangible personal  
78 6 property consisting of advertising material including paper to  
78 7 a person in Iowa if that person or that person's agent will,  
78 8 subsequent to the sale, send that advertising material outside  
78 9 this state and the material is subsequently used solely  
78 10 outside of Iowa. For the purpose of this subsection,  
78 11 "advertising material" means any brochure, catalog, leaflet,  
78 12 flyer, order form, return envelope, or similar item used to  
78 13 promote sales of property or services.

78 14 43. The sales price from the sale of property or of  
78 15 services performed on property which the retailer transfers to  
78 16 a carrier for shipment to a point outside of Iowa, places in  
78 17 the United States mail or parcel post directed to a point  
78 18 outside of Iowa, or transports to a point outside of Iowa by  
78 19 means of the retailer's own vehicles, and which is not  
78 20 thereafter returned to a point within Iowa, except solely in  
78 21 the course of interstate commerce or transportation. This  
78 22 exemption shall not apply if the purchaser, consumer, or their  
78 23 agent, other than a carrier, takes physical possession of the  
78 24 property in Iowa.

78 25 44. The sales price from the sale of property which is a  
78 26 container, label, carton, pallet, packing case, wrapping  
78 27 paper, twine, bag, bottle, shipping case, or other similar  
78 28 article or receptacle sold to retailers or manufacturers for  
78 29 the purpose of packaging or facilitating the transportation of  
78 30 tangible personal property sold at retail or transferred in  
78 31 association with the maintenance or repair of fabric or  
78 32 clothing.

78 33 45. The sales price from sales or rentals to a printer or  
78 34 publisher of the following: acetate; anti-halation backing;  
78 35 antistatic spray; back lining; base material used as a carrier

79 1 for light sensitive emulsions; blankets; blow-ups; bronze  
79 2 powder; carbon tissue; codas; color filters; color  
79 3 separations; contacts; continuous tone separations; creative  
79 4 art; custom dies and die cutting materials; dampener sleeves;  
79 5 dampening solution; design and styling; diazo coating; dot  
79 6 etching; dot etching solutions; drawings; drawsheets; driers;  
79 7 duplicate films or prints; electronically digitized images;  
79 8 electrotypes; end product of image modulation; engravings;  
79 9 etch solutions; film; finished art or final art; fix; fixative  
79 10 spray; flats; flying pasters; foils; goldenrod paper; gum;  
79 11 halftones; illustrations; ink; ink paste; keylines; lacquer;  
79 12 lasering images; layouts; lettering; line negatives and  
79 13 positives; linotypes; lithographic offset plates; magnesium  
79 14 and zinc etchings; masking paper; masks; masters; mats; mat  
79 15 service; metal toner; models and modeling; mylar; negatives;  
79 16 nonoffset spray; opaque film process paper; opaquing; padding  
79 17 compound; paper stock; photographic materials: acids, plastic  
79 18 film, desensitizer emulsion, exposure chemicals, fix,  
79 19 developers, and paper; photography, day rate; photopolymer  
79 20 coating; photographs; photostats; photo-display tape;  
79 21 phototypesetter materials; ph-indicator sticks; positives;  
79 22 press pack; printing cylinders; printing plates, all types;  
79 23 process lettering; proof paper; proofs and proof processes,  
79 24 all types; pumice powder; purchased author alterations;  
79 25 purchased composition; purchased phototypesetting; purchased  
79 26 stripping and pasteups; red litho tape; reducers; roller  
79 27 covering; screen tints; sketches; stepped plates; stereotypes;  
79 28 strip types; substrate; tints; tissue overlays; toners;  
79 29 transparencies; tympan; typesetting; typography; varnishes;  
79 30 veloxes; wood mounts; and any other items used in a like  
79 31 capacity to any of the above enumerated items by the printer  
79 32 or publisher to complete a finished product for sale at  
79 33 retail. Expendable tools and supplies which are not  
79 34 enumerated in this subsection are excluded from the exemption.  
79 35 "Printer" means that portion of a person's business engaged in  
80 1 printing that completes a finished product for ultimate sale  
80 2 at retail or means that portion of a person's business used to  
80 3 complete a finished printed packaging material used to package

80 4 a product for ultimate sale at retail. "Printer" does not  
80 5 mean an in-house printer who prints or copyrights its own  
80 6 materials.

80 7 46. a. The sales price from the sale or rental of  
80 8 computers, machinery, and equipment, including replacement  
80 9 parts, and materials used to construct or self-construct  
80 10 computers, machinery, and equipment if such items are any of  
80 11 the following:

80 12 (1) Directly and primarily used in processing by a  
80 13 manufacturer.

80 14 (2) Directly and primarily used to maintain the integrity  
80 15 of the product or to maintain unique environmental conditions  
80 16 required for either the product or the computers, machinery,  
80 17 and equipment used in processing by a manufacturer, including  
80 18 test equipment used to control quality and specifications of  
80 19 the product.

80 20 (3) Directly and primarily used in research and  
80 21 development of new products or processes of processing.

80 22 (4) Computers used in processing or storage of data or  
80 23 information by an insurance company, financial institution, or  
80 24 commercial enterprise.

80 25 (5) Directly and primarily used in recycling or  
80 26 reprocessing of waste products.

80 27 (6) Pollution-control equipment used by a manufacturer,  
80 28 including but not limited to that required or certified by an  
80 29 agency of this state or of the United States government.

80 30 b. The sales price from the sale of fuel used in creating  
80 31 heat, power, steam, or for generating electrical current, or  
80 32 from the sale of electricity, consumed by computers,  
80 33 machinery, or equipment used in an exempt manner described in  
80 34 paragraph "a", subparagraph (1), (2), (3), (5), or (6).

80 35 c. The sales price from the sale or rental of the  
81 1 following shall not be exempt from the tax imposed by this  
81 2 subchapter:

81 3 (1) Hand tools.

81 4 (2) Point-of-sale equipment and computers.

81 5 (3) Industrial machinery, equipment, and computers,  
81 6 including pollution-control equipment within the scope of

81 7 section 427A.1, subsection 1, paragraphs "h" and "i".  
81 8 (4) Vehicles subject to registration, except vehicles  
81 9 subject to registration which are directly and primarily used  
81 10 in recycling or reprocessing of waste products.  
81 11 d. As used in this subsection:  
81 12 (1) "Commercial enterprise" includes businesses and  
81 13 manufacturers conducted for profit and centers for data  
81 14 processing services to insurance companies, financial  
81 15 institutions, businesses, and manufacturers, but excludes  
81 16 professions and occupations and nonprofit organizations.  
81 17 (2) "Financial institution" means as defined in section  
81 18 527.2.  
81 19 (3) "Insurance company" means an insurer organized or  
81 20 operating under chapter 508, 514, 515, 518, 518A, 519, or 520,  
81 21 or authorized to do business in Iowa as an insurer or an  
81 22 insurance producer under chapter 522B.  
81 23 (4) "Manufacturer" means as defined in section 428.20, but  
81 24 also includes contract manufacturers. A contract manufacturer  
81 25 is a manufacturer that otherwise falls within the definition  
81 26 of manufacturer under section 428.20, except that a contract  
81 27 manufacturer does not sell the tangible personal property the  
81 28 contract manufacturer processes on behalf of other  
81 29 manufacturers. A business engaged in activities subsequent to  
81 30 the extractive process of quarrying or mining, such as  
81 31 crushing, washing, sizing, or blending of aggregate materials,  
81 32 is a manufacturer with respect to these activities.  
81 33 (5) "Processing" means a series of operations in which  
81 34 materials are manufactured, refined, purified, created,  
81 35 combined, or transformed by a manufacturer, ultimately into  
82 1 tangible personal property. Processing encompasses all  
82 2 activities commencing with the receipt or producing of raw  
82 3 materials by the manufacturer and ending at the point products  
82 4 are delivered for shipment or transferred from the  
82 5 manufacturer. Processing includes but is not limited to  
82 6 refinement or purification of materials; treatment of  
82 7 materials to change their form, context, or condition;  
82 8 maintenance of the quality or integrity of materials,  
82 9 components, or products; maintenance of environmental

82 10 conditions necessary for materials, components, or products;  
82 11 quality control activities; and construction of packaging and  
82 12 shipping devices, placement into shipping containers or any  
82 13 type of shipping devices or medium, and the movement of  
82 14 materials, components, or products until shipment from the  
82 15 processor.

82 16 (6) "Receipt or producing of raw materials" means  
82 17 activities performed upon tangible personal property only.  
82 18 With respect to raw materials produced from or upon real  
82 19 estate, the receipt or producing of raw materials is deemed to  
82 20 occur immediately following the severance of the raw materials  
82 21 from the real estate.

82 22 47. The sales price from the furnishing of the design and  
82 23 installation of new industrial machinery or equipment,  
82 24 including electrical and electronic installation.

82 25 48. The sales price from the sale of carbon dioxide in a  
82 26 liquid, solid, or gaseous form, electricity, steam, and other  
82 27 taxable services when used by a manufacturer of food products  
82 28 to produce marketable food products for human consumption,  
82 29 including but not limited to treatment of material to change  
82 30 its form, context, or condition, in order to produce the food  
82 31 product, maintenance of quality or integrity of the food  
82 32 product, changing or maintenance of temperature levels  
82 33 necessary to avoid spoilage or to hold the food product in  
82 34 marketable condition, maintenance of environmental conditions  
82 35 necessary for the safe or efficient use of machinery and  
83 1 material used to produce the food product, sanitation and  
83 2 quality control activities, formation of packaging, placement  
83 3 into shipping containers, and movement of the material or food  
83 4 product until shipment from the building of manufacture.

83 5 49. The sales price of sales of electricity, steam, or any  
83 6 taxable service when purchased and used in the processing of  
83 7 tangible personal property intended to be sold ultimately at  
83 8 retail.

83 9 50. The sales price of tangible personal property sold for  
83 10 processing. Tangible personal property is sold for processing  
83 11 within the meaning of this subsection only when it is intended  
83 12 that the property will, by means of fabrication, compounding,

83 13 manufacturing, or germination, become an integral part of  
83 14 other tangible personal property intended to be sold  
83 15 ultimately at retail; or for generating electric current; or  
83 16 the property is a chemical, solvent, sorbent, or reagent,  
83 17 which is directly used and is consumed, dissipated, or  
83 18 depleted, in processing tangible personal property which is  
83 19 intended to be sold ultimately at retail or consumed in the  
83 20 maintenance or repair of fabric or clothing, and which may not  
83 21 become a component or integral part of the finished product.  
83 22 The distribution to the public of free newspapers or shoppers  
83 23 guides is a retail sale for purposes of the processing  
83 24 exemption set out in this subsection and in subsection 49.  
83 25 51. The sales price from the sale of argon and other  
83 26 similar gases to be used in the manufacturing process.  
83 27 52. The sales price from the sale of electricity to water  
83 28 companies assessed for property tax pursuant to sections  
83 29 428.24, 428.26, and 428.28 which is used solely for the  
83 30 purpose of pumping water from a river or well.  
83 31 53. The sales price from the sale of wind energy  
83 32 conversion property to be used as an electric power source and  
83 33 the sale of the materials used to manufacture, install, or  
83 34 construct wind energy conversion property used or to be used  
83 35 as an electric power source.  
84 1 For purposes of this subsection, "wind energy conversion  
84 2 property" means any device, including, but not limited to, a  
84 3 wind charger, windmill, wind turbine, tower and electrical  
84 4 equipment, pad mount transformers, power lines, and  
84 5 substation, which converts wind energy to a form of usable  
84 6 energy.  
84 7 54. The sales price from the sales of newspapers, free  
84 8 newspapers, or shoppers guides and the printing and publishing  
84 9 of such newspapers and shoppers guides, and envelopes for  
84 10 advertising.  
84 11 55. The sales price from the sale of motor fuel and  
84 12 special fuel consumed for highway use or in watercraft or  
84 13 aircraft where the fuel tax has been imposed and paid and no  
84 14 refund has been or will be allowed and the sales price from  
84 15 the sales of ethanol blended gasoline, as defined in section

84 16 452A.2.  
84 17 56. The sales price from all sales of food and food  
84 18 ingredients. However, as used in this subsection, "food" does  
84 19 not include alcoholic beverages, candy, dietary supplements,  
84 20 food sold through vending machines, prepared food, soft  
84 21 drinks, and tobacco.  
84 22 For the purposes of this subsection:  
84 23 a. "Alcoholic beverages" means beverages that are suitable  
84 24 for human consumption and contain one-half of one percent or  
84 25 more of alcohol by volume.  
84 26 b. "Candy" means a preparation of sugar, honey, or other  
84 27 natural or artificial sweeteners in combination with  
84 28 chocolate, fruits, nuts, or other ingredients or flavorings in  
84 29 the form of bars, drops, or pieces. Candy shall not include  
84 30 any preparation containing flour and shall require no  
84 31 refrigeration.  
84 32 c. "Dietary supplement" means any product, other than  
84 33 tobacco, intended to supplement the diet that contains one or  
84 34 more of the following dietary ingredients:  
84 35 (1) A vitamin.  
85 1 (2) A mineral.  
85 2 (3) An herb or other botanical.  
85 3 (4) An amino acid.  
85 4 (5) A dietary substance for use by humans to supplement  
85 5 the diet by increasing the total dietary intake.  
85 6 (6) A concentrate, metabolite, constituent, extract, or  
85 7 combination of any of the ingredients in subparagraphs (1)  
85 8 through (5) that is intended for ingestion in tablet, capsule,  
85 9 powder, softgel, gelcap, or liquid form, or if not intended  
85 10 for ingestion in such a form, is not represented as  
85 11 conventional food and is not represented for use as a sole  
85 12 item of a meal or of the diet; and is required to be labeled  
85 13 as a dietary supplement, identifiable by the "supplement  
85 14 facts" box found on the label and as required pursuant to 21  
85 15 C.F.R. § 101.36.  
85 16 d. "Food and food ingredients" means substances, whether  
85 17 in liquid, concentrated, solid, frozen, dried, or dehydrated  
85 18 form, that are sold for ingestion or chewing by humans and are

85 19 consumed for their taste or nutritional value.

85 20 e. "Food sold through vending machines" means food

85 21 dispensed from a machine or other mechanical device that

85 22 accepts payment, other than food which would be qualified for

85 23 exemption under subsection 57 if purchased with a coupon

85 24 described in subsection 57.

85 25 f. "Prepared food" means any of following:

85 26 (1) Food sold in a heated state or heated by the seller,

85 27 including food sold by a caterer.

85 28 (2) Two or more food ingredients mixed or combined by the

85 29 seller for sale as a single item.

85 30 (3) "Prepared food", for the purposes of this paragraph,

85 31 does not include food that is any of the following:

85 32 (a) Only cut, repackaged, or pasteurized by the seller.

85 33 (b) Eggs, fish, meat, poultry, and foods containing these

85 34 raw animal foods requiring cooking by the consumer as

85 35 recommended by the United States food and drug administration

86 1 in chapter 3, part 401.11 of its food code, so as to prevent

86 2 food borne illnesses.

86 3 (c) Bakery items sold by the seller which baked them. The

86 4 words "bakery items" includes but is not limited to breads,

86 5 rolls, buns, biscuits, bagels, croissants, pastries, donuts,

86 6 Danish, cakes, tortes, pies, tarts, muffins, bars, cookies,

86 7 and tortillas.

86 8 (d) Food sold without eating utensils provided by the

86 9 seller in an unheated state as a single item which is priced

86 10 by weight or volume.

86 11 (4) Food sold with eating utensils provided by the seller,

86 12 including plates, knives, forks, spoons, glasses, cups,

86 13 napkins, or straws. A plate does not include a container or

86 14 packaging used to transport food.

86 15 g. "Soft drinks" means nonalcoholic beverages that contain

86 16 natural or artificial sweeteners. "Soft drinks" does not

86 17 include beverages that contain milk or milk products; soy,

86 18 rice, or similar milk substitutes; or greater than fifty

86 19 percent of vegetable or fruit juice by volume.

86 20 f. "Tobacco" means cigarettes, cigars, chewing or pipe

86 21 tobacco, or any other item that contains tobacco.



86 22 57. The sales price from the sale of items purchased with  
86 23 coupons issued under the federal Food Stamp Act of 1977, 7  
86 24 U.S.C. § 2011 et seq.

86 25 58. In transactions in which tangible personal property is  
86 26 traded toward the sales price of other tangible personal  
86 27 property, that portion of the sales price which is not payable  
86 28 in money to the retailer is exempted from the taxable amount  
86 29 if the following conditions are met:

86 30 a. The tangible personal property traded to the retailer  
86 31 is the type of property normally sold in the regular course of  
86 32 the retailer's business.

86 33 b. The tangible personal property traded to the retailer  
86 34 is intended by the retailer to be ultimately sold at retail or  
86 35 is intended to be used by the retailer or another in the  
87 1 remanufacturing of a like item.

87 2 59. The sales price from the sale or rental of  
87 3 prescription drugs or medical devices intended for human use  
87 4 or consumption.

87 5 For the purposes of this subsection:

87 6 a. "Drug" means a compound, substance, or preparation, and  
87 7 any component of a compound, substance, or preparation, other  
87 8 than food and food ingredients, dietary supplements, or  
87 9 alcoholic beverages which is any of the following:

87 10 (1) Recognized in the official United States  
87 11 pharmacopoeia, official homeopathic pharmacopoeia of the  
87 12 United States, or official national formulary, and supplement  
87 13 to any of them.

87 14 (2) Intended for use in the diagnosis, cure, mitigation,  
87 15 treatment, or prevention of disease.

87 16 (3) Intended to affect the structure or any function of  
87 17 the body.

87 18 b. "Medical device" means equipment or a supply, intended  
87 19 to be prescribed by a practitioner, including orthopedic or  
87 20 orthotic devices. However, "medical device" also includes  
87 21 prosthetic devices, ostomy, urological, and tracheostomy  
87 22 equipment and supplies, and diabetic testing materials,  
87 23 hypodermic syringes and needles, anesthesia trays, biopsy  
87 24 trays and biopsy needles, cannula systems, catheter trays and

87 25 invasive catheters, dialyzers, drug infusion devices, fistula  
87 26 sets, hemodialysis devices, insulin infusion devices,  
87 27 intraocular lenses, irrigation solutions, intravenous  
87 28 administering sets, solutions and stopcocks, myelogram trays,  
87 29 nebulizers, small vein infusion kits, spinal puncture trays,  
87 30 transfusion sets, venous blood sets, and oxygen equipment,  
87 31 intended to be dispensed for human use with or without a  
87 32 prescription to an ultimate user.

87 33 c. "Practitioner" means a practitioner as defined in  
87 34 section 155A.3, or a person licensed to prescribe drugs.

87 35 d. "Prescription drug" means a drug intended to be  
88 1 dispensed to an ultimate user pursuant to a prescription drug  
88 2 order, formula, or recipe issued in any form of oral, written,  
88 3 electronic, or other means of transmission by a duly licensed  
88 4 practitioner, or oxygen or insulin dispensed for human  
88 5 consumption with or without a prescription drug order or  
88 6 medication order.

88 7 e. "Prosthetic device" means a replacement, corrective, or  
88 8 supportive device including repair and replacement parts for  
88 9 the same worn on or in the body to do any of the following:

88 10 (1) Artificially replace a missing portion of the body.  
88 11 (2) Prevent or correct physical deformity or malfunction.  
88 12 (3) Support a weak or deformed portion of the body.

88 13 f. "Ultimate user" means an individual who has lawfully  
88 14 obtained and possesses a prescription drug or medical device  
88 15 for the individual's own use or for the use of a member of the  
88 16 individual's household, or an individual to whom a  
88 17 prescription drug or medical device has been lawfully  
88 18 supplied, administered, dispensed, or prescribed.

88 19 60. The sales price from services furnished by aerial  
88 20 commercial and charter transportation services.

88 21 61. The sales price from the sale of raffle tickets for a  
88 22 raffle licensed pursuant to section 99B.5.

88 23 62. The sales price from the sale of tangible personal  
88 24 property which will be given as prizes to players in games of  
88 25 skill, games of chance, raffles, and bingo games as defined in  
88 26 chapter 99B.

88 27 63. The sales price from the sale of a modular home, as

88 28 defined in section 435.1, to the extent of the portion of the  
88 29 purchase price of the modular home which is not attributable  
88 30 to the cost of the tangible personal property used in the  
88 31 processing of the modular home. For purposes of this  
88 32 exemption, the portion of the purchase price which is not  
88 33 attributable to the cost of the tangible personal property  
88 34 used in the processing of the modular home is forty percent.

88 35 64. The sales price from charges paid to a provider for  
89 1 access to on-line computer services. For purposes of this  
89 2 subsection, "on-line computer service" means a service that  
89 3 provides or enables computer access by multiple users to the  
89 4 internet or to other information made available through a  
89 5 computer server.

89 6 65. The sales price from the sale or rental of information  
89 7 services. "Information services" means every business  
89 8 activity, process, or function by which a seller or its agent  
89 9 accumulates, prepares, organizes, or conveys data, facts,  
89 10 knowledge, procedures, and like services to a buyer or its  
89 11 agent of such information through any tangible or intangible  
89 12 medium. Information accumulated, prepared, or organized for a  
89 13 buyer or its agent is an information service even though it  
89 14 may incorporate preexisting components of data or other  
89 15 information. "Information services" includes, but is not  
89 16 limited to, database files, mailing lists, subscription files,  
89 17 market research, credit reports, surveys, real estate  
89 18 listings, bond rating reports, abstracts of title, bad check  
89 19 lists, broadcasting rating services, wire services, and  
89 20 scouting reports, or other similar items.

89 21 66. The sales price of a sale at retail if the substance  
89 22 of the transaction is delivered to the purchaser digitally,  
89 23 electronically, or utilizing cable, or by radio waves,  
89 24 microwaves, satellites, or fiber optics.

89 25 67. a. The sales price from the sale of an article of  
89 26 clothing designed to be worn on or about the human body if all  
89 27 of the following apply:

89 28 (1) The sales price of the article is less than one  
89 29 hundred dollars.

89 30 (2) The sale takes place during a period beginning at

89 31 12:01 a.m. on the first Friday in August and ending at  
89 32 midnight on the following Saturday.  
89 33 b. This subsection does not apply to any of the following:  
89 34 (1) Sport or recreational equipment and protective  
89 35 equipment.  
90 1 (2) Clothing accessories or equipment.  
90 2 (3) The rental of clothing.  
90 3 c. For purposes of this subsection:  
90 4 (1) "Clothing" means all human wearing apparel suitable  
90 5 for general use. "Clothing" includes, but is not limited to  
90 6 the following: aprons, household and shop; athletic  
90 7 supporters; baby receiving blankets; bathing suits and caps;  
90 8 beach capes and coats; belts and suspenders; boots; coats and  
90 9 jackets; costumes; diapers (children and adults, including  
90 10 disposable diapers); earmuffs; footlets; formal wear; garters  
90 11 and garter belts; girdles; gloves and mittens for general use;  
90 12 hats and caps; hosiery; insoles for shoes; lab coats;  
90 13 neckties; overshoes; pantyhose; rainwear; rubber pants;  
90 14 sandals; scarves; shoes and shoelaces; slippers; sneakers;  
90 15 socks and stockings; steel-toed shoes; underwear; uniforms,  
90 16 athletic and nonathletic; and wedding apparel.  
90 17 "Clothing" does not include the following: belt buckles  
90 18 sold separately; costume masks sold separately; patches and  
90 19 emblems sold separately; sewing equipment and supplies  
90 20 (including, but not limited to, knitting needles, patterns,  
90 21 pins, scissors, sewing machines, sewing needles, tape  
90 22 measures, and thimbles); and sewing materials that become part  
90 23 of clothing (including, but not limited to, buttons, fabric,  
90 24 lace, thread, yarn, and zippers).  
90 25 (2) "Clothing accessories or equipment" means incidental  
90 26 items worn on the person or in conjunction with clothing.  
90 27 "Clothing accessories or equipment" includes, but is not  
90 28 limited to, the following: briefcases; cosmetics; hair  
90 29 notions (including, but not limited to, barrettes, hair bows,  
90 30 and hair nets); handbags; handkerchiefs; jewelry; sunglasses,  
90 31 nonprescription; umbrellas; wallets; watches; and wigs and  
90 32 hairpieces.  
90 33 (3) "Protective equipment" means items for human wear and

90 34 designed as protection for the wearer against injury or  
90 35 disease or as protection against damage or injury of other  
91 1 persons or property but not suitable for general use.  
91 2 "Protective equipment" includes, but is not limited to, the  
91 3 following: breathing masks; clean room apparel and equipment;  
91 4 ear and hearing protectors; face shields; hard hats; helmets;  
91 5 paint or dust respirators; protective gloves; safety glasses  
91 6 and goggles; safety belts; tool belts; and welders gloves and  
91 7 masks.

91 8 (4) "Sport or recreational equipment" means items designed  
91 9 for human use and worn in conjunction with an athletic or  
91 10 recreational activity that are not suitable for general use.

91 11 "Sport or recreational equipment" includes, but is not limited  
91 12 to, the following: ballet and tap shoes; cleated or spiked  
91 13 athletic shoes; gloves (including, but not limited to,  
91 14 baseball, bowling, boxing, hockey, and golf); goggles; hand  
91 15 and elbow guards; life preservers and vests; mouth guards;  
91 16 roller and ice skates; shin guards; shoulder pads; ski boots;  
91 17 waders; and wetsuits and fins.

91 18 [68. a. Subject to paragraph "b", the sales price from the  
91 19 sale or furnishing of metered gas, electricity, and fuel,  
91 20 including propane and heating oil, to residential customers  
91 21 which is used to provide energy for residential dwellings and  
91 22 units of apartment and condominium complexes used for human  
91 23 occupancy.

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91 24 b. The exemption in this subsection shall be phased in by  
91 25 means of a reduction in the tax rate as follows:

91 26 (1) If the date of the utility billing or meter reading  
91 27 cycle of the residential customer for the sale or furnishing  
91 28 of metered gas and electricity is on or after January 1, 2002,  
91 29 through December 31, 2002, or if the sale or furnishing of  
91 30 fuel for purposes of residential energy and the delivery of  
91 31 the fuel occurs on or after January 1, 2002, through December  
91 32 31, 2002, the rate of tax is four percent of the sales price.

91 33 (2) If the date of the utility billing or meter reading  
91 34 cycle of the residential customer for the sale or furnishing  
91 35 of metered gas and electricity is on or after January 1, 2003,  
92 1 through June 30, 2008, or if the sale or furnishing of fuel

92 2 for purposes of residential energy and the delivery of the  
92 3 fuel occurs on or after January 1, 2003, through June 30,  
92 4 2008, the rate of tax is three percent of the sales price.  
92 5 (3) If the date of the utility billing or meter reading  
92 6 cycle of the residential customer for the sale or furnishing  
92 7 of metered gas and electricity is on or after July 1, 2008,  
92 8 through June 30, 2009, or if the sale or furnishing of fuel  
92 9 for purposes of residential energy and the delivery of the  
92 10 fuel occurs on or after July 1, 2008, through June 30, 2009,  
92 11 the rate of tax is two percent of the sales price.

92 12 (4) If the date of the utility billing or meter reading  
92 13 cycle of the residential customer for the sale or furnishing  
92 14 of metered gas and electricity is on or after July 1, 2009,  
92 15 through June 30, 2010, or if the sale or furnishing of fuel  
92 16 for purposes of residential energy and the delivery of the  
92 17 fuel occurs on or after July 1, 2009, through June 30, 2010,  
92 18 the rate of tax is one percent of the sales price.

92 19 (5) If the date of the utility billing or meter reading  
92 20 cycle of the residential customer for the sale or furnishing  
92 21 of metered gas and electricity is on or after July 1, 2010, or  
92 22 if the sale, furnishing, or service of fuel for purposes of  
92 23 residential energy and the delivery of the fuel occurs on or  
92 24 after July 1, 2010, the rate of tax is zero percent of the  
92 25 sales price.

92 26 c. The exemption in this subsection does not apply to  
92 27 local option sales and services tax imposed pursuant to  
92 28 chapters 423B and 423E.]

92 29 69. The sales price from charges paid for the delivery of  
92 30 electricity or natural gas if the sale or furnishing of the  
92 31 electricity or natural gas or its use is exempt from the tax  
92 32 on sales prices imposed under this subchapter or from the use  
92 33 tax imposed under subchapter III.

92 34 70. The sales price from the sales, furnishing, or service  
92 35 of transportation service except the rental of recreational  
93 1 vehicles or recreational boats, except the rental of motor  
93 2 vehicles subject to registration which are registered for a  
93 3 gross weight of thirteen tons or less for a period of sixty  
93 4 days or less, and except the rental of aircraft for a period

93 5 of sixty days or less. This exemption does not apply to the  
93 6 transportation of electric energy or natural gas.  
93 7 71. The sales price from sales of tangible personal  
93 8 property used or to be used as railroad rolling stock for  
93 9 transporting persons or property, or as materials or parts  
93 10 therefor.  
93 11 72. The sales price from the sales of special fuel for  
93 12 diesel engines consumed or used in the operation of ships,  
93 13 barges, or waterborne vessels which are used primarily in or  
93 14 for the transportation of property or cargo, or the conveyance  
93 15 of persons for hire on rivers bordering on the state if the  
93 16 fuel is delivered by the seller to the purchaser's barge,  
93 17 ship, or waterborne vessel while it is afloat upon such a  
93 18 river.  
93 19 73. The sales price from sales of vehicles subject to  
93 20 registration or subject only to the issuance of a certificate  
93 21 of title and sales of aircraft subject to registration under  
93 22 section 328.20.  
93 23 74. The sales price from the sale of aircraft for use in a  
93 24 scheduled interstate federal aviation administration  
93 25 certificated air carrier operation.  
93 26 75. The sales price from the sale or rental of aircraft;  
93 27 the sale or rental of tangible personal property permanently  
93 28 affixed or attached as a component part of the aircraft,  
93 29 including but not limited to repair or replacement materials  
93 30 or parts; and the sales price of all services used for  
93 31 aircraft repair, remodeling, and maintenance services when  
93 32 such services are performed on aircraft, aircraft engines, or  
93 33 aircraft component materials or parts. For the purposes of  
93 34 this exemption, "aircraft" means aircraft used in a scheduled  
93 35 interstate federal aviation administration certificated air  
94 1 carrier operation.  
94 2 76. The sales price from the sale or rental of tangible  
94 3 personal property permanently affixed or attached as a  
94 4 component part of the aircraft, including but not limited to  
94 5 repair or replacement materials or parts; and the sales price  
94 6 of all services used for aircraft repair, remodeling, and  
94 7 maintenance services when such services are performed on

94 8 aircraft, aircraft engines, or aircraft component materials or  
94 9 parts. For the purposes of this exemption, "aircraft" means  
94 10 aircraft used in nonscheduled interstate federal aviation  
94 11 administration certificated air carrier operation operating  
94 12 under 14 C.F.R. ch. 1, pt. 135.

94 13 77. The sales price from the sale of aircraft to an  
94 14 aircraft dealer who in turn rents or leases the aircraft if  
94 15 all of the following apply:

94 16 a. The aircraft is kept in the inventory of the dealer for  
94 17 sale at all times.

94 18 b. The dealer reserves the right to immediately take the  
94 19 aircraft from the renter or lessee when a buyer is found.

94 20 c. The renter or lessee is aware that the dealer will  
94 21 immediately take the aircraft when a buyer is found.

94 22 If an aircraft exempt under this subsection is used for any  
94 23 purpose other than leasing or renting, or the conditions in  
94 24 paragraphs "a", "b", and "c" are not continuously met, the  
94 25 dealer claiming the exemption under this subsection is liable  
94 26 for the tax that would have been due except for this  
94 27 subsection. The tax shall be computed upon the original  
94 28 purchase price.

94 29 78. The sales price from sales or rental of tangible  
94 30 personal property, or services rendered by any entity where  
94 31 the profits from the sales or rental of the tangible personal  
94 32 property, or services rendered are used by or donated to a  
94 33 nonprofit entity which is exempt from federal income taxation  
94 34 pursuant to section 501(c)(3) of the Internal Revenue Code, a  
94 35 government entity, or a nonprofit private educational  
95 1 institution, and where the entire proceeds from the sales,  
95 2 rental, or services are expended for any of the following  
95 3 purposes:

95 4 a. Educational.

95 5 b. Religious.

95 6 c. Charitable. A charitable act is an act done out of  
95 7 goodwill, benevolence, and a desire to add to or to improve  
95 8 the good of humankind in general or any class or portion of  
95 9 humankind, with no pecuniary profit inuring to the person  
95 10 performing the service or giving the gift.



95 11 This exemption does not apply to the sales price from games  
95 12 of skill, games of chance, raffles, and bingo games as defined  
95 13 in chapter 99B. This exemption is disallowed on the amount of  
95 14 the sales price only to the extent the profits from the sales,  
95 15 rental, or services are not used by or donated to the  
95 16 appropriate entity and expended for educational, religious, or  
95 17 charitable purposes.

95 18 79. The sales price from the sale or rental of tangible  
95 19 personal property or from services furnished to a recognized  
95 20 community action agency as provided in section 216A.93 to be  
95 21 used for the purposes of the agency.

95 22 80. a. For purposes of this subsection, "designated  
95 23 exempt entity" means an entity which is designated in section  
95 24 423.4, subsection 1.

95 25 b. If a contractor, subcontractor, or builder is to use  
95 26 building materials, supplies, and equipment in the performance  
95 27 of a construction contract with a designated exempt entity,  
95 28 the person shall purchase such items of tangible personal  
95 29 property without liability for the tax if such property will  
95 30 be used in the performance of the construction contract and a  
95 31 purchasing agent authorization letter and an exemption  
95 32 certificate, issued by the designated exempt entity, are  
95 33 presented to the retailer.

95 34 c. Where the owner, contractor, subcontractor, or builder  
95 35 is also a retailer holding a retail sales tax permit and  
96 1 transacting retail sales of building materials, supplies, and  
96 2 equipment, the tax shall not be due when materials are  
96 3 withdrawn from inventory for use in construction performed for  
96 4 a designated exempt entity if an exemption certificate is  
96 5 received from such entity.

96 6 d. Tax shall not apply to tangible personal property  
96 7 purchased and consumed by a manufacturer as building  
96 8 materials, supplies, or equipment in the performance of a  
96 9 construction contract for a designated exempt entity, if a  
96 10 purchasing agent authorization letter and an exemption  
96 11 certificate are received from such entity and presented to a  
96 12 retailer.

96 13 81. The sales price from the sales of lottery tickets or

96 14 shares pursuant to chapter 99G.

96 15 82. The sales price from the sale or rental of core and  
96 16 mold making equipment and sand handling equipment directly and  
96 17 primarily used in the mold making process by a foundry.

96 18 83. The sales price from noncustomer point of sale or  
96 19 noncustomer automated teller machine access or service charges  
96 20 assessed by a financial institution. For purposes of this  
96 21 subsection, "financial institution" means the same as defined  
96 22 in section 527.2.

96 23 Sec. 97. NEW SECTION. 423.4 REFUNDS.

96 24 1. A private nonprofit educational institution in this  
96 25 state, nonprofit private museum in this state, tax-certifying  
96 26 or tax-levying body or governmental subdivision of the state,  
96 27 including the state board of regents, state department of  
96 28 human services, state department of transportation, a  
96 29 municipally owned solid waste facility which sells all or part  
96 30 of its processed waste as fuel to a municipally owned public  
96 31 utility, and all divisions, boards, commissions, agencies, or  
96 32 instrumentalities of state, federal, county, or municipal  
96 33 government which do not have earnings going to the benefit of  
96 34 an equity investor or stockholder, may make application to the  
96 35 department for the refund of the sales or use tax upon the  
97 1 sales price of all sales of goods, wares, or merchandise, or  
97 2 from services furnished to a contractor, used in the  
97 3 fulfillment of a written contract with the state of Iowa, any  
97 4 political subdivision of the state, or a division, board,  
97 5 commission, agency, or instrumentality of the state or a  
97 6 political subdivision, a private nonprofit educational  
97 7 institution in this state, or a nonprofit private museum in  
97 8 this state if the property becomes an integral part of the  
97 9 project under contract and at the completion of the project  
97 10 becomes public property, is devoted to educational uses, or  
97 11 becomes a nonprofit private museum; except goods, wares, or  
97 12 merchandise, or services furnished which are used in the  
97 13 performance of any contract in connection with the operation  
97 14 of any municipal utility engaged in selling gas, electricity,  
97 15 or heat to the general public or in connection with the

97 16 operation of a municipal pay television system; and except  
97 17 goods, wares, and merchandise used in the performance of a  
97 18 contract for a "project" under chapter 419 as defined in that  
97 19 chapter other than goods, wares, or merchandise used in the  
97 20 performance of a contract for a "project" under chapter 419  
97 21 for which a bond issue was approved by a municipality prior to  
97 22 July 1, 1968, or for which the goods, wares, or merchandise  
97 23 becomes an integral part of the project under contract and at  
97 24 the completion of the project becomes public property or is  
97 25 devoted to educational uses.

97 26 a. Such contractor shall state under oath, on forms  
97 27 provided by the department, the amount of such sales of goods,  
97 28 wares, or merchandise, or services furnished and used in the  
97 29 performance of such contract, and upon which sales or use tax  
97 30 has been paid, and shall file such forms with the governmental  
97 31 unit, private nonprofit educational institution, or nonprofit  
97 32 private museum which has made any written contract for  
97 33 performance by the contractor. The forms shall be filed by  
97 34 the contractor with the governmental unit, educational  
97 35 institution, or nonprofit private museum before final  
98 1 settlement is made.

98 2 b. Such governmental unit, educational institution, or  
98 3 nonprofit private museum shall, not more than one year after  
98 4 the final settlement has been made, make application to the  
98 5 department for any refund of the amount of the sales or use  
98 6 tax which shall have been paid upon any goods, wares, or  
98 7 merchandise, or services furnished, the application to be made  
98 8 in the manner and upon forms to be provided by the department,  
98 9 and the department shall forthwith audit the claim and, if  
98 10 approved, issue a warrant to the governmental unit,  
98 11 educational institution, or nonprofit private museum in the  
98 12 amount of the sales or use tax which has been paid to the  
98 13 state of Iowa under the contract.

98 14 Refunds authorized under this subsection shall accrue  
98 15 interest at the rate in effect under section 421.7 from the  
98 16 first day of the second calendar month following the date the  
98 17 refund claim is received by the department.

98 18 c. Any contractor who willfully makes a false report of

98 19 tax paid under the provisions of this subsection is guilty of  
98 20 a simple misdemeanor and in addition shall be liable for the  
98 21 payment of the tax and any applicable penalty and interest.  
98 22 2. The refund of sales and use tax paid on transportation  
98 23 construction projects let by the state department of  
98 24 transportation is subject to the special provisions of this  
98 25 subsection.  
98 26 a. A contractor awarded a contract for a transportation  
98 27 construction project is considered the consumer of all  
98 28 building materials, building supplies, and equipment and shall  
98 29 pay sales tax to the supplier or remit consumer use tax  
98 30 directly to the department.  
98 31 b. The contractor is not required to file information with  
98 32 the state department of transportation stating the amount of  
98 33 goods, wares, or merchandise, or services rendered, furnished,  
98 34 or performed and used in the performance of the contract or  
98 35 the amount of sales or use tax paid.  
99 1 c. The state department of transportation shall file a  
99 2 refund claim based on a formula that considers the following:  
99 3 (1) The quantity of material to complete the contract, and  
99 4 quantities of items of work.  
99 5 (2) The estimated cost of these materials included in the  
99 6 items of work, and the state sales or use tax to be paid on  
99 7 the tax rate in effect in section 423.2. The quantity of  
99 8 materials shall be determined after each letting based on the  
99 9 contract quantities of all items of work let to contract. The  
99 10 quantity of individual component materials required for each  
99 11 item shall be determined and maintained in a database. The  
99 12 total quantities of materials shall be determined by  
99 13 multiplying the quantities of component materials for each  
99 14 contract item of work by the total quantities of each contract  
99 15 item for each letting. Where variances exist in the cost of  
99 16 materials, the lowest cost shall be used as the base cost.  
99 17 d. Only the state sales or use tax is refundable. Local  
99 18 option taxes paid by the contractor are not refundable.  
99 19 3. A relief agency may apply to the director for refund of  
99 20 the amount of sales or use tax imposed and paid upon sales to  
99 21 it of any goods, wares, merchandise, or services furnished,

99 22 used for free distribution to the poor and needy.  
99 23 a. The refunds may be obtained only in the following  
99 24 amounts and manner and only under the following conditions:  
99 25 (1) On forms furnished by the department, and filed within  
99 26 the time as the director shall provide by rule, the relief  
99 27 agency shall report to the department the total amount or  
99 28 amounts, valued in money, expended directly or indirectly for  
99 29 goods, wares, merchandise, or services furnished, used for  
99 30 free distribution to the poor and needy.  
99 31 (2) On these forms the relief agency shall separately list  
99 32 the persons making the sales to it or to its order, together  
99 33 with the dates of the sales, and the total amount so expended  
99 34 by the relief agency.  
99 35 (3) The relief agency must prove to the satisfaction of  
100 1 the director that the person making the sales has included the  
100 2 amount thereof in the computation of the sales price of such  
100 3 person and that such person has paid the tax levied by this  
100 4 subchapter or subchapter III, based upon such computation of  
100 5 the sales price.  
100 6 b. If satisfied that the foregoing conditions and  
100 7 requirements have been complied with, the director shall  
100 8 refund the amount claimed by the relief agency.

100 9 SUBCHAPTER III

100 10 USE TAX

100 11 Sec. 98. NEW SECTION. 423.5 IMPOSITION OF TAX.

100 12 An excise tax at the rate of five percent of the purchase  
100 13 price or installed purchase price is imposed on the following:

100 14 1. The use in this state of tangible personal property as  
100 15 defined in section 423.1, including aircraft subject to  
100 16 registration under section 328.20, purchased for use in this  
100 17 state. For the purposes of this subchapter, the furnishing or  
100 18 use of the following services is also treated as the use of  
100 19 tangible personal property: optional service or warranty  
100 20 contracts, except residential service contracts regulated  
100 21 under chapter 523C, vulcanizing, recapping, or retreading  
100 22 services, engraving, photography, retouching, printing, or  
100 23 binding services, and communication service when furnished or

100 24 delivered to consumers or users within this state.  
100 25 2. The use of manufactured housing in this state, on the  
100 26 purchase price if the manufactured housing is sold in the form  
100 27 of tangible personal property or on the installed purchase  
100 28 price if the manufactured housing is sold in the form of  
100 29 realty.

100 30 3. The use of leased vehicles, on the amount subject to  
100 31 tax as calculated pursuant to section 423.27.

100 32 4. Purchases of tangible personal property made from the  
100 33 government of the United States or any of its agencies by  
100 34 ultimate consumers shall be subject to the tax imposed by this  
100 35 section. Services purchased from the same source or sources  
101 1 shall be subject to the service tax imposed by this subchapter  
101 2 and apply to the user of the services.

101 3 5. The use in this state of services enumerated in section  
101 4 423.2. This tax is applicable where services are furnished in  
101 5 this state or where the product or result of the service is  
101 6 used in this state.

101 7 6. The excise tax is imposed upon every person using the  
101 8 property within this state until the tax has been paid  
101 9 directly to the county treasurer, the state department of  
101 10 transportation, a retailer, or the department. This tax is  
101 11 imposed on every person using the services or the product of  
101 12 the services in this state until the user has paid the tax  
101 13 either to an Iowa use tax permit holder or to the department.

101 14 7. For the purpose of the proper administration of the use  
101 15 tax and to prevent its evasion, evidence that tangible  
101 16 personal property was sold by any person for delivery in this  
101 17 state shall be prima facie evidence that such tangible  
101 18 personal property was sold for use in this state.

101 19 Sec. 99. NEW SECTION. 423.6 EXEMPTIONS.

101 20 The use in this state of the following tangible personal  
101 21 property and services is exempted from the tax imposed by this  
101 22 subchapter:

101 23 1. Tangible personal property and enumerated services, the  
101 24 sales price from the sale of which are required to be included  
101 25 in the measure of the sales tax, if that tax has been paid to

101 26 the department or the retailer. This exemption does not  
101 27 include vehicles subject to registration or subject only to  
101 28 the issuance of a certificate of title.

101 29 2. The sale of tangible personal property or the  
101 30 furnishing of services in the regular course of business.

101 31 3. Property used in processing. The use of property in  
101 32 processing within the meaning of this subsection shall mean  
101 33 and include any of the following:

101 34 a. Any tangible personal property including containers  
101 35 which it is intended shall, by means of fabrication,  
102 1 compounding, manufacturing, or germination, become an integral  
102 2 part of other tangible personal property intended to be sold  
102 3 ultimately at retail, and containers used in the collection,  
102 4 recovery, or return of empty beverage containers subject to  
102 5 chapter 455C.

102 6 b. Fuel which is consumed in creating power, heat, or  
102 7 steam for processing or for generating electric current.

102 8 c. Chemicals, solvents, sorbents, or reagents, which are  
102 9 directly used and are consumed, dissipated, or depleted in  
102 10 processing tangible personal property which is intended to be  
102 11 sold ultimately at retail, and which may not become a  
102 12 component or integral part of the finished product.

102 13 d. The distribution to the public of free newspapers or  
102 14 shoppers guides shall be deemed a retail sale for purposes of  
102 15 the processing exemption in this subsection.

102 16 4. All articles of tangible personal property brought into  
102 17 the state of Iowa by a nonresident individual for the  
102 18 individual's use or enjoyment while within the state.

102 19 5. Services exempt from taxation by the provisions of  
102 20 section 423.3.

102 21 6. Tangible personal property or services the sales price  
102 22 of which is exempt from the sales tax under section 423.3,  
102 23 except subsections 39 and 73, as it relates to the sale, but  
102 24 not the lease or rental, of vehicles subject to registration  
102 25 or subject only to the issuance of a certificate of title and  
102 26 as it relates to aircraft subject to registration under  
102 27 section 328.20.

102 28 7. Advertisement and promotional material and matter, seed

102 29 catalogs, envelopes for same, and other similar material  
102 30 temporarily stored in this state which are acquired outside of  
102 31 Iowa and which, subsequent to being brought into this state,  
102 32 are sent outside of Iowa, either singly or physically attached  
102 33 to other tangible personal property sent outside of Iowa.  
102 34 8. Vehicles, as defined in section 321.1, subsections 41,  
102 35 64A, 71, 85, and 88, except such vehicles subject to  
103 1 registration which are designed primarily for carrying  
103 2 persons, when purchased for lease and actually leased to a  
103 3 lessee for use outside the state of Iowa and the subsequent  
103 4 sole use in Iowa is in interstate commerce or interstate  
103 5 transportation.  
103 6 9. Tangible personal property which, by means of  
103 7 fabrication, compounding, or manufacturing, becomes an  
103 8 integral part of vehicles, as defined in section 321.1,  
103 9 subsections 41, 64A, 71, 85, and 88, manufactured for lease  
103 10 and actually leased to a lessee for use outside the state of  
103 11 Iowa and the subsequent sole use in Iowa is in interstate  
103 12 commerce or interstate transportation. Vehicles subject to  
103 13 registration which are designed primarily for carrying persons  
103 14 are excluded from this subsection.  
103 15 10. Vehicles subject to registration which are transferred  
103 16 from a business or individual conducting a business within  
103 17 this state as a sole proprietorship, partnership, or limited  
103 18 liability company to a corporation formed by the sole  
103 19 proprietorship, partnership, or limited liability company for  
103 20 the purpose of continuing the business when all of the stock  
103 21 of the corporation so formed is owned by the sole proprietor  
103 22 and the sole proprietor's spouse, by all the partners in the  
103 23 case of a partnership, or by all the members in the case of a  
103 24 limited liability company. This exemption is equally  
103 25 available where the vehicles subject to registration are  
103 26 transferred from a corporation to a sole proprietorship,  
103 27 partnership, or limited liability company formed by that  
103 28 corporation for the purpose of continuing the business when  
103 29 all of the incidents of ownership are owned by the same person  
103 30 or persons who were stockholders of the corporation.  
103 31 This exemption also applies where the vehicles subject to



103 32 registration are transferred from a corporation as part of the  
103 33 liquidation of the corporation to its stockholders if within  
103 34 three months of such transfer the stockholders retransfer  
103 35 those vehicles subject to registration to a sole  
104 1 proprietorship, partnership, or limited liability company for  
104 2 the purpose of continuing the business of the corporation when  
104 3 all of the incidents of ownership are owned by the same person  
104 4 or persons who were stockholders of the corporation.  
104 5 10A. Vehicles subject to registration which are  
104 6 transferred from a corporation that is primarily engaged in  
104 7 the business of leasing vehicles subject to registration to a  
104 8 corporation that is primarily engaged in the business of  
104 9 leasing vehicles subject to registration when the transferor  
104 10 and transferee corporations are part of the same controlled  
104 11 group for federal income tax purposes.  
104 12 11. Vehicles registered or operated under chapter 326 and  
104 13 used substantially in interstate commerce, section 423.5,  
104 14 subsection 7, notwithstanding. For purposes of this  
104 15 subsection, "substantially in interstate commerce" means that  
104 16 a minimum of twenty-five percent of the miles operated by the  
104 17 vehicle accrues in states other than Iowa. This subsection  
104 18 applies only to vehicles which are registered for a gross  
104 19 weight of thirteen tons or more.  
104 20 For purposes of this subsection, trailers and semitrailers  
104 21 registered or operated under chapter 326 are deemed to be used  
104 22 substantially in interstate commerce and to be registered for  
104 23 a gross weight of thirteen tons or more.  
104 24 For the purposes of this subsection, if a vehicle meets the  
104 25 requirement that twenty-five percent of the miles operated  
104 26 accrues in states other than Iowa in each year of the first  
104 27 four-year period of operation, the exemption from use tax  
104 28 shall continue until the vehicle is sold or transferred. If  
104 29 the vehicle is found to have not met the exemption  
104 30 requirements or the exemption was revoked, the value of the  
104 31 vehicle upon which the use tax shall be imposed is the book or  
104 32 market value, whichever is less, at the time the exemption  
104 33 requirements were not met or the exemption was revoked.  
104 34 12. Mobile homes and manufactured housing the use of which

104 35 has previously been subject to the tax imposed under this  
105 1 subchapter and for which that tax has been paid.  
105 2 13. Mobile homes to the extent of the portion of the  
105 3 purchase price of the mobile home which is not attributable to  
105 4 the cost of the tangible personal property used in the  
105 5 processing of the mobile home, and manufactured housing to the  
105 6 extent of the purchase price or the installed purchase price  
105 7 of the manufactured housing which is not attributable to the  
105 8 cost of the tangible personal property used in the processing  
105 9 of the manufactured housing. For purposes of this exemption,  
105 10 the portion of the purchase price which is not attributable to  
105 11 the cost of the tangible personal property used in the  
105 12 processing of the mobile home is forty percent and the portion  
105 13 of the purchase price or installed purchase price which is not  
105 14 attributable to the cost of the tangible personal property  
105 15 used in the processing of the manufactured housing is forty  
105 16 percent.  
105 17 14. Tangible personal property used or to be used as a  
105 18 ship, barge, or waterborne vessel which is used or to be used  
105 19 primarily in or for the transportation of property or cargo  
105 20 for hire on the rivers bordering the state or as materials or  
105 21 parts of such ship, barge, or waterborne vessel.  
105 22 15. Vehicles subject to registration in any state when  
105 23 purchased for rental or registered and titled by a motor  
105 24 vehicle dealer licensed pursuant to chapter 322 for rental  
105 25 use, and held for rental for a period of one hundred twenty  
105 26 days or more and actually rented for periods of sixty days or  
105 27 less by a person regularly engaged in the business of renting  
105 28 vehicles including, but not limited to, motor vehicle dealers  
105 29 licensed pursuant to chapter 322 who rent automobiles to  
105 30 users, if the rental of the vehicles is subject to taxation  
105 31 under chapter 423C.  
105 32 16. Motor vehicles subject to registration which were  
105 33 registered and titled between July 1, 1982, and July 1, 1992,  
105 34 to a motor vehicle dealer licensed under chapter 322 and which  
105 35 were rented to a user as defined in section 423C.2 if the  
106 1 following occurred:  
106 2 a. The dealer kept the vehicle on the inventory of

106 3 vehicles for sale at all times.  
106 4 b. The vehicle was to be immediately taken from the user  
106 5 of the vehicle when a buyer was found.  
106 6 c. The user was aware of this situation.  
106 7 17. Vehicles subject to registration under chapter 321,  
106 8 with a gross vehicle weight rating of less than sixteen  
106 9 thousand pounds, excluding motorcycles and motorized bicycles,  
106 10 when purchased for lease and titled by the lessor licensed  
106 11 pursuant to chapter 321F and actually leased for a period of  
106 12 twelve months or more if the lease of the vehicle is subject  
106 13 to taxation under section 423.27.  
106 14 A lessor may maintain the exemption from use tax under this  
106 15 subsection for a qualifying lease that terminates at the  
106 16 conclusion or prior to the contracted expiration date, if the  
106 17 lessor does not use the vehicle for any purpose other than for  
106 18 lease. Once the vehicle is used by the lessor for a purpose  
106 19 other than for lease, the exemption from use tax under this  
106 20 subsection no longer applies and, unless there is an exemption  
106 21 from the use tax, use tax is due on the fair market value of  
106 22 the vehicle determined at the time the lessor uses the vehicle  
106 23 for a purpose other than for lease, payable to the department.  
106 24 If the lessor holds the vehicle exclusively for sale, use tax  
106 25 is due and payable on the purchase price of the vehicle at the  
106 26 time of purchase pursuant to this subchapter.  
106 27 18. Aircraft for use in a scheduled interstate federal  
106 28 aviation administration certificated air carrier operation.  
106 29 19. Aircraft; tangible personal property permanently  
106 30 affixed or attached as a component part of the aircraft,  
106 31 including but not limited to repair or replacement materials  
106 32 or parts; and all services used for aircraft repair,  
106 33 remodeling, and maintenance services when such services are  
106 34 performed on aircraft, aircraft engines, or aircraft component  
106 35 materials or parts. For the purposes of this exemption,  
107 1 "aircraft" means aircraft used in a scheduled interstate  
107 2 federal aviation administration certificated air carrier  
107 3 operation.  
107 4 20. Tangible personal property permanently affixed or  
107 5 attached as a component part of the aircraft, including but

107 6 not limited to repair or replacement materials or parts; and  
107 7 all services used for aircraft repair, remodeling, and  
107 8 maintenance services when such services are performed on  
107 9 aircraft, aircraft engines, or aircraft component materials or  
107 10 parts. For the purposes of this exemption, "aircraft" means  
107 11 aircraft used in a nonscheduled interstate federal aviation  
107 12 administration certificated air carrier operation operating  
107 13 under 14 C.F.R., ch. 1, pt. 135.

107 14 21. Aircraft sold to an aircraft dealer who in turn rents  
107 15 or leases the aircraft if all of the following apply:

107 16 a. The aircraft is kept in the inventory of the dealer for  
107 17 sale at all times.

107 18 b. The dealer reserves the right to immediately take the  
107 19 aircraft from the renter or lessee when a buyer is found.

107 20 c. The renter or lessee is aware that the dealer will  
107 21 immediately take the aircraft when a buyer is found.

107 22 If an aircraft exempt under this subsection is used for any  
107 23 purpose other than leasing or renting, or the conditions in  
107 24 paragraphs "a", "b", and "c" are not continuously met, the  
107 25 dealer claiming the exemption under this subsection is liable  
107 26 for the tax that would have been due except for this  
107 27 subsection. The tax shall be computed upon the original  
107 28 purchase price.

107 29 22. The use in this state of building materials, supplies,  
107 30 or equipment, the sale or use of which is not treated as a  
107 31 retail sale or a sale at retail under section 423.2,  
107 32 subsection 1.

107 33 23. Exempted from the purchase price of any vehicle  
107 34 subject to registration is:

107 35 a. The amount of any cash rebate which is provided by a  
108 1 motor vehicle manufacturer to the purchaser of the vehicle  
108 2 subject to registration so long as the rebate is applied to  
108 3 the purchase price of the vehicle.

108 4 b. That in transactions, except those subject to paragraph  
108 5 "c", in which tangible personal property is traded toward the  
108 6 purchase price of other tangible personal property the  
108 7 purchase price is only that portion of the purchase price  
108 8 which is payable in money to the retailer if the following

108 9 conditions are met:

108 10 (1) The tangible personal property traded to the retailer  
108 11 is the type of property normally sold in the regular course of  
108 12 the retailer's business.

108 13 (2) The tangible personal property traded to the retailer  
108 14 is intended by the retailer to be ultimately sold at retail or  
108 15 is intended to be used by the retailer or another in the  
108 16 remanufacturing of a like item.

108 17 c. In a transaction between persons, neither of which is a  
108 18 retailer of vehicles subject to registration, in which a  
108 19 vehicle subject to registration is traded toward the purchase  
108 20 price of another vehicle subject to registration, the amount  
108 21 of the trade-in value allowed on the vehicle subject to  
108 22 registration traded.

108 23 SUBCHAPTER IV

108 24 UNIFORM SALES AND USE TAX ADMINISTRATION ACT

108 25 Sec. 100. NEW SECTION. 423.7 TITLE.

108 26 This subchapter shall be known and may be cited as the  
108 27 "Uniform Sales and Use Tax Administration Act".

108 28 Sec. 101. NEW SECTION. 423.8 LEGISLATIVE FINDING AND  
108 29 INTENT.

108 30 The general assembly finds that Iowa should enter into an  
108 31 agreement with one or more states to simplify and modernize  
108 32 sales and use tax administration in order to substantially  
108 33 reduce the burden of tax compliance for all sellers and for  
108 34 all types of commerce. It is the intent of the general  
108 35 assembly that entering into this agreement will lead to  
109 1 simplification and modernization of the sales and use tax law  
109 2 and not to the imposition of new taxes or an increase or  
109 3 decrease in the existing number of exemptions, unless such a  
109 4 result is unavoidable under the terms of the agreement.

109 5 Sec. 102. NEW SECTION. 423.9 AUTHORITY TO ENTER  
109 6 AGREEMENT AND TO REPRESENT THE STATE.

109 7 The director is authorized and directed to enter into the

109 8 streamlined sales and use tax agreement with one or more  
109 9 states to simplify and modernize sales and use tax  
109 10 administration in order to substantially reduce the burden of  
109 11 tax compliance for all sellers and for all types of commerce.  
109 12 The director is further authorized to take other actions  
109 13 reasonably required to implement the provisions set forth in  
109 14 this chapter. Other actions authorized by this section  
109 15 include, but are not limited to, the adoption of rules and the  
109 16 joint procurement, with other member states, of goods and  
109 17 services in furtherance of the cooperative agreement.  
109 18 The director or the director's designee is authorized to be  
109 19 a member of the governing board established pursuant to the  
109 20 agreement and to represent Iowa before that body.

109 21 Sec. 103. NEW SECTION. 423.10 RELATIONSHIP TO STATE LAW.  
109 22 Entry into the agreement by the director does not amend or  
109 23 modify any law of this state. Implementation of any condition  
109 24 of the agreement in this state, whether adopted before, at, or  
109 25 after membership of this state in the agreement, shall be by  
109 26 action of the general assembly.

109 27 Sec. 104. NEW SECTION. 423.11 AGREEMENT REQUIREMENTS.  
109 28 The director shall not enter into the agreement unless the  
109 29 agreement requires each state to abide by the following  
109 30 requirements:  
109 31 1. UNIFORM STATE RATE. The agreement must set  
109 32 restrictions to achieve more uniform state rates through the  
109 33 following:  
109 34 a. Limiting the number of state rates.  
109 35 b. Limiting the application of maximums on the amount of  
110 1 state tax that is due on a transaction.  
110 2 c. Limiting the application of thresholds on the  
110 3 application of state tax.  
110 4 2. UNIFORM STANDARDS. The agreement must establish  
110 5 uniform standards for the following:  
110 6 a. The sourcing of transactions to taxing jurisdictions.  
110 7 b. The administration of exempt sales.  
110 8 c. The allowances a seller can take for bad debts.

110 9 d. Sales and use tax returns and remittances.

110 10 3. UNIFORM DEFINITIONS. The agreement must require states

110 11 to develop and adopt uniform definitions of sales and use tax

110 12 terms. The definitions must enable a state to preserve its

110 13 ability to make policy choices not inconsistent with the

110 14 uniform definitions.

110 15 4. CENTRAL REGISTRATION. The agreement must provide a

110 16 central, electronic registration system that allows a seller

110 17 to register to collect and remit sales and use taxes for all

110 18 member states.

110 19 5. NO NEXUS ATTRIBUTION. The agreement must provide that

110 20 registration with the central registration system and the

110 21 collection of sales and use taxes in the member states must

110 22 not be used as a factor in determining whether the seller has

110 23 nexus with a state for any tax.

110 24 6. LOCAL SALES AND USE TAXES. The agreement must provide

110 25 for reduction of the burdens of complying with local sales and

110 26 use taxes through the following:

110 27 a. Restricting variances between the state and local tax

110 28 bases.

110 29 b. Requiring states to administer any sales and use taxes

110 30 levied by local jurisdictions within the state so that sellers

110 31 collecting and remitting these taxes must not have to register

110 32 or file returns with, remit funds to, or be subject to

110 33 independent audits from local taxing jurisdictions.

110 34 c. Restricting the frequency of changes in the local sales

110 35 and use tax rates and setting effective dates for the

111 1 application of local jurisdictional boundary changes to local

111 2 sales and use taxes.

111 3 d. Providing notice of changes in local sales and use tax

111 4 rates and of changes in the boundaries of local taxing

111 5 jurisdictions.

111 6 7. MONETARY ALLOWANCES. The agreement must outline any

111 7 monetary allowances that are to be provided by the states to

111 8 sellers or certified service providers.

111 9 8. STATE COMPLIANCE. The agreement must require each

111 10 state to certify compliance with the terms of the agreement

111 11 prior to joining and to maintain compliance, under the laws of

111 12 the member state, with all provisions of the agreement while a  
111 13 member.

111 14 9. CONSUMER PRIVACY. The agreement must require each  
111 15 state to adopt a uniform policy for certified service  
111 16 providers that protects the privacy of consumers and maintains  
111 17 the confidentiality of tax information.

111 18 10. ADVISORY COUNCILS. The agreement must provide for the  
111 19 appointment of an advisory council of private sector  
111 20 representatives and an advisory council of nonmember state  
111 21 representatives to consult with in the administration of the  
111 22 agreement.

111 23 Sec. 105. NEW SECTION. 423.12 LIMITED BINDING AND  
111 24 BENEFICIAL EFFECT.

111 25 1. The agreement binds and inures only to the benefit of  
111 26 Iowa and the other member states. A person, other than a  
111 27 member state, is not an intended beneficiary of the agreement.  
111 28 Any benefit to a person other than a member state is  
111 29 established by the law of Iowa and not by the terms of the  
111 30 agreement.

111 31 2. A person shall not have any cause of action or defense  
111 32 under the agreement or by virtue of this state's entry into  
111 33 the agreement. A person may not challenge, in any action  
111 34 brought under any provision of law, any action or inaction by  
111 35 any department, agency, or other instrumentality of this  
112 1 state, or any political subdivision of this state on the  
112 2 ground that the action or inaction is inconsistent with the  
112 3 agreement.

112 4 3. A law of this state, or the application of it, shall  
112 5 not be declared invalid as to any such person or circumstance  
112 6 on the ground that the provision or application is  
112 7 inconsistent with the agreement.

112 8 SUBCHAPTER V

112 9 SALES AND USE TAX ACT — ADMINISTRATION OF  
112 10 RETAILERS NOT REGISTERED UNDER THE AGREEMENT AND OF  
112 11 CONSUMERS OBLIGATED TO PAY USE TAX DIRECTLY



112 12 Sec. 106. NEW SECTION. 423.13 PURPOSE OF THIS  
112 13 SUBCHAPTER.

112 14 The purpose of this subchapter is to provide for the  
112 15 administration and collection of sales or use tax on the part  
112 16 of retailers who are not registered under the agreement and  
112 17 for the collection of use tax on the part of consumers who are  
112 18 obligated to pay that tax directly. Any application of the  
112 19 sections of this subchapter to retailers registered under the  
112 20 agreement is only by way of incorporation by reference into  
112 21 subchapter VI of this chapter.

112 22 Sec. 107. NEW SECTION. 423.14 SALES AND USE TAX  
112 23 COLLECTION.

112 24 1. a. Sales tax, other than that described in paragraph  
112 25 "c", shall be collected by sellers who are retailers or by  
112 26 their agents. Sellers or their agents shall, as far as  
112 27 practicable, add the sales tax, or the average equivalent  
112 28 thereof, to the sales price or charge, less trade-ins allowed  
112 29 and taken and when added such tax shall constitute a part of  
112 30 the sales price or charge, shall be a debt from consumer or  
112 31 user to seller or agent until paid, and shall be recoverable  
112 32 at law in the same manner as other debts.

112 33 b. In computing the tax to be collected as the result of  
112 34 any transaction, the tax computation must be carried to the  
112 35 third decimal place. Whenever the third decimal place is  
113 1 greater than four, the tax must be rounded up to the next  
113 2 whole cent; whenever the third decimal place is four or less,  
113 3 the tax must be rounded downward to a whole cent. Sellers may  
113 4 elect to compute the tax due on transactions on an item or  
113 5 invoice basis. Sellers are not required to use a bracket  
113 6 system.

113 7 c. The tax imposed upon those sales of motor vehicle fuel  
113 8 which are subject to tax and refund under chapter 452A shall  
113 9 be collected by the state treasurer by way of deduction from  
113 10 refunds otherwise allowable under that chapter. The treasurer  
113 11 shall transfer the amount of such deductions from the motor  
113 12 vehicle fuel tax fund to the special tax fund.

113 13 2. Use tax shall be collected in the following manner:

113 14 a. The tax upon the use of all vehicles subject to  
113 15 registration or subject only to the issuance of a certificate  
113 16 of title or the tax upon the use of manufactured housing shall  
113 17 be collected by the county treasurer or the state department  
113 18 of transportation pursuant to sections 423.26 and 423.27. The  
113 19 county treasurer shall retain one dollar from each tax payment  
113 20 collected, to be credited to the county general fund.

113 21 b. The tax upon the use of all tangible personal property  
113 22 other than that enumerated in paragraph "a", which is sold by  
113 23 a seller who is a retailer maintaining a place of business in  
113 24 this state, or by such other retailer or agent as the director  
113 25 shall authorize pursuant to section 423.30, shall be collected  
113 26 by the retailer or agent and remitted to the department,  
113 27 pursuant to the provisions of paragraph "e", and sections  
113 28 423.24, 423.29, 423.30, 423.32, and 423.33.

113 29 c. The tax upon the use of all tangible personal property  
113 30 not paid pursuant to paragraphs "a" and "b" shall be paid to  
113 31 the department directly by any person using the property  
113 32 within this state, pursuant to the provisions of section  
113 33 423.34.

113 34 d. The tax imposed on the use of services enumerated in  
113 35 section 423.5 shall be collected, remitted, and paid to the  
114 1 department of revenue and finance in the same manner as use  
114 2 tax on tangible personal property is collected, remitted, and  
114 3 paid under this subchapter.

114 4 e. All persons obligated by paragraph "a", "b", or "d", to  
114 5 collect use tax shall, as far as practicable, add that tax, or  
114 6 the average equivalent thereof, to the purchase price, less  
114 7 trade-ins allowed and taken, and when added the tax shall  
114 8 constitute a part of the purchase price. Use tax which this  
114 9 section requires to be collected by a retailer and any tax  
114 10 collected pursuant to this section by a retailer shall  
114 11 constitute a debt owed by the retailer to this state. Tax  
114 12 which must be paid directly to the department, pursuant to  
114 13 paragraph "c" or "d", is to be computed and added by the  
114 14 consumer or user to the purchase price in the same manner as  
114 15 this paragraph requires a seller to compute and add the tax.  
114 16 The tax shall be a debt from the consumer or user to the

114 17 department until paid, and shall be recoverable at law in the  
114 18 same manner as other debts.

114 19 Sec. 108. NEW SECTION. 423.15 GENERAL SOURCING RULES.

114 20 All sellers obligated to collect Iowa sales or use tax  
114 21 shall use the standards set out in this section to determine  
114 22 where sales of products occur, excluding sales enumerated in  
114 23 section 423.16. These provisions apply regardless of the  
114 24 characterization of a product as tangible personal property, a  
114 25 digital good, or a service, excluding telecommunications  
114 26 services. This section only applies to determine a seller's  
114 27 obligation to pay or collect and remit a sales or use tax with  
114 28 respect to the seller's sale of a product. This section does  
114 29 not affect the obligation of a purchaser or lessee to remit  
114 30 tax on the use of the product to the taxing jurisdictions in  
114 31 which the use occurs. A seller's obligation to collect Iowa  
114 32 sales tax or Iowa use tax only occurs if the sale is sourced  
114 33 to this state. The application of whether Iowa sales tax  
114 34 applies to sales sourced to Iowa depends upon where the sale  
114 35 is consummated by delivery.

115 1 1. Sales, excluding leases or rentals other than leases or  
115 2 rentals set out in subsection 2, of products shall be sourced  
115 3 as follows:

115 4 a. When the product is received by the purchaser at a  
115 5 business location of the seller, the sale is sourced to that  
115 6 business location.

115 7 b. When the product is not received by the purchaser at a  
115 8 business location of the seller, the sale is sourced to the  
115 9 location where receipt by the purchaser or the purchaser's  
115 10 donee, designated as such by the purchaser, occurs, including  
115 11 the location indicated by instructions for delivery to the  
115 12 purchaser or donee, known to the seller.

115 13 c. When paragraphs "a" and "b" do not apply, the sale is  
115 14 sourced to the location indicated by an address for the  
115 15 purchaser that is available from the business records of the  
115 16 seller that are maintained in the ordinary course of the  
115 17 seller's business when use of this address does not constitute  
115 18 bad faith.

115 19 d. When paragraphs "a", "b", and "c" do not apply, the  
115 20 sale is sourced to the location indicated by an address for  
115 21 the purchaser obtained during the consummation of the sale,  
115 22 including the address of a purchaser's payment instrument, if  
115 23 no other address is available, when use of this address does  
115 24 not constitute bad faith.

115 25 e. When paragraphs "a", "b", "c", and "d" do not apply,  
115 26 including the circumstance where the seller is without  
115 27 sufficient information to apply the previous rules, then the  
115 28 location will be determined by the address from which tangible  
115 29 personal property was shipped, from which the digital good or  
115 30 the computer software delivered electronically was first  
115 31 available for transmission by the seller, or from which the  
115 32 service was provided disregarding for these purposes any  
115 33 location that merely provided the digital transfer of the  
115 34 product sold.

115 35 2. The lease or rental of tangible personal property,  
116 1 other than property identified in subsection 3 or section  
116 2 423.16, shall be sourced as follows:

116 3 a. For a lease or rental that requires recurring periodic  
116 4 payments, the first periodic payment is sourced the same as a  
116 5 retail sale in accordance with the provisions of subsection 1.  
116 6 Periodic payments made subsequent to the first payment are  
116 7 sourced to the primary property location for each period  
116 8 covered by the payment. The primary property location shall  
116 9 be as indicated by an address for the property provided by the  
116 10 lessee that is available to the lessor from its records  
116 11 maintained in the ordinary course of business, when use of  
116 12 this address does not constitute bad faith. The property  
116 13 location shall not be altered by intermittent use at different  
116 14 locations, such as use of business property that accompanies  
116 15 employees on business trips and service calls.

116 16 b. For a lease or rental that does not require recurring  
116 17 periodic payments, the payment is sourced the same as a retail  
116 18 sale in accordance with the provisions of subsection 1.

116 19 c. This subsection does not affect the imposition or  
116 20 computation of sales or use tax on leases or rentals based on  
116 21 a lump sum or accelerated basis, or on the acquisition of

116 22 property for lease.

116 23 3. The retail sale, including lease or rental, of  
116 24 transportation equipment shall be sourced the same as a retail  
116 25 sale in accordance with the provisions of subsection 1,  
116 26 notwithstanding the exclusion of lease or rental in that  
116 27 subsection. "Transportation equipment" means any of the  
116 28 following:

116 29 a. Locomotives or railcars that are utilized for the  
116 30 carriage of persons or property in interstate commerce.

116 31 b. Trucks and truck-tractors with a gross vehicle weight  
116 32 rating of ten thousand one pounds or greater, trailers,  
116 33 semitrailers, or passenger buses that meet both of the  
116 34 following requirements:

116 35 (1) Are registered through the international registration  
117 1 plan.

117 2 (2) Are operated under authority of a carrier authorized  
117 3 and certificated by the United States department of  
117 4 transportation or another federal authority to engage in the  
117 5 carriage of persons or property in interstate commerce.

117 6 c. Aircraft that are operated by air carriers authorized  
117 7 and certificated by the United States department of  
117 8 transportation or another federal or a foreign authority to  
117 9 engage in the carriage of persons or property in interstate or  
117 10 foreign commerce.

117 11 d. Containers designed for use on and component parts  
117 12 attached or secured on the items set forth in paragraphs "a"  
117 13 through "c".

117 14 Sec. 109. NEW SECTION. 423.16 TRANSACTIONS TO WHICH THE  
117 15 GENERAL SOURCING RULES DO NOT APPLY.

117 16 Section 423.15 does not apply to sales or use taxes levied  
117 17 on the following:

117 18 1. The retail sale or transfer of watercraft, modular  
117 19 homes, manufactured housing, or mobile homes, and the retail  
117 20 sale, excluding lease or rental, of motor vehicles, trailers,  
117 21 semitrailers, or aircraft that do not qualify as  
117 22 transportation equipment, as defined in section 423.15,  
117 23 subsection 3.

117 24 2. The lease or rental of motor vehicles, trailers,  
117 25 semitrailers, or aircraft that do not qualify as  
117 26 transportation equipment, as defined in section 423.15,  
117 27 subsection 3, which shall be sourced in accordance with  
117 28 section 423.17.

117 29 3. Transactions to which the multiple points use exemption  
117 30 is applicable, which shall be sourced in accordance with  
117 31 section 423.18.

117 32 4. Transactions to which direct mail sourcing is  
117 33 applicable, which shall be sourced in accordance with section  
117 34 423.19.

117 35 5. Telecommunications services, as set out in section  
118 1 423.20, which shall be sourced in accordance with section  
118 2 423.20, subsection 2.

118 3 Sec. 110. NEW SECTION. 423.17 SOURCING RULES FOR VARIOUS  
118 4 TYPES OF LEASED OR RENTED EQUIPMENT WHICH IS NOT  
118 5 TRANSPORTATION EQUIPMENT.

118 6 The lease or rental of motor vehicles, trailers,  
118 7 semitrailers, or aircraft that do not qualify as  
118 8 transportation equipment, as defined in section 423.15,  
118 9 subsection 3, shall be sourced as follows:  
118 10 1. For a lease or rental that requires recurring periodic  
118 11 payments, each periodic payment is sourced to the primary  
118 12 property location. The primary property location shall be as  
118 13 indicated by an address for the property provided by the  
118 14 lessee that is available to the lessor from its records  
118 15 maintained in the ordinary course of business, when use of  
118 16 this address does not constitute bad faith. This location  
118 17 shall not be altered by intermittent use at different  
118 18 locations.

118 19 2. For a lease or rental that does not require recurring  
118 20 periodic payments, the payment is sourced the same as a retail  
118 21 sale in accordance with the provisions of section 423.15,  
118 22 subsection 1.

118 23 3. This section does not affect the imposition or  
118 24 computation of sales or use tax on leases or rentals based on  
118 25 a lump sum or accelerated basis, or on the acquisition of

118 26 property for lease.

118 27 Sec. 111. NEW SECTION. 423.18 MULTIPLE POINTS OF USE  
118 28 EXEMPTION FORMS.

118 29 A business purchaser that is not a holder of a direct pay  
118 30 tax permit pursuant to section 423.36 that knows at the time  
118 31 of its purchase of a digital good, computer software delivered  
118 32 electronically, or a service that the digital good, computer  
118 33 software delivered electronically, or service will be  
118 34 concurrently available for use in more than one jurisdiction  
118 35 shall deliver to the seller in conjunction with its purchase a  
119 1 "multiple points of use" or "MPU" exemption form disclosing  
119 2 this fact.

119 3 1. Upon receipt of the MPU exemption form, the seller is  
119 4 relieved of all obligation to collect, pay, or remit the  
119 5 applicable tax and the purchaser shall be obligated to  
119 6 collect, pay, or remit the applicable tax on a direct pay  
119 7 basis.

119 8 2. A purchaser delivering the MPU exemption form may use  
119 9 any reasonable, but consistent and uniform, method of  
119 10 apportionment that is supported by the purchaser's business  
119 11 records as they exist at the time of the consummation of the  
119 12 sale.

119 13 3. The MPU exemption form will remain in effect for all  
119 14 future sales by the seller to the purchaser except as to the  
119 15 subsequent sale's specific apportionment that is governed by  
119 16 the principle of subsection 2 and the facts existing at the  
119 17 time of the sale until it is revoked in writing.

119 18 4. A holder of a direct pay tax permit under section  
119 19 423.36 shall not be required to deliver an MPU exemption form  
119 20 to the seller. A direct pay tax permit holder shall follow  
119 21 the provisions of subsection 2 in apportioning the tax due on  
119 22 a digital good, computer software delivered electronically, or  
119 23 service that will be concurrently available for use in more  
119 24 than one jurisdiction.

119 25 Sec. 112. NEW SECTION. 423.19 DIRECT MAIL SOURCING.

119 26 1. Notwithstanding section 423.15, a purchaser of direct

119 27 mail that is not a holder of a direct pay tax permit pursuant  
119 28 to section 423.36 shall provide to the seller in conjunction  
119 29 with the purchase either a direct mail form or information to  
119 30 show the jurisdictions to which the direct mail is delivered  
119 31 to recipients.

119 32 a. Upon receipt of the direct mail form, the seller is  
119 33 relieved of all obligations to collect, pay, or remit the  
119 34 applicable tax and the purchaser is obligated to pay or remit  
119 35 the applicable tax on a direct pay basis. A direct mail form  
120 1 shall remain in effect for all future sales of direct mail by  
120 2 the seller to the purchaser until it is revoked in writing.

120 3 b. Upon receipt of information from the purchaser showing  
120 4 the jurisdictions to which the direct mail is delivered to  
120 5 recipients, the seller shall collect the tax according to the  
120 6 delivery information provided by the purchaser. In the  
120 7 absence of bad faith, the seller is relieved of any further  
120 8 obligation to collect tax on any transaction where the seller  
120 9 has collected tax pursuant to the delivery information  
120 10 provided by the purchaser.

120 11 2. If the purchaser of direct mail does not have a direct  
120 12 pay tax permit and does not provide the seller with either a  
120 13 direct mail form or delivery information, as required by  
120 14 subsection 1, the seller shall collect the tax according to  
120 15 section 423.15, subsection 1, paragraph "e". Nothing in this  
120 16 subsection shall limit a purchaser's obligation for sales or  
120 17 use tax to any state to which the direct mail is delivered.

120 18 3. If a purchaser of direct mail provides the seller with  
120 19 documentation of direct pay authority, the purchaser shall not  
120 20 be required to provide a direct mail form or delivery  
120 21 information to the seller.

120 22 Sec. 113. NEW SECTION. 423.20 TELECOMMUNICATIONS SERVICE  
120 23 SOURCING.

120 24 1. As used in this section:

120 25 a. "Air-to-ground radiotelephone service" means a radio  
120 26 service, as that term is used in 47 C.F.R. § 22.99, in which  
120 27 common carriers are authorized to offer and provide radio  
120 28 telecommunications service for hire to subscribers in



120 29 aircraft.

120 30 b. "Call-by-call basis" means any method of charging for  
120 31 the telecommunications service where the price is measured by  
120 32 individual calls.

120 33 c. "Communications channel" means a physical or virtual  
120 34 path of communications over which signals are transmitted  
120 35 between or among customer channel termination points.

121 1 d. "Customer" means the person or entity that contracts  
121 2 with the seller of the telecommunications service. If the end  
121 3 user of the telecommunications service is not the contracting  
121 4 party, the end user of the telecommunications service is the  
121 5 customer of the telecommunications service, but this sentence  
121 6 only applies for the purpose of sourcing sales of the  
121 7 telecommunications service under this section. "Customer"  
121 8 does not include a reseller of a telecommunications service or  
121 9 for mobile telecommunications service of a serving carrier  
121 10 under an agreement to serve the customer outside the home  
121 11 service provider's licensed service area.

121 12 e. "Customer channel termination point" means the location  
121 13 where the customer either inputs or receives the  
121 14 communications.

121 15 f. "End user" means the person who utilizes the  
121 16 telecommunications service. In the case of an entity, "end  
121 17 user" means the individual who utilizes the service on behalf  
121 18 of the entity.

121 19 g. "Home service provider" means the same as that term is  
121 20 defined in the federal Mobile Telecommunications Sourcing Act,  
121 21 Pub. L. No. 106-252, 4 U.S.C. § 124(5).

121 22 h. "Mobile telecommunications service" means the same as  
121 23 that term is defined in federal Mobile Telecommunications  
121 24 Sourcing Act, Pub. L. No. 106-252, 4 U.S.C. § 124(7).

121 25 i. "Place of primary use" means the street address  
121 26 representative of where the customer's use of the  
121 27 telecommunications service primarily occurs, which must be the  
121 28 residential street address or the primary business street  
121 29 address of the customer. In the case of mobile  
121 30 telecommunications service, "place of primary use" must be  
121 31 within the licensed service area of the home service provider.

121 32 j. "Postpaid calling service" means the telecommunications  
121 33 service obtained by making a payment on a call-by-call basis  
121 34 either through the use of a credit card or payment mechanism  
121 35 such as a bank card, travel card, credit card, or debit card,  
122 1 or by charge made to a telephone number which is not  
122 2 associated with the origination or termination of the  
122 3 telecommunications service. A "postpaid calling service"  
122 4 includes a telecommunications service that would be a prepaid  
122 5 calling service except it is not exclusively a  
122 6 telecommunications service.

122 7 k. "Prepaid calling service" means the right to access  
122 8 exclusively telecommunications services, which must be paid  
122 9 for in advance and which enables the origination of calls  
122 10 using an access number or authorization code, whether manually  
122 11 or electronically dialed, and that is sold in predetermined  
122 12 units or dollars of which the amount declines with use in a  
122 13 known amount.

122 14 l. "Private communication service" means a  
122 15 telecommunications service that entitles the customer to  
122 16 exclusive or priority use of a communications channel or group  
122 17 of channels between or among termination points, regardless of  
122 18 the manner in which such channel or channels are connected,  
122 19 and includes switching capacity, extension lines, stations,  
122 20 and any other associated services that are provided in  
122 21 connection with the use of such channel or channels.

122 22 m. "Service address" means one of the following:

122 23 (1) The location of the telecommunications equipment to  
122 24 which a customer's call is charged and from which the call  
122 25 originates or terminates, regardless of where the call is  
122 26 billed or paid.

122 27 (2) If the location in subparagraph (1) is not known,  
122 28 "service address" means the origination point of the signal of  
122 29 the telecommunications service first identified by either the  
122 30 seller's telecommunications system or in information received  
122 31 by the seller from its service provider, where the system used  
122 32 to transport such signals is not that of the seller.

122 33 (3) If the locations in subparagraphs (1) and (2) are not  
122 34 known, the "service address" means the location of the

122 35 customer's place of primary use.

123 1 2. Sales of telecommunications services shall be sourced

123 2 in the following manner:

123 3 a. Except for the defined telecommunications services in

123 4 paragraph "c", the sale of telecommunications services sold on

123 5 a call-by-call basis shall be sourced to one of the following:

123 6 (1) Each level of taxing jurisdiction where the call

123 7 originates and terminates in that jurisdiction.

123 8 (2) Each level of taxing jurisdiction where the call

123 9 either originates or terminates and in which the service

123 10 address is also located.

123 11 b. Except for the defined telecommunications services in

123 12 paragraph "c", a sale of telecommunications services sold on a

123 13 basis other than a call-by-call basis is sourced to the

123 14 customer's place of primary use.

123 15 c. Sale of the following telecommunications services shall

123 16 be sourced to each level of taxing jurisdiction as follows:

123 17 (1) A sale of mobile telecommunications services other

123 18 than air-to-ground radiotelephone service or prepaid calling

123 19 service is sourced to the customer's place of primary use as

123 20 required by the federal Mobile Telecommunications Sourcing

123 21 Act.

123 22 (2) A sale of postpaid calling service is sourced to the

123 23 origination point of the telecommunications signal as first

123 24 identified by either of the following:

123 25 (a) The seller's telecommunications system.

123 26 (b) Information received by the seller from its service

123 27 provider, where the system used to transport such signals is

123 28 not that of the seller.

123 29 (3) A sale of prepaid calling service is sourced in

123 30 accordance with section 423.15. However, in the case of a

123 31 sale of mobile telecommunications services that is a prepaid

123 32 telecommunications service, the rule provided in section

123 33 423.15, subsection 1, paragraph "e", shall include as an

123 34 option the location associated with the mobile telephone

123 35 number.

124 1 (4) A sale of a private telecommunications service is

124 2 sourced as follows:

124 3 (a) Service for a separate charge related to a customer  
124 4 channel termination point is sourced to each level of  
124 5 jurisdiction in which such customer channel termination point  
124 6 is located.  
124 7 (b) Service where all customer termination points are  
124 8 located entirely within one jurisdiction or level of  
124 9 jurisdiction is sourced in such jurisdiction in which the  
124 10 customer channel termination points are located.  
124 11 (c) Service for segments of a channel between two customer  
124 12 channel termination points located in different jurisdictions  
124 13 and which segments of a channel are separately charged is  
124 14 sourced fifty percent in each level of jurisdiction in which  
124 15 the customer channel termination points are located.  
124 16 (d) Service for segments of a channel located in more than  
124 17 one jurisdiction or levels of jurisdiction and which segments  
124 18 are not separately billed is sourced in each jurisdiction  
124 19 based on the percentage determined by dividing the number of  
124 20 customer channel termination points in such jurisdiction by  
124 21 the total number of customer channel termination points.

124 22 Sec. 114. NEW SECTION. 423.21 BAD DEBT DEDUCTIONS.

124 23 1. For the purposes of this section, "bad debt" means an  
124 24 amount properly calculated pursuant to section 166 of the  
124 25 Internal Revenue Code then adjusted to exclude financing  
124 26 charges or interest, sales or use taxes charged on the  
124 27 purchase price, uncollectible amounts on property that remain  
124 28 in the possession of the seller until the full purchase price  
124 29 is paid, expenses incurred in attempting to collect any debt,  
124 30 and repossessed property.

124 31 2. In computing the amount of tax due, a seller may deduct  
124 32 bad debts from the total amount upon which the tax is  
124 33 calculated for any return. Any deduction taken or refund paid  
124 34 which is attributed to bad debts shall not include interest.

124 35 3. A seller may deduct bad debts on the return for the  
125 1 period during which the bad debt is written off as  
125 2 uncollectible in the seller's books and records and is  
125 3 eligible to be deducted for federal income tax purposes. For  
125 4 purposes of this subsection, a seller who is not required to

125 5 file federal income tax returns may deduct a bad debt on a  
125 6 return filed for the period in which the bad debt is written  
125 7 off as uncollectible in the seller's books and records and  
125 8 would be eligible for a bad debt deduction for federal income  
125 9 tax purposes if the seller were required to file a federal  
125 10 income tax return.

125 11 4. If a deduction is taken for a bad debt and the seller  
125 12 subsequently collects the debt in whole or in part, the tax on  
125 13 the amount so collected must be paid and reported on the  
125 14 return filed for the period in which the collection is made.

125 15 5. A seller may obtain a refund of tax on any amount of  
125 16 bad debt that exceeds the amount of taxable sales within the  
125 17 period allowed for refund claims by section 423.47. However,  
125 18 the period allowed for refund claims shall be measured from  
125 19 the due date of the return on which the bad debt could first  
125 20 be claimed.

125 21 6. For the purposes of computing a bad debt deduction or  
125 22 reporting a payment received on a previously claimed bad debt,  
125 23 any payments made on a debt or account shall be applied first  
125 24 to the price of the property or service and tax thereon,  
125 25 proportionally, and secondly to interest, service charges, and  
125 26 any other charges.

125 27 Sec. 115. NEW SECTION. 423.22 TAXATION IN ANOTHER STATE.

125 28 If any person who causes tangible personal property to be  
125 29 brought into this state or who uses in this state services  
125 30 enumerated in section 423.2 has already paid a tax in another  
125 31 state in respect to the sale or use of the property or the  
125 32 performance of the service, or an occupation tax in respect to  
125 33 the property or service, in an amount less than the tax  
125 34 imposed by subchapter II or III, the provisions of those  
125 35 subchapters shall apply, but at a rate measured by the  
126 1 difference only between the rate fixed by subchapter II or III  
126 2 and the rate by which the previous tax on the sale or use, or  
126 3 the occupation tax, was computed. If the tax imposed and paid  
126 4 in the other state is equal to or more than the tax imposed by  
126 5 those subchapters, then a tax is not due in this state on the  
126 6 personal property or service.

126 7 Sec. 116. NEW SECTION. 423.23 SELLERS' AGREEMENTS.

126 8 Agreements between competing sellers, or the adoption of  
126 9 appropriate rules and regulations by organizations or  
126 10 associations of sellers to provide uniform methods for adding  
126 11 sales or use tax or the average equivalent thereof, and which  
126 12 do not involve price-fixing agreements otherwise unlawful, are  
126 13 expressly authorized and shall be held not in violation of  
126 14 chapter 553 or other antitrust laws of this state. The  
126 15 director shall cooperate with sellers, organizations, or  
126 16 associations in formulating agreements and rules.

126 17 Sec. 117. NEW SECTION. 423.24 ABSORBING TAX PROHIBITED.

126 18 A seller shall not advertise or hold out or state to the  
126 19 public or to any purchaser, consumer, or user, directly or  
126 20 indirectly, that the taxes or any parts thereof imposed by  
126 21 subchapter II or III will be assumed or absorbed by the seller  
126 22 or the taxes will not be added to the sales price of the  
126 23 property sold, or if added that the taxes or any part thereof  
126 24 will be refunded. Any person violating any of the provisions  
126 25 of this section within this state is guilty of a simple  
126 26 misdemeanor.

126 27 Sec. 118. NEW SECTION. 423.25 DIRECTOR'S POWER TO ADOPT  
126 28 RULES.

126 29 The director shall have the power to adopt rules for adding  
126 30 the taxes imposed by subchapters II and III, or the average  
126 31 equivalents thereof, by providing different methods applying  
126 32 uniformly to retailers within the same general classification  
126 33 for the purpose of enabling the retailers to add and collect,  
126 34 as far as practicable, the amounts of those taxes.

126 35 Sec. 119. NEW SECTION. 423.26 VEHICLES SUBJECT TO  
127 1 REGISTRATION OR ONLY TO THE ISSUANCE OF TITLE —  
MANUFACTURED

127 2 HOUSING.

127 3 The use tax imposed upon the use of vehicles subject to  
127 4 registration or subject only to the issuance of a certificate  
127 5 of title or imposed upon the use of manufactured housing shall

127 6 be paid by the owner of the vehicle or of the manufactured  
127 7 housing to the county treasurer or the state department of  
127 8 transportation from whom the registration receipt or  
127 9 certificate of title is obtained. A registration receipt for  
127 10 a vehicle subject to registration or certificate of title  
127 11 shall not be issued until the tax has been paid. The county  
127 12 treasurer or the state department of transportation shall  
127 13 require every applicant for a registration receipt for a  
127 14 vehicle subject to registration or certificate of title to  
127 15 supply information as the county treasurer or the director  
127 16 deems necessary as to the time of purchase, the purchase  
127 17 price, installed purchase price, and other information  
127 18 relative to the purchase of the vehicle or manufactured  
127 19 housing. On or before the tenth day of each month, the county  
127 20 treasurer or the state department of transportation shall  
127 21 remit to the department the amount of the taxes collected  
127 22 during the preceding month.  
127 23 A person who willfully makes a false statement in regard to  
127 24 the purchase price of a vehicle subject to taxation under this  
127 25 section is guilty of a fraudulent practice. A person who  
127 26 willfully makes a false statement in regard to the purchase  
127 27 price of such a vehicle with the intent to evade the payment  
127 28 of tax shall be assessed a penalty of seventy-five percent of  
127 29 the amount of tax unpaid and required to be paid on the actual  
127 30 purchase price less trade-in allowance.

127 31 Sec. 120. NEW SECTION. 423.27 MOTOR VEHICLE LEASE TAX.

127 32 1. The use tax imposed upon the use of leased vehicles  
127 33 subject to registration under chapter 321, with gross vehicle  
127 34 weight ratings of less than sixteen thousand pounds, excluding  
127 35 motorcycles and motorized bicycles, which are leased by a  
128 1 lessor licensed pursuant to chapter 321F for a period of  
128 2 twelve months or more shall be paid by the owner of the  
128 3 vehicle to the county treasurer or state department of  
128 4 transportation from whom the registration receipt or  
128 5 certificate of title is obtained. A registration receipt for  
128 6 a vehicle subject to registration or issuance of a certificate  
128 7 of title shall not be issued until the tax is paid in the

128 8 initial instance. Tax on the lease transaction that does not  
128 9 require titling or registration of the vehicle shall be  
128 10 remitted to the department. Tax and the reporting of tax due  
128 11 to the department shall be remitted on or before fifteen days  
128 12 from the last day of the month that the vehicle lease tax  
128 13 becomes due. Failure to timely report or remit any of the tax  
128 14 when due shall result in a penalty and interest being imposed  
128 15 on the tax due pursuant to section 423.40, subsection 1, and  
128 16 section 423.42, subsection 1.

128 17 2. The amount subject to tax shall be computed on each  
128 18 separate lease transaction by taking the total of the lease  
128 19 payments, plus the down payment, and excluding all of the  
128 20 following:

128 21 a. Title fee.  
128 22 b. Registration fees.  
128 23 c. Vehicle lease tax pursuant to this section.  
128 24 d. Federal excise taxes attributable to the sale of the  
128 25 vehicle to the owner or to the lease of the vehicle by the  
128 26 owner.  
128 27 e. Optional service or warranty contracts subject to tax  
128 28 pursuant to section 423.2, subsection 1.  
128 29 f. Insurance.  
128 30 g. Manufacturer's rebate.  
128 31 h. Refundable deposit.  
128 32 i. Finance charges, if any, on items listed in paragraphs  
128 33 "a" through "h".

128 34 If any or all of the items in paragraphs "a" through "i"  
128 35 are excluded from the taxable lease price, the owner shall  
129 1 maintain adequate records of the amounts of those items. If  
129 2 the parties to a lease enter into an agreement providing that  
129 3 the tax imposed under this statute is to be paid by the lessee  
129 4 or included in the monthly lease payments to be paid by the  
129 5 lessee, the total cost of the tax shall not be included in the  
129 6 computation of lease price for the purpose of taxation under  
129 7 this section. The county treasurer, the state department of  
129 8 transportation, or the department of revenue and finance shall  
129 9 require every applicant for a registration receipt for a  
129 10 vehicle subject to tax under this section to supply



129 11 information as the county treasurer or director deems  
129 12 necessary as to the date of the lease transaction, the lease  
129 13 price, and other information relative to the lease of the  
129 14 vehicle.

129 15 3. On or before the tenth day of each month, the county  
129 16 treasurer or the state department of transportation shall  
129 17 remit to the department the amount of the taxes collected  
129 18 during the preceding month.

129 19 4. If the lease is terminated prior to the termination  
129 20 date contained in the lease agreement, no refund shall be  
129 21 allowed for tax previously paid under this section, except as  
129 22 provided in section 322G.4.

129 23 Sec. 121. NEW SECTION. 423.28 SALES TAX REPORT —  
129 24 DEDUCTION.

129 25 Motor vehicle or trailer dealers, in making their reports  
129 26 and returns to the department for the purpose of paying the  
129 27 sales tax, shall be permitted to deduct all sales prices from  
129 28 retail sales of vehicles subject to registration or subject  
129 29 only to the issuance of a certificate of title. Sales prices  
129 30 from sales of vehicles subject to registration or subject only  
129 31 to the issuance of a certificate of title are exempted from  
129 32 the sales tax, but, if required by the director, the sales  
129 33 prices shall be included in the returns made by motor vehicle  
129 34 or trailer dealers under subchapter II, and proper deductions  
129 35 taken pursuant to this section.

130 1 Sec. 122. NEW SECTION. 423.29 COLLECTIONS BY SELLERS.

130 2 Every seller who is a retailer and who is making taxable  
130 3 sales of tangible personal property in Iowa shall, at the time  
130 4 of selling the property, collect the sales tax. Every seller  
130 5 who is a retailer maintaining a place of business in this  
130 6 state and selling tangible personal property for use in Iowa  
130 7 shall, at the time of making the sale, whether within or  
130 8 without the state, collect the use tax. Sellers required to  
130 9 collect sales or use tax shall give to any purchaser a receipt  
130 10 for the tax collected in the manner and form prescribed by the  
130 11 director.

130 12 Every seller who is a retailer furnishing taxable services  
130 13 in Iowa and every seller who is a retailer maintaining a place  
130 14 of business in this state and furnishing taxable services in  
130 15 Iowa or services outside Iowa if the product or result of the  
130 16 service is used in Iowa shall be subject to the provisions of  
130 17 the preceding paragraph.

130 18 Sec. 123. NEW SECTION. 423.30 FOREIGN SELLERS NOT  
130 19 REGISTERED UNDER THE AGREEMENT.

130 20 The director may, upon application, authorize the  
130 21 collection of the use tax by any seller who is a retailer not  
130 22 maintaining a place of business within this state and not  
130 23 registered under the agreement, who, to the satisfaction of  
130 24 the director, furnishes adequate security to ensure collection  
130 25 and payment of the tax. Such sellers shall be issued, without  
130 26 charge, permits to collect tax subject to any regulations  
130 27 which the director shall prescribe. When so authorized, it  
130 28 shall be the duty of foreign sellers to collect the tax upon  
130 29 all tangible personal property sold, to the retailer's  
130 30 knowledge, for use within this state, in the same manner and  
130 31 subject to the same requirements as a retailer maintaining a  
130 32 place of business within this state. The authority and permit  
130 33 may be canceled when, at any time, the director considers the  
130 34 security inadequate, or that tax can more effectively be  
130 35 collected from the person using property in this state.

131 1 The discretionary power granted in this section is extended  
131 2 to apply in the case of foreign retailers furnishing services  
131 3 enumerated in section 423.2.

131 4 Sec. 124. NEW SECTION. 423.31 FILING OF SALES TAX  
131 5 RETURNS AND PAYMENT OF SALES TAX.

131 6 1. Each person subject to this section and section 423.36  
131 7 and in accordance with the provisions of this section and  
131 8 section 423.36 shall, on or before the last day of the month  
131 9 following the close of each calendar quarter during which such  
131 10 person is or has become or ceased being subject to the

131 11 provisions of this section and section 423.36, make, sign, and  
131 12 file a return for the calendar quarter in the form as may be  
131 13 required. Returns shall show information relating to sales  
131 14 prices including goods, wares, and services converted to the  
131 15 use of such person, the amounts of sales prices excluded and  
131 16 exempt from the tax, the amounts of sales prices subject to  
131 17 tax, a calculation of tax due, and any other information for  
131 18 the period covered by the return as may be required. Returns  
131 19 shall be signed by the retailer or the retailer's authorized  
131 20 agent and must be certified by the retailer to be correct in  
131 21 accordance with forms and rules prescribed by the director.  
131 22 2. Persons required to file, or committed to file by  
131 23 reason of voluntary action or by order of the department,  
131 24 deposits of taxes due under this subchapter shall be entitled  
131 25 to take credit against the total quarterly amount of tax due  
131 26 such amount as shall have been deposited by such persons  
131 27 during that calendar quarter. The balance remaining due after  
131 28 such credit for deposits shall be entered on the return.  
131 29 However, such person may be granted an extension of time not  
131 30 exceeding thirty days for filing the quarterly return, upon a  
131 31 proper showing of necessity. If an extension is granted, such  
131 32 person shall have paid by the twentieth day of the month  
131 33 following the close of such quarter ninety percent of the  
131 34 estimated tax due.  
131 35 3. The sales tax forms prescribed by the director shall be  
132 1 referred to as "retailers tax deposit". Deposit forms shall  
132 2 be signed by the retailer or the retailer's duly authorized  
132 3 agent, and shall be duly certified by the retailer or agent to  
132 4 be correct. The director may authorize incorporated banks and  
132 5 trust companies or other depositories authorized by law which  
132 6 are depositories or financial agents of the United States, or  
132 7 of this state, to receive any sales tax imposed under this  
132 8 chapter, in the manner, at the times, and under the conditions  
132 9 the director prescribes. The director shall prescribe the  
132 10 manner, times, and conditions under which the receipt of the  
132 11 tax by those depositories is to be treated as payment of the  
132 12 tax to the department.  
132 13 4. Every retailer at the time of making any return

132 14 required by this section shall compute and pay to the  
132 15 department the tax due for the preceding period. The tax on  
132 16 sales prices from the sale or rental of tangible personal  
132 17 property under a consumer rental purchase agreement as defined  
132 18 in section 537.3604, subsection 8, is payable in the tax  
132 19 period of receipt.

132 20 5. Upon making application and receiving approval from the  
132 21 director, a parent corporation and its affiliated corporations  
132 22 that make retail sales of tangible personal property or  
132 23 taxable enumerated services may make deposits and file a  
132 24 consolidated sales tax return for the affiliated group,  
132 25 pursuant to rules adopted by the director. A parent  
132 26 corporation and each affiliate corporation that files a  
132 27 consolidated return are jointly and severally liable for all  
132 28 tax, penalty, and interest found due for the tax period for  
132 29 which a consolidated return is filed or required to be filed.

132 30 A business required to file a consolidated sales tax return  
132 31 shall file a form entitled "schedule of consolidated business  
132 32 locations" with its quarterly sales tax return that shows the  
132 33 taxpayer's consolidated permit number, the permit number for  
132 34 each Iowa business location, the state sales tax amount by  
132 35 business location, and the amount of state sales tax due on  
133 1 goods consumed that are not assigned to a specific business  
133 2 location. Consolidated quarterly sales tax returns that are  
133 3 not accompanied by the schedule of consolidated business  
133 4 locations form are considered incomplete and are subject to  
133 5 penalty under section 421.27.

133 6 6. If necessary or advisable in order to insure the  
133 7 payment of the tax, the director may require returns and  
133 8 payment of the tax to be made for other than quarterly  
133 9 periods, the provisions of this section, or other provision to  
133 10 the contrary notwithstanding.

133 11 Sec. 125. NEW SECTION. 423.32 FILING OF USE TAX RETURNS  
133 12 AND PAYMENT OF USE TAX.

133 13 1. A retailer maintaining a place of business in this  
133 14 state who is required to collect or a user who is required to  
133 15 pay the use tax or a foreign retailer authorized, pursuant to

133 16 section 423.30, to collect the use tax, shall remit to the  
133 17 department the amount of tax on or before the last day of the  
133 18 month following each calendar quarterly period. However, a  
133 19 retailer who collects or owes more than fifteen hundred  
133 20 dollars in use taxes in a month shall deposit with the  
133 21 department or in a depository authorized by law and designated  
133 22 by the director, the amount collected or owed, with a deposit  
133 23 form for the month as prescribed by the director.

133 24 a. The deposit form is due on or before the twentieth day  
133 25 of the month following the month of collection, except a  
133 26 deposit is not required for the third month of the calendar  
133 27 quarter, and the total quarterly amount, less the amounts  
133 28 deposited for the first two months of the quarter, is due with  
133 29 the quarterly report on the last day of the month following  
133 30 the month of collection. At that time, the retailer shall  
133 31 file with the department a return for the preceding quarterly  
133 32 period in the form prescribed by the director showing the  
133 33 purchase price of the tangible personal property sold by the  
133 34 retailer during the preceding quarterly period, the use of  
133 35 which is subject to the use tax imposed by this chapter, and  
134 1 other information the director deems necessary for the proper  
134 2 administration of the use tax.

134 3 b. The return shall be accompanied by a remittance of the  
134 4 use tax for the period covered by the return. If necessary in  
134 5 order to ensure payment to the state of the tax, the director  
134 6 may in any or all cases require returns and payments to be  
134 7 made for other than quarterly periods. The director, upon  
134 8 request and a proper showing of necessity, may grant an  
134 9 extension of time not to exceed thirty days for making any  
134 10 return and payment. Returns shall be signed, in accordance  
134 11 with forms and rules prescribed by the director, by the  
134 12 retailer or the retailer's authorized agent, and shall be  
134 13 certified by the retailer or agent to be correct.

134 14 2. If it is reasonably expected, as determined by rules  
134 15 prescribed by the director, that a retailer's annual sales or  
134 16 use tax liability will not exceed one hundred twenty dollars  
134 17 for a calendar year, the retailer may request and the director  
134 18 may grant permission to the retailer, in lieu of the quarterly

134 19 filing and remitting requirements set out elsewhere in this  
134 20 section, to file the return required by and remit the sales or  
134 21 use tax due under this section on a calendar-year basis. The  
134 22 return and tax are due and payable no later than January 31  
134 23 following each calendar year in which the retailer carries on  
134 24 business.

134 25 3. The director, in cooperation with the department of  
134 26 management, may periodically change the filing and remittance  
134 27 thresholds by administrative rule if in the best interests of  
134 28 the state and taxpayer to do so.

134 29 Sec. 126. NEW SECTION. 423.33 LIABILITY OF PERSONS OTHER  
134 30 THAN RETAILERS FOR PAYMENT OF SALES OR USE TAX.

134 31 1. LIABILITY OF PURCHASER FOR SALES TAX. If a purchaser  
134 32 fails to pay sales tax to the retailer required to collect the  
134 33 tax, then in addition to all of the rights, obligations, and  
134 34 remedies provided, the tax is payable by the purchaser  
134 35 directly to the department, and sections 423.31, 423.32,  
135 1 423.37, 423.38, 423.39, 423.40, 423.41, and 423.42 apply to  
135 2 the purchaser. For failure to pay, the retailer and purchaser  
135 3 are liable, unless the circumstances described in section  
135 4 421.60, subsection 2, paragraph "m", or section 423.45,  
135 5 subsection 4, paragraph "b" or "e", or subsection 5, paragraph  
135 6 "c" or "e", are applicable.

135 7 2. IMMEDIATE SUCCESSOR LIABILITY FOR SALES OR USE TAX. If  
135 8 a retailer sells the retailer's business or stock of goods or  
135 9 quits the business, the retailer shall prepare a final return  
135 10 and pay all sales or use tax due within the time required by  
135 11 law. The immediate successor to the retailer, if any, shall  
135 12 withhold a sufficient portion of the purchase price, in money  
135 13 or money's worth, to pay the amount of delinquent tax,  
135 14 interest, or penalty due and unpaid. If the immediate  
135 15 successor of the business or stock of goods intentionally  
135 16 fails to withhold the amount due from the purchase price as  
135 17 provided in this subsection, the immediate successor is  
135 18 personally liable for the payment of delinquent taxes,  
135 19 interest, and penalty accrued and unpaid on account of the  
135 20 operation of the business by the immediate former retailer,

135 21 except when the purchase is made in good faith as provided in  
135 22 section 421.28. However, a person foreclosing on a valid  
135 23 security interest or retaking possession of premises under a  
135 24 valid lease is not an "immediate successor" for purposes of  
135 25 this section. The department may waive the liability of the  
135 26 immediate successor under this subsection if the immediate  
135 27 successor exercised good faith in establishing the amount of  
135 28 the previous liability.

135 29 3. EVENT SPONSOR'S LIABILITY FOR SALES TAX. A person  
135 30 sponsoring a flea market or a craft, antique, coin, or stamp  
135 31 show or similar event shall obtain from every retailer selling  
135 32 tangible personal property or taxable services at the event  
135 33 proof that the retailer possesses a valid sales tax permit or  
135 34 secure from the retailer a statement, taken in good faith,  
135 35 that property or services offered for sale are not subject to  
136 1 sales tax. Failure to do so renders a sponsor of the event  
136 2 liable for payment of any sales tax, interest, and penalty due  
136 3 and owing from any retailer selling property or services at  
136 4 the event. Sections 423.31, 423.32, 423.37, 423.38, 423.39,  
136 5 423.40, 423.41, and 423.42 apply to the sponsors. For  
136 6 purposes of this subsection, a person sponsoring a flea market  
136 7 or a craft, antique, coin, or stamp show or similar event does  
136 8 not include an organization which sponsors an event less than  
136 9 three times a year or a state, county, or district  
136 10 agricultural fair.

136 11 Sec. 127. NEW SECTION. 423.34 LIABILITY OF USER.  
136 12 Any person who uses any property or services enumerated in  
136 13 section 423.2 upon which the use tax has not been paid, either  
136 14 to the county treasurer or to a retailer or direct to the  
136 15 department as required by this subchapter, shall be liable for  
136 16 the payment of tax, and shall on or before the last day of the  
136 17 month next succeeding each quarterly period pay the use tax  
136 18 upon all property or services used by the person during the  
136 19 preceding quarterly period in the manner and accompanied by  
136 20 such returns as the director shall prescribe. All of the  
136 21 provisions of sections 423.32 and 423.33 with reference to the  
136 22 returns and payments shall be applicable to the returns and

136 23 payments required by this section.

136 24 Sec. 128. NEW SECTION. 423.35 POSTING OF BOND TO SECURE  
136 25 PAYMENT.

136 26 The director may, when necessary and advisable in order to  
136 27 secure the collection of the sales or use tax, authorize any  
136 28 person subject to either tax, and any retailer required or  
136 29 authorized to collect those taxes pursuant to the provisions  
136 30 of section 423.14, to file with the department a bond, issued  
136 31 by a surety company authorized to transact business in this  
136 32 state and approved by the insurance commissioner as to  
136 33 solvency and responsibility, in an amount as the director may  
136 34 fix, to secure the payment of any tax, interest, or penalties  
136 35 due or which may become due from such person. In lieu of a  
137 1 bond, securities approved by the director, in an amount which  
137 2 the director may prescribe, may be deposited with the  
137 3 department, which securities shall be kept in the custody of  
137 4 the department and may be sold by the director at public or  
137 5 private sale, without notice to the depositor, if it becomes  
137 6 necessary to do so in order to recover any tax, interest, or  
137 7 penalties due. Upon the sale, the surplus, if any, above the  
137 8 amounts due under this chapter shall be returned to the person  
137 9 who deposited the securities.

137 10 Sec. 129. NEW SECTION. 423.36 PERMITS REQUIRED TO  
137 11 COLLECT SALES OR USE TAX — APPLICATIONS — REVOCATION.

137 12 1. A person shall not engage in or transact business as a  
137 13 retailer making taxable sales of tangible personal property or  
137 14 furnishing services within this state or as a retailer making  
137 15 taxable sales of tangible personal property or furnishing  
137 16 services for use within this state, unless a permit has been  
137 17 issued to the retailer under this section, except as provided  
137 18 in subsection 6. Every person desiring to engage in or  
137 19 transact business as a retailer shall file with the department  
137 20 an application for a permit to collect sales or use tax.  
137 21 Every application for a sales or use tax permit shall be made  
137 22 upon a form prescribed by the director and shall set forth any  
137 23 information the director may require. The application shall



137 24 be signed by an owner of the business if a natural person; in  
137 25 the case of a retailer which is an association or partnership,  
137 26 by a member or partner; and in the case of a retailer which is  
137 27 a corporation, by an executive officer or some person  
137 28 specifically authorized by the corporation to sign the  
137 29 application, to which shall be attached the written evidence  
137 30 of the person's authority.

137 31 2. To collect sales or use tax, the applicant must have a  
137 32 permit for each place of business in the state of Iowa. The  
137 33 department may deny a permit to an applicant who is  
137 34 substantially delinquent in paying a tax due, or the interest  
137 35 or penalty on the tax, administered by the department at the  
138 1 time of application. If the applicant is a partnership, a  
138 2 permit may be denied if a partner is substantially delinquent  
138 3 in paying any delinquent tax, penalty, or interest. If the  
138 4 applicant is a corporation, a permit may be denied if any  
138 5 officer having a substantial legal or equitable interest in  
138 6 the ownership of the corporation owes any delinquent tax,  
138 7 penalty, or interest.

138 8 3. The department shall grant and issue to each applicant  
138 9 a permit for each place of business in this state where sales  
138 10 or use tax is collected. A permit is not assignable and is  
138 11 valid only for the person in whose name it is issued and for  
138 12 the transaction of business at the place designated or at a  
138 13 place of relocation within the state if the ownership remains  
138 14 the same.

138 15 If an applicant is making sales outside Iowa for use in  
138 16 this state or furnishing services outside Iowa, the product or  
138 17 result of which will be used in this state, that applicant  
138 18 shall be issued one use tax permit by the department  
138 19 applicable to these out-of-state sales or services.

138 20 4. Permits issued under this section are valid and  
138 21 effective until revoked by the department.

138 22 5. If the holder of a permit fails to comply with any of  
138 23 the provisions of this subchapter or of subchapter II or III  
138 24 or any order or rule of the department adopted under those  
138 25 subchapters or is substantially delinquent in the payment of a  
138 26 tax administered by the department or the interest or penalty

138 27 on the tax, or if the person is a corporation and if any  
138 28 officer having a substantial legal or equitable interest in  
138 29 the ownership of the corporation owes any delinquent tax of  
138 30 the permit-holding corporation, or interest or penalty on the  
138 31 tax, administered by the department, the director may revoke  
138 32 the permit. The director shall send notice by mail to a  
138 33 permit holder informing that person of the director's intent  
138 34 to revoke the permit and of the permit holder's right to a  
138 35 hearing on the matter. If the permit holder petitions the  
139 1 director for a hearing on the proposed revocation, after  
139 2 giving ten days' notice of the time and place of the hearing  
139 3 in accordance with section 17A.18, subsection 3, the matter  
139 4 may be heard and a decision rendered. The director may  
139 5 restore permits after revocation. The director shall adopt  
139 6 rules setting forth the period of time a retailer must wait  
139 7 before a permit may be restored or a new permit may be issued.  
139 8 The waiting period shall not exceed ninety days from the date  
139 9 of the revocation of the permit.

139 10 6. Sellers who are not regularly engaged in selling at  
139 11 retail and do not have a permanent place of business, but who  
139 12 are temporarily engaged in selling from trucks, portable  
139 13 roadside stands, concessionaires at state, county, district,  
139 14 or local fairs, carnivals, or the like, shall report and remit  
139 15 the sales tax on a temporary basis, under rules the director  
139 16 shall provide for the efficient collection of the sales tax.  
139 17 This subsection applies to sellers who are temporarily engaged  
139 18 in furnishing services.

139 19 Persons engaged in selling tangible personal property or  
139 20 furnishing services shall not be required to obtain or retain  
139 21 a sales tax permit for a place of business at which taxable  
139 22 sales of tangible personal property or taxable performance of  
139 23 services will not occur.

139 24 7. The provisions of subsection 1, dealing with the lawful  
139 25 right of a retailer to transact business, as applicable, apply  
139 26 to persons having receipts from furnishing services enumerated  
139 27 in section 423.2, except that a person holding a permit  
139 28 pursuant to subsection 1 shall not be required to obtain any  
139 29 separate sales tax permit for the purpose of engaging in

139 30 business involving the services.

139 31 8. a. Except as provided in paragraph "b", purchasers,  
139 32 users, and consumers of tangible personal property or  
139 33 enumerated services taxed pursuant to subchapter II or III of  
139 34 this chapter or chapters 423B and 423E may be authorized,  
139 35 pursuant to rules adopted by the director, to remit tax owed  
140 1 directly to the department instead of the tax being collected  
140 2 and paid by the seller. To qualify for a direct pay tax  
140 3 permit, the purchaser, user, or consumer must accrue a tax  
140 4 liability of more than four thousand dollars in tax under  
140 5 subchapters II and III in a semimonthly period and make  
140 6 deposits and file returns pursuant to section 423.31. This  
140 7 authority shall not be granted or exercised except upon  
140 8 application to the director and then only after issuance by  
140 9 the director of a direct pay tax permit.

140 10 b. The granting of a direct pay tax permit is not  
140 11 authorized for any of the following:

140 12 (1) Taxes imposed on the sales, furnishing, or service of  
140 13 gas, electricity, water, heat, pay television service, and  
140 14 communication service.

140 15 (2) Taxes imposed under sections 423.26 and 423.27 and  
140 16 chapter 423C.

140 17 Sec. 130. NEW SECTION. 423.37 FAILURE TO FILE SALES OR  
140 18 USE TAX RETURNS — INCORRECT RETURNS.

140 19 1. As soon as practicable after a return is filed and in  
140 20 any event within three years after the return is filed, the  
140 21 department shall examine it, assess and determine the tax due  
140 22 if the return is found to be incorrect, and give notice to the  
140 23 person liable for the tax of the assessment and determination  
140 24 as provided in subsection 2. The period for the examination  
140 25 and determination of the correct amount of tax is unlimited in  
140 26 the case of a false or fraudulent return made with the intent  
140 27 to evade tax or in the case of a failure to file a return.

140 28 2. If a return required by this subchapter is not filed,  
140 29 or if a return when filed is incorrect or insufficient and the  
140 30 maker fails to file a corrected or sufficient return within  
140 31 twenty days after the same is required by notice from the

140 32 department, the department shall determine the amount of tax  
140 33 due from information as the department may be able to obtain  
140 34 and, if necessary, may estimate the tax on the basis of  
140 35 external indices, such as number of employees of the person  
141 1 concerned, rentals paid by the person, stock on hand, or other  
141 2 factors. The department shall give notice of the  
141 3 determination to the person liable for the tax. The  
141 4 determination shall fix the tax unless the person against whom  
141 5 it is assessed shall, within sixty days after the giving of  
141 6 notice of the determination, apply to the director for a  
141 7 hearing or unless the taxpayer contests the determination by  
141 8 paying the tax, interest, and penalty and timely filing a  
141 9 claim for refund. At the hearing evidence may be offered to  
141 10 support the determination or to prove that it is incorrect.  
141 11 After the hearing the director shall give notice of the  
141 12 decision to the person liable for the tax.  
141 13 3. The three-year period of limitation provided in  
141 14 subsection 1 may be extended by a taxpayer by signing a waiver  
141 15 agreement form to be provided by the department. The  
141 16 agreement shall stipulate the period of extension and the tax  
141 17 period to which the extension applies. The agreement shall  
141 18 also provide that a claim for refund may be filed by the  
141 19 taxpayer at any time during the period of extension.

141 20 Sec. 131. NEW SECTION. 423.38 JUDICIAL REVIEW.  
141 21 1. Judicial review of actions of the director may be  
141 22 sought in accordance with the terms of the Iowa administrative  
141 23 procedure Act.  
141 24 2. For cause and upon a showing by the director that  
141 25 collection of the tax in dispute is in doubt, the court may  
141 26 order the petitioner to file with the clerk a bond for the use  
141 27 of the respondent, with sureties approved by the clerk, in the  
141 28 amount of tax appealed from, conditioned that the petitioner  
141 29 shall perform the orders of the court.  
141 30 3. An appeal may be taken by the taxpayer or the director  
141 31 to the supreme court of this state irrespective of the amount  
141 32 involved.

141 33 Sec. 132. NEW SECTION. 423.39 SERVICE OF NOTICES.

141 34 1. A notice authorized or required under this subchapter  
141 35 may be given by mailing the notice to the person for whom it  
142 1 is intended, addressed to that person at the address given in  
142 2 the last return filed by the person pursuant to this  
142 3 subchapter, or if no return has been filed, then to any  
142 4 address obtainable. The mailing of the notice is presumptive  
142 5 evidence of the receipt of the notice by the person to whom  
142 6 addressed. Any period of time which is determined according  
142 7 to this subchapter by the giving of notice commences to run  
142 8 from the date of mailing of the notice.

142 9 2. The provisions of the Code relative to the limitation  
142 10 of time for the enforcement of a civil remedy shall not apply  
142 11 to any proceeding or action taken to levy, appraise, assess,  
142 12 determine, or enforce the collection of any tax or penalty  
142 13 provided by this chapter.

142 14 Sec. 133. NEW SECTION. 423.40 PENALTIES — OFFENSES —  
142 15 LIMITATION.

142 16 1. In addition to the sales or use tax or additional sales  
142 17 or use tax, the taxpayer shall pay a penalty as provided in  
142 18 section 421.27. The taxpayer shall also pay interest on the  
142 19 sales or use tax or additional sales or use tax at the rate in  
142 20 effect under section 421.7 for each month counting each  
142 21 fraction of a month as an entire month, computed from the date  
142 22 the semimonthly or monthly tax deposit form or return was  
142 23 required to be filed. The penalty and interest shall be paid  
142 24 to the department and disposed of in the same manner as other  
142 25 receipts under this subchapter. Unpaid penalties and interest  
142 26 may be enforced in the same manner as the taxes imposed by  
142 27 this chapter.

142 28 2. a. Any person who knowingly sells tangible personal  
142 29 property, tickets or admissions to places of amusement and  
142 30 athletic events, or gas, water, electricity, or communication  
142 31 service at retail, or engages in the furnishing of services  
142 32 enumerated in section 423.2, in this state without procuring a  
142 33 permit to collect tax, as provided in section 423.36, or who  
142 34 violates section 423.24 and the officers of any corporation

142 35 who so act are guilty of a serious misdemeanor.  
143 1 b. A person who knowingly sells tangible personal  
143 2 property, tickets or admissions to places of amusement and  
143 3 athletic events, or gas, water, electricity, or communication  
143 4 service at retail, or engages in the furnishing of services  
143 5 enumerated in section 423.2, in this state after the person's  
143 6 sales tax permit has been revoked and before it has been  
143 7 restored as provided in section 423.36, subsection 5, and the  
143 8 officers of any corporation who so act are guilty of an  
143 9 aggravated misdemeanor.  
143 10 3. A person who willfully attempts in any manner to evade  
143 11 any tax imposed by this chapter or the payment of the tax or a  
143 12 person who makes or causes to be made a false or fraudulent  
143 13 semimonthly or monthly tax deposit form or return with intent  
143 14 to evade any tax imposed by subchapter II or III or the  
143 15 payment of the tax is guilty of a class "D" felony.  
143 16 4. The certificate of the director to the effect that a  
143 17 tax has not been paid, that a return has not been filed, or  
143 18 that information has not been supplied pursuant to the  
143 19 provisions of this subchapter shall be prima facie evidence  
143 20 thereof.  
143 21 5. A person required to pay sales or use tax, or to make,  
143 22 sign, or file a tax deposit form or return or supplemental  
143 23 return, who willfully makes a false or fraudulent tax deposit  
143 24 form or return, or willfully fails to pay at least ninety  
143 25 percent of the tax or willfully fails to make, sign, or file  
143 26 the tax deposit form or return, at the time required by law,  
143 27 is guilty of a fraudulent practice.  
143 28 6. A prosecution for an offense specified in this section  
143 29 shall be commenced within six years after its commission.

143 30 Sec. 134. NEW SECTION. 423.41 BOOKS — EXAMINATION.  
143 31 Every retailer required or authorized to collect taxes  
143 32 imposed by this chapter and every person using in this state  
143 33 tangible personal property, services, or the product of  
143 34 services shall keep records, receipts, invoices, and other  
143 35 pertinent papers as the director shall require, in the form  
144 1 that the director shall require, for as long as the director

144 2 has the authority to examine and determine tax due. The  
144 3 director or any duly authorized agent of the department may  
144 4 examine the books, papers, records, and equipment of any  
144 5 person either selling tangible personal property or services  
144 6 or liable for the tax imposed by this chapter, and investigate  
144 7 the character of the business of any person in order to verify  
144 8 the accuracy of any return made, or if a return was not made  
144 9 by the person, ascertain and determine the amount due under  
144 10 this chapter. These books, papers, and records shall be made  
144 11 available within this state for examination upon reasonable  
144 12 notice when the director deems it advisable and so orders.  
144 13 The preceding requirements shall likewise apply to users and  
144 14 persons furnishing services enumerated in section 423.2.

144 15 Sec. 135. NEW SECTION. 423.42 STATUTES APPLICABLE.

144 16 1. The director shall administer the taxes imposed by  
144 17 subchapters II and III in the same manner and subject to all  
144 18 the provisions of, and all of the powers, duties, authority,  
144 19 and restrictions contained in, section 422.25, subsection 4,  
144 20 section 422.30, and sections 422.67 through 422.75.  
144 21 2. All the provisions of section 422.26 shall apply in  
144 22 respect to the taxes and penalties imposed by subchapters II  
144 23 and III and this subchapter, except that, as applied to any  
144 24 tax imposed by subchapters II and III, the lien provided in  
144 25 section 422.26 shall be prior and paramount over all  
144 26 subsequent liens upon any personal property within this state,  
144 27 or right to such personal property, belonging to the taxpayer  
144 28 without the necessity of recording as provided in section  
144 29 422.26. The requirements for recording shall, as applied to  
144 30 the taxes imposed by subchapters II and III, apply only to the  
144 31 liens upon real property. When requested to do so by any  
144 32 person from whom a taxpayer is seeking credit, or with whom  
144 33 the taxpayer is negotiating the sale of any personal property,  
144 34 or by any other person having a legitimate interest in such  
144 35 information, the director shall, upon being satisfied that  
145 1 such a situation exists, inform that person as to the amount  
145 2 of unpaid taxes due by such taxpayer under the provisions of  
145 3 subchapters II and III. The giving of this information under

145 4 these circumstances shall not be deemed a violation of section  
145 5 422.72 as applied to subchapters II and III.

145 6 Sec. 136. NEW SECTION. 423.43 DEPOSIT OF REVENUE —  
145 7 APPROPRIATIONS.

145 8 Except as otherwise provided in section 312.2, subsection  
145 9 14, all revenues derived from the use tax on motor vehicles,  
145 10 trailers, and motor vehicle accessories and equipment as  
145 11 collected pursuant to sections 423.26 and 423.27 shall be  
145 12 deposited and credited to the road use tax fund and shall be  
145 13 used exclusively for the construction, maintenance, and  
145 14 supervision of public highways.

145 15 1. Notwithstanding any provision of this section which  
145 16 provides that all revenues derived from the use tax on motor  
145 17 vehicles, trailers, and motor vehicle accessories and  
145 18 equipment as collected pursuant to sections 423.26 and 423.27  
145 19 shall be deposited and credited to the road use tax fund,  
145 20 eighty percent of the revenues shall be deposited and credited  
145 21 as follows:

145 22 a. Twenty-five percent of all such revenue, up to a  
145 23 maximum of four million two hundred fifty thousand dollars per  
145 24 quarter, shall be deposited into and credited to the Iowa  
145 25 comprehensive petroleum underground storage tank fund created  
145 26 in section 455G.3, and the moneys so deposited are a  
145 27 continuing appropriation for expenditure under chapter 455G,  
145 28 and moneys so appropriated shall not be used for other  
145 29 purposes.

145 30 b. Any such revenues remaining shall be credited to the  
145 31 road use tax fund.

145 32 2. Notwithstanding any other provision of this section  
145 33 that provides that all revenue derived from the use tax on  
145 34 motor vehicles, trailers, and motor vehicle accessories and  
145 35 equipment as collected pursuant to section 423.26 shall be  
146 1 deposited and credited to the road use tax fund, twenty  
146 2 percent of the revenues shall be credited and deposited as  
146 3 follows: one-half to the road use tax fund and one-half to  
146 4 the primary road fund to be used for the commercial and  
146 5 industrial highway network.



146 6 3. All other revenue arising under the operation of this  
146 7 chapter shall be credited to the general fund of the state.

146 8 Sec. 137. NEW SECTION. 423.44 REIMBURSEMENT FOR PRIMARY  
146 9 ROAD FUND.

146 10 From moneys deposited into the road use tax fund, the  
146 11 department may credit to the primary road fund any amount of  
146 12 revenues derived from the use tax on motor vehicles, trailers,  
146 13 and motor vehicle accessories and equipment as collected  
146 14 pursuant to sections 423.26 and 423.27 to the extent necessary  
146 15 to reimburse that fund for the expenditures not otherwise  
146 16 eligible to be made from the primary road fund, which are made  
146 17 for repairing, improving, and maintaining bridges over the  
146 18 rivers bordering the state. Expenditures for those portions  
146 19 of bridges within adjacent states may be included when they  
146 20 are made pursuant to an agreement entered into under section  
146 21 313.63, 313A.34, or 314.10.

146 22 Sec. 138. NEW SECTION. 423.45 REFUNDS — EXEMPTION  
146 23 CERTIFICATES.

146 24 1. If an amount of tax represented by a retailer to a  
146 25 consumer or user as constituting tax due is computed upon a  
146 26 sales price that is not taxable or the amount represented is  
146 27 in excess of the actual taxable amount and the amount  
146 28 represented is actually paid by the consumer or user to the  
146 29 retailer, the excess amount of tax paid shall be returned to  
146 30 the consumer or user upon notification to the retailer by the  
146 31 department that an excess payment exists.

146 32 2. If an amount of tax represented by a retailer to a  
146 33 consumer or user as constituting tax due is computed upon a  
146 34 sales price that is not taxable or the amount represented is  
146 35 in excess of the actual taxable amount and the amount  
147 1 represented is actually paid by the consumer or user to the  
147 2 retailer, the excess amount of tax paid shall be returned to  
147 3 the consumer or user upon proper notification to the retailer  
147 4 by the consumer or user that an excess payment exists.  
147 5 "Proper" notification is written notification which allows a  
147 6 retailer at least sixty days to respond and which contains

147 7 enough information to allow a retailer to determine the  
147 8 validity of a consumer's or user's claim that an excess amount  
147 9 of tax has been paid. No cause of action shall accrue against  
147 10 a retailer for excess tax paid until sixty days after proper  
147 11 notice has been given the retailer by the consumer or user.  
147 12 3. In the circumstances described in subsections 1 and 2,  
147 13 a retailer has the option to either return any excess amount  
147 14 of tax paid to a consumer or user, or to remit the amount  
147 15 which a consumer or user has paid to the retailer to the  
147 16 department.  
147 17 4. a. The department shall issue or the seller may  
147 18 separately provide exemption certificates in the form  
147 19 prescribed by the director, including certificates not made of  
147 20 paper, which conform to the requirements of paragraph "c", to  
147 21 assist retailers in properly accounting for nontaxable sales  
147 22 of tangible personal property or services to purchasers for a  
147 23 nontaxable purpose. The department shall also allow the use  
147 24 of exemption certificates for those circumstances in which a  
147 25 sale is taxable but the seller is not obligated to collect tax  
147 26 from the buyer.  
147 27 b. The sales tax liability for all sales of tangible  
147 28 personal property and all sales of services is upon the seller  
147 29 and the purchaser unless the seller takes in good faith from  
147 30 the purchaser a valid exemption certificate stating under  
147 31 penalty of perjury that the purchase is for a nontaxable  
147 32 purpose and is not a retail sale as defined in section 423.1,  
147 33 or the seller is not obligated to collect tax due, or unless  
147 34 the seller takes a fuel exemption certificate pursuant to  
147 35 subsection 5. If the tangible personal property or services  
148 1 are purchased tax free pursuant to a valid exemption  
148 2 certificate which is taken in good faith by the seller, and  
148 3 the tangible personal property or services are used or  
148 4 disposed of by the purchaser in a nonexempt manner, the  
148 5 purchaser is solely liable for the taxes and shall remit the  
148 6 taxes directly to the department and sections 423.31, 423.32,  
148 7 423.37, 423.38, 423.39, 423.40, 423.41, and 423.42 shall apply  
148 8 to the purchaser.  
148 9 c. A valid exemption certificate is an exemption

148 10 certificate which is complete and correct according to the  
148 11 requirements of the director.

148 12 d. A valid exemption certificate is taken in good faith by  
148 13 the seller when the seller has exercised that caution and  
148 14 diligence which honest persons of ordinary prudence would  
148 15 exercise in handling their own business affairs, and includes  
148 16 an honesty of intention and freedom from knowledge of  
148 17 circumstances which ought to put one upon inquiry as to the  
148 18 facts. In order for a seller to take a valid exemption  
148 19 certificate in good faith, the seller must exercise reasonable  
148 20 prudence to determine the facts supporting the valid exemption  
148 21 certificate, and if any facts upon such certificate would lead  
148 22 a reasonable person to further inquiry, such inquiry must be  
148 23 made with an honest intent to discover the facts.

148 24 e. If the circumstances change and as a result the  
148 25 tangible personal property or services are used or disposed of  
148 26 by the purchaser in a nonexempt manner or the purchaser  
148 27 becomes obligated to pay the tax, the purchaser is liable  
148 28 solely for the taxes and shall remit the taxes directly to the  
148 29 department in accordance with this subsection.

148 30 5. a. The department shall issue or the seller may  
148 31 separately provide fuel exemption certificates in the form  
148 32 prescribed by the director.

148 33 b. For purposes of this subsection:

148 34 (1) "Fuel" includes gas, electricity, water, heat, steam,  
148 35 and any other tangible personal property consumed in creating  
149 1 heat, power, or steam.

149 2 (2) "Fuel consumed in processing" means fuel used or  
149 3 consumed for processing including grain drying, for providing  
149 4 heat or cooling for livestock buildings or for greenhouses or  
149 5 buildings or parts of buildings dedicated to the production of  
149 6 flowering, ornamental, or vegetable plants intended for sale  
149 7 in the ordinary course of business, for use in aquaculture  
149 8 production, or for generating electric current, or in  
149 9 implements of husbandry engaged in agricultural production.

149 10 (3) "Fuel exemption certificate" means an exemption  
149 11 certificate given by the purchaser under penalty of perjury to  
149 12 assist retailers in properly accounting for nontaxable sales

149 13 of fuel consumed in processing.

149 14 (4) "Substantial change" means a change in the use or  
149 15 disposition of tangible personal property and services by the  
149 16 purchaser such that the purchaser pays less than ninety  
149 17 percent of the purchaser's actual sales tax liability. A  
149 18 change includes a misstatement of facts in an application made  
149 19 pursuant to paragraph "d" or in a fuel exemption certificate.

149 20 c. The seller may accept a completed fuel exemption  
149 21 certificate, as prepared by the purchaser, for three years  
149 22 unless the purchaser files a new completed exemption  
149 23 certificate. If the fuel is purchased tax free pursuant to a  
149 24 fuel exemption certificate which is taken by the seller, and  
149 25 the fuel is used or disposed of by the purchaser in a  
149 26 nonexempt manner, the purchaser is solely liable for the  
149 27 taxes, and shall remit the taxes directly to the department  
149 28 and sections 423.31, 423.32, 423.37, 423.38, 423.39, 423.40,  
149 29 423.41, and 423.42 shall apply to the purchaser.

149 30 d. The purchaser may apply to the department for its  
149 31 review of the fuel exemption certificate. In this event, the  
149 32 department shall review the fuel exemption certificate within  
149 33 twelve months from the date of application and determine the  
149 34 correct amount of the exemption. If the amount determined by  
149 35 the department is different than the amount that the purchaser  
150 1 claims is exempt, the department shall promptly notify the  
150 2 purchaser of the determination. Failure of the department to  
150 3 make a determination within twelve months from the date of  
150 4 application shall constitute a determination that the fuel  
150 5 exemption certificate is correct as submitted. A  
150 6 determination of exemption by the department is final unless  
150 7 the purchaser appeals to the director for a revision of the  
150 8 determination within sixty days after the date of the notice  
150 9 of determination. The director shall grant a hearing, and  
150 10 upon the hearing, the director shall determine the correct  
150 11 exemption and notify the purchaser of the decision by mail.  
150 12 The decision of the director is final unless the purchaser  
150 13 seeks judicial review of the director's decision under section  
150 14 423.38 within sixty days after the date of the notice of the  
150 15 director's decision. Unless there is a substantial change,

150 16 the department shall not impose penalties pursuant to section  
150 17 423.40 both retroactively to purchases made after the date of  
150 18 application and prospectively until the department gives  
150 19 notice to the purchaser that a tax or additional tax is due,  
150 20 for failure to remit any tax due which is in excess of a  
150 21 determination made under this section. A determination made  
150 22 by the department pursuant to this subsection does not  
150 23 constitute an audit for purposes of section 423.37.

150 24 e. If the circumstances change and the fuel is used or  
150 25 disposed of by the purchaser in a nonexempt manner, the  
150 26 purchaser is solely liable for the taxes and shall remit the  
150 27 taxes directly to the department in accordance with paragraph  
150 28 "c".

150 29 f. The purchaser shall attach documentation to the fuel  
150 30 exemption certificate which is reasonably necessary to support  
150 31 the exemption for fuel consumed in processing. If the  
150 32 purchaser files a new exemption certificate with the seller,  
150 33 documentation shall not be required if the purchaser  
150 34 previously furnished the seller with this documentation and  
150 35 substantial change has not occurred since that documentation  
151 1 was furnished or if fuel consumed in processing is separately  
151 2 metered and billed by the seller.

151 3 6. Nothing in this section authorizes any cause of action  
151 4 by any person to recover sales or use taxes directly from the  
151 5 state or extends any person's time to seek a refund of sales  
151 6 or use taxes which have been collected and remitted to the  
151 7 state.

151 8 Sec. 139. NEW SECTION. 423.46 RATE AND BASE CHANGES.

151 9 The department shall make a reasonable effort to provide  
151 10 sellers with as much advance notice as practicable of a rate  
151 11 change and to notify sellers of legislative changes in the tax  
151 12 base and amendments to sales and use tax rules. Failure of a  
151 13 seller to receive notice or failure of this state to provide  
151 14 notice or limit the effective date of a rate change shall not  
151 15 relieve the seller of its obligation to collect sales or use  
151 16 taxes for this state.

151 17 Sec. 140. NEW SECTION. 423.47 REFUNDS AND CREDITS.  
151 18 If it shall appear that, as a result of mistake, an amount  
151 19 of tax, penalty, or interest has been paid which was not due  
151 20 under the provisions of this chapter, such amount shall be  
151 21 credited against any tax due, or to become due, on the books  
151 22 of the department from the person who made the erroneous  
151 23 payment, or such amount shall be refunded to such person by  
151 24 the department. A claim for refund or credit that has not  
151 25 been filed with the department within three years after the  
151 26 tax payment for which a refund or credit is claimed became  
151 27 due, or one year after such tax payment was made, whichever  
151 28 time is the later, shall not be allowed by the director.

151 29 SUBCHAPTER VI  
151 30 SALES AND USE TAX ACT — ADMINISTRATION OF  
151 31 RETAILERS REGISTERED VOLUNTARILY UNDER THE  
151 32 AGREEMENT

151 33 Sec. 141. NEW SECTION. 423.48 RESPONSIBILITIES AND  
151 34 RIGHTS OF SELLERS REGISTERED UNDER THE AGREEMENT.  
151 35 1. By registering under the agreement, the seller agrees  
152 1 to collect and remit sales and use taxes for all its taxable  
152 2 Iowa sales. Iowa's withdrawal from the agreement or  
152 3 revocation of its membership in the agreement shall not  
152 4 relieve a seller from its responsibility to remit taxes  
152 5 previously collected on behalf of this state.  
152 6 2. The following provisions apply to any seller who  
152 7 registers under the agreement:  
152 8 a. The seller may register on-line.  
152 9 b. Registration under the agreement and the collection of  
152 10 Iowa sales and use taxes shall not be used as factors in  
152 11 determining whether the seller has nexus with Iowa for any  
152 12 tax.  
152 13 c. If registered under the agreement with any other member  
152 14 state, the seller is considered to be registered in Iowa.  
152 15 d. The seller is not required to pay registration fees or  
152 16 other charges.  
152 17 e. A written signature from the seller is not required.

152 18 f. The seller may register by way of an agent. The  
152 19 agent's appointment shall be in writing and submitted to the  
152 20 department if requested by the department.

152 21 g. The seller may cancel its registration at any time  
152 22 under procedures adopted by the governing board established  
152 23 pursuant to the agreement. Cancellation does not relieve the  
152 24 seller of its liability for remitting any Iowa taxes  
152 25 collected.

152 26 3. The following additional responsibilities and rights  
152 27 apply to model sellers:

152 28 a. A model 1 seller's obligation to calculate, collect,  
152 29 and remit sales and use taxes shall be performed by its  
152 30 certified service provider, except for the seller's obligation  
152 31 to remit tax on its own purchases. As the seller's agent, the  
152 32 certified service provider is liable for its model 1 seller's  
152 33 sales and use tax due Iowa on all sales transactions it  
152 34 processes for the seller except as set out in this section. A  
152 35 seller that contracts with a certified service provider is not  
153 1 liable to the state for sales or use tax due on transactions  
153 2 processed by the certified service provider unless the seller  
153 3 misrepresents the types of items or services it sells or  
153 4 commits fraud. In the absence of probable cause to believe  
153 5 that the seller has committed fraud or made a material  
153 6 misrepresentation, the seller is not subject to audit on the  
153 7 transactions processed by the certified service provider. A  
153 8 model 1 seller is subject to audit for transactions not  
153 9 processed by the certified service provider. The director is  
153 10 authorized to perform a system check of the model 1 seller and  
153 11 review the seller's procedures to determine if the certified  
153 12 service provider's system is functioning properly and the  
153 13 extent to which the seller's transactions are being processed  
153 14 by the certified service provider.

153 15 b. A model 2 seller shall calculate the amount of tax due  
153 16 on a transaction by the use of a certified automated system,  
153 17 but shall collect and remit tax on its own sales. A person  
153 18 that provides a certified automated system is responsible for  
153 19 the proper functioning of that system and is liable to this  
153 20 state for underpayments of tax attributable to errors in the

153 21 functioning of the certified automated system. A seller that  
153 22 uses a certified automated system remains responsible and is  
153 23 liable to the state for reporting and remitting tax.  
153 24 c. A model 3 seller shall use its own proprietary  
153 25 automated system to calculate tax due and collect and remit  
153 26 tax on its own sales. A model 3 seller is liable for the  
153 27 failure of its proprietary automated system to meet the  
153 28 applicable performance standard.

153 29 Sec. 142. NEW SECTION. 423.49 RETURNS.

153 30 1. All model 1, 2, or 3 sellers are subject to all of the  
153 31 following return requirements:

153 32 a. The seller is required to file only one return per  
153 33 month for this state and for all taxing jurisdictions within  
153 34 this state.

153 35 b. The date for filing returns shall be determined under  
154 1 rules adopted by the director. However, in no case shall the  
154 2 return be due earlier than the twentieth day of the following  
154 3 month.

154 4 c. The director shall request additional information  
154 5 returns. These returns shall not be required more frequently  
154 6 than every six months.

154 7 2. Any registered seller which does not have a legal  
154 8 obligation to register in this state and is not a model 1, 2,  
154 9 or 3 seller is subject to all of the following return  
154 10 requirements:

154 11 a. The seller is required to file a return within one year  
154 12 of the month of initial registration and shall file a return  
154 13 on an annual basis in succeeding years.

154 14 b. In addition to the return required in paragraph "a", if  
154 15 the seller accumulates more than one thousand dollars in total  
154 16 state and local tax, the seller is required to file a return  
154 17 in the following month.

154 18 c. The format of the return and the due date of the  
154 19 initial return and the annual return shall be determined under  
154 20 rules adopted by the department.



154 21 Sec. 143. NEW SECTION. 423.50 REMITTANCE OF FUNDS.

154 22 1. Only one remittance of tax per return is required  
154 23 except as provided in this subsection. Sellers that collect  
154 24 more than thirty thousand dollars in sales and use taxes for  
154 25 this state during the preceding calendar year shall be  
154 26 required to make additional remittances as required under  
154 27 rules adopted by the director. The filing of a return is not  
154 28 required with an additional remittance.

154 29 2. All remittances shall be remitted electronically.

154 30 3. Electronic payments may be made either by automated  
154 31 clearinghouse credit or automated clearinghouse debit. Any  
154 32 data accompanying a remittance must be formatted using uniform  
154 33 tax type and payment codes approved by the governing board  
154 34 established pursuant to the agreement. An alternative method  
154 35 for making same-day payments shall be determined under rules  
155 1 adopted by the director.

155 2 4. If a due date falls on a legal banking holiday in this  
155 3 state, the taxes are due on the succeeding business day.

155 4 Sec. 144. NEW SECTION. 423.51 ADMINISTRATION OF  
155 5 EXEMPTIONS.

155 6 1. The following provisions shall apply when a purchaser  
155 7 claims an exemption:

155 8 a. The seller shall obtain identifying information of the  
155 9 purchaser and the reason for claiming a tax exemption at the  
155 10 time of the purchase as determined by the member states acting  
155 11 jointly.

155 12 b. A purchaser is not required to provide a signature to  
155 13 claim an exemption from tax unless a paper certificate is  
155 14 used.

155 15 c. The seller shall use the standard form for claiming an  
155 16 exemption electronically as adopted jointly by the member  
155 17 states.

155 18 d. The seller shall obtain the same information for proof  
155 19 of a claimed exemption regardless of the medium in which the  
155 20 transaction occurred.

155 21 e. The department may authorize a system wherein the  
155 22 purchaser exempt from the payment of the tax is issued an

155 23 identification number which shall be presented to the seller  
155 24 at the time of the sale.

155 25 f. The seller shall maintain proper records of exempt  
155 26 transactions and provide them to the department when  
155 27 requested.

155 28 g. The department shall administer entity-based and use-  
155 29 based exemptions when practicable through a direct pay tax  
155 30 permit, an exemption certificate, or another means that does  
155 31 not burden sellers. For the purposes of this paragraph:

155 32 (1) An "entity-based exemption" is an exemption based on  
155 33 who purchases the product or who sells the product.

155 34 (2) A "use-based exemption" is an exemption based on the  
155 35 purchaser's use of the product.

156 1 2. Sellers that follow the requirements of this section  
156 2 are relieved from any tax otherwise applicable if it is  
156 3 determined that the purchaser improperly claimed an exemption  
156 4 and that the purchaser is liable for the nonpayment of tax.  
156 5 This relief from liability does not apply to a seller who  
156 6 fraudulently fails to collect the tax or solicits purchasers  
156 7 to participate in the unlawful claim of an exemption.

156 8 Sec. 145. NEW SECTION. 423.52 RELIEF FROM LIABILITY FOR  
156 9 SELLERS AND CERTIFIED SERVICE PROVIDERS.

156 10 Sellers and certified service providers are relieved from  
156 11 liability to this state or its local taxing jurisdictions for  
156 12 having charged and collected the incorrect amount of sales or  
156 13 use tax resulting from the seller or certified service  
156 14 provider relying on erroneous data provided by this state on  
156 15 tax rates, boundaries, or taxing jurisdiction assignments. If  
156 16 this state provides an address-based system for assigning  
156 17 taxing jurisdictions whether or not pursuant to the federal  
156 18 Mobile Telecommunications Sourcing Act, the director is not  
156 19 required to provide liability relief for errors resulting from  
156 20 reliance on the information provided by this state.

156 21 Sec. 146. NEW SECTION. 423.53 BAD DEBTS AND MODEL 1  
156 22 SELLERS.

156 23 A certified service provider may claim, on behalf of a

156 24 model 1 seller, any bad debt deduction as provided in section  
156 25 423.21. The certified service provider must credit or refund  
156 26 the full amount of any bad debt deduction or refund received  
156 27 to the seller.

156 28 Sec. 147. NEW SECTION. 423.54 AMNESTY FOR REGISTERED  
156 29 SELLERS.

156 30 1. Subject to the limitations in subsections 2 through 6,  
156 31 the following provisions apply:

156 32 a. Amnesty is provided for uncollected or unpaid sales or  
156 33 use tax to a seller who registers to pay or to collect and  
156 34 remit applicable sales or use tax on sales made to purchasers  
156 35 in this state in accordance with the terms of the agreement,  
157 1 provided the seller was not so registered in this state in the  
157 2 twelve-month period preceding the commencement of Iowa's  
157 3 participation in the agreement.

157 4 b. Amnesty precludes assessment of the seller for  
157 5 uncollected or unpaid sales or use tax together with penalty  
157 6 or interest for sales made during the period the seller was  
157 7 not registered in this state, provided registration occurs  
157 8 within twelve months of the commencement of Iowa's  
157 9 participation in the agreement.

157 10 c. Amnesty shall be provided to any seller lawfully  
157 11 registered under the agreement by any other member state prior  
157 12 to the date of the commencement of Iowa's participation in the  
157 13 agreement.

157 14 2. Amnesty is not available to a seller with respect to  
157 15 any matter or matters for which the seller received notice of  
157 16 the commencement of an audit and which audit is not yet  
157 17 finally resolved, including any related administrative and  
157 18 judicial processes.

157 19 3. Amnesty is not available for sales or use taxes already  
157 20 paid or remitted or to taxes collected by the seller.

157 21 4. Amnesty is fully effective absent the seller's fraud or  
157 22 intentional misrepresentation of a material fact as long as  
157 23 the seller continues registration and continues payment or  
157 24 collection and remittance of applicable sales or use taxes for  
157 25 a period of at least thirty-six months. The statute of

157 26 limitations applicable to asserting a tax liability is tolled  
157 27 during this thirty-six month period.

157 28 5. Amnesty is applicable only to sales or use taxes due  
157 29 from a seller in its capacity as a seller and not to sales or  
157 30 use taxes due from a seller in its capacity as a buyer.

157 31 6. The director may allow amnesty on terms and conditions  
157 32 more favorable to a seller than the terms required by this  
157 33 section.

157 34 Sec. 148. NEW SECTION. 423.55 DATABASES.

157 35 The department shall provide and maintain databases  
158 1 required by the agreement for the benefit of sellers  
158 2 registered under the agreement.

158 3 Sec. 149. NEW SECTION. 423.56 CONFIDENTIALITY AND  
158 4 PRIVACY PROTECTIONS UNDER MODEL 1.

158 5 1. As used in this section:

158 6 a. "Anonymous data" means information that does not  
158 7 identify a person.

158 8 b. "Confidential taxpayer information" means all  
158 9 information that is protected under this state's laws, rules,  
158 10 and privileges.

158 11 c. "Personally identifiable information" means information  
158 12 that identifies a person.

158 13 2. With very limited exceptions, a certified service  
158 14 provider shall perform its tax calculation, remittance, and  
158 15 reporting functions without retaining the personally  
158 16 identifiable information of consumers.

158 17 3. A certified service provider may perform its services  
158 18 in this state only if the certified service provider certifies  
158 19 that:

158 20 a. Its system has been designed and tested to ensure that  
158 21 the fundamental precept of anonymity is respected.

158 22 b. Personally identifiable information is only used and  
158 23 retained to the extent necessary for the administration of  
158 24 model 1 sellers with respect to exempt purchasers.

158 25 c. It provides consumers clear and conspicuous notice of  
158 26 its information practices, including what information it

158 27 collects, how it collects the information, how it uses the  
158 28 information, how long, if at all, it retains the information,  
158 29 and whether it discloses the information to member states.  
158 30 This notice shall be satisfied by a written privacy policy  
158 31 statement accessible by the public on the official web site of  
158 32 the certified service provider.

158 33 d. Its collection, use, and retention of personally  
158 34 identifiable information is limited to that required by the  
158 35 member states to ensure the validity of exemptions from  
159 1 taxation that are claimed by reason of a consumer's status or  
159 2 the intended use of the goods or services purchased.

159 3 e. It provides adequate technical, physical, and  
159 4 administrative safeguards so as to protect personally  
159 5 identifiable information from unauthorized access and  
159 6 disclosure.

159 7 4. The department shall provide public notification of its  
159 8 practices relating to the collection, use, and retention of  
159 9 personally identifiable information.

159 10 5. When any personally identifiable information that has  
159 11 been collected and retained by the department or certified  
159 12 service provider is no longer required for the purposes set  
159 13 forth in subsection 3, paragraph "d", that information shall  
159 14 no longer be retained by the department or certified service  
159 15 provider.

159 16 6. When personally identifiable information regarding an  
159 17 individual is retained by or on behalf of this state, this  
159 18 state shall provide reasonable access by such individual to  
159 19 his or her own information in the state's possession and a  
159 20 right to correct any inaccurately recorded information.

159 21 7. This privacy policy is subject to enforcement by the  
159 22 department and the attorney general.

159 23 8. This state's laws and rules regarding the collection,  
159 24 use, and maintenance of confidential taxpayer information  
159 25 remain fully applicable and binding. Without limitation, the  
159 26 agreement does not enlarge or limit the state's or  
159 27 department's authority to:

159 28 a. Conduct audits or other review as provided under the  
159 29 agreement and state law.

159 30 b. Provide records pursuant to its examination of public  
159 31 records law, disclosure laws of individual governmental  
159 32 agencies, or other regulations.

159 33 c. Prevent, consistent with state law, disclosures of  
159 34 confidential taxpayer information.

159 35 d. Prevent, consistent with federal law, disclosures or  
160 1 misuse of federal return information obtained under a  
160 2 disclosure agreement with the internal revenue service.

160 3 e. Collect, disclose, disseminate, or otherwise use  
160 4 anonymous data for governmental purposes.

160 5 9. This privacy policy does not preclude the certification  
160 6 of a certified service provider whose privacy policy is more  
160 7 protective of confidential taxpayer information or personally  
160 8 identifiable information than is required by the agreement.

160 9 Sec. 150. NEW SECTION. 423.57 STATUTES APPLICABLE.

160 10 The director shall administer this subchapter as it relates  
160 11 to the taxes imposed in this chapter in the same manner and  
160 12 subject to all the provisions of, and all of the powers,  
160 13 duties, authority, and restrictions contained in sections  
160 14 423.14, 423.15, 423.16, 423.17, 423.18, 423.19, 423.20,  
160 15 423.21, 423.22, 423.23, 423.24, 423.25, 423.28, 423.29,  
160 16 423.31, 423.32, 423.33, 423.34, 423.35, 423.37, 423.38,  
160 17 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection  
160 18 3, and sections 423.45, 423.46, and 423.47.

160 19 Sec. 151.

160 20 1. Sections 422.42 through 422.59, Code 2003, are  
160 21 repealed.

160 22 2. Chapter 423, Code 2003, is repealed.

160 23 COORDINATING AMENDMENTS

160 24 Sec. 152. Section 15.331A, Code 2003, is amended to read  
160 25 as follows:

160 26 15.331A SALES, SERVICES, AND USE TAX REFUND — CONTRACTOR  
160 27 OR SUBCONTRACTOR.

160 28 The eligible business or a supporting business shall be

160 29 entitled to a refund of the sales and use taxes paid under  
160 30 ~~chapters 422 and chapter~~ 423 for gas, electricity, water, or  
160 31 sewer utility services, goods, wares, or merchandise, or on  
160 32 services rendered, furnished, or performed to or for a  
160 33 contractor or subcontractor and used in the fulfillment of a  
160 34 written contract relating to the construction or equipping of  
160 35 a facility within the economic development area of the  
161 1 eligible business or a supporting business. Taxes  
161 2 attributable to intangible property and furniture and  
161 3 furnishings shall not be refunded.  
161 4 To receive the refund a claim shall be filed by the  
161 5 eligible business or a supporting business with the department  
161 6 of revenue and finance as follows:  
161 7 1. The contractor or subcontractor shall state under oath,  
161 8 on forms provided by the department, the amount of the sales  
161 9 of goods, wares, or merchandise or services rendered,  
161 10 furnished, or performed including water, sewer, gas, and  
161 11 electric utility services for use in the economic development  
161 12 area upon which sales or use tax has been paid prior to the  
161 13 project completion, and shall file the forms with the eligible  
161 14 business or supporting business before final settlement is  
161 15 made.  
161 16 2. The eligible business or a supporting business shall,  
161 17 not more than one year after project completion, make  
161 18 application to the department for any refund of the amount of  
161 19 the sales and use taxes paid pursuant to chapter ~~422 or~~ 423  
161 20 upon any goods, wares, or merchandise, or services rendered,  
161 21 furnished, or performed, including water, sewer, gas, and  
161 22 electric utility services. The application shall be made in  
161 23 the manner and upon forms to be provided by the department,  
161 24 and the department shall audit the claim and, if approved,  
161 25 issue a warrant to the eligible business or supporting  
161 26 business in the amount of the sales or use tax which has been  
161 27 paid to the state of Iowa under a contract. A claim filed by  
161 28 the eligible business or a supporting business in accordance  
161 29 with this section shall not be denied by reason of a  
161 30 limitation provision set forth in chapter 421, ~~422~~, or 423.  
161 31 3. A contractor or subcontractor who willfully makes a

161 32 false report of tax paid under the provisions of this section  
161 33 is guilty of a simple misdemeanor and in addition is liable  
161 34 for the payment of the tax and any applicable penalty and  
161 35 interest.

162 1 Sec. 153. Section 15.334A, Code 2003, is amended to read  
162 2 as follows:

162 3 15.334A SALES AND USE TAX EXEMPTION.

162 4 An eligible business may claim an exemption from sales and  
162 5 use taxation under section ~~422.45~~ 423.3, subsection ~~27 46~~, for  
162 6 property which is exempt from taxation under section 15.334,  
162 7 notwithstanding the requirements of section ~~422.45~~ 423.3,  
162 8 subsection ~~27 46~~, or any other provision of the Code to the  
162 9 contrary.

162 10 Sec. 154. Section 15A.9, subsections 5, 6, and 7, Code  
162 11 2003, are amended to read as follows:

162 12 5. PROPERTY TAX EXEMPTION.

162 13 a. All property, as defined in section 427A.1, subsection  
162 14 1, paragraphs "e" and "j", Code 1993, used by the primary  
162 15 business or a supporting business and located within the zone,  
162 16 shall be exempt from property taxation for a period of twenty  
162 17 years beginning with the year it is first assessed for  
162 18 taxation. In order to be eligible for this exemption, the  
162 19 property shall be acquired or leased by the primary business  
162 20 or a supporting business or relocated by the primary business  
162 21 or a supporting business to the zone from outside the state  
162 22 prior to project completion.

162 23 b. Property which is exempt for property tax purposes  
162 24 under this subsection is eligible for the sales and use tax  
162 25 exemption under section ~~422.45~~ 423.3, subsection ~~27 46~~,  
162 26 notwithstanding that subsection or any other provision of the  
162 27 Code to the contrary.

162 28 6. SALES, SERVICES, AND USE TAX REFUND. Taxes paid  
162 29 pursuant to chapter ~~422 or 423~~ on the ~~gross receipts sales~~  
162 30 price or rental price of property purchased or rented by the  
162 31 primary business or a supporting business for use by the  
162 32 primary business or a supporting business within the zone or



162 33 on gas, electricity, water, and sewer utility services prior  
162 34 to project completion shall be refunded to the primary  
162 35 business or supporting business if the item was purchased or  
163 1 the service was performed or received prior to project  
163 2 completion. Claims under this section shall be submitted on  
163 3 forms provided by the department of revenue and finance not  
163 4 later than six months after project completion. The refund in  
163 5 this subsection shall not apply to furniture or furnishings,  
163 6 or intangible property.

163 7 7. SALES, SERVICES, AND USE TAX REFUND — CONTRACTOR OR  
163 8 SUBCONTRACTOR. The primary business or a supporting business  
163 9 shall be entitled to a refund of the sales and use taxes paid  
163 10 under ~~chapters 422 and chapter~~ 423 for gas, electricity,  
163 11 water, or sewer utility services, goods, wares, or  
163 12 merchandise, or on services rendered, furnished, or performed  
163 13 to or for a contractor or subcontractor and used in the  
163 14 fulfillment of a written contract relating to the construction  
163 15 or equipping of a facility within the zone of the primary  
163 16 business or a supporting business. Taxes attributable to  
163 17 intangible property and furniture and furnishings shall not be  
163 18 refunded.

163 19 To receive the refund a claim shall be filed by the primary  
163 20 business or a supporting business with the department of  
163 21 revenue and finance as follows:

163 22 a. The contractor or subcontractor shall state under oath,  
163 23 on forms provided by the department, the amount of the sales  
163 24 of goods, wares, or merchandise or services rendered,  
163 25 furnished, or performed including water, sewer, gas, and  
163 26 electric utility services for use in the zone upon which sales  
163 27 or use tax has been paid prior to the project completion, and  
163 28 shall file the forms with the primary business or supporting  
163 29 business before final settlement is made.

163 30 b. The primary business or a supporting business shall,  
163 31 not more than six months after project completion, make  
163 32 application to the department for any refund of the amount of  
163 33 the sales and use taxes paid pursuant to chapter ~~422 or~~ 423  
163 34 upon any goods, wares, or merchandise, or services rendered,  
163 35 furnished, or performed, including water, sewer, gas, and

164 1 electric utility services. The application shall be made in  
164 2 the manner and upon forms to be provided by the department,  
164 3 and the department shall audit the claim and, if approved,  
164 4 issue a warrant to the primary business or supporting business  
164 5 in the amount of the sales or use tax which has been paid to  
164 6 the state of Iowa under a contract. A claim filed by the  
164 7 primary business or a supporting business in accordance with  
164 8 this subsection shall not be denied by reason of a limitation  
164 9 provision set forth in chapter 421, 422, or 423.  
164 10 c. A contractor or subcontractor who willfully makes a  
164 11 false report of tax paid under the provisions of this  
164 12 subsection is guilty of a simple misdemeanor and in addition  
164 13 is liable for the payment of the tax and any applicable  
164 14 penalty and interest.

164 15 Sec. 155. Section 28A.17, unnumbered paragraph 1, Code  
164 16 2003, is amended to read as follows:  
164 17 If an authority is established as provided in section 28A.6  
164 18 and after approval of a referendum by a simple majority of  
164 19 votes cast in each metropolitan area in favor of the sales and  
164 20 services tax, the governing board of a county in this state  
164 21 within a metropolitan area which is part of the authority  
164 22 shall impose, at the request of the authority, a local sales  
164 23 and services tax at the rate of one-fourth of one percent on  
164 24 ~~gross receipts~~ the sales price taxed by this state under  
164 25 ~~chapter 422, division IV section 423.2,~~ within the  
164 26 metropolitan area located in this state. The referendum shall  
164 27 be called by resolution of the board and shall be held as  
164 28 provided in section 28A.6 to the extent applicable. The  
164 29 ballot proposition shall contain a statement as to the  
164 30 specific purpose or purposes for which the revenues shall be  
164 31 expended and the date of expiration of the tax. The local  
164 32 sales and services tax shall be imposed on the same basis,  
164 33 with the same exceptions, and following the same  
164 34 administrative procedures as provided for a county under  
164 35 sections 422B.8 and 422B.9. The amount of the sale, for the  
165 1 purposes of determining the amount of the local sales and  
165 2 services tax under this section, does not include the amount

165 3 of any local sales and services tax imposed under sections  
165 4 422B.8 and 422B.9.

165 5 Sec. 156. Section 29C.15, Code 2003, is amended to read as  
165 6 follows:

165 7 29C.15 TAX-EXEMPT PURCHASES.

165 8 All purchases under the provisions of this chapter shall be  
165 9 exempt from the taxes imposed by sections ~~422.43~~ 423.2 and  
165 10 ~~423.2~~ 423.5.

165 11 Sec. 157. Section 99E.10, subsection 1, paragraph b, Code  
165 12 2003, is amended to read as follows:

165 13 b. An amount equal to the product of the state sales tax  
165 14 rate under section ~~422.43~~ 423.2 multiplied by the gross sales  
165 15 price of each ticket or share sold shall be deducted as the  
165 16 sales tax on the sale of that ticket or share, remitted to the  
165 17 treasurer of state and deposited into the state general fund.

165 18 Sec. 158. Section 123.187, subsection 2, Code 2003, is  
165 19 amended to read as follows:

165 20 2. A winery licensed or permitted pursuant to laws  
165 21 regulating alcoholic beverages in a state which affords this  
165 22 state an equal reciprocal shipping privilege may ship into  
165 23 this state by private common carrier, to a person twenty-one  
165 24 years of age or older, not more than eighteen liters of wine  
165 25 per month, for consumption or use by the person. Such wine  
165 26 shall not be resold. Shipment of wine pursuant to this  
165 27 subsection is not subject to sales tax under section ~~422.43~~  
165 28 423.2, use tax under section ~~423.2~~ 423.5, or the wine  
165 29 gallonage tax under section 123.183, and does not require a  
165 30 refund value for beverage container control purposes under  
165 31 chapter 455C.

165 32 Sec. 159. Section 262.54, Code 2003, is amended to read as  
165 33 follows:

165 34 262.54 COMPUTER SALES.

165 35 Sales, by an institution under the control of the board of  
166 1 regents, of computer equipment, computer software, and

166 2 computer supplies to students and faculty at the institution  
166 3 are retail sales under chapter ~~422, division IV~~ 423.

166 4 Sec. 160. Section 303.9, subsection 2, Code 2003, is  
166 5 amended to read as follows:  
166 6 2. The department may sell mementos and other items  
166 7 relating to Iowa history and historic sites on the premises of  
166 8 property under control of the department and at the state  
166 9 capitol. Notwithstanding sections 18.12 and 18.16, the  
166 10 department may directly and independently enter into rental  
166 11 and lease agreements with private vendors for the purpose of  
166 12 selling mementos. All fees and income produced by the sales  
166 13 and rental or lease agreements shall be credited to the  
166 14 account of the department. The mementos and other items sold  
166 15 by the department or vendors under this subsection are exempt  
166 16 from section 18.6. ~~The department is not a retailer under~~  
166 17 ~~chapter 422 and the sale of such mementos and other items by~~  
166 18 ~~the department is not a retail sale under chapter 422 and is~~  
166 19 ~~exempt from the sales tax.~~

166 20 Sec. 161. Section 312.1, subsection 4, Code 2003, is  
166 21 amended to read as follows:  
166 22 4. To the extent provided in section ~~423.24~~ 423.43,  
166 23 subsection 1, paragraph "b", from revenue derived from the use  
166 24 tax, under chapter 423 on motor vehicles, trailers, and motor  
166 25 vehicle accessories and equipment.

166 26 Sec. 162. Section 312.2, subsections 14 and 16, Code 2003,  
166 27 are amended to read as follows:  
166 28 14. The treasurer of state, before making the allotments  
166 29 provided for in this section, shall credit monthly from the  
166 30 road use tax fund to the general fund of the state from  
166 31 revenue credited to the road use tax fund under section ~~423.24~~  
166 32 423.43, subsection 1, paragraph "b", an amount equal to one-  
166 33 twentieth of eighty percent of the revenue from the operation  
166 34 of section ~~423.7~~ 423.26.  
166 35 There is appropriated from the general fund of the state  
167 1 for each fiscal year to the state department of transportation

167 2 the amount of revenues credited to the general fund of the  
167 3 state during the fiscal year under this subsection to be used  
167 4 for purposes of public transit assistance under chapter 324A.  
167 5 16. The treasurer of state, before making the allotments  
167 6 provided for in this section, shall credit monthly from the  
167 7 road use tax fund to the motorcycle rider education fund  
167 8 established in section 321.180B, an amount equal to one dollar  
167 9 per year of license validity for each issued or renewed  
167 10 driver's license which is valid for the operation of a  
167 11 motorcycle. Moneys credited to the motorcycle rider education  
167 12 fund under this subsection shall be taken from moneys credited  
167 13 to the road use tax fund under section ~~423.24~~ 423.43.

167 14 Sec. 163. Section 321.20, subsection 5, Code 2003, is  
167 15 amended to read as follows:

167 16 5. The amount of tax to be paid under section ~~423.7~~  
167 17 423.26.

167 18 Sec. 164. Section 321.24, subsections 1 and 3, Code 2003,  
167 19 are amended to read as follows:

167 20 1. Upon receipt of the application for title and payment  
167 21 of the required fees for a motor vehicle, trailer, or  
167 22 semitrailer, the county treasurer or the department shall,  
167 23 when satisfied as to the application's genuineness and  
167 24 regularity, and, in the case of a mobile home or manufactured  
167 25 home, that taxes are not owing under chapter 435, issue a  
167 26 certificate of title and, except for a mobile home or  
167 27 manufactured home, a registration receipt, and shall file the  
167 28 application, the manufacturer's or importer's certificate, the  
167 29 certificate of title, or other evidence of ownership, as  
167 30 prescribed by the department. The registration receipt shall  
167 31 be delivered to the owner and shall contain upon its face the  
167 32 date issued, the name and address of the owner, the  
167 33 registration number assigned to the vehicle, the amount of the  
167 34 fee paid, the amount of tax paid pursuant to section ~~423.7~~  
167 35 423.26, the type of fuel used, and a description of the  
168 1 vehicle as determined by the department, and upon the reverse  
168 2 side a form for notice of transfer of the vehicle. The name

168 3 and address of any lessee of the vehicle shall not be printed  
168 4 on the registration receipt or certificate of title. Up to  
168 5 three owners may be listed on the registration receipt and  
168 6 certificate of title.  
168 7 3. The certificate of title shall contain upon its face  
168 8 the identical information required upon the face of the  
168 9 registration receipt. In addition, the certificate of title  
168 10 shall contain a statement of the owner's title, the title  
168 11 number assigned to the owner or owners of the vehicle, the  
168 12 amount of tax paid pursuant to section ~~423.7~~ 423.26, the name  
168 13 and address of the previous owner, and a statement of all  
168 14 security interests and encumbrances as shown in the  
168 15 application, upon the vehicle described, including the nature  
168 16 of the security interest, date of notation, and name and  
168 17 address of the secured party.

168 18 Sec. 165. Section 321.34, subsection 7, paragraph c, Code  
168 19 2003, is amended to read as follows:

168 20 c. The fees for a collegiate registration plate are as  
168 21 follows:

168 22 (1) A registration fee of twenty-five dollars.

168 23 (2) A special collegiate registration fee of twenty-five  
168 24 dollars.

168 25 These fees are in addition to the regular annual  
168 26 registration fee. The fees collected by the director under  
168 27 this subsection shall be paid monthly to the treasurer of  
168 28 state and credited by the treasurer of state to the road use  
168 29 tax fund. Notwithstanding section ~~423.24~~ 423.43 and prior to  
168 30 the revenues being credited to the road use tax fund under  
168 31 section ~~423.24~~ 423.43, subsection 1, paragraph "b", the  
168 32 treasurer of state shall credit monthly from those revenues  
168 33 respectively, to Iowa state university of science and  
168 34 technology, the university of northern Iowa, and the state  
168 35 university of Iowa, the amount of the special collegiate  
169 1 registration fees collected in the previous month for  
169 2 collegiate registration plates designed for the university.  
169 3 The moneys credited are appropriated to the respective  
169 4 universities to be used for scholarships for students

169 5 attending the universities.

169 6 Sec. 166. Section 321.34, subsection 11, paragraph c, Code  
169 7 2003, is amended to read as follows:

169 8 c. The special natural resources fee for letter number  
169 9 designated natural resources plates is thirty-five dollars.  
169 10 The fee for personalized natural resources plates is forty-  
169 11 five dollars which shall be paid in addition to the special  
169 12 natural resources fee of thirty-five dollars. The fees  
169 13 collected by the director under this subsection shall be paid  
169 14 monthly to the treasurer of state and credited to the road use  
169 15 tax fund. Notwithstanding section ~~423.24~~ 423.43, and prior to  
169 16 the crediting of revenues to the road use tax fund under  
169 17 section ~~423.24~~ 423.43, subsection 1, paragraph "b", the  
169 18 treasurer of state shall credit monthly from those revenues to  
169 19 the Iowa resources enhancement and protection fund created  
169 20 pursuant to section 455A.18, the amount of the special natural  
169 21 resources fees collected in the previous month for the natural  
169 22 resources plates.

169 23 Sec. 167. Section 321.34, subsection 11A, paragraph c,  
169 24 Code 2003, is amended to read as follows:

169 25 c. The special fee for letter number designated love our  
169 26 kids plates is thirty-five dollars. The fee for personalized  
169 27 love our kids plates is twenty-five dollars, which shall be  
169 28 paid in addition to the special love our kids fee of thirty-  
169 29 five dollars. The fees collected by the director under this  
169 30 subsection shall be paid monthly to the treasurer of state and  
169 31 credited to the road use tax fund. Notwithstanding section  
169 32 ~~423.24~~ 423.43, and prior to the crediting of revenues to the  
169 33 road use tax fund under section ~~423.24~~ 423.43, subsection 1,  
169 34 paragraph "b", the treasurer of state shall transfer monthly  
169 35 from those revenues to the Iowa department of public health  
170 1 the amount of the special fees collected in the previous month  
170 2 for the love our kids plates. Notwithstanding section 8.33,  
170 3 moneys transferred under this subsection shall not revert to  
170 4 the general fund of the state.

170 5 Sec. 168. Section 321.34, subsection 11B, paragraph c,  
170 6 Code 2003, is amended to read as follows:  
170 7 c. The special fee for letter number designated motorcycle  
170 8 rider education plates is thirty-five dollars. The fee for  
170 9 personalized motorcycle rider education plates is twenty-five  
170 10 dollars, which shall be paid in addition to the special  
170 11 motorcycle rider education fee of thirty-five dollars. The  
170 12 fees collected by the director under this subsection shall be  
170 13 paid monthly to the treasurer of state and credited to the  
170 14 road use tax fund. Notwithstanding section ~~423.24~~ 423.43, and  
170 15 prior to the crediting of revenues to the road use tax fund  
170 16 under section ~~423.24~~ 423.43, subsection 1, paragraph "b", the  
170 17 treasurer of state shall transfer monthly from those revenues  
170 18 to the department for use in accordance with section 321.180B,  
170 19 subsection 6, the amount of the special fees collected in the  
170 20 previous month for the motorcycle rider education plates.

170 21 Sec. 169. Section 321.34, subsection 13, paragraph d, Code  
170 22 2003, is amended to read as follows:  
170 23 d. A state agency may submit a request to the department  
170 24 recommending a special registration plate. The alternate fee  
170 25 for letter number designated plates is thirty-five dollars  
170 26 with a ten dollar annual special renewal fee. The fee for  
170 27 personalized plates is twenty-five dollars which is in  
170 28 addition to the alternative fee of thirty-five dollars with an  
170 29 annual personalized plate renewal fee of five dollars which is  
170 30 in addition to the special renewal fee of ten dollars. The  
170 31 alternate fees are in addition to the regular annual  
170 32 registration fee. The alternate fees collected under this  
170 33 paragraph shall be paid monthly to the treasurer of state and  
170 34 credited to the road use tax fund. Notwithstanding section  
170 35 ~~423.24~~ 423.43, and prior to the crediting of the revenues to  
171 1 the road use tax fund under section ~~423.24~~ 423.43, subsection  
171 2 1, paragraph "b", the treasurer of state shall credit monthly  
171 3 the amount of the alternate fees collected in the previous  
171 4 month to the state agency that recommended the special  
171 5 registration plate.



171 6 Sec. 170. Section 321.34, subsection 21, paragraph c, Code  
171 7 2003, is amended to read as follows:  
171 8 c. The special fees collected by the director under this  
171 9 subsection shall be paid monthly to the treasurer of state and  
171 10 credited to the road use tax fund. Notwithstanding section  
171 11 ~~423.24~~ 423.43, and prior to the crediting of revenues to the  
171 12 road use tax fund under section ~~423.24~~ 423.43, subsection 1,  
171 13 paragraph "b", the treasurer of state shall credit monthly to  
171 14 the Iowa heritage fund created under section 303.9A the amount  
171 15 of the special fees collected in the previous month for the  
171 16 Iowa heritage plates.

171 17 Sec. 171. Section 321.34, subsection 22, paragraph b, Code  
171 18 2003, is amended to read as follows:  
171 19 b. The special school transportation fee for letter number  
171 20 designated education plates is thirty-five dollars. The fee  
171 21 for personalized education plates is twenty-five dollars,  
171 22 which shall be paid in addition to the special school  
171 23 transportation fee of thirty-five dollars. The annual special  
171 24 school transportation fee is ten dollars for letter number  
171 25 designated registration plates and is fifteen dollars for  
171 26 personalized registration plates which shall be paid in  
171 27 addition to the regular annual registration fee. The fees  
171 28 collected by the director under this subsection shall be paid  
171 29 monthly to the treasurer of state and credited to the road use  
171 30 tax fund. Notwithstanding section ~~423.24~~ 423.43, and prior to  
171 31 the crediting of revenues to the road use tax fund under  
171 32 section ~~423.24~~ 423.43, subsection 1, paragraph "b", the  
171 33 treasurer of state shall transfer monthly from those revenues  
171 34 to the school budget review committee in accordance with  
171 35 section 257.31, subsection 17, the amount of the special  
172 1 school transportation fees collected in the previous month for  
172 2 the education plates.

172 3 Sec. 172. Section 321F.9, Code 2003, is amended to read as  
172 4 follows:  
172 5 321F.9 OPTION TO PURCHASE — DEALER'S LICENSE.  
172 6 Any person engaged in business in this state shall not

172 7 enter into any agreement for the use of a motor vehicle under  
172 8 the terms of which ~~such~~ that person grants to another an  
172 9 option to purchase ~~such~~ the motor vehicle without first having  
172 10 obtained a motor vehicle dealer's license under the provisions  
172 11 of chapter 322, and all sales of motor vehicles under such  
172 12 options shall be subject to sales or use taxes imposed under  
172 13 the provisions of ~~chapters 422 and~~ chapter 423. Nothing  
172 14 contained in this section shall require such person to have a  
172 15 place of business as provided by section 322.6, subsection 8.

172 16 Sec. 173. Section 3271.26, Code 2003, is amended to read  
172 17 as follows:  
172 18 3271.26 APPROPRIATION TO AUTHORITY.  
172 19 Notwithstanding section ~~423.24~~ 423.43, and prior to the  
172 20 application of section ~~423.24~~ 423.43, subsection 1, paragraph  
172 21 "b", there shall be deposited into the general fund of the  
172 22 state and is appropriated to the authority from eighty percent  
172 23 of the revenues derived from the operation of section ~~423.7~~  
172 24 423.26, the amounts certified by the authority under section  
172 25 3271.25. However, the total amount deposited into the general  
172 26 fund and appropriated to the Iowa railway finance authority  
172 27 under this section shall not exceed two million dollars  
172 28 annually. Moneys appropriated to the Iowa railway finance  
172 29 authority under this section are appropriated only for the  
172 30 payment of principal and interest on obligations or the  
172 31 payment of leases guaranteed by the authority as provided  
172 32 under section 3271.25.

172 33 Sec. 174. Section 328.26, unnumbered paragraph 2, Code  
172 34 2003, is amended to read as follows:  
172 35 When an aircraft is registered to a person for the first  
173 1 time the fee submitted to the department shall include the tax  
173 2 imposed by section ~~422.43~~ 423.2 or section ~~423.2~~ 423.5 or  
173 3 evidence of the exemption of the aircraft from the tax imposed  
173 4 under section ~~422.43~~ 423.2 or ~~423.2~~ 423.5.

173 5 Sec. 175. Section 331.557, subsection 3, Code 2003, is  
173 6 amended to read as follows:

173 7 3. Collect the use tax on vehicles subject to registration  
173 8 as provided in sections ~~423.6, 423.7, and 423.7A~~ 423.14,  
173 9 423.26, and 423.27.

173 10 Sec. 176. Section 357A.15, unnumbered paragraph 2, Code  
173 11 2003, is amended to read as follows:  
173 12 A rural water district organized under chapter 504A shall  
173 13 receive a refund of sales or use taxes upon submitting an  
173 14 application to the department of revenue and finance for ~~such~~  
173 15 the refund of taxes imposed upon the ~~gross receipts~~ sales  
173 16 price of all sales of building materials, supplies, or  
173 17 equipment sold to a contractor or used in the fulfillment of a  
173 18 written contract for the construction of facilities for ~~such~~  
173 19 the rural water district to the same extent as a rural water  
173 20 district organized under this chapter may obtain a refund  
173 21 under section ~~422.45~~ 423.4, subsection ~~7~~ 1.

173 22 Sec. 177. Section 421.10, Code 2003, is amended to read as  
173 23 follows:  
173 24 421.10 APPEAL PERIOD — APPLICABILITY.  
173 25 The appeal period for revision of assessment of tax,  
173 26 interest, and penalties set out under section 422.28, ~~422.54~~  
173 27 423.37, 437A.9, 437A.22, 452A.64, 453A.29, or 453A.46 applies  
173 28 to appeals to notices from the department denying changes in  
173 29 filing methods, denying refund claims, and denying portions of  
173 30 refund claims for the tax covered by that section, and notices  
173 31 of any department action directed to a specific taxpayer,  
173 32 other than licensing, which involves a calculation.

173 33 Sec. 178. Section 421.17, subsection 22B, Code 2003, is  
173 34 amended to read as follows:  
173 35 22B. ~~Enter~~ To enter into agreements or compacts with  
174 1 remote sellers, retailers, or third-party providers for the  
174 2 voluntary collection of Iowa sales or use taxes attributable  
174 3 to sales into Iowa ~~and to enter~~. The director has the  
174 4 authority to enter into and perform all duties required of the  
174 5 office of director by multistate agreements or compacts that  
174 6 provide for the ~~voluntary~~ collection of sales and use taxes.

174 7 including joint audits with other states or audits on behalf  
174 8 of other states. The agreements or compacts shall generally  
174 9 conform to the provisions of Iowa sales and use tax statutes.  
174 10 All fees for services, reimbursements, remuneration,  
174 11 incentives, and costs incurred by the department associated  
174 12 with these agreements or compacts may be paid or reimbursed  
174 13 from the additional revenue generated. An amount is  
174 14 appropriated from amounts generated to pay or reimburse all  
174 15 costs associated with this subsection. Persons entering into  
174 16 an agreement or compact with the department pursuant to this  
174 17 subsection are subject to the requirements and penalties of  
174 18 the confidentiality laws of this state regarding tax  
174 19 information. Notwithstanding any other provisions of law, the  
174 20 contract, agreement, or compact shall provide for the  
174 21 registration, collection, report, and verification of amounts  
174 22 subject to this subsection.

174 23 Sec. 179. Section 421.17, subsection 29, paragraph j, Code  
174 24 2003, is amended to read as follows:  
174 25 j. The department's existing right to credit against tax  
174 26 due or to become due under section 422.73 or 423.47 is not to  
174 27 be impaired by a right granted to or a duty imposed upon the  
174 28 department or other state agency by this subsection. This  
174 29 subsection is not intended to impose upon the department any  
174 30 additional requirement of notice, hearing, or appeal  
174 31 concerning the right to credit against tax due under section  
174 32 422.73 or 423.47.

174 33 Sec. 180. Section 421.17, subsection 34, paragraph i, Code  
174 34 2003, is amended to read as follows:  
174 35 i. The director may distribute to credit reporting  
175 1 entities and for publication the names, addresses, and amounts  
175 2 of indebtedness owed to or being collected by the state if the  
175 3 indebtedness is subject to the centralized debt collection  
175 4 procedure established in this subsection. The director shall  
175 5 adopt rules to administer this paragraph, and the rules shall  
175 6 provide guidelines by which the director shall determine which  
175 7 names, addresses, and amounts of indebtedness may be

175 8 distributed for publication. The director may distribute  
175 9 information for publication pursuant to this paragraph,  
175 10 notwithstanding sections 422.20, 422.72, and ~~423.23~~ 423.42, or  
175 11 any other provision of state law to the contrary pertaining to  
175 12 confidentiality of information.

175 13 Sec. 181. Section 421.26, Code 2003, is amended to read as  
175 14 follows:

175 15 421.26 PERSONAL LIABILITY FOR TAX DUE.

175 16 If a licensee or other person under section 452A.65, a  
175 17 retailer or purchaser under chapter 422A or 422B, or section  
175 18 ~~422.52~~ 423.31 or 423.33, or a retailer or purchaser under  
175 19 section ~~423.13~~ 423.32 or a user under section ~~423.14~~ 423.34  
175 20 fails to pay a tax under those sections when due, an officer  
175 21 of a corporation or association, notwithstanding sections  
175 22 490A.601 and 490A.602, a member or manager of a limited  
175 23 liability company, or a partner of a partnership, having  
175 24 control or supervision of or the authority for remitting the  
175 25 tax payments and having a substantial legal or equitable  
175 26 interest in the ownership of the corporation, association,  
175 27 limited liability company, or partnership, who has  
175 28 intentionally failed to pay the tax is personally liable for  
175 29 the payment of the tax, interest, and penalty due and unpaid.  
175 30 However, this section shall not apply to taxes on accounts  
175 31 receivable. The dissolution of a corporation, association,  
175 32 limited liability company, or partnership shall not discharge  
175 33 a person's liability for failure to remit the tax due.

175 34 Sec. 182. Section 421.28, Code 2003, is amended to read as  
175 35 follows:

176 1 421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.

176 2 The immediate successor to a licensee's or retailer's  
176 3 business or stock of goods under chapter 422A or 422B, or  
176 4 section ~~422.52~~, ~~423.13~~, ~~423.14~~, 423.33 or 452A.65, is not  
176 5 personally liable for the amount of delinquent tax, interest,  
176 6 or penalty due and unpaid if the immediate successor shows  
176 7 that the purchase of the business or stock of goods was made  
176 8 in good faith that no delinquent tax, interest, or penalty was

176 9 due and unpaid. For purposes of this section the immediate  
176 10 successor shows good faith by evidence that the department had  
176 11 provided the immediate successor with a certified statement  
176 12 that no delinquent tax, interest, or penalty is unpaid, or  
176 13 that the immediate successor had taken in good faith a  
176 14 certified statement from the licensee, retailer, or seller  
176 15 that no delinquent tax, interest, or penalty is unpaid. When  
176 16 requested to do so by a person with whom the licensee or  
176 17 retailer is negotiating the sale of the business or stock of  
176 18 goods, the director of revenue and finance shall, upon being  
176 19 satisfied that such a situation exists, inform that person as  
176 20 to the amount of unpaid delinquent tax, interest, or penalty  
176 21 due by the licensee or the retailer. The giving of the  
176 22 information under this circumstance is not a violation of  
176 23 section 422.20, 422.72, or 452A.63.

176 24 Sec. 183. Section 421B.11, unnumbered paragraph 3, Code  
176 25 2003, is amended to read as follows:  
176 26 Judicial review of the actions of the director may be  
176 27 sought in accordance with the terms of the Iowa administrative  
176 28 procedure Act, and section ~~422.55~~ 423.38.

176 29 Sec. 184. Section 422.7, subsection 21, paragraph a,  
176 30 subparagraph (1), unnumbered paragraph 1, Code 2003, is  
176 31 amended to read as follows:  
176 32 Net capital gain from the sale of real property used in a  
176 33 business, in which the taxpayer materially participated for  
176 34 ten years, as defined in section 469(h) of the Internal  
176 35 Revenue Code, and which has been held for a minimum of ten  
177 1 years, or from the sale of a business, as defined in section  
177 2 ~~422.42~~ 423.1, in which the taxpayer was employed or in which  
177 3 the taxpayer materially participated for ten years, as defined  
177 4 in section 469(h) of the Internal Revenue Code, and which has  
177 5 been held for a minimum of ten years. The sale of a business  
177 6 means the sale of all or substantially all of the tangible  
177 7 personal property or service of the business.

177 8 Sec. 185. Section 422.73, subsection 1, Code 2003, is

177 9 amended by striking the subsection.

177 10 Sec. 186. Section 422A.1, unnumbered paragraphs 1, 3, 7,  
177 11 and 8, Code 2003, are amended to read as follows:  
177 12 A city or county may impose by ordinance of the city  
177 13 council or by resolution of the board of supervisors a hotel  
177 14 and motel tax, at a rate not to exceed seven percent, which  
177 15 shall be imposed in increments of one or more full percentage  
177 16 points upon the ~~gross receipts~~ sales price from the renting of  
177 17 sleeping rooms, apartments, or sleeping quarters in a hotel,  
177 18 motel, inn, public lodging house, rooming house, manufactured  
177 19 or mobile home which is tangible personal property, or tourist  
177 20 court, or in any place where sleeping accommodations are  
177 21 furnished to transient guests for rent, whether with or  
177 22 without meals; except the ~~gross receipts~~ sales price from the  
177 23 renting of sleeping rooms in dormitories and in memorial  
177 24 unions at all universities and colleges located in the state  
177 25 of Iowa and the guests of a religious institution if the  
177 26 property is exempt under section 427.1, subsection 8, and the  
177 27 purpose of renting is to provide a place for a religious  
177 28 retreat or function and not a place for transient guests  
177 29 generally. The tax when imposed by a city shall apply only  
177 30 within the corporate boundaries of that city and when imposed  
177 31 by a county shall apply only outside incorporated areas within  
177 32 that county. "Renting" and "rent" include any kind of direct  
177 33 or indirect charge for such sleeping rooms, apartments, or  
177 34 sleeping quarters, or their use. However, the tax does not  
177 35 apply to the ~~gross receipts~~ sales price from the renting of a  
178 1 sleeping room, apartment, or sleeping quarters while rented by  
178 2 the same person for a period of more than thirty-one  
178 3 consecutive days.  
178 4 A local hotel and motel tax shall be imposed on January 1,  
178 5 April 1, July 1, or October 1, following the notification of  
178 6 the director of revenue and finance. Once imposed, the tax  
178 7 shall remain in effect at the rate imposed for a minimum of  
178 8 one year. A local hotel and motel tax shall terminate only on  
178 9 March 31, June 30, September 30, or December 31. At least  
178 10 ~~forty-five~~ sixty days prior to the tax being effective or

178 11 prior to a revision in the tax rate, or prior to the repeal of  
178 12 the tax, a city or county shall provide notice by mail of such  
178 13 action to the director of revenue and finance.  
178 14 No tax permit other than the state sales tax permit  
178 15 required under section ~~422.53~~ 423.36 may be required by local  
178 16 authorities.  
178 17 The tax levied shall be in addition to any state sales tax  
178 18 imposed under section ~~422.43~~ 423.2. Section 422.25,  
178 19 subsection 4, sections 422.30, ~~422.48 to 422.52, 422.54 to~~  
178 20 ~~422.58, 422.67, and 422.68, section 422.69, subsection 1, and~~  
178 21 sections 422.70 to 422.75, section 423.14, subsection 1, and  
178 22 sections 423.23, 423.24, 423.25, 423.31, 423.33, 423.35,  
178 23 423.37 to 423.42, and 423.47, consistent with the provisions  
178 24 of this chapter, apply with respect to the taxes authorized  
178 25 under this chapter, in the same manner and with the same  
178 26 effect as if the hotel and motel taxes were retail sales taxes  
178 27 within the meaning of those statutes. Notwithstanding this  
178 28 paragraph, the director shall provide for quarterly filing of  
178 29 returns ~~as prescribed in section 422.51~~ and for other than  
178 30 quarterly filing of returns both as prescribed in section  
178 31 ~~422.51, subsection 2~~ 423.31. The director may require all  
178 32 persons, as defined in section ~~422.42~~ 423.1, who are engaged  
178 33 in the business of deriving ~~gross receipts~~ any sales price  
178 34 subject to tax under this chapter, to register with the  
178 35 department.

179 1 Sec. 187. Section 422B.8, Code 2003, is amended to read as  
179 2 follows:  
179 3 422B.8 LOCAL SALES AND SERVICES TAX.  
179 4 A local sales and services tax at the rate of not more than  
179 5 one percent may be imposed by a county on the ~~gross receipts~~  
179 6 sales price taxed by the state under chapter ~~422~~ 423, ~~division~~  
179 7 ~~IV~~ subchapter II. A local sales and services tax shall be  
179 8 imposed on the same basis as the state sales and services tax  
179 9 or in the case of the use of natural gas, natural gas service,  
179 10 electricity, or electric service on the same basis as the  
179 11 state use tax and shall not be imposed on the sale of any  
179 12 property or on any service not taxed by the state, except the



179 13 tax shall not be imposed on the ~~gross receipts~~ sales price  
179 14 from the sale of motor fuel or special fuel as defined in  
179 15 chapter 452A which is consumed for highway use or in  
179 16 watercraft or aircraft if the fuel tax is paid on the  
179 17 transaction and a refund has not or will not be allowed, on  
179 18 the ~~gross receipts~~ sales price from the rental of rooms,  
179 19 apartments, or sleeping quarters which are taxed under chapter  
179 20 422A during the period the hotel and motel tax is imposed, on  
179 21 the ~~gross receipts~~ sales price from the sale of equipment by  
179 22 the state department of transportation, on the ~~gross receipts~~  
179 23 sales price from the sale of self-propelled building  
179 24 equipment, pile drivers, motorized scaffolding, or attachments  
179 25 customarily drawn or attached to self-propelled building  
179 26 equipment, pile drivers, and motorized scaffolding, including  
179 27 auxiliary attachments which improve the performance, safety,  
179 28 operation, or efficiency of the equipment and replacement  
179 29 parts and are directly and primarily used by contractors,  
179 30 subcontractors, and builders for new construction,  
179 31 reconstruction, alterations, expansion, or remodeling of real  
179 32 property or structures, and on the ~~gross receipts~~ sales price  
179 33 from the sale of a lottery ticket or share in a lottery game  
179 34 conducted pursuant to chapter 99E and except the tax shall not  
179 35 be imposed on the ~~gross receipts~~ sales price from the sale or  
180 1 use of natural gas, natural gas service, electricity, or  
180 2 electric service in a city or county where the ~~gross receipts~~  
180 3 sales price from the sale of natural gas or electric energy  
180 4 are subject to a franchise fee or user fee during the period  
180 5 the franchise or user fee is imposed. A local sales and  
180 6 services tax is applicable to transactions within those  
180 7 incorporated and unincorporated areas of the county where it  
180 8 is imposed and shall be collected by all persons required to  
180 9 collect state ~~gross receipts~~ sales taxes. However, a person  
180 10 required to collect state retail sales tax under chapter 422  
180 11 ~~423, division IV~~ subchapter V or VI, is not required to  
180 12 collect local sales and services tax on transactions delivered  
180 13 within the area where the local sales and services tax is  
180 14 imposed unless the person has physical presence in that taxing  
180 15 area. All cities contiguous to each other shall be treated as

180 16 part of one incorporated area and the tax would be imposed in  
180 17 each of those contiguous cities only if the majority of those  
180 18 voting in the total area covered by the contiguous cities  
180 19 favor its imposition.  
180 20 The amount of the sale, for purposes of determining the  
180 21 amount of the local sales and services tax, does not include  
180 22 the amount of any state ~~gross receipts taxes~~ sales tax.  
180 23 A tax permit other than the state sales tax permit required  
180 24 under section ~~422.53 or 423.10~~ 423.36 shall not be required by  
180 25 local authorities.  
180 26 If a local sales and services tax is imposed by a county  
180 27 pursuant to this chapter, a local excise tax at the same rate  
180 28 shall be imposed by the county on the purchase price of  
180 29 natural gas, natural gas service, electricity, or electric  
180 30 service subject to tax under chapter 423, subchapter III, and  
180 31 not exempted from tax by any provision of chapter 423,  
180 32 subchapter III. The local excise tax is applicable only to  
180 33 the use of natural gas, natural gas service, electricity, or  
180 34 electric service within those incorporated and unincorporated  
180 35 areas of the county where it is imposed and, except as  
181 1 otherwise provided in this chapter, shall be collected and  
181 2 administered in the same manner as the local sales and  
181 3 services tax. For purposes of this chapter, "local sales and  
181 4 services tax" shall also include the local excise tax.

181 5 Sec. 188. Section 422B.9, subsections 1 and 2, Code 2003,  
181 6 are amended to read as follows:  
181 7 1. a. A local sales and services tax shall be imposed  
181 8 either January 1 or July 1 following the notification of the  
181 9 director of revenue and finance but not sooner than ninety  
181 10 days following the favorable election and not sooner than  
181 11 sixty days following notice to sellers, as defined in section  
181 12 423.1. However, a jurisdiction which has voted to continue  
181 13 imposition of the tax may impose that tax without repeal of  
181 14 the prior tax.  
181 15 b. A local sales and services tax shall be repealed only  
181 16 on June 30 or December 31 but not sooner than ninety days  
181 17 following the favorable election if one is held. However, a

181 18 local sales and services tax shall not be repealed before the  
181 19 tax has been in effect for one year. At least forty days  
181 20 before the imposition or repeal of the tax, a county shall  
181 21 provide notice of the action by certified mail to the director  
181 22 of revenue and finance.

181 23 c. The imposition of or a rate change for a local sales  
181 24 and service tax shall not be applied to purchases from a  
181 25 printed catalog wherein a purchaser computes the local tax  
181 26 based on rates published in the catalog unless a minimum of  
181 27 one hundred twenty days' notice of the imposition or rate  
181 28 change has been given to the seller from the catalog and the  
181 29 first day of a calendar quarter has occurred on or after the  
181 30 one hundred twentieth day.

181 31 ~~e. d.~~ If a local sales and services tax has been imposed  
181 32 prior to April 1, 2000, and at the time of the election a date  
181 33 for repeal was specified on the ballot, the local sales and  
181 34 services tax may be repealed on that date, notwithstanding  
181 35 paragraph "b".

182 1 2. a. The director of revenue and finance shall  
182 2 administer a local sales and services tax as nearly as  
182 3 possible in conjunction with the administration of state ~~gross~~  
182 4 ~~receipts sales~~ tax laws. The director shall provide  
182 5 appropriate forms or provide on the regular state tax forms  
182 6 for reporting local sales and services tax liability.  
182 7 b. The ordinance of a county board of supervisors imposing  
182 8 a local sales and services tax shall adopt by reference the  
182 9 applicable provisions of the appropriate sections of ~~chapter~~  
182 10 ~~422, division IV, and~~ chapter 423. All powers and  
182 11 requirements of the director to administer the state ~~gross~~  
182 12 ~~receipts sales~~ tax law and use tax law are applicable to the  
182 13 administration of a local sales and services tax law and the  
182 14 local excise tax, including but not limited to, the provisions  
182 15 of section 422.25, subsection 4, sections 422.30, ~~422.48 to~~  
182 16 ~~422.52, 422.54 to 422.58, 422.67, and 422.68, section 422.69,~~  
182 17 subsection 1, sections 422.70 to 422.75, ~~423.6, subsections 2~~  
182 18 ~~to 4, and sections 423.11 to 423.18, and 423.21 section~~  
182 19 423.14, subsection 1 and subsection 2, paragraphs "b" through  
182 20 "e", and sections 423.15, 423.23, 423.24, 423.25, 423.31 to

182 21 423.35, 423.37 to 423.42, 423.46, and 423.47. Local officials  
182 22 shall confer with the director of revenue and finance for  
182 23 assistance in drafting the ordinance imposing a local sales  
182 24 and services tax. A certified copy of the ordinance shall be  
182 25 filed with the director as soon as possible after passage.  
182 26 c. Frequency of deposits and quarterly reports of a local  
182 27 sales and services tax with the department of revenue and  
182 28 finance are governed by the tax provisions in section ~~422.52~~  
182 29 423.31. Local tax collections shall not be included in  
182 30 computation of the total tax to determine frequency of filing  
182 31 under section ~~422.52~~ 423.31.  
182 32 d. The director shall apply a boundary change of a county  
182 33 or city imposing or collecting the local sales and service tax  
182 34 to the imposition or collection of that tax only on the first  
182 35 day of a calendar quarter which occurs sixty days or more  
183 1 after the director has given notice of the boundary change to  
183 2 sellers.

183 3 Sec. 189. Section 422C.2, subsections 4 and 6, Code 2003,  
183 4 are amended to read as follows:  
183 5 4. "Person" means person as defined in section ~~422.42~~  
183 6 423.1.  
183 7 6. "Rental price" means the consideration for renting an  
183 8 automobile valued in money, and means the same as "~~gross~~  
183 9 ~~taxable services~~" "sales price" as defined in section ~~422.42~~  
183 10 423.1.

183 11 Sec. 190. Section 422C.3, Code 2003, is amended to read as  
183 12 follows:  
183 13 422C.3 TAX ON RENTAL OF AUTOMOBILES.  
183 14 1. A tax of five percent is imposed upon the rental price  
183 15 of an automobile if the rental transaction is subject to the  
183 16 sales and services tax under chapter ~~422 423, division IV~~  
183 17 subchapter II, or the use tax under chapter 423, subchapter  
183 18 III. The tax shall not be imposed on any rental transaction  
183 19 not taxable under the state sales and services tax, as  
183 20 provided in section ~~422.45~~ 423.3, or the state use tax, as  
183 21 provided in section ~~423.4~~ 423.6, on automobile rental

183 22 receipts.

183 23 2. The lessor shall collect the tax by adding the tax to  
183 24 the rental price of the automobile.

183 25 3. The tax, when collected, shall be stated as a distinct  
183 26 item separate and apart from the rental price of the  
183 27 automobile and the sales and services tax imposed under  
183 28 chapter ~~422~~ 423, ~~division IV~~ subchapter II, or the use tax  
183 29 imposed under chapter 423, subchapter III.

183 30 Sec. 191. Section 422C.4, Code 2003, is amended to read as  
183 31 follows:

183 32 422C.4 ADMINISTRATION AND ENFORCEMENT.

183 33 All powers and requirements of the director of revenue and  
183 34 finance to administer the state ~~gross receipts~~ sales tax law  
183 35 under chapter ~~422~~, ~~division IV~~, 423 are applicable to the  
184 1 administration of the tax imposed under section 422C.3,  
184 2 including but not limited to section 422.25, subsection 4,  
184 3 sections 422.30, ~~422.48 through 422.52, 422.54 through 422.58,~~  
184 4 422.67, and 422.68, section 422.69, subsection 1, ~~and~~ sections  
184 5 422.70 through 422.75, section 423.14, subsection 1, and  
184 6 sections 423.15, 423.23, 423.24, 423.25, 423.31, 423.33,  
184 7 423.35 and 423.37 through 423.42, 423.45, 423.46, and 423.47.  
184 8 However, as an exception to the powers specified in section  
184 9 ~~422.52, subsection 4~~ 423.31, the director shall only require  
184 10 the filing of quarterly reports.

184 11 Sec. 192. Section 422E.1, subsection 1, is amended to read  
184 12 as follows:

184 13 1. A local sales and services tax for school  
184 14 infrastructure purposes may be imposed by a county on behalf  
184 15 of school districts as provided in this chapter.  
184 16 If a local sales and services tax for school infrastructure  
184 17 is imposed by a county pursuant to this chapter, a local  
184 18 excise tax for school infrastructure at the same rate shall be  
184 19 imposed by the county on the purchase price of natural gas,  
184 20 natural gas service, electricity, or electric service subject  
184 21 to tax under chapter 423, subchapter III, and not exempted  
184 22 from tax by any provision of chapter 423, subchapter III. The

184 23 local excise tax for school infrastructure is applicable only  
184 24 to the use of natural gas, natural gas service, electricity,  
184 25 or electric service within those incorporated and  
184 26 unincorporated areas of the county where it is imposed and,  
184 27 except as otherwise provided in this chapter, shall be  
184 28 collected and administered in the same manner as the local  
184 29 sales and services tax for school infrastructure. For  
184 30 purposes of this chapter, "local sales and services tax for  
184 31 school infrastructure" shall also include the local excise tax  
184 32 for school infrastructure.

184 33 Sec. 193. Section 422E.3, subsections 1, 2, and 3, Code  
184 34 2003, are amended to read as follows:

184 35 1. If a majority of those voting on the question of  
185 1 imposition of a local sales and services tax for school  
185 2 infrastructure purposes favors imposition of the tax, the tax  
185 3 shall be imposed by the county board of supervisors within the  
185 4 county pursuant to section 422E.2, at the rate specified for a  
185 5 ten-year duration on the ~~gross receipts~~ sales price taxed by  
185 6 the state under chapter 422 ~~423, division IV subchapter II.~~  
185 7 2. The tax shall be imposed on the same basis as the state  
185 8 sales and services tax or in the case of the use of natural  
185 9 gas, natural gas service, electricity, or electric service on  
185 10 the same basis as the state use tax and shall not be imposed  
185 11 on the sale of any property or on any service not taxed by the  
185 12 state, except the tax shall not be imposed on the ~~gross~~  
185 13 ~~receipts~~ sales price from the sale of motor fuel or special  
185 14 fuel as defined in chapter 452A which is consumed for highway  
185 15 use or in watercraft or aircraft if the fuel tax is paid on  
185 16 the transaction and a refund has not or will not be allowed,  
185 17 on the ~~gross receipts~~ sales price from the rental of rooms,  
185 18 apartments, or sleeping quarters which are taxed under chapter  
185 19 422A during the period the hotel and motel tax is imposed, on  
185 20 the ~~gross receipts~~ sales price from the sale of equipment by  
185 21 the state department of transportation, on the ~~gross receipts~~  
185 22 sales price from the sale of self-propelled building  
185 23 equipment, pile drivers, motorized scaffolding, or attachments  
185 24 customarily drawn or attached to self-propelled building

185 25 equipment, pile drivers, and motorized scaffolding, including  
185 26 auxiliary attachments which improve the performance, safety,  
185 27 operation, or efficiency of the equipment, and replacement  
185 28 parts and are directly and primarily used by contractors,  
185 29 subcontractors, and builders for new construction,  
185 30 reconstruction, alterations, expansion, or remodeling of real  
185 31 property or structures, and on the ~~gross receipts~~ sales price  
185 32 from the sale of a lottery ticket or share in a lottery game  
185 33 conducted pursuant to chapter 99E and except the tax shall not  
185 34 be imposed on the ~~gross receipts~~ sales price from the sale or  
185 35 use of natural gas, natural gas service, electricity, or  
186 1 electric service in a city or county where the ~~gross receipts~~  
186 2 sales price from the sale of natural gas or electric energy  
186 3 are subject to a franchise fee or user fee during the period  
186 4 the franchise or user fee is imposed.

186 5 3. The tax is applicable to transactions within the county  
186 6 where it is imposed and shall be collected by all persons  
186 7 required to collect state ~~gross receipts~~ sales or local excise  
186 8 taxes. However, a person required to collect state ~~retail~~  
186 9 sales tax under chapter ~~422, division IV, 423~~ is not required  
186 10 to collect local sales and services tax on transactions  
186 11 delivered within the area where the local sales and services  
186 12 tax is imposed unless the person has physical presence in that  
186 13 taxing area. The amount of the sale, for purposes of  
186 14 determining the amount of the tax, does not include the amount  
186 15 of any state ~~gross receipts~~ sales taxes or excise taxes or  
186 16 other local option sales or excise taxes. A tax permit other  
186 17 than the state tax permit required under section ~~422.53 or~~  
186 18 ~~423.10~~ 423.36 shall not be required by local authorities.

186 19 Sec. 194. Section 425.30, Code 2003, is amended to read as  
186 20 follows:

186 21 425.30 NOTICES.

186 22 Section ~~422.57~~ 423.39, subsection 1, shall apply to all  
186 23 notices under this division.

186 24 Sec. 195. Section 425.31, Code 2003, is amended to read as  
186 25 follows:

186 26 425.31 APPEALS.

186 27 Any person aggrieved by an act or decision of the director  
186 28 of revenue and finance or the department of revenue and  
186 29 finance under this division shall have the same rights of  
186 30 appeal and review as provided in sections 421.1 and ~~422.55~~  
186 31 423.38 and the rules of the department of revenue and finance.

186 32 Sec. 196. Section 452A.66, unnumbered paragraph 1, Code  
186 33 2003, is amended to read as follows:

186 34 The appropriate state agency shall administer the taxes  
186 35 imposed by this chapter in the same manner as and subject to  
187 1 section 422.25, subsection 4 and section ~~422.52, subsection 3~~  
187 2 423.35.

187 3 Sec. 197. Section 455B.455, Code 2003, is amended to read  
187 4 as follows:

187 5 455B.455 SURCHARGE IMPOSED.

187 6 A land burial surcharge tax of two percent is imposed on  
187 7 the fee for land burial of a hazardous waste. The owner of  
187 8 the land burial facility shall remit the tax collected to the  
187 9 director of revenue and finance after consultation with the  
187 10 director according to rules that the director shall adopt.  
187 11 The director shall forward a copy of the site license to the  
187 12 director of revenue and finance which shall be the appropriate  
187 13 license for the collection of the land burial surcharge tax  
187 14 and shall be subject to suspension or revocation if the site  
187 15 license holder fails to collect or remit the tax collected  
187 16 under this section. The provisions of ~~sections~~ section  
187 17 422.25, subsection 4, sections 422.30, 422.48 to 422.52,  
187 18 422.54 to 422.58, 422.67, and 422.68, section 422.69,  
187 19 subsection 1, and sections 422.70 to 422.75, section 423.14,  
187 20 subsection 1, and sections 423.23, 423.24, 423.25, 423.31,  
187 21 423.33, 423.35, 423.37 to 423.42, and 423.47, consistent with  
187 22 the provisions of this part 6 of division IV, shall apply with  
187 23 respect to the taxes authorized under this part, in the same  
187 24 manner and with the same effect as if the land burial  
187 25 surcharge tax were ~~retail~~ sales taxes within the meaning of  
187 26 those statutes. Notwithstanding the provisions of this



187 27 ~~paragraph section~~, the director shall provide for only  
187 28 quarterly filing of returns as prescribed in section ~~422.51~~  
187 29 423.31. Taxes collected by the director of revenue and  
187 30 finance under this section shall be deposited in the general  
187 31 fund of the state.

187 32 Sec. 198. Section 455G.3, subsection 1, Code 2003, is  
187 33 amended to read as follows:  
187 34 1. The Iowa comprehensive petroleum underground storage  
187 35 tank fund is created as a separate fund in the state treasury,  
188 1 and any funds remaining in the fund at the end of each fiscal  
188 2 year shall not revert to the general fund but shall remain in  
188 3 the Iowa comprehensive petroleum underground storage tank  
188 4 fund. Interest or other income earned by the fund shall be  
188 5 deposited in the fund. The fund shall include moneys credited  
188 6 to the fund under this section, section ~~423.24~~ 423.43,  
188 7 subsection 1, paragraph "a", and sections 455G.8, 455G.9, and  
188 8 455G.11, and other funds which by law may be credited to the  
188 9 fund. The moneys in the fund are appropriated to and for the  
188 10 purposes of the board as provided in this chapter. Amounts in  
188 11 the fund shall not be subject to appropriation for any other  
188 12 purpose by the general assembly, but shall be used only for  
188 13 the purposes set forth in this chapter. The treasurer of  
188 14 state shall act as custodian of the fund and disburse amounts  
188 15 contained in it as directed by the board including automatic  
188 16 disbursements of funds as received pursuant to the terms of  
188 17 bond indentures and documents and security provisions to  
188 18 trustees and custodians. The treasurer of state is authorized  
188 19 to invest the funds deposited in the fund at the direction of  
188 20 the board and subject to any limitations contained in any  
188 21 applicable bond proceedings. The income from such investment  
188 22 shall be credited to and deposited in the fund. The fund  
188 23 shall be administered by the board which shall make  
188 24 expenditures from the fund consistent with the purposes of the  
188 25 programs set out in this chapter without further  
188 26 appropriation. The fund may be divided into different  
188 27 accounts with different depositories as determined by the  
188 28 board and to fulfill the purposes of this chapter.

188 29 Sec. 199. Section 455G.6, subsection 4, Code 2003, is  
188 30 amended to read as follows:  
188 31 4. Grant a mortgage, lien, pledge, assignment, or other  
188 32 encumbrance on one or more improvements, revenues, asset of  
188 33 right, accounts, or funds established or received in  
188 34 connection with the fund, including revenues derived from the  
188 35 use tax under section ~~423.24~~ 423.43, subsection 1, paragraph  
189 1 "a", and deposited in the fund or an account of the fund.

189 2 Sec. 200. Section 455G.8, subsection 2, Code 2003, is  
189 3 amended to read as follows:  
189 4 2. USE TAX. The revenues derived from the use tax imposed  
189 5 under chapter 423, subchapter III. The proceeds of the use  
189 6 tax under section ~~423.24~~ 423.43, subsection 1, paragraph "a",  
189 7 shall be allocated, consistent with this chapter, among the  
189 8 fund's accounts, for debt service and other fund expenses,  
189 9 according to the fund budget, resolution, trust agreement, or  
189 10 other instrument prepared or entered into by the board or  
189 11 authority under direction of the board.

189 12 Sec. 201. Section 455G.9, subsection 2, Code 2003, is  
189 13 amended to read as follows:  
189 14 2. REMEDIAL ACCOUNT FUNDING. The remedial account shall  
189 15 be funded by that portion of the proceeds of the use tax  
189 16 imposed under chapter 423, subchapter III, and other moneys  
189 17 and revenues budgeted to the remedial account by the board.

189 18 Sec. 202. Section 2.67, Code 2003, is repealed.

189 19 Sec. 203. CODE EDITOR DIRECTIVE. The Code editor is  
189 20 directed to transfer Code chapter 423A to Code chapter 421A  
189 21 and to transfer Code chapters 422A, 422B, 422C, and 422E to  
189 22 Code chapters 423A, 423B, 423C, and 423E, respectively. The  
189 23 Code editor is directed to correct Code references as required  
189 24 due to the changes made in this Act.

189 25           SALES TAX ADVISORY COUNCIL  
189 26   Sec. 204. IOWA STREAMLINED SALES TAX ADVISORY COUNCIL.  
189 27   1. An Iowa streamlined sales tax advisory council is  
189 28 created. The advisory council shall review, study, and submit  
189 29 recommendations to the Iowa streamlined sales and use tax  
189 30 delegation regarding the proposed streamlined sales and use  
189 31 tax agreement formalized by the project's implementing sales  
189 32 on November 12, 2002, the proposed language conforming Iowa's  
189 33 sales and use tax to the national agreement, and the following  
189 34 issues:  
189 35   a. Uniform definitions proposed in the current streamlined  
190 1 sales and use tax agreement and future proposals.  
190 2   b. Effects upon taxability of items newly defined in Iowa.  
190 3   c. Impacts upon business as a result of the streamlined  
190 4 sales and use tax.  
190 5   d. Technology implementation issues.  
190 6   e. Any other issues that are brought before the  
190 7 streamlined sales and use tax implementing state or the  
190 8 streamlined sales and use tax governing board.

190 9   2. The department shall provide administrative support to  
190 10 the Iowa streamlined sales tax advisory council. The advisory  
190 11 council shall be representative of Iowa's business community  
190 12 and economy when reviewing and recommending solutions to  
190 13 streamlined sales and use tax issues. The advisory council  
190 14 shall provide the general assembly and the governor with final  
190 15 recommendations made to the Iowa streamlined sales and use tax  
190 16 delegation upon the conclusion of each calendar year.

190 17   3. The director of revenue, in consultation with the Iowa  
190 18 taxpayers association and the Iowa association of business and  
190 19 industry, shall appoint members to the Iowa streamlined sales  
190 20 tax advisory council, which shall consist of the following  
190 21 members:  
190 22   a. One member from the department of revenue and finance.  
190 23   b. Three members representing small Iowa businesses, at  
190 24 least one of whom must be a retailer, and at least one of whom  
190 25 shall be a supplier.

Establishes the Iowa Streamlined Sales Tax Advisory Council for the purpose of reviewing and studying the streamlined sales and use tax agreement. Requires the Council to submit recommendations to the Iowa Streamlined Sales and Use Tax delegation concerning conformance of Iowa's sales and use taxes to the national agreement.

Requires the Department of Revenue to provide administrative support to the Iowa Streamlined Sales Tax Advisory Council and requires the Advisory Council to provide the General Assembly and the Governor with final recommendations made to the Iowa Streamlined Sales and Use Tax delegation by December 31 of each year.

Requires the Director of the Department of Revenue, in consultation with the Iowa Taxpayers Association, and the Iowa Association of Business and Industry to appoint members to the Iowa Streamlined Sales and Use Tax Advisory Council.

190 26 c. Three members representing medium Iowa businesses, at  
 190 27 least one of whom shall be a retailer, and at least one of  
 190 28 whom shall be a supplier.  
 190 29 d. Three members representing large Iowa businesses, at  
 190 30 least one of whom shall be a retailer, and at least one of  
 190 31 whom shall be a supplier.  
 190 32 e. One member representing taxpayers as a whole.  
 190 33 f. One member representing the retail community as a  
 190 34 whole.  
 190 35 g. Any other member the director of revenue and finance  
 191 1 deems appropriate.

191 2 Sec. 205. EFFECTIVE DATE. Except for the section creating  
 191 3 the Iowa streamlined sales tax advisory council, this division  
 191 4 of this Act takes effect July 1, 2004.

Specifies that the creation of the Iowa Streamlined Sales Tax Advisory Council take effect on July 1, 2004.

191 5 **[DIVISION XV]**  
 191 6 **CAPITOL COMPLEX PARKING STRUCTURE**

**VETOED**

191 7 Sec. 206. **NEW SECTION. 18A.8 CAPITOL COMPLEX PARKING**  
 191 8 **STRUCTURE REVOLVING FUND.**

191 9 A capitol complex parking structure revolving fund is  
 191 10 created in the state treasury. The capitol complex parking  
 191 11 structure revolving fund shall be administered by the  
 191 12 department of administrative services and shall consist of  
 191 13 moneys collected by the department as parking fees, moneys  
 191 14 appropriated to the fund by the general assembly, and any  
 191 15 other moneys obtained or accepted by the department for  
 191 16 deposit in the revolving fund. The proceeds of the revolving  
 191 17 fund are appropriated to and shall be used by the department  
 191 18 for costs associated with the management, operation, and  
 191 19 maintenance of the capitol complex parking structure located  
 191 20 at the intersection of Pennsylvania and Grand avenues in Des  
 191 21 Moines. The department shall submit an annual report not  
 191 22 later than January 31 to the members of the general assembly  
 191 23 and the legislative services agency, of the activities funded  
 191 24 by and expenditures made from the revolving fund during the  
 191 25 preceding fiscal year. Section 8.33 does not apply to any

CODE: Creates a Capitol Complex Parking Structure Revolving Fund to be administered by the Department of Administrative Services. Moneys in the fund are to be used for the operation, maintenance, and management of the Parking structure located at the intersection of Pennsylvania and Grand Avenues in Des Moines.

Requires the Department to submit an annual report to the Legislative Services Agency by January 31 of each year, concerning the activity of the Revolving Fund.

VETOED: The Governor vetoed this Section along with related Sections 207 and 208 stating that the fee discriminates against State employees and would also create a inequitable system where some State employees are charged a parking fee on the Capitol Complex while other State employees can park for free.

191 26 moneys in the revolving fund and, notwithstanding section  
 191 27 12C.7, subsection 2, earnings or interest on moneys deposited  
 191 28 in the revolving fund shall be credited to the revolving fund.

191 29 Sec. 207. CAPITOL COMPLEX PARKING STRUCTURE MANAGEMENT –  
 191 30 REQUEST FOR PROPOSALS. The department of administrative  
 191 31 services shall issue a request for proposals for the  
 191 32 management, operation, and maintenance of the state-owned  
 191 33 parking structure located at the intersection of Pennsylvania  
 191 34 and Grand avenues in Des Moines. The request for proposals  
 191 35 shall include all of the following services:

**VETOED**

Requires the Department of Administrative Services to issue a request for proposals for the management, operation, and maintenance of the Capitol Complex parking structure.

VETOED: The Governor vetoed this Section along with related Sections 206 and 208 stating that the fee discriminates against State employees and would also create a inequitable system where some State employees are charged a parking fee on the Capitol Complex while other State employees can park for free.

192 1 1. The collection of parking fees and administration of  
 192 2 parking permits.  
 192 3 2. Daily janitorial maintenance and necessary annual  
 192 4 maintenance, pursuant to standards outlined in the parking  
 192 5 garage maintenance manual published by the parking consultants  
 192 6 council of the national parking association.  
 192 7 3. Long-term structural maintenance.  
 192 8 Awarding of a contract for the management, operation, and  
 192 9 maintenance of the parking structure is subject to approval by  
 192 10 the general assembly.

192 11 Sec. 208. CAPITOL COMPLEX PARKING STRUCTURE — EMPLOYEE  
 192 12 PARKING FEES. The department of administrative services shall  
 192 13 establish reasonable parking fees for state employees for the  
 192 14 use of the state-owned parking structure located at the  
 192 15 intersection of Pennsylvania and Grand avenues in Des Moines.  
 192 16 Parking fees shall not be established or collected for use of  
 192 17 the parking structure by members of the general public. Such  
 192 18 fees shall be deposited in the capitol complex parking  
 192 19 structure revolving fund created in section 18A.8, as enacted  
 192 20 by this Act.]

**VETOED**

Requires the Department of Administrative Services to establish a reasonable parking fee to be charged to State employees for the use of the parking structure located on the Capitol Complex. Requires the fees to be deposited into the Capitol Complex Parking Structure Revolving Fund.

VETOED: The Governor vetoed this Section along with related Sections 206 and 207 stating that the fee discriminates against State employees and would also create a inequitable system where some State employees are charged a parking fee on the Capitol Complex while other State employees can park for free.

192 21 DIVISION XVI  
 192 22 EFFECTIVE DATE

192 23 Sec. 209. EFFECTIVE DATE. Unless otherwise provided in  
 192 24 this Act, this Act takes effect July 1, 2003.

Specifies that this Act take effect on July 1, 2003.

PG LN	House File 683	Explanation
192 25 HF 683		
192 26 tm/es/25		

# EXECUTIVE SUMMARY

## HEALTHY IOWANS TOBACCO TRUST APPROPRIATIONS ACT

HOUSE FILE 685

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS DEPARTMENT OF HUMAN SERVICES

- Appropriates \$63.4 million from the Healthy Iowans Tobacco Trust for various health-related programs. This is a decrease of \$1.8 million compared to the FY 2003 estimated net appropriation.
- Appropriates a total of \$39.6 million to the Department of Human Services (DHS). This is a decrease of \$5.3 million compared to the FY 2003 estimated net appropriation and includes:
  - \$8.1 million for health related noninstitutional providers. (Page 1, Line 9)
  - \$3.8 million for dental services. (Page 1, Line 20)
  - \$3.0 million for hospitals. (Page 1, Line 26)
  - \$2.1 million for home health care services. (Page 1, Line 31)
  - \$250,000 for critical access hospitals. (Page 2, Line 2)
  - \$2.0 million for home health care services and habilitative day care. (Page 2, Line 8)
  - \$1.1 million for respite care services. (Page 2, Line 14)
  - \$3.2 million for rehabilitative treatment and support service providers. (Page 2, Line 20)
  - \$469,000 for adoption, independent living, shelter care, and home studies service providers. (Page 2, Line 26)
  - \$546,000 for various service providers. (Page 2, Line 32)
  - \$200,000 to supplement the Children's Health Insurance Program (CHIP) appropriation. (Page 3, Line 3)
  - \$250,000 for breast and cervical cancer coverage. (Page 3, Line 7)
  - \$147,000 for purchase of service contract providers. (Page 6, Line 27)

### MEDICAL ASSISTANCE (MEDICAID) PROGRAM SUPPLEMENTATION DEPARTMENT OF PUBLIC HEALTH

- Appropriates \$14.3 million to the DHS for the Medical Assistance (Medicaid) Program. This is a decrease of \$3.2 million compared to the FY 2003 estimated net appropriation. (Page 3, Line 12)
- Appropriates \$19.6 million to the Department of Public Health. This is an increase of \$2.2 million compared to the FY 2003 estimated net appropriation and includes:

# EXECUTIVE SUMMARY

## HEALTHY IOWANS TOBACCO TRUST APPROPRIATIONS ACT

HOUSE FILE 685

### DEPARTMENT OF PUBLIC HEALTH (CONTINUED)

- \$400,000 for a Substance Abuse Prevention Program that utilizes high school mentors. This is a new appropriation for FY 2004. (Page 4, Line 11)
- \$75,000 for smoking cessation products. This is no change compared to the FY 2003 estimated net appropriation. (Page 4, Line 16)
- \$11.8 million for substance abuse treatment programs. This is an increase of \$1.8 million compared to the FY 2003 estimated net appropriation, but no change in total funding when the carry forward balance is included. (Page 4, Line 25)
- \$2.3 million and 4.0 FTE positions for the Healthy Iowans 2010 Plan. This is a decrease of \$43,000 and no change in FTE positions compared to the FY 2003 estimated net appropriation. (Page 5, Line 15)

### DEPARTMENT OF CORRECTIONS

- Appropriates \$920,000 for four Judicial District Departments of Correctional Services and the Newton Correctional Facility. This is an increase of \$310,000 for a value-based treatment program at the Newton Correctional Facility. (Page 6, Line 4)
- Appropriates \$1.1 million and 17.9 FTE positions for a special needs unit at the Fort Madison Correctional Facility. This is no change compared to the FY 2003 estimated net appropriation. (Page 7, Line 15)

### IOWA EMPOWERMENT FUNDING

- Appropriates \$2.2 million for School Ready Grants for Iowa Empowerment. This is an increase of \$1.0 million compared to the FY 2003 estimated net appropriation. (Page 7, Line 8)

### APPROPRIATIONS TRANSFERS

- Transfers \$2.0 million from the FY 2004 General Fund appropriation for the Counties' Mental Health Risk Pool to the Medical Assistance (Medicaid) Program. (Page 7, Line 26)
- Transfers \$5.2 million from the Endowment for Iowa's Health Account to the Healthy Iowans Tobacco Trust. (Page 7, Line 34)

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Transfers the Counties' Mental Health Risk Pool appropriation to the Medical Assistance (Medicaid) Program.

### ENACTMENT DATE

- The Act was approved by the General Assembly on May 1, 2003, and was signed by the Governor on May 30, 2003.



House File 685

House File 685 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
7	26	5	Nwthstnd	Sec. 104, Chapter 1175, 2002 Iowa Acts	Transfers Counties' Risk Pool to Medical Assistance Program

1 1 Section 1. HEALTHY IOWANS TOBACCO TRUST -- APPROPRIATIONS  
 1 2 TO DEPARTMENTS. There is appropriated from the healthy Iowans  
 1 3 tobacco trust created in section 12.65 to the following  
 1 4 departments for the fiscal year beginning July 1, 2003, and  
 1 5 ending June 30, 2004, the following amounts, or so much  
 1 6 thereof as is necessary, to be used for the purposes  
 1 7 designated:

1 8 1. To the department of human services:  
 1 9 a. Unless otherwise provided, to maintain the  
 1 10 reimbursement rate for all noninstitutional medical assistance  
 1 11 providers, with the exception of anesthesia and dental  
 1 12 services, at the rate provided under the federal Medicare  
 1 13 program for such providers during the fiscal year beginning  
 1 14 July 1, 2000, and ending June 30, 2001, as specified in 2000  
 1 15 Iowa Acts, chapter 1221, section 1, subsection 1, paragraph  
 1 16 "a", for the fiscal year July 1, 2003, through June 30, 2004,  
 1 17 and to continue the resource-based relative value system of  
 1 18 reimbursement under the medical assistance program:  
 1 19 ..... \$ 8,095,718

Healthy Iowans Tobacco Trust appropriation to the Department of Human Services (DHS) to continue funding for the increased reimbursement rate for all noninstitutional Medical Assistance (Medicaid) providers except anesthesia and dental services.

DETAIL: Maintains current level of funding. The funding was to annualize the FY 2001 increase that began November 1, 2000, as well as fund changes in provider services and the number of eligibles. This does not include any percentage increase in reimbursement rates for FY 2004.

Medical Assistance providers who receive reimbursements under this subsection include:

1. Physicians
2. Optometrists
3. Podiatrists
4. Chiropractors
5. Clinics
6. Psychiatrists
7. Psychologists

1 20 b. To maintain the reimbursement rate at the usual and  
 1 21 customary rate as established in 2000 Iowa Acts, chapter 1221,  
 1 22 section 1, subsection 1, paragraph "b", for the fiscal year  
 1 23 July 1, 2003, through June 30, 2004, for dental services under  
 1 24 the medical assistance program:  
 1 25 ..... \$ 3,814,973

Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increased reimbursement rate for dental services at 75.00% of usual and customary rates.

DETAIL: Maintains current level of funding. This does not include any percentage increase in reimbursement rates for FY 2004.

1 26 c. To maintain the reimbursement rate as established in

Healthy Iowans Tobacco Trust appropriation to the DHS to continue

1 27 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
 1 28 paragraph "e", for the fiscal year July 1, 2003, through June  
 1 29 30, 2004, for hospitals under the medical assistance program:  
 1 30 ..... \$ 3,035,278

funding the increase in reimbursement rates for hospitals.

DETAIL: Maintains current level of funding. This does not include any percentage increase in reimbursement rates for FY 2004. The appropriation provides funds to inpatient and outpatient hospital services reimbursed under the Medical Assistance (Medicaid) Program.

1 31 d. To maintain the reimbursement rate as established in  
 1 32 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
 1 33 paragraph "f", for the fiscal year July 1, 2003, through June  
 1 34 30, 2004, for home health care services under the medical  
 1 35 assistance program:  
 2 1 ..... \$ 2,108,279

Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increase in reimbursement rates for home health care.

DETAIL: Maintains current level of funding. This does not include any percentage increase in reimbursement rates for FY 2004.

2 2 e. To maintain the reimbursement rate as established in  
 2 3 2000 Iowa Acts, chapter 1221, section 1, subsection 1,  
 2 4 paragraph "g", for the fiscal year July 1, 2003, through June  
 2 5 30, 2004, for critical access hospitals under the medical  
 2 6 assistance program:  
 2 7 ..... \$ 250,000

Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increase in reimbursement rates for critical access hospitals.

DETAIL: Maintains current level of funding. This does not include any percentage increase in reimbursement rates for FY 2004.

2 8 f. To maintain the expansion of home health care services  
 2 9 and habilitative day care as established in 2000 Iowa Acts,  
 2 10 chapter 1221, section 1, subsection 1, paragraph "h", under  
 2 11 the medical assistance program for children with special  
 2 12 needs:  
 2 13 ..... \$ 1,975,496

Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increase in reimbursement rates for home health care services and habilitative day care services to special needs children.

DETAIL: Maintains current level of funding. The appropriation is for services provided through waiver programs. This does not include any percentage increase in reimbursement rates for FY 2004.

2 14 g. To maintain the expansion of respite care services  
 2 15 provided through home and community-based waivers as  
 2 16 established in 2000 Iowa Acts, chapter 1221, section 1,  
 2 17 subsection 1, paragraph "i", under the medical assistance  
 2 18 program:  
 2 19 ..... \$ 1,137,309

Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increase in reimbursement rates for respite care services provided through home and community-based waivers.

DETAIL: Maintains current level of funding. The appropriation provides respite services to families with special needs individuals

	residing in their homes through home and community-based waivers. This does not include any percentage increase in reimbursement rates for FY 2004.
<p>2 20 h. To maintain the cost-of-living adjustment as</p> <p>2 21 established in 2000 Iowa Acts, chapter 1221, section 1,</p> <p>2 22 subsection 1, paragraph "c", for the fiscal year July 1, 2003,</p> <p>2 23 through June 30, 2004, for rehabilitative treatment and</p> <p>2 24 support services providers under child and family services:</p> <p>2 25 ..... \$ 3,243,026</p>	<p>Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increased reimbursement rate for rehabilitative treatment and support services providers.</p> <p>DETAIL: Maintains current level of funding. This does not include any percentage increase in reimbursement rates for FY 2004. The following child welfare services receive funding from these appropriations:</p> <ol style="list-style-type: none"> <li>1. Family preservation</li> <li>2. Family centered services</li> <li>3. Foster family care</li> <li>4. Group care</li> </ol>
<p>2 26 i. To maintain the cost-of-living adjustment as</p> <p>2 27 established in 2000 Iowa Acts, chapter 1221, section 1,</p> <p>2 28 subsection 1, paragraph "d", for the fiscal year July 1, 2003,</p> <p>2 29 through June 30, 2004, for adoption, independent living,</p> <p>2 30 shelter care, and home studies services providers:</p> <p>2 31 ..... \$ 468,967</p>	<p>Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increased reimbursement rate for specified child welfare service providers.</p> <p>DETAIL: Maintains current level of funding. This does not include any percentage increase in reimbursement rates for FY 2004. The following child welfare services receive funding from these appropriations:</p> <ol style="list-style-type: none"> <li>1. Subsidized adoption</li> <li>2. Independent living</li> <li>3. Shelter care</li> <li>4. Home studies</li> <li>5. Protective childcare</li> <li>6. Wraparound services</li> </ol>
<p>2 32 j. To maintain the reimbursement rate as established in</p> <p>2 33 2000 Iowa Acts, chapter 1221, section 1, subsection 1,</p> <p>2 34 paragraph "j", for the fiscal year July 1, 2003, through June</p> <p>2 35 30, 2004, to service providers under the purview of the</p>	<p>Healthy Iowans Tobacco Trust appropriation to the DHS to continue funding the increase in reimbursement rates for specified service providers.</p>

3 1	department of human services:	DETAIL: Maintains current level of funding. This does not include any percentage increase in reimbursement rates for FY 2004. The appropriation provides funds to the following services:
3 2	..... \$ 545,630	<ol style="list-style-type: none"> <li>1. Early and periodic screening, diagnosis, and treatment</li> <li>2. Community mental health centers</li> <li>3. Durable medical equipment and supplies</li> <li>4. Laboratory and x-ray services</li> <li>5. Ambulance</li> <li>6. Other practitioners, including nurse practitioners and physician assistants</li> <li>7. Waiver services</li> <li>8. Psychiatric Medical Institutions for Children (PMICs)</li> <li>9. Residential Care Facilities In-home health care providers</li> </ol>
3 3	2. To the department of human services to continue the	Healthy Iowans Tobacco Trust appropriation to the DHS to continue
3 4	supplementation of the children's health insurance program	the supplementation for the Children's Health Insurance Program
3 5	appropriation:	(CHIP) appropriation.
3 6	..... \$ 200,000	DETAIL: Maintains current level of funding.
3 7	3. To the department of human services to provide coverage	Healthy Iowans Tobacco Trust appropriation to the DHS to provide
3 8	under the medical assistance program to women who require	Medicaid coverage for certain women with breast and cervical cancer.
3 9	treatment for breast or cervical cancer as provided in section	
3 10	249A.3, subsection 2, paragraph "b":	DETAIL: Maintains current level of funding.
3 11	..... \$ 250,000	
3 12	4. To the department of human services to continue the	Healthy Iowans Tobacco Trust appropriation to the DHS to
3 13	supplementation of the medical assistance appropriation:	supplement the Medical Assistance (Medicaid) Program
3 14	..... \$ 14,346,750	appropriation.
		DETAIL: This is a decrease of \$3,153,250 compared to the FY 2003 estimated net appropriation. This appropriation funds a portion of the FY 2004 total increase for Medicaid compared to the FY 2003 cost.
3 15	Of the amount appropriated in this subsection, \$100,000 shall	Requires a maximum allocation of \$100,000 for the Iowa Chronic

3 16 be used to continue the efforts of the Iowa chronic care  
3 17 consortium.

Care Consortium.

DETAIL: This is a new allocation for FY 2004.

3 18 5. To the Iowa department of public health:  
3 19 a. For the tobacco use prevention and control initiative,  
3 20 including efforts at the state and local levels, as provided  
3 21 in chapter 142A and for not more than the following full-time  
3 22 equivalent positions:

Healthy Iowans Tobacco Trust appropriation to the Department of Public Health to continue funding for prevention and control initiatives.

DETAIL: Maintains current level of funding and a decrease of 4.45 FTE positions compared to the FY 2003 estimated net appropriation.

3 23 ..... \$ 5,000,000  
3 24 ..... FTEs 7.00

Activities funded by this appropriation include:

1. Administration
2. Community partnerships
3. School programs
4. Enforcement
5. Youth summit (Just Eliminate Lies)
6. Counter marketing
7. Cessation programs
8. Surveillance and evaluation

3 25 (1) The director of public health shall dedicate  
3 26 sufficient resources to promote and ensure retailer compliance  
3 27 with tobacco laws and ordinances relating to persons under 18  
3 28 years of age, and shall prioritize the state's compliance in  
3 29 the allocation of available funds to comply with 42 U.S.C. §  
3 30 300x-26 and section 453A.2.

Requires the Director of the Department of Public Health to promote and ensure retailer compliance with tobacco laws.

3 31 (2) Of the full-time equivalent positions funded under  
3 32 this section, two full-time equivalent positions shall be  
3 33 utilized to provide for enforcement of tobacco laws,  
3 34 regulations, and ordinances under a chapter 28D agreement  
3 35 entered into between the Iowa department of public health and  
4 1 the alcoholic beverages division of the department of  
4 2 commerce.

Requires 2.00 FTE positions be used jointly by the Department of Public Health and the Department of Commerce, Alcoholic Beverages Division, for enforcement of tobacco laws.

4 3 (3) Of the funds appropriated in this paragraph "a", not

Requires that not more than \$525,759 of the \$5,000,000 appropriation

4 4 more than \$525,759 shall be expended on administration and  
4 5 management of the program.

be expended for administrative costs.

DETAIL: Maintains current level of funding.

4 6 (4) Of the funds appropriated in this paragraph "a", not  
4 7 less than 80 percent of the amount expended in the fiscal year  
4 8 beginning July 1, 2001, for community partnerships shall be  
4 9 expended in the fiscal year beginning July 1, 2003, for that  
4 10 purpose.

Requires not less than 80.00% of the funds expended in FY 2002 for Community Partnerships be expended for the same purpose in FY 2004.

4 11 b. For a grant to a program that utilizes high school  
4 12 mentors to teach life skills, violence prevention, and  
4 13 character education in an effort to reduce the illegal use of  
4 14 alcohol, tobacco, and other substances:  
4 15 ..... \$ 400,000

Healthy Iowans Tobacco Trust appropriation to the Department of Public Health for a Substance Abuse Prevention Program that utilizes high school mentors.

DETAIL: This is a new appropriation for FY 2004.

4 16 c. For provision of smoking cessation products as provided  
4 17 in this paragraph:  
4 18 ..... \$ 75,000

Healthy Iowans Tobacco Trust appropriation to the Department of Public Health for smoking cessation products.

DETAIL: Maintains current level of funding.

4 19 The department shall award grants to free health clinics  
4 20 that are tax-exempt organizations pursuant to 26 U.S.C. § 501  
4 21 (c)(3) to fund the provision of smoking cessation products to  
4 22 patients. The department shall adopt a methodology for the  
4 23 awarding of the grants to the health clinics based upon the  
4 24 order of receipt of applications.

Specifies the process for the Department of Public Health to undertake for grant awards for the smoking cessation products funding. Specifies that certain free health clinics are the possible grantees.

4 25 d. For additional substance abuse treatment under the  
4 26 substance abuse treatment program:  
4 27 ..... \$ 11,800,000

Healthy Iowans Tobacco Trust appropriation to the Department of Public Health to continue funding for substance abuse treatment.

DETAIL: This is an increase of \$1,800,000 compared to the FY 2003 estimated net appropriation. In FY 2003, this program received \$1,799,557 from a one-time carry forward balance. As a result, in total funding, this is an increase of \$443 compared to the FY 2003

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	estimated net appropriation.
4 28 (1) The department shall use funds appropriated in this 4 29 paragraph "d" to enhance the quality of and to expand the 4 30 capacity to provide 24-hour substance abuse treatment 4 31 programs.	Requires the Department of Public Health to use the funds appropriated in this paragraph to enhance the quality of and expand capacity to provide 24-hour substance abuse treatment programs.
4 32 (2) The department shall use funds appropriated in this 4 33 paragraph "d" to expand the length of individual client 4 34 substance abuse treatment plans, as necessary to reduce 4 35 program recidivism.	Requires the Department of Public Health to use the funds appropriated in this paragraph to expand the length of individual client substance abuse treatment plans.
5 1 (3) The department shall use funds appropriated in this 5 2 paragraph "d" to share research-based best practices for 5 3 treatment with substance abuse treatment facilities.	Requires the Department of Public Health to use the funds appropriated in this paragraph to share research-based best practices for treatment.
5 4 (4) The department shall use funds appropriated in this 5 5 paragraph "d" to develop a results-based funding approach for 5 6 substance abuse treatment services.	Requires the Department of Public Health to use the funds appropriated in this paragraph to develop a results-based funding approach for substance abuse treatment services.
5 7 (5) The department shall use funds appropriated in this 5 8 paragraph "d" to develop a program to encourage individuals 5 9 who are successfully managing their substance abuse problems 5 10 to serve as role models.	Requires the Department of Public Health to use the funds appropriated in this paragraph to develop a mentoring program.
5 11 (6) The department shall submit a report annually by March 5 12 1, to the governor and the general assembly delineating the 5 13 success rates of the substance abuse treatment programs that 5 14 receive funding under this paragraph "d".	Requires the Department of Public Health to report annually by March 1 on the success rates of substance abuse treatment programs receiving funding under this appropriation.
5 15 e. For the healthy lowans 2010 plan within the Iowa 5 16 department of public health and for not more than the 5 17 following full-time equivalent positions:	Healthy lowans Tobacco Trust appropriation to the Department of Public Health for Healthy lowans 2010 initiatives.



5 18 ..... \$ 2,346,960

5 19 ..... FTEs 4.00

DETAIL: This is a decrease of \$43,104 compared to the FY 2003 estimated net appropriation.

5 20 (1) Of the funds appropriated in this paragraph "e", not  
5 21 more than \$1,157,482 shall be used for core public health  
5 22 functions, including home health care and public health  
5 23 nursing services, contracted through a formula by local boards  
5 24 of health, to enhance disease and injury prevention services.

Requires a maximum allocation of \$1,157,482 for core public health functions, including home health care and public health nursing services.

DETAIL: Maintains current level of funding.

5 25 (2) Of the funds appropriated in this paragraph "e", not  
5 26 more than \$387,320 shall be used for the continuation and  
5 27 support of a coordinated system of delivery of trauma and  
5 28 emergency medical services.

Requires a maximum allocation of \$387,320 for the implementation and support of a coordinated system of delivery of trauma and emergency medical services.

DETAIL: This is an increase of \$5,875 compared to the maximum allocation for FY 2003.

5 29 (3) Of the funds appropriated in this paragraph "e", not  
5 30 more than \$437,000 shall be used for the state poison control  
5 31 center.

Requires a maximum allocation of \$437,000 for the State Poison Control Center.

DETAIL: This is an increase of \$27,409 compared to the maximum allocation for FY 2003. In FY 2003, the Center received \$27,409 in carryforward funds. As a result, this is no change when carryforward funds are considered.

5 32 (4) Of the funds appropriated in this paragraph "e", not  
5 33 more than \$288,770 shall be used for the development of  
5 34 scientific and medical expertise in environmental  
5 35 epidemiology.

Requires a maximum allocation of \$141,810 for environmental epidemiology.

DETAIL: Maintains current level of funding.

6 1 (5) Of the funds appropriated in this paragraph "e", not  
6 2 more than \$76,388 shall be used for the childhood lead  
6 3 poisoning prevention program.

Requires a maximum allocation of \$76,388 for childhood lead poisoning prevention.

DETAIL: Maintains current level of funding.

6 4 6. To the department of corrections:	Healthy Iowans Tobacco Trust appropriation to the Department of Corrections for day programming and drug courts.
6 5 ..... \$ 920,000	
	DETAIL: This is an increase of \$310,000 compared to the FY 2003 estimated net appropriation.
6 6 a. Of the funds appropriated in this subsection, \$127,217	Requires an allocation of \$127,217 for the Community-Based Corrections District II.
6 7 is allocated to the second judicial district department of	
6 8 correctional services to replace expired federal funding for	DETAIL: Maintains current level of funding.
6 9 day programming.	
6 10 b. Of the funds appropriated in this subsection \$35,359 is	Requires an allocation of \$35,359 for Community-Based Corrections District III.
6 11 allocated to the third judicial district department of	
6 12 correctional services to replace expired federal funding for	DETAIL: Maintains current level of funding.
6 13 the drug court program.	
6 14 c. Of the funds appropriated in this subsection, \$191,731	Requires an allocation of \$191,731 for Community-Based Corrections District IV.
6 15 is allocated to the fourth judicial district department of	
6 16 correctional services for a drug court program.	DETAIL: Maintains current level of funding.
6 17 d. Of the funds appropriated in this subsection, \$255,693	Requires an allocation of \$255,693 for Community-Based Corrections District V.
6 18 is allocated to the fifth judicial district department of	
6 19 correctional services to replace expired funding for the drug	DETAIL: This is an increase of \$54 compared to the FY 2003 estimated net appropriation.
6 20 court program.	
6 21 e. Of the funds appropriated in this subsection \$310,000	Requires an allocation of \$310,000 for a value-based treatment program at the Newton Correctional Facility and allows a portion of the funds to be used for a similar program at the Mitchellville Correctional Facility for women.
6 22 is allocated to the Newton correctional facility for a value-	
6 23 based treatment program. A portion of the funds allocated in	DETAIL: This is a new allocation for FY 2004.
6 24 this paragraph may be used to establish a similar value-based	
6 25 treatment program at the Iowa correctional institution for	
6 26 women at Mitchellville.	
6 27 Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS --	Healthy Iowans Tobacco Trust appropriation to the Property Tax

6 28 REIMBURSEMENT INCREASE. There is appropriated from the  
 6 29 healthy lowans tobacco trust created in section 12.65 to the  
 6 30 property tax relief fund created in section 426B.1 for the  
 6 31 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 6 32 the following amount, or so much thereof as is necessary, to  
 6 33 be used for the purposes designated:  
 6 34 For assistance to the counties with limited county mental  
 6 35 health, mental retardation, and developmental disabilities  
 7 1 services fund balances which were selected in accordance with  
 7 2 2000 Iowa Acts, chapter 1221, section 3, to receive such  
 7 3 assistance in the same amount provided during the fiscal year  
 7 4 beginning July 1, 2000, and ending June 30, 2001, to pay  
 7 5 reimbursement increases in accordance with 2000 Iowa Acts,  
 7 6 chapter 1221, section 3:  
 7 7 ..... \$ 146,750

Relief Fund for continuation of the local purchase of service provider salary increases requested by counties and approved by the Risk Pool Board in FY 2003 for FY 2004.

DETAIL: Maintains current level of funding. For FY 2001, \$2,000,000 was appropriated for this purpose. The counties requested and were approved for a total amount of \$146,750. This maintains the funds available for salary increases, which occurred as a result of the application by counties and approval by the Risk Pool Board.

7 8 Sec. 3. IOWA EMPOWERMENT FUND. There is appropriated from  
 7 9 the healthy lowans tobacco trust created in section 12.65, to  
 7 10 the Iowa empowerment fund created in section 28.9 for the  
 7 11 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
 7 12 for deposit in the school ready children grants account and  
 7 13 for distribution as provided in this section:  
 7 14 ..... \$ 2,153,250

Healthy lowans Tobacco Trust appropriation to the Iowa Empowerment Fund.

DETAIL: This is an increase of \$1,000,000 compared to the FY 2003 estimated net appropriation.

7 15 Sec. 4. DEPARTMENT OF CORRECTIONS -- SPECIAL NEEDS UNIT.  
 7 16 There is appropriated from the healthy lowans tobacco trust  
 7 17 created in section 12.65, to the department of corrections for  
 7 18 the fiscal year beginning July 1, 2003, and ending June 30,  
 7 19 2004, the following amount, or so much thereof as is  
 7 20 necessary, to be used for the purpose designated:  
 7 21 For operating the special needs unit at the Fort Madison  
 7 22 correctional facility and for not more than the following  
 7 23 full-time equivalent positions:  
 7 24 ..... \$ 1,100,000  
 7 25 ..... FTEs 17.87

Healthy lowans Tobacco Trust appropriation to the Department of Corrections for a special needs unit within the Fort Madison Correctional Facility.

DETAIL: Maintains current level of funding.

7 26 Sec. 5. RISK POOL APPROPRIATION -- TRANSFER.  
7 27 Notwithstanding 2002 Iowa Acts, chapter 1175, section 104,  
7 28 subsection 1, paragraph "b", as amended by 2003 Iowa Acts,  
7 29 House File 667, section 41, if enacted, moneys appropriated  
7 30 for the fiscal year beginning July 1, 2003, and ending June  
7 31 30, 2004, for deposit in the risk pool pursuant to that  
7 32 paragraph shall be transferred to the medical assistance  
7 33 appropriation for the same fiscal year.

Transfers \$2,000,000 from the FY 2004 General Fund appropriation for the Counties' Mental Health Risk Pool to the Medical Assistance (Medicaid) Program.

DETAIL: This is a new transfer for FY 2004.

7 34 Sec. 6. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT -- TRANSFER.  
7 35 In addition to the amount transferred pursuant to section  
8 1 12E.12, subsection 1, paragraph "b", subparagraph (2),  
8 2 subparagraph subdivision (b), \$5,206,960 is transferred from  
8 3 the endowment for Iowa's health account of the tobacco  
8 4 settlement trust fund created in section 12E.12 to the healthy  
8 5 Iowans tobacco trust created in section 12.65 for the fiscal  
8 6 year beginning July 1, 2003, and ending June 30, 2004.

Transfers \$5,206,960 from the Endowment for Iowa's Health Account to the Healthy Iowans Tobacco Trust.

DETAIL: This is a decrease of \$3,793,040 compared to the amount transferred in estimated net FY 2003.

**EXECUTIVE SUMMARY**  
**FY 2003 NON-MEDICAID SUPPLEMENTAL APPROPRIATIONS ACT**

**SENATE FILE 36**

**TOTAL FY 2003 SUPPLEMENTAL  
APPROPRIATIONS**  
**DEPARTMENT OF HUMAN  
SERVICES**

- Appropriates a total of \$19.5 million from the General Fund to the Departments of Human Services, Corrections, and Public Safety, and the Office of the State Public Defender.
- Appropriates a FY 2003 supplemental General Fund appropriation of \$8.9 million as follows:
  - Child and Family Services Program – A supplemental appropriation of \$5.7 million including:
    - \$1.0 million increase for Shelter Care Services.
    - \$1.6 million increase for Family Centered Services.
    - \$7,000 decrease for Family Preservation Services.
    - \$29,000 decrease for Adoption Services.
    - \$1.9 million increase for Adoption Subsidies.
    - \$518,000 increase for Family Foster Care.
    - \$60,000 increase for Group Care.
    - \$70,000 increase for Independent Living.
    - \$638,000 increase to replace lost federal funds. (Page 1, Line 11)
  - State Mental Health Institute at Mount Pleasant – A supplemental appropriation of \$165,000 to maintain the 30-bed Substance Abuse Treatment Program. (Page 1, Line 18)
  - State Resource Centers at Glenwood and Woodward – A supplemental appropriation of \$3.0 million for the operating budgets. (Page 1, Line 29 through Page 2, Line 5)

**DEPARTMENT OF CORRECTIONS**

- Appropriates a FY 2003 supplemental appropriation of \$6.6 million for the Correctional Institutions, Central Office, and the Community-Based Corrections (CBC) District Departments as follows:
  - Correctional Institutions – A supplemental appropriation of \$6.0 million for all nine institutions including:
    - Permits the Department to retain federal receipts in excess of \$3.4 million. The Department currently holds federal detainees for which the U.S. Bureau of Prisons reimburses the State General Fund approximately \$3.4 million. The proposed language may generate less than \$200,000 that the Department plans to use to partially offset the furlough reductions at the Newton and Fort Dodge Correctional Facilities. (Page 2, Line 7)

**EXECUTIVE SUMMARY**  
**FY 2003 NON-MEDICAID SUPPLEMENTAL APPROPRIATIONS ACT**

**SENATE FILE 36**

**DEPARTMENT OF CORRECTIONS  
(CONTINUED)**

- \$1.6 million for increases in prison support budgets at the Iowa State Penitentiary and the Anamosa Correctional Facility. (Page 2, Line 25 through Page 3, Line 11)
- \$4.4 million to restore furlough reductions. (Page 2, Line 25 through Page 4, Line 27)

- Central Office – A supplemental appropriation of \$65,000 to restore the furlough reduction. (Page 4, line 28)

- CBC District Departments – A supplemental appropriation of \$615,000 to restore the furlough reductions in the First, Second, Third, and Eighth CBC District Departments. (Page 5, Line 5 through Page 6, Line 1)

**OFFICE OF THE STATE PUBLIC  
DEFENDER**

- Appropriates a FY 2003 supplemental General Fund appropriation of \$2.3 million for the Indigent Defense Fund due to the increasing number of cases and claims. (Page 6, Line 3)

**DEPARTMENT OF PUBLIC SAFETY**

- Appropriates a FY 2003 supplemental General Fund appropriation of \$1.7 million to restore the furlough reductions in the Divisions of Administration, Criminal Investigation, Narcotics Enforcement, and the State Fire Marshal's Office, and the Iowa State Patrol. (Page 6, Line 26 through Page 8, Line 6)

**EFFECTIVE DATE**

- Specifies that the Act takes effect upon enactment. (Page 8, Line 8)

**APPLICABILITY**

- Exempts the appropriations in this Act from reductions and provisions made pursuant to Chapter 1003, Section 220, 2002 Iowa Acts, Second Extraordinary Session. (Page 8, Line 10)

**ENACTMENT DATE**

- The Act was approved by the General Assembly on February 13, 2003, and signed by the Governor on February 17, 2003.

Senate File 36

Senate File 36 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	2	1	Amends	Chapter 1173, Sec. 1.5, 2002 Iowa Acts	Girls Treatment Center
1	11	2	Amends	Chapter 1003, Sec. 121, 2002 Iowa Acts, 2nd Extra Session	Child and Family Services
1	18	3	Amends	Chapter 1003, Sec. 125.4, 2002 Iowa Acts, 2nd Extra Session	Mount Pleasant Mental Health Institute
1	33	4.1	Amends	Chapter 1003, Sec. 126.1, 2002 Iowa Acts, 2nd Extra Session	Glenwood State Resource Center
2	2	4.2	Amends	Chapter 1003, Sec. 126.2, 2002 Iowa Acts, 2nd Extra Session	Woodward State Resource Center
2	7	5	Amends	Chapter 1001, Sec. 39, 2002 Iowa Acts, 2nd Extra Session	Department of Corrections - Federal Detainees
2	25	6	Amends	Chapter 1003, Sec. 155.1(a-i), 2002 Iowa Acts, 2nd Extra Session	Department of Corrections Institutions
4	28	7	Amends	Chapter 1003, Sec. 156.1, 2002 Iowa Acts, 2nd Extra Session	Department of Corrections Central Office
5	5	8	Amends	Chapter 1003, Sec. 157.1 (a,b,c,and h), 2002 Iowa Acts, 2nd Extra Session	Community-Based Corrections
6	3	9	Amends	Chapter 1003, Sec. 160, 2002 Iowa Acts, 2nd Extra Session	Indigent Defense Fund

Page #	Line #	Bill Section	Action	Code Section	Description
6	26	10	Amends	Chapter 1003, Sec. 165(1,2,3a,4a,and 5a) 2002 Iowa Acts, 2nd Extra Session	Department of Public Safety



PG LN	Senate File 36	Explanation
1 1	DIVISION I — HUMAN SERVICES	
1 2	GIRLS TREATMENT CENTER	
1 3	Section 1. 2002 Iowa Acts, chapter 1173, section 1,	CODE: Clarifies that the funds appropriated in HF 2614 (FY 2003 Infrastructure Appropriations Act) will be matched with local funds from a county with a population between 189,000 and 196,000.
1 4	subsection 5, unnumbered paragraph 1, is amended by striking	
1 5	the unnumbered paragraph and inserting in lieu thereof the	
1 6	following:	
1 7	To provide matching funding for not more than 25 percent of	
1 8	the construction costs of an adolescent girls treatment center	
1 9	located in a county with a population between 189,000 and	
1 10	196,000:	
1 11	CHILD AND FAMILY SERVICES	
1 12	Sec. 2. 2002 Iowa Acts, Second Extraordinary Session,	CODE: General Fund supplemental appropriation to the Department of Human Services for the Child and Family Services Program.
1 13	chapter 1003, section 121, unnumbered paragraph 2, is amended	
1 14	to read as follows:	
1 15	For child and family services:	DETAIL: Appropriates a FY 2003 supplemental appropriation of \$5,700,000 from the General Fund due to the change in demand for services for the following Programs:
1 16	..... \$ <del>98,144,163</del>	
1 17	<u>103,844,163</u>	
1 18	MT. PLEASANT STATE MENTAL HEALTH INSTITUTE	
1 19	Sec. 3. 2002 Iowa Acts, Second Extraordinary Session,	CODE: General Fund supplemental appropriation to the Department of Human Services for the Mount Pleasant State Mental Health Institute.
1 20	chapter 1003, section 125, subsection 4, unnumbered paragraph	
1 21	1, is amended to read as follows:	
1 22	For the state mental health institute at Mount Pleasant for	DETAIL: Appropriates a FY 2003 supplemental appropriation of \$165,000 from the General Fund to maintain the 30-bed Substance Abuse Treatment Program.
1 23	salaries, support, maintenance, and miscellaneous purposes and	
1 24	for not more than the following full-time equivalent	
1 25	positions:	

- Shelter Care Services - an increase of \$1,038,225
- Family Centered Services - an increase of \$1,555,686
- Family Preservation Services - a decrease of \$6,600
- Adoption Subsidy Services - a decrease of \$29,351
- Adoption Subsidies - an increase of \$1,855,492
- Family Foster Care - an increase of \$517,875
- Group Care - an increase of \$59,971
- Independent Living - an increase of \$70,356
- Replacement of Lost Federal Funds - an increase of \$638,346

PG LN	Senate File 36	Explanation
1 26	..... \$ <del>5,343,829</del>	
1 27	<u>5,508,829</u>	
1 28	..... FTEs 100.07	
1 29	STATE RESOURCE CENTERS	
1 30	Sec. 4. 2002 Iowa Acts, Second Extraordinary Session,	
1 31	chapter 1003, section 126, subsections 1 and 2, are amended to	
1 32	read as follows:	
1 33	1. For the state resource center at Glenwood for salaries,	CODE: General Fund supplemental appropriation to the Department
1 34	support, maintenance, and miscellaneous purposes:	of Human Services for the State Resource Center at Glenwood.
1 35	..... \$ <del>2,170,150</del>	
2 1	<u>4,074,150</u>	DETAIL: Appropriates a FY 2003 supplemental appropriation of
		\$1,904,000 from the General Fund. The Center operates on a net
		budgeting basis and approximately 94.00% of the budget is provided
		by other sources, such as county revenue and the federal share of the
		Title XIX (Medicaid) per diem. With the State funding reductions
		imposed in the current year the appropriation does not cover the State
		cost.
2 2	2. For the state resource center at Woodward for salaries,	CODE: General Fund supplemental appropriation to the Department
2 3	support, maintenance, and miscellaneous purposes:	of Human Services for the State Resource Center at Woodward.
2 4	..... \$ <del>1,463,073</del>	
2 5	<u>2,557,073</u>	DETAIL: Appropriates a FY 2003 supplemental appropriation of
		\$1,094,000 from the General Fund. The Center operates on a net
		budgeting basis and approximately 94.00% of the budget is provided
		by other sources, such as county revenue and the federal share of the
		Title XIX per diem. With the State funding reductions imposed in the
		current year, the appropriation does not cover the State cost.
2 6	DIVISION II — DEPARTMENT OF CORRECTIONS	
2 7	Sec. 5. 2002 Iowa Acts, Second Extraordinary Session,	CODE: Amends Chapter 1001, Section 39 of the <u>2002 Iowa Acts</u> ,
2 8	chapter 1001, section 39, is amended to read as follows:	Second Extraordinary Session, to permit the Department of
2 9	SEC. 39. UNITED STATES MARSHAL'S SERVICE <u>AND FEDERAL</u>	Corrections to retain federal receipts in excess of \$3,350,000.
2 10	<u>BUREAU OF PRISONS.</u> For the fiscal year beginning July 1,	
2 11	2002, <u>of the</u> regular per diem reimbursement costs billed by	
2 12	the department of corrections to the United States marshal's	

PG LN	Senate File 36	Explanation
2 13	service for holding detainees <u>and to the federal bureau of</u>	FISCAL IMPACT: For the last several years, housing federal detainees in Iowa prisons has generated approximately \$3,350,000. The fiscal impact of this language is anticipated to be less than \$200,000. The Department anticipates spending any additional revenue at the Fort Dodge and Newton Correctional Facilities to partially offset the furlough reductions.
2 14	<u>prisons for inmates, \$3,350,000</u> shall be deposited entirely	
2 15	into the general fund of the state. <u>Regular per diem</u>	
2 16	<u>reimbursements received in addition to that amount for the</u>	
2 17	<u>fiscal year may be retained by and to the extent retained are</u>	
2 18	<u>appropriated to the department of corrections. Regular per</u>	
2 19	<u>diem reimbursements not retained shall be deposited into the</u>	
2 20	<u>general fund of the state.</u> However, for the fiscal year	
2 21	beginning July 1, 2002, extraordinary costs, including but not	
2 22	limited to medical costs, billed over the regular daily per	
2 23	diem rate <u>are appropriated to and</u> shall be used by the	
2 24	department of corrections to offset the actual costs incurred.	
2 25	CORRECTIONAL FACILITIES	CODE: General Fund supplemental appropriation to the Department of Corrections for the Iowa State Penitentiary at Fort Madison.  DETAIL: Restores the furlough reduction of \$787,293 and provides \$1,000,000 for the support budget.
2 26	Sec. 6. 2002 Iowa Acts, Second Extraordinary Session,	
2 27	chapter 1003, section 155, subsection 1, paragraph a,	
2 28	unnumbered paragraph 1, paragraph b, unnumbered paragraph 1,	
2 29	paragraphs c, d, e, and f, paragraph g, unnumbered paragraph	
2 30	1, and paragraphs h and i, are amended to read as follows:	
2 31	For the operation of the Fort Madison correctional	
2 32	facility, including salaries, support, maintenance, employment	
2 33	of correctional officers, miscellaneous purposes, and for not	
2 34	more than the following full-time equivalent positions:	
2 35	..... \$ <del>32,168,605</del>	
3 1	..... <u>33,955,898</u>	
3 2	..... FTEs 543.69	
3 3	For the operation of the Anamosa correctional facility,	CODE: General Fund supplemental appropriation to the Department of Corrections for the Anamosa State Penitentiary.  DETAIL: Restores the furlough reduction of \$582,153 and provides \$600,000 for the support budget.
3 4	including salaries, support, maintenance, employment of	
3 5	correctional officers and a part-time chaplain to provide	
3 6	religious counseling to inmates of a minority race,	
3 7	miscellaneous purposes, and for not more than the following	
3 8	full-time equivalent positions:	
3 9	..... \$ <del>23,786,629</del>	
3 10	..... <u>24,968,782</u>	
3 11	..... FTEs 379.75	

PG LN	Senate File 36	Explanation
3 12	c. For the operation of the Oakdale correctional facility,	CODE: General Fund supplemental appropriation to the Department
3 13	including salaries, support, maintenance, employment of	of Corrections for the Iowa Medical Classification Center at Oakdale.
3 14	correctional officers, miscellaneous purposes, and for not	
3 15	more than the following full-time equivalent positions:	DETAIL: Restores the furlough reduction of \$526,125.
3 16	..... \$ <del>21,497,363</del>	
3 17	..... <u>22,023,488</u>	
3 18	..... FTEs 328.50	
3 19	d. For the operation of the Newton correctional facility,	CODE: General Fund supplemental appropriation to the Department
3 20	including salaries, support, maintenance, employment of	of Corrections for the Newton Correctional Facility.
3 21	correctional officers, miscellaneous purposes, and for not	
3 22	more than the following full-time equivalent positions:	DETAIL: Partially restores \$515,217 of the overall furlough reduction
3 23	..... \$ <del>22,538,275</del>	of \$551,601. The Department anticipates using federal receipts to
3 24	..... <u>23,053,492</u>	recoup the remaining \$36,384. Section 5 of this Act permits the
3 25	..... FTEs 371.25	Department to retain federal receipts in excess of \$3,350,000.
3 26	e. For the operation of the Mt. Pleasant correctional	CODE: General Fund supplemental appropriation to the Department
3 27	facility, including salaries, support, maintenance, employment	of Corrections for the Mount Pleasant Correctional Facility.
3 28	of correctional officers and a full-time chaplain to provide	
3 29	religious counseling at the Oakdale and Mt. Pleasant	DETAIL: Restores the furlough reduction of \$517,897.
3 30	correctional facilities, miscellaneous purposes, and for not	
3 31	more than the following full-time equivalent positions:	
3 32	..... \$ <del>21,161,133</del>	
3 33	..... <u>21,679,030</u>	
3 34	..... FTEs 330.56	
3 35	f. For the operation of the Rockwell City correctional	CODE: General Fund supplemental appropriation to the Department
4 1	facility, including salaries, support, maintenance, employment	of Corrections for the Rockwell City Correctional Facility.
4 2	of correctional officers, miscellaneous purposes, and for not	
4 3	more than the following full-time equivalent positions:	DETAIL: Restores the furlough reduction of \$177,878.
4 4	..... \$ <del>7,268,049</del>	
4 5	..... <u>7,445,927</u>	
4 6	..... FTEs 110.00	
4 7	For the operation of the Clarinda correctional facility,	CODE: General Fund supplemental appropriation to the Department
4 8	including salaries, support, maintenance, employment of	of Corrections for the Clarinda Correctional Facility.
4 9	correctional officers, miscellaneous purposes, and for not	

PG LN	Senate File 36	Explanation
4 10	more than the following full-time equivalent positions:	DETAIL: Restores the furlough reduction of \$448,517.
4 11	..... \$ <u>18,326,306</u>	
4 12	..... <u>18,774,823</u>	
4 13	..... FTEs 291.76	
4 14	h. For the operation of the Mitchellville correctional	CODE: General Fund supplemental appropriation to the Department
4 15	facility, including salaries, support, maintenance, employment	of Corrections for the Mitchellville Correctional Facility.
4 16	of correctional officers, miscellaneous purposes, and for not	
4 17	more than the following full-time equivalent positions:	DETAIL: Restores the furlough reduction of \$294,285.
4 18	..... \$ <u>12,024,416</u>	
4 19	..... <u>12,318,701</u>	
4 20	..... FTEs 215.50	
4 21	i. For the operation of the Fort Dodge correctional	CODE: General Fund supplemental appropriation to the Department
4 22	facility, including salaries, support, maintenance, employment	of Corrections for the Fort Dodge Correctional Facility.
4 23	of correctional officers, miscellaneous purposes, and for not	
4 24	more than the following full-time equivalent positions:	DETAIL: Partially restores \$516,200 of the overall furlough reduction
4 25	..... \$ <u>24,379,674</u>	of \$596,667. The Department anticipates using federal receipts to
4 26	..... <u>24,895,874</u>	recoup the remaining \$80,467. Section 5 of this Act permits the
4 27	..... FTEs 395.00	Department to retain federal receipts in excess of \$3,350,000.
4 28	GENERAL ADMINISTRATION	
4 29	Sec. 7. 2002 Iowa Acts, Second Extraordinary Session,	CODE: General Fund supplemental appropriation to the Department
4 30	chapter 1003, section 156, subsection 1, unnumbered paragraph	of Corrections for the Central Office.
4 31	1, is amended to read as follows:	DETAIL: Restores the furlough reduction of \$65,253.
4 32	For general administration, including salaries, support,	
4 33	maintenance, employment of an education director and clerk to	
4 34	administer a centralized education program for the	
4 35	correctional system, miscellaneous purposes, and for not more	
5 1	than the following full-time equivalent positions:	
5 2	..... \$ <u>2,666,224</u>	
5 3	..... <u>2,731,477</u>	
5 4	..... FTEs 42.18	
5 5	COMMUNITY-BASED ADMINISTRATION	
5 6	Sec. 8. 2002 Iowa Acts, Second Extraordinary Session,	CODE: General Fund supplemental appropriation to the Department
5 7	chapter 1003, section 157, subsection 1, paragraphs a, b, c,	of Corrections for the First Community-Based Corrections (CBC)
		District Department.

PG LN	Senate File 36	Explanation
5 8	and h, are amended to read as follows:	
5 9	a. For the first judicial district department of	DETAIL: Restores the furlough reduction of \$219,135.
5 10	correctional services, including the treatment and supervision	
5 11	of probation and parole violators who have been released from	
5 12	the department of corrections violator program, the following	
5 13	amount, or so much thereof as is necessary:	
5 14	..... \$ <del>8,953,795</del>	
5 15	<u>9,172,930</u>	
5 16	b. For the second judicial district department of	CODE: General Fund supplemental appropriation to the Department
5 17	correctional services, including the treatment and supervision	of Corrections for the Second Community-Based Corrections (CBC)
5 18	of probation and parole violators who have been released from	District Department.
5 19	the department of corrections violator program, the following	
5 20	amount, or so much thereof as is necessary:	DETAIL: Restores the furlough reduction of \$171,123.
5 21	..... \$ <del>6,992,064</del>	
5 22	<u>7,163,184</u>	
5 23	c. For the third judicial district department of	CODE: General Fund supplemental appropriation to the Department
5 24	correctional services, including the treatment and supervision	of Corrections for the Third Community-Based Corrections (CBC)
5 25	of probation and parole violators who have been released from	District Department.
5 26	the department of corrections violator program, the following	
5 27	amount, or so much thereof as is necessary:	DETAIL: Restores the furlough reduction of \$99,698.
5 28	..... \$ <del>4,073,638</del>	
5 29	<u>4,173,336</u>	
5 30	h. For the eighth judicial district department of	CODE: General Fund supplemental appropriation to the Department
5 31	correctional services, including the treatment and supervision	of Corrections for the Eighth Community-Based Corrections (CBC)
5 32	of probation and parole violators who have been released from	District Department.
5 33	the department of corrections violator program, the following	
5 34	amount, or so much thereof as is necessary:	DETAIL: Restores the furlough reduction of \$124,756.
5 35	..... \$ <del>5,097,524</del>	
6 1	<u>5,222,277</u>	
6 2	DIVISION III — STATE PUBLIC DEFENDER	
6 3	Sec. 9. 2002 Iowa Acts, Second Extraordinary Session,	CODE: General Fund supplemental appropriation to the Office of the
6 4	chapter 1003, section 160, is amended to read as follows:	State Public Defender for the Indigent Defense Fund.
6 5	SEC. 160. STATE PUBLIC DEFENDER. There is appropriated	

PG LN	Senate File 36	Explanation
6 6	from the general fund of the state to the office of the state	DETAIL: Increases the appropriation by \$2,300,000 to the Office for the Indigent Defense Fund due to the increasing number of cases and claims.
6 7	public defender of the department of inspections and appeals	
6 8	for the fiscal year beginning July 1, 2002, and ending June	
6 9	30, 2003, the following amount, or so much thereof as is	
6 10	necessary, for the purposes designated:	
6 11	..... \$ <del>33,908,325</del>	
6 12	<u>36,208,325</u>	
6 13	The funds appropriated and full-time equivalent positions	CODE: General Fund supplemental allocation to the Office of the State Public Defender for the Indigent Defense Fund.
6 14	authorized in this section are allocated as follows:	
6 15	1. For salaries, support, maintenance, and miscellaneous	DETAIL: Increases the allocation by \$2,300,000 for the Indigent Defense Fund due to the increasing number of cases and claims. The Indigent Defense Fund reimburses court-appointed attorneys who provide counsel for indigent adults and juveniles.
6 16	purposes, and for not more than the following full-time	
6 17	equivalent positions:	
6 18	..... \$ 15,770,739	
6 19	..... FTEs 202.00	
6 20	2. For the fees of court-appointed attorneys for indigent	
6 21	adults and juveniles, in accordance with section 232.141 and	
6 22	chapter 815:	
6 23	..... \$ <del>18,137,586</del>	
6 24	<u>20,437,586</u>	
6 25	DIVISION IV — DEPARTMENT OF PUBLIC SAFETY	
6 26	Sec. 10. 2002 Iowa Acts, Second Extraordinary Session,	CODE: General Fund supplemental appropriation to the Department of Public Safety for Administration.
6 27	chapter 1003, section 165, subsection 1, subsection 2,	
6 28	unnumbered paragraph 1, subsection 3, paragraph a, subsection	DETAIL: Restores \$77,596 for the furlough reduction and equipment budget.
6 29	4, paragraph a, and subsection 5, paragraph a, are amended to	
6 30	read as follows:	
6 31	1. For the department's administrative functions,	
6 32	including the criminal justice information system, and for not	
6 33	more than the following full-time equivalent positions:	
6 34	..... \$ <del>2,379,176</del>	
6 35	<u>2,456,772</u>	
7 1	..... FTEs 38.50	
7 2	For the division of criminal investigation and bureau of	CODE: General Fund supplemental appropriation to the Department of Public Safety for the Division of Criminal Investigation.
7 3	identification including the state's contribution to the peace	
7 4	officers' retirement, accident, and disability system provided	

PG LN	Senate File 36	Explanation
7 5	in chapter 97A in the amount of 17 percent of the salaries for	DETAIL: Restores \$744,246 for the furlough reduction and equipment budget.
7 6	which the funds are appropriated, to meet federal fund	
7 7	matching requirements, and for not more than the following	
7 8	full-time equivalent positions:	
7 9	..... \$ <del>12,050,565</del>	
7 10	..... <u>12,794,811</u>	
7 11	..... FTEs 231.50	
7 12	a. For the division of narcotics enforcement, including	CODE: General Fund supplemental appropriation to the Department of Public Safety for Division of Narcotics Enforcement.
7 13	the state's contribution to the peace officers' retirement,	
7 14	accident, and disability system provided in chapter 97A in the	DETAIL: Restores \$200,519 for the furlough reduction and equipment budget.
7 15	amount of 17 percent of the salaries for which the funds are	
7 16	appropriated, to meet federal fund matching requirements, and	
7 17	for not more than the following full-time equivalent	
7 18	positions:	
7 19	..... \$ <del>3,392,889</del>	
7 20	..... <u>3,593,408</u>	
7 21	..... FTEs 58.00	
7 22	a. For the state fire marshal's office, including the	CODE: General Fund supplemental appropriation to the Department of Public Safety for the State Fire Marshal Office.
7 23	state's contribution to the peace officers' retirement,	
7 24	accident, and disability system provided in chapter 97A in the	DETAIL: Restores \$154,878 for the furlough reduction and equipment budget.
7 25	amount of 17 percent of the salaries for which the funds are	
7 26	appropriated, and for not more than the following full-time	
7 27	equivalent positions:	
7 28	..... \$ <del>1,777,630</del>	
7 29	..... <u>1,932,508</u>	
7 30	..... FTEs 38.80	
7 31	a. For the division of the Iowa state patrol of the	CODE: General Fund supplemental appropriation to the Department of Public Safety for the Iowa State Patrol.
7 32	department of public safety, for salaries, support,	
7 33	maintenance, workers' compensation costs, and miscellaneous	DETAIL: Restores \$522,761 for the furlough reduction and equipment budget.
7 34	purposes, including the state's contribution to the peace	
7 35	officers' retirement, accident, and disability system provided	
8 1	in chapter 97A in the amount of 17 percent of the salaries for	
8 2	which the funds are appropriated, and for not more than the	
8 3	following full-time equivalent positions:	
8 4	..... \$ <del>37,019,624</del>	



PG LN	Senate File 36	Explanation
8 5	<u>37,542,385</u>	
8 6	..... FTEs 545.00	
8 7	DIVISION V — EFFECTIVE DATE — APPLICABILITY	
8 8	Sec. 11. EFFECTIVE DATE. This Act, being deemed of	Specifies that the Act takes effect upon enactment.
8 9	immediate importance, takes effect upon enactment.	
8 10	Sec. 12. APPLICABILITY. The increases in appropriations	Exempts the appropriations in this Act from reductions and provisions made pursuant to Chapter 1003, Section 220, <u>2002 Iowa Acts</u> , Second Extraordinary Session.
8 11	and appropriation made in this Act apply following the	
8 12	reductions in appropriations made pursuant to 2002 Iowa Acts,	
8 13	Second Extraordinary Session, chapter 1003, section 220, and	
8 14	the provisions of 2002 Iowa Acts, Second Extraordinary	
8 15	Session, chapter 1003, section 220, are not applicable to such	
8 16	increases and appropriation.	
8 17	SF 36	
8 18	jp/cc/26	

## **EXECUTIVE SUMMARY**

### **FY 2005 SCHOOL AID ALLOWABLE GROWTH RATE**

## **SENATE FILE 211**

#### **FY 2005 ALLOWABLE GROWTH**

- Sets the FY 2005 allowable growth rate at 2.0%. This will increase the school district cost per pupil by \$93 compared to the FY 2004 amount. The FY 2005 State cost per pupil will be \$4,741.

#### **FISCAL IMPACT**

- The estimated FY 2005 fiscal impact of SF 211 is as follows:
  - State aid total of \$1,869.8 million, an increase of \$42.3 million (2.3%) compared to the estimated FY 2004 amount.
  - Foundation Property Tax total of \$1,048.9 million, an increase of \$24.0 million (2.3%) compared to the estimated FY 2004 amount.
  - A budget guarantee total of \$30.4 million (this amount is included in the total Foundation Property Tax amount) with 237 eligible recipient school districts. This is an increase of \$2.9 million (10.7%) and six (2.6%) eligible school districts compared to the estimated FY 2004 amount.

#### **SCHOOL DISTRICT INFORMATION**

- Estimates for individual school districts are available from the Fiscal Services Division of the Legislative Services Agency.

#### **ENACTMENT DATE**

- This Act was approved by the General Assembly on February 27, 2003, and signed by the Governor on March 3, 2003.

# EXECUTIVE SUMMARY ENHANCED TOBACCO ENFORCEMENT ACT

## SENATE FILE 375

### FUNDING SUMMARY

- Senate File 375 appropriates \$50,000 from the General Fund for FY 2004 to the Department of Revenue and Finance and \$646,000 from the Restricted Capital Fund for FY 2003 to the Office of the Treasurer of State. The Act also establishes a standing appropriation of \$25,000 from the General Fund beginning in FY 2005 to the Department of Revenue and Finance.

### TOBACCO PRODUCT MANUFACTURER CERTIFICATION

- Requires tobacco product manufacturers that sell cigarettes in Iowa to annually certify to the Department of Revenue and Finance and the Attorney General that the manufacturer is either a participating member of the tobacco Master Settlement Agreement or that the manufacturer is in full compliance of Chapter 453C, Code of Iowa. The Act requires the manufacturers to include specific information concerning product brands in the certification. Chapter 453C, Code of Iowa, regulates tobacco product manufacturers in Iowa in accordance with the Master Settlement Agreement.

### WEB SITE DIRECTORY OF TOBACCO PRODUCT MANUFACTURERS

- Requires the Department of Revenue and Finance to develop and publish on the Department's web site a directory listing all tobacco product manufacturers that have submitted accurate certification information confirming compliance with Chapter 453C, Code of Iowa. The Act requires the Department to develop and publish the directory no later than 90 days after the effective date of the Act.

### GENERAL FUND APPROPRIATIONS

- Appropriates \$50,000 from the General Fund for FY 2004 to the Department of Revenue and Finance to implement the provisions of SF 375. The Act also establishes a standing appropriation of \$25,000 beginning in FY 2005 for the Department's costs associated with monitoring and enforcing SF 375.

### NONCOMPLIANCE OF STATE TOBACCO REQUIREMENTS

- Prohibits a tobacco product manufacturer from selling a cigarette brand not listed in the Department's web site directory and prohibits placing an excise tax stamp on a package of cigarettes if that brand is not included in the Department's web site. A violation of these provisions constitutes a serious misdemeanor. This Act has no significant correctional impact.

### NONPARTICIPATING MANUFACTURER AGENT FOR SERVICE REQUIREMENT

- Requires a nonparticipating manufacturer to appoint an agent for service of process in Iowa that will represent the manufacturer in potential legal action against the manufacturer by the State for enforcement of Chapter 453C, Code of Iowa.

### REPORTING REQUIREMENTS

- Requires stamping agents and distributors to report quarterly to the Department of Revenue and Finance information regarding the total number of cigarettes for which an excise tax stamp has been affixed. Also, requires manufacturers to maintain documentation and invoices concerning the sale of all nonparticipating manufacturer cigarettes for a period of five years and make the information available to the Department. The Act makes a violation of these provisions subject to a civil penalty.

# EXECUTIVE SUMMARY ENHANCED TOBACCO ENFORCEMENT ACT

SENATE FILE 375

## REPORTING REQUIREMENTS (CONTINUED)

## PENALTIES FOR NONCOMPLIANCE

## RESTRICTED CAPITAL FUND APPROPRIATION

## EFFECTIVE DATE

## ENACTMENT DATE

- Allows the Attorney General to require a nonparticipating manufacturer to submit financial information concerning the manufacturer's required escrow fund in order for the Attorney General to monitor and determine compliance with Chapter 453C, Code of Iowa.
- Permits the Department of Revenue and Finance to suspend or revoke a permit or license of any stamping agent or distributor for violations concerning submission of information to the Department for placement on the Department's web site. Allows the Department to impose a civil penalty for such violation in an amount not to exceed \$5,000. The Act also allows the Attorney General and the Department to recover costs from a stamping agent or distributor related to an investigation of a violation of these provisions.
- Appropriates \$646,000 from the Restricted Capital Fund to fully fund the FY 2003 attorney litigation fees as required under the Master Settlement Agreement.
- This Act takes effect upon enactment.
- Senate File 375 was passed by the General Assembly on April 22, 2003, and signed by the Governor on May 1, 2003.

## EXECUTIVE SUMMARY ENVIRONMENT FIRST FUND APPROPRIATIONS ACT

SENATE FILE 436

### CASH RESERVE FUND APPROPRIATION

- Appropriates \$16.6 million from the Cash Reserve Fund to the Environment First Fund for FY 2003. (Page 1, Line 1)

### REVERSION OF FUNDS

- Requires any unobligated funds from FY 2003 Environment First Fund appropriations to revert to the Cash Reserve Fund at the close of FY 2003. This provision does not apply to the Soil Conservation Cost Share Program. (Page 1, Line 6)
- Requires that the total amount that can be transferred from the Environment First Fund to the Cash Reserve Fund shall not exceed \$16.6 million, and that the reversion provisions in this Act do not apply to the Soil Conservation Cost Share Program. (Page 1, Line 13)

### CONTINGENCY LANGUAGE FOR U.S. SUPREME COURT RULING

- Requires that if the United States Supreme Court rules in favor of the State concerning the litigation of racetrack taxation after the close of the current fiscal year, an amount of up to \$16.6 million will be transferred from the Rebuild Iowa Infrastructure Fund to the Cash Reserve Fund. (Page 1, Line 19)

On June 9, the United States Supreme Court ruled in favor of the State stating that the different tax rates on tracks and boats does not violate the equal protection clause under the United States Constitution. However, the United States Supreme Court remanded the case back to the Iowa Supreme Court for re-examination of the ruling on the Iowa Constitution.

### EFFECTIVE DATE ENACTMENT DATE

- This Act takes effect upon enactment. (Page 1, Line 28)
- Senate File 436 was passed by the General Assembly on April 1, 2003, and signed by the Governor on April 11, 2003.

Senate File 436

Senate File 436 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	6	2.1	Nwthstnd	Sec. 8.33 and Sec. 22.1, Chapter 1173, 2002 Iowa Acts	Reversion of Environment First Fund Appropriations
1	13	2.2	Nwthstnd	Sec. 2.2, SF 436, 2003 Iowa Acts	Exempts Soil Conservation Cost Share Funds from Reversion

1 1 Section 1. ENVIRONMENT FIRST FUND. There is appropriated  
1 2 from the cash reserve fund to the environment first fund for  
1 3 the fiscal year beginning July 1, 2002, and ending June 30,  
1 4 2003, the following amount:  
1 5 ..... \$ 16,555,000

Cash Reserve Fund appropriation for FY 2003 to the Environment First Fund.

DETAIL: The appropriation provides cash flow funding for FY 2003 environmental programs that received appropriations from the Environment First Fund. The Environment First Fund is experiencing cash-flow difficulties due to a funding shortfall in the Rebuild Iowa Infrastructure Fund (RIIF) due to the Iowa Supreme Court ruling that reduced the State tax on racetrack establishments.

1 6 Sec. 2. CASH RESERVE FUND.  
1 7 1. Notwithstanding section 8.33 and the nonreversion  
1 8 provision in 2002 Iowa Acts, chapter 1173, section 22,  
1 9 subsection 1, moneys in the environment first fund remaining  
1 10 unencumbered or unobligated at the end of the fiscal year  
1 11 beginning July 1, 2002, shall be transferred to the cash  
1 12 reserve fund.

CODE: Requires that the unobligated funds from FY 2003 Environment First Fund appropriations (except for the Soil Conservation Cost Share Program) revert to the Cash Reserve Fund at the close of FY 2003.

1 13 2. Notwithstanding subsection 1, the total amount  
1 14 transferred pursuant to subsection 1 shall not exceed  
1 15 \$16,555,000. The transfer to the cash reserve fund specified  
1 16 in subsection 1 shall not apply to any unencumbered or  
1 17 unobligated moneys that are not to revert as provided in 2002  
1 18 Iowa Acts, chapter 1173, section 22, subsection 2.

CODE: Requires that the total amount transferred from the Environment First Fund to the Cash Reserve Fund shall not exceed \$16,555,000, and that the reversion provisions in this Act do not apply to the Soil Conservation Cost Share Program.

1 19 Sec. 3. CASH RESERVE FUND. If the United States supreme  
1 20 court ruling is decided on or after July 1, 2003, in favor of  
1 21 the state's taxation of the adjusted gross revenues from  
1 22 gambling games at racetrack enclosures, and results in  
1 23 additional tax revenues being deposited into the rebuild Iowa  
1 24 infrastructure fund, an amount of the additional tax revenues  
1 25 equal to the difference between \$16,555,000 and the amount  
1 26 transferred to the cash reserve fund pursuant to section 2 of  
1 27 this Act shall be transferred to the cash reserve fund.

Requires that if the United States Supreme Court rules in favor of the State concerning the litigation of racetrack taxation after the close of the current fiscal year (FY 2003), an amount of up to \$16,555,000 will be transferred from the RIIF to the Cash Reserve Fund.

DETAIL: On June 9, the United States Supreme Court ruled in favor of the State stating that the different tax rates on tracks and boats does not violate the equal protection clause under the United States Constitution. However, the United States Supreme Court remanded the case back to the Iowa Supreme Court for re-examination of the ruling on the Iowa Constitution.

PG LN	Senate File 436	Explanation
1 28	Sec. 4. EFFECTIVE DATE. This Act, being deemed of	Specifies that this Act takes effect upon enactment.
1 29	immediate importance, takes effect upon enactment.	

LSB 3415SV 80  
mg/sh/8



# EXECUTIVE SUMMARY

## GRANT ENTERPRISE MANAGEMENT SYSTEM ACT

SENATE FILE 438

### NEW PROGRAMS, SERVICES, OR ACTIVITIES

- Creates Section 8.9, Code of Iowa, and establishes the Office of Grants Enterprise Management within the Department of Management for the development and administration of a system to track, identify, advocate for, and coordinate non-State funds received by the State.
- Creates Section 8.10, Code of Iowa, and establishes the duties of a facilitator appointed by the Director of the Department of Management as follows:
  - Establish a grants network consisting of a designated management or senior staff employee from each State agency to advise the Office of Grants Enterprise Management.
  - Develop a plan to increase other fund receipts coming to the State.
  - Develop a procedure for notifying State and local agencies on the availability of federal funds and to coordinate the application process.
  - Establish an information system to track congressional activity and grants applications.
  - Provide information and counseling to State agencies and political subdivisions on the availability of State, federal, and private grants, and how to obtain grants.
  - Make available to State agencies and political subdivisions assistance and training opportunities on grant application writing.
  - Monitor sources of information on the availability of funds.
  - Monitor the per capita federal funds receipts of other states to determine if the strategies used by other states could be adopted for Iowa.

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Creates Section 421.17(33)(aa), Code of Iowa, and establishes a standing limited annual appropriation to the Office of Grants Enterprise Management of the Department of Management based on the increased indirect cost reimbursements compared to FY 2003, not to exceed \$125,000.

DETAIL: Section 41 of HF 683 (Grow Iowa Values Act) repealed the standing limited annual appropriation. Section 34 of HF 683 (Grow Iowa Values Act) amends Section 8A.505, Code of Iowa, as enacted by HF 534 (Department of Administrative Services Act) and establishes a standing limited annual appropriation to the Office of Grants Enterprise Management of the Department of Management based on the increased indirect cost reimbursements compared to FY 2003, not to exceed \$125,000.

### ENACTMENT DATE

- The Act was approved by the General Assembly on April 22, 2003, and signed by the Governor on May 1, 2003.

## EXECUTIVE SUMMARY SCHOOL INFRASTRUCTURE FINANCING

## SENATE FILE 445

### SCHOOL INFRASTRUCTURE LOCAL OPTION (SILO) SALES TAX CHANGES

- Amends the current school infrastructure local option sales and services tax (SILO) by creating a shared financing program. Details include:
  - After April 1, 2003, SILO taxes would be deposited in the Secure an Advanced Vision for Education Fund.
  - A guaranteed per pupil amount is established by estimating the total revenue that would be generated by a 1.0% sales tax in all counties divided by the number of Iowa students. If the per pupil amount generated by the sales tax in a county is less than the guarantee, the county would receive a supplemental payment from the Secure an Advanced Vision for Education Fund to make up the difference. *The item was amended by HF 683 (Grow Iowa Values Fund). See below.*
  - School districts in counties with the tax in place prior to April 1, 2003, would receive the greater of the amount they would receive under current law or that amount plus the supplemental, bringing them up to the guarantee. School districts in counties implementing the tax after April 1, 2003, would receive the guarantee amount or their pro rata share plus the supplemental.
  - If the revenues in the Fund are insufficient to meet the supplemental costs, the available funds will be distributed based on the number of students. The item was amended by HF 683 (Grow Iowa Values Fund). See below.
  - The permitted uses of SILO tax revenues are expanded to include debt service.
  - The SILO taxes are sunset as of December 31, 2022.

### HOUSE FILE 683 (GROW IOWA VALUES FUND) AMENDMENTS TO SF 445

- HF 683 amendments to SF 445 (School Infrastructure Financing) include:
  - Sets the Statewide Tax Revenue per Student (guaranteed amount) at \$575 and requires the General Assembly to annually review the amount.
  - Changes the distribution method for funds in the Secure an Advanced Vision for Education Fund. If revenues in the Fund are insufficient to meet the supplemental costs, monies are distributed to the school district with the lowest sales tax capacity per student until it is equal to the next lowest school district. Those districts are then funded until they are equal to the next lowest district, and so on until the Fund is exhausted.
- Requires schools to obtain a certificate of need from the Department of Education to expend the supplemental amount, except for payment of outstanding bonds and certain other repairs and expenses.

## EXECUTIVE SUMMARY SCHOOL INFRASTRUCTURE FINANCING

## SENATE FILE 445

### HOUSE FILE 683 (GROW IOWA VALUES FUND) AMENDMENTS TO SF 445 (CONTINUED)

### FISCAL IMPACT

### EFFECTIVE DATE ENACTMENT DATE

- Makes \$15.0 million available annually for school infrastructure for fifteen years beginning in FY 2005, as follows:
  - Appropriates up to \$10.0 million per year from the Rebuild Iowa Infrastructure Fund (RIIF) beginning in FY 2005 to FY 2014 to the Secure an Advanced Vision for Education Fund from funding in excess of the first \$47.0 million credited to RIIF.
  - Makes a General Fund appropriation of up to \$5.0 million per year beginning in FY 2005 to FY 2014 to the Secure an Advanced Vision for Education Fund from revenues generated by entering into the streamlined sales and use tax agreement and after the Grow Iowa Values Fund has received its appropriation.
- Forty counties now have a school infrastructure local option sales tax. The supplemental costs for these counties are projected to be \$19.2 million. Another six counties have placed the tax on the ballot, and another six are considering the issue. These 12 counties have estimated supplemental costs of \$6.9 million. With the \$15.0 million appropriation, \$11.1 million in supplemental costs would not be funded.
- If all counties participated, five new participants would generate approximately \$15.9 million in excess of the guarantee amount. The supplemental costs for all counties are estimated to be \$55.2 million, for a net shortfall in local option sales tax revenues of \$39.3 million. The above appropriation would reduce the shortfall to \$24.3 million.
- This Act takes effect upon enactment.
- This Act was approved by the General Assembly on April 30, 2003, and was signed by the Governor on May 30, 2003.

## EXECUTIVE SUMMARY

### ROAD JURISDICTION AND FUNDING ACT

## SENATE FILE 451

#### TRANSFER OF LOCAL SERVICE ROADS

#### TRANSFER OF ROAD JURISDICTIONS AND FUNDING

- Effective in FY 2004, the jurisdiction and control of approximately 700 miles of primary (State) roads classified as Local Service Roads will be transferred to cities and counties.
- From FY 2004 to FY 2013, 1.8% (approximately \$7.6 million) of Primary Road Funds will be transferred annually to a Transfer of Jurisdiction Fund created under the Act. The allocation will be distributed as follows:
  - 75.0% (approximately \$5.7 million) to counties and cities that assume jurisdiction of primary roads. All funds, including interest or other earnings on the funds, received by a county from the Transfer of Jurisdiction Fund, will be deposited into the Secondary Road Fund of the county to be used only for the maintenance and construction of roads under the county's jurisdiction. All funds received by a city from the Transfer of Jurisdiction Fund will be used only for the maintenance and construction of roads under the city's jurisdiction.
  - 22.5% (approximately \$1.7 million) to the Secondary Road Fund of all counties.
  - 2.5% (approximately \$200,000) to the Street Construction (Municipal Road) Fund of all cities.
- In FY 2014 and beyond, the Transfer of Jurisdiction Fund will be eliminated, and the 1.8% (approximately \$7.6 million) of Primary Road Fund moneys will be distributed to all cities and counties as follows:
  - 1.6% (approximately \$6.8 million) to the Secondary Road Fund.
  - 0.2% (approximately \$760,000) to the Street Construction Fund.
- In FY 2005, jurisdiction and control of approximately 360 miles of farm-to-market road extensions in cities with a population of less than 500 will be transferred to the respective counties. If the city exceeds a population of 750, jurisdiction over such extensions would be transferred back to the applicable city, along with funds to maintain the extensions.
- Effective in FY 2005, a portion of the Street Construction Fund from cities that transferred jurisdiction of farm-to-market extensions to counties (approximately \$2.0 million) will be transferred to the respective counties. The counties will use that money only for the maintenance or construction of roads under the county's jurisdiction. All interest and earnings on the moneys transferred will remain in the Secondary Road Fund of the county to be used for the same purpose.
- Prior to FY 2014, the Department of Transportation's annual recalculation of construction and maintenance needs of roads under county jurisdiction will not include the roads transferred under the Act.

## EXECUTIVE SUMMARY

### ROAD JURISDICTION AND FUNDING ACT

## SENATE FILE 451

#### TRANSFER OF JURISDICTION REPORT

#### STREET CONSTRUCTION FUND ADVISORY COMMITTEE

#### SERVICE “C” ROAD CLASSIFICATION OWNERSHIP OF ROADS

#### ROAD USE TAX FUND ROAD AND MONEY TRANSFERS

#### FISCAL IMPACT

#### ENACTMENT DATE

- The Department will keep a Transfer of Jurisdiction report that includes the descriptions of primary roads that will transfer to local governments under the Act.
- The Act establishes a Street Construction Fund Advisory Committee to study the distribution of the Street Construction Fund. The Committee will report the outcome to the General Assembly by January 1, 2004.
- The Act allows a county to initiate an area service “C” road classification without the requirement that all adjoining landowners sign a petition.
- Ownership of primary roads, secondary roads, farm-to-market roads, and city streets will not change, except that counties will maintain jurisdiction and control over the farm-to-market road extensions that are currently under the jurisdiction and control of cities with a population of less than 500.
- The current Road Use Tax Fund distribution formula will remain unchanged.
- The one-time transfers will not be subject to current terms and conditions required for other transfers of road jurisdictions. The funding provisions of the Act are intended to address the funds necessary to bring the road into a state of good repair. All future transfers will be subject to mutual agreement and the requirement to place the road into a state of good repair or transfer of moneys for sufficient repair.
- The fiscal impact of SF 451 is revenue neutral to the Road Use Tax Fund. The State, cities, and counties transferring jurisdiction and control of primary and secondary roads and city streets, will transfer the appropriate funds with those roads. Similarly, the State, cities, and counties that receive jurisdiction and control of roads and streets will receive the necessary funding to maintain those roads. The attached table shows allocations the State, cities, and counties will receive under SF 451. Amounts are based on estimated FY 2003 allocations.
- The Act was approved by the General Assembly on April 29, 2003, and signed by the Governor on May 23, 2003.

**Transfer of Jurisdictions**  
**Road Use Tax Fund Appropriations to State, Cities, and Counties**  
(Dollars in Millions)

Appropriations	Prior to Enactment of SF 451	SF 451	
	Est. FY 2003	FY 2004 to FY 2013	FY 2014 & Beyond
<b>Primary Road Fund</b>			
State Appropriation	\$ 434.4	\$ 434.4	\$ 434.4
— 1.8% of Primary Road Fund Appropriation to Transfer of Jurisdiction Fund	0.0	-7.6	0.0
— 1.8% of Primary Road Fund Appropriation to all Cities & Counties	0.0	0.0	-7.6
<b>Secondary Road Fund</b>			
— Counties that assume jurisdiction of Primary Roads <i>(FY 2004 to FY 2013)</i>	0.0	5.1	0.0
— Counties that assume jurisdiction of Farm-to-Market Road Extensions <i>(FY 2005 and Beyond)</i>	0.0	2.0	2.0
— All Counties	224.1	225.8	230.9
<b>Farm-to-Market Road Fund</b>	73.2	73.2	73.2
<b>Street Construction Fund</b>			
— Cities that assume jurisdiction of Primary Roads <i>(FY 2004 to FY 2013)</i>	0.0	0.6	0.0
— Cities that transfer jurisdiction of Farm-to-Market Road Extensions* <i>(FY 2005 and Beyond)</i>	0.0	-2.0	-2.0
— All Cities	182.9	183.1	183.7
<b>Total Road Use Tax Fund Appropriations</b>	<u>\$ 914.6</u>	<u>\$ 914.6</u>	<u>\$ 914.6</u>

\* Includes road extensions in cities with a population of under 500. If the city exceeds a population of 750, jurisdiction over such extensions would be transferred back to the applicable city, along with funds to maintain the extensions.

Source: Department of Transportation

# EXECUTIVE SUMMARY REINVENTION OF GOVERNMENT ACT

## SENATE FILE 453

### SENATE FILE 453

#### DIVISION I – PROPERTY TAX REPLACEMENT

- Provides an estimated net savings of \$116.3 million to the General Fund for a variety of changes to appropriations, State government expenditures, and local government actions. Also appropriates \$14.0 million from the Hospital Trust Fund for Medical Assistance in FY 2004. Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) and House File 683 (Grow Iowa Values Fund Act) amend various Sections of SF 453. The detailed sections of this document highlight these changes.
- Advances the termination of the State payment of industrial machinery, equipment, and computer tax replacement claims from June 30, 2006, to June 30, 2004, and appropriates \$10.1 million for FY 2004 for the claims. Prohibits revaluation of industrial machinery, equipment, and computers to recover a shortfall in funding for FY 2004 replacement claims. Reporting requirements for industrial machinery, equipment, and computer tax replacement in tax increment finance areas are also terminated on June 30, 2004. (Page 2, Lines 6, 12, and 27)
- Repeals statutory language that provides for State payments to local governments for personal property tax and franchise tax replacement. (Page 4, Line 4)
- Requires the Governor to order across-the-board reductions to offset the costs of increased appropriations created by line-item vetoes in Division I. (Page 4, Line 7)

FISCAL IMPACT: The repealed portion of Chapter 405A, Code of Iowa, includes an FY 2004 standing appropriation of \$51.1 million, which was frozen in 1992, and \$8.0 million for the Franchise Tax Reimbursement. The appropriation for payment of industrial machinery, equipment, and computer tax replacement claims results in an anticipated savings of \$10.9 million. Total estimated savings is \$70.0 million.

Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) reduced the savings with an increase of the appropriation for the industrial machinery, equipment, and computer tax replacement claims by \$1.2 million. House File 683 (Grow Iowa Values Fund Act) appropriated \$1.0 million for the Local Government Innovation Fund.

#### DIVISION II – PARKING TICKETS

- Eliminates the \$5.00 statutory limit a city may charge for parking violations. Permits the fine to be increased by \$5.00 when not paid within thirty days. (Page 4, Line 20)

FISCAL IMPACT: This provision permits cities to increase parking violation fine revenue. The number of cities that would enact ordinances to increase the fine cannot be estimated.

#### DIVISION III - LAW ENFORCEMENT ACADEMY TRAINING

- Permits certain noncertified law enforcement officers to receive training at the Law Enforcement Academy if criteria are met and if the officer pays for the training. Specifies an 18-month limitation for employment to occur to obtain certification following the training. (Page 5, Line 29)

FISCAL IMPACT: The noncertified law enforcement officers would pay any additional costs for training.

# EXECUTIVE SUMMARY REINVENTION OF GOVERNMENT ACT

SENATE FILE 453

## DIVISION IV – BUDGET

## DIVISION V – INDEBTEDNESS REPORTING – COLLECTION OF TAXES

## DIVISION VI – MUNICIPAL AND COUNTY INFRACTIONS

## DIVISION VII – TRANSACTION FEE

- Changes the budget appeal protest requirements for county budgets. A minimum of 100 people are necessary to file a protest as a result of the change. (Page 6, Line 25)
- Specifies biennial reporting requirements for municipalities regarding urban renewal areas. Requires the Department of Management and the Legislative Fiscal Bureau to prepare a reporting form. (Page 7, Line 2 and Page 7, Line 20)
- Specifies that a district court for small claims is the jurisdiction for action on a claim filed by a county treasurer to collect delinquent taxes of \$5,000 or less. (Page 8, Line 3)
- Increases various civil penalties for violation of specified infractions of county and municipality ordinances. (Page 8, Line 11)

- Requires a \$5.00 electronic transaction fee for transactions undertaken by a county recorder for an instrument filed or recorded in addition to the \$5.00 per page fee already required for FY 2004. Of the \$5.00, \$4.00 remains with the county recorder and \$1.00 is transferred to the Treasurer of State for deposit into the Local Government Electronic Transaction Account for electronic access to local government records and information. The Account is repealed June 30, 2004. (Page 9, Line 16)
- Requires a \$1.00 electronic transaction fee for transactions undertaken by a county recorder for an instrument filed or recorded for FY 2005 in addition to the \$5.00 per page fee already required for FY 2004. The fee remains with the county to pay for the ongoing cost of the electronic access to records. (Page 9, Line 28)

FISCAL IMPACT: An estimated 890,000 county recorder transactions take place each year that would result in an additional estimated \$3.5 million annually for local government revenues and \$1.0 million for the Local Government Electronic Transaction Account for FY 2004. For FY 2005, counties would retain \$1.0 million.

## DIVISION VIII – LOCAL GOVERNMENT LEASES

## DIVISION IX – LOCAL GOVERNMENT INNOVATION FUND

- Permits lease agreements between a city or county and a joint city-county authority under certain circumstances and exceptions from certain election requirements for the lease authorization. (Page 11, Line 17)
- Creates a Local Government Innovation Fund under the control of the Department of Management and specifies criteria for the repayment provisions over a five-year period. (Page 11, Line 30)
- Appropriates \$10.0 million from the General Fund for a Local Government Innovation Fund for loans to cities or counties for expenditures, which would result in cost savings or additional revenues for a city, a county, or the State. (Page 13, Line 15)



## EXECUTIVE SUMMARY REINVENTION OF GOVERNMENT ACT

## SENATE FILE 453

### DIVISION IX – LOCAL GOVERNMENT INNOVATION FUND (CONTINUED)

Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) repeals the appropriation. House File 683 (Grow Iowa Values Fund Act) appropriates \$1.0 million for the Fund.

### DIVISION X – STUDY OF CITY AND COUNTY REGULATION BY THE DEPARTMENT OF NATURAL RESOURCES

- Requires the Legislative Council to establish a study committee to review the policies of the Department of Natural Resources relating to regulation of cities and counties and specifies options to review fine revenues and utilization. (Page 13, Line 31)

### DIVISION XI – CHARGE FOR CAPITAL ASSETS

- Requires the Department of Management to charge all State agencies a fee for capital assets in FY 2004. Exempts the assets under the purview of the Department of Administrative Services and the Board of Regents. Requires the capital asset fees paid by State agencies to be deposited into the fund from which the moneys were originally appropriated. Prohibits the charges from all agencies from exceeding \$1.7 million. (Page 14, Line 11)
- Requires the Legislative Council to authorize a study concerning policy options associated with charging all State agencies a capital asset fee. Requires the study to include recommendations to the General Assembly for consideration during the 2004 Legislative session. Membership of the study committee is designated. (Page 15, Line 7) *The Governor vetoed this item.*

FISCAL IMPACT: The capital assets charge is expected to provide \$1.7 million to the General Fund for FY 2004.

Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amends this Section resulting in the Department of Administrative Services transferring \$900,000 from its Rent Fund to the General Fund in lieu of the \$1.7 million asset charges.

### APPROPRIATION REDUCTION FOR THE BOARD OF REGENTS

- Reduces the General Fund appropriations to the Regents universities by a total of \$17.9 million. (Page 14, Line 27)

### DIVISION XII – CHARTER AGENCIES

- Provides for establishment of up to five charter agencies that would be operated under a performance agreement in exchange for a 10.0% reduction in the FY 2004 appropriation made by the General Assembly. Grants charter agencies exemptions from various administrative rule requirements for a five-year period. Permits charter agencies to retain proceeds from the sale or lease of capital assets under the agency's control. (Page 15, Line 32; Page 17, Line 5; and Page 18, Line 25)
- Prohibits the Department of Management and the Department of Administrative Services from being a charter agency. (Page 15, Line 35)

# EXECUTIVE SUMMARY REINVENTION OF GOVERNMENT ACT

SENATE FILE 453

## DIVISION XII – CHARTER AGENCIES (CONTINUED)

- Exempts a charter agency from an across-the-board reduction by Executive Order for FY 2004 and FY 2005. (Page 17, Line 21)
- Requires the Administrative Rules Review Committee to review the proposed exemptions from various requirements proposed by a charter agency that would impact other entities. (Page 19, Line 23)
- Requires charter agencies to issue an annual report by December 31 to the General Assembly regarding the agency's activities. Requires a report by the Governor to the General Assembly by January 2008. (Page 20, Line 16)
- Creates a Charter Agency Loan Fund under the Department of Management for FY 2004 and appropriates \$3.0 million to the Fund from the General Fund. (Page 21, Line 6 and Page 22, Line 16)
- Statutory language creating charter agencies is repealed on June 30, 2008. (Page 21, Line 33)
- Permits a charter agency that collects more revenue than budgeted to retain the additional revenue to supplement the appropriation received. (Page 22, Line 24)

FISCAL IMPACT: Public Strategies Group, the consultant retained by the Executive Branch, estimates that a 10.0% reduction in five average-sized agencies would save up to \$15.0 million on an annual basis.

Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) removes the limit of the number of Charter Agencies and allows the \$15.0 million savings to be achieved through a combination of revenues and expenditure reductions.

## DIVISION XIII - STATE EMPLOYEE HEALTH INSURANCE COST INCENTIVES

- Permits the Department of Personnel or Department of Administrative Services to establish a health insurance incentive program for State employees to reduce health insurance costs. (Page 22, Line 32)

FISCAL IMPACT: One-half of the savings from the health insurance incentive program would be returned to the State employees within the specific insurance program. Estimated savings from such an incentive program have not been determined.

## DIVISION XIV – AREA EDUCATION AGENCIES

- Creates a task force to study service delivery by the Area Education Agencies (AEAs). The report must be submitted to the General Assembly by December 15, 2003. (Page 23, Line 17) *The Governor vetoed this item.*
- Reduces AEA special education support services fund balances by a total of \$10.0 million but permits the agencies to use unreserved fund balances for media services or education service to maintain the level of required special education services. (Page 24, Line 34).

## EXECUTIVE SUMMARY REINVENTION OF GOVERNMENT ACT

SENATE FILE 453

### DIVISION XIV – AREA EDUCATION AGENCIES (CONTINUED)

- Makes the FY 2003 General Fund appropriation reduction of \$7.5 million for AEAs permanent for future years. (Page 25, Line 29)
- Makes an additional \$10.0 million reduction to AEAs through the combined district cost calculated by the School Aid Formula. (Page 26, Line 5)

FISCAL IMPACT: Total reductions for the AEAs equal \$20.0 million for FY 2004.

### DIVISION XV – CHILD WELFARE SYSTEM REDESIGN

- Requires the Department of Human Services (DHS) to implement a system redesign for child welfare services and specifies redesign requirements. (Page 26, Line 35)
- Requires a Stakeholder Panel be utilized to provide input regarding planning, design, implementation, and evaluation, and establishes a six-member legislative committee to monitor planning and implementation. (Page 30, Lines 2 and 20)
- Reduces the General Fund appropriations to the DHS in HF 667 (FY 2004 Health and Human Services Appropriations Act) by \$10.0 million. The reduction may be applied to any of the line-item appropriations and must be reported to the General Assembly on the date applied. (Page 31, Line 28)
- Appropriates \$1.2 million from the General Fund to the DHS for training and development of a statewide information system for implementation of changes associated with the redesign. (Page 32, Line 20)
- Establishes a Provider Loan Fund and deposits \$1.0 million into the Fund from the General Fund to be used to assist child welfare providers with short-term cash flow needs. (Page 32, Line 27)
- Adds a statutory provision that requires a contractor providing child welfare services to be considered an agency for purposes of an investigation by the Office of the Citizens' Aide. (Page 33, Line 4)

### DIVISION XVI – DHS REINVENTION

- Requires the DHS to develop a plan to implement an electronic billing and payment system for child care providers by January 1, 2004, and Medical Assistance Program providers by July 1, 2005. The plans are to be submitted to the Governor and the General Assembly. (Page 33, Line 27)
- Reduces the General Fund appropriations to the DHS in HF 667 (FY 2004 Health and Human Services Appropriations Act) by \$300,000 to reflect savings from future electronic payment of benefits and billing. (Page 33, Line 14)
- Requires the DHS to create a Medical Assistance (Medicaid) Program workgroup with representatives of the insurance industry to develop a plan for the redesign of the Medicaid Program. Specifies goals of the redesign plan. Requires a report to the Governor and General Assembly by January 15, 2004. (Page 34, Line 10)

# EXECUTIVE SUMMARY REINVENTION OF GOVERNMENT ACT

SENATE FILE 453

## DIVISION XVI – DHS REINVENTION (CONTINUED)

- Reduces the General Fund appropriation to the DHS for the Medical Assistance (Medicaid) Program in HF 667 (FY 2004 Health and Human Services Appropriations Act) by \$7.5 million, and increases the Hospital Trust Fund appropriation by \$14.0 million. (Page 35, Line 14)
- Requires excess funds in the Hospital Trust Fund to remain in the Fund at the end of FY 2003. (Page 35, Line 20)
- Provides funding from the School Aid Formula for the educational programs for children residing at the Independence Mental Health Institute, Eldora State Training School, and Toledo Juvenile Home. The Department of Revenue and Finance will make monthly payments to the DHS for distribution to the institutions. Reductions are made to the institutions' FY 2004 budgets to reflect the change in funding source. (Page 36, Lines 4 through 20; and Page 37, Line 23)
- Eliminates the requirement that AEA VI provide direct educational service to the students at the State Training School and Juvenile Home. (Page 39, Line 4)

FISCAL IMPACT: The net effect to the General Fund is a savings of \$2.2 million annually.

## DIVISION XVII – REINVENTION INVESTMENT

- Creates a Pharmaceutical Settlement Account. Revenues from pharmaceutical settlements relating to the Medical Assistance (Medicaid) Program are to be deposited into the Account. Requires revenues to be used for technology upgrades for the Medicaid Program. (Page 36, Line 21)
- Appropriates \$1.4 million from the General Fund for FY 2004 to the Department of Management for the cost of the reinvention initiatives to supplement the \$5.0 million appropriation in HF 655 (FY 2004 Administration and Regulation Appropriations Act). (Page 39, Line 31)

## DIVISION XVIII – IOWA LOTTERY AUTHORITY

- Creates a new Code of Iowa Chapter to establish the Iowa Lottery as a stand alone agency known as the Iowa Lottery Authority. The Iowa Lottery is currently a Division of the Department of Revenue and Finance. (Page 40, Line 9 through Page 73, Line 11)
- Transfers \$54.8 million from lottery proceeds to the State General Fund for FY 2004. (Page 84, Line 20)

## EFFECTIVE DATES

- Specifies that the Property Tax Replacement Division of the Act takes effect upon enactment. (Page 4, Line 16)
- Specifies that the Charter Agency Division of the Act takes effect upon enactment. (Page 22, Line 30)
- Specifies that the Area Education Agencies Budgetary Division of the Act takes effect upon enactment. (Page 26, Line 31)

# EXECUTIVE SUMMARY REINVENTION OF GOVERNMENT ACT

SENATE FILE 453

## EFFECTIVE DATES (CONTINUED)

- Specifies that the Section relating to the Hospital Trust Fund appropriation to the Medical Assistance (Medicaid) Program takes effect upon enactment. (Page 39, Line 27)
- Specifies that the Division creating the Iowa Lottery Authority takes effect September 1, 2003. (Page 84, Line 28)

Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) changes the effective date to July 1, 2003.

## GOVERNOR'S VETOES

- The Governor vetoed portions of Section 31, Subsection 1 requiring specific percentages of the \$17.9 million appropriation reduction for the Board of Regents to be applied to each of the universities. The reduction amount is unchanged but the veto allows the Board of Regents institutions flexibility regarding application of the reductions. (Page 14, Line 29)
- The Governor vetoed Section 31, Subsection 2 requiring a legislative interim study for a capital assets charging policy, indicating that he does not approve of charging for capital assets and does not support the study. (Page 15, Line 7)
- The Governor vetoed Section 38 requiring the Department of Education to establish a task force to study various elements of education funding, indicating that studies have been conducted previously. The Governor indicated that it is recommended that the Department of Education create a task force to study special education funding. (Page 23, Line 17)

## ENACTMENT DATE

- This Act was approved by the General Assembly on May 1, 2003, and signed and item vetoed by the Governor on May 30.

Senate File 453 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	3	1	Amends	Sec. 24.14	Technical Correction
1	16	2	Amends	Sec. 331.403(3)	Technical Correction
1	23	3	Amends	Sec. 331.427(1)(1)	Technical Correction
1	34	4	Amends	Sec. 384.22(2)	Technical Correction
2	6	5	Amends	Sec. 427B.19(3)(1)	Tax Replacement Funding
2	12	6	Amends	Sec. 427B.19(3)(c)	Tax Replacement Claims
2	27	7	Amends	Sec. 427B.19A(1)	Machinery and Equipment Appropriation
3	7	8	Amends	Sec. 427B.19C	Technical Correction
3	17	9	Amends	Sec. 441.73(4)	Technical Correction
3	31	10	Nwthstnd	Sec. 427B.19B	Tax Revaluations Void
4	4	11	Repeals	Sec. Various	Technical Corrections
4	22	14	Amends	Sec. 321.236(1)(a)	Parking Fine Penalty
5	6	15	Amends	Sec. 805.8A(1)(a)	Technical Correction for Parking Fine Penalty
5	31	16	Adds	Sec. 80B.11E	Individual Applicant for Law Enforcement Academy
6	27	17	Amends	Sec. 331.436	County Budget Protest Requirement
7	2	18	Amends	Sec. 403.23(1)	Urban Renewal Area Reporting
7	20	19	Amends	Sec. 403.23(2 and 3)	Urban Renewal Area Reports
8	3	20	Amends	Sec. 631.1(7)	Court Jurisdiction for Certain Tax Collection
8	13	21	Amends	Sec. 331.302(15)	County Infraction Civil Penalty Amount
8	22	22	Amends	Sec. 331.307(1)	County Infraction Civil Penalty
8	29	23	Amends	Sec. 364.3(6)	City Civil Penalty for Infractions
9	3	24	Amends	Sec. 364.22(1)(1)	Municipality Civil Penalty for Infractions
9	18	25	Adds	Sec. 331.605C	Electronic Transaction Fees
11	19	26	Amends	Sec. 346.27(26)	Incorporating Unit Leases
11	32	27	Adds	Sec. 8.64	Local Government Innovation Fund and Eligibility Criteria
13	15	28	Nwthstnd	Sec. 8.64(4)	Local Government Innovation Fund
15	35	32	Adds	Sec. 7J.1(1)	Charter Agency Designation
16	11	32	Adds	Sec. 7J.1(2)	Charter Agency Performance Measures

Page #	Line #	Bill Section	Action	Code Section	Description
17	5	32	Adds	Sec. 7J.1(3)	Charter Agency Savings
17	25	32	Adds	Sec. 7J.1(4)	Charter Agency Personnel Provisions
18	8	32	Adds	Sec. 7J.1(5)	Procurement Provisions
18	17	32	Adds	Sec. 7J.1(6)	Information Technology for Charter Agencies
18	25	32	Adds	Sec. 7J.1(7)	Administrative Rule Waiver Process
20	16	32	Adds	Sec. 7J.1(8)	Charter Agency Reports
20	32	32	Adds	Sec. 7J.1(9)	Department of Management Review
21	6	33	Adds	Sec. 7J.2	Charter Agency Loan Fund
21	33	34	Adds	Sec. 7J.3	Future Repeal of Charter Agencies
22	1	35	Nwthstnd	Sec. All	Charter Agency Funding Reductions
25	20	39	Nwthstnd	Sec. 257.37	Use of Area Education Agency Funding
25	29	40	Amends	Sec. 257.35 (2)	Area Education Agency Funding Reduction
26	5	41	Amends	Sec. 257.35(3)	FY 2004 Area Education Agency Funding
26	18	42	Amends	Sec. 257.37(6)	Special Education Funding
33	4	46	Amends	Sec. 2C.9(1A)	Citizens' Aide Investigation
35	22	51	Nwthstnd	Sec. 150 and 151, Chapter 1003, Second Extraordinary Session, 2002 Iowa Acts	Hospital Trust Fund
36	21	55	Adds	Sec. 249A.32	Pharmaceutical Settlement Account
37	10	56	Amends	Sec. 256.7(10)	Technical Change for K-12 Funding to Department of Human Services Institutions
37	16	57	Amends	Sec. 282.32	Technical Change for K-12 Funding to Department of Human Services Institutions
37	23	58	Adds	Sec. 282.33	Education Funding for DHS Institutions
39	4	59	Repeals	Sec. 282.28	Funding for Area Education Agency Services for DHS Institutions
40	11	63	Adds	Sec. 99G.1	Iowa Lottery Authority Act Citation
40	14	64	Adds	Sec. 99G.2	Lottery Authority Purpose
40	33	65	Adds	Sec. 99G.3	Iowa Lottery Authority Definitions
42	27	66	Adds	Sec. 99G.4	Creation of Iowa Lottery Authority
43	6	67	Adds	Sec. 99G.5	Lottery Authority Chief Executive Officer
43	23	68	Adds	Sec. 99G.6	Oath and Testimony Power
43	33	69	Adds	Sec. 99G.7	Chief Executive Officer Duties
45	15	70	Adds	Sec. 99G.8	Lottery Authority Board of Directors
47	7	71	Adds	Sec. 99G.9	Lottery Authority Board Duties

Page #	Line #	Bill Section	Action	Code Section	Description
49	4	72	Adds	Sec. 99G.10	Personnel of the Iowa Lottery Authority
50	31	73	Adds	Sec. 99G.11	Lottery Authority Employee Conflicts of Interest
51	31	74	Adds	Sec. 99G.21	Various Lottery Authority Powers
54	5	75	Adds	Sec. 99G.22	Authority Vendor Review
55	32	76	Adds	Sec. 99G.23	Vendor Eligibility and Bidding
56	22	77	Adds	Sec. 99G.24	Lottery Retailer Licenses
58	35	78	Adds	Sec. 99G.25	Lottery License Transfer Prohibition
59	7	79	Adds	Sec. 99G.26	Lottery Retailer Bond
59	11	80	Adds	Sec. 99G.27	Retailer License Revocation or Cancellation - Appeal Process
60	7	81	Adds	Sec. 99G.28	Holding of Lottery Proceeds
60	25	82	Adds	Sec. 99G.29	Lottery Retailer Rent Calculation
61	1	83	Adds	Sec. 99G.30	Ticket Sale Requirements and Penalties
62	5	84	Adds	Sec. 99G.31	Lottery Prizes
64	5	85	Adds	Sec. 99G.32	Legal Counsel for the Lottery Authority
64	13	86	Adds	Sec. 99G.33	Law Enforcement Investigations
64	24	87	Adds	Sec. 99G.34	Open Records Provisions
65	22	88	Adds	Sec. 99G.35	Lottery Authority Security
67	7	89	Adds	Sec. 99G.36	Penalties for Fraud
67	27	90	Adds	Sec. 99G.37	Competitive Bidding Process
68	6	91	Adds	Sec. 99G.38	Authority Financing
68	25	92	Adds	Sec. 99G.39	Allocation and Funding of Lottery Authority
69	29	93	Adds	Sec. 99G.40	Creation of Lottery Fund - Various Reports
71	28	94	Adds	Sec. 99G.41	Garnishment From Winnings
73	5	95	Adds	Sec. 99G.42	Cooperation with Gambling Treatment Program
73	12	96	Amends	Sec. 7E.5(1)(d)	Technical Amendment
73	18	97	Amends	Sec. 7E.6(3)	Technical Amendment
73	23	98	Amends	Sec. 8.22A(5)(a)	Technical Amendment
73	28	99	Amends	Sec. 8.57(5)(e)(2)	Technical Amendment
74	4	100	Amends	Sec. 68B.35(2)(e)	Technical Amendment
74	22	101	Amends	Sec. 99A.10	Technical Amendment
74	31	102	Amends	Sec. 99B.1(17)	Technical Amendment
75	3	103	Amends	Sec. 99B.6(5)	Technical Amendment
75	9	104	Amends	Sec. 99B.7(1)(l)(1)	Technical Amendment



Page #	Line #	Bill Section	Action	Code Section	Description
75	15	105	Amends	Sec. 99B.15	Technical Amendment
75	25	106	Amends	Sec. 99F.2	Technical Amendment
75	34	107	Amends	Sec. 99F.11(3)	Technical Amendment
76	5	108	Amends	Sec. 123.49(2)(a)	Technical Amendment
76	12	109	Amends	Sec. 321.19(1)(2)	Technical Amendment
77	20	110	Amends	Sec. 421.17(27)	Technical Amendment
77	22	111	Amends	Sec. 422.16(1)(4)	Technical Amendment
77	32	112	Amends	Sec. 422.43(2)	Technical Amendment
78	11	113	Amends	Sec. 422B.8	Technical Amendment
79	26	114	Amends	Sec. 422E.3(2)	Technical Amendment
80	25	115	Amends	Sec. 537A.4	Technical Amendment
81	5	116	Amends	Sec. 714B.10(1)	Technical Amendment
81	10	117	Amends	Sec. 725.9(5)	Technical Amendment
81	18	118	Amends	Sec. 725.15	Technical Amendment
81	25	119	Repeals	Sec. All, Chapter 99E	Technical Amendment

PG LN	Senate File 453	Explanation
1 1	DIVISION I	
1 2	PROPERTY TAX REPLACEMENT	
1 3	Section 1. Section 24.14, Code 2003, is amended to read as	CODE: Statutory correction to reflect changes in Chapter 405A, <u>Code</u>
1 4	follows:	<u>of Iowa</u> , in Division I of this Act.
1 5	24.14 TAX LIMITED.	
1 6	A greater tax than that so entered upon the record shall	
1 7	not be levied or collected for the municipality proposing the	
1 8	tax for the purposes indicated and a greater expenditure of	
1 9	public money shall not be made for any specific purpose than	
1 10	the amount estimated and appropriated for that purpose, except	
1 11	as provided in sections 24.6 and 24.15. All budgets set up in	
1 12	accordance with the statutes shall take such funds, and	
1 13	allocations made by sections 123.53, <u>and 452A.79 and chapter</u>	
1 14	<u>405A</u> , into account, and all such funds, regardless of their	
1 15	source, shall be considered in preparing the budget.	
1 16	Sec. 2. Section 331.403, subsection 3, Code 2003, is	CODE: Statutory correction to reflect changes in Chapter 405A, <u>Code</u>
1 17	amended to read as follows:	<u>of Iowa</u> , in Division I of this Act.
1 18	3. A county that fails to meet the filing deadline imposed	
1 19	by this section shall have withheld from payments to be made	
1 20	to the county <u>and allocated to the county</u> pursuant to <del>chapter</del>	
1 21	<del>405A</del> <u>section 425.1</u> an amount equal to five cents per capita	
1 22	until the financial report is filed.	
1 23	Sec. 3. Section 331.427, subsection 1, unnumbered	CODE: Statutory correction to reflect changes in Chapter 405A, <u>Code</u>
1 24	paragraph 1, Code 2003, is amended to read as follows:	<u>of Iowa</u> , in Division I of this Act.
1 25	Except as otherwise provided by state law, county revenues	
1 26	from taxes and other sources for general county services shall	
1 27	be credited to the general fund of the county, including	
1 28	revenues received under sections 9I.11, 101A.3, 101A.7,	
1 29	123.36, 123.143, 142B.6, 176A.8, 321.105, 321.152, 321G.7,	
1 30	section 331.554, subsection 6, sections 341A.20, 364.3,	
1 31	368.21, 422A.2, 428A.8, 430A.3, 433.15, 434.19, 445.57,	
1 32	453A.35, 458A.21, 483A.12, 533.24, 556B.1, 583.6, 602.8108,	
1 33	904.908, and 906.17, <u>and chapter 405A</u> , and the following:	

PG LN	Senate File 453	Explanation
1 34	Sec. 4. Section 384.22, unnumbered paragraph 2, Code 2003,	CODE: Statutory correction to reflect changes in Chapter 405A, <u>Code of Iowa</u> , in Division I of this Act.
1 35	is amended to read as follows:	
2 1	A city that fails to meet the filing deadline imposed by	
2 2	this section shall have withheld from payments to be made to	
2 3	<del>the county which are allocated to the city pursuant to chapter</del>	
2 4	<del>405A</del> <u>section 425.1</u> an amount equal to five cents per capita	
2 5	until the annual report is filed with the auditor of state.	
2 6	Sec. 5. Section 427B.19, subsection 3, unnumbered	CODE: Reflects the requirement that industrial machinery, equipment and computers tax replacement funding terminate at the end of FY 2004.
2 7	paragraph 1, Code 2003, is amended to read as follows:	
2 8	On or before September 1 of each fiscal year through June	
2 9	30, <del>2006</del> <u>2004</u> , the county auditor shall prepare a statement,	
2 10	based upon the report received pursuant to subsections 1 and	
2 11	2, listing for each taxing district in the county:	
2 12	Sec. 6. Section 427B.19, subsection 3, paragraph c, Code	CODE: Reflects the requirement that industrial machinery, equipment and computers tax replacement funding terminate at the end of FY 2004.
2 13	2003, is amended to read as follows:	
2 14	c. The industrial machinery, equipment and computers tax	
2 15	replacement claim for each taxing district. For fiscal years	
2 16	beginning July 1, 1996, and ending June 30, 2001, the	
2 17	replacement claim is equal to the amount determined pursuant	
2 18	to paragraph "a", multiplied by the tax rate specified in	
2 19	paragraph "b". For fiscal years beginning July 1, 2001, and	
2 20	ending June 30, <del>2006</del> <u>2004</u> , the replacement claim is equal to	
2 21	the product of the amount determined pursuant to paragraph	
2 22	"a", less any increase in valuations determined in paragraph	
2 23	"d", and the tax rate specified in paragraph "b". If the	
2 24	amount subtracted under paragraph "d" is more than the amount	
2 25	determined in paragraph "a", there is no tax replacement for	
2 26	the fiscal year.	
2 27	Sec. 7. Section 427B.19A, subsection 1, Code 2003, is	CODE: Requires that industrial machinery, equipment and computers tax replacement funding terminate at the end of FY 2004. Limits replacement funding to \$10,081,685 for FY 2004.
2 28	amended to read as follows:	
2 29	1. The industrial machinery, equipment and computers	
2 30	property tax replacement fund is created. For the fiscal year	
2 31	beginning July 1, 1996, through the fiscal year ending June	
2 32	30, <del>2006</del> <u>2004</u> , there is appropriated annually from the general	DETAIL: This is a decrease of \$10,909,115 compared to the estimated FY 2004 funding originally scheduled and to the FY 2003 estimated net appropriation.
2 33	fund of the state to the department of revenue and finance to	

2 34 be credited to the industrial machinery, equipment and  
 2 35 computers property tax replacement fund, an amount sufficient  
 3 1 to implement this division. However, for the fiscal year  
 3 2 beginning July 1, 2003, the amount appropriated to the  
 3 3 department of revenue and finance to be credited to the  
 3 4 industrial machinery, equipment and computers tax replacement  
 3 5 fund is ten million eighty-one thousand six hundred eighty-  
 3 6 five dollars.

This Section is amended in SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) to increase the FY 2004 appropriation to \$11,281,685. This results in a decrease of \$9,709,115 compared to the FY 2004 estimated funding originally scheduled and compared to the FY 2003 estimated net appropriation.

3 7 Sec. 8. Section 427B.19C, Code 2003, is amended to read as  
 3 8 follows:  
 3 9 427B.19C ADJUSTMENT OF CERTAIN ASSESSMENTS REQUIRED.  
 3 10 In the assessment year beginning January 1, 2005 2003, the  
 3 11 amount of assessed value of property defined in section  
 3 12 403.19, subsection 1, for an urban renewal taxing district  
 3 13 which received replacement moneys under section 427B.19A,  
 3 14 subsection 4, shall be reduced by an amount equal to that  
 3 15 portion of the amount of assessed value of such property which  
 3 16 was assessed pursuant to section 427B.17, subsection 3.

CODE: Statutory correction to reflect changes in Chapter 405A, Code of Iowa, in Division I of this Act.

DETAIL: Changes the final assessment year for certain urban renewal taxing districts from 2005 to 2003.

3 17 Sec. 9. Section 441.73, subsection 4, Code 2003, is  
 3 18 amended to read as follows:  
 3 19 4. The executive council shall transfer for the fiscal  
 3 20 year beginning July 1, 1992, and each fiscal year thereafter,  
 3 21 from funds established in sections ~~405A.8~~, 425.1, and 426.1,  
 3 22 an amount necessary to pay litigation expenses. The amount of  
 3 23 the fund for each fiscal year shall not exceed seven hundred  
 3 24 thousand dollars. The executive council shall determine  
 3 25 annually the proportionate amounts to be transferred from the  
 3 26 ~~three~~ two separate funds. At any time when no litigation is  
 3 27 pending or in progress the balance in the litigation expense  
 3 28 fund shall not exceed one hundred thousand dollars. Any  
 3 29 excess moneys shall be transferred in a proportionate amount  
 3 30 back to the funds from which they were originally transferred.

CODE: Statutory correction to reflect changes in Chapter 405A, Code of Iowa, in Division I of this Act.

3 31 Sec. 10. GUARANTEE OF REPLACEMENT FUNDS. The revaluation  
 3 32 of all industrial machinery, equipment, and computers  
 3 33 authorized in section 427B.19B, Code 2003, as a result of the

CODE: Statutory correction to reflect changes in Chapter 405A, Code of Iowa, in Division I of this Act.

PG LN	Senate File 453	Explanation
3 34	insufficient funding of the industrial machinery, equipment	
3 35	and computers property tax replacement fund for the fiscal	
4 1	year beginning July 1, 2002, is void and taxes payable in the	
4 2	fiscal year beginning July 1, 2003, shall not be levied on the	
4 3	amount of such revaluation.	
4 4	Sec. 11. Sections 403.23, 405A.1, 405A.2, 405A.3, 405A.4,	CODE: Statutory corrections to reflect changes in Chapter 405A,
4 5	405A.5, 405A.6, 405A.7, 405A.8, 405A.9, 405A.10, 422.65,	<u>Code of Iowa</u> , in Division I of this Act.
4 6	427A.12, and 427B.19B, Code 2003, are repealed.	DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) makes a technical amendment to this Section.
4 7	Sec. 12. UNIFORM REDUCTIONS. The general assembly finds	Requires the Governor to order across-the-board appropriation
4 8	that the provisions of this division of this Act will result	reductions for FY 2004 in an amount necessary to meet a savings of
4 9	in reductions in appropriations that would otherwise be made	\$70,000,000 from Division I of this Act, in the event that the Governor
4 10	from the general fund of the state for the fiscal year	item vetoes legislation resulting in savings less than \$70,000,000 in
4 11	beginning July 1, 2003, that total \$70,000,000. If the	Division I.
4 12	governor vetoes a portion of this division of this Act, the	
4 13	governor shall order uniform reductions in appropriations	
4 14	allotments as provided in section 8.31, in an amount equal to	
4 15	the appropriations that are made as a result of the veto.	
4 16	Sec. 13. EFFECTIVE DATE. The section of this division of	Specifies that Section 10 of this Act, voiding the revaluation process of
4 17	this Act that voids the revaluation of machinery, equipment,	machinery, equipment, and computers, takes effect upon enactment.
4 18	and computers, being deemed of immediate importance, takes	
4 19	effect upon enactment.	
4 20	DIVISION II	
4 21	PARKING TICKETS	
4 22	Sec. 14. Section 321.236, subsection 1, paragraph a, Code	CODE: Permits a city to determine the amount of a parking fine by
4 23	2003, is amended to read as follows:	city ordinance in lieu of the current \$5.00 limit. Changes the
4 24	a. May be charged and collected upon a simple notice of a	permissive penalty for delay in fine payment from an additional \$10.00
4 25	fine payable to the city clerk or clerk of the district court,	to an additional \$5.00.
4 26	if authorized by ordinance. The fine shall not exceed five	
4 27	dollars except for snow route parking violations in which case	
4 28	the fine shall not exceed twenty-five dollars for each	

4 29 violation charged under a simple notice of a fine shall be  
4 30 established by ordinance. The fine may be increased ~~up to ten~~  
4 31 ~~by five~~ dollars if the parking violation is not paid within  
4 32 thirty days of the date upon which the violation occurred, if  
4 33 authorized by ordinance. Violations of section 321L.4,  
4 34 subsection 2, may be charged and collected upon a simple  
4 35 notice of a one hundred dollar fine payable to the city clerk  
5 1 or clerk of the district court, if authorized by ordinance.  
5 2 No costs or other charges shall be assessed. All fines  
5 3 collected by a city pursuant to this paragraph shall be  
5 4 retained by the city and all fines collected by a county  
5 5 pursuant to this paragraph shall be retained by the county.

5 6 Sec. 15. Section 805.8A, subsection 1, paragraph a, Code  
5 7 2003, is amended to read as follows:  
5 8 a. For parking violations under sections 321.236, 321.239,  
5 9 321.358, 321.360, and 321.361, the scheduled fine is five  
5 10 dollars, except if the local authority has established the  
5 11 fine by ordinance pursuant to section 321.236, subsection 1.  
5 12 The scheduled fine for a parking violation of pursuant to  
5 13 section 321.236 increases in an amount up to ten by five  
5 14 dollars, as authorized by ordinance pursuant to section  
5 15 321.236, subsection 1, paragraph "a", if the parking violation  
5 16 is not paid within thirty days of the date upon which the  
5 17 violation occurred. For purposes of calculating the unsecured  
5 18 appearance bond required under section 805.6, the scheduled  
5 19 fine shall be five dollars, or if the amount of the fine is  
5 20 greater than five dollars, the unsecured appearance bond shall  
5 21 be the amount of the fine established by the local authority  
5 22 pursuant to section 321.236, subsection 1. However,  
5 23 violations charged by a city or county upon simple notice of a  
5 24 fine instead of a uniform citation and complaint as permitted  
5 25 by section 321.236, subsection 1, paragraph "a", are not  
5 26 scheduled violations, and this section shall not apply to any  
5 27 offense charged in that manner. For a parking violation under  
5 28 section 321.362 or 461A.38, the scheduled fine is ten dollars.

CODE: Technical correction to reflect parking fine penalty changes in  
Division II of this Act.

PG LN	Senate File 453	Explanation
5 29	DIVISION III	
5 30	LAW ENFORCEMENT ACADEMY	
5 31	Sec. 16. <u>NEW SECTION.</u> 80B.11E ACADEMY TRAINING —	CODE: Permits an individual that is not a certified law enforcement officer to attend the Law Enforcement Academy under certain conditions. Prohibits the Law Enforcement Academy from accepting the applicant when such action would result in nonacceptance of a law enforcement officer.
5 32	APPLICATION BY INDIVIDUAL — INDIVIDUAL EXPENSE.	
5 33	1. Notwithstanding any other provision of law to the	
5 34	contrary, an individual who is not a certified law enforcement	
5 35	officer may apply for attendance at the law enforcement	
6 1	academy at their own expense if such individual is sponsored	
6 2	by a law enforcement agency that either intends to hire or has	
6 3	hired the individual as a law enforcement officer on the	
6 4	condition that the individual meets the minimum eligibility	
6 5	standards described in subsection 2.	
6 6	2. An individual who submits an application pursuant to	
6 7	subsection 1 shall, at a minimum, meet all minimum hiring	
6 8	standards as established by academy rules, including the	
6 9	successful completion of certain psychological and physical	
6 10	testing examinations. In addition, such individual shall be	
6 11	of good moral character as determined by a thorough background	
6 12	investigation by the academy for a fee. For such purposes,	
6 13	the academy shall have the authority to conduct a background	
6 14	investigation of the individual, including a fingerprint	
6 15	search of local, state, and national fingerprint files.	
6 16	3. An individual shall not be granted permission to attend	
6 17	an academy training program if such acceptance would result in	
6 18	the nonacceptance of another qualifying applicant who is a law	
6 19	enforcement officer.	
6 20	4. An individual who has not been hired by a law	
6 21	enforcement agency must be hired by a law enforcement agency	
6 22	within eighteen months of completing the appropriate	
6 23	coursework at the law enforcement academy in order to obtain	
6 24	certification pursuant to this section.	
6 25	DIVISION IV	
6 26	BUDGET	

PG LN	Senate File 453	Explanation
6 27	Sec. 17. Section 331.436, Code 2003, is amended to read as	CODE: Requires a petition filed for a protest of a county budget must have at least 100 signatures.
6 28	follows:	
6 29	331.436 PROTEST.	
6 30	Protests to the adopted budget must be made in accordance	
6 31	with sections 24.27 through 24.32 as if the county were the	
6 32	municipality under those sections <u>except that the number of</u>	
6 33	<u>people necessary to file a protest under this section shall</u>	
6 34	<u>not be less than one hundred.</u>	
6 35	DIVISION V	
7 1	INDEBTEDNESS REPORTING — COLLECTION OF TAXES	
7 2	Sec. 18. Section 403.23, subsection 1, Code 2003, is	CODE: Requires a municipality with an urban renewal area to report specified financial information to the Department of Management and the county auditor each odd-numbered year.
7 3	amended by striking the subsection and inserting in lieu	
7 4	thereof the following:	
7 5	1. On or before December 1 of each odd-numbered year, each	
7 6	municipality that has established an urban renewal area shall	
7 7	report to the department of management and to the appropriate	
7 8	county auditor the total amount of loans, advances,	
7 9	indebtedness, or bonds outstanding at the close of the most	
7 10	recently ended fiscal year, which qualify for payment from the	
7 11	special fund created in section 403.19, including interest	
7 12	negotiated on such loans, advances, indebtedness, or bonds.	
7 13	For purposes of this subsection, "indebtedness" includes	
7 14	written agreements whereby the municipality agrees to suspend,	
7 15	abate, exempt, rebate, refund, or reimburse property taxes, or	
7 16	provide a grant for property taxes paid, with moneys in the	
7 17	special fund. The amount of loans, advances, indebtedness, or	
7 18	bonds shall be listed in the aggregate for each municipality	
7 19	reporting.	
7 20	Sec. 19. Section 403.23, subsections 2 and 3, Code 2003,	
7 21	are amended to read as follows:	
7 22	2. At the request of the legislative fiscal bureau, the	
7 23	department of management shall provide the reports and	
7 24	additional information to the legislative fiscal bureau. The	
7 25	department of management, in consultation with the legislative	
7 26	fiscal bureau, shall determine reporting criteria and shall	



7 27 prepare a form for reports filed with the department pursuant  
7 28 to this section. The department shall make the form available  
7 29 by electronic means.

7 30 3. If a municipality does not file the ~~annual~~ report with  
7 31 the department of management and the county auditor by  
7 32 December 1 of each odd-numbered year, the county treasurer  
7 33 shall withhold disbursement of incremental taxes to the  
7 34 municipality until the ~~annual~~ report is filed beginning  
7 35 immediately with the next following disbursement of taxes.  
8 1 The county auditor shall notify the county treasurer if taxes  
8 2 are to be withheld.

8 3 Sec. 20. Section 631.1, Code 2003, is amended by adding  
8 4 the following new subsection:

8 5 NEW SUBSECTION. 7. The district court sitting in small  
8 6 claims has concurrent jurisdiction of an action for the  
8 7 collection of taxes brought by a county treasurer pursuant to  
8 8 sections 445.3 and 445.4 where the amount in controversy is  
8 9 five thousand dollars or less for actions commenced on or  
8 10 after July 1, 2003, exclusive of interest and costs.

8 11 DIVISION VI  
8 12 MUNICIPAL AND COUNTY INFRACTIONS

8 13 Sec. 21. Section 331.302, subsection 15, Code 2003, is  
8 14 amended to read as follows:

8 15 15. A county shall not provide a civil penalty in excess  
8 16 of ~~five~~ seven hundred ~~fifty~~ dollars for the violation of an  
8 17 ordinance which is classified as a county infraction or if the  
8 18 infraction is a repeat offense, a civil penalty not to exceed  
8 19 ~~seven hundred fifty~~ one thousand dollars for each repeat  
8 20 offense. A county infraction is not punishable by  
8 21 imprisonment.

8 22 Sec. 22. Section 331.307, subsection 1, Code 2003, is  
8 23 amended to read as follows:

8 24 1. A county infraction is a civil offense punishable by a  
8 25 civil penalty of not more than ~~five~~ seven hundred ~~fifty~~

CODE: Specifies that a small claims court is the judicial jurisdiction for county tax revenue collection when the amount is less than \$5,000. Specifies that the jurisdiction is for collection action commenced on or after July 1, 2003, and does not include interest and court costs.

CODE: Increases the civil penalty that counties may charge for certain county infractions from \$500 to \$750. Increases the civil penalty for repeat offenses of the infraction from \$750 to \$1,000.

DETAIL: Counties which increase the penalty would raise additional revenue. The number of counties and the amount of revenue cannot be estimated.

CODE: Increases the civil penalty that counties may charge for certain county infractions from \$500 to \$750. Increases the civil penalty for repeat offenses of the infraction from \$750 to \$1,000.

PG LN	Senate File 453	Explanation
8 26 8 27 8 28	dollars for each violation or if the infraction is a repeat offense a civil penalty not to exceed <del>seven hundred fifty one</del> <u>thousand</u> dollars for each repeat offense.	DETAIL: Counties which increase the penalty would raise additional revenue. The number of counties and the amount of revenue cannot be estimated.
8 29 8 30 8 31 8 32 8 33 8 34 8 35 9 1 9 2	Sec. 23. Section 364.3, subsection 6, Code 2003, is amended to read as follows: 6. A city shall not provide a civil penalty in excess of <del>five seven</del> <u>hundred fifty</u> dollars for the violation of an ordinance which is classified as a municipal infraction or if the infraction is a repeat offense, a civil penalty not to exceed <del>seven hundred fifty one thousand</del> dollars for each repeat offense. A municipal infraction is not punishable by imprisonment.	CODE: Increases the civil penalty that cities may charge for certain city infractions from \$500 to \$750. Increases the civil penalty for repeat offenses of the infraction from \$750 to \$1,000.  DETAIL: Cities which increase the penalty would raise additional revenue. The number of cities and the amount of revenue cannot be estimated.
9 3 9 4 9 5 9 6 9 7 9 8 9 9 9 10 9 11 9 12 9 13 9 14 9 15	Sec. 24. Section 364.22, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows: A municipal infraction is a civil offense punishable by a civil penalty of not more than <del>five seven</del> <u>hundred fifty</u> dollars for each violation or if the infraction is a repeat offense, a civil penalty not to exceed <del>seven hundred fifty one</del> <u>thousand</u> dollars for each repeat offense. However, notwithstanding section 364.3, a municipal infraction arising from noncompliance with a pretreatment standard or requirement, referred to in 40 C.F.R. § 403.8, by an industrial user may be punishable by a civil penalty of not more than one thousand dollars for each day a violation exists or continues.	CODE: Increases the civil penalty that municipalities may invoke for certain city infractions from \$500 to \$750. Increases the civil penalty for repeat offenses of the infraction from \$750 to \$1,000.  DETAIL: Municipalities which increase the penalty would raise additional revenue. The number of municipalities and the amount of revenue cannot be estimated.
9 16 9 17	DIVISION VII TRANSACTION FEE	
9 18 9 19 9 20 9 21 9 22 9 23 9 24	Sec. 25. <u>NEW SECTION.</u> 331.605C ELECTRONIC TRANSACTION FEE — AUDIT. 1. For the fiscal year beginning July 1, 2003, and ending June 30, 2004, the recorder shall collect a fee of five dollars for each recorded transaction for which a fee is paid pursuant to section 331.604 to be used for the purposes of planning and implementing electronic recording and electronic	CODE: Requires county recorders to collect \$5.00 in FY 2004 for each recorded transaction for implementing electronic recording and electronic transactions. Requires that \$1.00 of that fee be deposited into the State Government Electronic Transaction Fund for contract costs related to required internet websites for electronic access and information. Requires that \$4.00 of the fee be deposited in the Pooled Local Government Electronic Transaction Fund to be redistributed by

9 25 transactions in each county and developing county and  
9 26 statewide internet websites to provide electronic access to  
9 27 records and information.

9 28 2. Beginning July 1, 2004, the recorder shall collect a  
9 29 fee of one dollar for each recorded transaction for which a  
9 30 fee is paid pursuant to section 331.604 to be used for the  
9 31 purpose of paying the county's ongoing costs of maintaining  
9 32 the systems developed and implemented under subsection 1.

9 33 3. The county treasurer, on behalf of the recorder, shall  
9 34 establish and maintain an interest-bearing account into which  
9 35 all moneys collected pursuant to subsections 1 and 2 shall be  
10 1 deposited.

10 2 4. The state government electronic transaction fund is  
10 3 established in the office of the treasurer of state under the  
10 4 control of the treasurer of state. Moneys deposited into the  
10 5 fund are not subject to section 8.33. Notwithstanding section  
10 6 12C.7, interest or earnings on moneys in the state government  
10 7 electronic transaction fund shall be credited to the fund.

10 8 Moneys in the state government electronic transaction fund are  
10 9 not subject to transfer, appropriation, or reversion to any  
10 10 other fund, or any other use except as provided in this  
10 11 subsection. The treasurer of state shall enter into a  
10 12 contract with the Iowa state association of counties affiliate  
10 13 representing county recorders to develop, implement, and  
10 14 maintain a statewide internet website for purposes of  
10 15 providing electronic access to records and information  
10 16 recorded or filed by county recorders. On a monthly basis,  
10 17 the county treasurer shall pay one dollar of each fee  
10 18 collected pursuant to subsection 1 to the treasurer of state  
10 19 for deposit into the state government electronic transaction  
10 20 fund. Moneys credited to the state government electronic  
10 21 transaction fund are appropriated to the treasurer of state to  
10 22 be used for contract costs. This subsection is repealed June  
10 23 30, 2004.

10 24 5. The pooled local government electronic transaction fund  
10 25 is established in the office of the treasurer of state under  
10 26 control of the treasurer of state. Moneys deposited into the  
10 27 fund are not subject to section 8.33. Notwithstanding section

the State Treasurer to the 99 county recorders for related costs.

Requires that for FY 2005 and future fiscal years, a fee of \$1.00 be continued by county recorders for the electronic recording and transactions, which is to be used for maintaining the electronic access and information costs.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amends this Section, to clarify that the \$5.00 fee is for each transaction in lieu of per page. The Senate File also changes the name of the State Government Electronic Transaction Fund to the Local Electronic Government Transaction Fund. The Senate File also requires a report by the State Treasurer by December 1, 2003, regarding the revenue deposited into the Local Electronic Government Transaction Fund.

FISCAL IMPACT: With approximately 890,000 recorder actions per year, it is estimates that for FY 2004, \$3.5 million would be generated for local government revenues and \$1.0 million for the Local Electronic Government Transaction Fund.

10 28 12C.7, interest or earnings on moneys in the pooled local  
10 29 government electronic transaction fund shall be credited to  
10 30 the fund. Moneys in the fund are not subject to transfer,  
10 31 appropriation, or reversion to any other fund, or any other  
10 32 use except as provided in this subsection. On a quarterly  
10 33 basis, the county treasurer shall pay four dollars of each fee  
10 34 collected pursuant to subsection 1 and all fees collected  
10 35 pursuant to subsection 2, to the treasurer of state for  
11 1 deposit into the pooled local government electronic  
11 2 transaction fund. Moneys credited to the pooled local  
11 3 government electronic transaction fund are appropriated to the  
11 4 treasurer of state to be distributed equally to all counties  
11 5 and paid to the county treasurers of each county within thirty  
11 6 days after the moneys are received by the treasurer of state.  
11 7 Moneys received by a county treasurer pursuant to this  
11 8 subsection shall be deposited into the account established and  
11 9 maintained by the county treasurer on behalf of the county  
11 10 recorder under subsection 3, and shall be used by the county  
11 11 recorder for the purposes set forth in subsections 1 and 2.  
11 12 6. The recorder shall make available any information  
11 13 required by the county auditor or auditor of state concerning  
11 14 the fees collected under this section for the purposes of  
11 15 determining the amount of fees collected and the uses for  
11 16 which such fees are expended.

11 17 DIVISION VIII  
11 18 LOCAL GOVERNMENT LEASES

11 19 Sec. 26. Section 346.27, Code 2003, is amended by adding  
11 20 the following new subsection:  
11 21 NEW SUBSECTION. 26. Any incorporating unit may enter into  
11 22 a lease with an authority that the authority and the  
11 23 incorporating unit determine is necessary and convenient to  
11 24 effectuate their purposes and the purposes of this section.  
11 25 The power to enter into leases under this section is in  
11 26 addition to other powers granted to cities and counties to  
11 27 enter into leases and the provisions of chapter 75, section  
11 28 364.4, subsection 4, and section 331.301, subsection 10, are

CODE: Permits an incorporating unit to enter into a lease with an authority.

11 29 not applicable to leases entered into under this section.

11 30 DIVISION IX

11 31 LOCAL GOVERNMENT INNOVATION FUND

11 32 Sec. 27. NEW SECTION. 8.64 LOCAL GOVERNMENT INNOVATION  
11 33 FUND — COMMITTEE — LOANS.

11 34 1. The local government innovation fund is created in the  
11 35 state treasury under the control of the department of  
12 1 management for the purpose of stimulating and encouraging  
12 2 innovation in local government by the awarding of loans to  
12 3 cities and counties.

12 4 2. The director of the department of management shall  
12 5 establish a seven-member committee to be called the local  
12 6 government innovation fund committee. Committee members shall  
12 7 have expertise in local government. The committee shall  
12 8 review all requests for funds and approve loans of funds if  
12 9 the committee determines that a city or county project that is  
12 10 the subject of a request would result in cost savings,  
12 11 innovative approaches to service delivery, or added revenue to  
12 12 the city, county, or state. Eligible projects are projects  
12 13 which cannot be funded from a city's or county's operating  
12 14 budget without adversely affecting the city's or county's  
12 15 normal service levels. Preference shall be given to requests  
12 16 involving the sharing of services between two or more local  
12 17 governments. Projects may include, but are not limited to,  
12 18 purchase of advanced technology, contracting for expert  
12 19 services, and acquisition of equipment or supplies.

12 20 3. A city or county seeking a loan from the local  
12 21 government innovation fund shall complete an application form  
12 22 designed by the local government innovation fund committee  
12 23 which employs a return on investment concept and demonstrates  
12 24 how the project funded by the loan will result in reduced  
12 25 city, county, or state general fund expenditures or how city  
12 26 or county fund revenues will increase without an increase in  
12 27 state costs. Minimum loan requirements for city or county  
12 28 requests shall be determined by the committee.

12 29 4. a. In order for the local government innovation fund

CODE: Creates a Local Government Innovation Fund. Requires a seven-member Local Government Innovation Fund Committee to review the funding requests and loan approval for the Fund. Specifies criteria to receive funding. Requires repayment to the Fund over a five-year period with interest.

12 30 to be self-supporting, the local government innovation fund  
 12 31 committee shall establish repayment schedules for each loan  
 12 32 awarded. The loan requirements shall be outlined in a chapter  
 12 33 28E agreement executed between the state and the city or  
 12 34 county receiving the loan. A city or county shall repay the  
 12 35 loan over a period not to exceed five years, with interest, at  
 13 1 a rate to be determined by the local government innovation  
 13 2 fund committee.

13 3 b. The local government innovation fund committee shall  
 13 4 utilize the department of management, the department of  
 13 5 revenue and finance, or other source of technical expertise  
 13 6 designated by the committee to certify savings projected for a  
 13 7 local government innovation fund project.

13 8 5. Notwithstanding section 12C.7, subsection 2, interest  
 13 9 or earnings on moneys deposited in the local government  
 13 10 innovation fund shall be credited to the local government  
 13 11 innovation fund. Notwithstanding section 8.33, moneys  
 13 12 appropriated to and moneys remaining in the local government  
 13 13 innovation fund at the end of a fiscal year shall not revert  
 13 14 to the general fund of the state.

13 15 Sec. 28. LOCAL GOVERNMENT INNOVATION FUND APPROPRIATION.

13 16 There is appropriated from the general fund of the state to  
 13 17 the department of management for the fiscal year beginning  
 13 18 July 1, 2003, and ending June 30, 2004, the following amount,  
 13 19 or so much thereof as is necessary, to be used for the purpose  
 13 20 designated:

13 21 For deposit in the local government innovation fund created  
 13 22 in section 8.64:

13 23 ..... \$ 10,000,000

13 24 Notwithstanding section 8.64, subsection 4, as enacted by  
 13 25 this division of this Act, the local government innovation  
 13 26 fund committee may provide up to 20 percent of the amount  
 13 27 appropriated in this section in the form of forgivable loans  
 13 28 or as grants for those projects that propose a new and  
 13 29 innovative sharing initiative that would serve as an important  
 13 30 model for cities and counties.

CODE: General Fund appropriation for the Local Government  
 Innovation Fund.

DETAIL: This is a new appropriation for FY 2004.

Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions,  
 and Statutory Changes Act) repeals the Section of this Act which  
 appropriates funding for the Local Government Innovation Fund. The  
 Senate File also changes the loan provisions to a grant so repayment  
 is eliminated. House File 683 (Grow Iowa Values Fund Act)  
 appropriates \$1,000,000 for the Fund.

13 31 DIVISION X  
13 32 STUDY OF CITY AND COUNTY REGULATION BY THE  
13 33 DEPARTMENT OF NATURAL RESOURCES

13 34 Sec. 29. STUDY. The legislative council shall establish a  
13 35 study committee for the 2003 interim to review the department  
14 1 of natural resources' enforcement and penalty policies  
14 2 relating to regulation of cities and counties. The study  
14 3 committee shall review options for changing the department's  
14 4 approach to enforcement from reliance on punitive measures to  
14 5 a collaborative approach. In addition, the amounts of fines  
14 6 shall be reviewed along with the possibility of designating a  
14 7 portion of a fine to be applied against the costs of  
14 8 compliance with the departmental regulation.

Requires the Legislative Council to establish a Study Committee to review the enforcement and penalty policies of the Department of Natural Resources.

14 9 DIVISION XI  
14 10 CHARGE FOR CAPITAL ASSETS

14 11 Sec. 30. CHARGE FOR CAPITAL ASSETS. For the fiscal year  
14 12 beginning July 1, 2003, and ending June 30, 2004, the  
14 13 department of management shall levy a charge against  
14 14 departments and establishments, as defined in section 8.2, for  
14 15 indirect costs associated with state ownership of land,  
14 16 buildings, equipment, or other capital assets controlled by a  
14 17 department or establishment. The charges shall not be levied  
14 18 against capital assets that are subject to charges levied by  
14 19 the department of administrative services, if the department  
14 20 is established by law, or against capital assets controlled by  
14 21 the state board of regents. Moneys received as a result of  
14 22 charges made under this section shall be transferred to the  
14 23 fund from which the moneys were originally appropriated. The  
14 24 total amount of charges levied under this section that are  
14 25 associated with appropriations made from the general fund of  
14 26 the state for the fiscal year shall not exceed \$1,720,000.

Requires the Department of Management to levy a charge for indirect costs associated with State ownership of various capital assets. Exempts the assets of the Department of Administrative Services and the Board of Regents. Requires the money charged be transferred to the fund that was the original source of the money. Limits the charges levied to \$1,720,000.

DETAIL: This Section is amended by SF 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) to eliminate the levy charge and the \$1,720,000 limit and requires the Department of Administrative Services to transfer \$900,000 from the Department's Rent Fund to the State General Fund.

14 27 Sec. 31. CHARGE FOR CAPITAL — APPROPRIATIONS REDUCTION —  
14 28 STATE BOARD OF REGENTS — STUDY.

14 29 1. In lieu of applying a charge for capital assets to the  
 14 30 institutions under the control of the state board of regents  
 14 31 as otherwise provided in this division for executive branch  
 14 32 agencies, the appropriations made from the general fund of the  
 14 33 state to the state board of regents [for the general university]  
 14 34 operating budgets at the state university of Iowa, Iowa state  
 14 35 university of science and technology, and university of  
 15 1 northern Iowa, in 2003 Iowa Acts, House File 662, section 9,  
 15 2 subsections 2, 3, and 4, are reduced by \$17,880,000. [The  
 15 3 state board of regents shall apply the reduction as follows:  
 15 4 state university of Iowa, 46.7 percent, Iowa state university  
 15 5 of science and technology, 36.8 percent, and university of  
 15 6 northern Iowa, 16.5 percent.]

VETOED

Reduces the FY 2004 General Fund appropriations to the State Board of Regents university operating budgets made in HF 662 (FY 2004 Education Appropriations Act).

DETAIL: This is a decrease of \$17,880,000 compared to the original FY 2004 appropriations for the Board of Regents university operating budgets.

VETOED

VETOED: The Governor vetoed portions of this Subsection that required the Board of Regents to apply specific percentage reductions to each university. This allows the Board flexibility to determine the budget units that will be reduced.

15 7 [2. The legislative council shall authorize a study for the  
 15 8 2003 legislative interim on the policy option of levying  
 15 9 charges for capital assets against all state agencies,  
 15 10 including the state board of regents. The study  
 15 11 recommendations and findings shall include but are not limited  
 15 12 to identification of the capital assets that should be subject  
 15 13 to charges and how capital assets funded by sources other than  
 15 14 state funding should be charged. The study report, including  
 15 15 findings and recommendations, shall be submitted to the  
 15 16 general assembly for consideration during the 2004 legislative  
 15 17 session. The study shall be conducted by a study committee  
 15 18 consisting of the following: one member designated by the  
 15 19 state board of regents, one member representing the department  
 15 20 of management designated by the department's director, one  
 15 21 member representing the state department of transportation  
 15 22 appointed by the department's director, one member  
 15 23 representing the judicial branch appointed by the chief  
 15 24 justice of the supreme court, one member who is a member of  
 15 25 the general assembly jointly appointed by the majority leader  
 15 26 of the senate and the speaker of the house of representatives,  
 15 27 and one member who is a member of the general assembly jointly  
 15 28 appointed by the minority leader of the senate and the  
 15 29 minority leader of the house of representatives. A  
 15 30 chairperson or cochairpersons shall be designated by the

VETOED

Requires the Legislative Council to authorize a study regarding the policy to levy charges for capital assets against all State agencies. The report is to be considered during the 2004 Legislative Session.

VETOED: The Governor vetoed this Subsection, indicating that he does not support charging agencies for capital assets or the study.



15 31 legislative council.]

15 32 DIVISION XII  
15 33 CHARTER AGENCIES

15 34 Sec. 32. NEW SECTION. 7J.1 CHARTER AGENCIES.

15 35 1. DESIGNATION OF CHARTER AGENCIES — PURPOSE. The  
16 1 governor may, by executive order, designate up to five state  
16 2 departments or agencies, as described in section 7E.5, other  
16 3 than the department of administrative services, if the  
16 4 department is established in law, or the department of  
16 5 management, as a charter agency by July 1, 2003. The  
16 6 designation of a charter agency shall be for a period of five  
16 7 years which shall terminate as of June 30, 2008. The purpose  
16 8 of designating a charter agency is to grant the agency  
16 9 additional authority as provided by this chapter while  
16 10 reducing the total appropriations to the agency.

CODE: Permits the Governor to designate up to five State agencies as Charter Agencies by Executive Order. Requires the designation to be complete by July 1, 2003, and that the designation be in effect for five years. Specifies that the purpose of the designation is to grant an agency additional authority, while reducing the total appropriations to the agency.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amends this Subsection by striking the limit of five State departments or agencies which may be designated as Charter Agencies.

16 11 2. CHARTER AGENCY DIRECTORS.  
16 12 a. Prior to each fiscal year, or as soon thereafter as  
16 13 possible, the governor and each director of a designated  
16 14 charter agency shall enter into an annual performance  
16 15 agreement which shall set forth measurable organization and  
16 16 individual goals for the director in key operational areas of  
16 17 the director's agency. The annual performance agreement shall  
16 18 be made public and a copy of the agreement shall be submitted  
16 19 to the general assembly.  
16 20 b. In addition to the authority granted the governor as to  
16 21 the appointment and removal of a director of an agency that is  
16 22 a charter agency, the governor may remove a director of a  
16 23 charter agency for misconduct or for failure to achieve the  
16 24 performance goals set forth in the annual performance  
16 25 agreement.  
16 26 c. Notwithstanding any provision of law to the contrary,  
16 27 the governor may set the salary of a director of a charter  
16 28 agency under the pay plan for exempt positions in the  
16 29 executive branch of government. In addition, the governor may

CODE: Requires that the Governor and the Charter Agency Director enter into a performance agreement with measureable goals. Permits the Governor to remove the Director under certain conditions. Permits the Governor to set the salary of the Director and a bonus of up to 50.00% of the Director's salary.

16 30 authorize the payment of a bonus to a director of a charter  
16 31 agency in an amount not in excess of fifty percent of the  
16 32 director's annual rate of pay, based upon the governor's  
16 33 evaluation of the director's performance in relation to the  
16 34 goals set forth in the annual performance agreement.  
16 35 d. A director of a charter agency may authorize the  
17 1 payment of bonuses to employees of the charter agency in a  
17 2 total amount not in excess of fifty percent of the director's  
17 3 annual rate of pay, based upon the director's evaluation of  
17 4 the employees' performance.

17 5 3. APPROPRIATIONS AND ASSET MANAGEMENT.

17 6 a. It is the intent of the general assembly that  
17 7 appropriations to a charter agency for any fiscal year shall  
17 8 be reduced, with a target reduction of ten percent for each  
17 9 charter agency, from the appropriation that would otherwise  
17 10 have been enacted for that charter agency.

17 11 b. Notwithstanding any provision of law to the contrary,  
17 12 proceeds from the sale or lease of capital assets that are  
17 13 under the control of a charter agency shall be retained by the  
17 14 charter agency and used for such purposes within the scope of  
17 15 the responsibilities of the charter agency.

17 16 c. Notwithstanding section 8.33, one-half of all  
17 17 unencumbered or unobligated balances of appropriations made  
17 18 for each fiscal year of that fiscal period to the charter  
17 19 agency shall not revert to the state treasury or to the credit  
17 20 of the funds from which the appropriations were made.

17 21 d. For the fiscal period beginning July 1, 2003, and  
17 22 ending June 30, 2005, a charter agency is not subject to a  
17 23 uniform reduction ordered by the governor in accordance with  
17 24 section 8.31.

17 25 4. PERSONNEL MANAGEMENT.

17 26 a. Notwithstanding any provision of law to the contrary, a  
17 27 charter agency shall not be subject to any limitation relating  
17 28 to the number of or pay grade assigned to its employees,  
17 29 including any limitation on the number of full-time equivalent  
17 30 positions as defined by section 8.36A.

CODE: Specifies Legislative intent that the target appropriation reduction for a Charter Agency is 10.00% of the original appropriation for FY 2004 and future fiscal years. Permits one-half of unencumbered appropriation balances to carry forward into the next fiscal year. Exempts a Charter Agency from an across-the-board reduction ordered by the Governor.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amended this Subsection and eliminated reference to the 10.00% appropriation reduction. Senate File 458 allows a total savings of up to \$15,000,000 for FY 2004 to be achieved through a combination of expenditure reductions and increased revenues. The Iowa Lottery Authority is expected to transfer an additional \$8,000,000 of revenues in FY 2004 to the General Fund compared to the transfer in FY 2003.

CODE: Prohibits limitations on the number of FTE positions and pay grades for the positions for a Charter Agency. Permits a Charter Agency to waive personnel rules and act as the Department of Administrative Services for personnel management.

17 31 b. A charter agency may waive any personnel rule and may  
17 32 exercise the authority granted to the department of personnel,  
17 33 or its successor, relating to personnel management concerning  
17 34 employees of the charter agency, subject to any restrictions  
17 35 on such authority as to employees of the charter agency  
18 1 covered by a collective bargaining agreement. The exclusive  
18 2 representative of employees of a charter agency may enter into  
18 3 agreements with the charter agency to grant the charter agency  
18 4 the authority described in this paragraph. A waiver of a rule  
18 5 pursuant to this subsection shall be indexed, filed, and made  
18 6 available for public inspection in the same manner as provided  
18 7 in section 17A.9A, subsection 4.

18 8 5. PROCUREMENT AND GENERAL SERVICES. A charter agency may  
18 9 waive any administrative rule regarding procurement, fleet  
18 10 management, printing and copying, or maintenance of buildings  
18 11 and grounds, and may exercise the authority of the department  
18 12 of general services, or its successor, as it relates to the  
18 13 physical resources of the state. A waiver of a rule pursuant  
18 14 to this subsection shall be indexed, filed, and made available  
18 15 for public inspection in the same manner as provided in  
18 16 section 17A.9A, subsection 4.

CODE: Permits a Charter Agency to waive various administrative rules relating to the General Services Enterprise within the Department of Administrative Services.

18 17 6. INFORMATION TECHNOLOGY. A charter agency may waive any  
18 18 administrative rule regarding the acquisition and use of  
18 19 information technology and may exercise the powers of the  
18 20 information technology department, or its successor, as it  
18 21 relates to information technology. A waiver of a rule  
18 22 pursuant to this subsection shall be indexed, filed, and made  
18 23 available for public inspection in the same manner as provided  
18 24 in section 17A.9A, subsection 4.

CODE: Permits a Charter Agency to waive administrative rules relating to the Information Technology Enterprise of the Department of Administrative Services.

18 25 7. RULE FLEXIBILITY.

18 26 a. A charter agency may temporarily waive or suspend the  
18 27 provisions of any administrative rule if strict compliance  
18 28 with the rule impacts the ability of the charter agency  
18 29 requesting the waiver or suspension to perform its duties in a  
18 30 more cost-efficient manner and the requirements of this

CODE: Permits a Charter Agency to waive various administrative rules that may impact the ability of the Charter Agency to perform duties in a cost-efficient manner. Specifies the criteria for waiving administrative rules and requires action by the Administrative Rules Review Committee. Specifies the timeframe for waiving administrative rules is 12 months or June 30, 2008, whichever is first.

18 31 subsection are met.

18 32 b. The procedure for granting a temporary waiver or  
18 33 suspension of any administrative rule shall be as follows:

18 34 (1) The charter agency may waive or suspend a rule if the  
18 35 agency finds, based on clear and convincing evidence, all of  
19 1 the following:

19 2 (a) The application of the rule poses an undue financial  
19 3 hardship on the applicable charter agency.

19 4 (b) The waiver or suspension from the requirements of a  
19 5 rule in the specific case would not prejudice the substantial  
19 6 legal rights of any person.

19 7 (c) Substantially equal protection of public health,  
19 8 safety, and welfare will be afforded by a means other than  
19 9 that prescribed in the particular rule for which the waiver or  
19 10 suspension is requested.

19 11 (d) The waiver or suspension would not result in a  
19 12 violation of due process, a violation of state or federal law,  
19 13 or a violation of the state or federal constitution.

19 14 (2) If a charter agency proposes to grant a waiver or  
19 15 suspension, the charter agency shall draft the waiver or  
19 16 suspension so as to provide the narrowest exception possible  
19 17 to the provisions of the rule and may place any condition on  
19 18 the waiver or suspension that the charter agency finds  
19 19 desirable to protect the public health, safety, and welfare.  
19 20 The charter agency shall then submit the waiver or suspension  
19 21 to the administrative rules review committee for consideration  
19 22 at the committee's next scheduled meeting.

19 23 (3) The administrative rules review committee shall review  
19 24 the proposed waiver or suspension at the committee's next  
19 25 scheduled meeting following submission of the proposal and may  
19 26 either take no action or affirmatively approve the waiver or  
19 27 suspension, or delay the effective date of the waiver or  
19 28 suspension in the same manner as for rules as provided in  
19 29 section 17A.4, subsection 5, and section 17A.8, subsection 9.  
19 30 If the administrative rules review committee either approves  
19 31 or takes no action concerning the proposed waiver or  
19 32 suspension, the waiver or suspension may become effective no  
19 33 earlier than the day following the meeting. If the

19 34 administrative rules review committee delays the effective  
19 35 date of the waiver or suspension but no further action is  
20 1 taken to rescind the waiver or suspension, the proposed waiver  
20 2 or suspension may become effective no earlier than upon the  
20 3 conclusion of the delay. The administrative rules review  
20 4 committee shall notify the applicable charter agency of its  
20 5 action concerning the proposed waiver or suspension.

20 6 (4) Copies of the grant or denial of a waiver or  
20 7 suspension under this subsection shall be filed and made  
20 8 available to the public by the applicable charter agency.

20 9 c. A waiver or suspension granted pursuant to this  
20 10 subsection shall be for a period of time not to exceed twelve  
20 11 months or until June 30, 2008, whichever first occurs, and as  
20 12 determined by the applicable charter agency. A renewal of a  
20 13 temporary waiver or suspension granted pursuant to this  
20 14 section shall be granted or denied in the same manner as the  
20 15 initial waiver or suspension.

20 16 8. REPORTING REQUIREMENTS.

20 17 a. Each charter agency shall submit a written report to  
20 18 the general assembly by December 31 of each year summarizing  
20 19 the activities of the charter agency for the preceding fiscal  
20 20 year. The report shall include information concerning the  
20 21 expenditures of the agency and the number of filled full-time  
20 22 equivalent positions during the preceding fiscal year. The  
20 23 report shall include information relating to the actions taken  
20 24 by the agency pursuant to the authority granted by this  
20 25 section.

20 26 b. By January 15, 2008, the governor shall submit a  
20 27 written report to the general assembly on the operation and  
20 28 effectiveness of this chapter and the costs and savings  
20 29 associated with the implementation of this chapter. The  
20 30 report shall include any recommendations about extending the  
20 31 chapter's effectiveness beyond June 30, 2008.

CODE: Requires each Charter Agency to issue a report to the General Assembly on an annual basis by December 31 and requires certain information be contained in the report. Requires the Governor to submit a report by January 15, 2008, regarding the operation of Charter Agencies.

20 32 9. DEPARTMENT OF MANAGEMENT REVIEW. Each proposed waiver  
20 33 or suspension of an administrative rule as authorized by this  
20 34 section shall be submitted to the department of management for  
20 35 review prior to the waiver or suspension becoming effective.  
21 1 The director of the department of management may disapprove  
21 2 the waiver or suspension if, based on clear and convincing  
21 3 evidence, the director determines that the suspension or  
21 4 waiver would result in an adverse financial impact on the  
21 5 state.

CODE: Requires a Charter Agency to submit proposed waivers of administrative rules to the Department of Management prior to becoming effective. Permits the Director of the Department of Management to disapprove the waiver.

21 6 Sec. 33. NEW SECTION. 7J.2 CHARTER AGENCY LOAN FUND.

21 7 1. A charter agency loan fund is created in the state  
21 8 treasury under the control of the department of management for  
21 9 the purpose of providing funding to support innovation by  
21 10 those state agencies designated as charter agencies in  
21 11 accordance with section 7J.1. Innovation purposes shall  
21 12 include but are not limited to training, development of  
21 13 outcome measurement systems, management system modifications,  
21 14 and other modifications associated with transition of  
21 15 operations to charter agency status. Moneys in the fund are  
21 16 appropriated to the department of management for the purposes  
21 17 described in this subsection.

CODE: Creates a Charter Agency Loan Fund to support innovation by State agencies designated as Charter Agencies. Specifies uses for the monies and the application process. Requires the Department of Management to establish repayment schedules for the loans within a five-year period. Requires that interest from the Fund be credited to the Fund. Requires that the money in the Fund not revert to the General Fund.

21 18 2. A charter agency requesting a loan from the fund shall  
21 19 complete an application process designated by the director of  
21 20 the department of management. Minimum loan requirements for  
21 21 charter agency requests shall be determined by the director.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) changes the Loan Fund to a Grant Fund and eliminates the repayment provisions.

21 22 3. In order for the fund to be self-supporting, the  
21 23 director of the department of management shall establish  
21 24 repayment schedules for each loan awarded. An agency shall  
21 25 repay the loan over a period not to exceed five years with  
21 26 interest, at a rate to be determined by the director.

21 27 4. Notwithstanding section 12C.7, subsection 2, interest  
21 28 or earnings on moneys deposited in the charter agency loan  
21 29 fund shall be credited to the charter agency loan fund.  
21 30 Notwithstanding section 8.33, moneys credited to the charter  
21 31 agency loan fund shall not revert to the fund from which  
21 32 appropriated at the close of a fiscal year.

PG LN	Senate File 453	Explanation
21 33	Sec. 34. <u>NEW SECTION.</u> 7J.3 REPEAL. This chapter is	CODE: Repeals statutory language authorizing charter agencies on June 30, 2008.
21 34	repealed June 30, 2008.	
21 35	Sec. 35. CHARTER AGENCY APPROPRIATIONS.	
22 1	1. Notwithstanding any provision of law to the contrary,	CODE: Requires the FY 2004 appropriations for the Charter Agencies to be reduced by \$15,000,000, with a target percentage reduction of 10.00% for each Charter Agency. Specifies legislative intent that the appropriations be reduced in future fiscal years in similar amounts for those departments designated as Charter Agencies.
22 2	the total appropriations from the general fund of the state to	
22 3	those departments and agencies designated as charter agencies	
22 4	for the fiscal year beginning July 1, 2003, and ending June	
22 5	30, 2004, as provided by the appropriation to those agencies	
22 6	as enacted by the Eightieth General Assembly, 2003 Regular	
22 7	Session, shall be reduced by \$15,000,000. The department of	DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amends this Subsection and allows the \$15,000,000 savings to be achieved through a combination of expenditure reductions and increased revenues. The Iowa Lottery Authority is expected to transfer an additional \$8,000,000 in revenues to the General Fund in FY 2004 compared to the amount transferred in FY 2003.
22 8	management shall apply the appropriation reductions, with a	
22 9	target of a 10 percent reduction for each charter agency, as	
22 10	necessary to achieve the overall reduction amount and shall	
22 11	make this information available to the legislative fiscal	
22 12	committee and the legislative fiscal bureau. It is the intent	
22 13	of the general assembly that appropriations to a charter	
22 14	agency in subsequent fiscal years shall be similarly adjusted	
22 15	from the appropriation that would otherwise have been enacted.	
22 16	2. There is appropriated from the general fund of the	
22 17	state to the department of management for the fiscal year	General Fund appropriation to the Department of Management for the Charter Agency Loan Fund.
22 18	beginning July 1, 2003, and ending June 30, 2004, the	
22 19	following amount, or so much thereof as is necessary, to be	DETAIL: This is a new appropriation for FY 2004.
22 20	used for the purposes designated:	
22 21	For deposit in the charter agency loan fund created in	Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) changes this Loan Fund to a Grant Fund.
22 22	section 7J.2:	
22 23	..... \$ 3,000,000	
22 24	3. For the fiscal year beginning July 1, 2003, and ending	Permits increased revenues of a Charter Agency to be considered repayment receipts.
22 25	June 30, 2004, if the actual amount of revenue received by a	
22 26	charter agency exceeds the revenue amount budgeted for that	Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) strikes this Subsection.
22 27	charter agency by the governor and the general assembly, the	
22 28	charter agency may consider the excess amount to be repayment	
22 29	receipts as defined in section 8.2.	

PG LN	Senate File 453	Explanation
22 30 22 31	Sec. 36. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.	Specifies that the Division of this Act relating to the designation and operation of Charter Agencies takes effect upon enactment.
22 32 22 33	DIVISION XIII HEALTH INSURANCE INCENTIVE	
22 34 22 35 23 1 23 2 23 3 23 4 23 5 23 6 23 7 23 8 23 9 23 10 23 11 23 12 23 13 23 14	Sec. 37. STATE EMPLOYEE HEALTH INSURANCE COSTS — INCENTIVE PROGRAM. The department of personnel, or its successor, may establish, with the approval of the executive council, an incentive program for state employees to encourage the reduction of health insurance costs for the fiscal year beginning July 1, 2003. If established, the incentive program shall provide that an amount equal to one-half of any savings realized through implementation of the program shall be distributed to applicable insured state employees in a manner established by the incentive program. The department shall provide the legislative government oversight committee with a copy of the proposed incentive program submitted to the executive council for approval. The department shall also submit a written update to the legislative government oversight committee by December 31, 2003, concerning its progress in implementing an incentive program.	Permits the Human Resources Enterprise of the Department of Administrative Services to establish an incentive program for FY 2004 to reduce health insurance costs for State employees. Requires the Enterprise to return one-half of the savings to the applicable insured State employees. Requires a report to the Legislative Government Oversight Committee by December 31, 2003.
23 15 23 16	DIVISION XIV AREA EDUCATION AGENCIES	
23 17 23 18 23 19 23 20 23 21 23 22 23 23 23 24 23 25 23 26 23 27 23 28	[Sec. 38. AREA EDUCATION AGENCY SERVICE DELIVERY TASK FORCE. 1. The department of education shall establish a task force to study the delivery of media services, educational services, and special education support services by the area education agencies. The task force shall study issues including, but not limited to, all of the following: a. The potentiality of a fee for services, such as cooperative purchasing. b. The potential effects of allowing school districts to petition to join a noncontiguous area education agency. c. Opportunities for area education agencies to	Requires the Department of Education to establish a task force to study the delivery of media services, educational services, and special education support services by area education agencies. Specifies the issues to be studied and membership of the task force. Requires a report to be submitted by December 15, 2003, to the Chairpersons and Ranking Members of the Senate and House Standing Committees on Education and the Education Appropriations Subcommittee.

VETOED

VETOED: The Governor vetoed this Section and indicated that the study would duplicate previous studies and recommendations. The Governor indicated he would request the Department of Education to create a task force to study special education funding.



23 29 collaborate with community colleges and other higher education  
23 30 institutions, local libraries, and other community providers.  
23 31 d. Special education delivery by area education agencies  
23 32 and school districts, including the state's success in serving  
23 33 students identified as level I. This portion of the study  
23 34 shall also include a review of identification of students as  
23 35 level I; remediation, the success of preventative programs,  
24 1 including but not limited to, the early intervention block  
24 2 grant program; intensive instruction and tutoring; and  
24 3 appropriate reading instruction methodologies.  
24 4 e. Reduction of special education funding deficits,  
24 5 including a review of the use of state and federal funds for  
24 6 special education and related preventative programs.  
24 7 2. The task force membership shall include all of the  
24 8 following:  
24 9 a. The director of the department of education or the  
24 10 director's designee.  
24 11 b. An area education agency administrator.  
24 12 c. A person representing the interests of special  
24 13 education students.  
24 14 d. A superintendent of a district with an enrollment of  
24 15 more than six hundred students.  
24 16 e. A superintendent of a district with an enrollment of  
24 17 six hundred or fewer students.  
24 18 f. A person from the private sector with experience in  
24 19 developing plans for cost savings.  
24 20 g. A person who is a private provider of special education  
24 21 services.  
24 22 h. An administrator of an accredited nonpublic school.  
24 23 i. Ten members of the general assembly, including five  
24 24 senators appointed by the president of the senate after  
24 25 consultation with the majority and minority leaders of the  
24 26 senate, and five representatives appointed by the speaker of  
24 27 the house of representatives after consultation with the  
24 28 majority and minority leaders of the house of representatives.  
24 29 3. The department shall submit its findings and  
24 30 recommendations in a report to the chairpersons and ranking  
24 31 members of the senate and house standing committees on

24 32 education and the joint appropriations subcommittee on  
 24 33 education by December 15, 2003.]

24 34 Sec. 39. SPECIAL EDUCATION SUPPORT SERVICES BALANCE  
 24 35 REDUCTION.

25 1 1. For the fiscal year beginning July 1, 2003, and ending  
 25 2 June 30, 2004, area education agency special education support  
 25 3 services fund balances shall be reduced, with each area  
 25 4 education agency remitting to the state the following  
 25 5 designated amount:

25 6 a. Area Education Agency 1 ..... \$ 517,120  
 25 7 b. Area Education Agency 4 ..... \$ 221,604  
 25 8 c. Area Education Agencies 3 and 5, and their  
 25 9 successor area education agency ..... \$ 995,807  
 25 10 d. Area Education Agencies 2, 6, 7, and their  
 25 11 successor area education agency ..... \$ 913,710  
 25 12 e. Area Education Agency 9 ..... \$ 468,138  
 25 13 f. Area Education Agency 10 ..... \$ 964,357  
 25 14 g. Area Education Agency 11 ..... \$ 3,620,018  
 25 15 h. Area Education Agency 12 ..... \$ 512,949  
 25 16 i. Area Education Agency 13 ..... \$ 666,285  
 25 17 j. Area Education Agency 14 ..... \$ 405,065  
 25 18 k. Area Education Agency 15 ..... \$ 413,282  
 25 19 l. Area Education Agency 16 ..... \$ 301,664

25 20 2. Notwithstanding the provisions of section 257.37, an  
 25 21 area education agency may use the funds determined to be  
 25 22 available under section 257.35 in a manner which it believes  
 25 23 is appropriate to best maintain the level of required area  
 25 24 education agency special education services. An area  
 25 25 education agency may also use unreserved fund balances for  
 25 26 media services or education services in a manner which it  
 25 27 believes is appropriate to best maintain the level of required  
 25 28 area education agency special education services.

25 29 Sec. 40. Section 257.35, subsection 2, Code 2003, is  
 25 30 amended to read as follows:

25 31 2. Notwithstanding subsection 1, the state aid for area

Requires 12 area education agencies to remit a total of \$9,999,999 to the State General Fund from the Special Education Support Services Fund balances. This is considered a revenue to the State.

CODE: Permits area education agencies flexibility in use of fund balances.

CODE: Makes the \$7,500,000 reduction of State aid for area education agencies permanent for FY 2003 and later years.

25 32 education agencies and the portion of the combined district  
25 33 cost calculated for these agencies for ~~each the~~ fiscal year of  
25 34 ~~the fiscal period beginning July 1, 2002, and ending June 30,~~  
25 35 2004 beginning July 1, 2002, and each succeeding fiscal year,  
26 1 shall be reduced by the department of management by seven  
26 2 million five hundred thousand dollars. The reduction for each  
26 3 area education agency shall be equal to the reduction that the  
26 4 agency received in the fiscal year beginning July 1, 2001.

26 5 Sec. 41. Section 257.35, Code 2003, is amended by adding  
26 6 the following new subsection:  
26 7 NEW SUBSECTION. 3. Notwithstanding subsection 1, and in  
26 8 addition to the reduction applicable pursuant to subsection 2,  
26 9 the state aid for area education agencies and the portion of  
26 10 the combined district cost calculated for these agencies for  
26 11 the fiscal year beginning July 1, 2003, and ending June 30,  
26 12 2004, shall be reduced by the department of management by ten  
26 13 million dollars. The department shall calculate a reduction  
26 14 such that each area education agency shall receive a reduction  
26 15 proportionate to the amount that it would otherwise have  
26 16 received under this section if the reduction imposed pursuant  
26 17 to this subsection did not apply.

CODE: Reduces FY 2004 State aid for area education agencies by \$10,000,000 compared to expected funding generated by the school aid formula.

26 18 Sec. 42. Section 257.37, subsection 6, Code 2003, is  
26 19 amended to read as follows:  
26 20 6. For the budget ~~years year~~ beginning July 1, 2002, and  
26 21 ~~July 1, 2003~~ each succeeding budget year, notwithstanding the  
26 22 requirements of this section for determining the budgets and  
26 23 funding of media services and education services, an area  
26 24 education agency may, within the limits of the total of the  
26 25 funds provided for the budget years pursuant to section  
26 26 257.35, expend for special education support services an  
26 27 amount that exceeds the payment for special education support  
26 28 services pursuant to section 257.35 in order to maintain the  
26 29 level of required special education support services in the  
26 30 area education agency.

CODE: Makes permanent a provision that permits area education agencies to use funds for special education support services in an amount that exceeds payments for such services as long as the amount is within the limit of total funds available to the agency.

PG LN	Senate File 453	Explanation
26 31 26 32	Sec. 43. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.	Specifies that this Division takes effect upon enactment.
26 33 26 34	DIVISION XV CHILD WELFARE SERVICES	
26 35	Sec. 44. CHILD WELFARE SERVICES SYSTEM REDESIGN.	
27 1 27 2 27 3 27 4 27 5 27 6 27 7 27 8 27 9 27 10 27 11 27 12 27 13 27 14 27 15 27 16 27 17 27 18 27 19 27 20 27 21 27 22 27 23 27 24 27 25 27 26 27 27 27 28 27 29 27 30	<p>1. PURPOSE. The department of human services shall initiate a process for improving the outcomes for families in this state who become involved with the state system for child welfare and juvenile justice by implementing a system redesign to transition to an outcomes-based system for children identified in this section. The outcomes-based system shall be organized based upon the federal and state child welfare outcomes and expectations and shall address the following purposes for the children and families involved with the state system:</p> <p>a. Safety.</p> <p>(1) Children are, first and foremost, protected from abuse and neglect.</p> <p>(2) Children are safely maintained in the children's homes with family, whenever possible.</p> <p>b. Permanency.</p> <p>(1) Children have permanency and stability in the children's living situations.</p> <p>(2) The continuity of children's family relationships and community connections is preserved.</p> <p>c. Child and family well-being.</p> <p>(1) Family capacity to provide for the needs of the children who are part of the family is enhanced.</p> <p>(2) Children receive appropriate services to meet the children's educational needs.</p> <p>(3) Children receive additional services that are appropriate to meet the children's physical and mental health needs.</p> <p>(4) Youth who are becoming adults and leaving the service system for children will receive appropriate services to make</p>	<p>Requires the Department of Human Services (DHS) to initiate an outcomes-based system for child welfare services. Requires specific outcomes and expectations that include:</p> <ul style="list-style-type: none"> <li>• Safety</li> <li>• Permanency</li> <li>• Child and Family Well-being</li> <li>• Public Safety</li> <li>• Accountability</li> <li>• Rehabilitation</li> </ul>

27 31 the transition to become self-sufficient and contributing  
27 32 members of the community.  
27 33 d. Public safety. Communities are protected from juvenile  
27 34 crime.  
27 35 e. Accountability. Communities are made whole through  
28 1 completion of community service activities assigned to  
28 2 juvenile offenders.  
28 3 f. Rehabilitation. Youth receive appropriate services and  
28 4 make measurable progress toward acquiring the skills that are  
28 5 essential to law-abiding, productive citizens.

28 6 2. CHILDREN INVOLVED. The service system redesign shall  
28 7 address the needs of children who are referred to the  
28 8 department of human services or juvenile court services,  
28 9 including but not limited to all of the following:  
28 10 a. Children adjudicated as a child in need of assistance  
28 11 under chapter 232.  
28 12 b. Children adjudicated delinquent under chapter 232 or  
28 13 alleged to have committed a delinquent act and identified in a  
28 14 police report or other formal complaint received by juvenile  
28 15 court services.  
28 16 c. Children subject to emergency removal under chapter 232  
28 17 or placed for emergency care under section 232.20 or 232.21.  
28 18 d. Children identified through a child abuse assessment  
28 19 conducted in accordance with section 232.71B as being at risk  
28 20 of harm from maltreatment due to child abuse.

28 21 3. DESIGN PRINCIPLES. The service system redesign shall  
28 22 incorporate all of the following design principles:  
28 23 a. Outcomes can be achieved in the most efficient and  
28 24 cost-effective manner possible.  
28 25 b. The roles of public and private child welfare staff and  
28 26 the state institutions in the redesigned system's delivery  
28 27 model are clarified.  
28 28 c. The financing structure maximizes state and federal  
28 29 funding with as much flexibility as possible and directs funds  
28 30 to services and other support based upon the needs of children  
28 31 and families.

Requires the redesign of the child welfare system to address the needs of children receiving various services, or children served by various means within the juvenile court or human services system.

Requires the child welfare redesign to include various principles, including:

- Cost-effectiveness.
- Clarification of the roles of public and private staff and institutions.
- Maximization of funding.
- Methodology for purchasing performance outcomes.
- Regulatory and contract monitoring.
- Administrative requirements.

28 32 d. The methodology for purchasing performance outcomes  
28 33 includes definitions of performance expectations,  
28 34 reimbursement provisions, financial incentives, provider  
28 35 flexibility provisions, and viable protection provisions for  
29 1 children, the state, and providers.

29 2 e. The regulatory and contract monitoring approaches are  
29 3 designed to assure effective oversight and quality and to  
29 4 address federal program and budget accountability  
29 5 expectations, with appropriate recognition of the need to  
29 6 balance the impact upon service providers.

29 7 f. The administrative aspects address system planning and  
29 8 support, data collection, management information systems,  
29 9 training, policy development, and budgeting.

29 10 4. DESIGN CONSIDERATIONS. The service system redesign  
29 11 shall address all of the following design considerations:

29 12 a. Successful outcome and performance-based system changes  
29 13 made in other states and communities are incorporated.

29 14 b. Linkages are made with the existing community planning  
29 15 efforts and partnerships are promoted with parents, the  
29 16 courts, the department, and service providers. The redesign  
29 17 shall build upon successful Iowa programs such as community  
29 18 partnerships for protecting children, child welfare funding  
29 19 decategorization projects, and quality service reviews.

29 20 c. Federal program and budget accountability expectations  
29 21 are addressed.

29 22 d. Linkages with other critical service systems are  
29 23 effectively incorporated, including but not limited to the  
29 24 systems for mental health, domestic abuse, and substance abuse  
29 25 services, and the judicial branch.

29 26 e. Options are considered for implementation of an acuity-  
29 27 based, case rate system that offers bonuses or other  
29 28 incentives for providers that achieve identified results and  
29 29 for providers that are able to develop strategic and  
29 30 collaborative relationships with other providers.

29 31 f. Policy options are developed to address the needs of  
29 32 difficult-to-treat children, such as no-eject, no-reject time  
29 33 periods.

Requires that the child welfare system redesign is to consider:

- Other existing performance-based systems.
- Existing community planning efforts.
- Federal accountability requirements.
- Various systems serving other individuals.

29 34 g. Implementation of evidence-based and continuous  
29 35 learning practices are promoted in the public and private  
30 1 sectors in order to measure and improve outcomes.

30 2 5. REDESIGN PLANNING PROCESS. The department of human  
30 3 services shall implement an inclusive process for the service  
30 4 system redesign utilizing a stakeholder panel to involve a  
30 5 broad spectrum of input into the redesign planning, design,  
30 6 implementation, and evaluation process. The stakeholder panel  
30 7 membership may include but is not limited to representation  
30 8 from all of the following:

30 9 a. Service consumers.

30 10 b. Judicial branch and justice system.

30 11 c. Service providers.

30 12 d. Community-based collaboration efforts such as child  
30 13 welfare decategorization projects and community partnership  
30 14 for child protection projects.

30 15 e. Foster and adoptive parents.

30 16 f. Advocacy groups.

30 17 g. Departmental staff.

30 18 h. Education and special education practitioners.

30 19 i. Others.

Requires the DHS to implement a child welfare system redesign with utilization of a stakeholder panel. Specifies possible membership of the panel.

30 20 6. LEGISLATIVE MONITORING. A six-member legislative  
30 21 committee is established to monitor the service system  
30 22 redesign planning and implementation. The members shall be  
30 23 appointed as follows: two members by the senate majority  
30 24 leader, one member by the senate minority leader, two members  
30 25 by the speaker of the house of representatives, and one member  
30 26 by the minority leader of the house of representatives. The  
30 27 committee shall provide advice and consultation to the  
30 28 department and consider any legislative changes that may be  
30 29 needed for implementation.

Creates a six-member legislative committee to monitor the child welfare system redesign. Specifies membership of the committee.

30 30 7. IMPLEMENTATION. The following implementation  
30 31 provisions apply to the service system redesign:  
30 32 a. Implementation of the redesign plan shall begin no  
30 33 later than January 1, 2004.

Requires specific timeframes for various components of the child welfare system redesign. Permits an emergency administrative rule

30 34 b. The department of human services may adopt emergency  
 30 35 rules under section 17A.4, subsection 2, and section 17A.5,  
 31 1 subsection 2, paragraph "b", to implement the provisions of  
 31 2 this section and the rules shall be effective immediately upon  
 31 3 filing or on a later date specified in the rules, unless the  
 31 4 effective date is delayed by the administrative rules review  
 31 5 committee. Any rules adopted in accordance with this  
 31 6 paragraph shall not take effect before the rules are reviewed  
 31 7 by the administrative rules review committee. The delay  
 31 8 authority provided to the administrative rules review  
 31 9 committee under section 17A.4, subsection 5, and section  
 31 10 17A.8, subsection 9, shall be applicable to a delay imposed  
 31 11 under this paragraph, notwithstanding a provision in those  
 31 12 sections making them inapplicable to section 17A.5, subsection  
 31 13 2, paragraph "b". Any rules adopted in accordance with this  
 31 14 paragraph shall also be published as a notice of intended  
 31 15 action as provided in section 17A.4.

31 16 c. The director of human services shall seek any federal  
 31 17 waiver or federal plan amendment relating to funding provided  
 31 18 under Title IV–B, IV–E, or XIX of the federal Social Security  
 31 19 Act necessary to implement the service system redesign.

31 20 8. STATUTORY REQUIREMENTS. The requirements of sections  
 31 21 18.6 and 72.3 and the administrative rules implementing  
 31 22 section 8.47 are not applicable to the services procurement  
 31 23 process used to implement the outcomes–based service system  
 31 24 redesign in accordance with this section. The department of  
 31 25 human services may enter into competitive negotiations and  
 31 26 proposal modifications with each successful contractor as  
 31 27 necessary to implement the provisions of this section.

31 28 9. APPROPRIATIONS REDUCTION. The appropriations made from  
 31 29 the general fund of the state to the department of human  
 31 30 services for the fiscal year beginning July 1, 2003, and  
 31 31 ending June 30, 2004, in 2003 Iowa Acts, House File 667, if  
 31 32 enacted, for services, staffing, and support related to the  
 31 33 service system redesign are reduced by \$10,000,000. The  
 31 34 governor shall apply the appropriations reductions on or

adoption process. Requires the Director of the DHS to seek federal  
 waivers or a State Plan Amendment to the Medical Assistance  
 Program to implement the child welfare system redesign.

Specifies that statutory provisions regarding competitive bidding and  
 sealed bids do not apply for procurement of services to implement the  
 child welfare system redesign. Permits the Department of Human  
 Services (DHS) to negotiate separately with contractors.

Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions,  
 and Statutory Changes Act) makes a technical amendment to this  
 Subsection.

General Fund appropriation reduction for the Department of Human  
 Services.

DETAIL: This is a decrease of \$10,000,000 compared to the FY 2004  
 appropriations included in HF 667 (FY 2004 Health and Human



31 35 before January 1, 2004, following consultation with the  
 32 1 director of human services, the council on human services, and  
 32 2 the legislative monitoring committee established pursuant to  
 32 3 this section. The appropriations subject to reduction shall  
 32 4 include but are not limited to the appropriations made for  
 32 5 child and family services, field operations, medical  
 32 6 assistance program, and general administration. The  
 32 7 appropriations reductions applied by the governor shall be  
 32 8 reported to the general assembly on the date the reductions  
 32 9 are applied. If the judicial branch reports a revision to the  
 32 10 judicial branch budget for juvenile court services making a  
 32 11 reduction as a result of the service system redesign, the  
 32 12 amount of the reductions applied by the governor shall be  
 32 13 reduced by the same amount.

Services Appropriations Act). Requires the Governor to apply the reduction to any budget unit governed by the DHS and requires the Governor to consult with the Director of the DHS, the Council on Human Services, and the Legislative Monitoring Committee. Requires the reductions to be completed by January 1, 2004, and requires the General Assembly to be notified of the applied reductions. Requires the Governor to reduce the appropriations independent of Judicial Branch action.

32 14 Sec. 45. CHILD WELFARE SYSTEM REDESIGN. There is  
 32 15 appropriated from the general fund of the state to the  
 32 16 department of human services for the fiscal year beginning  
 32 17 July 1, 2003, and ending June 30, 2004, the following amounts,  
 32 18 or so much thereof as is necessary, to be used for the  
 32 19 purposes designated:

32 20 1. For training of service providers and departmental  
 32 21 employees in performance contracting, new service roles, and  
 32 22 other skills and information related to the redesign of the  
 32 23 child welfare service system, and for the development of a  
 32 24 statewide information system for implementation of changes  
 32 25 associated with the service system redesign:  
 32 26 ..... \$ 1,200,000

General Fund appropriation to the Department of Human Services for service provider and DHS employee training relating to the child welfare system redesign.

DETAIL: This is a new appropriation for FY 2004.

32 27 2. For deposit in a provider loan fund, which shall be  
 32 28 created in the office of the treasurer of state under the  
 32 29 authority of the department of human services, to be used to  
 32 30 assist child welfare service providers with short-term cash  
 32 31 flow needs:  
 32 32 ..... \$ 1,000,000

General Fund appropriation to the Department of Human Services for a child welfare provider loan fund.

DETAIL: This is a new appropriation for FY 2004. Moneys in the fund are to be used for short-term loans for provider cash flow needs.

32 33 Moneys in the provider loan fund are appropriated to the  
32 34 department for use in accordance with this subsection. The  
32 35 department shall determine the length and interest rate for  
33 1 loans, if any. Loan repayment proceeds shall be credited to  
33 2 the provider loan fund and are appropriated to the department  
33 3 to be used for other loans.

Requires the DHS to determine the repayment for loans from the Child Welfare System Redesign Provider Loan Fund. Requires that loan repayments be credited to the Loan Fund and be used by the Department for additional loans.

33 4 Sec. 46. Section 2C.9, Code 2003, is amended by adding the  
33 5 following new subsection:  
33 6 NEW SUBSECTION. 1A. Investigate, on complaint or on the  
33 7 citizens' aide's own motion, any administrative action of any  
33 8 person providing child welfare or juvenile justice services  
33 9 under contract with an agency that is subject to investigation  
33 10 by the citizens' aide. The person shall be considered to be  
33 11 an agency for purposes of the citizens' aide's investigation.

CODE: Permits the Citizens' Aide to investigate administrative action of a person providing child welfare or juvenile justice services under a contract with an agency that is under investigation by the Citizens' Aide.

33 12 DIVISION XVI  
33 13 DEPARTMENT OF HUMAN SERVICES REINVENTION

33 14 Sec. 47. APPROPRIATIONS REDUCTION. The appropriations  
33 15 made from the general fund of the state for the fiscal year  
33 16 beginning July 1, 2003, and ending June 30, 2004, to the  
33 17 department of human services in 2003 Iowa Acts, House File  
33 18 667, if enacted, are reduced by \$300,000 to reflect the  
33 19 anticipated savings from the electronic payment of benefits  
33 20 and billings implemented pursuant to this division of this  
33 21 Act. The governor shall apply the appropriations reductions  
33 22 on or before January 1, 2004, following consultation with the  
33 23 director of human services and the council on human services.  
33 24 The appropriations reductions applied by the governor shall be  
33 25 reported to the general assembly on the date the reductions  
33 26 are applied.

General Fund appropriation reduction for the Department of Human Services.

DETAIL: This is a decrease of \$300,000 compared to the appropriations to the Department of Human Services in HF 667 (FY 2004 Health and Human Services Appropriations Act) to reflect savings from the electronic payment of benefits and billings. Requires the Governor apply the reductions after consultation with the Director of the Department and the Council on Human Services. Requires notification to the General Assembly on the date the reductions take place.

33 27 Sec. 48. SYSTEM EFFICIENCIES — ELECTRONIC BILLING AND  
33 28 PAYMENT — COMPATIBILITY — COMMUNICATIONS.  
33 29 1. The department of human services shall develop a plan  
33 30 to provide all provider payments under the medical assistance  
33 31 program on an electronic basis by June 30, 2005.

Requires the Department of Human Services (DHS) to develop a plan for all provider payments from Medical Assistance (Medicaid) made via an electronic basis by June 30, 2005. Requires the DHS to submit a plan to utilize an electronic payment system for child care providers by January 1, 2004. Requires the DHS to ensure that the various

33 32 2. The department of human services shall submit a plan to  
33 33 implement an electronic billing and payment system for child  
33 34 care providers to the governor and the general assembly by  
33 35 January 1, 2004.

34 1 3. In developing any billing, payment, or eligibility  
34 2 systems, the department of human services shall ensure that  
34 3 the systems are compatible.

34 4 4. The department of human services shall investigate  
34 5 measures to increase effective and efficient communications  
34 6 with clients, including but not limited to reducing  
34 7 duplicative mailings, and shall submit a report of  
34 8 recommendations to the governor and the general assembly by  
34 9 January 1, 2004.

34 10 Sec. 49. MEDICAL ASSISTANCE PROGRAM REDESIGN.

34 11 1. The department of human services shall establish a work  
34 12 group in cooperation with representatives of the insurance  
34 13 industry to develop a plan for the redesign of the medical  
34 14 assistance program. In developing the redesign plan, the work  
34 15 group shall consider all of the following:

34 16 a. Iowa's medical assistance program cannot be sustained  
34 17 in a manner that provides care for participants at the current  
34 18 rate of growth.

34 19 b. Iowans deserve a health care safety net that provides  
34 20 health care that is timely, effective, and responsive to  
34 21 individual needs.

34 22 c. Iowans would be better served, at a lower cost to  
34 23 taxpayers, if persons who are at risk of becoming medical  
34 24 assistance recipients due to their income, health, and  
34 25 insurance status could be identified and insured.

34 26 d. Iowa's children and families would benefit from the use  
34 27 of a medical home model that links children and families to an  
34 28 ongoing source of medical care that ensures access to and  
34 29 appropriate utilization of medical services including  
34 30 preventive services.

34 31 e. Iowa's senior population should have more options  
34 32 available to address the population's health care needs

electronic payment systems are compatible. Requires the DHS to review measures to increase effectiveness and efficiency when communicating with clients and to submit a report with recommendations by January 1, 2004.

Requires the Department of Human Services to establish a work group with the insurance industry to develop a Medical Assistance Program (Medicaid) redesign plan. Requires the work group to consider various items in developing the plan.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amends this Subsection to include members of the Medical Assistance Advisory Council in the work group.

34 33 including home and community-based services and assisted  
34 34 living.

34 35 2. The redesign plan shall include measures such as  
35 1 providing state funding for health care spending accounts for  
35 2 families in the medical assistance program in order to provide  
35 3 incentives for effective health care cost management,  
35 4 providing an insurance-like benefit package for those  
35 5 individuals with extensive medical needs that emphasizes  
35 6 flexible and preventive care through case management, moving  
35 7 to an acuity-based reimbursement system for dually eligible  
35 8 seniors, and developing an evidence-based pharmaceutical  
35 9 program.

Requires the Medical Assistance Program (Medicaid) redesign plan to include various measures as part of the plan.

35 10 3. The department shall submit a progress report of the  
35 11 work group's recommendations for medical assistance program  
35 12 redesign to the governor and the general assembly by January  
35 13 15, 2004.

Requires the DHS to submit a progress report by January 15, 2004, including recommendations made by the Medical Assistance Program (Medicaid) redesign work group.

35 14 Sec. 50. MEDICAL ASSISTANCE APPROPRIATION REDUCTION. The  
35 15 appropriation made from the general fund of the state for the  
35 16 fiscal year beginning July 1, 2003, and ending June 30, 2004,  
35 17 to the department of human services in 2003 Iowa Acts, House  
35 18 File 667, if enacted, for medical assistance is reduced by  
35 19 \$7,500,000.

General Fund appropriation reduction for the Department of Human Services for the Medical Assistance Program.

DETAIL: This is a decrease of \$7,500,000 from the FY 2004 appropriation made in HF 667 (FY 2004 Health and Human Services Appropriations Act).

35 20 Sec. 51. HOSPITAL TRUST FUND — MEDICAL ASSISTANCE  
35 21 SUPPLEMENT.

35 22 1. Notwithstanding 2002 Iowa Acts, chapter 1003, Second  
35 23 Extraordinary Session, sections 150 and 151, as the sections  
35 24 relate to the hospital trust fund, moneys shall not be  
35 25 transferred from the hospital trust fund at the end of the  
35 26 fiscal year beginning July 1, 2003.

CODE: Requires any funds remaining from FY 2003 in the Hospital Trust Fund remain in the Hospital Trust Fund for FY 2004.

DETAIL: Current law requires funds remaining in the Hospital Trust Fund in FY 2003 be transferred to the Senior Living Trust Fund.

35 27 2. There is appropriated from the hospital trust fund to  
 35 28 the department of human services for the fiscal year beginning  
 35 29 July 1, 2003, and ending June 30, 2004, the following amount,  
 35 30 or so much thereof as is necessary to be used for the purposes  
 35 31 designated:

35 32 To supplement the medical assistance appropriation made in  
 35 33 2003 Iowa Acts, House File 667, if enacted:

35 34 ..... \$ 14,000,000

35 35 The appropriation made in this subsection shall include  
 36 1 moneys in the hospital trust fund that remain unencumbered or  
 36 2 unobligated at the end of the fiscal year beginning July 1,  
 36 3 2002, and ending June 30, 2003.

Hospital Trust Fund appropriation to the Department of Human Services for the Medical Assistance Program (Medicaid).

DETAIL: This is an increase of \$14,000,000 for FY 2004 to the amount appropriated in HF 667 (FY 2004 Health and Human Services Appropriations Act). Specifies that the FY 2004 appropriation of \$14,000,000 includes funds that will be in the Hospital Trust Fund as a result of the moneys remaining from FY 2003.

36 4 Sec. 52. IOWA JUVENILE HOME. The appropriation made from  
 36 5 the general fund of the state for the fiscal year beginning  
 36 6 July 1, 2003, and ending June 30, 2004, to the department of  
 36 7 human services in 2003 Iowa Acts, House File 667, if enacted,  
 36 8 for the Iowa juvenile home at Toledo, is reduced by \$410,540.

General Fund appropriation reduction for the Iowa Juvenile Home.

DETAIL: This is a decrease of \$410,540 from the amount appropriated in HF 667 (FY 2004 Health and Human Services Appropriations Act). This is a result of the Home receiving funds from the School Aid formula for FY 2004 in Section 58 of this Act.

36 9 Sec. 53. STATE TRAINING SCHOOL. The appropriation made  
 36 10 from the general fund of the state for the fiscal year  
 36 11 beginning July 1, 2003, and ending June 30, 2004, to the  
 36 12 department of human services in 2003 Iowa Acts, House File  
 36 13 667, if enacted, for the state training school at Eldora is  
 36 14 reduced by \$1,239,227.

General Fund appropriation reduction for the State Training School.

DETAIL: This is a decrease of \$1,239,227 from the amount appropriated in HF 667 (FY 2004 Health and Human Services Appropriations Act). This is a result of the Home receiving funds from the School Aid formula for FY 2004 in Section 58 of this Act.

36 15 Sec. 54. INDEPENDENCE MHI. The appropriation made from  
 36 16 the general fund of the state for the fiscal year beginning  
 36 17 July 1, 2003, and ending June 30, 2004, to the department of  
 36 18 human services in 2003 Iowa Acts, House File 667, if enacted,  
 36 19 for the state mental health institute at Independence, is  
 36 20 reduced by \$544,192.

General Fund appropriation reduction for the Independence Mental Health Institute.

DETAIL: This is a decrease of \$544,192 from the amount appropriated in HF 667 (FY 2004 Health and Human Services Appropriations Act). This is a result of the Home receiving funds from the School Aid formula for FY 2004 in Section 58 of this Act for the children served in the Children and Adolescent Unit or the Psychiatric Medical Institution for Children (PMIC) within the Institute.

36 21 Sec. 55. NEW SECTION. 249A.32 PHARMACEUTICAL SETTLEMENT  
36 22 ACCOUNT — MEDICAL ASSISTANCE PROGRAM.

36 23 1. A pharmaceutical settlement account is created in the  
36 24 state treasury under the authority of the department of human  
36 25 services. Moneys received from settlements relating to  
36 26 provision of pharmaceuticals under the medical assistance  
36 27 program shall be deposited in the account.

36 28 2. Moneys in the account shall be used only as provided in  
36 29 appropriations from the account to the department for the  
36 30 purpose of technology upgrades under the medical assistance  
36 31 program.

36 32 3. The account shall be separate from the general fund of  
36 33 the state and shall not be considered part of the general fund  
36 34 of the state. The moneys in the account shall not be  
36 35 considered revenue of the state, but rather shall be funds of  
37 1 the account. The moneys in the account are not subject to  
37 2 reversion to the general fund of the state under section 8.33  
37 3 and shall not be transferred, used, obligated, appropriated,  
37 4 or otherwise encumbered, except to provide for the purposes of  
37 5 this section. Notwithstanding section 12C.7, subsection 2,  
37 6 interest or earnings on moneys deposited in the account shall  
37 7 be credited to the account.

37 8 4. The treasurer of state shall provide a quarterly report  
37 9 of account activities and balances to the director.

37 10 Sec. 56. Section 256.7, subsection 10, Code 2003, is  
37 11 amended to read as follows:

37 12 10. Adopt rules pursuant to chapter 17A relating to  
37 13 educational programs and budget limitations for educational  
37 14 programs pursuant to sections ~~282.28~~, 282.29, 282.30, and  
37 15 282.31, and 282.33.

37 16 Sec. 57. Section 282.32, Code 2003, is amended to read as  
37 17 follows:

37 18 282.32 APPEAL.

37 19 An area education agency or local school district may  
37 20 appeal a decision made pursuant to section ~~282.28~~ or 282.31 to  
37 21 the state board of education. The decision of the state board

CODE: Creates a Pharmaceutical Settlement Account within the State Treasury under the authority of the Department of Human Services. Requires funds received from settlements regarding pharmaceuticals provided from the Medical Assistance Program (Medicaid) to be deposited into the Account. Requires the funds to be used for technology upgrades for Medical Assistance. Exempts funds in the Account from reversion to the State General fund at the end of any fiscal year.

CODE: Technical change to parallel statutory changes in Section 58 of this Act providing School Aid funding to the institutions of the Department of Human Services.

CODE: Technical change to parallel statutory changes in Section 58 of this Act providing School Aid funding to the institutions of the Department of Human Services.

37 22 is final.

37 23 Sec. 58. NEW SECTION. 282.33 FUNDING FOR CHILDREN  
37 24 RESIDING IN STATE MENTAL HEALTH INSTITUTES OR INSTITUTIONS.

37 25 1. A child who resides in an institution for children  
37 26 under the jurisdiction of the director of human services  
37 27 referred to in section 218.1, subsection 3, 5, 7, or 8, and  
37 28 who is not enrolled in the educational program of the district  
37 29 of residence of the child, shall receive appropriate  
37 30 educational services. The institution in which the child  
37 31 resides shall submit a proposed program and budget based on  
37 32 the average daily attendance of the children residing in the  
37 33 institution to the department of education and the department  
37 34 of human services by January 1 for the next succeeding school  
37 35 year. The department of education shall review and approve or  
38 1 modify the proposed program and budget and shall notify the  
38 2 department of revenue and finance of its action by February 1.  
38 3 The department of revenue and finance shall pay the approved  
38 4 budget amount to the department of human services in monthly  
38 5 installments beginning September 15 and ending June 15 of the  
38 6 next succeeding school year. The installments shall be as  
38 7 nearly equal as possible as determined by the department of  
38 8 revenue and finance, taking into consideration the relative  
38 9 budget and cash position of the state's resources. The  
38 10 department of revenue and finance shall pay the approved  
38 11 budget amount for the department of human services from the  
38 12 moneys appropriated under section 257.16 and the department of  
38 13 human services shall distribute the payment to the  
38 14 institution. The institution shall submit an accounting for  
38 15 the actual cost of the program to the department of education  
38 16 by August 1 of the following school year. The department  
38 17 shall review and approve or modify all expenditures incurred  
38 18 in compliance with the guidelines adopted pursuant to section  
38 19 256.7, subsection 10, and shall notify the department of  
38 20 revenue and finance of the approved accounting amount. The  
38 21 approved accounting amount shall be compared with any amounts  
38 22 paid by the department of revenue and finance to the  
38 23 department of human services and any differences added to or

CODE: Requires children within an institution operated by the Department of Human Services (DHS) that provides educational services to be included within the School Aid funding formula. Requires an institution to submit a program plan and budget based upon specified criteria to the Department of Education for approval. Specifies various timeframes for budget approval and payments to the institution. Requires a cost report after the completion of a school year.

DETAIL: For FY 2003 and preceding fiscal years, the educational costs for the DHS institutions were contained within the appropriation for each institution. For FY 2004, moneys identified in Sections 52, 53, and 54 of this Act were reduced from the appropriations in HF 667 (FY 2004 Health and Human Services Appropriations Act) for the Juvenile Home at Toledo, the State Training School at Eldora, and the Mental Health Institute at Independence. These reductions were calculated based on the FY 2003 State cost per pupil received under the School Aid formula and the average amount weighted for the special education needs.

The Mental Health Institution at Cherokee also provides educational services for children and adolescents. However, no funds were reduced from the appropriation received in HF 667 from that Institution due to the higher per student amount incurred at that Institution compared to the State cost per pupil calculations.

38 24 subtracted from the October payment made under this subsection  
38 25 for the next school year. Any amount paid by the department  
38 26 of revenue and finance shall be deducted monthly from the  
38 27 state foundation aid paid under section 257.16 to all school  
38 28 districts in the state during the subsequent fiscal year. The  
38 29 portion of the total amount of the approved budget that shall  
38 30 be deducted from the state aid of a school district shall be  
38 31 the same as the ratio that the budget enrollment for the  
38 32 budget year of the school district bears to the total budget  
38 33 enrollment in the state for that budget year in which the  
38 34 deduction is made.

38 35 2. Programs may be provided during the summer and funded  
39 1 under this section if the institution determines a valid  
39 2 educational reason to do so and the department of education  
39 3 approves the program in the manner provided in subsection 1.

39 4 Sec. 59. Section 282.28, Code 2003, is repealed.

CODE: Repeals the Section that requires AEA 6 to provide educational services to the students at the State Training School at Eldora and the Juvenile Home at Toledo.

39 5 Sec. 60. FY 2003–2004 FUNDING. For purposes of providing  
39 6 funding for educational programs provided to children residing  
39 7 in an institution for children under the jurisdiction of the  
39 8 director of human services referred to in section 218.1,  
39 9 subsection 3, 5, 7, or 8, the institution providing such  
39 10 programs to children residing in the institution shall submit  
39 11 an estimated proposed program and budget based on the  
39 12 estimated average daily attendance of children who will likely  
39 13 be provided educational programs during the fiscal year  
39 14 beginning July 1, 2003, and ending June 30, 2004, to the  
39 15 department of education and the department of human services  
39 16 by August 1, 2003. The budget for the institutions referred  
39 17 to in section 218.1, subsections 7 and 8, shall include funds  
39 18 to access services from the area education agency in the  
39 19 manner in which the services were accessed from the area  
39 20 education agency in the fiscal year beginning July 1, 2002.  
39 21 The department of education shall review and approve or modify  
39 22 the proposed program and budget and shall notify the

Requires the State Training School at Eldora, the Juvenile Home at Toledo, and the Mental Health Institutes at Cherokee and Independence for FY 2004 to provide specified budget information to the Departments of Education and Human Services. Requires the Department of Education to approve the programs and budgets by September 1, 2003. Requires the Department of Revenue and Finance to distribute the payments in the same manner as School Aid.



PG LN	Senate File 453	Explanation
39 23	department of revenue and finance of its action by September	
39 24	1, 2003. The department of revenue and finance shall pay the	
39 25	approved budget amount, and the department of human services	
39 26	shall distribute payments, as provided in section 282.33.	
39 27	Sec. 61. EFFECTIVE DATE. The section of this division of	Requires the Section regarding the nonreversion of FY 2003
39 28	this Act relating to appropriation of moneys in the hospital	remaining funds in the Hospital Trust Fund to take effect upon
39 29	trust fund, being deemed of immediate importance, takes effect	enactment.
39 30	upon enactment.	
39 31	DIVISION XVII	
39 32	REINVENTION INVESTMENT	
39 33	Sec. 62. DEPARTMENT OF MANAGEMENT. There is appropriated	General Fund appropriation to the Department of Management for the
39 34	from the general fund of the state to the department of	cost of the Public Strategies Group (consultant) for the reinvention
39 35	management for the fiscal year beginning July 1, 2003, and	initiatives.
40 1	ending June 30, 2004, the following amount, or so much thereof	
40 2	as is necessary, to be used for the purpose designated:	DETAIL: This is a new appropriation for FY 2004. House File 655 (FY
40 3	For investment in reinvention initiatives intended to	2004 Administration and Regulation Appropriations Act) appropriated
40 4	produce ongoing savings, in addition to funds appropriated for	\$5,000,000 in addition to this appropriation. The contract provides for
40 5	this purpose in 2003 Iowa Acts, House File 655, section 11,	various payments dependent upon criteria.
40 6	subsection 3, if enacted:	
40 7		
40 8	..... \$ 1,350,000	
40 9	DIVISION XVIII	
40 10	IOWA LOTTERY AUTHORITY	
40 11	Sec. 63. <u>NEW SECTION</u> . 99G.1 TITLE.	CODE: Creates a new Chapter in the <u>Code of Iowa</u> for the Iowa
40 12	This chapter may be cited as the "Iowa Lottery Authority	Lottery Authority.
40 13	Act".	DETAIL: Establishes the Iowa Lottery Authority, providing for greater
		independence of lottery operations from the State. The former
		chapter, Chapter 99E, <u>Code of Iowa</u> , provided lottery operations as a
		Division within the Department of Revenue and Finance.

40 14 Sec. 64. NEW SECTION. 99G.2 STATEMENT OF PURPOSE AND  
40 15 INTENT.

CODE: Specifies the purpose and the intent of the Iowa Lottery Authority.

40 16 The general assembly finds and declares the following:

40 17 1. That net proceeds of lottery games conducted pursuant  
40 18 to this chapter should be transferred to the general fund of  
40 19 the state in support of a variety of programs and services.

40 20 2. That lottery games are an entrepreneurial enterprise  
40 21 and that the state should create a public instrumentality of  
40 22 the state in the form of a nonprofit authority known as the  
40 23 Iowa lottery authority with comprehensive and extensive powers  
40 24 to operate a state lottery in an entrepreneurial and  
40 25 businesslike manner and which is accountable to the governor,  
40 26 the general assembly, and the people of the state through a  
40 27 system of audits, reports, legislative oversight, and thorough  
40 28 financial disclosure as required by this chapter.

40 29 3. That lottery games shall be operated and managed in a  
40 30 manner that provides continuing entertainment to the public,  
40 31 maximizes revenues, and ensures that the lottery is operated  
40 32 with integrity and dignity and free from political influence.

40 33 Sec. 65. NEW SECTION. 99G.3 DEFINITIONS.

CODE: Provides definitions for the Iowa Lottery Authority.

40 34 As used in this chapter, unless the context clearly  
40 35 requires otherwise:

41 1 1. "Administrative expenses" includes, but is not limited  
41 2 to, personnel costs, travel, purchase of equipment and all  
41 3 other expenses not directly associated with the operation or  
41 4 sale of a game.

41 5 2. "Authority" means the Iowa lottery authority.

41 6 3. "Board" means the board of directors of the authority.

41 7 4. "Chief executive officer" means the chief executive  
41 8 officer of the authority.

41 9 5. "Game specific rules" means rules governing the  
41 10 particular features of specific games, including, but not  
41 11 limited to, setting the name, ticket price, prize structure,  
41 12 and prize claim period of the game.

41 13 6. "Instant lottery" or "instant ticket" means a game that  
41 14 offers preprinted tickets such that when a protective coating  
41 15 is scratched or scraped away, it indicates immediately whether

41 16 the player has won.

41 17 7. "Lottery", "lotteries", "lottery game", "lottery games"  
41 18 or "lottery products" means any game of chance approved by the  
41 19 board and operated pursuant to this chapter and games using  
41 20 mechanical or electronic devices, provided that the authority  
41 21 shall not authorize a player-activated gaming machine that  
41 22 utilizes an internal randomizer to determine winning and  
41 23 nonwinning plays and that upon random internal selection of a  
41 24 winning play dispenses coins, currency, or a ticket, credit,  
41 25 or token to the player that is redeemable for cash or a prize,  
41 26 and excluding gambling or gaming conducted pursuant to chapter  
41 27 99B, 99D, or 99F.

41 28 8. "Major procurement contract" means a consulting  
41 29 agreement or a contract with a business organization for the  
41 30 printing of tickets or the purchase or lease of equipment or  
41 31 services essential to the operation of a lottery game.

41 32 9. "Net proceeds" means all revenue derived from the sale  
41 33 of lottery tickets or shares and all other moneys derived from  
41 34 the lottery, less operating expenses.

41 35 10. "On-line lotto" means a lottery game connected to a  
42 1 central computer via telecommunications in which the player  
42 2 selects a specified group of numbers, symbols, or characters  
42 3 out of a predetermined range.

42 4 11. "Operating expenses" means all costs of doing  
42 5 business, including, but not limited to, prizes and associated  
42 6 prize reserves, computerized gaming system vendor expense,  
42 7 instant and pull-tab ticket expense, and other expenses  
42 8 directly associated with the operation or sale of any game,  
42 9 compensation paid to retailers, advertising and marketing  
42 10 costs, and administrative expenses.

42 11 12. "Pull-tab ticket" or "pull-tab" means a game that  
42 12 offers preprinted paper tickets with the play data hidden  
42 13 beneath a protective tab or seal that when opened reveals  
42 14 immediately whether the player has won.

42 15 13. "Retailer" means a person, licensed by the authority,  
42 16 who sells lottery tickets or shares on behalf of the authority  
42 17 pursuant to a contract.

42 18 14. "Share" means any intangible evidence of participation

42 19 in a lottery game.

42 20 15. "Ticket" means any tangible evidence issued by the  
42 21 lottery to provide participation in a lottery game.

42 22 16. "Vendor" means a person who provides or proposes to  
42 23 provide goods or services to the authority pursuant to a major  
42 24 procurement contract, but does not include an employee of the  
42 25 authority, a retailer, or a state agency or instrumentality  
42 26 thereof.

42 27 Sec. 66. NEW SECTION. 99G.4 IOWA LOTTERY AUTHORITY  
42 28 CREATED.

42 29 1. An Iowa lottery authority is created, effective  
42 30 September 1, 2003, which shall administer the state lottery.  
42 31 The authority shall be deemed to be a public authority and an  
42 32 instrumentality of the state, and not a state agency.  
42 33 However, the authority shall be considered a state agency for  
42 34 purposes of chapters 17A, 21, 22, 28E, 68B, 91B, 97B, 509A,  
42 35 and 669.

43 1 2. The income and property of the authority shall be  
43 2 exempt from all state and local taxes, and the sale of lottery  
43 3 tickets and shares issued and sold by the authority and its  
43 4 retail licensees shall be exempt from all state and local  
43 5 sales taxes.

43 6 Sec. 67. NEW SECTION. 99G.5 CHIEF EXECUTIVE OFFICER.

43 7 The chief executive officer of the authority shall be  
43 8 appointed by the governor subject to confirmation by the  
43 9 senate and shall serve a four-year term of office beginning  
43 10 and ending as provided in section 69.19. The chief executive  
43 11 officer shall be qualified by training and experience to  
43 12 manage a lottery. The governor may remove the chief executive  
43 13 officer for malfeasance in office, or for any cause that  
43 14 renders the chief executive officer ineligible, incapable, or  
43 15 unfit to discharge the duties of the office. Compensation and  
43 16 employment terms of the chief executive officer shall be set  
43 17 by the governor, taking into consideration the officer's level  
43 18 of education and experience, as well as the success of the  
43 19 lottery. The chief executive officer shall be an employee of

CODE: Creates the Iowa Lottery Authority, effective September 1, 2003. Requires the Authority to be a public authority and not a State agency unless otherwise specified. Exempts various income of the Authority from State and local sales tax.

CODE: Requires the Chief Executive Officer of the Iowa Lottery Authority to be appointed by the Governor for a four-year term. Requires Senate confirmation. Permits the Governor to remove the Officer under specified circumstances. Requires the Officer to be an employee of the Authority and to direct operations of the Authority.

43 20 the authority and shall direct the day-to-day operations and  
43 21 management of the authority and be vested with such powers and  
43 22 duties as specified by the board and by law.

43 23 Sec. 68. NEW SECTION. 99G.6 POWER TO ADMINISTER OATHS  
43 24 AND TAKE TESTIMONY — SUBPOENA.

43 25 The chief executive officer or the chief executive  
43 26 officer's designee if authorized to conduct an inquiry,  
43 27 investigation, or hearing under this chapter may administer  
43 28 oaths and take testimony under oath relative to the matter of  
43 29 inquiry, investigation, or hearing. At a hearing ordered by  
43 30 the chief executive officer, the chief executive officer or  
43 31 the designee may subpoena witnesses and require the production  
43 32 of records, paper, or documents pertinent to the hearing.

CODE: Permits the Chief Executive Officer or designee to conduct inquiries, administer oaths, and to receive testimony regarding various investigations. Permits the Officer or designee to subpoena witnesses.

43 33 Sec. 69. NEW SECTION. 99G.7 DUTIES OF THE CHIEF  
43 34 EXECUTIVE OFFICER.

43 35 1. The chief executive officer of the authority shall  
44 1 direct and supervise all administrative and technical  
44 2 activities in accordance with the provisions of this chapter  
44 3 and with the administrative rules, policies, and procedures  
44 4 adopted by the board. The chief executive officer shall do  
44 5 all of the following:  
44 6 a. Facilitate the initiation and supervise and administer  
44 7 the operation of the lottery games.  
44 8 b. Employ an executive vice president, who shall act as  
44 9 chief executive officer in the absence of the chief executive  
44 10 officer, and employ and direct other such personnel as deemed  
44 11 necessary.  
44 12 c. Contract with and compensate such persons and firms as  
44 13 deemed necessary for the operation of the lottery.  
44 14 d. Promote or provide for promotion of the lottery and any  
44 15 functions related to the authority.  
44 16 e. Prepare a budget for the approval of the board.  
44 17 f. Require bond from such retailers and vendors in such  
44 18 amounts as required by the board.  
44 19 g. Report semiannually to the legislative government  
44 20 oversight committees regarding the operations of the

CODE: Specifies duties of the Chief Executive Officer of the Lottery Authority. Requires the Officer to study lottery operations in other states and countries. Permits the Officer to suspend or revoke various contracts and to conduct hearings based on security issues.

44 21 authority.

44 22 h. Report quarterly and annually to the board, the  
44 23 governor, the auditor of state, and the general assembly a  
44 24 full and complete statement of lottery revenues and expenses  
44 25 for the preceding quarter, and with respect to the annual  
44 26 report, for the preceding year and transfer proceeds to the  
44 27 general fund within thirty days following the end of the  
44 28 quarter.

44 29 i. Perform other duties generally associated with a chief  
44 30 executive officer of an authority of an entrepreneurial  
44 31 nature.

44 32 2. The chief executive officer shall conduct an ongoing  
44 33 study of the operation and administration of lottery laws  
44 34 similar to this chapter in other states or countries, of  
44 35 available literature on the subject, of federal laws and  
45 1 regulations which may affect the operation of the lottery and  
45 2 of the reaction of citizens of this state to existing or  
45 3 proposed features of lottery games with a view toward  
45 4 implementing improvements that will tend to serve the purposes  
45 5 of this chapter.

45 6 3. The chief executive officer may for good cause suspend,  
45 7 revoke, or refuse to renew any contract entered into in  
45 8 accordance with the provisions of this chapter or the  
45 9 administrative rules, policies, and procedures of the board.

45 10 4. The chief executive officer or the chief executive  
45 11 officer's designee may conduct hearings and administer oaths  
45 12 to persons for the purpose of assuring the security or  
45 13 integrity of lottery operations or to determine the  
45 14 qualifications of or compliance by vendors and retailers.

45 15 Sec. 70. NEW SECTION. 99G.8 BOARD OF DIRECTORS.

45 16 1. The authority shall be administered by a board of  
45 17 directors comprised of five members appointed by the governor  
45 18 subject to confirmation by the senate. Board members  
45 19 appointed when the senate is not in session shall serve only  
45 20 until the end of the next regular session of the general  
45 21 assembly, unless confirmed by the senate.

45 22 2. Board members shall serve staggered terms of four years

CODE: Requires the Iowa Lottery Authority to be administered by a five-member Board of Directors. Requires the Directors to be appointed by the Governor and confirmed by the Senate. Provides for appointment processes, terms, eligibility requirements, general operations, and conditions for member removal.

45 23 beginning and ending as provided in section 69.19. No more  
45 24 than three board members shall be from the same political  
45 25 party.

45 26 3. Board members may be removed by the governor for  
45 27 neglect of duty, misfeasance, or nonfeasance in office.

45 28 4. No officer or employee of the authority shall be a  
45 29 member of the board.

45 30 5. Board members shall be residents of the state of Iowa,  
45 31 shall be prominent persons in their respective businesses or  
45 32 professions, and shall not have been convicted of any felony  
45 33 offense. Of the members appointed, the governor shall appoint  
45 34 to the board an attorney admitted to the practice of law in  
45 35 Iowa, an accountant, a person who is or has been a law  
46 1 enforcement officer, and a person having expertise in  
46 2 marketing.

46 3 6. A majority of members in office shall constitute a  
46 4 quorum for the transaction of any business and for the  
46 5 exercise of any power or function of the authority.

46 6 7. Action may be taken and motions and resolutions adopted  
46 7 by the board at any meeting thereof by the affirmative vote of  
46 8 a majority of present and voting board members.

46 9 8. No vacancy in the membership of the board shall impair  
46 10 the right of the members to exercise all the powers and  
46 11 perform all the duties of the board.

46 12 9. Board members shall be considered to hold public office  
46 13 and shall give bond as such as required in chapter 64.

46 14 10. Board members shall be entitled to receive a per diem  
46 15 as specified in section 7E.6 for each day spent in performance  
46 16 of duties as members, and shall be reimbursed for all actual  
46 17 and necessary expenses incurred in the performance of their  
46 18 official duties as members. No person who serves as a member  
46 19 of the board shall by reason of such membership be eligible  
46 20 for membership in the Iowa public employees' retirement system  
46 21 and service on the board shall not be eligible for service  
46 22 credit for any public retirement system.

46 23 11. The board shall meet at least quarterly and at such  
46 24 other times upon call of the chairperson or the president.

46 25 Notice of the time and place of each board meeting shall be

46 26 given to each member. The board shall also meet upon call of  
46 27 three or more of the board members. The board shall keep  
46 28 accurate and complete records of all its meetings.

46 29 12. Meetings of the board shall be governed by the  
46 30 provisions of chapter 21.

46 31 13. Board members shall not have any direct or indirect  
46 32 interest in an undertaking that puts their personal interest  
46 33 in conflict with that of the authority, including, but not  
46 34 limited to, an interest in a major procurement contract or a  
46 35 participating retailer.

47 1 14. The members shall elect from their membership a  
47 2 chairperson and vice chairperson.

47 3 15. The board of directors may delegate to the chief  
47 4 executive officer of the authority such powers and duties as  
47 5 it may deem proper to the extent such delegation is not  
47 6 inconsistent with the Constitution of this state.

47 7 Sec. 71. NEW SECTION. 99G.9 BOARD DUTIES.

47 8 The board shall provide the chief executive officer with  
47 9 private-sector perspectives of a large marketing enterprise.

47 10 The board shall do all of the following:

47 11 1. Approve, disapprove, amend, or modify the budget  
47 12 recommended by the chief executive officer for the operation  
47 13 of the authority.

47 14 2. Approve, disapprove, amend, or modify the terms of  
47 15 major lottery procurements recommended by the chief executive  
47 16 officer.

47 17 3. Adopt policies and procedures and promulgate  
47 18 administrative rules pursuant to chapter 17A relating to the  
47 19 management and operation of the authority. The administrative  
47 20 rules promulgated pursuant to this subsection may include but  
47 21 shall not be limited to the following:

47 22 a. The type of games to be conducted.

47 23 b. The sale price of tickets or shares and the manner of  
47 24 sale, including but not limited to authorization of sale of  
47 25 tickets or shares at a discount for marketing purposes,  
47 26 provided, however, that a retailer may accept payment by cash,  
47 27 check, money order, debit card, or electronic funds transfer

CODE: Specifies various duties of the Lottery Authority Board of Directors.

NOTE: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) strikes Subsection 3, paragraph j of this Section regarding auditing.



47 28 and shall not extend or arrange credit for the purchase of a  
47 29 ticket or share. As used in this section, "cash" means United  
47 30 States currency.

47 31 c. The number and amount of prizes, including but not  
47 32 limited to prizes of free tickets or shares in lottery games  
47 33 conducted by the authority and merchandise prizes. The  
47 34 authority shall maintain and make available for public  
47 35 inspection at its offices during regular business hours a  
48 1 detailed listing of the estimated number of prizes of each  
48 2 particular denomination that are expected to be awarded in any  
48 3 game that is on sale or the estimated odds of winning the  
48 4 prizes and, after the end of the claim period, shall maintain  
48 5 and make available a listing of the total number of tickets or  
48 6 shares sold in a game and the number of prizes of each  
48 7 denomination that were awarded.

48 8 d. The method and location of selecting or validating  
48 9 winning tickets or shares.

48 10 e. The manner and time of payment of prizes, which may  
48 11 include lump-sum payments or installments over a period of  
48 12 years.

48 13 f. The manner of payment of prizes to the holders of  
48 14 winning tickets or shares after performing validation  
48 15 procedures appropriate to the game and as specified by the  
48 16 board.

48 17 g. The frequency of games and drawings or selection of  
48 18 winning tickets or shares.

48 19 h. The means of conducting drawings, provided that  
48 20 drawings shall be open to the public and witnessed by an  
48 21 independent certified public accountant. Equipment used to  
48 22 select winning tickets or shares or participants for prizes  
48 23 shall be examined by an independent certified public  
48 24 accountant prior to and after each drawing.

48 25 i. The manner and amount of compensation to lottery  
48 26 retailers.

48 27 j. The engagement and compensation of audit services.

48 28 k. Any and all other matters necessary, desirable, or  
48 29 convenient toward ensuring the efficient and effective  
48 30 operation of lottery games, the continued entertainment and

48 31 convenience of the public, and the integrity of the lottery.  
48 32 4. Adopt game specific rules. The promulgation of game  
48 33 specific rules shall not be subject to the requirements of  
48 34 chapter 17A. However, game specific rules shall be made  
48 35 available to the public prior to the time the games go on sale  
49 1 and shall be kept on file at the office of the authority.  
49 2 5. Perform such other functions as specified by this  
49 3 chapter.

49 4 Sec. 72. NEW SECTION. 99G.10 AUTHORITY PERSONNEL.

49 5 1. All employees of the authority shall be considered  
49 6 public employees.

49 7 2. Subject to the approval of the board, the chief  
49 8 executive officer shall have the sole power to designate  
49 9 particular employees as key personnel, but may take advice  
49 10 from the department of personnel in making any such  
49 11 designations. All key personnel shall be exempt from the  
49 12 merit system described in chapter 19A. The chief executive  
49 13 officer and the board shall have the sole power to employ,  
49 14 classify, and fix the compensation of key personnel. All  
49 15 other employees shall be employed, classified, and compensated  
49 16 in accordance with chapters 19A and 20.

49 17 3. The chief executive officer and the board shall have  
49 18 the exclusive power to determine the number of full-time  
49 19 equivalent positions, as defined in chapter 8, necessary to  
49 20 carry out the provisions of this chapter.

49 21 4. The chief executive officer shall have the sole  
49 22 responsibility to assign duties to all authority employees.

49 23 5. The authority may establish incentive programs for  
49 24 authority employees.

49 25 6. An employee of the authority shall not have a financial  
49 26 interest in any vendor doing business or proposing to do  
49 27 business with the authority. However, an employee may own  
49 28 shares of a mutual fund which may hold shares of a vendor  
49 29 corporation provided the employee does not have the ability to  
49 30 influence the investment functions of the mutual fund.

49 31 7. An employee of the authority with decision-making  
49 32 authority shall not participate in any decision involving a

CODE: Specifies personnel procedures for employees of the Iowa Lottery Authority. Requires State government to consider the employees as public employees. Provides the Chief Executive Officer and the Board of Directors to determine exceptions from the Merit System and to determine the number of FTE positions. Provides for various criteria for employee eligibility and conflict of interest situations.

NOTE: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) makes a technical amendment to this Section.

49 33 retailer with whom the employee has a financial interest.  
49 34 8. A background investigation shall be conducted by the  
49 35 department of public safety, division of criminal  
50 1 investigation, on each applicant who has reached the final  
50 2 selection process prior to employment by the authority. For  
50 3 positions not designated as sensitive by the board, the  
50 4 investigation may consist of a state criminal history  
50 5 background check, work history, and financial review. The  
50 6 board shall identify those sensitive positions of the  
50 7 authority which require full background investigations, which  
50 8 positions shall include, at a minimum, any officer of the  
50 9 authority, and any employee with operational management  
50 10 responsibilities, security duties, or system maintenance or  
50 11 programming responsibilities related to the authority's data  
50 12 processing or network hardware, software, communication, or  
50 13 related systems. In addition to a work history and financial  
50 14 review, a full background investigation may include a national  
50 15 criminal history record check through the federal bureau of  
50 16 investigation. The screening of employees through the federal  
50 17 bureau of investigation shall be conducted by submission of  
50 18 fingerprints through the state criminal history record  
50 19 repository to the federal bureau of investigation. The  
50 20 results of background investigations conducted pursuant to  
50 21 this section shall not be considered public records under  
50 22 chapter 22.  
50 23 9. A person who has been convicted of a felony or  
50 24 bookmaking or other form of illegal gambling or of a crime  
50 25 involving moral turpitude shall not be employed by the  
50 26 authority.  
50 27 10. The authority shall bond authority employees with  
50 28 access to authority funds or lottery revenue in such an amount  
50 29 as provided by the board and may bond other employees as  
50 30 deemed necessary.

50 31 Sec. 73. NEW SECTION. 99G.11 CONFLICTS OF INTEREST.  
50 32 1. A member of the board, any officer, or other employee  
50 33 of the authority shall not directly or indirectly,  
50 34 individually, as a member of a partnership or other

CODE: Prohibits specific actions by members of the Board of Directors and employees of the Lottery Authority regarding conflict of interest issues. Provides for actions regarding various violations of the policies.

50 35 association, or as a shareholder, director, or officer of a  
51 1 corporation have an interest in a business that contracts for  
51 2 the operation or marketing of the lottery as authorized by  
51 3 this chapter, unless the business is controlled or operated by  
51 4 a consortium of lotteries in which the authority has an  
51 5 interest.

51 6 2. Notwithstanding the provisions of chapter 68B, a person  
51 7 contracting or seeking to contract with the state to supply  
51 8 gaming equipment or materials for use in the operation of the  
51 9 lottery, an applicant for a license to sell tickets or shares  
51 10 in the lottery, or a retailer shall not offer a member of the  
51 11 board, any officer, or other employee of the authority, or a  
51 12 member of their immediate family a gift, gratuity, or other  
51 13 thing having a value of more than the limits established in  
51 14 chapter 68B, other than food and beverage consumed at a meal.  
51 15 For purposes of this subsection, "member of their immediate  
51 16 family" means a spouse, child, stepchild, brother, brother-in-  
51 17 law, stepbrother, sister, sister-in-law, stepsister, parent,  
51 18 parent-in-law, or step-parent of the board member, the  
51 19 officer, or other employee who resides in the same household  
51 20 in the same principal residence of the board member, officer,  
51 21 or other employee.

51 22 3. If a board member, officer, or other employee of the  
51 23 authority violates a provision of this section, the board  
51 24 member, officer, or employee shall be immediately removed from  
51 25 the office or position.

51 26 4. Enforcement of this section against a board member,  
51 27 officer, or other employee shall be by the attorney general  
51 28 who upon finding a violation shall initiate an action to  
51 29 remove the board member, officer, or employee.

51 30 5. A violation of this section is a serious misdemeanor.

51 31 Sec. 74. NEW SECTION. 99G.21 AUTHORITY POWERS, TRANSFER  
51 32 OF ASSETS, LIABILITIES, AND OBLIGATIONS.

51 33 1. Funds of the state shall not be used or obligated to  
51 34 pay the expenses or prizes of the authority.

51 35 2. The authority shall have any and all powers necessary  
52 1 or convenient to carry out and effectuate the purposes and

CODE: Prohibits State funds from obligation for expenses or prizes related to the Lottery Authority. Provides for various powers of the Authority. Requires State entities to provide services to the Authority upon the request of the Chief Executive Officer.

52 2 provisions of this chapter which are not in conflict with the  
52 3 Constitution of this state, including, but without limiting  
52 4 the generality of the foregoing, the following powers:  
52 5   a. To sue and be sued and to complain and defend in all  
52 6 courts.  
52 7   b. To adopt and alter a seal.  
52 8   c. To procure or to provide insurance.  
52 9   d. To hold copyrights, trademarks, and service marks and  
52 10 enforce its rights with respect thereto.  
52 11   e. To initiate, supervise, and administer the operation of  
52 12 the lottery in accordance with the provisions of this chapter  
52 13 and administrative rules, policies, and procedures adopted  
52 14 pursuant thereto.  
52 15   f. To enter into written agreements with one or more other  
52 16 states or territories of the United States, or one or more  
52 17 political subdivisions of another state or territory of the  
52 18 United States, or any entity lawfully operating a lottery  
52 19 outside the United States for the operation, marketing, and  
52 20 promotion of a joint lottery or joint lottery game. For the  
52 21 purposes of this subsection, any lottery with which the  
52 22 authority reaches an agreement or compact shall meet the  
52 23 criteria for security, integrity, and finance set by the  
52 24 board.  
52 25   g. To conduct such market research as is necessary or  
52 26 appropriate, which may include an analysis of the demographic  
52 27 characteristics of the players of each lottery game, and an  
52 28 analysis of advertising, promotion, public relations,  
52 29 incentives, and other aspects of communication.  
52 30   h. Subject to the provisions of subsection 3, to acquire  
52 31 or lease real property and make improvements thereon and  
52 32 acquire by lease or by purchase, personal property, including,  
52 33 but not limited to, computers; mechanical, electronic, and on-  
52 34 line equipment and terminals; and intangible property,  
52 35 including, but not limited to, computer programs, systems, and  
53 1 software.  
53 2   i. Subject to the provisions of subsection 3, to enter  
53 3 into contracts to incur debt in its own name and enter into  
53 4 financing agreements with the state, agencies or

53 5 instrumentalities of the state, or with any commercial bank or  
53 6 credit provider.

53 7 j. To select and contract with vendors and retailers.

53 8 k. To enter into contracts or agreements with state or  
53 9 local law enforcement agencies for the performance of law  
53 10 enforcement, background investigations, and security checks.

53 11 l. To enter into contracts of any and all types on such  
53 12 terms and conditions as the authority may determine necessary.

53 13 m. To establish and maintain banking relationships,  
53 14 including, but not limited to, establishment of checking and  
53 15 savings accounts and lines of credit.

53 16 n. To advertise and promote the lottery and lottery games.

53 17 o. To act as a retailer, to conduct promotions which  
53 18 involve the dispensing of lottery tickets or shares, and to  
53 19 establish and operate a sales facility to sell lottery tickets  
53 20 or shares and any related merchandise.

53 21 p. Notwithstanding any other provision of law to the  
53 22 contrary, to purchase meals for attendees at authority  
53 23 business meetings.

53 24 q. To exercise all powers generally exercised by private  
53 25 businesses engaged in entrepreneurial pursuits, unless the  
53 26 exercise of such a power would violate the terms of this  
53 27 chapter or of the Constitution of this state.

53 28 3. Notwithstanding any other provision of law, any  
53 29 purchase of real property and any borrowing of more than one  
53 30 million dollars by the authority shall require written notice  
53 31 from the authority to the legislative government oversight  
53 32 committees and the prior approval of the executive council.

53 33 4. The powers enumerated in this section are cumulative of  
53 34 and in addition to those powers enumerated elsewhere in this  
53 35 chapter and no such powers limit or restrict any other powers  
54 1 of the authority.

54 2 5. Departments, boards, commissions, or other agencies of  
54 3 this state shall provide reasonable assistance and services to  
54 4 the authority upon the request of the chief executive officer.

54 5 Sec. 75. NEW SECTION. 99G.22 VENDOR BACKGROUND REVIEW.

54 6 1. The authority shall investigate the financial  
54 7 responsibility, security, and integrity of any lottery system  
54 8 vendor who is a finalist in submitting a bid, proposal, or  
54 9 offer as part of a major procurement contract. Before a major  
54 10 procurement contract is awarded, the division of criminal  
54 11 investigation of the department of public safety shall conduct  
54 12 a background investigation of the vendor to whom the contract  
54 13 is to be awarded. The chief executive officer and board shall  
54 14 consult with the division of criminal investigation and shall  
54 15 provide for the scope of the background investigation and due  
54 16 diligence to be conducted in connection with major procurement  
54 17 contracts. At the time of submitting a bid, proposal, or  
54 18 offer to the authority on a major procurement contract, the  
54 19 authority shall require that each vendor submit to the  
54 20 division of criminal investigation appropriate investigation  
54 21 authorization to facilitate this investigation, together with  
54 22 an advance of funds to meet the anticipated investigation  
54 23 costs. If the division of criminal investigation determines  
54 24 that additional funds are required to complete an  
54 25 investigation, the vendor will be so advised. The background  
54 26 investigation by the division of criminal investigation may  
54 27 include a national criminal history record check through the  
54 28 federal bureau of investigation. The screening of vendors or  
54 29 their employees through the federal bureau of investigation  
54 30 shall be conducted by submission of fingerprints through the  
54 31 state criminal history record repository to the federal bureau  
54 32 of investigation.

54 33 2. If at least twenty-five percent of the cost of a  
54 34 vendor's contract is subcontracted, the vendor shall disclose  
54 35 all of the information required by this section for the

55 1 subcontractor as if the subcontractor were itself a vendor.

55 2 3. A major procurement contract shall not be entered into  
55 3 with any lottery system vendor who has not complied with the  
55 4 disclosure requirements described in this section, and any  
55 5 contract with such a vendor is voidable at the option of the  
55 6 authority. Any contract with a vendor that does not comply  
55 7 with the requirements for periodically updating such

CODE: Requires the Lottery Authority to investigate vendors that are finalists in various contracts for the Authority. Requires specific disclosure of certain information by vendors. Specifies disqualification criteria for vendors.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) makes a technical amendment to this Section.

55 8 disclosures during the tenure of the contract as may be  
55 9 specified in such contract may be terminated by the authority.  
55 10 The provisions of this section shall be construed broadly and  
55 11 liberally to achieve the ends of full disclosure of all  
55 12 information necessary to allow for a full and complete  
55 13 evaluation by the authority of the competence, integrity,  
55 14 background, and character of vendors for major procurements.

55 15 4. A major procurement contract shall not be entered into  
55 16 with any vendor who has been found guilty of a felony related  
55 17 to the security or integrity of the lottery in this or any  
55 18 other jurisdiction.

55 19 5. A major procurement contract shall not be entered into  
55 20 with any vendor if such vendor has an ownership interest in an  
55 21 entity that had supplied consultation services under contract  
55 22 to the authority regarding the request for proposals  
55 23 pertaining to those particular goods or services.

55 24 6. If, based on the results of a background investigation,  
55 25 the board determines that the best interests of the authority,  
55 26 including but not limited to the authority's reputation for  
55 27 integrity, would be served thereby, the board may disqualify a  
55 28 potential vendor from contracting with the authority for a  
55 29 major procurement contract or from acting as a subcontractor  
55 30 in connection with a contract for a major procurement  
55 31 contract.

55 32 Sec. 76. NEW SECTION. 99G.23 VENDOR BONDING, TAX FILING,  
55 33 AND COMPETITIVE BIDDING.

55 34 1. The authority may purchase, lease, or lease-purchase  
55 35 such goods or services as are necessary for effectuating the  
56 1 purposes of this chapter. The authority may make procurements  
56 2 that integrate functions such as lottery game design, lottery  
56 3 ticket distribution to retailers, supply of goods and  
56 4 services, and advertising. In all procurement decisions, the  
56 5 authority shall take into account the particularly sensitive  
56 6 nature of the lottery and shall act to promote and ensure  
56 7 security, honesty, fairness, and integrity in the operation  
56 8 and administration of the lottery and the objectives of  
56 9 raising net proceeds for state programs.

CODE: Permits the Lottery Authority to make purchases and enter into leases to operate the Authority. Requires various credit and tax information for vendors awarded a contract. Requires a competitive bidding process unless otherwise exempted.



56 10 2. Each vendor shall, at the execution of the contract  
56 11 with the authority, post a performance bond or letter of  
56 12 credit from a bank or credit provider acceptable to the  
56 13 authority in an amount as deemed necessary by the authority  
56 14 for that particular bid or contract.

56 15 3. Each vendor shall be qualified to do business in this  
56 16 state and shall file appropriate tax returns as provided by  
56 17 the laws of this state.

56 18 4. All major procurement contracts must be competitively  
56 19 bid pursuant to policies and procedures approved by the board  
56 20 unless there is only one qualified vendor and that vendor has  
56 21 an exclusive right to offer the service or product.

56 22 Sec. 77. NEW SECTION. 99G.24 RETAILER COMPENSATION —  
56 23 LICENSING.

56 24 1. The general assembly recognizes that to conduct a  
56 25 successful lottery, the authority must develop and maintain a  
56 26 statewide network of lottery retailers that will serve the  
56 27 public convenience and promote the sale of tickets or shares  
56 28 and the playing of lottery games while ensuring the integrity  
56 29 of the lottery operations, games, and activities.

56 30 2. The board shall determine the compensation to be paid  
56 31 to licensed retailers. Compensation may include provision for  
56 32 variable payments based on sales volume or incentive  
56 33 considerations.

56 34 3. The authority shall issue a license certificate to each  
56 35 person with whom it contracts as a retailer for purposes of  
57 1 display as provided in this section. Every lottery retailer  
57 2 shall post its license certificate, or a facsimile thereof,  
57 3 and keep it conspicuously displayed in a location on the  
57 4 premises accessible to the public. No license shall be  
57 5 assignable or transferable. Once issued, a license shall  
57 6 remain in effect until canceled, suspended, or terminated by  
57 7 the authority.

57 8 4. A licensee shall cooperate with the authority by using  
57 9 point-of-purchase materials, posters, and other marketing  
57 10 material when requested to do so by the authority. Lack of  
57 11 cooperation is sufficient cause for revocation of a retailer's

CODE: Requires the Board of Directors of the Lottery Authority to determine licensed retailer compensation for lottery operations. Requires specific licensee requirements. Specifies contract criteria for lottery retailers.

57 12 license.

57 13 5. The board shall develop a list of objective criteria  
57 14 upon which the qualification of lottery retailers shall be  
57 15 based. Separate criteria shall be developed to govern the  
57 16 selection of retailers of instant tickets and online  
57 17 retailers. In developing these criteria, the board shall  
57 18 consider such factors as the applicant's financial  
57 19 responsibility, security of the applicant's place of business  
57 20 or activity, accessibility to the public, integrity, and  
57 21 reputation. The criteria shall include but not be limited to  
57 22 the volume of expected sales and the sufficiency of existing  
57 23 licensees to serve the public convenience.

57 24 6. The applicant shall be current in filing all applicable  
57 25 tax returns to the state of Iowa and in payment of all taxes,  
57 26 interest, and penalties owed to the state of Iowa, excluding  
57 27 items under formal appeal pursuant to applicable statutes.  
57 28 The department of revenue and finance is authorized and  
57 29 directed to provide this information to the authority.

57 30 7. A person, partnership, unincorporated association,  
57 31 authority, or other business entity shall not be selected as a  
57 32 lottery retailer if the person or entity meets any of the  
57 33 following conditions:

57 34 a. Has been convicted of a criminal offense related to the  
57 35 security or integrity of the lottery in this or any other  
58 1 jurisdiction.

58 2 b. Has been convicted of any illegal gambling activity,  
58 3 false statements, perjury, fraud, or a felony in this or any  
58 4 other jurisdiction.

58 5 c. Has been found to have violated the provisions of this  
58 6 chapter or any regulation, policy, or procedure of the  
58 7 authority or of the lottery division unless either ten years  
58 8 have passed since the violation or the board finds the  
58 9 violation both minor and unintentional in nature.

58 10 d. Is a vendor or any employee or agent of any vendor  
58 11 doing business with the authority.

58 12 e. Resides in the same household as an officer of the  
58 13 authority.

58 14 f. Is less than eighteen years of age.

58 15 g. Does not demonstrate financial responsibility  
58 16 sufficient to adequately meet the requirements of the proposed  
58 17 enterprise.

58 18 h. Has not demonstrated that the applicant is the true  
58 19 owner of the business proposed to be licensed and that all  
58 20 persons holding at least a ten percent ownership interest in  
58 21 the applicant's business have been disclosed.

58 22 i. Has knowingly made a false statement of material fact  
58 23 to the authority.

58 24 8. Persons applying to become lottery retailers may be  
58 25 charged a uniform application fee for each lottery outlet.

58 26 9. Any lottery retailer contract executed pursuant to this  
58 27 section may, for good cause, be suspended, revoked, or  
58 28 terminated by the chief executive officer or the chief  
58 29 executive officer's designee if the retailer is found to have  
58 30 violated any provision of this chapter or objective criteria  
58 31 established by the board. Cause for suspension, revocation,  
58 32 or termination may include, but is not limited to, sale of  
58 33 tickets or shares to a person under the age of twenty-one and  
58 34 failure to pay for lottery products in a timely manner.

58 35 Sec. 78. NEW SECTION. 99G.25 LICENSE NOT ASSIGNABLE.

59 1 Any lottery retailer license certificate or contract shall  
59 2 not be transferable or assignable. The authority may issue a  
59 3 temporary license when deemed in the best interests of the  
59 4 state. A lottery retailer shall not contract with any person  
59 5 for lottery goods or services, except with the approval of the  
59 6 board.

CODE: Prohibits the transfer of a lottery retailer license. Prohibits lottery retailers from contracting for various lottery goods or services unless permitted to do so by the Board of Directors of the Lottery Authority.

59 7 Sec. 79. NEW SECTION. 99G.26 RETAILER BONDING.

59 8 The authority may require any retailer to post an  
59 9 appropriate bond, as determined by the authority, using a cash  
59 10 bond or an insurance company acceptable to the authority.

CODE: Permits the Lottery Authority to require a licensed retailer to post bond.

59 11 Sec. 80. NEW SECTION. 99G.27 LOTTERY RETAIL LICENSES —  
59 12 CANCELLATION, SUSPENSION, REVOCATION, OR TERMINATION.

59 13 1. A lottery retail license issued by the authority  
59 14 pursuant to this chapter may be canceled, suspended, revoked,  
59 15 or terminated by the authority, for reasons including, but not  
59 16 limited to, any of the following:

59 17 a. A violation of this chapter, a regulation, or a policy  
59 18 or procedure of the authority.

59 19 b. Failure to accurately or timely account or pay for  
59 20 lottery products, lottery games, revenues, or prizes as  
59 21 required by the authority.

59 22 c. Commission of any fraud, deceit, or misrepresentation.

59 23 d. Insufficient sales.

59 24 e. Conduct prejudicial to public confidence in the  
59 25 lottery.

59 26 f. The retailer filing for or being placed in bankruptcy  
59 27 or receivership.

59 28 g. Any material change as determined in the sole  
59 29 discretion of the authority in any matter considered by the  
59 30 authority in executing the contract with the retailer.

59 31 h. Failure to meet any of the objective criteria  
59 32 established by the authority pursuant to this chapter.

59 33 i. Other conduct likely to result in injury to the  
59 34 property, revenue, or reputation of the authority.

59 35 2. A lottery retailer license may be temporarily suspended  
60 1 by the authority without prior notice if the chief executive  
60 2 officer or designee determines that further sales by the  
60 3 licensed retailer are likely to result in immediate injury to  
60 4 the property, revenue, or reputation of the authority.

60 5 3. The board shall adopt administrative rules governing  
60 6 appeals of lottery retailer licensing disputes.

CODE: Permits the Lottery Authority to cancel or revoke a lottery retail license under various conditions. Requires the Authority to adopt administrative rules regarding appeals by retailers.

60 7 Sec. 81. NEW SECTION. 99G.28 PROCEEDS HELD IN TRUST.

60 8 All proceeds from the sale of the lottery tickets or shares  
60 9 shall constitute a trust fund until paid to the authority  
60 10 directly, through electronic funds transfer to the authority,  
60 11 or through the authority's authorized collection  
60 12 representative. A lottery retailer and officers of a lottery

CODE: Specifies that lottery proceeds constitute a trust fund until received by the Lottery Authority. Requires liability for lottery proceeds by a lottery retailer.

60 13 retailer's business shall have a fiduciary duty to preserve  
60 14 and account for lottery proceeds and lottery retailers shall  
60 15 be personally liable for all proceeds. Proceeds shall include  
60 16 unsold products received but not paid for by a lottery  
60 17 retailer and cash proceeds of the sale of any lottery products  
60 18 net of allowable sales commissions and credit for lottery  
60 19 prizes paid to winners by lottery retailers. Sales proceeds  
60 20 of pull-tab tickets shall include the sales price of the  
60 21 lottery product net of allowable sales commission and prizes  
60 22 contained in the product. Sales proceeds and unused instant  
60 23 tickets shall be delivered to the authority or its authorized  
60 24 collection representative upon demand.

60 25 Sec. 82. NEW SECTION. 99G.29 RETAILER RENTAL  
60 26 CALCULATIONS — LOTTERY TICKET SALES TREATMENT.

CODE: Specifies retailer rental calculations.

60 27 If a lottery retailer's rental payments for the business  
60 28 premises are contractually computed, in whole or in part, on  
60 29 the basis of a percentage of retail sales and such computation  
60 30 of retail sales is not explicitly defined to include sales of  
60 31 tickets or shares in a state-operated or state-managed  
60 32 lottery, only the compensation received by the lottery  
60 33 retailer from the authority may be considered the amount of  
60 34 the lottery retail sale for purposes of computing the rental  
60 35 payment.

61 1 Sec. 83. NEW SECTION. 99G.30 TICKET SALES REQUIREMENTS  
61 2 — PENALTIES.

CODE: Permits the Lottery Authority to utilize lottery tickets or shares for promotion of the lottery. Requires various ticket and share sale prices and purchase eligibility. Provides penalties for violation of sale requirements. Requires licensed retailers to conduct sales on the retailer's premises. Permits certain payment transactions for the sale of a ticket or share. Prohibits the printing of an elected official name on a lottery ticket.

61 3 1. Lottery tickets or shares may be distributed by the  
61 4 authority for promotional purposes.

61 5 2. A ticket or share shall not be sold at a price other  
61 6 than that fixed by the authority and a sale shall not be made  
61 7 other than by a retailer or an employee of the retailer who is  
61 8 authorized by the retailer to sell tickets or shares. A  
61 9 person who violates a provision of this subsection is guilty  
61 10 of a simple misdemeanor.

61 11 3. A ticket or share shall not be sold to a person who has  
61 12 not reached the age of twenty-one. Any person who knowingly  
61 13 sells a lottery ticket or share to a person under the age of

61 14 twenty-one shall be guilty of a simple misdemeanor. It shall  
61 15 be an affirmative defense to a charge of a violation under  
61 16 this section that the retailer reasonably and in good faith  
61 17 relied upon presentation of proof of age in making the sale.  
61 18 A prize won by a person who has not reached the age of twenty-  
61 19 one but who purchases a winning ticket or share in violation  
61 20 of this subsection shall be forfeited. This section does not  
61 21 prohibit the lawful purchase of a ticket or share for the  
61 22 purpose of making a gift to a person who has not reached the  
61 23 age of twenty-one. The board shall adopt administrative rules  
61 24 governing the payment of prizes to persons who have not  
61 25 reached the age of twenty-one.

61 26 4. Except for the authority, a retailer shall only sell  
61 27 lottery products on the licensed premises and not through the  
61 28 mail or by technological means except as the authority may  
61 29 provide or authorize.

61 30 5. The retailer may accept payment by cash, check, money  
61 31 order, debit card, or electronic funds transfer. The retailer  
61 32 shall not extend or arrange credit for the purchase of a  
61 33 ticket or share. As used in this subsection, "cash" means  
61 34 United States currency.

61 35 6. Nothing in this chapter shall be construed to prohibit  
62 1 the authority from designating certain of its agents and  
62 2 employees to sell or give lottery tickets or shares directly  
62 3 to the public.

62 4 7. No elected official's name shall be printed on tickets.

62 5 Sec. 84. NEW SECTION. 99G.31 PRIZES.

62 6 1. The chief executive officer shall award the designated  
62 7 prize to the ticket or shareholder upon presentation of the  
62 8 winning ticket or confirmation of a winning share. The prize  
62 9 shall be given to only one person; however, a prize shall be  
62 10 divided between holders of winning tickets if there is more  
62 11 than one winning ticket.

62 12 2. The authority shall adopt administrative rules,  
62 13 policies, and procedures to establish a system of verifying  
62 14 the validity of tickets or shares claimed to win prizes and to  
62 15 effect payment of such prizes, subject to the following

CODE: Requires the Chief Executive Officer of the Lottery Authority to award designated prizes upon presentation of a winning ticket or confirmation of a winning share. Requires the Authority to adopt administrative rules for the verification of ticket or share validity. Provides for the division of winnings under certain conditions. Specifies conditions when prizes may not be awarded for tickets or shares. Requires retention of prize money for various unclaimed tickets or shares. Prohibits various Authority employees and Board of Director members from receiving various prizes. Requires prize proceeds to be subject to specified taxes.

62 16 requirements:

62 17     a. The prize shall be given to the person who presents a  
62 18 winning ticket. A prize may be given to only one person per  
62 19 winning ticket. However, a prize shall be divided between  
62 20 holders of winning tickets if there is more than one winning  
62 21 ticket. Payment of a prize may be made to the estate of a  
62 22 deceased prize winner or to another person pursuant to an  
62 23 appropriate judicial order issued by an Iowa court of  
62 24 competent jurisdiction.

62 25     b. A prize shall not be paid arising from claimed tickets  
62 26 that are stolen, counterfeit, altered, fraudulent, unissued,  
62 27 produced or issued in error, unreadable, not received, or not  
62 28 recorded by the authority within applicable deadlines; lacking  
62 29 in captions that conform and agree with the play symbols as  
62 30 appropriate to the particular lottery game involved; or not in  
62 31 compliance with such additional specific administrative rules,  
62 32 policies, and public or confidential validation and security  
62 33 tests of the authority appropriate to the particular lottery  
62 34 game involved.

62 35     c. No particular prize in any lottery game shall be paid  
63 1 more than once, and in the event of a determination that more  
63 2 than one claimant is entitled to a particular prize, the sole  
63 3 remedy of such claimants is the award to each of them of an  
63 4 equal share in the prize.

63 5     d. Unclaimed prize money for the prize on a winning ticket  
63 6 or share shall be retained for a period deemed appropriate by  
63 7 the chief executive officer, subject to approval by the board.  
63 8 If a valid claim is not made for the money within the  
63 9 applicable period, the unclaimed prize money shall be added to  
63 10 the pool from which future prizes are to be awarded or used  
63 11 for special prize promotions. Notwithstanding this  
63 12 subsection, the disposition of unclaimed prize money from  
63 13 multijurisdictional games shall be made in accordance with the  
63 14 rules of the multijurisdictional game.

63 15     e. No prize shall be paid upon a ticket or share purchased  
63 16 or sold in violation of this chapter. Any such prize shall  
63 17 constitute an unclaimed prize for purposes of this section.

63 18     f. The authority is discharged of all liability upon

63 19 payment of a prize pursuant to this section.  
63 20 g. No ticket or share issued by the authority shall be  
63 21 purchased by and no prize shall be paid to any member of the  
63 22 board of directors; any officer or employee of the authority;  
63 23 or to any spouse, child, brother, sister, or parent residing  
63 24 as a member of the same household in the principal place of  
63 25 residence of any such person.

63 26 h. No ticket or share issued by the authority shall be  
63 27 purchased by and no prize shall be paid to any officer,  
63 28 employee, agent, or subcontractor of any vendor or to any  
63 29 spouse, child, brother, sister, or parent residing as a member  
63 30 of the same household in the principal place of residence of  
63 31 any such person if such officer, employee, agent, or  
63 32 subcontractor has access to confidential information which may  
63 33 compromise the integrity of the lottery.

63 34 i. The proceeds of any lottery prize shall be subject to  
63 35 state and federal income tax laws. An amount deducted from  
64 1 the prize for payment of a state tax, pursuant to section  
64 2 422.16, subsection 1, shall be transferred by the authority to  
64 3 the department of revenue and finance on behalf of the prize  
64 4 winner.

64 5 Sec. 85. NEW SECTION. 99G.32 AUTHORITY LEGAL  
64 6 REPRESENTATION.

64 7 The authority shall retain the services of legal counsel to  
64 8 advise the authority and the board and to provide  
64 9 representation in legal proceedings. The authority may retain  
64 10 the attorney general or a full-time assistant attorney general  
64 11 in that capacity and provide reimbursement for the cost of  
64 12 advising and representing the board and the authority.

CODE: Requires the Lottery Authority to retain the services of legal counsel. Permits the Authority to utilize the Office of the Attorney General and reimburse the Office.

64 13 Sec. 86. NEW SECTION. 99G.33 LAW ENFORCEMENT  
64 14 INVESTIGATIONS.

64 15 The department of public safety, division of criminal  
64 16 investigation, shall be the primary state agency responsible  
64 17 for investigating criminal violations under this chapter. The  
64 18 chief executive officer shall contract with the department of  
64 19 public safety for investigative services, including the

CODE: Requires the Division of Criminal Investigation within the Department of Public Safety to be responsible for criminal investigations relating to the Lottery Authority. Requires the Chief Executive Officer of the Authority to contract with the Department for the services.



64 20 employment of special agents and support personnel, and  
64 21 procurement of necessary equipment to carry out the  
64 22 responsibilities of the division of criminal investigation  
64 23 under the terms of the agreement and this chapter.

64 24 Sec. 87. NEW SECTION. 99G.34 OPEN RECORDS — EXCEPTIONS.

64 25 The records of the authority shall be governed by the  
64 26 provisions of chapter 22, provided that, in addition to  
64 27 records that may be kept confidential pursuant to section  
64 28 22.7, the following records shall be kept confidential, unless  
64 29 otherwise ordered by a court, by the lawful custodian of the  
64 30 records, or by another person duly authorized to release such  
64 31 information:

64 32 1. Marketing plans, research data, and proprietary  
64 33 intellectual property owned or held by the authority under  
64 34 contractual agreements.

64 35 2. Personnel, vendor, and player social security or tax  
65 1 identification numbers.

65 2 3. Computer system hardware, software, functional and  
65 3 system specifications, and game play data files.

65 4 4. Security records pertaining to investigations and  
65 5 intelligence—sharing information between lottery security  
65 6 officers and those of other lotteries and law enforcement  
65 7 agencies, the security portions or segments of lottery  
65 8 requests for proposals, proposals by vendors to conduct  
65 9 lottery operations, and records of the security division of  
65 10 the authority pertaining to game security data, ticket  
65 11 validation tests, and processes.

65 12 5. Player name and address lists, provided that the names  
65 13 and addresses of prize winners shall not be withheld.

65 14 6. Operational security measures, systems, or procedures  
65 15 and building plans.

65 16 7. Security reports and other information concerning bids  
65 17 or other contractual data, the disclosure of which would  
65 18 impair the efforts of the authority to contract for goods or  
65 19 services on favorable terms.

65 20 8. Information that is otherwise confidential obtained  
65 21 pursuant to investigations.

CODE: Requires the Open Records Statute to govern the records of the Lottery Authority. Requires various records to be considered confidential unless otherwise determined by a court order.

65 22 Sec. 88. NEW SECTION. 99G.35 SECURITY.  
65 23 1. The authority's chief security officer and  
65 24 investigators shall be qualified by training and experience in  
65 25 law enforcement to perform their respective duties in support  
65 26 of the activities of the security office. The chief security  
65 27 officer and investigators shall not have sworn peace officer  
65 28 status. The lottery security office shall perform all of the  
65 29 following activities in support of the authority mission:  
65 30 a. Supervise ticket or share validation and lottery  
65 31 drawings, provided that the authority may enter into  
65 32 cooperative agreements with multijurisdictional lottery  
65 33 administrators for shared security services at drawings and  
65 34 game show events involving more than one participating  
65 35 lottery.  
66 1 b. Inspect at times determined solely by the authority the  
66 2 facilities of any vendor or lottery retailer in order to  
66 3 determine the integrity of the vendor's product or the  
66 4 operations of the retailer in order to determine whether the  
66 5 vendor or the retailer is in compliance with its contract.  
66 6 c. Report any suspected violations of this chapter to the  
66 7 appropriate county attorney or the attorney general and to any  
66 8 law enforcement agencies having jurisdiction over the  
66 9 violation.  
66 10 d. Upon request, provide assistance to any county  
66 11 attorney, the attorney general, the department of public  
66 12 safety, or any other law enforcement agency.  
66 13 e. Upon request, provide assistance to retailers in  
66 14 meeting their licensing contract requirements and in detecting  
66 15 retailer employee theft.  
66 16 f. Monitor authority operations for compliance with  
66 17 internal security requirements.  
66 18 g. Provide physical security at the authority's central  
66 19 operations facilities.  
66 20 h. Conduct on-press product production surveillance,  
66 21 testing, and quality approval for printed scratch and pull-tab  
66 22 tickets.  
66 23 i. Coordinate employee and retailer background  
66 24 investigations conducted by the department of public safety,

CODE: Requires Lottery Authority security officers and investigators to have specific training and law enforcement experience. Requires various activities related to the Lottery Authority Security Office. Permits the Authority to enter into agreements with other governmental entities. Exempts investigation information from the Open Records statute provisions.

66 25 division of criminal investigation.  
66 26 2. The authority may enter into intelligence-sharing,  
66 27 reciprocal use, or restricted use agreements with the federal  
66 28 government, law enforcement agencies, lottery regulation  
66 29 agencies, and gaming enforcement agencies of other  
66 30 jurisdictions which provide for and regulate the use of  
66 31 information provided and received pursuant to the agreement.  
66 32 3. Records, documents, and information in the possession  
66 33 of the authority received pursuant to an intelligence-sharing,  
66 34 reciprocal use, or restricted use agreement entered into by  
66 35 the authority with a federal department or agency, any law  
67 1 enforcement agency, or the lottery regulation or gaming  
67 2 enforcement agency of any jurisdiction shall be considered  
67 3 investigative records of a law enforcement agency and are not  
67 4 subject to chapter 22 and shall not be released under any  
67 5 condition without the permission of the person or agency  
67 6 providing the record or information.

67 7 Sec. 89. NEW SECTION. 99G.36 FORGERY — FRAUD —  
67 8 PENALTIES.

67 9 1. A person who, with intent to defraud, falsely makes,  
67 10 alters, forges, utters, passes, redeems, or counterfeits a  
67 11 lottery ticket or share or attempts to falsely make, alter,  
67 12 forge, utter, pass, redeem, or counterfeit a lottery ticket or  
67 13 share, or commits theft or attempts to commit theft of a  
67 14 lottery ticket or share, is guilty of a class "D" felony.  
67 15 2. Any person who influences or attempts to influence the  
67 16 winning of a prize through the use of coercion, fraud,  
67 17 deception, or tampering with lottery equipment or materials  
67 18 shall be guilty of a class "D" felony.  
67 19 3. No person shall knowingly or intentionally make a  
67 20 material false statement in any application for a license or  
67 21 proposal to conduct lottery activities or make a material  
67 22 false entry in any book or record which is compiled or  
67 23 maintained or submitted to the board pursuant to the  
67 24 provisions of this chapter. Any person who violates the  
67 25 provisions of this section shall be guilty of a class "D"  
67 26 felony.

CODE: Requires a Class "D" felony penalty for misrepresentation of a lottery ticket or share, or theft of a ticket or share. Requires a Class "D" felony penalty for misuse of lottery equipment or materials. Requires a Class "D" felony penalty for various actions regarding a license or proposal to conduct lottery activities.

67 27 Sec. 90. NEW SECTION. 99G.37 COMPETITIVE BIDDING.

67 28 1. The authority shall enter into a major procurement  
67 29 contract pursuant to competitive bidding. The requirement for  
67 30 competitive bidding does not apply in the case of a single  
67 31 vendor having exclusive rights to offer a particular service  
67 32 or product. The board shall adopt procedures for competitive  
67 33 bidding. Procedures adopted by the board shall be designed to  
67 34 allow the selection of proposals that provide the greatest  
67 35 long-term benefit to the state, the greatest integrity for the  
68 1 authority, and the best service and products for the public.  
68 2 2. In any bidding process, the authority may administer  
68 3 its own bidding and procurement or may utilize the services of  
68 4 the department of general services, or its successor, or other  
68 5 state agency.

CODE: Requires the Lottery Authority to utilize competitive bidding processes under certain circumstances.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amends this Section to reflect the creation of the Department of Administrative Services.

68 6 Sec. 91. NEW SECTION. 99G.38 AUTHORITY FINANCE — SELF-  
68 7 SUSTAINING.

68 8 1. The authority may borrow, or accept and expend, in  
68 9 accordance with the provisions of this chapter, such moneys as  
68 10 may be received from any source, including income from the  
68 11 authority's operations, for effectuating its business  
68 12 purposes, including the payment of the initial expenses of  
68 13 initiation, administration, and operation of the authority and  
68 14 the lottery.

68 15 2. The authority shall be self-sustaining and self-funded.  
68 16 Moneys in the general fund of the state shall not be used or  
68 17 obligated to pay the expenses of the authority or prizes of  
68 18 the lottery, and no claim for the payment of an expense of the  
68 19 lottery or prizes of the lottery may be made against any  
68 20 moneys other than moneys credited to the authority operating  
68 21 account.

68 22 3. The state of Iowa offset program, as provided in  
68 23 section 421.17, shall be available to the authority to  
68 24 facilitate receipt of funds owed to the authority.

CODE: Permits the Lottery Authority to expend funds received by the Authority. Requires the Authority to be self-sustaining and self-funded.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) makes a technical correction to this Section.

68 25 Sec. 92. NEW SECTION. 99G.39 ALLOCATION, APPROPRIATION,  
68 26 TRANSFER, AND REPORTING OF FUNDS.

68 27 1. Upon receipt of any revenue, the chief executive

CODE: Requires the Chief Executive Officer of the Lottery Authority to

68 28 officer shall deposit the moneys in the lottery fund created  
68 29 pursuant to section 99G.40. At least fifty percent of the  
68 30 projected annual revenue accruing from the sale of tickets or  
68 31 shares shall be allocated for payment of prizes to the holders  
68 32 of winning tickets. After the payment of prizes, the  
68 33 following shall be deducted from the authority's revenue prior  
68 34 to disbursement:

68 35 a. An amount equal to three-tenths of one percent of the  
69 1 gross lottery revenue for the year shall be deposited in a  
69 2 gambling treatment fund in the office of the treasurer of  
69 3 state.

69 4 b. The expenses of conducting the lottery. Expenses for  
69 5 advertising production and media purchases shall not exceed  
69 6 four percent of the authority's gross revenue for the year.

69 7 2. The director of management shall not include lottery  
69 8 revenues in the director's fiscal year revenue estimates.

69 9 3. a. Notwithstanding subsection 1, if gaming revenues  
69 10 under sections 99D.17 and 99F.11 are insufficient in a fiscal  
69 11 year to meet the total amount of such revenues directed to be  
69 12 deposited in the vision Iowa fund and the school  
69 13 infrastructure fund during the fiscal year pursuant to section  
69 14 8.57, subsection 5, paragraph "e", the difference shall be  
69 15 paid from lottery revenues prior to deposit of the lottery  
69 16 revenues in the general fund. If lottery revenues are  
69 17 insufficient during the fiscal year to pay the difference, the  
69 18 remaining difference shall be paid from lottery revenues in  
69 19 subsequent fiscal years as such revenues become available.

69 20 b. The treasurer of state shall, each quarter, prepare an  
69 21 estimate of the gaming revenues and lottery revenues that will  
69 22 become available during the remainder of the appropriate  
69 23 fiscal year for the purposes described in paragraph "a". The  
69 24 department of management and the department of revenue and  
69 25 finance shall take appropriate actions to provide that the  
69 26 amount of gaming revenues and lottery revenues that will be  
69 27 available during the remainder of the appropriate fiscal year  
69 28 is sufficient to cover any anticipated deficiencies.

deposit specified moneys in the Lottery Fund. Requires no less than 50.00% of the revenue from the sale of tickets or shares to be used for prizes. Requires 0.30% of gross revenues to be deposited into the Gambling Treatment Fund. Limits advertising expenditures. Prohibits inclusion of Lottery revenues in the Director of Management's fiscal year revenue estimate. Provides for funding of the Vision Iowa Fund and the School Infrastructure Fund if revenues are insufficient to meet the expected revenues. Requires the State Treasurer to prepare quarterly estimates of gaming and Lottery revenues deposited in the Gambling Treatment Fund. Requires the Department of Management and the Department of Revenue and Finance to take action in the event estimates are insufficient to cover expenditures.

69 29 Sec. 93. NEW SECTION. 99G.40 AUDITS AND REPORTS —  
69 30 LOTTERY FUND.

69 31 1. To ensure the financial integrity of the lottery, the  
69 32 authority shall do all of the following:  
69 33 a. Submit quarterly and annual reports to the governor,  
69 34 state auditor, and the general assembly disclosing the total  
69 35 lottery revenues, prize disbursements, and other expenses of  
70 1 the authority during the reporting period. The fourth quarter  
70 2 report shall be included in the annual report made pursuant to  
70 3 this section. The annual report shall include a complete  
70 4 statement of lottery revenues, prize disbursements, and other  
70 5 expenses, and recommendations for changes in the law that the  
70 6 chief executive officer deems necessary or desirable. The  
70 7 annual report shall be submitted within one hundred twenty  
70 8 days after the close of the fiscal year. The chief executive  
70 9 officer shall report immediately to the governor, the  
70 10 treasurer of state, and the general assembly any matters that  
70 11 require immediate changes in the law in order to prevent  
70 12 abuses or evasions of this chapter or rules adopted or to  
70 13 rectify undesirable conditions in connection with the  
70 14 administration or operation of the lottery.  
70 15 b. Maintain weekly or more frequent records of lottery  
70 16 transactions, including the distribution of tickets or shares  
70 17 to retailers, revenues received, claims for prizes, prizes  
70 18 paid, prizes forfeited, and other financial transactions of  
70 19 the authority.  
70 20 c. The authority shall deposit in the lottery fund created  
70 21 in subsection 2 any moneys received by retailers from the sale  
70 22 of tickets or shares less the amount of any compensation due  
70 23 the retailers. The chief executive officer may require  
70 24 licensees to file with the authority reports of receipts and  
70 25 transactions in the sale of tickets or shares. The reports  
70 26 shall be in the form and contain the information the chief  
70 27 executive officer requires.  
70 28 2. A lottery fund is created in the office of the  
70 29 treasurer of state and shall exist as the recipient fund for  
70 30 authority receipts. The fund consists of all revenues  
70 31 received from the sale of lottery tickets or shares and all

CODE: Requires the Lottery Authority to submit various reports regarding revenues and expenditures to the Governor, State Auditor, and General Assembly. Requires the Authority to maintain various records. Establishes a Lottery Fund in the Office of the State Treasurer to receive revenues from the Authority. Requires the Authority to submit a proposed operating budget by October 1 of each year. Requires the Authority to be audited annually.

NOTE: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) amends this Section to require auditing functions be performed by the Auditor of State or contracted by the Auditor.

70 32 other moneys lawfully credited or transferred to the fund.  
70 33 The chief executive officer shall certify quarterly that  
70 34 portion of the fund that has been transferred to the general  
70 35 fund of the state under this chapter and shall cause that  
71 1 portion to be transferred to the general fund of the state.  
71 2 However, upon the request of the chief executive officer and  
71 3 subject to the approval by the treasurer of state, an amount  
71 4 sufficient to cover the foreseeable administrative expenses of  
71 5 the lottery for a period of twenty-one days may be retained  
71 6 from the lottery fund. Prior to the quarterly transfer to the  
71 7 general fund of the state, the chief executive officer may  
71 8 direct that lottery revenue shall be deposited in the lottery  
71 9 fund and in interest-bearing accounts designated by the  
71 10 treasurer of state. Interest or earnings paid on the deposits  
71 11 or investments is considered lottery revenue and shall be  
71 12 transferred to the general fund of the state in the same  
71 13 manner as other lottery revenue.  
71 14 3. The chief executive officer shall certify before the  
71 15 last day of the month following each quarter that portion of  
71 16 the lottery fund resulting from the previous quarter's sales  
71 17 to be transferred to the general fund of the state.  
71 18 4. For informational purposes only, the chief executive  
71 19 officer shall submit to the department of management by  
71 20 October 1 of each year a proposed operating budget for the  
71 21 authority for the succeeding fiscal year. This budget  
71 22 proposal shall also be accompanied by an estimate of the net  
71 23 proceeds to be deposited into the general fund during the  
71 24 succeeding fiscal year. This budget shall be on forms  
71 25 prescribed by the department of management.  
71 26 5. The authority shall adopt the same fiscal year as that  
71 27 used by state government and shall be audited annually.

71 28 Sec. 94. NEW SECTION. 99G.41 PRIZE OFFSETS —  
71 29 GARNISHMENTS.

71 30 1. Any claimant agency may submit to the authority a list  
71 31 of the names of all persons indebted to such claimant agency  
71 32 or to persons on whose behalf the claimant agency is acting.  
71 33 The full amount of the debt shall be collectable from any

CODE: Specifies procedures for garnishment of lottery winnings.

71 34 lottery winnings due the debtor without regard to limitations  
71 35 on the amounts that may be collectable in increments through  
72 1 garnishment or other proceedings. Such list shall constitute  
72 2 a valid lien upon and claim of lien against the lottery  
72 3 winnings of any debtor named in such list. The list shall  
72 4 contain the names of the debtors, their social security  
72 5 numbers if available, and any other information that assists  
72 6 the authority in identifying the debtors named in the list.  
72 7 2. The authority is authorized and directed to withhold  
72 8 any winnings paid out directly by the authority subject to the  
72 9 lien created by this section and send notice to the winner.  
72 10 However, if the winner appears and claims winnings in person,  
72 11 the authority shall notify the winner at that time by hand  
72 12 delivery of such action. The authority shall pay the funds  
72 13 over to the agency administering the offset program.  
72 14 3. Notwithstanding the provisions of section 99G.34 which  
72 15 prohibit disclosure by the authority of certain portions of  
72 16 the contents of prize winner records or information, and  
72 17 notwithstanding any other confidentiality statute, the  
72 18 authority may provide to a claimant agency all information  
72 19 necessary to accomplish and effectuate the intent of this  
72 20 section.  
72 21 4. The information obtained by a claimant agency from the  
72 22 authority in accordance with this section shall retain its  
72 23 confidentiality and shall only be used by a claimant agency in  
72 24 the pursuit of its debt collection duties and practices. Any  
72 25 employee or prior employee of any claimant agency who  
72 26 unlawfully discloses any such information for any other  
72 27 purpose, except as otherwise specifically authorized by law,  
72 28 shall be subject to the same penalties specified by law for  
72 29 unauthorized disclosure of confidential information by an  
72 30 agent or employee of the authority.  
72 31 5. Except as otherwise provided in this chapter,  
72 32 attachments, garnishments, or executions authorized and issued  
72 33 pursuant to law shall be withheld if timely served upon the  
72 34 authority.  
72 35 6. The provisions of this section shall only apply to  
73 1 prizes paid directly by the authority and shall not apply to



PG LN	Senate File 453	Explanation
73 2 73 3 73 4	any retailers authorized by the board to pay prizes of up to six hundred dollars after deducting the price of the ticket or share.	
73 5 73 6 73 7 73 8 73 9 73 10 73 11	Sec. 95. <u>NEW SECTION.</u> 99G.42 COMPULSIVE GAMBLERS — PRINTING ON TICKETS — INFORMATION AT RETAIL OUTLETS. The authority shall cooperate with the gambling treatment program administered by the Iowa department of public health to incorporate information regarding the gambling treatment program and its toll-free telephone number in printed materials distributed by the authority.	CODE: Requires the Lottery Authority to cooperate with the Department of Public Health and the Gambling Treatment Program.
73 12 73 13 73 14 73 15 73 16 73 17	Sec. 96. Section 7E.5, subsection 1, paragraph d, Code 2003, is amended to read as follows: d. The department of revenue and finance, created in section 421.2, which has primary responsibility for revenue collection and revenue law compliance, <u>and</u> financial management and assistance, <del>and the Iowa lottery.</del>	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.
73 18 73 19 73 20 73 21 73 22	Sec. 97. Section 7E.6, subsection 3, Code 2003, is amended to read as follows: 3. Any position of membership on the <del>lottery</del> board <u>of the</u> <u>Iowa lottery authority</u> shall receive compensation of fifty dollars per day and expenses.	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.
73 23 73 24 73 25 73 26 73 27	Sec. 98. Section 8.22A, subsection 5, paragraph a, Code 2003, is amended to read as follows: a. The amount of lottery revenues for the following fiscal year to be available for disbursement following the deductions made pursuant to section <del>99E.10</del> <u>99G.39</u> , subsection 1.	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.
73 28 73 29 73 30 73 31 73 32 73 33 73 34	Sec. 99. Section 8.57, subsection 5, paragraph e, unnumbered paragraph 2, Code 2003, is amended to read as follows: If the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a fiscal year is less than the total amount of moneys directed to be deposited in the vision Iowa fund and the	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

73 35 school infrastructure fund in the fiscal year pursuant to this  
74 1 paragraph "e", the difference shall be paid from lottery  
74 2 revenues in the manner provided in section ~~99E.40~~ 99G.39,  
74 3 subsection 3.

74 4 Sec. 100. Section 68B.35, subsection 2, paragraph e, Code  
74 5 2003, is amended to read as follows:  
74 6 e. Members of the banking board, the ethics and campaign  
74 7 disclosure board, the credit union review board, the economic  
74 8 development board, the employment appeal board, the  
74 9 environmental protection commission, the health facilities  
74 10 council, the Iowa finance authority, the Iowa public  
74 11 employees' retirement system investment board, the ~~lottery~~  
74 12 board of the Iowa lottery authority, the natural resource  
74 13 commission, the board of parole, the petroleum underground  
74 14 storage tank fund board, the public employment relations  
74 15 board, the state racing and gaming commission, the state board  
74 16 of regents, the tax review board, the transportation  
74 17 commission, the office of consumer advocate, the utilities  
74 18 board, the Iowa telecommunications and technology commission,  
74 19 and any full-time members of other boards and commissions as  
74 20 defined under section 7E.4 who receive an annual salary for  
74 21 their service on the board or commission.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

74 22 Sec. 101. Section 99A.10, Code 2003, is amended to read as  
74 23 follows:  
74 24 99A.10 MANUFACTURE AND DISTRIBUTION OF GAMBLING DEVICES  
74 25 PERMITTED.  
74 26 A person may manufacture or act as a distributor for  
74 27 gambling devices for sale out of the state in another  
74 28 jurisdiction where possession of the device is legal or for  
74 29 sale in the state or use in the state if the use is permitted  
74 30 pursuant to either chapter 99B or chapter ~~99E~~ 99G.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

74 31 Sec. 102. Section 99B.1, subsection 17, Code 2003, is  
74 32 amended to read as follows:  
74 33 17. "Merchandise" includes lottery tickets or shares sold  
74 34 or authorized under chapter ~~99E~~ 99G. The value of the ticket

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

74 35 or share is the price of the ticket or share as established by  
75 1 the lottery division of the department of revenue and finance  
75 2 pursuant to chapter ~~99E~~ 99G.

75 3 Sec. 103. Section 99B.6, subsection 5, Code 2003, is  
75 4 amended to read as follows:  
75 5 5. Lottery tickets or shares authorized pursuant to  
75 6 chapter ~~99E~~ 99G may be sold on the premises of an  
75 7 establishment that serves or sells alcoholic beverages, wine,  
75 8 or beer as defined in section 123.3.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

75 9 Sec. 104. Section 99B.7, subsection 1, paragraph I,  
75 10 subparagraph (1), Code 2003, is amended to read as follows:  
75 11 (1) No other gambling is engaged in at the same location,  
75 12 except that lottery tickets or shares issued by the lottery  
75 13 division of the department of revenue and finance may be sold  
75 14 pursuant to chapter ~~99E~~ 99G.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

75 15 Sec. 105. Section 99B.15, Code 2003, is amended to read as  
75 16 follows:  
75 17 99B.15 APPLICABILITY OF CHAPTER — PENALTY.  
75 18 It is the intent and purpose of this chapter to authorize  
75 19 gambling in this state only to the extent specifically  
75 20 permitted by a section of this chapter or chapter 99D, ~~99E~~, or  
75 21 99F, or 99G. Except as otherwise provided in this chapter,  
75 22 the knowing failure of any person to comply with the  
75 23 limitations imposed by this chapter constitutes unlawful  
75 24 gambling, a serious misdemeanor.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

75 25 Sec. 106. Section 99F.2, Code 2003, is amended to read as  
75 26 follows:  
75 27 99F.2 SCOPE OF PROVISIONS.  
75 28 This chapter does not apply to the pari-mutuel system of  
75 29 wagering used or intended to be used in connection with the  
75 30 horse-race or dog-race meetings as authorized under chapter  
75 31 99D, lottery or lotto games authorized under chapter ~~99E~~ 99G,  
75 32 or bingo or games of skill or chance authorized under chapter  
75 33 99B.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

75 34 Sec. 107. Section 99F.11, subsection 3, Code 2003, is  
75 35 amended to read as follows:  
76 1 3. Three-tenths of one percent of the adjusted gross  
76 2 receipts shall be deposited in the gambling treatment fund  
76 3 specified in section ~~99E.10~~ 99G.39, subsection 1, paragraph  
76 4 "a".

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

76 5 Sec. 108. Section 123.49, subsection 2, paragraph a, Code  
76 6 2003, is amended to read as follows:  
76 7 a. Knowingly permit any gambling, except in accordance  
76 8 with chapter 99B, 99D, ~~99E~~, or 99F, or 99G, or knowingly  
76 9 permit solicitation for immoral purposes, or immoral or  
76 10 disorderly conduct on the premises covered by the license or  
76 11 permit.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

76 12 Sec. 109. Section 321.19, subsection 1, unnumbered  
76 13 paragraph 2, Code 2003, is amended to read as follows:  
76 14 The department shall furnish, on application, free of  
76 15 charge, distinguishing plates for vehicles thus exempted,  
76 16 which plates except plates on Iowa state patrol vehicles shall  
76 17 bear the word "official" and the department shall keep a  
76 18 separate record. Registration plates issued for Iowa state  
76 19 patrol vehicles, except unmarked patrol vehicles, shall bear  
76 20 two red stars on a yellow background, one before and one  
76 21 following the registration number on the plate, which  
76 22 registration number shall be the officer's badge number.  
76 23 Registration plates issued for county sheriff's patrol  
76 24 vehicles shall display one seven-pointed gold star followed by  
76 25 the letter "S" and the call number of the vehicle. However,  
76 26 the director of general services or the director of  
76 27 transportation may order the issuance of regular registration  
76 28 plates for any exempted vehicle used by peace officers in the  
76 29 enforcement of the law, persons enforcing chapter 124 and  
76 30 other laws relating to controlled substances, persons in the  
76 31 department of justice, the alcoholic beverages division of the  
76 32 department of commerce, disease investigators of the Iowa  
76 33 department of public health, the department of inspections and  
76 34 appeals, and the department of revenue and finance, who are

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

76 35 regularly assigned to conduct investigations which cannot  
77 1 reasonably be conducted with a vehicle displaying "official"  
77 2 state registration plates, persons in the Iowa lottery  
77 3 ~~division of the department of revenue and finance authority~~  
77 4 whose regularly assigned duties relating to security or the  
77 5 carrying of lottery tickets cannot reasonably be conducted  
77 6 with a vehicle displaying "official" registration plates, and  
77 7 persons in the department of economic development who are  
77 8 regularly assigned duties relating to existing industry  
77 9 expansion or business attraction. For purposes of sale of  
77 10 exempted vehicles, the exempted governmental body, upon the  
77 11 sale of the exempted vehicle, may issue for in-transit  
77 12 purposes a pasteboard card bearing the words "Vehicle in  
77 13 Transit", the name of the official body from which the vehicle  
77 14 was purchased, together with the date of the purchase plainly  
77 15 marked in at least one-inch letters, and other information  
77 16 required by the department. The in-transit card is valid for  
77 17 use only within forty-eight hours after the purchase date as  
77 18 indicated on the bill of sale which shall be carried by the  
77 19 driver.

77 20 Sec. 110. Section 421.17, subsection 27, Code 2003, is  
77 21 amended by striking the subsection.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

77 22 Sec. 111. Section 422.16, subsection 1, unnumbered  
77 23 paragraph 4, Code 2003, is amended to read as follows:  
77 24 For the purposes of this subsection, state income tax shall  
77 25 be withheld on winnings in excess of six hundred dollars  
77 26 derived from gambling activities authorized under chapter 99B  
77 27 or ~~99E~~ 99G. State income tax shall be withheld on winnings in  
77 28 excess of one thousand dollars from gambling activities  
77 29 authorized under chapter 99D. State income tax shall be  
77 30 withheld on winnings in excess of twelve hundred dollars  
77 31 derived from slot machines authorized under chapter 99F.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

77 32 Sec. 112. Section 422.43, subsection 2, Code 2003, is  
77 33 amended to read as follows:  
77 34 2. There is imposed a tax of five percent upon the gross

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority and taxing provisions.

77 35 receipts derived from the operation of all forms of amusement  
78 1 devices and games of skill, games of chance, raffles, and  
78 2 bingo games as defined in chapter 99B, operated or conducted  
78 3 within the state, the tax to be collected from the operator in  
78 4 the same manner as for the collection of taxes upon the gross  
78 5 receipts of tickets or admission as provided in this section.  
78 6 ~~The tax shall also be imposed upon the gross receipts derived~~  
78 7 ~~from the sale of lottery tickets or shares pursuant to chapter~~  
78 8 ~~99E. The tax on the lottery tickets or shares shall be~~  
78 9 ~~included in the sales price and distributed to the general~~  
78 10 ~~fund as provided in section 99E.10.~~

78 11 Sec. 113. Section 422B.8, unnumbered paragraph 1, Code  
78 12 2003, is amended to read as follows:  
78 13 A local sales and services tax at the rate of not more than  
78 14 one percent may be imposed by a county on the gross receipts  
78 15 taxed by the state under chapter 422, division IV. A local  
78 16 sales and services tax shall be imposed on the same basis as  
78 17 the state sales and services tax or in the case of the use of  
78 18 natural gas, natural gas service, electricity, or electric  
78 19 service on the same basis as the state use tax and shall not  
78 20 be imposed on the sale of any property or on any service not  
78 21 taxed by the state, except the tax shall not be imposed on the  
78 22 gross receipts from the sale of motor fuel or special fuel as  
78 23 defined in chapter 452A which is consumed for highway use or  
78 24 in watercraft or aircraft if the fuel tax is paid on the  
78 25 transaction and a refund has not or will not be allowed, on  
78 26 the gross receipts from the rental of rooms, apartments, or  
78 27 sleeping quarters which are taxed under chapter 422A during  
78 28 the period the hotel and motel tax is imposed, on the gross  
78 29 receipts from the sale of equipment by the state department of  
78 30 transportation, on the gross receipts from the sale of self-  
78 31 propelled building equipment, pile drivers, motorized  
78 32 scaffolding, or attachments customarily drawn or attached to  
78 33 self-propelled building equipment, pile drivers, and motorized  
78 34 scaffolding, including auxiliary attachments which improve the  
78 35 performance, safety, operation, or efficiency of the equipment  
79 1 and replacement parts and are directly and primarily used by

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

79 2 contractors, subcontractors, and builders for new  
79 3 construction, reconstruction, alterations, expansion, or  
79 4 remodeling of real property or structures, and on the gross  
79 5 receipts from the sale of a lottery ticket or share in a  
79 6 lottery game conducted pursuant to chapter ~~99E~~ 99G and except  
79 7 the tax shall not be imposed on the gross receipts from the  
79 8 sale or use of natural gas, natural gas service, electricity,  
79 9 or electric service in a city or county where the gross  
79 10 receipts from the sale of natural gas or electric energy are  
79 11 subject to a franchise fee or user fee during the period the  
79 12 franchise or user fee is imposed. A local sales and services  
79 13 tax is applicable to transactions within those incorporated  
79 14 and unincorporated areas of the county where it is imposed and  
79 15 shall be collected by all persons required to collect state  
79 16 gross receipts taxes. However, a person required to collect  
79 17 state retail sales tax under chapter 422, division IV, is not  
79 18 required to collect local sales and services tax on  
79 19 transactions delivered within the area where the local sales  
79 20 and services tax is imposed unless the person has physical  
79 21 presence in that taxing area. All cities contiguous to each  
79 22 other shall be treated as part of one incorporated area and  
79 23 the tax would be imposed in each of those contiguous cities  
79 24 only if the majority of those voting in the total area covered  
79 25 by the contiguous cities favor its imposition.

79 26 Sec. 114. Section 422E.3, subsection 2, Code 2003, is  
79 27 amended to read as follows:  
79 28 2. The tax shall be imposed on the same basis as the state  
79 29 sales and services tax or in the case of the use of natural  
79 30 gas, natural gas service, electricity, or electric service on  
79 31 the same basis as the state use tax and shall not be imposed  
79 32 on the sale of any property or on any service not taxed by the  
79 33 state, except the tax shall not be imposed on the gross  
79 34 receipts from the sale of motor fuel or special fuel as  
79 35 defined in chapter 452A which is consumed for highway use or  
80 1 in watercraft or aircraft if the fuel tax is paid on the  
80 2 transaction and a refund has not or will not be allowed, on  
80 3 the gross receipts from the rental of rooms, apartments, or

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.

80 4 sleeping quarters which are taxed under chapter 422A during  
80 5 the period the hotel and motel tax is imposed, on the gross  
80 6 receipts from the sale of equipment by the state department of  
80 7 transportation, on the gross receipts from the sale of self-  
80 8 propelled building equipment, pile drivers, motorized  
80 9 scaffolding, or attachments customarily drawn or attached to  
80 10 self-propelled building equipment, pile drivers, and motorized  
80 11 scaffolding, including auxiliary attachments which improve the  
80 12 performance, safety, operation, or efficiency of the  
80 13 equipment, and replacement parts and are directly and  
80 14 primarily used by contractors, subcontractors, and builders  
80 15 for new construction, reconstruction, alterations, expansion,  
80 16 or remodeling of real property or structures, and on the gross  
80 17 receipts from the sale of a lottery ticket or share in a  
80 18 lottery game conducted pursuant to chapter ~~99E~~ 99G and except  
80 19 the tax shall not be imposed on the gross receipts from the  
80 20 sale or use of natural gas, natural gas service, electricity,  
80 21 or electric service in a city or county where the gross  
80 22 receipts from the sale of natural gas or electric energy are  
80 23 subject to a franchise fee or user fee during the period the  
80 24 franchise or user fee is imposed.

80 25 Sec. 115. Section 537A.4, unnumbered paragraph 2, Code  
80 26 2003, is amended to read as follows:  
80 27 This section does not apply to a contract for the operation  
80 28 of or for the sale or rental of equipment for games of skill  
80 29 or games of chance, if both the contract and the games are in  
80 30 compliance with chapter 99B. This section does not apply to  
80 31 wagering under the pari-mutuel method of wagering authorized  
80 32 by chapter 99D. This section does not apply to the sale,  
80 33 purchase or redemption of a ticket or share in the state  
80 34 lottery in compliance with chapter ~~99E~~ 99G. This section does  
80 35 not apply to wagering under the excursion boat gambling method  
81 1 of wagering authorized by chapter 99F. This section does not  
81 2 apply to the sale, purchase, or redemption of any ticket or  
81 3 similar gambling device legally purchased in Indian lands  
81 4 within this state.

CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.



PG LN	Senate File 453	Explanation
81 5	Sec. 116. Section 714B.10, subsection 1, Code 2003, is	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.
81 6	amended to read as follows:	
81 7	1. Advertising by sponsors registered pursuant to chapter	
81 8	557B, licensed pursuant to chapter 99B, or regulated pursuant	
81 9	to chapter 99D, <del>99E</del> , or 99F, or <u>99G</u> .	
81 10	Sec. 117. Section 725.9, subsection 5, Code 2003, is	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.
81 11	amended to read as follows:	
81 12	5. This chapter does not prohibit the possession of	
81 13	gambling devices by a manufacturer or distributor if the	
81 14	possession is solely for sale out of the state in another	
81 15	jurisdiction where possession of the device is legal or for	
81 16	sale in the state or use in the state if the use is licensed	
81 17	pursuant to either chapter 99B or chapter <del>99E</del> <u>99G</u> .	
81 18	Sec. 118. Section 725.15, Code 2003, is amended to read as	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.
81 19	follows:	
81 20	725.15 EXCEPTIONS FOR LEGAL GAMBLING.	
81 21	Sections 725.5 to 725.10 and 725.12 do not apply to a game,	
81 22	activity, ticket, or device when lawfully possessed, used,	
81 23	conducted, or participated in pursuant to chapter 99B, <del>99E</del> , or	
81 24	99F, or <u>99G</u> .	
81 25	Sec. 119. Chapter 99E, Code 2003, is repealed.	CODE: Technical amendment to parallel creation of the Iowa Lottery Authority.
81 26	Sec. 120. IOWA LOTTERY AUTHORITY — TRANSITION PROVISIONS.	Provides for various transitions necessary for the repeal of the Lottery Division within the Department of Revenue and Finance and the creation of the Iowa Lottery Authority.
81 27	1. For purposes of this section, unless the context	
81 28	otherwise requires:	
81 29	a. "Iowa lottery authority" means the Iowa lottery	
81 30	authority as created in this Act pursuant to chapter 99G.	
81 31	b. "Iowa lottery board" means the five-member board	
81 32	established pursuant to 1985 Iowa Acts, chapter 33, section	
81 33	105.	
81 34	c. "Lottery division" means the lottery division of the	
81 35	department of revenue and finance established pursuant to 1985	
82 1	Iowa Acts, chapter 33, section 103.	
82 2	2. The Iowa lottery authority shall be the legal successor	

82 3 to the lottery division and, as such, shall assume all rights,  
82 4 privileges, obligations, and responsibilities of the lottery  
82 5 division. The promulgated rules of the lottery division shall  
82 6 remain in full force and effect as the rules of the authority  
82 7 until amended or repealed by the authority. In addition, the  
82 8 Iowa lottery authority may continue the security practices and  
82 9 procedures utilized by the lottery division until amended or  
82 10 repealed by the authority.

82 11 3. The Iowa lottery authority is created effective at  
82 12 12:01 a.m. on September 1, 2003, upon which date and time the  
82 13 authority shall become the legal successor to the lottery  
82 14 division. Until the aforesaid date and time, no business  
82 15 shall be conducted by the authority on behalf of the lottery,  
82 16 provided, however, that the Iowa lottery commissioner and Iowa  
82 17 lottery board shall implement such measures as are appropriate  
82 18 to ensure a smooth transition from the agency to the Iowa  
82 19 lottery authority as of the effective date of succession.

82 20 4. Notwithstanding any provision of chapter 99G, as  
82 21 created by this Act, to the contrary, the commissioner of the  
82 22 Iowa lottery established pursuant to 1985 Iowa Acts, chapter  
82 23 33, section 103, as amended by 1986 Iowa Acts, chapter 1245,  
82 24 section 404, shall serve as the initial chief executive  
82 25 officer of the Iowa lottery authority. In addition,  
82 26 notwithstanding any provision of section 99G.9, as created by  
82 27 this Act, to the contrary, the term of office for the chief  
82 28 executive officer of the Iowa lottery authority as of  
82 29 September 1, 2003, shall end April 30, 2008.

82 30 5. Notwithstanding any provision of chapter 99G, as  
82 31 created by this Act, to the contrary, the initial board of  
82 32 directors of the Iowa lottery authority shall consist of the  
82 33 duly appointed and confirmed members of the Iowa lottery board  
82 34 serving at the date of succession. Said board members shall  
82 35 serve as members of the Iowa lottery authority's board of  
83 1 directors throughout the remainder of their respective Iowa  
83 2 lottery board terms, subject to earlier resignation or removal  
83 3 from office for cause as provided by this Act.

83 4 6. Personnel of the lottery division employed on September  
83 5 1, 2003, shall transition to the Iowa lottery authority as the

83 6 initial authority employees.

83 7 7. Whereas the lottery division was authorized only as a  
83 8 self-funded enterprise and except for an initial appropriation  
83 9 for start-up expenses, funds of the state have not been  
83 10 authorized for use or obligation to pay the expenses or prizes  
83 11 of the lottery division. The Iowa lottery authority shall  
83 12 function as the legal successor to the lottery division and  
83 13 shall assume all of the assets and obligations of the lottery  
83 14 division, and funds of the state shall not be used or  
83 15 obligated to pay the expenses or prizes of the authority or  
83 16 its predecessor, the lottery division.

83 17 8. In order to effect an immediate and efficient  
83 18 transition of the lottery from the lottery division to the  
83 19 Iowa lottery authority, as soon as practicable, the Iowa  
83 20 lottery authority shall do all of the following:

83 21 a. Take such steps and enter into such agreements as the  
83 22 board of the Iowa lottery authority may determine are  
83 23 necessary and proper in order to effect the transfer,  
83 24 assignment, and delivery to the authority from the state of  
83 25 all the tangible and intangible assets constituting the  
83 26 lottery, including the exclusive right to operate the lottery  
83 27 and the assignment to and assumption by the authority of all  
83 28 agreements, covenants, and obligations of the lottery division  
83 29 and other agencies of the state, relating to the operation and  
83 30 management of the lottery.

83 31 b. Receive as transferee from the state of Iowa all of the  
83 32 tangible and intangible assets constituting the lottery  
83 33 including, without limitation, the exclusive authorization to  
83 34 operate a lottery in the state of Iowa and ownership of  
83 35 annuities and bonds purchased prior to the date of transfer  
84 1 and held in the name of the Iowa lottery for payment of  
84 2 lottery prizes, and shall assume and discharge all of the  
84 3 agreements, covenants, and obligations of the lottery division  
84 4 entered into and constituting part of the operation and  
84 5 management of the lottery. In consideration for such transfer  
84 6 and assumption, the Iowa lottery authority shall transfer to  
84 7 the state all net profits of the authority, at such times and  
84 8 subject to such financial transfer requirements as are

84 9 provided in this Act.

84 10 c. Have perpetual succession as an instrumentality of the  
84 11 state and a public authority.

84 12 9. Notwithstanding any provision of chapter 99G, as  
84 13 created by this Act, to the contrary, the following provisions  
84 14 shall apply to the Iowa lottery authority:

84 15 a. Moneys appropriated from the lottery fund to the  
84 16 department of revenue and finance, for administration of the  
84 17 lottery for the fiscal year beginning July 1, 2003, and  
84 18 unexpended prior to September 1, 2003, shall be appropriated  
84 19 to the Iowa lottery authority for operation of the lottery.

84 20 b. Of the moneys collected by the lottery division and  
84 21 Iowa lottery authority for the fiscal year beginning July 1,  
84 22 2003, fifty-four million eight hundred thousand dollars shall  
84 23 be transferred to the general fund of the state.

84 24 c. Any authority for establishing the budget of the Iowa  
84 25 lottery authority pursuant to chapter 99G, as created by this  
84 26 Act, shall only apply for the fiscal year beginning July 1,  
84 27 2004, and each succeeding fiscal year.

84 28 Sec. 121. EFFECTIVE DATE. This division of this Act,  
84 29 creating the Iowa lottery authority, takes effect September 1,  
84 30 2003.

Specifies that this Division takes effect September 1, 2003.

DETAIL: Senate File 458 (FY 2004 Standing Appropriations, Salary Provisions, and Statutory Changes Act) changes the effective date to July 1, 2003.

84 31 SF 453

84 32 jp/cc/26

## EXECUTIVE SUMMARY

## SENATE FILE 458

## FY 2004 STANDING APPROPRIATIONS, SALARY PROVISIONS, AND STATUTORY CHANGES ACT

### DIVISION IV – REVENUE ADJUSTMENTS AND SUPPLEMENTAL APPROPRIATIONS (CONTINUED)

- Limits the total amount of Program Job Credits allocated under the Accelerated Career Education Program to \$4.0 million for FY 2004 and \$6.0 million for FY 2005 and later years. (Page 15, Line 26)
- Increases the General Fund standing appropriation for Machinery and Equipment Property Tax Replacement from \$10.1 million to \$11.3 million. (Page 17, Line 3)
- Eliminates the FY 2004 General Fund appropriation of \$28.3 million to the Endowment for Iowa's Health Account. (Page 17, Line 19)
- Changes the applicability date for changes to reserve fund balances. (Page 18, Line 10)
- Appropriates \$8.8 million from franchise tax revenues to the Department of Revenue and Finance for FY 2004 for distribution to cities and counties. (Page 18, Line 18)
- Repeals the \$10.0 million General Fund appropriation to the Department of Management for the Local Government Innovation Fund in SF 453 (Reinvention of Government Act). (Page 19, Line 2)
- Makes an FY 2003 supplemental appropriation of \$80,000 to the Racing and Gaming Commission of the Department of Inspections and Appeals for racetrack regulation. (Page 19, Line 4)
- Makes a contingent Cash Reserve Fund appropriation of up to \$50.0 million to the General Fund by FY 2003 for cash flow purposes. (Page 20, Line 18)

### DIVISION V – COMPENSATION AND BENEFITS

- Appropriates \$28.0 million from the General Fund to the Salary Adjustment Fund for FY 2004 to fund the negotiated bargaining agreements for contract and noncontract State employees. Generally, provides a 2.0% across-the-board increase and merit step increases for eligible employees, effective July 1, 2003. (Page 22, Line 6)
- Appropriates \$3.0 million from the Road Use Tax Fund and \$12.0 million from the Primary Road Fund to the Salary Adjustment Fund for FY 2004 to fund the negotiated bargaining agreements for contract and non-contract State employees associated with these Funds. (Page 26, Line 10 and Page 26, Line 18)

### DIVISION VI – CORRECTIVE PROVISIONS

- Makes various corrective and technical changes. (Page 28, Line 20 through Page 38, Line 19)

### DIVISION VII – MISCELLANEOUS PROVISIONS

- Makes various statutory changes. Significant provisions include:
  - Changes the Charter Agency Loan Fund to a Grant Fund and eliminates repayment requirements. (Page 39, Line 16)
  - Establishes the Housing Trust Fund within the Iowa Finance Authority. (Page 45, Line 30)

## EXECUTIVE SUMMARY

## FY 2004 STANDING APPROPRIATIONS, SALARY PROVISIONS, AND STATUTORY CHANGES ACT

SENATE FILE 458

### DIVISION VII – MISCELLANEOUS PROVISIONS (CONTINUED)

- Requires performance-based criteria to be added to the Community Empowerment distribution formula beginning in FY 2005. (Page 47, Line 26) *This item was vetoed by the Governor.*
- Allows for creation of an urban search and rescue team within the Emergency Management Division of the Department of Public Defense. (Page 48, Line 31 through Page 51, Line 9)
- Allows the Auditor of State to review financial records of the Iowa Lottery Authority. (Page 51, Line 26)
- Provides for minimum funding for school districts that establish regional academies. (Page 52, Line 17)
- Requires the higher education institutions to adopt policies regarding options for absences incurred by students called to active military duty. (Page 53, Line 11 through Page 55, Line 17)
- Extends the Variable Pay Pilot Project of the Student Achievement and Teacher Quality Program through June 30, 2005. (Page 55, Line 18)
- Makes statutory adjustments related to elimination of funding for Phase III of the Educational Excellence Program. (Page 56, Line 6 and Page 56, Line 8)
- Adds a sales tax exemption for automated teller machine and point-of-sale surcharges collected by financial institutions from users that are not direct customers. (Page 61, Line 12)
- Establishes a Tobacco Compliance Employee Training Fund in the Office of the Treasurer of State and provides for a related Program. (Page 62, Line 32)
- Requires the Utilities Board to adopt rules including consideration of the cost of infrastructure investments and capital changes when conducting rate review proceedings. (Page 64, Line 15)
- Makes changes to the insurance premium tax for county mutual insurance associations. (Page 65, Line 9 and Page 66, Line 21)
- Requires the Department of Administrative Services to transfer \$900,000 from the Rent Fund to the General Fund for FY 2004. (Page 68, Line 4)
- Makes changes to language regarding Charter Agencies. (Page 68, Line 13)
- Requires a report on federal election law implementation. (Page 70, Line 6)
- Authorizes the sale of certain property by the Department of Corrections. (Page 70, Line 14) *This item was vetoed by the Governor.*
- Requires the Department of Transportation to coordinate a public transportation study. (Page 72, Line 9)

## EXECUTIVE SUMMARY

## SENATE FILE 458

## FY 2004 STANDING APPROPRIATIONS, SALARY PROVISIONS, AND STATUTORY CHANGES ACT

### DIVISION VII – MISCELLANEOUS PROVISIONS (CONTINUED)

- Prohibits the Department of Human Services from recouping supplemental payments to acute care teaching hospitals unless reimbursement occurs. (Page 72, Line 17)
- Requires the Utilities Board to review current ratemaking procedures. (Page 72, Line 28)
- Requires the Departments of Natural Resources and Transportation to develop a plan for a full-size off-highway vehicle registration program. (Page 73, Line 12)
- Provides protections for State employees required to receive smallpox vaccinations by the federal Home Security Act. (Page 74, Line 30) *The Governor vetoed portions of this item.*
- Requires the State Treasurer to submit a report outlining recording and transactions fees collected by local governments. (Page 76, Line 8)

### DIVISION VIII – MEDICAL ASSISTANCE (MEDICAID)

- Makes various changes and adjustments to House File 619 (Medical Assistance Program). (Page 77, Line 16 through Page 82, Line 20)

### DIVISION IX – PRIVATIZATION (SALE) OF THE IOWA COMMUNICATIONS NETWORK

- Specifies the intent of the General Assembly to sell the Iowa Communications Network (ICN). Creates a network privatization board and specifies procedures for accomplishing the sale of the ICN. (Page 82, Line 22) *This entire Division was vetoed by the Governor.*

### DIVISION X – GOVERNMENT ORGANIZATION REVIEW COMMITTEE

- Makes changes to language related to organization of local governments, if enacted in SF 390 (Local Government Reorganization). Makes the language applicable only to counties with populations in excess of 100,000. Also specifies a change related to appointment of members to the review committee. (Page 89, Line 12) *This entire Division was vetoed by the Governor.*

### EFFECTIVE DATES

- Makes provision for various effective dates, including contingent and retroactive applicability dates, as follows:
  - Division II. (Page 5, Line 35)
  - Division IV. (Page 21, Line 20)
  - Division VI. (Page 37, Line 35)
  - Division VII. (Page 76, Line 18; Page 77, Line 6; and Page 77, Line 10)
  - Division VIII. (Page 82, Line 16)

## EXECUTIVE SUMMARY

## FY 2004 STANDING APPROPRIATIONS, SALARY PROVISIONS, AND STATUTORY CHANGES ACT

SENATE FILE 458

### GOVERNOR'S VETOES

- The Governor vetoed the following:
  - Section 13 that prohibited local governments from prorating State-funded property tax credits. The Governor stated this provision would further reduce funding for local governments. (Page 8, Line 6)
  - Section 23 that appropriates \$312,000 from the General Fund for FY 2004 to the Department of Human Services for a public county hospital. The Governor stated it was inequitable to reimburse a single county hospital. (Page 10, Line 28)
  - Section 103 that required performance-based criteria to be added to the Community Empowerment distribution formula beginning in FY 2005. The Governor stated that it provides increased pressure of inappropriate assessment of young children and unrealistic expectations on Community Empowerment Areas to show improvement. (Page 47, Line 26)
  - Sections 106, 107, and 153 that had the effect of eliminating the position of Director of the Iowa Law Enforcement Academy. The Governor stated this would change the merit status of the Director and unnecessarily destabilize the position and work of the Director. (Page 51, Line 10; Page 51, Line 18; and Page 73, Line 33)
  - Section 110 that provided for limited liability of county fair societies. The Governor stated that this provision unfairly creates a special class of entities that are immune from lawsuits. (Page 52, Line 3)
  - Section 133 that would have allowed sanitary landfills with an active methane collection system to accept yard waste. The Governor stated that yard waste is best managed at a composting facility. (Page 64, Line 9)
  - Section 145 authorizing the sale of real property by the Department of Corrections. The Governor stated that the language undermines existing statutory language that allows for the sale of real property. (Page 70, Line 14)
  - Section 146 that extended the deadline for a refund of sales and use tax for materials used in a street and sewer construction project for the City of Granger. The State Appeal Board had denied this claim because it was not timely filed. The Governor stated this provision would compromise the authority of the Board. (Page 71, Line 11)
  - Section 147 that permitted Central Lyon Community School District to refile a claim for State reimbursement of costs to provide high school vocational education programs. The Governor stated that this provision would infringe on the authority of the Executive Branch and the State Appeal Board. (Page 71, Line 26)



## EXECUTIVE SUMMARY

SENATE FILE 458

## FY 2004 STANDING APPROPRIATIONS, SALARY PROVISIONS, AND STATUTORY CHANGES ACT

### GOVERNOR'S VETOES (CONTINUED)

- Section 151 that would have allowed up to \$200,000 of the funds allocated to the Variable Pay Pilot Project of the Student Achievement and Teacher Quality Program to be expended on a reading instruction pilot program. The Governor stated that the pilot program was duplicative of the federally funded Reading First Program. (Page 73, Line 4)
- Subsections 4, 7, and 8 of Section 156 relating to provisions for smallpox vaccinations for government employees. The Governor stated that the vaccinations as proposed would be administered by a specific process that is not yet approved by the Food and Drug Administration (FDA) and gives inappropriate duties and responsibilities to the Emergency Management Division. The Governor stated that the vaccinations should be administered by the Department of Public Health. (Page 74, Line 30)
- Division IX authorizing the sale of the Iowa Communications Network (ICN). The Governor stated that the design and implementation of the ICN is not conducive to privatization and sale or privatization should not be attempted until thoroughly studied. (Page 82, Line 21)
- Division X that limits creation of a local government organization review committee to counties with a population in excess of 100,000. The Governor stated that treating large and small counties differently was not equitable. (Page 89, Line 10)

### ENACTMENT DATE

- This Act was approved by the General Assembly on May 1, 2003, and item vetoed and signed by the Governor on May 30, 2003.

Senate File 458 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
1	3	1	Amends	Sec. 426B.5(2)(d)(1 and 6)	Risk Pool Funds Distribution
2	22	3	Amends	Sec. 104(2, 4, and 5), Chapter 1175, 2002 Iowa Acts	Distribution Funds for Mental Health Allowed Growth
4	23	4	Nwthstnd	Sec. 2.12	Expenditures of General Assembly and Legislative Agencies
4	29	5	Nwthstnd	Sec. 8.56(4)	Cash Reserve Fund Appropriation to the Rebuild Iowa Infrastructure Fund
4	35	6	Nwthstnd	Sec. 8.57A(4)	Rebuild Iowa Infrastructure Fund Standing Appropriation to the Environment First Fund
5	8	7	Nwthstnd	Sec. 279.51(1)	At-Risk Children Programs
5	18	8	Nwthstnd	Sec. 312.2(14)	Public Transit Assistance
5	26	9	Amends	Sec. 294A.25(1)	Educational Excellence Program
6	13	11.1	Nwthstnd	Sec. 29A.27	Department of Public Defense Active Duty Pay
6	17	11.2	Nwthstnd	Sec. 285.2	Department of Education Nonpublic School Transportation
6	24	11.3	Nwthstnd	Sec. 453A.7	Printing Costs For Cigarette Tax Stamps
6	26	11.4	Nwthstnd	Sec. 411.20	State Contribution to the Municipal Fire and Police Officer Retirement Fund
6	29	11.5	Nwthstnd	Sec. 422.121	Livestock Producers Tax Credit
6	32	11.6	Nwthstnd	Sec. 425.1	Homestead Property Tax Credit
6	35	11.7	Nwthstnd	Sec. 426.1	Ag Land Tax Credit
7	3	11.8	Nwthstnd	Sec. 426A.1A	Military Service Tax Credit
7	6	11.9	Nwthstnd	Sec. All, Chapter 96	Administration of Unemployment Compensation
7	9	11.10	Nwthstnd	Sec. 421.31	Federal Cash Management
7	13	11.11	Nwthstnd	Sec. 509A.12	Deferred Compensation Program
7	16	12	Nwthstnd	Sec. 425.39	Elderly and Disabled Property Tax Credit
8	6	13	Nwthstnd	Sec. 25B.7	Proration of Property Tax Credits Not Applicable

Page #	Line #	Bill Section	Action	Code Section	Description
8	13	14	Nwthstnd	Sec. 8.55(4) and 8.56(1)	Earnings on Economic Emergency and Cash Reserve Funds
8	20	15	Nwthstnd	Sec. 8.62	Use of Reversions
9	14	19	Nwthstnd	Sec. 8.57(5)	Rebuild Iowa Infrastructure Fund Appropriation to the General Fund
9	22	20	Amends	Sec. 10.1, SF 439, 2003 Iowa Acts, if enacted	Iowa Law Enforcement Academy Funding Increase
9	31	21	Nwthstnd	Sec. 8.33	Nonreversion of Military Pay Differential Funds
10	22	22	Nwthstnd	Sec. 231C.6	Assisted Living Program Funds
12	14	29	Amends	Sec. 8.55(2)(c)	Transfer to Senior Living Trust Fund
12	26	30	Amends	Sec. 8.55(2)(d)	Economic Emergency Fund Transfer to Endowment for Iowa's Health Account
13	11	31	Amends	Sec. 8.57(1)(a)	Cash Reserve Goal Percentage
13	25	32	Adds	Sec. 96.9(8)	Unemployment Compensation Reserve Fund Established
15	15	33	Amends	Sec. 256D.4(2)	Technical Correction - Early Intervention Block Grant Program
15	21	34	Amends	Sec. 256D.5(3)	Early Intervention (Class Size Reduction) Block Grant Program Funding Extended
15	26	35	Amends	Sec. 260G.4B(1)	Accelerated Career Education Program Job Credits
16	32	36	Amends	Sec. 294A.25(10)	Educational Excellence Standing Appropriation Allocation to the Iowa Mathematics and Science Coalition
17	3	37	Amends	Sec. 427B.19A(1), as amended by SF 453	Machinery and Equipment Property Tax Replacement Appropriation Limit
17	19	38	Amends	Sec. 1.2, Chapter 174, 2001 Iowa Acts, as amended by Sec. 8, Chapter 1174, 2002 Iowa Acts	Eliminates Transfer from Endowment for Iowa's Health Account to the General Fund
17	34	39	Amends	Sec. 18, Chapter 1173, 2002 Iowa Acts	Nonreversion of Pooled Technology Fund Allocations
18	10	40	Amends	Sec. 33, Chapter 1001, 2002 Iowa Acts, Second Extraordinary Session	Applicability Date for Changes to Reserve Fund Balances

Page #	Line #	Bill Section	Action	Code Section	Description
19	2	42	Repeals	Sec. 28, SF 453, 2003 Iowa Acts	Local Government Innovation Fund Appropriation
19	4	43	Amends	Sec. 9.1, Chapter 1003, 2002 Iowa Acts, Second Extraordinary Session	Racetrack Regulation Supplemental Appropriation
19	23	44	Amends	Sec. 24, HF 655, 2003 Iowa Acts	Funding for Ready to Work Program Coordinator
20	3	45	Amends	Sec. 34, HF 655, 2003 Iowa Acts	Funding for Ready to Work Program Coordinator
28	20	57	Amends	Sec. 8A.202(2)(e)	Technical Correction - Department of Administrative Services
28	30	58	Amends	Sec. 1, HF 289, 2003 Iowa Acts	Corrective Language - County Treasurer Electronic Transactions
29	4	59	Amends	Sec. 99E.9(2), as amended by HF 171, 2003 Iowa Acts	Technical Correction - Duties of Lottery Commission
30	3	60	Amends	Sec. 99G.10(2)	Technical Correction - Lottery Authority
30	17	61	Amends	Sec. 99G.22(1)	Technical Correction - Lottery Authority
31	11	62	Amends	Sec. 99G.37(2)	Technical Correction - Lottery Authority
31	18	63	Amends	Sec. 99G.38(3)	Technical Correction - Lottery Authority
31	24	64	Amends	Sec. 135.150(3)	Technical Correction - Disaster Preparedness
31	29	65	Amends	Sec. 135.154(7)	Technical Correction - Disaster Preparedness
32	9	66	Amends	Sec. 170.6(1)(b)	Technical Correction - Farm Deer
32	15	67	Amends	Sec. 231.56A	Technical Correction - Dependent Adult Abuse
33	22	68	Amends	Sec. 232.71B(7A)	Technical Correction - Sexual Perpetrators
33	32	69	Amends	Sec. 235B.3(6A)	Technical Correction - Sexual Perpetrators
34	7	70	Amends	Sec. 304B.3 (4, 8, and 9)	Technical Correction - Consolidation of Management Archives
34	14	71	Amends	Sec. 321.69(9)	Technical Correction - Vehicle Damage Disclosure
34	35	72	Amends	Sec. 356.7(1), as amended by HF 650, 2003 Iowa Acts	Technical Correction - Correctional Fees
35	27	73	Amends	Sec. 459.401(2)(a)(3A), as amended by HF 644, 2003 Iowa Acts	Technical Correction - Manure Application Requirements

Page #	Line #	Bill Section	Action	Code Section	Description
35	32	74	Amends	Sec. 505A.1(V)(2)(a)(3), as amended by HF 647, 2003 Iowa Acts	Technical Correction - Insurance Regulation
36	5	75	Amends	Sec. 508.31A(2)(b), as amended by HF 647	Technical Correction - Insurance Regulation
36	11	76	Amends	Sec. 692A.13(9)	Technical Correction - Sexual Perpetrators
36	23	77	Amends	Sec. 901.5(7A)(d), as amended by HF 404	Technical Correction - No-Contact Orders
37	1	78	Repeals	Sec. 26, SF 155, 2003 Iowa Acts	Technical Correction - Election Precinct Instructions
37	3	79	Repeals	Sec. 56, SF 155, 2003 Iowa Acts	Technical Correction - Child Care Facilities
37	5	80	Amends	Sec. 44.8, SF 453, 2003 Iowa Acts	Technical Correction - SF 453 (Government Reinvention)
37	15	81	Amends	Sec. 2, HF 601, 2003 Iowa Acts	Technical Correction - Campaign Finance
37	20	82	Amends	Sec. 22, HF 624, 2003 Iowa Acts	Technical Correction - Farm Deer
37	33	83	Repeals	Sec. 1, HF 648, 2003 Iowa Acts	Technical Correction - State Records Management
38	22	85	Amends	Sec. 7J.1(1)	Number of Designated Charter Agencies
39	1	86	Amends	Sec. 7J.1(3)(a)	Appropriation Reductions for Charter Agencies
39	16	87	Amends	Sec. 7J.2	Charter Agency Grant Fund
40	11	88	Amends	Sec. 8.23(1)(a)	Budget Estimates for Energy Expenses
40	13	89	Amends	Sec. 8.31	Appropriation Allotments
42	22	90	Amends	Sec. 8.57(1)(c)	Rebuild Iowa Infrastructure Appropriation Allotments
42	28	91	Amends	Sec. 12B.10(6)(d)(4)	Technical Correction - Investment of Public Funds
42	33	92	Amends	Sec. 12B.10A(6)(d)(4)	Technical Correction - Investment of Public Funds
43	3	93	Amends	Sec. 12C.27	Deposit of Public Funds - Failure to Maintain Required Collateral
43	14	94	Amends	Sec. 12E.12(8)	Use of Proceeds from Bond Refinancing or Refunding

Page #	Line #	Bill Section	Action	Code Section	Description
43	35	95	Amends	Sec. 15E.42(3)	Development Activities Definition of Investor
44	9	96	Amends	Sec. 15E.43(1)(a)	Investment Tax Credits
44	25	97	Adds	Sec. 15.43(1)(d)	Investment Tax Credits for Decedent's Estate
44	32	98	Amends	Sec. 15E.45(2)(c)	Investors in Community-based Seed Capital Funds
45	3	99	Amends	Sec. 15E.51(4)	Tax Credits for Venture Capital Investments
45	11	100	Amends	Sec. 15E.193B(4)	Enterprise Zone Housing Projects
45	30	101	Adds	Sec. 16.181	Housing Trust Fund
47	20	102	Adds	Sec. 25.1(4)	Claims for Unused Portion of Vehicle Registration Fees
47	26	103	Amends	Sec. 28.9(2)	Community Empowerment Distribution Formula
48	31	104	Adds	Sec. 29C.8(3)(f and g)	Powers and Duties of the Administrator of the Emergency Management Division
49	20	105	Amends	Sec. 29C.20(1)	Contingent Fund for Emergency Management
51	10	106	Amends	Sec. 80B.5	Administration of the Iowa Law Enforcement Academy
51	18	107	Adds	Sec. 80B.5A	Director of the Iowa Law Enforcement Academy
51	23	108	Amends	Sec. 99G.9(3)(j)	Lottery Authority Audit Service Contracts
51	26	109	Amends	Sec. 99G.40(5)	Iowa Lottery Authority - Audit of Financial Records
52	3	110	Adds	Sec. 174.24	Liability of County Fair Societies
52	17	111	Amends	Sec. 257.11(5)(b)	Student Weighting for Regional Academies
53	11	112	Adds	Sec. 260C.14(20)	Community College Policy for Students Called to Active Military Duty
53	33	113	Amends	Sec. 261.9(1)	Technical Correction - Iowa Tuition Grant Program
54	7	114	Adds	Sec. 261.9(1)(g)	Private College and University Policy for Students Called to Active Military Duty
54	29	115	Adds	Sec. 262.9(29)	Board of Regents Policy for Students Called to Active Military Duty
55	18	116	Amends	Sec. 284.13(1)(a)	Teacher Variable Pay Pilot Project
56	6	118	Amends	Sec. 294A.25(6)	Strikes Outdated Allocations from the Educational Excellence Program

Page #	Line #	Bill Section	Action	Code Section	Description
56	8	119	Amends	Sec. 294A.25(7-9)	Educational Excellence Standing Appropriation Allocations
56	30	120-123	Amends	Sec. 321J.2, 321J.4(1 and 3), and 321J.12(2)(a and b)	Technical Correction - Operating While Intoxicated Statute
60	2	124	Amends	Sec. 331.605C(1 and 2)	Local Electronic Government Transaction Fund
60	20	125	Amends	Sec. 331.605C(4), if enacted	Local Electronic Government Transaction Fund
61	12	126	Adds	Sec. 422.45(64)	Sales Tax Exemption for Service Fees Assessed by Financial Institutions for Noncustomer Point of Sale or Automated Teller Machine Transactions
61	19	127	Adds	Sec. 423.4(9A)	Use Tax Exemption for Certain Vehicles
61	28	128	Amends	Sec. 435.26A(2 and 5)	Manufactured Home Registrations
62	22	129	Adds	Sec. 452A.2(20A)	Nonterminal Storage Facility Definition
62	32	130	Adds	Sec. 453A.2(5B)	Tobacco Compliance Employee Training Fund and Program
63	13	131	Amends	Sec. 453C.1(10)	Tobacco Product Excise Tax Stamp Requirement Eliminated
63	25	132	Amends	Sec. 453C.2(2)(b)(2)	Tobacco Product Manufacturer Excess Payments Released
64	9	133	Adds	Sec. 455D.9(1A)	Yard Waste Acceptance at Sanitary Landfills
64	15	134	Adds	Sec. 476.33(5)(a)	Utility Rate Review Considerations
65	9	136	Amends	Sec. 518.18	Insurance Premium Tax for County Mutual Insurance Associations
66	21	137	Amends	Sec. 518A.35	Insurance Premium Tax Collection Changes
68	4	138	Amends	Sec. 30, SF 453, 2003 Iowa Acts	Rent Fund Transfer by Department of Administrative Services
68	13	139	Amends	Sec. 35, SF 453, 2003 Iowa Acts	Charter Agency Appropriations
69	16	140	Nwthstnd	Sec. 8.33	Nonreversion of Funds for Exterior Renovation of the State Capitol
69	25	141	Amends	Sec. 49.1, SF 453, 2003 Iowa Acts	Medicaid Redesign Work Group Membership
69	34	142	Amends	Sec. 121, SF 453, 2003 Iowa Acts	Effective Date for Iowa Lottery Authority Changes

Page #	Line #	Bill Section	Action	Code Section	Description
70	4	143	Repeals	Sec. 266.8 and 266.24-26	Eliminates Hazardous Waste Research Program and Hog-Cholera Serum Laboratory at Iowa State University
70	14	145	Nwthstnd	Sec. 904.317	Sale of Land by Department of Corrections
71	11	146	Nwthstnd	Sec. 422.45(7)(b)	Sales and Use Tax Refund
71	26	147	Nwthstnd	Sec. All	School District Reimbursement Claim
73	4	151	Nwthstnd	Sec. 284.13(1)(a)	Use of Team-Based Variable Pay Moneys for Reading Pilot Project
73	33	153	Amends	Sec. 80B.5	Iowa Law Enforcement Academy Director
74	2	154	Repeals	Sec. 453C.2(2)(b)(2), if unconstitutional	Severability of Tobacco Product Manufacturer Statutory Changes
77	16	160	Amends	Sec. 135C.31A	Assessment of Nursing Facility Residents for Veterans' Assistance
78	2	161	Adds	Sec. 249A.20A(5A)	Disclosure of Prescription Drug Price Information
78	12	162	Adds	Sec. 249A.20B(5A)	Reimbursement to Nursing Facilities
78	22	163	Amends	Sec. 5, HF 619, 2003 Iowa Acts	Frail and Elderly Home and Community Based Services Waiver
79	24	164	Amends	Sec. 7, HF 619, 2003 Iowa Acts	Drug Cost and Product Information Source
80	15	165	Amends	Sec. 9, HF 619, 2003 Iowa Acts	Nursing Facility Reimbursement
80	35	166	Amends	Sec. 12.2 and 12.3, HF 619, 2003 Iowa Acts	Technical Correction
81	18	167	Amends	Sec. 12.4, HF 619, 2003 Iowa Acts	Contract for Chronic Disease Management Pilot Program
81	28	168	Amends	Sec. 110, Chapter 1003, 2002 Iowa Acts, Second Extraordinary Session	Nonreversion of Federal Temporary Assistance for Needy Families Funding
89	12	179	Amends	Sec. 331.264(1)	Government Organization Review Committee



PG LN	Senate File 458	Explanation
1 1	DIVISION I	
1 2	MH/MR/DD ALLOWED GROWTH	
1 3	Section 1. Section 426B.5, subsection 2, paragraph d,	CODE: Makes changes associated with distribution of mental health risk pool funds to counties. Changes the date for application to cover an unanticipated expenditure from April 1 to January 25 each year. Requires the Risk Pool Board to make final decisions regarding acceptance of applications by February 25 each year. Provides that any remaining funds in the risk pool be distributed to counties based on the formula for mental health allowed growth.
1 4	subparagraphs (1) and (6), Code 2003, are amended to read as	
1 5	follows:	
1 6	(1) A county must apply to the board for assistance from	
1 7	the risk pool on or before <del>April 4</del> <u>January 25</u> to cover an	
1 8	unanticipated net expenditure amount in excess of the county's	
1 9	current fiscal year budgeted net expenditure amount for the	
1 10	county's services fund. <u>The risk pool board shall make its</u>	
1 11	<u>final decisions on or before February 25 regarding acceptance</u>	
1 12	<u>or rejection of the applications for assistance and the total</u>	
1 13	<u>amount accepted shall be considered obligated.</u> For purposes	
1 14	of applying for risk pool assistance and for repaying unused	
1 15	risk pool assistance, the current fiscal year budgeted net	
1 16	expenditure amount shall be deemed to be the higher of either	
1 17	the budgeted net expenditure amount in the management plan	
1 18	approved under section 331.439 for the fiscal year in which	
1 19	the application is made or the prior fiscal year's net	
1 20	expenditure amount.	
1 21	(6) The total amount of risk pool assistance shall be	
1 22	limited to the amount available in the risk pool for a fiscal	
1 23	year. If the total amount of eligible assistance exceeds the	
1 24	amount available in the risk pool the amount of assistance	
1 25	paid shall be prorated among the counties eligible for	
1 26	assistance. Moneys remaining unexpended or unobligated in the	
1 27	risk pool <del>at the close of a fiscal year shall remain available</del>	
1 28	<del>for distribution in the succeeding fiscal year</del> <u>following the</u>	
1 29	<u>risk pool board's decisions made pursuant to subparagraph (1)</u>	
1 30	<u>shall be distributed to the counties eligible to receive</u>	
1 31	<u>funding from the allowed growth factor adjustment</u>	
1 32	<u>appropriation for the fiscal year using the distribution</u>	
1 33	<u>methodology applicable to that appropriation.</u>	
1 34	Sec. 2. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND	General Fund appropriation for Mental Health Allowed Growth for FY 2005.
1 35	DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ADJUSTMENT	
2 1	AND ALLOCATIONS — FISCAL YEAR 2004–2005.	

2 2 1. There is appropriated from the general fund of the  
 2 3 state to the department of human services for the fiscal year  
 2 4 beginning July 1, 2004, and ending June 30, 2005, the  
 2 5 following amount, or so much thereof as is necessary, to be  
 2 6 used for the purpose designated:

2 7 For distribution to counties of the county mental health,  
 2 8 mental retardation, and developmental disabilities allowed  
 2 9 growth factor adjustment, as provided in this section in lieu  
 2 10 of the provisions of section 331.438, subsection 2, and  
 2 11 section 331.439, subsection 3, and chapter 426B:

2 12 ..... \$ 23,738,749

2 13 2. The funding appropriated in this section is the allowed  
 2 14 growth factor adjustment for fiscal year 2004–2005, and is  
 2 15 allocated as follows:

2 16 a. For distribution as provided by law:

2 17 ..... \$ 21,738,749

2 18 b. For deposit in the risk pool created in the property  
 2 19 tax relief fund and for distribution in accordance with  
 2 20 section 426B.5, subsection 2:

2 21 ..... \$ 2,000,000

2 22 Sec. 3. 2002 Iowa Acts, chapter 1175, section 104,  
 2 23 subsections 2, 4 and 5, as amended by 2003 Iowa Acts, House  
 2 24 File 667, section 41, are amended to read as follows:

2 25 2. The following formula amounts shall be utilized only to  
 2 26 calculate preliminary distribution amounts for fiscal year  
 2 27 2003–2004 under this section by applying the indicated formula  
 2 28 provisions to the formula amounts and producing a preliminary  
 2 29 distribution total for each county:

2 30 a. For calculation of an allowed growth factor adjustment  
 2 31 amount for each county in accordance with the formula in  
 2 32 section 331.438, subsection 2, paragraph "b":

2 33 ..... \$ 12,000,000

2 34 b. For calculation of a distribution amount for eligible  
 2 35 counties from the per capita expenditure target pool created  
 3 1 in the property tax relief fund in accordance with the  
 3 2 requirements in section 426B.5, subsection 1:

3 3 ..... ~~\$ 12,492,712~~

DETAIL: Specifies allocation of the funds. This is an increase of \$4,665,111 compared to the estimated FY 2004 appropriation. This represents an increase of 2.00% in the allowed growth calculation used in the formula. With the transfer of the \$2,000,000 from the Risk Pool to Medical Assistance in HF 685 (FY 2004 Healthy Iowans Tobacco Trust Appropriations Act), this is an increase of \$6,685,111, or a 2.86% increase in the allowed growth calculation used in the formula.

CODE: Makes adjustments to the FY 2004 distribution for mental health allowed growth that was enacted by the General Assembly during the 2002 Legislative Session. Increases the per capita expenditure target. Increases the amounts a county with a fund balance of less than 10.00% of expenditures will receive for FY 2004 by an additional 2.60% inflation adjustment. Increases the amount withheld from counties with an ending balance in their mental health fund of 35.00% or greater to 100.00% of the calculated distribution amount.

14,492,000

c. For calculation of a distribution amount for counties from the mental health and developmental disabilities (MH/DD) community services fund in accordance with the formula provided in the appropriation made for the MH/DD community services fund for the fiscal year beginning July 1, 2003: \$ 17,727,890

4. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 2 for purposes to produce preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2002, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for that fiscal year. The withholding factor for a county shall be the following applicable percent:

a. For an ending balance percentage of less than 10 percent, a withholding factor of 0 percent. In addition to the county's adjusted distribution total, a county that is subject to this paragraph "a" shall receive an inflation adjustment equal to 2.6 percent of the gross expenditures reported for the county's services fund for that fiscal year.

b. For an ending balance percentage of 10 through 24 percent, a withholding factor of 25 percent.

c. For an ending balance percentage of 25 through 34 percent, a withholding factor of 60 percent.

d. ~~For an ending balance percentage of 35 through 44 percent, a withholding factor of 85 percent.~~

e. ~~d.~~ For an ending balance percentage of ~~45~~ 35 percent or more, a withholding factor of 100 percent.

5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding target amount of \$7,419,074 and the appropriation enacted by the Eightieth

4 7 ~~General Assembly, 2003 Session, for the MH/DD community~~  
 4 8 ~~services fund shall be reduced by the amount necessary to~~  
 4 9 ~~attain the withholding target amount \$9,418,362.~~ If the  
 4 10 department of human services determines that the amount to be  
 4 11 withheld in accordance with subsection 4 is not equal to the  
 4 12 target withholding amount, the department shall adjust the  
 4 13 withholding factors listed in subsection 4 as necessary to  
 4 14 achieve the withholding target amount. However, in making  
 4 15 such adjustments to the withholding factors, the department  
 4 16 shall strive to minimize changes to the withholding factors  
 4 17 for those ending balance percentage ranges that are lower than  
 4 18 others and shall not adjust the zero withholding factor or the  
 4 19 inflation adjustment percentage specified in subsection 4,  
 4 20 paragraph "a".

4 21 DIVISION II  
 4 22 STANDING APPROPRIATIONS — REDUCTIONS

4 23 Sec. 4. GENERAL ASSEMBLY. The appropriations made  
 4 24 pursuant to section 2.12 for the expenses of the general  
 4 25 assembly and legislative agencies for the fiscal year  
 4 26 beginning July 1, 2003, and ending June 30, 2004, are reduced  
 4 27 by the following amount:  
 4 28 ..... \$ 2,000,000

CODE: Reduces the FY 2004 General Fund standing appropriation to the General Assembly and legislative agencies.

DETAIL: This is a standing unlimited appropriation. The result of this reduction is a decrease of \$2,000,000 in the budgeted amount for FY 2004, but an increase of \$1,227,871 compared to anticipated expenditures in the budget system as estimated for FY 2003.

4 29 Sec. 5. REBUILD IOWA INFRASTRUCTURE FUND. Notwithstanding  
 4 30 section 8.56, subsection 4, there is appropriated from the  
 4 31 cash reserve fund to the rebuild Iowa infrastructure fund  
 4 32 created in section 8.57 for the fiscal year beginning July 1,  
 4 33 2002, and ending June 30, 2003, the following amount:  
 4 34 ..... \$ 2,150,000

CODE: Makes an FY 2003 supplemental appropriation of \$2,150,000 from the Cash Reserve Fund to the Rebuild Iowa Infrastructure Fund (RIIF).

DETAIL: This appropriation is necessary in order to fund a projected funding shortfall in the RIIF that has resulted from an Iowa Supreme Court decision that reduced the tax rate on racetrack establishments from 32.00% to 20.00%.

4 35 Sec. 6. ENVIRONMENT FIRST FUND. Notwithstanding the  
 5 1 amount of the standing appropriation from the rebuild Iowa  
 5 2 infrastructure fund under section 8.57A, subsection 4, there  
 5 3 is appropriated from the rebuild Iowa infrastructure fund to  
 5 4 the environment first fund, in lieu of the appropriation made  
 5 5 in section 8.57A, for the fiscal year beginning July 1, 2002,  
 5 6 and ending June 30, 2003, the following amount:  
 5 7 ..... \$ 18,445,000

CODE: Reduces the Rebuild Iowa Infrastructure Fund standing appropriation to the Environment First Fund from \$35,000,000 to \$18,445,000 for FY 2003.

DETAIL: This is a decrease to the standing appropriation of \$16,555,000. This reduction is necessary in order to avoid a shortfall in the RIIF in FY 2003. Senate File 436 (Environment First Fund Appropriations Act) provides a supplemental appropriation of \$16,555,000 from the Cash Reserve Fund to the Environment First Fund that fully funds the environmental appropriations.

5 8 Sec. 7. AT-RISK CHILDREN PROGRAMS. Notwithstanding the  
 5 9 standing appropriation in section 279.51, subsection 1, the  
 5 10 amount appropriated from the general fund of the state under  
 5 11 section 279.51, subsection 1, to the department of education  
 5 12 for the fiscal year beginning July 1, 2003, and ending June  
 5 13 30, 2004, is reduced by the following amount:  
 5 14 ..... \$ 1,000,000  
 5 15 The amount of the reduction in this section shall be  
 5 16 prorated among the programs specified in section 279.51,  
 5 17 subsection 1, paragraphs "a", "b", and "c".

CODE: Reduces the FY 2004 General Fund standing appropriation to the Department of Education for at-risk children programs.

DETAIL: This will result in a standing General Fund appropriation of \$11,560,000 for these programs for FY 2004. Maintains current level of funding.

Specifies that the \$1,000,000 reduction to at-risk children programs be prorated among the following programs:

- \$22,000 reduction for the area education agencies. For FY 2003, the area education agencies received \$275,000 to assist school districts with budgets and program plans related to at-risk programs.
- \$693,000 reduction for grants awarded by the Child Development Coordinating Council. The Council received \$8,510,000 for the grants in FY 2003.
- \$285,000 reduction in grants for school districts with innovative programs in kindergarten through third grade. School districts received \$3,500,000 for these programs in FY 2003.

5 18 Sec. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.  
 5 19 Notwithstanding section 312.2, subsection 14, the amount  
 5 20 appropriated from the general fund of the state under section  
 5 21 312.2, subsection 14, to the state department of  
 5 22 transportation for public transit assistance under chapter  
 5 23 324A for the fiscal year beginning July 1, 2003, and ending

CODE: Reduces the FY 2004 General Fund standing appropriation to the Department of Transportation for public transit assistance.

DETAIL: This will result in an estimated General Fund appropriation of \$9,763,259 for public transit assistance. This is an increase of

PG LN	Senate File 458	Explanation
5 24	June 30, 2004, is reduced by the following amount:	
5 25	..... \$ 1,298,675	\$1,284,125 compared to the FY 2003 estimated net appropriation. House File 683 (Grow Iowa Values Fund) enacted by the General Assembly in the 2003 First Extraordinary Session and signed by the Governor, amends this Section and reduces the standing appropriation for public transit by an additional \$1,284,125.
5 26	Sec. 9. Section 294A.25, subsection 1, Code 2003, is	
5 27	amended to read as follows:	CODE: General Fund appropriation for FY 2004 of \$56,891,336 to the Department of Education for the Educational Excellence Program.
5 28	1. For the fiscal year beginning July 1, <del>2000</del> 2003, and	
5 29	for each succeeding year, there is appropriated from the	
5 30	general fund of the state to the department of education the	DETAIL: This is a decrease of \$10,000,000 compared to the FY 2003 estimated net General Fund appropriation. Specifies that the funding be used for Phase I and Phase II of the Program. Phase I provides funds for school districts to provide a minimum teacher salary of \$23,000. Phase II provides funds for school districts to improve teacher salaries.
5 31	amount of <del>eighty fifty-six</del> million eight hundred ninety-one	
5 32	thousand three hundred thirty-six dollars to be used to	
5 33	improve teacher salaries. The moneys shall be distributed as	
5 34	provided in this section.	
5 35	Sec. 10. EFFECTIVE DATE. The sections of this division of	
6 1	this Act relating to the appropriations made to the rebuild	Specifies that sections of this Division relating to appropriations made to the Rebuild Iowa Infrastructure Fund and the Environment First Fund are effective on enactment.
6 2	Iowa infrastructure fund and environment first fund for the	
6 3	fiscal year beginning July 1, 2002, being deemed of immediate	
6 4	importance, take effect upon enactment.	
6 5	DIVISION III	
6 6	STANDING APPROPRIATIONS — LIMITATIONS	
6 7	Sec. 11. Notwithstanding the standing appropriations in	
6 8	the following designated sections for the fiscal year	
6 9	beginning July 1, 2003, and ending June 30, 2004, the amounts	
6 10	appropriated from the general fund of the state pursuant to	
6 11	those sections for the following designated purposes shall not	
6 12	exceed the following amounts:	
6 13	1. For compensation of officers and enlisted persons and	
6 14	their expenses while on state active duty as authorized in	CODE: Limits the FY 2004 standing appropriation to the Department of Public Defense for active duty pay.
6 15	section 29A.27:	
6 16	..... \$ 432,450	

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation.

6 17 2. For payment for nonpublic school transportation under  
6 18 section 285.2:

CODE: Limits the FY 2004 standing appropriation to the Department of Education for nonpublic school transportation.

6 19 ..... \$ 7,799,550

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation. Requires the Department to prorate claims, if the amount of claims exceeds the amount appropriated.

6 20 If total approved claims for reimbursement for nonpublic  
6 21 school pupil transportation claims exceed the amount  
6 22 appropriated in this section, the department of education  
6 23 shall prorate the amount of each claim.

6 24 3. For printing cigarette tax stamps under section 453A.7:

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for the cost of printing cigarette stamps.

6 25 ..... \$ 110,055

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation.

6 26 4. For the state's share of the cost of the peace  
6 27 officers' retirement benefits under section 411.20:

CODE: Limits the FY 2004 standing appropriation to the Statewide Fire and Police Retirement System for the State contribution to the Municipal Fire and Police Officer Retirement Fund.

6 28 ..... \$ 2,816,189

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation.

6 29 5. For payment of livestock production credit refunds  
6 30 under section 422.121:

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for the Livestock Producers Tax Credit.

6 31 ..... \$ 1,815,735

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation.

6 32 6. For reimbursement for the homestead property tax credit  
6 33 under section 425.1:

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for the Homestead Property Tax Credit.

6 34 ..... \$105,585,004

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation.

6 35 7. For reimbursement for the agricultural land and family  
7 1 farm tax credits under section 426.1:

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for the Agricultural Land Tax Credit.

7 2 ..... \$ 35,497,624

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation.

7 3 8. For reimbursement for the military service tax credit  
7 4 under section 426A.1A:  
7 5 ..... \$ 2,569,712

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for the Military Service Tax Credit.

DETAIL: This is the same level of General Fund support as the FY 2003 estimated net General Fund appropriation.

7 6 9. For administration expenses of the state unemployment  
7 7 compensation law under chapter 96:  
7 8 ..... \$ 450,000

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for unemployment compensation.

DETAIL: This is an increase of \$97,000 compared to the FY 2003 estimated net General Fund appropriation.

7 9 10. For payment of certain interest costs due the federal  
7 10 government under the federal Cash Management and Improvement  
7 11 Act under section 421.31:  
7 12 ..... \$ 550,000

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for interest costs associated with the Federal Cash Management Program.

DETAIL: This a decrease of \$18,458 compared to the FY 2003 estimated net General Fund appropriation.

7 13 11. For funding the state's deferred compensation program  
7 14 established for state employees under section 509A.12:  
7 15 ..... \$ 56,501

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for the Deferred Compensation Program.

DETAIL: This is an increase of \$6,830 compared to the FY 2003 estimated net General Fund appropriation.

7 16 Sec. 12. ELDERLY AND DISABLED CREDIT. Notwithstanding the  
7 17 standing appropriation in section 425.39, the amount  
7 18 appropriated from the general fund of the state under section  
7 19 425.39, for the fiscal year beginning July 1, 2003, and ending  
7 20 June 30, 2004, for purposes of implementing the elderly and  
7 21 disabled credit and reimbursement portion of the extraordinary  
7 22 property tax and reimbursement division of chapter 425, shall  
7 23 not exceed \$16,651,800. The director shall pay, in full, all  
7 24 claims to be paid during the fiscal year beginning July 1,  
7 25 2003, for reimbursement of rent constituting property taxes  
7 26 paid. If the amount of claims for credit for property taxes

CODE: Limits the FY 2004 standing appropriation to the Department of Revenue and Finance for the Elderly and Disabled Property Tax Credit to \$16,651,800.

DETAIL: This is an increase of \$854,903 compared to the FY 2003 estimated net General Fund appropriation. Requires full payment of FY 2004 claims for reimbursement of rent constituting property taxes paid by renters. If the amount of claims for credit for property taxes for FY 2004 exceeds the amount remaining after payment to renters, the



7 27 due to be paid during the fiscal year beginning July 1, 2003,  
 7 28 exceeds the amount remaining after payment to renters, the  
 7 29 director of revenue and finance shall prorate the payments to  
 7 30 the counties for the property tax credit. In order for the  
 7 31 director to carry out the requirements of this section,  
 7 32 notwithstanding any provision to the contrary in sections  
 7 33 425.16 through 425.39, claims for reimbursement for rent  
 7 34 constituting property taxes paid filed before May 1, 2004,  
 7 35 shall be eligible to be paid in full during the fiscal year  
 8 1 ending June 30, 2004, and those claims filed on or after May  
 8 2 1, 2004, shall be eligible to be paid during the fiscal year  
 8 3 beginning July 1, 2004, and the director is not required to  
 8 4 make payments to counties for the property tax credit before  
 8 5 June 15, 2004.

Director of the Department is allowed to prorate payments to counties. Allows claims received by May 1, 2004, to be paid in full during FY 2004. Claims filed on or after May 1, 2004, may be paid during FY 2005, and the Director is not required to make payments to counties for the property tax credits prior to June 15, 2004.

8 6 [Sec. 13. REDUCTION IN CREDITS NOT APPLICABLE. The  
 8 7 provision in section 25B.7 relating to the proration of the  
 8 8 property tax credits does not apply with respect to the amount  
 8 9 of state reimbursement for property tax credits under this  
 8 10 division.]

VETOED

CODE: Specifies that the statutory provision relating to proration of property tax credits is not applicable to the property tax credits affected by this Division.

DETAIL: This Section prevents local government from prorating credits based on available funds. The result is the reduction in State funding for the credits must come from the local government budget rather than being passed on to the taxpayer.

VETOED: The Governor vetoed this Section and stated that it would reduce funding for local governments further than the reductions in SF 453 (Reinvention of Government Act). The result is that each local government will determine if the reduction in State funding for the credits will be passed on to the taxpayers.

8 11 DIVISION IV  
 8 12 REVENUE ADJUSTMENTS — APPROPRIATIONS

8 13 Sec. 14. IOWA ECONOMIC EMERGENCY AND RESERVE FUNDS —  
 8 14 EARNINGS. Notwithstanding section 8.55, subsection 4, and  
 8 15 section 8.56, subsection 1, for the fiscal year beginning July  
 8 16 1, 2003, and ending June 30, 2004, the interest and earnings  
 8 17 on moneys deposited in the Iowa economic emergency fund and  
 8 18 the cash reserve fund shall be credited to the general fund of

CODE: Requires the interest and earnings on the Iowa Economic Emergency Fund and the Cash Reserve Fund to be deposited in the General Fund for FY 2004.

8 19 the state.

DETAIL: The interest and earnings on the Funds for FY 2004 are estimated to be \$7,600,000. This provision is the same one required for FY 2003. Current statutory language requires the interest and earnings to be deposited in the Rebuild Iowa Infrastructure Fund. However, these earnings have been transferred to the General Fund for FY 2002 and FY 2003.

8 20 Sec. 15. USE OF REVERSIONS. Notwithstanding section 8.62,  
8 21 if on June 30, 2004, a balance of an operational  
8 22 appropriation, as defined in section 8.62, except for the  
8 23 balances of charter agencies, as defined in section 7J.1, if  
8 24 enacted by 2003 Iowa Acts, Senate File 453, remains unexpended  
8 25 or unencumbered, the balance shall revert to the general fund  
8 26 of the state as provided in section 8.33.

CODE: Requires all unencumbered and unexpended appropriations to revert to the General Fund on June 30, 2004, except for appropriations to Charter Agencies authorized in SF 453 (Reinvention of Government Act).

DETAIL: Reversions for FY 2004 are estimated to be \$12,500,000. Senate File 453 was enacted by the General Assembly on April 25, 2003, and signed by the Governor on May 30, 2003.

8 27 Sec. 16. KEEP IOWA BEAUTIFUL FUND. For the fiscal years  
8 28 beginning July 1, 2002, and July 1, 2003, moneys credited to  
8 29 the keep Iowa beautiful fund in accordance with section  
8 30 422.12A are appropriated to the state department of  
8 31 transportation to be used for the purposes provided in section  
8 32 314.28.

Appropriates funds credited to the Keep Iowa Beautiful Fund for FY 2003 and FY 2004 to the Department of Transportation for purposes of the Keep Iowa Beautiful Program.

DETAIL: The amount in the Fund that is available for appropriation is approximately \$56,633. House File 737 (Keep Iowa Beautiful Fund – Income Tax Checkoff Act), enacted during the 2001 Legislative Session, created a Keep Iowa Beautiful Fund within the Office of the Treasurer of State. The Act allows a person that files an individual or a joint income tax return to designate \$1.00 or more to the Fund. Moneys in the Fund are subject to an annual appropriation for the purposes of enhancing the environment through litter prevention, improving waste management and recycling efforts, and beautification projects.

8 33 Sec. 17. ENDOWMENT FOR IOWA'S HEALTH. For the fiscal year  
8 34 beginning July 1, 2003, and ending June 30, 2004, of the  
8 35 \$70,000,000 to be deposited in the endowment for Iowa's health  
9 1 account of the tobacco settlement trust fund under 2001 Iowa  
9 2 Acts, chapter 174, section 1, subsection 1, the following  
9 3 amount shall instead be deposited in the general fund of the  
9 4 state:

Transfers \$20,000,000 of the \$70,000,000 of gaming receipts to be deposited in the General Fund for FY 2004 to the Endowment for Iowa's Health Account for FY 2004.

DETAIL: The projected FY 2004 ending balance for the Endowment for Iowa's Health Account is approximately \$29,033,236. This includes

PG LN	Senate File 458	Explanation
9 5	..... \$ 20,000,000	the proposed \$20,000,000 transfer from the Endowment to the General Fund, the transfer of \$5,206,960 to the Healthy Iowans Tobacco Trust in HF 685 (FY 2004 Healthy Iowans Tobacco Trust), and the elimination of the \$28,251,000 General Fund appropriation to the Endowment as proposed in this Act.
9 6	Sec. 18. JUNIOR OLYMPICS. There is appropriated from the	General Fund appropriation for FY 2004 to the Department of Economic Development for assistance to a city or nonprofit organization hosting the National Junior Olympics.
9 7	general fund of the state to the department of economic	
9 8	development for the fiscal year beginning July 1, 2003, and	DETAIL: This is a new appropriation for FY 2004.
9 9	ending June 30, 2004, the following amount, or so much thereof	
9 10	as is necessary, to be used for the purpose designated:	
9 11	For providing assistance to a city or nonprofit	
9 12	organization hosting the national junior olympics:	
9 13	..... \$ 50,000	
9 14	Sec. 19. REBUILD IOWA INFRASTRUCTURE FUND.	CODE: Rebuild Iowa Infrastructure Fund appropriation to the General Fund for FY 2004.
9 15	Notwithstanding section 8.57, subsection 5, there is	
9 16	appropriated from the rebuild Iowa infrastructure fund	
9 17	created in section 8.57, subsection 5, to the general	
9 18	fund of the state during the fiscal year beginning	
9 19	July 1, 2003, and ending June 30, 2004, the following	
9 20	amount:	
9 21	..... \$ 10,000,000	
9 22	Sec. 20. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa Acts,	CODE: Increases the General Fund appropriation to the Iowa Law Enforcement Academy by \$45,000 compared to SF 439 (FY 2004 Justice System Appropriations Act).
9 23	Senate File 439, section 10, subsection 1, unnumbered	
9 24	paragraph 2, if enacted, is amended to read as follows:	
9 25	For salaries, support, maintenance, miscellaneous purposes,	DETAIL: This increase is for general operating expenditures.
9 26	including jailer training and technical assistance, and for	
9 27	not more than the following full-time equivalent positions:	
9 28	..... \$ <del>1,002,629</del>	
9 29	<u>1,047,629</u>	
9 30	..... FTEs 30.05	
9 31	Sec. 21. MILITARY PAY DIFFERENTIAL. There is appropriated	CODE: Cash Reserve Fund FY 2003 supplemental appropriation to the Department of Revenue and Finance (now part of the new
9 32	from the cash reserve fund to the department of revenue and	
9 33	finance or its successor agency for the period beginning March	
9 34	19, 2003, and ending June 30, 2003, the following amount, or	

9 35 so much thereof as is necessary, for the purposes designated:  
 10 1 For a military pay differential program and health  
 10 2 insurance retention program for individuals activated for the  
 10 3 armed services of the United States, for employees on the  
 10 4 central payroll system:  
 10 5 ..... \$ 1,810,000  
 10 6 Of the funds appropriated in this section, up to \$10,000 is  
 10 7 transferred to the Iowa department of public health for  
 10 8 allocation to community mental health centers to provide  
 10 9 counseling services to persons who are members of the national  
 10 10 guard and reservists activated but as yet not sent to combat  
 10 11 zones and to the persons' family members. The sessions shall  
 10 12 be provided on a first come, first served basis and shall be  
 10 13 limited to three visits per family.  
 10 14 The department or agency receiving funds under this section  
 10 15 shall report monthly to the fiscal committee of the  
 10 16 legislative council on the use of the funds.  
 10 17 Notwithstanding section 8.33, unencumbered or unobligated  
 10 18 funds remaining on June 30, 2003, from the appropriation made  
 10 19 in this section shall not revert but shall remain available to  
 10 20 be used for the purposes designated in the following fiscal  
 10 21 year.

10 22 Sec. 22. ASSISTED LIVING PROGRAMS. Notwithstanding  
 10 23 section 231C.6, any fees remaining on June 30, 2003, in the  
 10 24 assisted living program fund created pursuant to section  
 10 25 231C.6 are appropriated to the department of inspections and  
 10 26 appeals for the fiscal year beginning July 1, 2003, and ending  
 10 27 June 30, 2004, to carry out the purposes of chapter 231C.

10 28 [Sec. 23. COUNTY HOSPITALS. There is appropriated from the  
 10 29 general fund of the state to the department of human services  
 10 30 for the fiscal year beginning July 1, 2003, and ending June  
 10 31 30, 2004, the following amount, or so much thereof as is  
 10 32 necessary, for the purpose designated:  
 10 33 For support of operational expenses of county hospitals in  
 10 34 counties having a population of two hundred twenty-five  
 10 35 thousand or more:

Department of Administrative Services) for the Military Pay Differential Program and other costs associated with maintenance of State employee positions for employees called to active military duty. The Program pays State employees the difference between their State base pay and their military service compensation.

DETAIL: Requires at least \$10,000 to be allocated to the Department of Public Health for community health centers to provide counseling to National Guard and reserve members not yet called to active military duty, and their families. Requires agencies receiving funds to report monthly on use of the funds to the Fiscal Committee of the Legislative Council. Provides for nonreversion of funds remaining on June 30, 2003.

CODE: Requires funds remaining in the Assisted Living Program Fund on June 30, 2003, to be appropriated to the Department of Inspections and Appeals for FY 2004.

General Fund appropriation to the Department of Human Services for FY 2004 for support of Broadlawns Medical Center in Des Moines.

VETOED

DETAIL: These funds are to offset reductions in local funding in SF 453 (Reinvention of Government Act).

11 1 ..... \$ 312,000]

VETOED: The Governor vetoed this Section and stated it was inequitable to reimburse a single county hospital.

Funding for this purpose was subsequently provided in Section 5 of HF 683 (Grow Iowa Values Fund Appropriations Act), approved by the General Assembly during the 2003 Extraordinary Session and signed by the Governor on June 19, 2003.

11 2 Sec. 24. WORKFORCE DEVELOPMENT. There is appropriated  
11 3 from the general fund of the state to the Iowa department of  
11 4 workforce development for the fiscal year beginning July 1,  
11 5 2003, and ending June 30, 2004, the following amount, or so  
11 6 much thereof as is necessary, for the purpose designated:  
11 7 For salaries and support and for the following full-time  
11 8 equivalent positions:

11 9 ..... \$ 250,000

11 10 ..... FTEs 5.00

11 11 The appropriation in this section shall be used for four  
11 12 OSHA inspectors and one workers' compensation compliance  
11 13 officer. The appropriation in this section is contingent upon  
11 14 the enactment of 2003 Iowa Acts, Senate File 344, by the  
11 15 Eightieth General Assembly, 2003 Regular Session.

Contingent General Fund appropriation to the Department of Workforce Development for FY 2004.

DETAIL: These funds and FTE positions were contingent on enactment of SF 344 (Business Regulatory Reform) and were to be used to fund four Occupational Safety and Health Administration (OSHA) inspectors and one workers' compensation compliance officer. Senate File 344 was not enacted during the 2003 Regular Session.

11 16 Sec. 25. UNEMPLOYMENT TRUST FUND. There is appropriated  
11 17 from moneys transferred to the state on March 13, 2002,  
11 18 pursuant to section 903(d) of the federal Social Security Act,  
11 19 as amended, to the department of workforce development, the  
11 20 following amount, to be deposited, under the direction of the  
11 21 department of workforce development, in the unemployment  
11 22 compensation fund for the payment of unemployment benefits and  
11 23 for the establishment of the unemployment compensation reserve  
11 24 fund:

11 25 ..... \$ 40,000,000

11 26 Sec. 26. UNEMPLOYMENT TAX AND CLAIM SYSTEM. There is  
11 27 appropriated from moneys transferred to the state on March 13,  
11 28 2002, pursuant to section 903(d) of the federal Social  
11 29 Security Act, as amended, to the department of workforce  
11 30 development, the following amount for purposes of automation

Appropriates \$80,700,000 of federal Reed Act funds as follows:

- \$40,000,000 to be deposited in the Unemployment Compensation Trust Fund for continued payment of unemployment benefits. This will partially offset the deposit of unemployment compensation contributions deposited into the Reserve Fund rather than the Trust Fund.
- \$20,000,000 for automation and technology related to the unemployment tax and claim system.
- \$20,700,000 for infrastructure improvements and the administrative and technology costs associated with enhanced services to unemployment benefit claimants for workforce and labor exchange services.

11 31 and technology for the unemployment tax and claim system:  
 11 32 ..... \$ 20,000,000  
 11 33 Sec. 27. ENHANCED SERVICES TO CLAIMANTS. There is  
 11 34 appropriated from moneys transferred to the state on March 13,  
 11 35 2002, pursuant to section 903(d) of the federal Social  
 12 1 Security Act, as amended, to the department of workforce  
 12 2 development the following amount for purposes of  
 12 3 infrastructure improvements and the administrative and  
 12 4 technology costs associated with enhanced services to  
 12 5 unemployment benefit claimants for workforce and labor  
 12 6 exchange services:  
 12 7 ..... \$ 20,700,000

DETAIL: The federal government charges most employers a Federal Unemployment Tax (FUTA) equal to a percentage of the federal taxable wage base. These funds are collected by the Internal Revenue Service and deposited into the Federal Unemployment Trust Fund. When certain federal criteria are met, and the Fund and other federal funds reach a specified amount, the federal government may return the surplus to the States to be used for State Unemployment Compensation activities. The State of Iowa has received these funds in the past, but in much smaller amounts. Iowa received a one-time allocation of \$80,700,000 in federal Reed Act moneys in March of 2002.

12 8 Sec. 28. FEDERAL FISCAL RELIEF FUNDING. If the  
 12 9 one hundred eighth United States Congress enacts an  
 12 10 economic stimulus package that includes the provision  
 12 11 of discretionary funding to the state to provide state  
 12 12 or local government fiscal relief, the funding shall  
 12 13 be deposited in the fund created by section 8.41.

Specifies that any federal fiscal relief funding received is to be deposited in the Federal Block Grant Fund created in the Office of the Treasurer of State.

12 14 Sec. 29. Section 8.55, subsection 2, paragraph c, Code  
 12 15 2003, is amended to read as follows:  
 12 16 c. Notwithstanding paragraph "a", any moneys in excess of  
 12 17 the maximum balance in the economic emergency fund after the  
 12 18 distribution of the surplus in the general fund of the state  
 12 19 at the conclusion of each fiscal year and after the  
 12 20 appropriate amount has been transferred pursuant to paragraph  
 12 21 "b", shall not be transferred to the general fund of the state  
 12 22 but shall be transferred to the senior living trust fund. The  
 12 23 total amount transferred, in the aggregate, under this  
 12 24 paragraph for all fiscal years shall not exceed fifty-one one  
 12 25 hundred eighteen million ~~five hundred thousand~~ dollars.

CODE: Increases the amount from \$51,500,000 to \$118,000,000 that is required to be transferred from future excess revenues of the Economic Emergency Fund to the Senior Living Trust Fund, after the Economic Emergency Fund has reached its maximum balance as required by the Code of Iowa, and the first \$40,000,000 of excess funds are transferred to the Endowment for Iowa's Health Account.

DETAIL: House File 2075 (FY 2002 Endowment Reimbursement Act) required the transfer of \$51,500,000 from the Economic Emergency Fund to the Senior Living Trust Fund. Estimates assumed the repayment of the \$51,500,000 would not occur before FY 2008.

12 26 Sec. 30. Section 8.55, subsection 2, paragraph d, Code  
 12 27 2003, is amended to read as follows:  
 12 28 d. Notwithstanding paragraph "a", any moneys in excess of  
 12 29 the maximum balance in the economic emergency fund after the  
 12 30 distribution of the surplus in the general fund of the state

CODE: Increases the aggregate repayment amount that is to be transferred from the Economic Emergency Fund to the Endowment for Iowa's Health Account from \$60,500,000 to \$101,750,000.

12 31 at the conclusion of each fiscal year and after the  
12 32 appropriate amounts have been transferred pursuant to  
12 33 paragraphs "b" and "c" shall not be transferred to the general  
12 34 fund of the state but shall be transferred to the endowment  
12 35 for Iowa's health account of the tobacco settlement trust  
13 1 fund. The total amount transferred, in the aggregate, under  
13 2 this paragraph for all fiscal years shall not exceed the  
13 3 difference between ~~sixty one hundred one million five seven~~  
13 4 hundred fifty-one thousand dollars and the amounts transferred  
13 5 to the endowment for Iowa's health account to repay the  
13 6 amounts transferred or appropriated from the endowment for  
13 7 Iowa's health account in 2002 Iowa Acts, chapter 1165, 2002  
13 8 Iowa Acts, chapter 1166, 2002 Iowa Acts, chapter 1167, ~~and~~  
13 9 2002 Iowa Acts, Second Extraordinary Session, chapter 1003,  
13 10 and 2003 Iowa Acts, House File 685.

13 11 Sec. 31. Section 8.57, subsection 1, paragraph a,  
13 12 unnumbered paragraph 1, Code Supplement 2001, as enacted by  
13 13 2002 Iowa Acts, Second Extraordinary Session, chapter 1001,  
13 14 section 28, is amended to read as follows:  
13 15 The "cash reserve goal percentage" for fiscal years  
13 16 beginning on or after July 1, ~~2003~~ 2004, is seven and one-half  
13 17 percent of the adjusted revenue estimate. For each fiscal  
13 18 year ~~beginning on or after July 1, 2003~~, in which the  
13 19 appropriation of the surplus existing in the general fund of  
13 20 the state at the conclusion of the prior fiscal year pursuant  
13 21 to paragraph "b" was not sufficient for the cash reserve fund  
13 22 to reach the cash reserve goal percentage for the current  
13 23 fiscal year, there is appropriated from the general fund of  
13 24 the state an amount to be determined as follows:

13 25 Sec. 32. Section 96.9, Code 2003, is amended by adding the  
13 26 following new subsection:  
13 27 NEW SUBSECTION. 8. UNEMPLOYMENT COMPENSATION RESERVE  
13 28 FUND.  
13 29 a. A special fund to be known as the unemployment  
13 30 compensation reserve fund is created in the state treasury.  
13 31 The reserve fund is separate and distinct from the

CODE: States that the cash reserve goal percentage for FY 2005 and later years is 7.50% of the adjusted revenue estimate.

CODE: Establishes an Unemployment Compensation Reserve Fund. Requires moneys deposited in the Fund to be used solely for the payment of unemployment benefits. Requires interest earned from the Unemployment Compensation Reserve Fund to be used for the support of rural and satellite workforce development offices. Requires

13 32 unemployment compensation fund. All moneys collected as  
13 33 reserve contributions, as defined in paragraph "b", shall be  
13 34 deposited in the reserve fund. The moneys in the reserve fund  
13 35 may be used for the payment of unemployment benefits and shall  
14 1 remain available for expenditure in accordance with the  
14 2 provisions of this subsection. The treasurer of state shall  
14 3 be the custodian of the reserve fund and shall disburse the  
14 4 moneys in the reserve fund in accordance with this subsection  
14 5 and the directions of the director of the department of  
14 6 workforce development.  
14 7 b. If the balance in the reserve fund on July 1 of the  
14 8 preceding calendar year for calendar year 2004 and each year  
14 9 thereafter is less than one hundred fifty million dollars, a  
14 10 percentage of contributions, as determined by the director,  
14 11 shall be deemed to be reserve contributions for the following  
14 12 calendar year. If the percentage of contributions, termed the  
14 13 reserve contribution tax rate, is not zero percent as  
14 14 determined pursuant to this subsection, the combined tax rate  
14 15 of contributions to the unemployment compensation fund and to  
14 16 the unemployment compensation reserve fund shall be divided so  
14 17 that a minimum of fifty percent of the combined tax rate  
14 18 equals the unemployment contribution tax rate and a maximum of  
14 19 fifty percent of the combined tax rate equals the reserve  
14 20 contribution tax rate except for employers who are assigned a  
14 21 combined tax rate of five and four-tenths. For those  
14 22 employers, the reserve contribution tax rate shall equal zero  
14 23 and their combined tax rate shall equal their unemployment  
14 24 contribution rate. When the reserve contribution tax rate is  
14 25 determined to be zero percent, the unemployment contribution  
14 26 rate for all employers shall equal one hundred percent of the  
14 27 combined tax rate. The reserve contributions collected in any  
14 28 calendar year shall not exceed fifty million dollars. The  
14 29 provisions for collection of contributions under section 96.14  
14 30 are applicable to the collection of reserve contributions.  
14 31 Reserve contributions shall not be deducted in whole or in  
14 32 part by any employer from the wages of individuals in its  
14 33 employ. All moneys collected as reserve contributions shall  
14 34 not become part of the unemployment compensation fund but

50.00% of the unemployment compensation contributions collected to be deposited into the Reserve Fund and caps the amount deposited in a calendar year at \$150,000,000. Caps the Unemployment Compensation Reserve Fund at \$150,000,000.

DETAIL: Senate File 344 (Business Regulatory Reform) extends the repeal on the employment security administrative contribution surcharge from July 1, 2003 to July 1, 2006. The Bill allows the Department of Workforce Development to continue to collect surcharge contributions of up to \$6,525,000 for FY 2004 and FY 2005. The surcharge is reduced to \$3,262,500 for FY 2006 and repealed starting in FY 2007. The interest accrued on the Unemployment Contribution Reserve Fund will be used to fund rural and satellite workforce development offices once the surcharge is reduced and repealed. Senate File 344 was not enacted. However, HF 692 (Property Tax Reform Act) approved during the 2003 First Extraordinary Session and signed by the Governor, had the same effect as SF 344 and did extend the surcharge as described.



14 35 shall be deposited in the reserve fund created in this  
15 1 subsection.  
15 2 c. Moneys in the reserve fund shall only be used to pay  
15 3 unemployment benefits to the extent moneys in the unemployment  
15 4 compensation fund are insufficient to pay benefits during a  
15 5 calendar quarter.  
15 6 d. The interest earned on the moneys in the reserve fund  
15 7 shall be deposited in and credited to the reserve fund.  
15 8 e. Moneys from interest earned on the unemployment  
15 9 compensation reserve fund shall be used by the department only  
15 10 upon appropriation by the general assembly and only for  
15 11 purposes contained in section 96.7, subsection 12, for  
15 12 department of workforce development rural satellite offices,  
15 13 and for administrative costs to collect the reserve  
15 14 contributions.

15 15 Sec. 33. Section 256D.4, subsection 2, unnumbered  
15 16 paragraph 1, Code 2003, is amended to read as follows:  
15 17 ~~For each fiscal year in the fiscal period beginning July 1,~~  
15 18 ~~2001, and ending June 30, 2003, moneys~~ Moneys appropriated  
15 19 pursuant to section 256D.5, subsection 3, shall be allocated  
15 20 to school districts as follows:

CODE: Technical correction to reflect the extension of funding for the Early Intervention (Class Size Reduction) Block Grant Program in Section 34 of this Act.

15 21 Sec. 34. Section 256D.5, subsection 3, Code 2003, is  
15 22 amended to read as follows:  
15 23 3. For each fiscal year of the fiscal period beginning  
15 24 July 1, 2001, and ending June 30, ~~2003~~ 2004, the sum of thirty  
15 25 million dollars.

CODE: Extends the standing appropriation of \$30,000,000 to the Department of Education for the Early Intervention (Class Size Reduction) Block Grant Program through FY 2004.

DETAIL: The appropriation was scheduled to expire on June 30, 2003.

15 26 Sec. 35. Section 260G.4B, subsection 1, Code 2003, is  
15 27 amended to read as follows:  
15 28 1. The total amount of program job credits from all  
15 29 employers which shall be allocated for all accelerated career  
15 30 education programs in the state in any one fiscal year shall  
15 31 not exceed the sum of three million dollars in the fiscal year  
15 32 beginning July 1, 2000, three million dollars in the fiscal  
15 33 year beginning July 1, 2001, three million dollars in the

CODE: Limits the total amount of Program Job Credits allocated under the Accelerated Career Education Program to \$4,000,000 for FY 2004 and \$6,000,000 for FY 2005 and later years.

DETAIL: Current law limits the total amount to \$6,000,000 for FY 2004 and later years.

15 34 fiscal year beginning July 1, 2002, four million dollars in  
15 35 the fiscal year beginning July 1, 2003, and six million  
16 1 dollars in the fiscal year beginning July 1, ~~2003~~ 2004, and  
16 2 every fiscal year thereafter. Any increase in program job  
16 3 credits above the six-million-dollar limitation per fiscal  
16 4 year shall be developed, based on recommendations in a study  
16 5 which shall be conducted by the department of economic  
16 6 development of the needs and performance of approved programs  
16 7 in the fiscal years beginning July 1, 2000, and July 1, 2001.  
16 8 The study's findings and recommendations shall be submitted to  
16 9 the general assembly by the department by December 31, 2002.  
16 10 The study shall include but not be limited to an examination  
16 11 of the quality of the programs, the number of program  
16 12 participant placements, the wages and benefits in program  
16 13 jobs, the level of employer contributions, the size of  
16 14 participating employers, and employer locations. A community  
16 15 college shall file a copy of each agreement with the  
16 16 department of economic development. The department shall  
16 17 maintain an annual record of the proposed program job credits  
16 18 under each agreement for each fiscal year. Upon receiving a  
16 19 copy of an agreement, the department shall allocate any  
16 20 available amount of program job credits to the community  
16 21 college according to the agreement sufficient for the fiscal  
16 22 year and for the term of the agreement. When the total  
16 23 available program job credits are allocated for a fiscal year,  
16 24 the department shall notify all community colleges that the  
16 25 maximum amount has been allocated and that further program job  
16 26 credits will not be available for the remainder of the fiscal  
16 27 year. Once program job credits have been allocated to a  
16 28 community college, the full allocation shall be received by  
16 29 the community college throughout the fiscal year and for the  
16 30 term of the agreement even if the statewide program job credit  
16 31 maximum amount is subsequently allocated and used.

16 32 Sec. 36. Section 294A.25, subsection 10, Code 2003, is  
16 33 amended to read as follows:

16 34 10. For ~~the each~~ fiscal year beginning July 1, 2001, and  
16 35 ~~ending June 30, 2002,~~ to the department of education from

CODE: Makes the Educational Excellence standing appropriation  
allocation of \$47,000 to the Department of Education for the Iowa

17 1 ~~phase III moneys~~ the amount of forty-seven thousand dollars  
 17 2 for the Iowa mathematics and science coalition.

Mathematics and Science Coalition a permanent allocation for each fiscal year.

17 3 Sec. 37. Section 427B.19A, subsection 1, as amended by  
 17 4 2003 Iowa Acts, Senate File 453, if enacted, is amended to  
 17 5 read as follows:  
 17 6 1. The industrial machinery, equipment and computers  
 17 7 property tax replacement fund is created. For the fiscal year  
 17 8 beginning July 1, 1996, through the fiscal year ending June  
 17 9 30, 2004, there is appropriated annually from the general fund  
 17 10 of the state to the department of revenue and finance to be  
 17 11 credited to the industrial machinery, equipment and computers  
 17 12 property tax replacement fund, an amount sufficient to  
 17 13 implement this division. However, for the fiscal year  
 17 14 beginning July 1, 2003, the amount appropriated to the  
 17 15 department of revenue and finance to be credited to the  
 17 16 industrial machinery, equipment and computers tax replacement  
 17 17 fund is ~~ten~~ eleven million two hundred eighty-one thousand six  
 17 18 hundred eighty-five dollars.

CODE: Increases the General Fund standing appropriation for Machinery and Equipment Property Tax Replacement from \$10,081,865 to \$11,281,865.

DETAIL: This is an increase of \$1,200,000 compared to the appropriation limit in SF 453 (Reinvention of Government Act). This is a decrease of \$9,709,800 compared to the FY 2003 estimated net appropriation.

17 19 Sec. 38. 2001 Iowa Acts, chapter 174, section 1,  
 17 20 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,  
 17 21 section 8, is amended to read as follows:  
 17 22 2. There is appropriated from the general fund of the  
 17 23 state to the endowment for Iowa's health account of the  
 17 24 tobacco settlement trust fund created in section 12E.12, for  
 17 25 the designated fiscal years, the following amounts, to be used  
 17 26 for the purposes specified in section 12E.12 for the endowment  
 17 27 for Iowa's health account:

17 28	FY 2001–2002 .....	\$ 7,248,000
17 29	FY 2003–2004 .....	\$ <del>28,251,000</del>
17 30		<u>0</u>
17 31	FY 2004–2005 .....	\$ 29,785,000
17 32	FY 2005–2006 .....	\$ 29,562,000
17 33	FY 2006–2007 .....	\$ 17,773,000

CODE: Eliminates the FY 2004 General Fund appropriation to the Endowment for Iowa's Health Account.

DETAIL: The projected FY 2004 ending balance for the Endowment for Iowa's Health Account is approximately \$29,033,236. This includes the proposed \$20,000,000 transfer from the Endowment to the General Fund, the transfer of \$5,206,960 to the Healthy Iowans Tobacco Trust in HF 685 (FY 2004 Healthy Iowans Tobacco Trust Appropriations Act), and the elimination of the \$28,251,000 General Fund appropriation to the Endowment as proposed in this Act.

17 34 Sec. 39. 2002 Iowa Acts, chapter 1173, section 18, is  
17 35 amended to read as follows:  
18 1 SEC. 18. POOLED TECHNOLOGY FUNDING — PRIOR ALLOCATIONS —  
18 2 NONREVERSION. Notwithstanding section 8.33, moneys  
18 3 appropriated and allocated in 2001 Iowa Acts, chapter 189,  
18 4 section 5, subsection 1, which remain unobligated or  
18 5 unexpended at the close of the fiscal year for which they were  
18 6 appropriated shall not revert, but shall remain available for  
18 7 expenditure for the purposes for which they were appropriated  
18 8 and allocated, for the fiscal ~~year~~ period beginning July 1,  
18 9 2002, and ending June 30, ~~2003~~ 2004.

CODE: Extends the nonreversion period for Pooled Technology Fund allocations through June 30, 2004.

18 10 Sec. 40. 2002 Iowa Acts, Second Extraordinary Session,  
18 11 chapter 1001, section 33, is amended to read as follows:  
18 12 SEC. 33. EFFECTIVE DATE — APPLICABILITY. The amendments  
18 13 to the following designated Code provisions in this division  
18 14 of this Act take effect July 1, ~~2003~~ 2004:  
18 15 1. Section 8.55, subsection 2, paragraph "a".  
18 16 2. Section 8.56, subsection 4, paragraph "b".  
18 17 3. Section 8.57, subsection 1, paragraph "a".

CODE: Changes the applicability date to July 1, 2004, for changes to reserve fund balances. These include:

- Economic Emergency Fund maximum balance reduction from 5.00% to 2.50%.
- Cash Reserve Fund minimum balance increased from 3.00% to 3.75%.
- "Cash reserve goal percentage" increased from 5.00% to 7.50% of the adjusted revenue estimate.

18 18 Sec. 41. FRANCHISE TAX REVENUE ALLOCATION. There is  
18 19 appropriated from the franchise tax revenues deposited in the  
18 20 general fund of the state to the department of revenue and  
18 21 finance for the fiscal year beginning July 1, 2003, and ending  
18 22 June 30, 2004, \$8,800,000 to be allocated as follows:  
18 23 1. Sixty percent to the general fund of the city from  
18 24 which the tax is collected.  
18 25 2. Forty percent to the county from which the tax is  
18 26 collected.  
18 27 If the financial institution maintains one or more offices  
18 28 for the transaction of business, other than its principal  
18 29 office, a portion of its franchise tax shall be allocated to  
18 30 each office, based upon a reasonable measure of the business  
18 31 activity of each office. The director of revenue and finance  
18 32 shall prescribe, for each type of financial institution, a  
18 33 method of measuring the business activity of each office.

Franchise Tax revenue appropriation to the Department of Revenue and Finance of \$8,800,000 for FY 2004.

DETAIL: Specifies that 60.00% of the funds are to be distributed to cities and 40.00% of the funds are to be distributed to counties in which the tax is collected. Specifies procedures for allocations if a financial institution maintains one or more offices.

PG LN	Senate File 458	Explanation
18 34	Financial institutions shall furnish all necessary information	
18 35	for this purpose at the request of the director. The	
19 1	allocation shall be distributed quarterly.	
19 2	Sec. 42. 2003 Iowa Acts, Senate File 453, section 28, if	CODE: Repeals the \$10,000,000 General Fund appropriation to the
19 3	enacted, is repealed.	Department of Management for the Local Government Innovation Fund in SF 453 (Reinvention of Government Act).
		DETAIL: Senate File 453 was enacted by the General Assembly on April 25, 2003, and item vetoed and signed by the Governor on May 30, 2003.
19 4	RACING AND GAMING COMMISSION	CODE: Increases the FY 2003 General Fund appropriation to the
19 5	Sec. 43. 2002 Iowa Acts, Second Extraordinary Session,	Racing and Gaming Commission of the Department of Inspections and
19 6	chapter 1003, section 9, subsection 1, is amended to read as	Appeals for racetrack regulation.
19 7	follows:	
19 8	1. RACETRACK REGULATION	DETAIL: This is an increase of \$80,000 and no change in FTE
19 9	There is appropriated from the general fund of the state to	positions compared to current law enacted in HF 2627 (FY 2003
19 10	the racing and gaming commission of the department of	Second Omnibus Appropriations Act).
19 11	inspections and appeals for the fiscal year beginning July 1,	
19 12	2002, and ending June 30, 2003, the following amount, or so	
19 13	much thereof as is necessary, to be used for the purposes	
19 14	designated:	
19 15	For salaries, support, maintenance, and miscellaneous	
19 16	purposes for the regulation of pari-mutuel racetracks, and for	
19 17	not more than the following full-time equivalent positions:	
19 18	..... \$ <del>2,083,762</del>	
19 19	..... <u>2,163,762</u>	
19 20	..... FTEs 24.78	
19 21	Of the funds appropriated in this subsection, \$85,576 shall	
19 22	be used to conduct an extended harness racing season.	
19 23	Sec. 44. 2003 Iowa Acts, House File 655, section 24, if	CODE: Changes the source of funding for the Ready to Work
19 24	enacted, is amended to read as follows:	Program Coordinator appropriated to the Department of Personnel in
19 25	SEC. 24. READY TO WORK PROGRAM COORDINATOR. There is	HF 655 (FY 2004 Administration and Regulation Appropriations Act).
19 26	appropriated from <del>the surplus funds in the long-term</del>	
19 27	<del>disability reserve fund and the workers' compensation trust</del>	
19 28	fund to the department of personnel for the fiscal year	

PG LN	Senate File 458	Explanation
19 29	beginning July 1, 2003, and ending June 30, 2004, the	DETAIL: The Long-Term Disability Reserve Fund does not have sufficient funds to pay for 50.00% of the position as originally designated. This changes provides 100.00% of the funding from the Workers' Compensation Trust Fund.
19 30	following amount, or so much thereof as is necessary, to be	
19 31	used for the purposes designated:	
19 32	For the salary, support, and miscellaneous expenses for the	
19 33	ready to work program and coordinator:	
19 34	..... \$ 89,416	
19 35	<del>The moneys appropriated pursuant to this section shall be</del>	
20 1	<del>taken in equal proportions from the long-term disability</del>	
20 2	<del>reserve fund and the workers' compensation trust fund.</del>	
20 3	Sec. 45. 2003 Iowa Acts, House File 655, section 34, if	CODE: Changes the source of funding for the Ready to Work Program Coordinator appropriated to the Department of Administrative Services.
20 4	enacted, is amended to read as follows:	
20 5	SEC. 34. READY TO WORK PROGRAM COORDINATOR. There is	DETAIL: The Long-Term Disability Reserve Fund does not have sufficient funds to pay for 50.00% of the position as originally designated. This change provides 100.00% of the funding from the Workers' Compensation Trust Fund.
20 6	appropriated from <del>the surplus funds in the long-term</del>	
20 7	<del>disability reserve fund and the workers' compensation trust</del>	
20 8	<del>fund to the department of administrative services for the</del>	
20 9	<del>fiscal year beginning July 1, 2003, and ending June 30, 2004,</del>	
20 10	<del>the following amount, or so much thereof as is necessary, to</del>	
20 11	<del>be used for the purposes designated:</del>	
20 12	<del>For the salary, support, and miscellaneous expenses for the</del>	
20 13	<del>ready to work program and coordinator:</del>	
20 14	<del>..... \$ 89,416</del>	
20 15	<del>The moneys appropriated pursuant to this section shall be</del>	
20 16	<del>taken in equal proportions from the long-term disability</del>	
20 17	<del>reserve fund and the workers' compensation trust fund.</del>	
20 18	Sec. 46. CONTINGENT CASH RESERVE APPROPRIATION.	Contingent Cash Reserve Fund appropriation of up to \$50,000,000 to the General Fund for FY 2003 for cash flow purposes.
20 19	1. There is appropriated from the cash reserve fund to the	
20 20	general fund of the state for the fiscal year beginning July	DETAIL: Specifies the conditions under which an appropriation would occur.
20 21	1, 2002, and ending June 30, 2003, for the purposes of	
20 22	reducing or preventing any overdraft on or deficit in the	
20 23	general fund of the state, an amount not to exceed	
20 24	\$50,000,000.	
20 25	2. The appropriation made in subsection 1 is contingent	
20 26	upon all of the following having occurred:	
20 27	a. The revenue estimating conference estimate of general	
20 28	fund receipts made during the last quarter of the fiscal year	
20 29	was or the actual fiscal year receipts and accruals were at	

20 30 least one-half of one percent less than the comparable  
20 31 estimate made during the third quarter of the fiscal year.  
20 32 b. The governor has implemented the uniform reductions in  
20 33 appropriations required in section 8.31 as a result of  
20 34 paragraph "a" and such reduction was insufficient to prevent  
20 35 an overdraft on or deficit in the general fund of the state or  
21 1 the governor did not implement uniform reductions in  
21 2 appropriations because of the lateness of the estimated or  
21 3 actual receipts and accruals under paragraph "a".  
21 4 c. The balance of the general fund of the state at the end  
21 5 of the fiscal year prior to the appropriation made in  
21 6 subsection 1 was negative.  
21 7 d. The governor has issued an official proclamation and  
21 8 has notified the cochairpersons of the fiscal committee of the  
21 9 legislative council and the legislative services agency that  
21 10 the contingencies in paragraphs "a" through "c" have occurred  
21 11 and the reasons why the uniform reductions specified in  
21 12 paragraph "b" were insufficient or were not implemented to  
21 13 prevent an overdraft on or deficit in the general fund of the  
21 14 state.  
21 15 3. If an appropriation is made pursuant to subsection 1  
21 16 for a fiscal year, there is appropriated from the general fund  
21 17 of the state to the cash reserve fund for the following fiscal  
21 18 year, the amount of the appropriation made pursuant to  
21 19 subsection 1.

21 20 Sec. 47. EFFECTIVE DATE. The following provisions of this  
21 21 division of this Act, being deemed of immediate importance,  
21 22 take effect upon enactment:  
21 23 1. The section appropriating moneys from the keep Iowa  
21 24 beautiful fund.  
21 25 2. The section amending 2002 Iowa Acts, chapter 1173,  
21 26 section 18, relating to the nonreversion of pooled technology  
21 27 funding.  
21 28 3. The section appropriating moneys from the cash reserve  
21 29 fund for the military pay differential program. This section  
21 30 applies retroactively to March 19, 2003.  
21 31 4. The section appropriating moneys from the assisted

Specifies that the following sections are effective on enactment:

- Appropriation of funds from the Keep Iowa Beautiful Fund.
- Nonreversion of Pooled Technology Fund allocations.
- Cash Reserve Fund FY 2003 supplemental appropriation for military pay differential. This Section is retroactive to March 19, 2003.
- Appropriation of funds from the Assisted Living Program Fund.
- Contingent Cash Reserve Fund appropriation to the General Fund for FY 2003.
- Increase in the appropriation to the Racing and Gaming Commission for racetrack regulation.

21 32 living program fund.  
 21 33 5. The section making the contingent appropriation from  
 21 34 the cash reserve fund.  
 21 35 6. The section amending 2002 Iowa Acts, Second  
 22 1 Extraordinary Session, chapter 1003, section 9, relating to  
 22 2 racetrack regulation.  
 22 3 7. The amendment to section 96.9.

- Creation of the Unemployment Compensation Reserve Fund.

22 4 DIVISION V  
 22 5 COMPENSATION AND BENEFITS

22 6 Sec. 48. COLLECTIVE BARGAINING AGREEMENTS FUNDED —  
 22 7 GENERAL FUND. There is appropriated from the general fund of  
 22 8 the state to the salary adjustment fund for distribution by  
 22 9 the department of management to the various state departments,  
 22 10 boards, commissions, councils, and agencies, and to the state  
 22 11 board of regents for those persons employed at the state  
 22 12 school for the deaf and the Iowa braille and sight saving  
 22 13 school, for the fiscal year beginning July 1, 2003, and ending  
 22 14 June 30, 2004, the amount of \$28,000,000, or so much thereof  
 22 15 as may be necessary, to fully fund annual pay adjustments,  
 22 16 expense reimbursements, and related benefits implemented  
 22 17 pursuant to the following:  
 22 18 1. The collective bargaining agreement negotiated pursuant  
 22 19 to chapter 20 for employees in the blue collar bargaining  
 22 20 unit.  
 22 21 2. The collective bargaining agreement negotiated pursuant  
 22 22 to chapter 20 for employees in the public safety bargaining  
 22 23 unit.  
 22 24 3. The collective bargaining agreement negotiated pursuant  
 22 25 to chapter 20 for employees in the security bargaining unit.  
 22 26 4. The collective bargaining agreement negotiated pursuant  
 22 27 to chapter 20 for employees in the technical bargaining unit.  
 22 28 5. The collective bargaining agreement negotiated pursuant  
 22 29 to chapter 20 for employees in the professional fiscal and  
 22 30 staff bargaining unit.  
 22 31 6. The collective bargaining agreement negotiated pursuant  
 22 32 to chapter 20 for employees in the clerical bargaining unit.

General Fund appropriation of \$28,000,000 to the Salary Adjustment Fund for FY 2004 to be distributed by the Department of Management to the various State departments, boards, commissions, councils, and agencies to pay salary increases negotiated by the bargaining units as listed.

DETAIL: This appropriation was increased by \$2,000,000 to a total of \$30,000,000 in HF 683 (Grow Iowa Values Fund Act) in the Extraordinary Session. This appropriation provides funds for the collective bargaining agreements for contract-covered employees in all collective bargaining units. These include:

American Federation of State, County, and Municipal Employees (AFSCME) -

- 2.00% base pay increase on July 1, 2003 (FY 2004).
- 2.00% base pay increase on January 1, 2005 (half year FY 2005).
- Increase pay range maximum by 2.00% beginning January 1, 2005.
- Step increases worth 4.50% for eligible employees.
- The State will pay health insurance at 82.00% beginning January 1, 2004, and 85.00% beginning January 1, 2005, of the family premium for Iowa Select. The dollar amount will be applied to the family health insurance plan of the employee's choice. This is a change from the current contribution of 80.00%.



22 33 7. The collective bargaining agreement negotiated pursuant  
 22 34 to chapter 20 for employees in the professional social  
 22 35 services bargaining unit.

23 1 8. The collective bargaining agreement negotiated pursuant  
 23 2 to chapter 20 for employees in the community-based corrections  
 23 3 bargaining unit.

23 4 9. The collective bargaining agreements negotiated  
 23 5 pursuant to chapter 20 for employees in the judicial branch of  
 23 6 government bargaining units.

23 7 10. The collective bargaining agreement negotiated  
 23 8 pursuant to chapter 20 for employees in the patient care  
 23 9 bargaining unit.

23 10 11. The collective bargaining agreement negotiated  
 23 11 pursuant to chapter 20 for employees in the science bargaining  
 23 12 unit.

23 13 12. The annual pay adjustments, related benefits, and  
 23 14 expense reimbursements referred to in the sections of this  
 23 15 division of this Act for employees not covered by a collective  
 23 16 bargaining agreement.

23 17 Of the amount appropriated in this section, \$2,668,000  
 23 18 shall be allocated to the judicial branch for the purpose of  
 23 19 funding annual pay adjustments, expense reimbursements, and  
 23 20 related benefits implemented for judicial branch employees.

23 21 In distributing the remainder of the amount appropriated in  
 23 22 this section, the department of management, in order to  
 23 23 address essential public protection functions and recognizing  
 23 24 the availability of funds appropriated in other Acts of the  
 23 25 general assembly and other sources, shall give priority, in  
 23 26 descending order, to the department of corrections, department  
 23 27 of human services, and department of public safety, and then  
 23 28 to the remaining state departments, boards, commissions,  
 23 29 councils, and agencies to which the appropriation is  
 23 30 applicable.

- Beginning January 1, 2005, maximum allowable deferred compensation contribution matched by the State becomes \$50 per month (an additional \$25 per month). The State contributes \$1 for each \$2 deferred by employee.

#### Iowa United Professionals (IUP) -

- 2.00% base pay increase on July 1, 2003 (FY 2004).
- 2.00% base pay increase on September 1, 2004 (IUP Science delayed until January 1, 2005).
- Step increases for eligible employees.
- Switch to the 000 pay plan on November 1, 2004. Employees at maximum step will receive a 4.50% step increase.
- Beginning January 1, 2005, deferred compensation contribution matched by the State becomes \$25 per month. The State contributes \$1 for each \$2 deferred by employee.
- Status quo on health insurance (State pays 70.00% of family plan).

#### United Faculty of Iowa (UFI) -

- 3.50% average pay increase on July 1, 2003 (FY 2004).
- 3.75% average pay increase on July 1, 2004 (FY 2005).
- No change for health insurance.

#### Public, Professional, and Maintenance Employees (PPME) -

- 2.00% base pay increase January 1, 2003 (FY 2003).
- Step increases for eligible employees.
- Beginning January 1, 2003, provides for a deferred compensation match by the State. The State contributes \$1 for each \$2 deferred by employee up to \$15 per month.

#### Campaign to Organize Graduate Students (COGS) -

- 1.00% base pay increase on July 1, 2004 (FY 2005).
- \$750 towards tuition for FY 2004 (equivalent to a 2.90% increase in pay).

- \$1,500 towards tuition for FY 2005 (equivalent to a 3.80% increase in pay).
- No change for health insurance.

Tertiary Health Care at the University of Iowa -

- 6.50% average pay increase on July 1, 2003 (FY 2004).
- 6.44% average pay increase on July 1, 2004 (FY 2005).
- Increased weekend and shift differentials are included in the above amounts.

23 31 Sec. 49. NONCONTRACT STATE EMPLOYEES — GENERAL.

23 32 1. a. For the fiscal year beginning July 1, 2003, the  
 23 33 maximum salary levels of all pay plans provided for in section  
 23 34 19A.9, subsection 2, as they exist for the fiscal year ending  
 23 35 June 30, 2003, shall be increased by 2 percent for the pay  
 24 1 period beginning June 20, 2003, and any additional changes in  
 24 2 the pay plans shall be approved by the governor.

24 3 b. For the fiscal year beginning July 1, 2003, employees  
 24 4 may receive a step increase or the equivalent of a step  
 24 5 increase.

24 6 2. The pay plans for state employees who are exempt from  
 24 7 chapter 19A and who are included in the department of revenue  
 24 8 and finance's centralized payroll system shall be increased in  
 24 9 the same manner as provided in subsection 1, and any  
 24 10 additional changes in any executive branch pay plans shall be  
 24 11 approved by the governor. However, commencing July 1, 2003,  
 24 12 the consumer advocate shall receive an annual salary in the  
 24 13 same salary range as the chairperson and members of the  
 24 14 utilities board.

24 15 3. This section does not apply to members of the general  
 24 16 assembly, board members, commission members, salaries of  
 24 17 persons set by the general assembly in statute, salaries of  
 24 18 appointed state officers set by the governor, other persons  
 24 19 designated, employees designated under section 19A.3,  
 24 20 subsection 5, and employees covered by 581 IAC 4.6(3).

24 21 4. The pay plans for the bargaining eligible employees of  
 24 22 the state shall be increased in the same manner as provided in

Provides noncontract State employees with a 2.00% across-the-board salary increase on June 20, 2003, and continuation of merit step increases for employees that are not on the top step of the pay range.

24 23 subsection 1, and any additional changes in such executive  
24 24 branch pay plans shall be approved by the governor. As used  
24 25 in this section, "bargaining eligible employee" means an  
24 26 employee who is eligible to organize under chapter 20, but has  
24 27 not done so.  
24 28 5. The policies for implementation of this section shall  
24 29 be approved by the governor.

24 30 Sec. 50. STATE EMPLOYEES — STATE BOARD OF REGENTS.

24 31 1. Funds from the appropriation made in this division of  
24 32 this Act from the general fund of the state to the salary  
24 33 adjustment fund shall be allocated by the department of  
24 34 management to the state board of regents for the purposes of  
24 35 providing increases for state board of regents employees at  
25 1 the state school for the deaf and the Iowa braille and sight  
25 2 saving school who are addressed by that appropriation and  
25 3 employees of the schools who are not covered by a collective  
25 4 bargaining agreement.

25 5 2. The state board of regents office and the state  
25 6 university of Iowa, Iowa state university of science and  
25 7 technology, and the university of northern Iowa shall provide  
25 8 from available sources pay adjustments, expense  
25 9 reimbursements, and related benefits to fully fund the  
25 10 following:

25 11 a. The collective bargaining agreement negotiated pursuant  
25 12 to chapter 20 for employees in the university of northern Iowa  
25 13 faculty bargaining unit.

25 14 b. The collective bargaining agreement negotiated pursuant  
25 15 to chapter 20 for employees in the patient care bargaining  
25 16 unit.

25 17 c. The collective bargaining agreement negotiated pursuant  
25 18 to chapter 20 for employees in the science bargaining unit.

25 19 d. The collective bargaining agreement negotiated pursuant  
25 20 to chapter 20 for employees in the state university of Iowa  
25 21 graduate student bargaining unit.

25 22 e. The collective bargaining agreement negotiated pursuant  
25 23 to chapter 20 for employees in the state university of Iowa  
25 24 hospital and clinics tertiary health care bargaining unit.

Requires funds allocated in this Act and in HF 662 (FY 2004 Education Appropriations Act) to the Board of Regents be used to fund contract and noncontract employee salary increases.

DETAIL: The Board of Regents merit system employees receive increases comparable to other contract-covered employees. The Board of Regents received \$24,861,370 for salary funding in HF 662.

PG LN	Senate File 458	Explanation
25 25	f. The collective bargaining agreement negotiated pursuant	
25 26	to chapter 20 for employees in the blue collar bargaining	
25 27	unit.	
25 28	g. The collective bargaining agreement negotiated pursuant	
25 29	to chapter 20 for employees in the public safety bargaining	
25 30	unit.	
25 31	h. The collective bargaining agreement negotiated pursuant	
25 32	to chapter 20 for employees in the security bargaining unit.	
25 33	i. The collective bargaining agreement negotiated pursuant	
25 34	to chapter 20 for employees in the technical bargaining unit.	
25 35	j. The collective bargaining agreement negotiated pursuant	
26 1	to chapter 20 for employees in the professional fiscal and	
26 2	staff bargaining unit.	
26 3	k. The collective bargaining agreement negotiated pursuant	
26 4	to chapter 20 for employees in the clerical bargaining unit.	
26 5	l. The annual pay adjustments, related benefits, and	
26 6	expense reimbursements referred to in the sections of this	
26 7	division of this Act for employees not covered by a collective	
26 8	bargaining agreement.	
26 9	Sec. 51. APPROPRIATIONS FROM ROAD FUNDS.	
26 10	1. There is appropriated from the road use tax fund to the	Road Use Tax Fund appropriation to the Salary Adjustment Fund.
26 11	salary adjustment fund for the fiscal year beginning July 1,	
26 12	2003, and ending June 30, 2004, the following amount, or so	DETAIL: This is an increase of \$1,411,632 compared to the FY 2003
26 13	much thereof as may be necessary, to be used for the purpose	estimated net appropriation.
26 14	designated:	
26 15	To supplement other funds appropriated by the general	
26 16	assembly:	
26 17	..... \$ 3,000,000	
26 18	2. There is appropriated from the primary road fund to the	Primary Road Fund appropriation to the Salary Adjustment Fund.
26 19	salary adjustment fund, for the fiscal year beginning July 1,	
26 20	2003, and ending June 30, 2004, the following amount, or so	DETAIL: This is an increase of \$3,372,501 compared to the FY 2003
26 21	much thereof as may be necessary, to be used for the purpose	estimated net appropriation.
26 22	designated:	
26 23	To supplement other funds appropriated by the general	
26 24	assembly:	

PG LN	Senate File 458	Explanation
26 25	..... \$ 12,000,000	
26 26	3. Except as otherwise provided in this division of this	Requires the Road Use Tax Fund and Primary Road Fund appropriations in this Division to be used to pay salary adjustment primarily for employees within the Department of Transportation.
26 27	Act, the amounts appropriated in subsections 1 and 2 shall be	
26 28	used to fund the annual pay adjustments, expense	
26 29	reimbursements, and related benefits for public employees as	
26 30	provided in this division of this Act.	
26 31	Sec. 52. SPECIAL FUNDS — AUTHORIZATION. To departmental	Provides supplemental expenditure authorization for revolving trust funds or other special funds, except the Road Use Tax Fund and the Primary Road Fund, to be used to fund salary adjustments.
26 32	revolving, trust, or special funds, except for the primary	
26 33	road fund or the road use tax fund, for which the general	
26 34	assembly has established an operating budget, a supplemental	
26 35	expenditure authorization is provided, unless otherwise	
27 1	provided, in an amount necessary to fund salary adjustments as	
27 2	otherwise provided in this division of this Act.	
27 3	Sec. 53. GENERAL FUND SALARY MONEYS. Funds appropriated	Requires General Fund appropriations for salaries be used only to support salaries funded by the General Fund.
27 4	from the general fund of the state in this division of this	
27 5	Act relate only to salaries supported from general fund	
27 6	appropriations of the state except for employees of the state	
27 7	board of regents at the state school for the deaf and the Iowa	
27 8	braille and sight saving school. The funds appropriated from	
27 9	the general fund of the state for employees at the state	
27 10	school for the deaf and the Iowa braille and sight saving	
27 11	school of the state board of regents shall exclude general	
27 12	university indirect costs and general university federal	
27 13	funds.	
27 14	Sec. 54. FEDERAL FUNDS APPROPRIATED. All federal grants	Requires eligible federal funds received to be expended for salary adjustments where appropriate.
27 15	to and the federal receipts of the agencies affected by this	
27 16	division of this Act which are received and may be expended	
27 17	for purposes of this division of this Act are appropriated for	
27 18	those purposes and as set forth in the federal grants or	
27 19	receipts.	
27 20	Sec. 55. STATE TROOPER MEAL ALLOWANCE. The sworn peace	Specifies that sworn peace officers within the Department of Public
27 21	officers in the department of public safety who are not	
27 22	covered by a collective bargaining agreement negotiated	

27 23 pursuant to chapter 20 shall receive the same per diem meal  
27 24 allowance as the sworn peace officers in the department of  
27 25 public safety who are covered by a collective bargaining  
27 26 agreement negotiated pursuant to chapter 20.

Safety that are not covered by a collective bargaining agreement are to receive the same per diem meal allowance as contract covered officers.

27 27 Sec. 56. SALARY MODEL COORDINATOR. Of the funds  
27 28 appropriated in this division of this Act from the general  
27 29 fund of the state, \$126,767 for the fiscal year beginning July  
27 30 1, 2003, is allocated to the department of management for  
27 31 salary and support of the salary model coordinator who shall  
27 32 work in conjunction with the legislative fiscal bureau to  
27 33 maintain the state's salary model used for analyzing,  
27 34 comparing, and projecting state employee salary and benefit  
27 35 information, including information relating to employees of  
28 1 the state board of regents. The department of revenue and  
28 2 finance, the department of personnel, the five institutions  
28 3 under the jurisdiction of the state board of regents, the  
28 4 eight judicial district departments of correctional services,  
28 5 and the state department of transportation shall provide  
28 6 salary data to the department of management and the  
28 7 legislative fiscal bureau to operate the state's salary model.  
28 8 The format and frequency of provision of the salary data shall  
28 9 be determined by the department of management and the  
28 10 legislative fiscal bureau. The information shall be used in  
28 11 collective bargaining processes under chapter 20 and in  
28 12 calculating the funding needs contained within the annual  
28 13 salary adjustment legislation. A state employee organization  
28 14 as defined in section 20.3, subsection 4, may request  
28 15 information produced by the model, but the information  
28 16 provided shall not contain information attributable to  
28 17 individual employees.

Allocates \$126,767 to the Department of Management (DOM) for the cost of a salary model administrator. Requires the DOM administrator to work in conjunction with the Legislative Fiscal Bureau (LFB) in maintaining the State's salary model. Requires the following departments or entities to provide salary data to the DOM and the LFB:

- Revenue and Finance (or Department of Administrative Services)
- Personnel (or Department of Administrative Services)
- Board of Regents
- Community Based Corrections Districts
- Transportation

Specifies that a State employee organization may request information produced by the model, but the information provided cannot be individually identifiable.

28 18 DIVISION VI  
28 19 CORRECTIVE PROVISIONS

PG LN	Senate File 458	Explanation
28 20	Sec. 57. Section 8A.202, subsection 2, paragraph e, if	CODE: Technical correction to statutory changes in HF 534
28 21	enacted by 2003 Iowa Acts, House File 534, is amended by	(Department of Administrative Services Act).
28 22	striking the paragraph and inserting in lieu thereof the	
28 23	following:	DETAIL: House File 534 was approved by the General Assembly on
28 24	e. Developing and maintaining an electronic repository for	April 20, 2003, and signed by the Governor on May 23, 2003.
28 25	public access to reference copies of agency mandated reports,	
28 26	newsletters, and publications in conformity with section	
28 27	304B.10, subsection 1, paragraph "h". The department shall	
28 28	develop technical standards for an electronic repository in	
28 29	consultation with the state librarian and the state archivist.	
28 30	Sec. 58. 2003 Iowa Acts, House File 289, section 1, is	CODE: Corrective language to statutory changes in HF 289 (County
28 31	amended by striking the section and inserting in lieu thereof	Treasurers' Electronic Transactions Act).
28 32	the following:	
28 33	SECTION 1. Section 12C.1, subsection 2, paragraph e, Code	DETAIL: House File 289 was approved by the General Assembly on
28 34	2003, as amended by 2003 Iowa Acts, Senate File 395, is	April 2, 2003, and signed by the Governor on April 9, 2003.
28 35	amended by adding the following new subparagraph:	
29 1	<u>NEW SUBPARAGRAPH.</u> (6) Moneys placed in a depository for	
29 2	the purpose of completing an electronic financial transaction	
29 3	pursuant to section 8A.222 or 331.427.	
29 4	Sec. 59. Section 99E.9, subsection 2, Code 2003, as	CODE: Technical correction to statutory changes in HF 171
29 5	amended by 2003 Iowa Acts, House File 171, section 31, is	(Nonsubstantive Code Editor's Act).
29 6	amended to read as follows:	
29 7	2. Subject to the approval of the board, the commissioner	DETAIL: House File 171 was approved by the General Assembly on
29 8	may enter into contracts for the operation and marketing of	April 22, 2003, and signed by the Governor on May 2, 2003.
29 9	the lottery, except that the board may by rule designate	
29 10	classes of contracts other than major procurements which do	
29 11	not require prior approval by the board. A major procurement	
29 12	shall be as the result of competitive bidding with the	
29 13	contract being awarded to the responsible vendor submitting	
29 14	the lowest and best proposal. However, before a contract for	
29 15	a major procurement is awarded, the division of criminal	
29 16	investigation of the department of public safety shall conduct	
29 17	a thorough background investigation of the vendor to whom the	
29 18	contract is to be awarded. The commissioner and board shall	
29 19	consult with the division of criminal investigation and shall	
29 20	provide, by rule, for the scope of the thorough background	

29 21 investigations and due diligence with regard to the background  
29 22 investigations to be conducted in connection with major  
29 23 procurements. The vendor shall submit to the division of  
29 24 criminal investigation appropriate investigation  
29 25 authorizations to facilitate this investigation. The  
29 26 background investigation by the division of criminal  
29 27 investigation may include a national criminal history ~~record~~  
29 28 check through the federal bureau of investigation. The  
29 29 screening of vendors or their employees through the federal  
29 30 bureau of investigation shall be conducted by submission of  
29 31 fingerprints through the state criminal history repository to  
29 32 the federal bureau of investigation. As used in this  
29 33 subsection, "major procurement" means consulting agreements  
29 34 and the major procurement contract with a business  
29 35 organization for the printing of tickets, or for purchase or  
30 1 lease of equipment or services essential to the operation of a  
30 2 lottery game.

30 3 Sec. 60. Section 99G.10, subsection 2, if enacted by 2003  
30 4 Iowa Acts, Senate File 453, section 72, is amended to read as  
30 5 follows:  
30 6 2. Subject to the approval of the board, the chief  
30 7 executive officer shall have the sole power to designate  
30 8 particular employees as key personnel, but may take advice  
30 9 from the department of personnel in making any such  
30 10 designations. All key personnel shall be exempt from the  
30 11 merit system described in chapter ~~49A~~ 8A, ~~article 4~~. The  
30 12 chief executive officer and the board shall have the sole  
30 13 power to employ, classify, and fix the compensation of key  
30 14 personnel. All other employees shall be employed, classified,  
30 15 and compensated in accordance with ~~chapter 19A~~ chapter 8A,  
30 16 article 4, and chapter 20.

30 17 Sec. 61. Section 99G.22, subsection 1, if enacted by 2003  
30 18 Iowa Acts, Senate File 453, is amended to read as follows:  
30 19 1. The authority shall investigate the financial  
30 20 responsibility, security, and integrity of any lottery system  
30 21 vendor who is a finalist in submitting a bid, proposal, or

CODE: Technical correction to statutory changes in SF 453  
(Reinvention of Government Act).

DETAIL: Senate File 453 was approved by the General Assembly on  
April 25, 2003, and signed by the Governor on May 30, 2003.

CODE: Technical correction to statutory changes in SF 453  
(Reinvention of Government Act).



30 22 offer as part of a major procurement contract. Before a major  
30 23 procurement contract is awarded, the division of criminal  
30 24 investigation of the department of public safety shall conduct  
30 25 a background investigation of the vendor to whom the contract  
30 26 is to be awarded. The chief executive officer and board shall  
30 27 consult with the division of criminal investigation and shall  
30 28 provide for the scope of the background investigation and due  
30 29 diligence to be conducted in connection with major procurement  
30 30 contracts. At the time of submitting a bid, proposal, or  
30 31 offer to the authority on a major procurement contract, the  
30 32 authority shall require that each vendor submit to the  
30 33 division of criminal investigation appropriate investigation  
30 34 authorization to facilitate this investigation, together with  
30 35 an advance of funds to meet the anticipated investigation  
31 1 costs. If the division of criminal investigation determines  
31 2 that additional funds are required to complete an  
31 3 investigation, the vendor will be so advised. The background  
31 4 investigation by the division of criminal investigation may  
31 5 include a national criminal history ~~record~~ check through the  
31 6 federal bureau of investigation. The screening of vendors or  
31 7 their employees through the federal bureau of investigation  
31 8 shall be conducted by submission of fingerprints through the  
31 9 state criminal history ~~record~~ repository to the federal bureau  
31 10 of investigation.

DETAIL: Senate File 453 was approved by the General Assembly on April 25, 2003, and signed by the Governor on May 30, 2003.

31 11 Sec. 62. Section 99G.37, subsection 2, if enacted by 2003  
31 12 Iowa Acts, Senate File 453, section 90, is amended to read as  
31 13 follows:  
31 14 2. In any bidding process, the authority may administer  
31 15 its own bidding and procurement or may utilize the services of  
31 16 the department of ~~general~~ administrative services, ~~or its~~  
31 17 ~~successor~~, or other state agency.

CODE: Technical correction to statutory changes in SF 453 (Reinvention of Government Act).

DETAIL: Senate File 453 was approved by the General Assembly on April 25, 2003, and signed by the Governor on May 30, 2003.

31 18 Sec. 63. Section 99G.38, subsection 3, if enacted by 2003  
31 19 Iowa Acts, Senate File 453, section 91, is amended to read as  
31 20 follows:  
31 21 3. The state of Iowa offset program, as provided in  
31 22 section ~~424.17~~ 8A.504, shall be available to the authority to

CODE: Technical correction to statutory changes in SF 453 (Reinvention of Government Act).

31 23 facilitate receipt of funds owed to the authority.

DETAIL: Senate File 453 was approved by the General Assembly on April 25, 2003, and signed by the Governor on May 30, 2003.

31 24 Sec. 64. Section 135.150, subsection 3, as enacted by 2003  
31 25 Iowa Acts, House File 396, section 1, is amended to read as  
31 26 follows:

CODE: Technical correction to statutory changes in HF 396 (Disaster Preparedness Act).

31 27 3. "Director" means the director ~~or the director's~~  
31 28 ~~designee~~ of public health or the director's designee.

31 29 Sec. 65. Section 135.154, subsection 7, as enacted by 2003  
31 30 Iowa Acts, House File 396, section 5, is amended to read as  
31 31 follows:

CODE: Technical correction to statutory changes in HF 396 (Disaster Preparedness Act).

31 32 7. Treat or order that individuals exposed to or infected  
31 33 with disease receive treatment or prophylaxis. Treatment or  
31 34 prophylaxis shall be administered by any qualified person  
31 35 authorized to do so by the department. Treatment or  
32 1 prophylaxis shall not be provided or ordered if the treatment  
32 2 or prophylaxis is reasonably likely to lead to serious harm to  
32 3 the affected individual. To prevent the spread of  
32 4 communicable or potentially communicable disease, the  
32 5 department may isolate or quarantine, pursuant to chapter 139A  
32 6 and the rules implementing chapter 139A and this division of  
32 7 this chapter, any individual who is unable or unwilling to  
32 8 undergo treatment or prophylaxis pursuant to this section.

DETAIL: House File 396 was approved by the General Assembly on April 8, 2003, and signed by the Governor on April 14, 2003.

32 9 Sec. 66. Section 170.6, subsection 1, paragraph b, if  
32 10 enacted by 2003 Iowa Acts, House File 624, is amended to read  
32 11 as follows:

CODE: Technical correction to statutory changes in HF 624 (Farm Deer Act).

32 12 b. Failed to provide notice or access to the department of  
32 13 natural resources and the department of agriculture and land  
32 14 stewardship as required by section 170.5.

DETAIL: House File 624 was approved by the General Assembly on April 25, 2003, and signed by the Governor on May 23, 2003.

32 15 Sec. 67. Section 231.56A, if enacted by 2003 Iowa Acts,  
32 16 Senate File 416, section 1, is amended to read as follows:  
32 17 231.56A ELDER ABUSE INITIATIVE, EMERGENCY SHELTER, AND  
32 18 SUPPORT SERVICES PROJECTS.

CODE: Technical correction to statutory changes in SF 416 (Dependent Adult Abuse Act).

32 19 1. Through the state's service contract process adopted  
32 20 pursuant to section 8.47, the department shall identify area

DETAIL: Senate File 416 was approved by the General Assembly on April 17, 2003, and signed by the Governor on May 1, 2003.

32 21 agencies on aging that have demonstrated the ability to  
32 22 provide a collaborative response to the immediate needs of  
32 23 elders in the area agency on aging service area for the  
32 24 purpose of implementing elder abuse initiative, emergency  
32 25 shelter, and support services projects. The projects shall be  
32 26 implemented only in the counties within an area agency on  
32 27 aging service area that have a multidisciplinary team  
32 28 established pursuant to section 235B.1.

32 29 2. The target population of the projects shall be any  
32 30 elder residing in the service area of an area agency on aging  
32 31 who meets both of the following conditions:

32 32 a. Is the subject of a report of suspected dependent adult  
32 33 abuse pursuant to chapter 235B.

32 34 b. Is not receiving assistance under a county management  
32 35 plan approved pursuant to section 331.439.

33 1 3. The area agencies on aging implementing the projects  
33 2 shall identify allowable emergency shelter and support  
33 3 services, state funding, outcomes, reporting requirements, and  
33 4 approved community resources from which services may be  
33 5 obtained under the projects. The area agency on aging shall  
33 6 identify at least one provider of case management services for  
33 7 the project area.

33 8 4. The area agencies on aging shall implement the projects  
33 9 and shall coordinate the provider network through the use of  
33 10 referrals or other engagement of community resources to  
33 11 provide services to elders.

33 12 5. The department shall award funds to the area agencies  
33 13 on aging in accordance with the state's service contract  
33 14 process. Receipt and expenditures of moneys under the  
33 15 projects are subject to examination, including audit, by the  
33 16 department.

33 17 6. This section shall not be construed and is not intended  
33 18 as, and shall not imply, a grant of entitlement for services  
33 19 to individuals who are not otherwise eligible for the services  
33 20 or for utilization of services that do not currently exist or  
33 21 are not otherwise available.

PG LN	Senate File 458	Explanation
33 22	Sec. 68. Section 232.71B, subsection 7A, if enacted by	CODE: Technical correction to statutory changes in HF 558 (Sexual Perpetrators Act).
33 23	2003 Iowa Acts, House File 558, section 1, is amended to read	
33 24	as follows:	DETAIL: House File 558 was approved by the General Assembly on April 23 2003, and signed by the Governor on May 12, 2003.
33 25	7A. PROTECTIVE DISCLOSURE. If the department determines	
33 26	that disclosure is necessary for the protection of a child,	
33 27	the department may disclose to a subject of a child abuse	
33 28	report referred to in section 235A.15, subsection 2, paragraph	
33 29	"a", that an individual is listed in the child or dependent	
33 30	<u>adult</u> abuse registry or is required to register with the sex	
33 31	offender registry in accordance with chapter 692A.	
33 32	Sec. 69. Section 235B.3, subsection 6A, if enacted by 2003	CODE: Technical correction to statutory changes in HF 558 (Sexual Perpetrators Act).
33 33	Iowa Acts, House File 558, section 2, is amended to read as	
33 34	follows:	DETAIL: House File 558 was approved by the General Assembly on April 23 2003, and signed by the Governor on May 12, 2003.
33 35	6A. If the department determines that disclosure is	
34 1	necessary for the protection of a dependent adult, the	
34 2	department may disclose to a subject of a dependent adult	
34 3	abuse report referred to in section 235B.6, subsection 2,	
34 4	paragraph "a", that an individual is listed in the child or	
34 5	dependent <u>adult</u> abuse registry or is required to register with	
34 6	the sex offender registry in accordance with chapter 692A.	
34 7	Sec. 70. Section 304B.3, subsections 4, 8, and 9, if	CODE: Technical correction to statutory changes in HF 648 (State Records Management Act) to reflect changes relating to the establishment of the Department of Administrative Services.
34 8	enacted by 2003 Iowa Acts, House File 648, section 6, are	
34 9	amended to read as follows:	DETAIL: House File 648 was approved by the General Assembly on April 15, 2003, and signed by the Governor on April 28, 2003.
34 10	4. The director of revenue <del>and finance.</del>	
34 11	8. The director of the department of <del>general</del>	
34 12	<u>administrative</u> services.	
34 13	<del>9. The director of the information technology department.</del>	
34 14	Sec. 71. Section 321.69, subsection 9, as amended by 2003	CODE: Technical correction to statutory changes in HF 502 (Vehicle Damage Disclosure Act).
34 15	Iowa Acts, House File 502, section 3, is amended to read as	
34 16	follows:	DETAIL: House File 502 was approved by the General Assembly on April 14, 2003, and signed by the Governor on April 22, 2003.
34 17	9. <del>This</del> <u>Except for subsection 9A, this</u> section does not	
34 18	apply to motor trucks and truck tractors with a gross vehicle	
34 19	weight rating of sixteen thousand pounds or more, vehicles	
34 20	more than nine model years old, motorcycles, motorized	
34 21	bicycles, and special mobile equipment. This section does	

34 22 apply to motor homes. The requirement in subsection 1 that  
34 23 the new certificate of title and registration receipt shall  
34 24 state on the face of the title the total cumulative dollar  
34 25 amount of damage does not apply to a vehicle with a  
34 26 certificate of title bearing a designation that the vehicle  
34 27 was previously titled on a salvage certificate of title  
34 28 pursuant to section 321.52, subsection 4, paragraph "b", or to  
34 29 a vehicle with a certificate of title bearing a "REBUILT" or  
34 30 "SALVAGE" designation pursuant to section 321.24, subsection 4  
34 31 or 5. This Except for subsection 9A, this section does not  
34 32 apply to new motor vehicles with a true mileage, as defined in  
34 33 section 321.71, of one thousand miles or less, unless such  
34 34 vehicle has incurred damage as defined in subsection 2.

34 35 Sec. 72. Section 356.7, subsection 1, as amended by 2003  
35 1 Iowa Acts, House File 650, section 1, if enacted, is amended  
35 2 to read as follows:  
35 3 1. The county sheriff, or a municipality operating a  
35 4 temporary municipal holding facility or jail, may charge a  
35 5 prisoner who is eighteen years of age or older and who has  
35 6 been convicted of a criminal offense or sentenced for contempt  
35 7 of court for violation of a domestic abuse order for the  
35 8 actual administrative costs relating to the arrest and booking  
35 9 of that prisoner, and for room and board provided to the  
35 10 prisoner while in the custody of the county sheriff or  
35 11 municipality. Moneys collected by the sheriff or municipality  
35 12 under this section shall be credited ~~respectfully~~ respectively  
35 13 to the county general fund or the city general fund and  
35 14 distributed as provided in this section. If a prisoner who  
35 15 has been convicted of a criminal offense or sentenced for  
35 16 contempt of court for violation of a domestic abuse order  
35 17 fails to pay for the administrative costs and the room and  
35 18 board, the sheriff or municipality may file a room and board  
35 19 reimbursement claim with the district court as provided in  
35 20 subsection 2. The county attorney may file the reimbursement  
35 21 claim on behalf of the sheriff and the county or the  
35 22 municipality. The attorney for the municipality may also file  
35 23 a reimbursement claim on behalf of the municipality. This

CODE: Technical correction to statutory changes in HF 650  
(Correctional Fees Act).

DETAIL: House File 650 was approved by the General Assembly on  
April 23, 2003, and signed by the Governor on May 2, 2003.

PG LN	Senate File 458	Explanation
35 24 35 25 35 26	section does not apply to prisoners who are paying for their room and board by court order pursuant to sections 356.26 through 356.35.	
35 27 35 28 35 29 35 30 35 31	Sec. 73. Section 459.401, subsection 2, paragraph a, subparagraph (3A), if enacted by 2003 Iowa Acts, House File 644, section 18, is amended to read as follows: (3A) A commercial manure service license fee as provided in section <del>359.346</del> <u>459.316</u> .	CODE: Technical correction to statutory changes in HF 644 (Manure Application Requirements Act).  DETAIL: House File 644 was approved by the General Assembly on April 22, 2003, and signed by the Governor on May 30, 2003.
35 32 35 33 35 34 35 35 36 1 36 2 36 3 36 4	Sec. 74. Section 505A.1, article V, section 2, paragraph a, subparagraph (3), if enacted by 2003 Iowa Acts, House File 647, section 54, is amended to read as follows: (3) Four members from those compacting states with less than two percent of the market, based on the premium volume described <u>in</u> subparagraph (1), with one selected from each of the four zone regions of the national association of insurance commissioners as provided in the bylaws.	CODE: Technical correction to statutory changes in HF 647 (Insurance Regulation Act).  DETAIL: House File 647 was approved by the General Assembly on April 16, 2003, and signed by the Governor on April 28, 2003.
36 5 36 6 36 7 36 8 36 9 36 10	Sec. 75. Section 508.31A, subsection 2, paragraph b, Code 2003, as amended by 2003 Iowa Acts, House File 647, section 7, if enacted, is amended to read as follows: b. A funding agreement issued pursuant to <u>paragraph "a"</u> , subparagraph (1), (2), or (3), shall be for a total amount of not less than one million dollars.	CODE: Technical correction to statutory changes in HF 647 (Insurance Regulation Act).  DETAIL: House File 647 was approved by the General Assembly on April 16, 2003, and signed by the Governor on April 28, 2003.
36 11 36 12 36 13 36 14 36 15 36 16 36 17 36 18 36 19 36 20 36 21 36 22	Sec. 76. Section 692A.13, subsection 9, if enacted by 2003 Iowa Acts, House File 558, section 3, is amended to read as follows: 9. If the department of human services determines that disclosure is necessary for the protection of a child or a dependent adult, the department may disclose to a subject of a child abuse report referred to in section 235A.15, subsection 2, paragraph "a", or to a subject of a dependent adult abuse report referred to in section 235B.6, subsection 2, paragraph "a", that an individual is listed in the child or dependent <u>adult</u> abuse registry or is required to register under this chapter.	CODE: Technical correction to statutory changes in HF 558 (Sexual Perpetrators Act).  DETAIL: House File 558 was approved by the General Assembly on April 23, 2003, and signed by the Governor on May 12, 2003.

PG LN	Senate File 458	Explanation
36 23	Sec. 77. Section 901.5, subsection 7A, paragraph d, as	CODE: Technical correction to statutory changes in HF 404 (No-
36 24	enacted by 2003 Iowa Acts, House File 404, section 1, is	Contact Orders Act).
36 25	amended to read as follows:	
36 26	d. Violation of a no-contact order issued under this	DETAIL: House File 404 was approved by the General Assembly on
36 27	section is punishable by summary contempt proceedings. A	April 22, 2003, and signed by the Governor on May 2, 2003.
36 28	hearing in a contempt proceeding brought pursuant to this	
36 29	subsection shall be held not less than five <u>days</u> and not more	
36 30	than fifteen days after the issuance of a rule to show cause,	
36 31	as set by the court, unless the defendant is already in	
36 32	custody at the time of the alleged violation in which case the	
36 33	hearing shall be held not less than five days and not more	
36 34	than forty-five days after the issuance of the rule to show	
36 35	cause.	
37 1	Sec. 78. 2003 Iowa Acts, Senate File 155, section 26, is	CODE: Technical correction to SF 155 (Code Editor's Act).
37 2	repealed.	DETAIL: Eliminates Section 26 of SF 155 related to election precinct
		instructions.
37 3	Sec. 79. 2003 Iowa Acts, Senate File 155, section 56, is	CODE: Technical correction to SF 155 (Code Editor's Act).
37 4	repealed.	DETAIL: Eliminates Section 56 of SF 155 related to child care
		facilities.
37 5	Sec. 80. 2003 Iowa Acts, Senate File 453, section 44,	CODE: Technical correction to SF 453 (Reinvention of Government
37 6	subsection 8, if enacted, is amended to read as follows:	Act).
37 7	8. STATUTORY REQUIREMENTS. The requirements of sections	DETAIL: Senate File 453 was approved by the General Assembly on
37 8	<del>48.6</del> <u>8A.311</u> and 72.3 and the administrative rules implementing	April 25, 2003, and signed by the Governor on May 30, 2003.
37 9	section 8.47 are not applicable to the services procurement	
37 10	process used to implement the outcomes-based service system	
37 11	redesign in accordance with this section. The department of	
37 12	human services may enter into competitive negotiations and	
37 13	proposal modifications with each successful contractor as	
37 14	necessary to implement the provisions of this section.	

37 15 Sec. 81. 2003 Iowa Acts, House File 601, section 2, is  
37 16 amended by striking the section and inserting in lieu thereof  
37 17 the following:  
37 18 SEC. 2. Section 56.5, subsection 2, paragraph d, Code  
37 19 2003, is amended by striking the paragraph.

CODE: Technical correction to HF 601 (Campaign Finance Act).

DETAIL: House File 601 was approved by the General Assembly on April 7, 2003, and signed by the Governor on April 17, 2003.

37 20 Sec. 82. 2003 Iowa Acts, House File 624, section 22, if  
37 21 enacted, is amended to read as follows:  
37 22 SEC. 22. HUNTING PRESERVES AND GAME BREEDERS — AUTOMATIC  
37 23 CERTIFICATION. ~~Any~~ A fence enclosing farm deer kept on land  
37 24 which is owned by a person licensed pursuant to section 484B.5  
37 25 or 481A.61 ~~and which is enclosed with a fence~~ on the effective  
37 26 date of this Act shall be deemed to comply with construction  
37 27 requirements of section 170.4 and shall be automatically  
37 28 certified by the department of agriculture and land  
37 29 stewardship without ~~submitting~~ submission of an application.  
37 30 The landowner is not required to notify the department of  
37 31 natural resources concerning removal of whitetail as otherwise  
37 32 required pursuant to section 170.5.

CODE: Technical correction to HF 624 (Farm Deer Act).

DETAIL: House File 624 was approved by the General Assembly on April 25, 2003, and signed by the Governor on May 23, 2003.

37 33 Sec. 83. 2003 Iowa Acts, House File 648, section 1, if  
37 34 enacted, is repealed.

CODE: Technical correction to HF 648 (State Records Management Act).

DETAIL: House File 648 was approved by the General Assembly on April 15, 2003, and signed by the Governor on April 28, 2003.

37 35 Sec. 84. CONTINGENT EFFECTIVE DATES.  
38 1 1. The section of this division of this Act amending  
38 2 section 8A.202, subsection 2, if enacted by 2003 Iowa Acts,  
38 3 House File 534, takes effect if House File 648, relating to  
38 4 the management of state archives and records, is enacted by  
38 5 the Eightieth General Assembly, 2003 Regular Session.  
38 6 2. The sections of this division of this Act amending  
38 7 sections 12C.1, 99G.10, 99G.37, and 99G.38 take effect only if  
38 8 House File 534 is enacted by the Eightieth General Assembly,  
38 9 2003 Regular Session.  
38 10 3. The sections of this division of this Act amending  
38 11 section 304B.3, if enacted by 2003 Iowa Acts, House File 648,

Specifies the following contingent effective dates:

- The correction to Section 8A.202(2), Code of Iowa, in HF 534 (Department of Administrative Services Act) is effective if HF 648 (Management of State Records Act) is enacted. House File 648 was enacted by the General Assembly and signed by the Governor.
- The corrections to 12C.1, 99G.10, 99G.37, and 99G.38, Code of Iowa, related to the Lottery Authority are effective only if HF 534 is enacted. House File 534 was enacted by the General Assembly and signed by the Governor.



PG LN	Senate File 458	Explanation
38 12	and repealing 2003 Iowa Acts, House File 648, section 1, if	<ul style="list-style-type: none"> <li>The corrections to Section 304B.3, Code of Iowa, in HF 648 (Management of State Records Act) are effective if HF 534 (Department of Administrative Services Act) is enacted. House File 534 was enacted by the General Assembly and signed by the Governor.</li> <li>The repeal of Section 26 of SF 155 (Code Editor's Act) is effective if HF 614 (Election Changes Act) is enacted.</li> </ul>
38 13	enacted, take effect if House File 534, establishing a	
38 14	department of administrative services, is enacted by the	
38 15	Eightieth General Assembly, 2003 Regular Session.	
38 16	4. The section of this division of this Act repealing 2003	
38 17	Iowa Acts, Senate File 155, section 26, takes effect if 2003	
38 18	Iowa Acts, House File 614, relating to elections, is enacted	
38 19	by the Eightieth General Assembly, 2003 Regular Session.	
38 20	DIVISION VII	
38 21	MISCELLANEOUS PROVISIONS	
38 22	Sec. 85. Section 7J.1, subsection 1, if enacted by 2003	CODE: Eliminates the requirement that a minimum of five Executive Branch agencies be designated Charter Agencies in SF 453 (Reinvention of Government Act).
38 23	Iowa Acts, Senate File 453, is amended to read as follows:	
38 24	7J.1 CHARTER AGENCIES.	
38 25	1. DESIGNATION OF CHARTER AGENCIES — PURPOSE. The	DETAIL: House File 453 was approved by the General Assembly on April 25, 2003, and signed by the Governor on May 30, 2003.
38 26	governor may, by executive order, designate <del>up to five</del> state	
38 27	departments or agencies, as described in section 7E.5, other	
38 28	than the department of administrative services, if the	
38 29	department is established in law, or the department of	
38 30	management, as a charter agency by July 1, 2003. The	
38 31	designation of a charter agency shall be for a period of five	
38 32	years which shall terminate as of June 30, 2008. The purpose	
38 33	of designating a charter agency is to grant the agency	
38 34	additional authority as provided by this chapter while	
38 35	reducing the total appropriations to the agency.	
39 1	Sec. 86. Section 7J.1, subsection 3, paragraph a, if	CODE: Amends language regarding appropriation reductions for Charter Agencies in SF 453 (Reinvention of Government Act).
39 2	enacted by 2003 Iowa Acts, Senate File 453, is amended to read	
39 3	as follows:	
39 4	a. It is the intent of the general assembly that <u>state</u>	DETAIL: This change eliminates the targeted goal of a reduction of 10.00% in budget expenditures for Charter Agencies and replaces it with a goal of saving \$15,000,000 through a combination of additional revenues and budget reductions. Senate File 453 was enacted by the General Assembly on April 25, 2003, and item vetoed and signed by the Governor on May 30, 2003.
39 5	<u>general fund operating</u> appropriations to a charter agency for	
39 6	<del>any the</del> fiscal year <u>beginning July 1, 2003, and ending June</u>	
39 7	<u>30, 2004</u> , shall be reduced, <del>with a target reduction of ten</del>	
39 8	<del>percent for each charter agency</del> , from the appropriation that	
39 9	would otherwise have been enacted for that charter agency	
39 10	<u>which, along with any additional generated revenue to the</u>	
39 11	<u>general fund of the state attributed to the reinvention</u>	

39 12 process as determined by the department of management, over  
39 13 that already committed to the general fund of the state by a  
39 14 charter agency, will achieve an overall target of fifteen  
39 15 million dollars.

39 16 Sec. 87. Section 7J.2, if enacted by 2003 Iowa Acts,  
39 17 Senate File 453, is amended to read as follows:  
39 18 7J.2 CHARTER AGENCY LOAN GRANT FUND.  
39 19 1. A charter agency loan grant fund is created in the  
39 20 state treasury under the control of the department of  
39 21 management for the purpose of providing funding to support  
39 22 innovation by those state agencies designated as charter  
39 23 agencies in accordance with section 7J.1. Innovation purposes  
39 24 shall include but are not limited to training, development of  
39 25 outcome measurement systems, management system modifications,  
39 26 and other modifications associated with transition of  
39 27 operations to charter agency status. Moneys in the fund are  
39 28 appropriated to the department of management for the purposes  
39 29 described in this subsection.  
39 30 2. A charter agency requesting a loan grant from the fund  
39 31 shall complete an application process designated by the  
39 32 director of the department of management. ~~Minimum loan~~  
39 33 ~~requirements for charter agency requests shall be determined~~  
39 34 ~~by the director.~~  
39 35 ~~3. In order for the fund to be self-supporting, the~~  
40 1 ~~director of the department of management shall establish~~  
40 2 ~~repayment schedules for each loan awarded. An agency shall~~  
40 3 ~~repay the loan over a period not to exceed five years with~~  
40 4 ~~interest, at a rate to be determined by the director.~~  
40 5 4- 3. Notwithstanding section 12C.7, subsection 2,  
40 6 interest or earnings on moneys deposited in the charter agency  
40 7 loan grant fund shall be credited to the charter agency ~~loan~~  
40 8 grant fund. Notwithstanding section 8.33, moneys credited to  
40 9 the charter agency ~~loan grant~~ fund shall not revert to the  
40 10 fund from which appropriated at the close of a fiscal year.

CODE: Amends language in SF 453 (Reinvention of Government Act) to change the Charter Agency Loan Fund to a Grant Fund and eliminates repayment requirements. Provides for nonreversion of funds.

DETAIL: Senate File 453 was enacted by the General Assembly on April 25, 2003, and signed by the Governor on May 30, 2003.

40 11 Sec. 88. Section 8.23, subsection 1, paragraph a, Code  
40 12 2003, is amended by striking the paragraph.

CODE: Eliminates the requirement that department and agency budget estimates include a line item for energy expenses itemized by type of energy and location.

40 13 Sec. 89. Section 8.31, Code 2003, is amended to read as  
40 14 follows:

CODE: Specifies requirements for departments and agencies to request allotments for appropriations.

40 15 ~~8.31 QUARTERLY REQUISITIONS — ALLOTMENTS OF~~  
40 16 ~~APPROPRIATIONS — EXCEPTIONS — MODIFICATIONS.~~

DETAIL: This allows departments and agencies to complete this process on an annual rather than a quarterly basis.

40 17 1. a. Before an appropriation for administration,  
40 18 operation and maintenance of any department or establishment  
40 19 shall become becomes available, there shall be submitted the  
40 20 department or establishment shall submit to the director of  
40 21 the department of management, not less than twenty days before  
40 22 the beginning of each quarter of each fiscal year, a  
40 23 requisition for an allotment of the amount estimated to be  
40 24 necessary to carry on its work appropriation according to  
40 25 dates identified in the requisition during the ensuing quarter  
40 26 fiscal year by which portions of the appropriation will be  
40 27 needed. The department or establishment shall submit the  
40 28 requisition by June 1, prior to the start of a fiscal year or  
40 29 by another date identified by the director. The requisition  
40 30 shall contain details of proposed expenditures as may be  
40 31 required by the director of the department of management  
40 32 subject to review by the governor.

40 33 b. The director of the department of management shall  
40 34 approve the allotments subject to review by the governor,  
40 35 unless it is found that the estimated budget resources during  
41 1 the fiscal year are insufficient to pay all appropriations in  
41 2 full, in which event such allotments may be modified to the  
41 3 extent the governor may deem necessary in order that there  
41 4 shall be no overdraft or deficit in the several funds of the  
41 5 state at the end of the fiscal year, and the director shall  
41 6 submit copies of the allotments thus approved or modified to  
41 7 the head of the department or establishment concerned, who  
41 8 shall set up such allotments on the books and be governed  
41 9 accordingly in the control of expenditures.

41 10 ~~Allotments of appropriations made for equipment, land,~~  
41 11 ~~permanent improvements, and other capital projects may,~~

41 12 however, be allotted in one amount by major classes or  
41 13 projects for which they are expendable without regard to  
41 14 quarterly periods. For fiscal years beginning on or after  
41 15 July 1, 1989, allotments of appropriations for equipment,  
41 16 land, permanent improvements, and other capital projects,  
41 17 except where contracts have been entered into with regard to  
41 18 the acquisition of project prior to July 1, 1989, shall not be  
41 19 allotted in one amount but shall be allotted at quarterly  
41 20 periods as provided in this section.

41 21 2. Allotments thus made in accordance with subsection 1  
41 22 may be subsequently modified by the director of the department  
41 23 of management at the direction of the governor either upon the  
41 24 written request of the head of the department or establishment  
41 25 concerned, or in the event the governor finds that the  
41 26 estimated budget resources during the fiscal year are  
41 27 insufficient to pay all appropriations in full, upon the  
41 28 governor's own initiative to the extent the governor may deem  
41 29 necessary in order that there shall be no overdraft or deficit  
41 30 in the several funds of the state at the end of the fiscal  
41 31 year; and the head of the department or establishment shall be  
41 32 given notice of a modification in the same way as in the case  
41 33 of original allotments.

41 34 3. ~~Provided, however, that the~~ The allotment requests of  
41 35 all departments and establishments collecting governmental  
42 1 fees and other revenue which supplement a state appropriation  
42 2 shall attach to the summary of requests a statement showing  
42 3 how much of the proposed allotments are to be financed from  
42 4 ~~(1)~~ state appropriations, ~~(2)~~ stores, and ~~(3)~~ repayment  
42 5 receipts.

42 6 4. The procedure to be employed in controlling the  
42 7 expenditures and receipts of the state fair board and the  
42 8 institutions under the state board of regents, whose  
42 9 collections are not deposited in the state treasury, is that  
42 10 outlined in section 421.31, subsection 6.

42 11 5. If the governor determines that the estimated budget  
42 12 resources during the fiscal year are insufficient to pay all  
42 13 appropriations in full, the reductions shall be uniform and  
42 14 prorated between all departments, agencies and establishments

42 15 upon the basis of their respective appropriations.  
42 16 6. Allotments from appropriations for the foreign trade  
42 17 offices of the department of economic development, if the  
42 18 appropriations are described by line item in the department's  
42 19 appropriation Act or another Act, may be made ~~without regard~~  
42 20 ~~to quarterly periods~~ as is necessary to take advantage of the  
42 21 most favorable foreign currency exchange rates.

42 22 Sec. 90. Section 8.57, subsection 1, paragraph c, Code  
42 23 2003, is amended to read as follows:  
42 24 c. The amount appropriated in this section is not subject  
42 25 to the provisions of section 8.31, relating to ~~quarterly~~  
42 26 requisitions and allotment, or to section 8.32, relating to  
42 27 conditional availability of appropriations.

CODE: Technical correction to statutory language regarding Rebuild Iowa Infrastructure Fund appropriations to correspond with the statutory change in Section 89 of this Act.

42 28 Sec. 91. Section 12B.10, subsection 6, paragraph d,  
42 29 subparagraph (4), Code 2003, is amended to read as follows:  
42 30 (4) For investments of short-term operating funds, the  
42 31 funds shall not be invested in investments having effective  
42 32 maturities exceeding sixty-three months.

CODE: Technical correction to statutory language related to standards for the investment of public funds.

42 33 Sec. 92. Section 12B.10A, subsection 6, paragraph d,  
42 34 subparagraph (4), Code 2003, is amended to read as follows:  
42 35 (4) For investments of short-term operating funds, the  
43 1 funds shall not be invested in investments having effective  
43 2 maturities exceeding sixty-three months.

CODE: Technical correction to statutory language related to maturity and procedural limitations for the investment of public funds.

43 3 Sec. 93. Section 12C.27, Code 2003, is amended by striking  
43 4 the section and inserting in lieu thereof the following:  
43 5 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL.  
43 6 If the treasurer of state determines that a bank fails to  
43 7 comply with chapter 12C.22, subsections 2 and 3, the treasurer  
43 8 of state may restrict that bank from accepting uninsured  
43 9 public funds and shall notify the office of thrift  
43 10 supervision, the office of the comptroller of the currency, or  
43 11 the superintendent as applicable, who may take such action  
43 12 against the bank, its board of directors and officers as  
43 13 permitted by law.

CODE: Changes statutory language related to failure of a bank that holds deposits of public funds to maintain the level of collateral required by the Treasurer of State.

43 14 Sec. 94. Section 12E.12, subsection 8, Code 2003, is  
 43 15 amended to read as follows:  
 43 16 8. With respect to the payment of certain debt service,  
 43 17 the debt service to be paid shall be those installments of  
 43 18 debt service on bonds selected by the treasurer of state and  
 43 19 identified in the authority's tax certificate delivered at the  
 43 20 time of the issuance of the bonds issued pursuant to this  
 43 21 chapter, or as otherwise selected by the treasurer of state.  
 43 22 Once the bonds and the installments of debt service thereon  
 43 23 are so selected, that debt service and bonds shall not be  
 43 24 paid, or provided to be paid, from any other source including  
 43 25 the state or any of its departments or agencies. Provided,  
 43 26 however, that if funds are not appropriated to pay debt  
 43 27 service on such bonds when due, the issuing agency shall pay  
 43 28 ~~such the~~ debt service from any available source as provided in  
 43 29 the bond covenants ~~for such bonds.~~ To the extent that this  
 43 30 section does not allow proceeds of previously issued refunding  
 43 31 bonds to be applied for the purpose of the refunding, the  
 43 32 issuing agency may expend such proceeds to improve, remodel,  
 43 33 or repair buildings or other infrastructure upon authorization  
 43 34 of the issuing agency's authority.

CODE: Allows funds procured through refunding or refinancing of bonds originally issued as a part of securitization of the tobacco settlement to be used for infrastructure purposes.

DETAIL: This provision allows for refunding or refinancing of bonds to capitalize on reduced interest rates without jeopardizing the tax-exempt status of the bonds.

43 35 Sec. 95. Section 15E.42, subsection 3, Code 2003, is  
 44 1 amended to read as follows:  
 44 2 3. "Investor" means an individual making a cash investment  
 44 3 in a qualifying business or an individual taxed on income from  
 44 4 a revocable trust's cash investment in a qualifying business  
 44 5 or a person making a cash investment in a community-based seed  
 44 6 capital fund. "Investor" does not include a person which is a  
 44 7 current or previous owner, member, or shareholder in a  
 44 8 qualifying business.

CODE: Adds to the definition of "investor" in reference to development activities.

44 9 Sec. 96. Section 15E.43, subsection 1, paragraph a, Code  
 44 10 2003, is amended to read as follows:  
 44 11 a. For tax years beginning on or after January 1, 2002, a  
 44 12 tax credit shall be allowed against the taxes imposed in  
 44 13 chapter 422, division II, for a portion of an individual  
 44 14 taxpayer's equity investment, as provided in subsection 2, in

CODE: Permits persons receiving income from a revocable trust to claim an investment tax credit for a portion of the trust's investment in a qualifying business.

44 15 a qualifying business. An individual shall not claim a tax  
44 16 credit under this paragraph of a partnership, limited  
44 17 liability company, S corporation, estate, or trust electing to  
44 18 have income taxed directly to the individual. However, an  
44 19 individual receiving income from a revocable trust's  
44 20 investment in a qualified business may claim a tax credit  
44 21 under this paragraph against the taxes imposed in chapter 422,  
44 22 division II, for a portion of the revocable trust's equity  
44 23 investment, as provided in subsection 2, in a qualified  
44 24 business.

44 25 Sec. 97. Section 15E.43, subsection 1, Code 2003, is  
44 26 amended by adding the following new paragraph:  
44 27 NEW PARAGRAPH. d. In the case of a tax credit allowed  
44 28 against the taxes imposed in chapter 422, division II, where  
44 29 the taxpayer died prior to redeeming the entire tax credit,  
44 30 the remaining credit can be redeemed on the decedent's final  
44 31 income tax return.

CODE: Allows a decedent's estate to claim a remaining investment tax credit.

44 32 Sec. 98. Section 15E.45, subsection 2, paragraph c, Code  
44 33 2003, is amended to read as follows:  
44 34 c. The fund has no fewer than ten ~~individual~~ investors who  
44 35 are not affiliates, with no single investor and affiliates of  
45 1 that investor together owning a total of more than twenty-five  
45 2 percent of the ownership interests outstanding in the fund.

CODE: Broadens the definition of investor in reference to Community-Based Seed Capital funds by deleting the word individual.

45 3 Sec. 99. Section 15E.51, subsection 4, Code 2003, is  
45 4 amended to read as follows:  
45 5 4. A taxpayer shall not claim a tax credit under this  
45 6 section if the taxpayer is a venture capital investment fund  
45 7 allocation manager for the Iowa fund of funds created in  
45 8 section 15E.65 or an investor that receives a tax credit for  
45 9 ~~an~~ the same investment in a community-based seed capital fund  
45 10 as defined in 2002 Iowa Acts, House File 2271.

CODE: Prohibits a taxpayer from claiming a tax credit related to venture capital investments if the taxpayer receives a tax credit for the same investment under the Community-Based Seed Capital Fund.

45 11 Sec. 100. Section 15E.193B, subsection 4, Code 2003, is  
45 12 amended to read as follows:  
45 13 4. The eligible housing business shall complete its

CODE: Allows the Department of Economic Development to extend

45 14 building or rehabilitation within two years from the time the  
45 15 business begins construction on the single-family homes and  
45 16 dwelling units. The failure to complete construction or  
45 17 rehabilitation within two years shall result in the eligible  
45 18 housing business becoming ineligible and subject to the  
45 19 repayment requirements and penalties enumerated in subsection  
45 20 7. The department may extend the prescribed two-year  
45 21 completion period for any project which has not been completed  
45 22 if the department determines that completion within the two-  
45 23 year period is impossible or impractical as a result of a  
45 24 substantial loss caused by flood, fire, earthquake, storm, or  
45 25 other catastrophe. For purposes of this subsection,  
45 26 "substantial loss" means damage or destruction in an amount in  
45 27 excess of thirty percent of the project's expected eligible  
45 28 basis as set forth in the eligible housing business's  
45 29 application.

the time period for completion of an eligible enterprise zone housing project if the project sustains damage due to a catastrophe.

45 30 Sec. 101. NEW SECTION. 16.181 HOUSING TRUST FUND.  
45 31 1. a. A housing trust fund is created within the  
45 32 authority. The moneys in the housing trust fund are annually  
45 33 appropriated to the authority to be used for the development  
45 34 and preservation of affordable housing for low-income people  
45 35 in the state. Payment of interest, recaptures of awards, or  
46 1 other repayments to the housing trust fund shall be deposited  
46 2 in the fund. Notwithstanding section 12C.7, interest or  
46 3 earnings on moneys in the housing trust fund or appropriated  
46 4 to the fund shall be credited to the fund. Notwithstanding  
46 5 section 8.33, unencumbered and unobligated moneys remaining in  
46 6 the fund at the close of each fiscal year shall not revert but  
46 7 shall remain available for expenditure for the same purposes  
46 8 in the succeeding fiscal year.  
46 9 b. Assets in the housing trust fund shall consist of all  
46 10 of the following:  
46 11 (1) Any assets received by the authority from the Iowa  
46 12 housing corporation.  
46 13 (2) Any assets transferred by the authority for deposit in  
46 14 the housing trust fund.  
46 15 (3) Any other moneys appropriated by the general assembly

CODE: Establishes the Housing Trust Fund within the Iowa Finance Authority. Specifies how the assets of the Fund are to be utilized. Requires the Authority to create a Local Housing Trust Fund Program and a Project-Based Housing Program. Specifies the funding and applicable requirements for each Program.

DETAIL: Funding of \$800,000 from the Rebuild Iowa Infrastructure Fund is provided to the Department of Economic Development for transfer to the Local Housing Trust in SF 452 (FY 2004 Infrastructure Appropriations Act). Senate File 452 was approved by the General Assembly on May 1, 2003, and signed by the Governor on May 30, 2003.



46 16 and any other moneys available to and obtained or accepted by  
46 17 the authority for placement in the housing trust fund.

46 18 c. The authority shall create the following programs  
46 19 within the housing trust fund:

46 20 (1) Local housing trust fund program. Sixty percent of  
46 21 available moneys in the housing trust fund shall be allocated  
46 22 for the local housing trust fund program. Any moneys  
46 23 remaining in the local housing trust fund program on April 1  
46 24 of each fiscal year which have not been awarded to a local  
46 25 housing trust fund may be transferred to the project-based  
46 26 housing program at any time prior to the end of the fiscal  
46 27 year.

46 28 (2) Project-based housing program. Forty percent of the  
46 29 available moneys in the housing trust fund shall be allocated  
46 30 to the project-based housing program.

46 31 2. a. In order to be eligible to apply for funding from  
46 32 the local housing trust fund program, a local housing trust  
46 33 fund must be approved by the authority and have all of the  
46 34 following:

46 35 (1) A local governing board recognized by the city,  
47 1 county, council of governments, or regional officials as the  
47 2 board responsible for coordinating local housing programs.

47 3 (2) A housing assistance plan approved by the authority.

47 4 (3) Sufficient administrative capacity in regard to  
47 5 housing programs.

47 6 (4) A local match requirement approved by the authority.

47 7 b. An award from the local housing trust fund program  
47 8 shall not exceed ten percent of the balance in the program at  
47 9 the beginning of the fiscal year plus ten percent of any  
47 10 deposits made during the fiscal year.

47 11 c. By December 31 of each year, a local housing trust fund  
47 12 receiving moneys from the local housing trust fund program  
47 13 shall submit a report to the authority itemizing expenditures  
47 14 of the awarded moneys.

47 15 3. In an area where no local housing trust fund exists, a  
47 16 person may apply for moneys from the project-based housing  
47 17 program.

47 18 4. The authority shall adopt rules pursuant to chapter 17A

47 19 necessary to administer this section.

47 20 Sec. 102. Section 25.1, Code 2003, is amended by adding  
 47 21 the following new subsection:  
 47 22 NEW SUBSECTION. 4. Notwithstanding subsections 1 and 2,  
 47 23 and section 25.2, the state appeal board shall not consider  
 47 24 claims for refund of the unused portion of vehicle  
 47 25 registration fees collected under section 321.105.

CODE: Prohibits the State Appeal Board from considering claims for refund of the unused portion of vehicle registration fees.

47 26 [Sec. 103. Section 28.9, subsection 2, Code 2003, is  
 47 27 amended to read as follows:

**VETOED**

CODE: Requires performance-based criteria to be added to the Community Empowerment distribution formula. This change is effective in FY 2005.

47 28 2. a. A school ready children grants account is created  
 47 29 in the Iowa empowerment fund under the authority of the  
 47 30 director of the department of education. Moneys credited to  
 47 31 the account shall be distributed by the department of  
 47 32 education in the form of grants to community empowerment areas  
 47 33 pursuant to criteria established by the Iowa board in  
 47 34 accordance with law.

DETAIL: This does not affect total funding for Empowerment, but may impact funding for individual Empowerment areas.

47 35 b. The distribution formula utilized by the Iowa board for  
 48 1 school ready children grants in the fiscal year beginning July  
 48 2 1, 2004, and for each succeeding fiscal year, shall  
 48 3 specifically incorporate the following components:  
 48 4 (1) A minimum statewide performance baseline shall be  
 48 5 established for the core indicators of performance identified  
 48 6 pursuant to section 28.8, subsection 1, paragraph "a".  
 48 7 (2) A community empowerment area must maintain its  
 48 8 designated status in good standing and must have received  
 48 9 continued approval of its school ready children grant plan.  
 48 10 (3) The community empowerment area must identify how the  
 48 11 core indicators of performance will be addressed by the area  
 48 12 and select two or more of the core indicators that will  
 48 13 achieve a minimum percentage of improvement identified by the  
 48 14 area, subject to approval by the Iowa board. The community  
 48 15 empowerment area's data for the calendar year preceding the

VETOED: The Governor vetoed this Section and stated that it provides increased pressure of inappropriate assessment of young children and unrealistic expectations on Community Empowerment Areas to show improvement.

48 17 children grant shall be used as the area's baseline year.  
 48 18 (4) If an area achieves the identified percentage level of  
 48 19 improvement in the preceding calendar year, the area's minimum

48 20 grant amount shall be the annualized grant amount received in  
48 21 the area's initial year of funding. The Iowa board may  
48 22 implement provisions for averaging the performance levels over  
48 23 two or more years and other approaches to apply the  
48 24 requirements of this paragraph "b" in an equitable manner.  
48 25 (5) If an area does not achieve the identified percentage  
48 26 level of improvement in the preceding calendar year, the area  
48 27 shall receive a reduction from the area's minimum grant  
48 28 amount. If the identified percentage level of improvement is  
48 29 achieved in the next succeeding calendar year, the area's  
48 30 minimum grant amount shall be restored.]

48 31 Sec. 104. Section 29C.8, subsection 3, Code 2003, is  
48 32 amended by adding the following new paragraphs:  
48 33 NEW PARAGRAPH. f. (1) Approve and support the  
48 34 development and ongoing operations of an urban search and  
48 35 rescue team to be deployed as a resource to supplement and  
49 1 enhance emergency and disaster operations.  
49 2 (2) A member of an urban search and rescue team acting  
49 3 under the authority of the administrator or pursuant to a  
49 4 governor's disaster proclamation as provided in section 29C.6  
49 5 shall be considered an employee of the state under chapter 669  
49 6 and shall be afforded protection as an employee of the state  
49 7 under section 669.21. Disability, workers' compensation, and  
49 8 death benefits for team members working under the authority of  
49 9 the administrator or pursuant to the provisions of section  
49 10 29C.6 shall be paid by the state in a manner consistent with  
49 11 the provisions of chapter 85, 410, or 411 as appropriate,  
49 12 depending on the status of the member.  
49 13 NEW PARAGRAPH. g. Develop, implement, and support a  
49 14 uniform incident command system to be used by state agencies  
49 15 to facilitate efficient and effective assistance to those  
49 16 affected by emergencies and disasters. This system shall be  
49 17 consistent with the requirements of the United States  
49 18 occupational safety and health administration and a national  
49 19 incident management system.

CODE: Adds the following to the duties of the Administrator of the  
Emergency Management Division of the Department of Public  
Defense:

- Approve and support the development and ongoing operations of an urban search and rescue team.
- Develop, implement, and support a uniform incident command system.

49 20 Sec. 105. Section 29C.20, subsection 1, Code 2003, is  
49 21 amended to read as follows:  
49 22 1. a. A contingent fund is created in the state treasury  
49 23 for the use of the executive council which may be expended for  
49 24 ~~the purpose of paying following purposes:~~  
49 25 (1) Paying the expenses of suppressing an insurrection or  
49 26 riot, actual or threatened, when state aid has been rendered  
49 27 by order of the governor, ~~and for repairing,~~  
49 28 (2) Repairing, rebuilding, or restoring state property  
49 29 injured, destroyed, or lost by fire, storm, theft, or  
49 30 unavoidable cause, ~~and for repairing,~~  
49 31 (3) Repairing, rebuilding, or restoring state property  
49 32 ~~which that~~ is fiberoptic cable and ~~which that~~ is injured or  
49 33 destroyed by a wild animal, ~~and for aid to,~~  
49 34 (4) Paying the expenses incurred by and claims of an urban  
49 35 search and rescue team when acting under the authority of the  
50 1 administrator and the provisions of section 29C.6 and disaster  
50 2 medical assistance teams when acting under the provisions of  
50 3 section 135.153.  
50 4 (5) (a) Aiding any governmental subdivision in an area  
50 5 declared by the governor to be a disaster area due to natural  
50 6 disasters or to expenditures necessitated by the governmental  
50 7 subdivision toward averting or lessening the impact of the  
50 8 potential disaster, where the effect of the disaster or action  
50 9 on the governmental subdivision is the immediate financial  
50 10 inability to meet the continuing requirements of local  
50 11 government.  
50 12 (b) Upon application by a governmental subdivision in such  
50 13 an area, accompanied by a showing of obligations and  
50 14 expenditures necessitated by an actual or potential disaster  
50 15 in a form and with further information the executive council  
50 16 requires, the aid may be made in the discretion of the  
50 17 executive council and, if made, shall be in the nature of a  
50 18 loan up to a limit of seventy-five percent of the showing of  
50 19 obligations and expenditures. The loan, without interest,  
50 20 shall be repaid by the maximum annual emergency levy  
50 21 authorized by section 24.6, or by the appropriate levy  
50 22 authorized for a governmental subdivision not covered by

CODE: Allows expenses related to an urban search and rescue team to be included in the list of items that can be funded for emergency or disaster related purposes by the Contingent Fund in the Office of the Treasurer of State.

50 23 section 24.6. The aggregate total of loans shall not exceed  
 50 24 one million dollars during a fiscal year. A loan shall not be  
 50 25 for an obligation or expenditure occurring more than two years  
 50 26 previous to the application.

50 27 b. When a state department or agency requests that moneys  
 50 28 from the contingent fund be expended to repair, rebuild, or  
 50 29 restore state property injured, destroyed, or lost by fire,  
 50 30 storm, theft, or unavoidable cause, or to repair, rebuild, or  
 50 31 restore state property ~~which~~ that is fiberoptic cable and  
 50 32 ~~which~~ that is injured or destroyed by a wild animal, or for  
 50 33 payment of the expenses incurred by and claims of an urban  
 50 34 search and rescue team when acting under the authority of the  
 50 35 administrator and the provisions of section 29C.6, the

51 1 executive council shall consider the original source of the  
 51 2 funds for acquisition of the property before authorizing the  
 51 3 expenditure. If the original source was other than the  
 51 4 general fund of the state, the department or agency shall be  
 51 5 directed to utilize moneys from the original source if  
 51 6 possible. The executive council shall not authorize the  
 51 7 repairing, rebuilding, or restoring of the property from the  
 51 8 disaster aid contingent fund if it determines that moneys from  
 51 9 the original source are available to finance the project.

51 10 **[Sec. 106. Section 80B.5, Code 2003, is amended to read as**  
 51 11 **follows:**

51 12 **80B.5 ADMINISTRATION.**

51 13 **The administration of the Iowa law enforcement academy and**  
 51 14 **council Act shall be vested in the office of the governor. A**  
 51 15 **~~director of the academy and such staff~~ Staff as may be**  
 51 16 **necessary for it ~~the law enforcement academy~~ to function shall**  
 51 17 **be employed pursuant to the Iowa merit system.**

**VETOED**

CODE: Eliminates specific reference to the position of the Director of the Iowa Law Enforcement Academy and provides for appropriate staff for the Academy to be appointed by the Governor.

VETOED: The Governor vetoed this Section and stated that it would change the merit status of the Director. The Governor stated this change would be punitive and would unnecessarily destabilize the position and work of the Director.

51 18 **Sec. 107. NEW SECTION. 80B.5A DIRECTOR.**

51 19 **The governor shall appoint the director of the Iowa law**  
 51 20 **enforcement academy, subject to senate confirmation, to a**  
 51 21 **four-year term beginning and ending as provided in section**  
 51 22 **69.19.]**

**VETOED**

CODE: Requires the Governor to appoint the Director of the Iowa Law Enforcement Academy, subject to Senate confirmation, for a four-year term.

51 23 Sec. 108. Section 99G.9, subsection 3, paragraph j, if  
 51 24 enacted by 2003 Iowa Acts, Senate File 453, is amended by  
 51 25 striking the paragraph.

VETOED: The Governor vetoed this Section and stated that it would change the merit status of the Director. The Governor stated this change would be punitive and would unnecessarily destabilize the position and work of the Director.

CODE: Eliminates language in SF 453 (Reinvention of Government Act) that allows the Lottery Authority to contract for audit services. The next Section of this Act requires the Auditor of State, or designee, to have access to the Authority's financial records for audit purposes.

DETAIL: Senate File 453 was enacted by the General Assembly on April 25, 2003, and item vetoed and signed by the Governor on May 30, 2003.

51 26 Sec. 109. Section 99G.40, subsection 5, if enacted by 2003  
 51 27 Iowa Acts, Senate File 453, is amended to read as follows:  
 51 28 5. The authority shall adopt the same fiscal year as that  
 51 29 used by state government and shall be audited annually by the  
 51 30 auditor of state or a certified public accounting firm  
 51 31 appointed by the auditor. The auditor of state or a designee  
 51 32 conducting an audit under this chapter shall have access and  
 51 33 authority to examine any and all records of licensees  
 51 34 necessary to determine compliance with this chapter and the  
 51 35 rules adopted pursuant to this chapter. The cost of audits  
 52 1 and examinations conducted by the auditor of state or a  
 52 2 designee shall be paid for by the authority.

CODE: Requires the Auditor of State, or designee, to have access to and review the financial records of the Iowa Lottery Authority. The costs of the audits are to be paid by the Authority.

DETAIL: Senate File 453 was enacted by the General Assembly on April 25, 2003, and item vetoed and signed by the Governor on May 30, 2003.

52 3 [Sec. 110. NEW SECTION. 174.24 LIABILITY OF COUNTY FAIR  
 52 4 SOCIETY.]

VETOED

52 5 A society, as defined in section 174.1, shall be immune  
 52 6 from liability for any damages incurred at a county fair held  
 52 7 by the society if the damages were incurred on or at an  
 52 8 exhibit, leased facility, amusement ride, or an activity not  
 52 9 under the control of the society, if the county fair requires  
 52 10 the vendor in control of the exhibit, leased facility,  
 52 11 amusement ride, or other activity to obtain liability  
 52 12 insurance of at least three hundred thousand dollars. An

CODE: Allows a county fair society to be immune from liability for damages incurred at a county fair as specified.

VETOED: The Governor vetoed this Section and stated that it unfairly creates a special class of entities that are immune from lawsuits.

52 13 officer or employee of a society, as defined in section 174.1,  
52 14 shall not be held liable for punitive damages as a result of  
52 15 acts in the performance of the officer's or employee's duties,  
52 16 unless reckless misconduct is proven.]

52 17 Sec. 111. Section 257.11, subsection 5, paragraph b, Code  
52 18 2003, is amended to read as follows:  
52 19 b. A school district which establishes a regional academy  
52 20 shall be eligible to assign its resident pupils attending  
52 21 classes at the academy a weighting of one-tenth of the  
52 22 percentage of the pupil's school day during which the pupil  
52 23 attends classes at the regional academy. For the purposes of  
52 24 this subsection, "regional academy" means an educational  
52 25 institution established by a school district to which multiple  
52 26 schools send pupils in grades ~~seven~~ nine through twelve, and  
52 27 may include a virtual academy. A regional academy shall  
52 28 include in its curriculum advanced-level courses and may  
52 29 include in its curriculum vocational-technical ~~programs~~  
52 30 courses. The maximum amount of additional weighting for which  
52 31 a school district establishing a regional academy shall be  
52 32 eligible is an amount corresponding to fifteen additional  
52 33 pupils. The minimum amount of additional weighting for which  
52 34 a school district establishing a regional academy shall be  
52 35 eligible is an amount corresponding to ten additional pupils  
53 1 if the academy provides both advanced-level courses and  
53 2 vocational-technical courses. However, if the sum of the  
53 3 funding amount calculated for all districts operating regional  
53 4 academies under this subsection exceeds one million dollars  
53 5 for the school year beginning July 1, 2004, and each  
53 6 succeeding fiscal year, the director of the department of  
53 7 management shall prorate the amount calculated for each  
53 8 district. The proration shall be based upon the amount  
53 9 calculated for each district when compared to the sum of the  
53 10 amount for all districts.

53 11 Sec. 112. Section 260C.14, Code 2003, is amended by adding  
53 12 the following new subsection:  
53 13 NEW SUBSECTION. 20. Adopt a policy to offer not less than

CODE: Establishes a minimum weighting amount for school districts that establish regional academies and limits eligible students to those in high school. Limits the cost to \$1,000,000 annually and provides for proration of the funding.

CODE: Adds statutory language that requires the board of directors of a community college to adopt a policy regarding options for absences incurred by students that are called to active military duty.

53 14 the following options to a student who is a member of the Iowa  
53 15 national guard or reserve forces of the United States and who  
53 16 is ordered to active state service or federal service or duty:  
53 17   a. Withdraw from the student's entire registration and  
53 18 receive a full refund of tuition and mandatory fees.  
53 19   b. Make arrangements with the student's instructors for  
53 20 course grades, or for incompletes that shall be completed by  
53 21 the student at a later date. If such arrangements are made,  
53 22 the student's registration shall remain intact and tuition and  
53 23 mandatory fees shall be assessed for the courses in full.  
53 24   c. Make arrangements with only some of the student's  
53 25 instructors for course grades, or for incompletes that shall  
53 26 be completed by the student at a later date. If such  
53 27 arrangements are made, the registration for those courses  
53 28 shall remain intact and tuition and mandatory fees shall be  
53 29 assessed for those courses. Any course for which arrangements  
53 30 cannot be made for grades or incompletes shall be considered  
53 31 dropped and the tuition and mandatory fees for the course  
53 32 refunded.

53 33   Sec. 113. Section 261.9, subsection 1, unnumbered  
53 34 paragraph 1, Code 2003, is amended to read as follows:  
53 35   "Accredited private institution" means an institution of  
54 1 higher learning located in Iowa which is operated privately  
54 2 and not controlled or administered by any state agency or any  
54 3 subdivision of the state, except for county hospitals as  
54 4 provided in paragraph "c" of this subsection, and which meets  
54 5 at least one of the criteria in paragraphs "a" through "c" and  
54 6 all of the criteria in paragraphs "d" through "g":

54 7   Sec. 114. Section 261.9, subsection 1, Code 2003, is  
54 8 amended by adding the following new paragraph:  
54 9   NEW PARAGRAPH. g. Adopts a policy to offer not less than  
54 10 the following options to a student who is a member of the Iowa  
54 11 national guard or reserve forces of the United States and who  
54 12 is ordered to active state service or federal service or duty:  
54 13   (1) Withdraw from the student's entire registration and  
54 14 receive a full refund of tuition and mandatory fees.

CODE: Technical correction to statutory language related to the Iowa Tuition Grant Program.

DETAIL: Allows for addition of new statutory language in the following section that provides for absences by students that are called to active military duty.

CODE: Adds statutory language that requires private colleges and universities that qualify as defined in the Iowa Tuition Grant Program to adopt a policy regarding options for absences incurred by students that are called to active military duty.



54 15 (2) Make arrangements with the student's instructors for  
54 16 course grades, or for incompletes that shall be completed by  
54 17 the student at a later date. If such arrangements are made,  
54 18 the student's registration shall remain intact and tuition and  
54 19 mandatory fees shall be assessed for the courses in full.

54 20 (3) Make arrangements with only some of the student's  
54 21 instructors for grades, or for incompletes that shall be  
54 22 completed by the student at a later date. If such  
54 23 arrangements are made, the registration for those courses  
54 24 shall remain intact and tuition and mandatory fees shall be  
54 25 assessed for those courses. Any course for which arrangements  
54 26 cannot be made for grades or incompletes shall be considered  
54 27 dropped and the tuition and mandatory fees for the course  
54 28 refunded.

54 29 Sec. 115. Section 262.9, Code 2003, is amended by adding  
54 30 the following new subsection:

54 31 NEW SUBSECTION. 29. Direct the institutions of higher  
54 32 education under its control to adopt a policy to offer not  
54 33 less than the following options to a student who is a member  
54 34 of the Iowa national guard or reserve forces of the United  
54 35 States and who is ordered to active state service or federal  
55 1 service or duty:

55 2 a. Withdraw from the student's entire registration and  
55 3 receive a full refund of tuition and mandatory fees.

55 4 b. Make arrangements with the student's instructors for  
55 5 course grades, or for incompletes that shall be completed by  
55 6 the student at a later date. If such arrangements are made,  
55 7 the student's registration shall remain intact and tuition and  
55 8 mandatory fees shall be assessed for the courses in full.

55 9 c. Make arrangements with only some of the student's  
55 10 instructors for grades, or for incompletes that shall be  
55 11 completed by the student at a later date. If such  
55 12 arrangements are made, the registration for those courses  
55 13 shall remain intact and tuition and mandatory fees shall be  
55 14 assessed for those courses. Any course for which arrangements  
55 15 cannot be made for grades or incompletes shall be considered  
55 16 dropped and the tuition and mandatory fees for the course

CODE: Adds statutory language that requires the Board of Regents to adopt a policy regarding options for absences incurred by students that are called to active military duty.

55 17 refunded.

55 18 Sec. 116. Section 284.13, subsection 1, paragraph a, Code  
55 19 2003, is amended to read as follows:

55 20 a. For each fiscal year in the fiscal year period  
55 21 beginning July 1, ~~2004~~ 2003, and ending June 30, ~~2002~~ 2005,  
55 22 the department shall reserve up to ~~one million five hundred~~  
55 23 thousand dollars of any moneys appropriated for purposes of  
55 24 this chapter. For each fiscal year in which moneys are  
55 25 appropriated by the general assembly for purposes of team–  
55 26 based variable pay pursuant to section 284.11, the amount of  
55 27 moneys allocated to school districts shall be in the  
55 28 proportion that the basic enrollment of a school district  
55 29 bears to the sum of the basic enrollments of all participating  
55 30 school districts for the budget year. However, the per pupil  
55 31 amount distributed to a school district under the pilot  
55 32 program shall not exceed one hundred dollars.

55 33 Sec. 117. Section 284.13, subsection 1, paragraph g,  
55 34 unnumbered paragraph 1, Code 2003, is amended to read as  
55 35 follows:

56 1 For each fiscal year in which funds are appropriated for  
56 2 purposes of this chapter, the moneys remaining after  
56 3 distribution as provided in paragraphs "a" through "f" and "h"  
56 4 shall be allocated to school districts for salaries and career  
56 5 development in accordance with the following formula:

56 6 Sec. 118. Section 294A.25, subsection 6, Code 2003, is  
56 7 amended by striking the subsection.

56 8 Sec. 119. Section 294A.25, subsections 7, 8, and 9, Code  
56 9 2003, are amended to read as follows:

56 10 7. ~~For~~ Except as otherwise provided in this section, for  
56 11 the fiscal year beginning July 1, ~~1990~~ 2003, and succeeding  
56 12 fiscal years, the remainder of moneys appropriated in  
56 13 subsection 1 to the department of education shall be deposited  
56 14 in the educational excellence fund to be allocated in an

CODE: Extends the Variable Pay Pilot Project of the Student Achievement and Teacher Quality Program through June 30, 2005, and allocates \$500,000 of the funds appropriated for the Project.

DETAIL: House File 662 (FY 2004 Education Appropriations Act) appropriates a total of \$44,275,000 for the Student Achievement and Teacher Quality Program. This change extends the Variable Pay Pilot Project through June 30, 2005, and reduces the funding allocation from \$1,000,000 to \$500,000. House File 662 also captures \$762,675 of funds that remain unexpended from the original allocation for the Project and distributes the funds to community colleges for general aid for FY 2004.

CODE: Strikes the \$75,000 allocation from the Educational Excellence standing appropriation for the Ambassador to Education (Teacher of the Year). This allocation expired on June 30, 2002.

CODE: Eliminates references to Phase III of the Educational Excellence standing appropriation and makes specified allocations.

DETAIL: Funding for Phase III is effectively eliminated by the reduction of \$10,000,000 to the Educational Excellence standing appropriation in this Act.

56 15 amount to meet the ~~minimum salary~~ requirements of this chapter  
56 16 for phase I, ~~in an amount to meet the requirements for and~~  
56 17 ~~phase II, and the remainder of the appropriation for phase~~  
56 18 ~~III.~~

56 19 8. Commencing with the fiscal year beginning July 1, ~~1997~~  
56 20 2003, the amount of two hundred thirty thousand dollars for a  
56 21 kindergarten to grade twelve management information system  
56 22 ~~from additional funds transferred from phase I to phase III.~~

56 23 9. For the fiscal year beginning July 1, ~~2000~~ 2003, and  
56 24 for each succeeding fiscal year, the amount of one hundred  
56 25 seventy thousand dollars to the state board of regents for  
56 26 distribution in the amount of sixty-eight thousand dollars to  
56 27 the Iowa braille and sight saving school and in the amount of  
56 28 one hundred two thousand dollars to the Iowa state school for  
56 29 the deaf ~~from phase III moneys.~~

56 30 Sec. 120. Section 321J.2, subsection 2, paragraph a,  
56 31 subparagraph (3), subparagraph subdivisions (a) and (b), as  
56 32 enacted by 2003 Iowa Acts, House File 65, section 2, are  
56 33 amended to read as follows:

56 34 (a) A defendant whose alcohol concentration is .08 or more  
56 35 but not more than .10 shall not be eligible for any temporary  
57 1 restricted license for at least thirty days if a test was  
57 2 obtained and an accident resulting in personal injury or  
57 3 property damage occurred. The defendant shall be ordered to  
57 4 install an ignition interlock device of a type approved by the  
57 5 commissioner of public safety on all vehicles owned or  
57 6 operated by the defendant if the defendant seeks a temporary  
57 7 restricted license. There shall be no such period of  
57 8 ineligibility if no such accident occurred, and the defendant  
57 9 shall not be ordered to install an ignition interlock device.

57 10 (b) A defendant whose alcohol concentration is more than  
57 11 .10 shall not be eligible for any temporary restricted license  
57 12 for at least thirty days if a test was obtained, and an  
57 13 accident resulting in personal injury or property damage  
57 14 occurred or the defendant's alcohol concentration exceeded  
57 15 .15. There shall be no such period of ineligibility if no  
57 16 such accident occurred and the defendant's alcohol

CODE: Technical corrections to statutory language changes made by  
HF 65 (.08 Blood-Alcohol Content Act).

DETAIL: House File 65 reduces the blood alcohol level for violation of  
operating a vehicle while intoxicated from 0.10% to 0.08%. House File  
65 was enacted by the General Assembly on April 15, 2003, and  
signed by the Governor on April 24, 2003.

57 17 concentration did not exceed .15. In either case, where a  
57 18 defendant's alcohol concentration is more than .10, the  
57 19 defendant shall be ordered to install an ignition interlock  
57 20 device of a type approved by the commissioner of public safety  
57 21 on all vehicles owned or operated by the defendant if the  
57 22 defendant seeks a temporary restricted license.

57 23 Sec. 121. Section 321J.4, subsection 1, paragraphs a and  
57 24 b, as enacted by 2003 Iowa Acts, House File 65, section 3, are  
57 25 amended to read as follows:

57 26 a. A defendant whose alcohol concentration is .08 or more  
57 27 but not more than .10 shall not be eligible for any temporary  
57 28 restricted license for at least thirty days if a test was  
57 29 obtained and an accident resulting in personal injury or  
57 30 property damage occurred. The defendant shall be ordered to  
57 31 install an ignition interlock device of a type approved by the  
57 32 commissioner of public safety on all vehicles owned or  
57 33 operated by the defendant if the defendant seeks a temporary  
57 34 restricted license. There shall be no such period of  
57 35 ineligibility if no such accident occurred, and the defendant  
58 1 shall not be ordered to install an ignition interlock device.

58 2 b. A defendant whose alcohol concentration is more than  
58 3 .10 shall not be eligible for any temporary restricted license  
58 4 for at least thirty days if a test was obtained, and an  
58 5 accident resulting in personal injury or property damage  
58 6 occurred or the defendant's alcohol concentration exceeded  
58 7 .15. There shall be no such period of ineligibility if no  
58 8 such accident occurred and the defendant's alcohol  
58 9 concentration did not exceed .15. In either case, where a  
58 10 defendant's alcohol concentration is more than .10, the  
58 11 defendant shall be ordered to install an ignition interlock  
58 12 device of a type approved by the commissioner of public safety  
58 13 on all vehicles owned or operated by the defendant if the  
58 14 defendant seeks a temporary restricted license.

58 15 Sec. 122. Section 321J.4, subsection 3, paragraphs a and  
58 16 b, as enacted by 2003 Iowa Acts, House File 65, section 3, are  
58 17 amended to read as follows:

58 18 a. A defendant whose alcohol concentration is .08 or more  
58 19 but not more than .10 shall not be eligible for any temporary

58 20 restricted license for at least thirty days if a test was  
58 21 obtained and an accident resulting in personal injury or  
58 22 property damage occurred. The defendant shall be ordered to  
58 23 install an ignition interlock device of a type approved by the  
58 24 commissioner of public safety on all vehicles owned or  
58 25 operated by the defendant if the defendant seeks a temporary  
58 26 restricted license. There shall be no such period of  
58 27 ineligibility if no such accident occurred, and the defendant  
58 28 shall not be ordered to install an ignition interlock device.

58 29 b. A defendant whose alcohol concentration is more than  
58 30 .10 shall not be eligible for any temporary restricted license  
58 31 for at least thirty days if a test was obtained, and an  
58 32 accident resulting in personal injury or property damage  
58 33 occurred or the defendant's alcohol concentration exceeded  
58 34 .15. There shall be no such period of ineligibility if no  
58 35 such accident occurred and the defendant's alcohol  
59 1 concentration did not exceed .15. In either case, where a  
59 2 defendant's alcohol concentration is more than .10, the  
59 3 defendant shall be ordered to install an ignition interlock  
59 4 device of a type approved by the commissioner of public safety  
59 5 on all vehicles owned or operated by the defendant if the  
59 6 defendant seeks a temporary restricted license.

59 7 Sec. 123. Section 321J.12, subsection 2, paragraphs a and  
59 8 b, as enacted by 2003 Iowa Acts, House File 65, section 5, are  
59 9 amended to read as follows:

59 10 a. A person whose driver's license or nonresident  
59 11 operating privileges have been revoked under subsection 1,  
59 12 paragraph "a", whose alcohol concentration is .08 or more but  
59 13 not more than .10 shall not be eligible for any temporary  
59 14 restricted license for at least thirty days after the  
59 15 effective date of the revocation if a test was obtained and an  
59 16 accident resulting in personal injury or property damage  
59 17 occurred. The defendant shall be ordered to install an  
59 18 ignition interlock device of a type approved by the  
59 19 commissioner of public safety on all vehicles owned or  
59 20 operated by the defendant if the defendant seeks a temporary  
59 21 license. There shall be no such period of ineligibility if no  
59 22 such accident occurred, and the defendant shall not be ordered

59 23 to install an ignition interlock device.  
59 24 b. A defendant whose alcohol concentration is more than  
59 25 .10 shall not be eligible for any temporary restricted license  
59 26 for at least thirty days if a test was obtained, and an  
59 27 accident resulting in personal injury or property damage  
59 28 occurred or the defendant's alcohol concentration exceeded  
59 29 .15. There shall be no such period of ineligibility if no  
59 30 such accident occurred and the defendant's alcohol  
59 31 concentration did not exceed .15. In either case, where a  
59 32 defendant's alcohol concentration is more than .10, the  
59 33 defendant shall be ordered to install an ignition interlock  
59 34 device of a type approved by the commissioner of public safety  
59 35 on all vehicles owned or operated by the defendant if the  
60 1 defendant seeks a temporary restricted license.

60 2 Sec. 124. Section 331.605C, subsections 1 and 2, if  
60 3 enacted by 2003 Iowa Acts, Senate File 453, are amended to  
60 4 read as follows:

60 5 1. For the fiscal year beginning July 1, 2003, and ending  
60 6 June 30, 2004, the recorder shall collect a fee of five  
60 7 dollars for each recorded transaction, regardless of the  
60 8 number of pages, for which a fee is paid pursuant to section  
60 9 331.604 to be used for the purposes of planning and  
60 10 implementing electronic recording and electronic transactions  
60 11 in each county and developing county and statewide internet  
60 12 websites to provide electronic access to records and  
60 13 information.

60 14 2. Beginning July 1, 2004, the recorder shall collect a  
60 15 fee of one dollar for each recorded transaction, regardless of  
60 16 the number of pages, for which a fee is paid pursuant to  
60 17 section 331.604 to be used for the purpose of paying the  
60 18 county's ongoing costs of maintaining the systems developed  
60 19 and implemented under subsection 1.

60 20 Sec. 125. Section 331.605C, subsection 4, if enacted by  
60 21 2003 Iowa Acts, Senate File 453, is amended to read as  
60 22 follows:

60 23 4. The ~~state~~ local electronic government ~~electronic~~

CODE: Technical correction to change references from State Government Transaction Fund to Local Electronic Government Transaction Fund.

DETAIL: This is in reference to transaction fees that may be imposed by county recorders. A portion of the fees is to be deposited in a Fund to defray the cost of electronic access to records. This language is established in SF 453 (Reinvention of Government Act).

CODE: Technical correction to change references from State Government Transaction Fund to Local Electronic Government Transaction Fund.

60 24 transaction fund is established in the office of the treasurer  
60 25 of state under the control of the treasurer of state. Moneys  
60 26 deposited into the fund are not subject to section 8.33.  
60 27 Notwithstanding section 12C.7, interest or earnings on moneys  
60 28 in the ~~state local electronic~~ government ~~electronic~~  
60 29 transaction fund shall be credited to the fund. Moneys in the  
60 30 ~~state local electronic~~ government ~~electronic~~ transaction fund  
60 31 are not subject to transfer, appropriation, or reversion to  
60 32 any other fund, or any other use except as provided in this  
60 33 subsection. The treasurer of state shall enter into a  
60 34 contract with the Iowa state association of counties affiliate  
60 35 representing county recorders to ~~develop, implement, and~~  
61 1 ~~maintain~~ hold the fund for the development, implementation,  
61 2 and maintenance of a statewide internet website for purposes  
61 3 of providing electronic access to records and information  
61 4 recorded or filed by county recorders. On a monthly basis,  
61 5 the county treasurer shall pay one dollar of each fee  
61 6 collected pursuant to subsection 1 to the treasurer of state  
61 7 for deposit into the ~~state local electronic~~ government  
61 8 ~~electronic~~ transaction fund. Moneys credited to the ~~state~~  
61 9 ~~local electronic~~ government ~~electronic~~ transaction fund are  
61 10 appropriated to the treasurer of state to be used for contract  
61 11 costs. This subsection is repealed June 30, 2004.

DETAIL: This is in reference to transaction fees that may be imposed by county recorders. A portion of the fees is to be deposited in a Fund to defray the cost of electronic access to records. This language is established in SF 453 (Reinvention of Government Act).

61 12 Sec. 126. Section 422.45, Code 2003, is amended by adding  
61 13 the following new subsection:  
61 14 NEW SUBSECTION. 64. The gross receipts from noncustomer  
61 15 point of sale or noncustomer automated teller machine access  
61 16 or service charges assessed by a financial institution. For  
61 17 purposes of this subsection, "financial institution" means the  
61 18 same as defined in section 527.2.

CODE: Adds a sales tax exemption for automated teller machine and point-of-sale surcharges collected by financial institutions from users of an automated teller machine that are not direct customers of the financial institution.

61 19 Sec. 127. Section 423.4, Code 2003, is amended by adding  
61 20 the following new subsection:  
61 21 NEW SUBSECTION. 9A. Vehicles subject to registration  
61 22 which are transferred from a corporation that is primarily  
61 23 engaged in the business of leasing vehicles subject to  
61 24 registration to a corporation that is primarily engaged in the

CODE: Allows an exemption from the use tax for vehicles transferred between corporations within the same controlled group.

61 25 business of leasing vehicles subject to registration when the  
61 26 transferor and transferee corporations are part of the same  
61 27 controlled group for federal income tax purposes.

61 28 Sec. 128. Section 435.26A, subsections 2 and 5, as enacted  
61 29 by 2003 Iowa Acts, Senate File 134, section 7, are amended to  
61 30 read as follows:

61 31 2. Upon receipt of a certificate of title from a  
61 32 manufactured home owner, a county treasurer shall notify the  
61 33 department of transportation that the certificate of title has  
61 34 been surrendered, remove the registration of title from the  
61 35 county treasurer's records, and destroy the certificate of  
62 1 title.

62 2 The manufactured home owner or the owner's representative  
62 3 shall provide to the county recorder the identifying data of  
62 4 the manufactured home, including the owner's name, the name of  
62 5 the manufacturer, the model name, the year of manufacture, and  
62 6 the serial number of the home, along with the legal  
62 7 description of the real estate on which the manufactured home  
62 8 is located. In addition, evidence shall be provided of the  
62 9 surrender of the certificate of title. After the surrender of  
62 10 the certificate of title of a manufactured home under this  
62 11 section, conveyance of an interest in the manufactured home  
62 12 shall not require transfer of title so long as the  
62 13 manufactured home remains on the same real estate site.

62 14 5. An owner of a manufactured home who has surrendered a  
62 15 certificate of title under this section and requires another  
62 16 certificate of title for the manufactured home is required to  
62 17 apply for a ~~bonded~~ certificate of title under ~~chapter 321~~  
62 18 section 321.42. If supporting documents for the reissuance of  
62 19 a title are not available or sufficient, the procedure for the  
62 20 reissuance of a title specified in the rules of the department  
62 21 of transportation shall be used.

62 22 Sec. 129. Section 452A.2, Code 2003, is amended by adding  
62 23 the following new subsection:  
62 24 NEW SUBSECTION. 20A. "Nonterminal storage facility" means  
62 25 a facility where motor fuel or special fuel, other than

CODE: Makes specified changes to information needed for identification of a manufactured home for purposes of transfer of title to the county treasurer. Specifies procedures if documentation is not available or insufficient.

DETAIL: This change is necessary for certain homes to be eligible for federal mortgage lending programs.

CODE: Adds the definition of "nonterminal storage facility" to the statutory language regarding motor fuel and special fuel taxes.



62 26 liquefied petroleum gas, is stored that is not supplied by a  
62 27 pipeline or a marine vessel. "Nonterminal storage facility"  
62 28 includes a facility that manufactures products such as  
62 29 alcohol, biofuel, blend stocks, or additives which may be used  
62 30 as motor fuel or special fuel, other than liquefied petroleum  
62 31 gas, for operating motor vehicles or aircraft.

62 32 Sec. 130. Section 453A.2, Code 2003, is amended by adding  
62 33 the following new subsection:

62 34 NEW SUBSECTION. 5B. A tobacco compliance employee  
62 35 training fund is created in the office of the treasurer of  
63 1 state. The fund shall consist of civil penalties assessed by  
63 2 the Iowa department of public health under section 453A.22,  
63 3 for violations of this section. Moneys in the fund are  
63 4 appropriated to the alcoholic beverages division of the  
63 5 department of commerce and shall be used to develop and  
63 6 administer the tobacco compliance employee training program  
63 7 under section 453A.2A. Moneys deposited in the fund shall not  
63 8 be transferred, used, obligated, appropriated, or otherwise  
63 9 encumbered except as provided in this subsection.  
63 10 Notwithstanding section 8.33, any unexpended balance in the  
63 11 fund at the end of the fiscal year shall be retained in the  
63 12 fund.

63 13 Sec. 131. Section 453C.1, subsection 10, Code 2003, is  
63 14 amended to read as follows:

63 15 10. "Units sold" means the number of individual cigarettes  
63 16 sold in the state by the applicable tobacco product  
63 17 manufacturer, whether directly or through a distributor,  
63 18 retailer, or similar intermediary or intermediaries, during  
63 19 the year in question, as measured by excise taxes collected by  
63 20 the state on packs or roll-your-own tobacco containers bearing  
63 21 ~~the excise tax stamp of the state.~~ The department of revenue  
63 22 and finance shall adopt rules as are necessary to ascertain  
63 23 the amount of state excise tax paid on the cigarettes of such  
63 24 tobacco product manufacturer for each year.

CODE: Establishes a Tobacco Compliance Employee Training Fund in the Office of the Treasurer of State. The Fund will receive revenue from the civil penalties assessed by the Iowa Department of Public Health against retailers that sell tobacco products to persons under the age of 18. Moneys in the Fund are appropriated to the Alcoholic Beverages Division of the Department of Commerce to develop and administer the Tobacco Compliance Employee Training Program.

DETAIL: The current civil penalty for the first offense of selling tobacco products to minors is \$300. Senate File 401 (Tobacco Retailers and Penalties) adds an additional penalty of \$1,500 for second and subsequent acts of selling tobacco products to minors. Senate File 401 was approved by the General Assembly on March 26, 2003, and signed by the Governor on April 11, 2003.

FISCAL IMPACT: Revenue to be generated by the first and second offense penalties is estimated to be \$540,000 for FY 2004.

CODE: Eliminates the requirement for specified tobacco products to have an excise tax stamp.

DETAIL: This language maintains conformity with the tobacco Master Settlement Agreement.

63 25 Sec. 132. Section 453C.2, subsection 2, paragraph b,  
 63 26 subparagraph (2), Code 2003, is amended to read as follows:  
 63 27 (2) To the extent that a tobacco product manufacturer  
 63 28 establishes that the amount the manufacturer was required to  
 63 29 place into escrow on account of units sold in the state in a  
 63 30 particular year was greater than ~~the state's allocable share~~  
 63 31 ~~of the total payments that such manufacturer would have been~~  
 63 32 ~~required to make in that year under the master settlement~~  
 63 33 ~~agreement~~ the master settlement agreement payments, as  
 63 34 determined pursuant to section IX(i) of that agreement  
 63 35 including after final determination of all adjustments, that  
 64 1 such manufacturer would have been required to make on account  
 64 2 of such units sold had such manufacturer been a participating  
 64 3 manufacturer, ~~as such payments are determined pursuant to~~  
 64 4 ~~section IX(i)(2) of the master settlement agreement and before~~  
 64 5 ~~any of the adjustments or offsets described in section~~  
 64 6 ~~IX(i)(3) of that agreement other than the inflation~~  
 64 7 ~~adjustment~~, the excess shall be released from escrow and  
 64 8 revert back to such tobacco product manufacturer.

CODE: Makes specified changes allowing excess payments received by tobacco product manufacturers, after master settlement requirements have been met, to be released and reverted to the appropriate tobacco product manufacturer.

DETAIL: This language maintains conformity with the tobacco Master Settlement Agreement.

64 9 **[Sec. 133. Section 455D.9, Code 2003, is amended by adding**  
 64 10 **the following new subsection:**  
 64 11 **NEW SUBSECTION. 1A. Yard waste may be accepted by a**  
 64 12 **sanitary landfill for land disposal if the sanitary landfill**  
 64 13 **operates an active methane collection system that produces**  
 64 14 **electricity.]**

**VETOED**

CODE: Permits a sanitary landfill to accept yard waste if the landfill operates an active methane collection system for producing electricity.

VETOED: The Governor vetoed this Section and stated yard waste is best managed at a compost facility.

64 15 Sec. 134. Section 476.33, Code 2003, is amended by adding  
 64 16 the following new subsection:  
 64 17 NEW SUBSECTION. 5. a. The board shall adopt rules that  
 64 18 require the board, in a rate regulatory proceeding under  
 64 19 sections 476.3 and 476.6, to consider both of the following  
 64 20 for inclusion in rates:  
 64 21 (1) Capital infrastructure investments that will not  
 64 22 produce significant additional revenues and will be in service  
 64 23 in Iowa within nine months after the conclusion of the test  
 64 24 year.  
 64 25 (2) Cost of capital changes that will occur within nine

CODE: Requires the Utilities Board to adopt rules including consideration of the cost of infrastructure investments and capital changes when conducting rate review proceedings.

64 26 months after the conclusion of the test year that are  
64 27 associated with a new generating plant that has been the  
64 28 subject of a ratemaking principles proceeding pursuant to  
64 29 section 476.53.

64 30 b. This subsection is repealed effective July 1, 2007.  
64 31 However, any utilities board proceeding that is pending on  
64 32 July 1, 2007, that is being conducted pursuant to section  
64 33 476.3 or 476.6 shall be completed as if this section had not  
64 34 been repealed. Upon repeal, the board may still consider the  
64 35 adjustments addressed in this subsection, but shall not be  
65 1 required to consider them.

65 2 Sec. 135. Section 505.7, Code 2003, is amended by adding  
65 3 the following new subsection:  
65 4 NEW SUBSECTION. 9. The commissioner may retain funds  
65 5 collected during the fiscal year beginning July 1, 2003,  
65 6 pursuant to any settlement, enforcement action, or other legal  
65 7 action authorized under federal or state law for the purpose  
65 8 of reimbursing costs and expenses of the division.

65 9 Sec. 136. Section 518.18, unnumbered paragraph 2, Code  
65 10 2003, is amended to read as follows:  
65 11 1. ~~Two~~ The applicable percent of the gross amount of  
65 12 premiums received during the preceding calendar year, after  
65 13 deducting the amount returned upon the canceled policies,  
65 14 certificates, and rejected applications; and after deducting  
65 15 premiums paid for windstorm or hail reinsurance on properties  
65 16 specifically reinsured; ~~provided, however, that.~~ However, the  
65 17 reinsurer of such windstorm or hail risks shall pay ~~two~~ the  
65 18 applicable percent of the gross amount of reinsurance premiums  
65 19 received upon such risks after deducting the amounts returned  
65 20 upon canceled policies, certificates, and rejected  
65 21 applications. For purposes of this section, "applicable  
65 22 percent" means the same as specified in section 432.1,  
65 23 subsection 4.  
65 24 2. Except as provided in subsection 3, the premium tax  
65 25 shall be paid on or before March 1 of the year following the  
65 26 calendar year for which the tax is due. The commissioner of

CODE: Requires county mutual insurance associations to pay premium tax at the same rate as other insurance companies as specified. Specifies payment due dates and procedures.

DETAIL: The insurance premium tax rate for calendar year 2002 and previous years was 2.00%. The rate is scheduled to decrease as follows:

- 1.75% for calendar year 2003.
- 1.50% for calendar year 2004.
- 1.25% for calendar year 2005.
- 1.00% for calendar year 2006 and later years.

FISCAL IMPACT: This provision is expected to increase revenue to the General Fund by \$200,000 for FY 2003.

65 27 insurance may suspend the certificate of authority of a county  
65 28 mutual insurance association that fails to pay its premium tax  
65 29 on or before the due date.  
65 30 3. a. Each county mutual insurance association  
65 31 transacting business in this state whose Iowa premium tax  
65 32 liability for the preceding calendar year was one thousand  
65 33 dollars or more shall remit on or before June 1, on a  
65 34 prepayment basis, an amount equal to one-half of the premium  
65 35 tax liability for the preceding calendar year.  
66 1 b. In addition to the prepayment amount in paragraph "a",  
66 2 each association shall remit on or before June 30, on a  
66 3 prepayment basis, an additional amount equal to the following  
66 4 percent of the premium tax liability for the preceding  
66 5 calendar year as follows:  
66 6 (1) For prepayment in the 2003 and 2004 calendar years,  
66 7 eleven percent.  
66 8 (2) For prepayment in the 2005 calendar year, twenty-six  
66 9 percent.  
66 10 (3) For prepayment in the 2006 and subsequent calendar  
66 11 years, fifty percent.  
66 12 c. The sums prepaid by a county mutual insurance  
66 13 association under this subsection shall be allowed as credits  
66 14 against its premium tax liability for the calendar year during  
66 15 which the payments are made. If a prepayment made under this  
66 16 subsection exceeds the annual premium tax liability, the  
66 17 excess shall be allowed as a credit against subsequent  
66 18 prepayment or tax liabilities. The commissioner of insurance  
66 19 may suspend the certificate of authority of an association  
66 20 that fails to make a prepayment on or before the due date.

66 21 Sec. 137. Section 518A.35, Code 2003, is amended to read  
66 22 as follows:  
66 23 518A.35 ANNUAL TAX.  
66 24 1. A state mutual insurance association doing business  
66 25 under this chapter shall on or before the first day of March,  
66 26 each year, pay to the director of revenue and finance, or a  
66 27 depository designated by the director, a sum equivalent to ~~two~~  
66 28 the applicable percent of the gross receipts from premiums and

CODE: Corrective changes to insurance premium tax collection statutory language to reflect the change in the previous Section of this Act. Provides for prepayment procedures and penalties for failure to pay as specified.

66 29 fees for business done within the state, including all  
66 30 insurance upon property situated in the state without  
66 31 including or deducting any amounts received or paid for  
66 32 reinsurance. However, a company reinsuring windstorm or hail  
66 33 risks written by county mutual insurance associations is  
66 34 required to pay ~~a two~~ the applicable percent tax on the gross  
66 35 amount of reinsurance premiums received upon such risks, but  
67 1 after deducting the amount returned upon canceled policies and  
67 2 rejected applications covering property situated within the  
67 3 state, and dividends returned to policyholders on property  
67 4 situated within the state. For purposes of this section,  
67 5 "applicable percent" means the same as specified in section  
67 6 432.1, subsection 4.  
67 7 2. Except as provided in subsection 3, the premium tax  
67 8 shall be paid on or before March 1 of the year following the  
67 9 calendar year for which the tax is due. The commissioner of  
67 10 insurance may suspend the certificate of authority of a state  
67 11 mutual insurance association that fails to pay its premium tax  
67 12 on or before the due date.  
67 13 3. a. Each state mutual insurance association transacting  
67 14 business in this state whose Iowa premium tax liability for  
67 15 the preceding calendar year was one thousand dollars or more  
67 16 shall remit on or before June 1, on a prepayment basis, an  
67 17 amount equal to one-half of the premium tax liability for the  
67 18 preceding calendar year.  
67 19 b. In addition to the prepayment amount in paragraph "a",  
67 20 each association shall remit on or before June 30, on a  
67 21 prepayment basis, an additional amount equal to the following  
67 22 percent of the premium tax liability for the preceding  
67 23 calendar year as follows:  
67 24 (1) For prepayment in the 2003 and 2004 calendar years,  
67 25 eleven percent.  
67 26 (2) For prepayment in the 2005 calendar year, twenty-six  
67 27 percent.  
67 28 (3) For prepayment in the 2006 and subsequent calendar  
67 29 years, fifty percent.  
67 30 c. The sums prepaid by a state mutual insurance  
67 31 association under this subsection shall be allowed as credits

67 32 against its premium tax liability for the calendar year during  
67 33 which the payments are made. If a prepayment made under this  
67 34 subsection exceeds the annual premium tax liability, the  
67 35 excess shall be allowed as a credit against subsequent  
68 1 prepayment or tax liabilities. The commissioner of insurance  
68 2 may suspend the certificate of authority of an association  
68 3 that fails to make a prepayment on or before the due date.

68 4 Sec. 138. 2003 Iowa Acts, Senate File 453, section 30, if  
68 5 enacted, is amended by striking the section and inserting in  
68 6 lieu thereof the following:  
68 7 SEC. 30. CHARGE FOR RENT. For the fiscal year beginning  
68 8 July 1, 2003, and ending June 30, 2004, the department of  
68 9 administrative services, if established in 2003 Iowa Acts,  
68 10 House File 534, shall transfer \$900,000 to the general fund of  
68 11 the state from the rent fund if established under section  
68 12 8A.123 in 2003 Iowa Acts, House File 534.

CODE: Requires the Department of Administrative Services to transfer \$900,000 from the Rent Fund to the General Fund for FY 2004.

DETAIL: House File 534, that established the Department and the Fund, was enacted by the General Assembly on April 30, 2003, and signed by the Governor on May 23, 2003.

68 13 Sec. 139. 2003 Iowa Acts, Senate File 453, section 35, if  
68 14 enacted, is amended to read as follows:  
68 15 SEC. 35. CHARTER AGENCY APPROPRIATIONS.  
68 16 1. Notwithstanding any provision of law to the contrary,  
68 17 the total operating appropriations reductions as allowed under  
68 18 section 7J.1 from the general fund of the state to those  
68 19 departments and agencies designated as charter agencies and  
68 20 additional revenue to the general fund of the state attributed  
68 21 to the reinvention process as determined by the department of  
68 22 management above that already committed to the general fund of  
68 23 the state generated for the fiscal year beginning July 1,  
68 24 2003, and ending June 30, 2004, as provided by the  
68 25 appropriation to those agencies as enacted by the Eightieth  
68 26 General Assembly, 2003 Regular Session, shall ~~be reduced by~~  
68 27 total \$15,000,000. The department of management shall apply  
68 28 the appropriation reductions, ~~with a target of a 10 percent~~  
68 29 ~~reduction for each charter agency, as necessary to which along~~  
68 30 with additional generated revenue shall achieve the overall  
68 31 reduction amount and shall make this information available to  
68 32 the legislative fiscal committee and the legislative fiscal

CODE: Makes changes to language relating to the funding of Charter Agencies as established in SF 453 (Reinvention of Government Act).

DETAIL: This change eliminates the targeted goal of a reduction of 10.00% in budget expenditures for Charter Agencies and replaces it with a goal of saving \$15,000,000 through a combination of additional revenues and budget reductions. Senate File 453 was enacted by the General Assembly on April 25, 2003, and item vetoed and signed by the Governor on May 30, 2003.

68 33 bureau. It is the intent of the general assembly that  
68 34 appropriations to a charter agency in subsequent fiscal years  
68 35 shall be similarly adjusted from the appropriation that would  
69 1 otherwise have been enacted.

69 2 2. There is appropriated from the general fund of the  
69 3 state to the department of management for the fiscal year  
69 4 beginning July 1, 2003, and ending June 30, 2004, the  
69 5 following amount, or so much thereof as is necessary, to be  
69 6 used for the purposes designated:

69 7 For deposit in the charter agency ~~loan~~ grant fund created  
69 8 in section 7J.2:

69 9 ..... \$ 3,000,000

69 10 ~~3. For the fiscal year beginning July 1, 2003, and ending~~  
69 11 ~~June 30, 2004, if the actual amount of revenue received by a~~  
69 12 ~~charter agency exceeds the revenue amount budgeted for that~~  
69 13 ~~charter agency by the governor and the general assembly, the~~  
69 14 ~~charter agency may consider the excess amount to be repayment~~  
69 15 ~~receipts as defined in section 8.2.~~

69 16 Sec. 140. Notwithstanding section 8.33, unencumbered and  
69 17 unobligated funds remaining from the appropriation made in  
69 18 1996 Iowa Acts, chapter 1218, section 13, subsection 2,  
69 19 paragraph "a", subparagraph (2), as amended by 1997 Iowa Acts,  
69 20 chapter 215, section 3, and from the appropriation made in  
69 21 1997 Iowa Acts, chapter 215, section 4, subsection 1, shall  
69 22 not revert but shall be available for the purposes designated  
69 23 in those provisions until the close of the fiscal year  
69 24 beginning July 1, 2003.

CODE: Allows nonreversion of an FY 1997 Rebuild Iowa  
Infrastructure Fund appropriation of \$4,400,000 for exterior renovation  
of the State Capitol.

69 25 Sec. 141. 2003 Iowa Acts, Senate File 453, section 49,  
69 26 subsection 1, unnumbered paragraph 1, if enacted, is amended  
69 27 to read as follows:

69 28 The department of human services shall establish a work  
69 29 group in cooperation with representatives of the insurance  
69 30 industry and members of the medical assistance advisory  
69 31 council to develop a plan for the redesign of the medical  
69 32 assistance program. In developing the redesign plan, the work  
69 33 group shall consider all of the following:

CODE: Requires the Department of Human Services to include  
members of the Medical Assistance Advisory Council in developing a  
plan for redesign of the Medical Assistance (Medicaid) Program.

69 34 Sec. 142. 2003 Iowa Acts, Senate File 453, section 121, if  
 69 35 enacted, is amended to read as follows:  
 70 1 SEC. 121. EFFECTIVE DATE. This division of this Act,  
 70 2 creating the Iowa lottery authority, takes effect ~~September~~  
 70 3 July 1, 2003.

CODE: Changes the effective date for changes to the Iowa Lottery Authority in SF 453 (Reinvention of Government Act), from September 1, 2003, to July 1, 2003.

70 4 Sec. 143. Sections 266.8, 266.24, 266.25, and 266.26, Code  
 70 5 2003, are repealed.

CODE: Eliminates the following at Iowa State University:

- Hazardous Waste Research Program.
- Hog-Cholera Serum Laboratory.

70 6 Sec. 144. REPORT ON FEDERAL ELECTION LAW IMPLEMENTATION.  
 70 7 The state committee, if formed, shall develop a plan for  
 70 8 compliance with the federal Help America Vote Act, Pub. L. No.  
 70 9 107–252, and the state committee, in conjunction with the  
 70 10 state commissioner of elections, shall provide quarterly  
 70 11 updates to the Senate and House of Representatives standing  
 70 12 committees on government oversight on the status of the  
 70 13 implementation of Pub. L. No. 107–252.

Requires a State Committee, if formed, to develop a plan for compliance with the federal Help America Vote Act. The Committee is also required to submit quarterly updates to the Senate and House Government Oversight Standing Committees.

70 14 **[Sec. 145. SALE OF DEPARTMENT OF CORRECTIONS' REAL**  
 70 15 **PROPERTY.]**

**VETOED**

70 16 1. Immediately after the effective date of this section,  
 70 17 the department of corrections shall develop a plan to sell, at  
 70 18 market value, the twenty-acre tract of undeveloped land  
 70 19 adjacent to the Iowa correctional institution for women to any  
 70 20 municipality with a population of less than twenty thousand  
 70 21 persons. The plan shall include the sale of the tract of land  
 70 22 within a commercially reasonable time. The sale shall be  
 70 23 negotiated by the department and shall be handled in a manner  
 70 24 that is financially beneficial to the department. The  
 70 25 department shall as a condition of the sale to the  
 70 26 municipality require that the land not be sold by the  
 70 27 municipality for a period of ninety-nine years unless the land  
 70 28 is resold back to the state. Appraisals conducted by the  
 70 29 department of the value of the land shall be made available to  
 70 30 the public immediately following the sale of the tract of  
 70 31 land. If the department is unable to negotiate a financially

CODE: Authorizes the sale of undeveloped land owned by the Department of Corrections to a municipality with a population of less than 20,000. The sale is to take place in a commercially reasonable period of time and in a manner that is financially beneficial to the Department. As a condition of the sale, the municipality is not allowed to sell the land for a period of 99 years unless the land is resold to the State. Appraisals of the value of the property are to be made available to the public immediately following the sale. If the Department is unable to negotiate a financially beneficial sale, the land is not to be sold, and the Department is to provide the Legislative Fiscal Bureau with a list of reasons why the sale did not occur. Proceeds of the sale are to be retained by the Department and used for correctional facilities. Sale of this land is not subject to approval by the Board of Corrections.

VETOED: The Governor vetoed this Section and stated that it undermines the existing process provided in statute.



70 32 beneficial sale, the tract of land shall not be sold, and the  
 70 33 department shall provide the legislative fiscal bureau with  
 70 34 the reasons the sale did not occur.  
 70 35 2. The proceeds from the sale of the property as provided  
 71 1 in subsection 1 shall be retained by the department of  
 71 2 corrections to be used for correctional facilities. The costs  
 71 3 incident to the sale of the tract of land including, but not  
 71 4 limited to, appraisals, invitations for offers, abstracts, and  
 71 5 other necessary costs, may be paid from the proceeds of the  
 71 6 sale or from moneys appropriated for support and maintenance  
 71 7 to the institution at which the real estate is located.  
 71 8 3. The provisions of section 904.317 shall not apply to  
 71 9 the sale of the tract of land sold in accordance with this  
 71 10 section.]

71 11 [Sec. 146. SALES AND USE TAX REFUND.  
 71 12 1. Notwithstanding the one-year application period  
 71 13 provided for in section 422.45, subsection 7, paragraph "b",  
 71 14 an application by a city with a population between 550 and 625  
 71 15 located entirely in a county with a population between 39,750  
 71 16 and 41,750 for a refund of sales, services, or use tax paid  
 71 17 upon any goods, wares, or merchandise, or services rendered,  
 71 18 furnished, or performed and used in the performance of  
 71 19 contracts involving a street construction project and a sewer  
 71 20 project is considered timely filed under section 422.45,  
 71 21 subsection 7, if the application for refund is filed with the  
 71 22 department of revenue and finance on or before August 1, 2003.  
 71 23 2. Notwithstanding the amount applied for under subsection  
 71 24 1, the amount of a refund paid under this section shall not  
 71 25 exceed \$15,000.]

**VETOED**

CODE: Allows a refund of sales and use tax for materials and services related to a street and sewer construction project for the city of Granger. Requires a claim for refund to be filed by August 1, 2003. Limits the refund to \$15,000.

DETAIL: The extended refund deadline will reduce net General Fund revenues by up to \$15,000 in FY 2004.

VETOED: The Governor vetoed this Section and stated that this item would undermine the integrity of the State Appeal Board. The Board previously denied this claim.

71 26 [Sec. 147. SCHOOL DISTRICT REIMBURSEMENT CLAIM.  
 71 27 1. Any school district located in a county with a  
 71 28 population between 11,550 and 12,000 is authorized to refile a  
 71 29 claim for state reimbursement of the costs of providing  
 71 30 vocational education programs at the secondary level in its  
 71 31 district notwithstanding the denial of its previously filed  
 71 32 claim with the state appeal board if the claim is filed by

**VETOED**

CODE: Permits a specified school district to refile a claim for State reimbursement of the costs to provide high school vocational education programs if the claim is refiled by October 1, 2003. Limits the payment amount of the claim to \$6,000.

71 33 October 1, 2003. Such claim shall be considered timely filed  
 71 34 notwithstanding any provision of law.  
 71 35 2. If the claim filed pursuant to subsection 1 is a valid  
 72 1 claim for state reimbursement, the claim shall be paid subject  
 72 2 to the following:  
 72 3 a. The amount of costs reimbursed shall not exceed 6.5  
 72 4 percent.  
 72 5 b. Any amount reimbursed pursuant to any previously filed  
 72 6 claim relating to the same costs shall not be included.  
 72 7 c. The total amount reimbursed under this section shall  
 72 8 not exceed \$6,000.]

DETAIL: This Section applies to Central Lyon Community School District. The cost for the reimbursement is limited to \$6,000 for FY 2004, if approved.

VETOED: The Governor vetoed this Section and stated that this item would infringe on the authority of the Executive Branch and the State Appeal Board. The Department of Education previously denied this claim and no appeal was filed with the Board.

72 9 Sec. 148. COORDINATION OF PUBLIC TRANSPORTATION STUDY.  
 72 10 The state department of transportation shall conduct a study  
 72 11 and prepare a report pertaining to administrative efficiencies  
 72 12 that may be gained by the coordination of transit management  
 72 13 and maintenance systems in the areas of school transportation,  
 72 14 public transit, and other forms of public transportation. The  
 72 15 report shall be provided to the general assembly by December  
 72 16 31, 2003.

Requires the Department of Transportation to conduct a study of administrative efficiencies that could be gained from coordination of transit management and maintenance systems relating to school district transportation, public transit, and other forms of public transportation. Requires a report to be submitted to the General Assembly by December 31, 2003.

72 17 Sec. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR PHYSICIAN  
 72 18 SERVICES. To the extent that, pursuant to law enacted by the  
 72 19 Eightieth General Assembly, 2003 Session, supplemental payment  
 72 20 adjustments are implemented for physician services provided to  
 72 21 medical assistance program participants at publicly owned  
 72 22 acute care hospitals, the department of human services shall  
 72 23 not, directly or indirectly, recoup the supplemental payment  
 72 24 adjustments for any reason, unless an amount equivalent to the  
 72 25 amount of adjustment funds that were transferred to the  
 72 26 department by the state university of Iowa college of medicine  
 72 27 is transferred by the department to the qualifying physicians.

Prohibits the Department of Human Services from recouping supplemental payments to acute care teaching hospitals unless an amount equal to the supplemental payments is reimbursed to the hospitals.

72 28 Sec. 150. UTILITIES BOARD REVIEW. The utilities board  
 72 29 shall initiate and coordinate a review of current ratemaking  
 72 30 procedures to determine whether different procedures would be  
 72 31 cost-effective and would result in rates that more accurately  
 72 32 reflect a utility's cost of providing service to its customers

72 33 in Iowa. The board shall allow the consumer advocate division  
 72 34 of the department of justice, the rate-regulated utilities,  
 72 35 and other interested persons to participate in its review.  
 73 1 The board shall report the results of its review to the  
 73 2 general assembly, with recommendations as appropriate, on or  
 73 3 before January 5, 2004.

Requires the Utilities Board to review current ratemaking procedures and determine if different procedures would be more cost-effective and result in rates that more accurately reflect utility costs to consumers.

The Board is to submit the report, with recommendations, to the General Assembly by January 5, 2004.

73 4 **[Sec. 151. USE OF TEAM-BASED VARIABLE PAY MONEYS FOR FY**  
 73 5 **2003-2004. Notwithstanding section 284.13, subsection 1,**  
 73 6 **paragraph a, of the moneys reserved for purposes of team-based**  
 73 7 **variable pay for the fiscal year beginning July 1, 2003, and**  
 73 8 **ending June 30, 2004, the sum of two hundred thousand dollars**  
 73 9 **shall be used for purposes of the reading instruction pilot**  
 73 10 **program established pursuant to 2003 Iowa Acts, House File**  
 73 11 **549, if enacted.]**

VETOED

CODE: Permits up to \$200,000 of the funds allocated to the Team-Based Variable Pay Pilot Project of the Student Achievement and Teacher Quality Initiative to be used for a Reading Instruction Pilot Program.

VETOED: The Governor vetoed this Section and stated it would duplicate current efforts under the federal Reading First Program.

73 12 Sec. 152. FULL-SIZE OFF-HIGHWAY VEHICLE REGISTRATION  
 73 13 PROGRAM — PLAN. The department of natural resources and the  
 73 14 state department of transportation, in consultation with the  
 73 15 Iowa association of four wheel drive clubs, shall develop a  
 73 16 plan for the establishment of a registration program for full-  
 73 17 size off-highway vehicles for the purposes of regulating the  
 73 18 recreational use of full-size off-highway vehicles and  
 73 19 establishing a full-size off-highway vehicle recreation area  
 73 20 in the state. The plan shall include an analysis of the  
 73 21 number of full-size off-highway vehicles expected to be  
 73 22 registered prior to the establishment of a full-size off-  
 73 23 highway vehicle recreation area and the number of  
 73 24 registrations expected after the establishment of such a  
 73 25 facility. The plan shall also include optimum locations for a  
 73 26 full-size off-highway vehicle recreation area, estimated  
 73 27 costs, if any, for maintenance of the area, and any other  
 73 28 issues the departments and the association deem to be of  
 73 29 importance in the planning process. The plan, which shall  
 73 30 include any proposed legislation for implementation of the  
 73 31 plan, shall be submitted to the legislative services agency  
 73 32 and the general assembly no later than January 1, 2004.

Requires the Departments of Natural Resources and Transportation to develop a plan for establishing a registration program for full-size off-highway vehicles for purposes of regulation and establishing a recreation area. Specifies requirements for the plan. Requires the plan to be submitted to the General Assembly and the Legislative Services Agency by January 1, 2004.

73 33 [Sec. 153. ELIMINATION OF POSITION — IOWA LAW ENFORCEMENT  
 73 34 ACADEMY DIRECTOR. The merit position of director of the Iowa  
 73 35 law enforcement academy referred to in section 80B.5, Code  
 74 1 2003, is eliminated effective April 30, 2004.]

VETOED

CODE: Eliminates the position of Director of the Iowa Law Enforcement Academy as a merit position effective April 30, 2004.

VETOED: The Governor vetoed this Section and stated that it would change the merit status of the Director. The Governor stated this change would be punitive and would unnecessarily destabilize the position and work of the Director.

74 2 Sec. 154. SEVERABILITY.  
 74 3 1. If this entire Act or any portion of section 453C.2,  
 74 4 subsection 2, paragraph "b", subparagraph (2), as amended in  
 74 5 this Act, is held by a court of competent jurisdiction to be  
 74 6 unconstitutional, section 453C.2, subsection 2, paragraph "b",  
 74 7 subparagraph (2), is repealed in its entirety.  
 74 8 2. If section 453C.2, subsection 2, paragraph "b",  
 74 9 subparagraph (2), is repealed pursuant to subsection 1 and a  
 74 10 court of competent jurisdiction subsequently finds that  
 74 11 section 453C.2, subsection 2, paragraph "b", is  
 74 12 unconstitutional due to such repeal, section 453C.2,  
 74 13 subsection 2, paragraph "b", subparagraph (2), Code 2003,  
 74 14 shall be restored.  
 74 15 3. Any holding of unconstitutionality or any repeal of  
 74 16 section 453C.2, subsection 2, paragraph "b", subparagraph (2),  
 74 17 as amended in this Act, or of section 453C.2, subsection 2,  
 74 18 paragraph "b", subparagraph (2), Code 2003, shall not affect,  
 74 19 impair, or invalidate any other portion of section 453C.2 or  
 74 20 the application of that section to any other person or  
 74 21 circumstance, and the remaining portions of section 453C.2,  
 74 22 shall continue in full force and effect.

CODE: Specifies that if any of the proposed changes to statutory language related to tobacco product manufacturers is deemed unconstitutional, the changes will be considered repealed and the statute would revert to current language.

74 23 Sec. 155. FEDERAL HOUSING MONEYS. Any federal moneys  
 74 24 received by the department of economic development for the  
 74 25 community development block grant program that are allocated  
 74 26 for housing and any federal moneys received for the HOME  
 74 27 investment partnership program shall be coordinated with  
 74 28 projects within the housing trust fund established in section

Requires that specified federal housing money received by the Department of Economic Development be coordinated with the Housing Trust Fund established in Section 101 of this Act.

74 29 16.181, if enacted.

74 30 Sec. 156. SMALLPOX VACCINATIONS. It is the intent of the  
74 31 general assembly that public safety workers, smallpox response  
74 32 teams, and others who will be required to be vaccinated  
74 33 pursuant to the federal Homeland Security Act be protected  
74 34 from both health-related and other results of the federally  
74 35 required vaccination. The emergency management division of

75 1 the Iowa department of public defense and local governments  
75 2 should work with employees in the public safety areas or  
75 3 response teams to achieve the following:

75 4 1. Vaccinations should be given only on a voluntary basis.

75 5 2. Extensive screening should be employed to protect those  
75 6 workers who would be at risk from current health conditions if  
75 7 vaccinated.

75 8 3. Reprisals or discrimination for workers not voluntarily  
75 9 receiving vaccinations should be prohibited.

75 10 [4. Public employers should protect employees from loss of

75 11 income or seniority as a result of side effects from

75 12 vaccinations. Homeland security moneys received by the

75 13 emergency management division of the Iowa department of public

75 14 defense from the federal government should include a set-aside

75 15 to purchase supplemental insurance for public safety or

75 16 response employees to cover those reactions not covered by

75 17 traditional employer-provided health insurance.]

75 18 5. Disability or long-term reactions from vaccinations

75 19 should be considered a work-related injury and should be

75 20 covered by local or state policies governing disability.

75 21 6. Vaccinations should be scheduled at staggered times to

75 22 allow for normal loss of staff time because of vaccination-

75 23 related illnesses without seriously hampering public safety

75 24 service.

75 25 [7. Vaccinations administered in Iowa should meet the

75 26 requirements of the federal Needlestick Safety and Prevention

75 27 Act of 2000 that requires safety features in the use of

75 28 needles to administer medicine.

75 29 8. The emergency management division of the Iowa

75 30 department of public defense should coordinate efforts to

Specifies legislative intent that public safety workers and other State employees that are required to be vaccinated for smallpox by the federal Homeland Security Act be protected from both health-related and other results of the vaccination. Requires the Emergency Management Division of the Department of Public Safety to coordinate this effort to achieve the specified actions.

VETOED: The Governor vetoed Subsections 4, 7, and 8 in their entirety. The Governor stated that Subsection 4 would require a set-aside of Homeland Security funds for an unauthorized purpose. Subsection 7 requires vaccinations to be administered by a specific process that is not yet approved by the Food and Drug Administration (FDA). Subsection 8 gives inappropriate duties and responsibilities to the Emergency Management Division for coordination of vaccines and pharmaceuticals. The Governor stated such supplies should be handled by the Department of Public Health.

VETOED

VETOED

75 31 ensure adequate supplies of vaccinia immune globulin and  
75 32 cidofovir and other appropriate medical care and  
75 33 pharmaceuticals to protect those employees who suffer  
75 34 reactions to vaccinations.]

75 35 Sec. 157. CODE EDITOR DIRECTIVE. The Code editor shall  
76 1 change the name of the department of public defense, emergency  
76 2 management division, to the department of public defense,  
76 3 homeland security and emergency management division, in  
76 4 chapter 29C and elsewhere throughout the Code, including  
76 5 references to the division made in law enacted by the  
76 6 Eightieth General Assembly, 2003 Regular Session and other  
76 7 enactments.

Specifies the Code Editor may make necessary adjustments to reflect changing the name of the Emergency Management Division of the Department of Public Defense to the Homeland Security and Emergency Management Division.

76 8 Sec. 158. RECORDING AND TRANSACTION FEE REPORT. The  
76 9 treasurer of state shall submit a report to the governor and  
76 10 general assembly on or before December 1, 2003, detailing the  
76 11 amount of fees collected statewide pursuant to section 331.604  
76 12 in each fiscal year of the period beginning July 1, 2000, and  
76 13 ending June 30, 2003, and the amount of electronic transaction  
76 14 fees collected statewide for the period beginning July 1,  
76 15 2003, and ending September 30, 2003, pursuant to section  
76 16 331.605C, if enacted by 2003 Iowa Acts, Senate File 453,  
76 17 section 25.

Requires the Treasurer of State to submit a report to the Governor and General Assembly by December 1, 2003, detailing the amount of recording and electronic transaction fees collected by local governments.

76 18 Sec. 159. EFFECTIVE DATES. The following provisions of  
76 19 this division of this Act, being deemed of immediate  
76 20 importance, take effect upon enactment:  
76 21 1. The amendments to sections 8.23, 8.31, and 8.57 which  
76 22 are first applicable to appropriations made for the fiscal  
76 23 year beginning July 1, 2003.  
76 24 2. The amendment to section 12E.12.  
76 25 3. The amendments to sections 15E.42, 15E.43, 15E.45, and  
76 26 15E.51, which apply retroactively to January 1, 2002, for tax  
76 27 years beginning on or after that date.  
76 28 4. The amendment to section 15E.193B.  
76 29 5. The amendment to section 435.26A.  
76 30 6. The amendment to section 453A.2, which shall only take

Specifies that the following sections are effective on enactment:

1. Statutory changes related to eliminating information regarding energy expenses and appropriation allotments applicable to Executive Branch agency budgets.
2. Refunding of bonds related to tobacco securitization.
3. Statutory changes to language relating to tax credits for development activities.
4. Extension of time for completion of an enterprise zone project damaged by catastrophe.
5. Statutory changes related to registration of manufactured homes.

76 31 effect if 2003 Iowa Acts, Senate File 401, is enacted by the  
 76 32 Eightieth General Assembly, 2003 Regular Session.  
 76 33 7. The amendments to sections 453C.1 and 453C.2 and the  
 76 34 related severability provision.  
 76 35 8. The amendments to sections 518.18 and 518A.35.  
 77 1 9. The section directing the department of corrections to  
 77 2 develop a plan for selling certain land.  
 77 3 10. The section relating to the sales and use tax refund.  
 77 4 11. The section relating to the school district  
 77 5 reimbursement claim.

77 6 The sections of this division of this Act amending section  
 77 7 80B.5 and enacting section 80B.5A are applicable to the  
 77 8 appointment of the director of the Iowa law enforcement  
 77 9 academy for the term beginning May 1, 2004.

77 10 Section 29C.8, subsection 3, paragraph "f", as enacted in  
 77 11 this division of this Act, and the amendment to section  
 77 12 29C.20, subsection 1, as enacted in this division of this Act,  
 77 13 take effect July 1, 2004.

77 14 DIVISION VIII  
 77 15 MEDICAL ASSISTANCE PROGRAM

77 16 Sec. 160. Section 135C.31A, if enacted by 2003 Iowa Acts,  
 77 17 House File 619, section 2, is amended to read as follows:  
 77 18 135C.31A ASSESSMENT OF RESIDENTS — PROGRAM ELIGIBILITY.  
 77 19 Beginning July 1, 2003, a health care facility receiving  
 77 20 reimbursement through the medical assistance program under  
 77 21 chapter 249A shall assist the Iowa commission of veterans  
 77 22 affairs in ~~determining, prior to the initial identifying, upon~~  
 77 23 admission of a resident, the ~~prospective~~ resident's  
 77 24 eligibility for benefits through the federal department of

6. Tobacco Compliance Employee Training Fund and Program. This change shall only take effect if SF 401 (Tobacco Retailers and Penalties) is enacted by the General Assembly during the 2003 Legislative Session. Senate File 401 was approved by the General Assembly on March 26, 2003, and signed by the Governor on April 11, 2003.
7. Changes to tobacco product manufacturer statutory language.
8. Statutory changes to insurance premium taxes for county mutual insurance associations.
9. Sale of land by the Department of Corrections.
10. Sales and use tax refund.
11. School district reimbursement claim.

Specifies changes to the position of Director of the Iowa Law Enforcement Academy are effective for the term beginning May 1, 2004.

DETAIL: The Governor vetoed the specified sections making this paragraph inapplicable.

Specifies that the following provisions are effective on July 1, 2004:

- Statutory provisions related to establishment of an Urban Search and Rescue Team.
- Statutory provisions allowing expenses of the Team to be paid from the Contingent Fund in the Office of the Treasurer of State.

CODE: Requires nursing facilities to assist the Iowa Commission of Veterans Affairs in identifying residents that may qualify for federal veterans' assistance.

DETAIL: House File 619 (Medicaid Cost Containment Act) was approved by the General Assembly on April 14, 2003, and signed by the Governor on May 2, 2003.



77 25 veterans affairs. The health care facility shall also assist  
77 26 the Iowa commission of veterans affairs in determining such  
77 27 eligibility for residents residing in the facility on July 1,  
77 28 2003. The department of inspections and appeals, in  
77 29 cooperation with the department of human services, shall adopt  
77 30 rules to administer this section, including a provision that  
77 31 ensures that if a resident is eligible for benefits through  
77 32 the federal department of veterans affairs or other third-  
77 33 party payor, the payor of last resort for reimbursement to the  
77 34 health care facility is the medical assistance program. This  
77 35 section shall not apply to the admission of an individual to a  
78 1 state mental health institute for acute psychiatric care.

78 2 Sec. 161. Section 249A.20A, if enacted by 2003 Iowa Acts,  
78 3 House File 619, section 3, is amended by adding the following  
78 4 new subsection:  
78 5 NEW SUBSECTION. 5A. The department shall adopt rules to  
78 6 provide a procedure under which the department and the  
78 7 pharmaceutical and therapeutics committee may disclose  
78 8 information relating to the prices manufacturers or  
78 9 wholesalers charge for pharmaceuticals. The procedures  
78 10 established shall comply with 42 U.S.C. § 1396r-8 and with  
78 11 chapter 550.

CODE: Requires the Department of Human Services to adopt rules whereby the Pharmaceutical and Therapeutics Committee may disclose prescription drug price information. The Pharmaceutical and Therapeutics Committee is responsible for the creation and maintenance of a Preferred Drug List in the Medical Assistance (Medicaid) Program.

78 12 Sec. 162. Section 249A.20B, if enacted by 2003 Iowa Acts,  
78 13 House File 619, section 4, is amended by adding the following  
78 14 new subsection:  
78 15 NEW SUBSECTION. 5A. The department of human services  
78 16 shall provide a reimbursement to nursing facilities under this  
78 17 section. The reimbursement amount shall be calculated as a  
78 18 per patient day amount and shall be paid to nursing facilities  
78 19 in addition to the reimbursement payment specified in 2001  
78 20 Iowa Acts, chapter 192, section 4, subsection 2, paragraph  
78 21 "c".

CODE: Requires the Department of Human Services to provide a reimbursement to nursing facilities in addition to the budgeted reimbursement that would offset or partially offset the amount the nursing facilities pay for a Quality Assurance Fee. The fee will be implemented only if the Federal government approves a waiver.



78 22 Sec. 163. 2003 Iowa Acts, House File 619, section 5, if  
78 23 enacted, is amended by striking the section and inserting in  
78 24 lieu thereof the following:

78 25 SEC. 5. CASE MANAGEMENT PROGRAM FOR FRAIL ELDERES.

78 26 1. The general assembly finds that the existing case  
78 27 management program for frail elders administered by the  
78 28 department of elder affairs is an important component of the  
78 29 long-term care system in this state. The program emphasizes  
78 30 the independence and dignity of the individual while providing  
78 31 services in a cost-effective manner.

78 32 2. The purposes of the case management program for frail  
78 33 elders include all of the following:

78 34 a. To provide planning, policy development, coordination,  
78 35 and administrative oversight.

79 1 b. To provide assistance in the form of assessment and  
79 2 care coordination under circumstances in which an elder or the  
79 3 elder's caregiver is experiencing diminished functional  
79 4 capacity or other conditions that require the provision of  
79 5 services by professional service providers.

79 6 c. To maintain a system that focuses on the delivery of  
79 7 home and community-based services that emphasize individual  
79 8 independence, individual needs and desires, and consumer-  
79 9 driven quality of services.

79 10 3. It is the intent of the general assembly that the  
79 11 department of elder affairs in collaboration with the  
79 12 department of human services, area agencies on aging, advocacy  
79 13 groups, industry representatives, and consumers submit  
79 14 recommendations to the general assembly by October 1, 2003,  
79 15 regarding the redesigning of the case management program for  
79 16 the frail elderly including preadmission screening  
79 17 methodologies, level of care determinations and ongoing  
79 18 methodologies for the coordination, provision, and delivery of  
79 19 home and community-based services.

79 20 4. It is also the intent of the general assembly that the  
79 21 department of elder affairs and the department of human  
79 22 services coordinate efforts to resolve issues relating to  
79 23 level of care determinations no later than October 1, 2003.

CODE: Eliminates statutory language that would transfer the responsibility and funding for doing assessments under the Frail and

Elderly Home and Community Based Services waiver in the Medical Assistance (Medicaid) Program from the Department of Elder Affairs to the Department of Human Services.

States the intent of the General Assembly that the agencies and community groups involved with the Elderly Waiver Program submit recommendations to the General Assembly by October 1, 2003, regarding redesign of the case management program. In addition, states the intent of the General Assembly is that the Department of Elder Affairs and Department of Human Services resolve issues relating to level of care determinations by October 1, 2003.

79 24 Sec. 164. 2003 Iowa Acts, House File 619, section 7,  
79 25 subsection 4, paragraph b, if enacted, is amended to read as  
79 26 follows:

79 27 b. Pharmacies and providers that are enrolled in the  
79 28 medical assistance program shall make available drug  
79 29 acquisition cost information, product availability  
79 30 information, and other information deemed necessary by the  
79 31 department for the determination of reimbursement rates and  
79 32 the efficient operation of the pharmacy benefit. Pharmacies  
79 33 and providers shall produce and submit the requested  
79 34 information in the manner and format requested by the  
79 35 department or its designee at no cost to the department or  
80 1 designee. Pharmacies and providers shall submit information  
80 2 to the department or its designee within thirty days following  
80 3 receipt of a request for information unless the department or  
80 4 its designee grants an extension upon written request of the  
80 5 pharmacy or provider. Notwithstanding the required provision  
80 6 of information by pharmacies and providers under this  
80 7 paragraph, if the department is able to obtain any of the  
80 8 information required to be provided under this paragraph in an  
80 9 alternative manner, through which the department is ensured of  
80 10 the validity and accuracy of the information and of the timely  
80 11 submission of the information, the department may instead  
80 12 obtain the information in the alternative manner. Chapter 550  
80 13 shall apply to the information provided by pharmacies and  
80 14 providers under this paragraph.

80 15 Sec. 165. 2003 Iowa Acts, House File 619, section 9, if  
80 16 enacted, is amended to read as follows:  
80 17 SEC. 9. NURSING FACILITY REIMBURSEMENT. Notwithstanding  
80 18 2001 Iowa Acts, chapter 192, section 4, subsection 2,  
80 19 paragraph "c", and subsection 3, paragraph "a", subparagraph  
80 20 (2), if projected state fund expenditures for reimbursement of  
80 21 nursing facilities for the fiscal year beginning July 1, 2003,  
80 22 in accordance with the reimbursement rate specified in 2001  
80 23 Iowa Acts, chapter 192, section 4, subsection 2, paragraph  
80 24 "c", ~~exceeds~~ exceed \$147,252,856, the department shall adjust  
80 25 the inflation factor of the reimbursement rate calculation to

CODE: Permits the Department of Human Services to obtain

specified information regarding drug costs and products from a source other than pharmacies and providers, if the Department is sure of the validity and accuracy of the information.

CODE: Requires the Department of Human Services, in consultation with nursing facility representatives, to review quarterly nursing facility expenditures in the Medical Assistance (Medicaid) Program to determine whether the reimbursement rates and expenditures are consistent with a FY 2004 spending limit of \$147,252,856. Interim adjustments may be made to reimbursement rates. Requires the Department to consider savings from various reimbursement changes in reviewing the expenditures.

80 26 provide reimbursement within the amount ~~projected~~ specified in  
80 27 this section. The department, in consultation with nursing  
80 28 facility representatives, shall review the projections on a  
80 29 quarterly basis to determine if an interim adjustment is  
80 30 necessary in order to provide reimbursement within the amount  
80 31 specified in this section. In reviewing the projections, the  
80 32 department shall consider the savings from the reduction in  
80 33 bed hold payments, elimination of crossover claims, and  
80 34 increases in Medicare part A utilization.

80 35 Sec. 166. 2003 Iowa Acts, House File 619, section 12,  
81 1 subsections 2 and 3, if enacted, are amended to read as  
81 2 follows:

81 3 2. The department of human services, in cooperation with  
81 4 the department's fiscal agent and in consultation with a  
81 5 chronic care ~~management resource group~~ consortium, shall  
81 6 profile medical assistance recipients within a select number  
81 7 of disease diagnosis categories. The assessment shall focus  
81 8 on those diagnosis areas that present the greatest opportunity  
81 9 for impact to improved care and cost reduction.

81 10 3. The department of human services, in consultation with  
81 11 a chronic care ~~management resource group~~ consortium, shall  
81 12 conduct a chronic disease management pilot project for a  
81 13 select number of individuals who are participants in the  
81 14 medical assistance program. The project shall focus on a  
81 15 select number of chronic diseases which may include congestive  
81 16 heart failure, diabetes, and asthma. The initial pilot  
81 17 project shall be implemented by October 1, 2003.

81 18 Sec. 167. 2003 Iowa Acts, House File 619, section 12,  
81 19 subsection 4, if enacted, is amended by striking the  
81 20 subsection and inserting in lieu thereof the following:

81 21 4. The department of human services may procure a sole  
81 22 source contract with a vendor to manage individuals with  
81 23 select chronic diseases following the conclusion of the  
81 24 profiling of medical assistance recipients. The management of  
81 25 chronic diseases for individuals under this subsection may be  
81 26 coordinated with the pilot project established in subsection

CODE: Changes references from "Chronic Care Management Resource Group" to "Chronic Care Consortium."

CODE: Allows the Department of Human Services to procure a sole source contract for the Chronic Disease Management Pilot Program.

81 27 3.

81 28 Sec. 168. 2002 Iowa Acts, Second Extraordinary Session,  
81 29 chapter 1003, section 110, is amended by adding the following  
81 30 new paragraph:  
81 31 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, up  
81 32 to \$2,400,000 of the funds appropriated in this section that  
81 33 remain unencumbered or unobligated at the close of the fiscal  
81 34 year shall not revert but shall remain available in the  
81 35 succeeding fiscal year to be used for additional field  
82 1 operations, full-time equivalent positions and general  
82 2 administration. Four hundred thousand dollars of this amount  
82 3 shall be used for eight full-time equivalent positions to  
82 4 provide a case manager in each of the judicial districts to  
82 5 provide coordination of services for families that have a  
82 6 history of methamphetamine abuse and \$400,000 of this amount  
82 7 shall be used for general administration.

CODE: Allows the Department of Human Services to use up to \$2,400,000 of Temporary Assistance for Needy Families funds remaining unexpended at the end of FY 2003 for additional Field Operations and General Administration positions in FY 2004.

DETAIL: Requires \$400,000 to be allocated for case managers in each of the eight judicial districts to coordinate services to families with a history of methamphetamine abuse. Requires \$400,000 to be allocated for General Administration.

82 8 Sec. 169. VETERANS — DIRECTIVE. The commission of  
82 9 veterans affairs shall work with the commandant of the Iowa  
82 10 veterans home, the department of human services, and the  
82 11 department of inspections and appeals to identify the  
82 12 residents of health care facilities who may be eligible for  
82 13 benefits through the federal department of veterans affairs  
82 14 pursuant to section 135C.31A, if enacted by 2003 Iowa Acts,  
82 15 House File 619.

Requires the Commission of Veterans Affairs to work with specified persons and groups to identify residents of nursing facilities that may be eligible for federal veterans' benefits.

82 16 Sec. 170. The section of this division of this Act  
82 17 amending 2002 Iowa Acts, Second Extraordinary Session, chapter  
82 18 1003, section 110, relating to certain federal temporary  
82 19 assistance for needy families block grant funding, takes  
82 20 effect upon enactment.

Specifies that the Section of this Division relating to carryover of federal Temporary Assistance to Needy Families (TANF) funds is effective upon enactment.

82 21 **[DIVISION IX]**

82 22 Sec. 171. PURPOSE AND DEFINITIONS.

82 23 1. PURPOSE. The general assembly finds that the Iowa  
82 24 communications network is a valuable state asset that has

VETOED

Specifies the intent of the General Assembly to sell the Iowa Communications Network (ICN). Creates a network privatization board and specifies procedures for accomplishing the sale of the ICN.

**VETOED**

VETOED: This entire Division was vetoed by the Governor. The Governor stated that the design and implementation of the ICN does not easily allow for sale or privatization and should not be attempted until a thorough study has been completed.

82 25 served the people of the state well, but which requires  
82 26 significant ongoing financial support from the state in the  
82 27 form of annual appropriations. The operation of a  
82 28 telecommunications network is a function that can be and  
82 29 generally is conducted by private enterprise. It is in the  
82 30 public interest to sell the Iowa communications network to a  
82 31 qualified private business enterprise that will commit to  
82 32 provide the same secure low-cost high-quality service to state  
82 33 and federal agencies and military installations now provided  
82 34 by the network. Through such a sale, the state would  
82 35 eliminate the need for ongoing annual appropriations while  
83 1 preserving the key benefits enjoyed by the state under the  
83 2 present state ownership of the network. The state also  
83 3 expects to obtain sufficient proceeds from such a sale to  
83 4 cover existing obligations and to realize additional proceeds  
83 5 above the level of such obligations. Given the current  
83 6 depressed state of the telecommunications industry, the state  
83 7 can reasonably be expected to maximize sales proceeds by  
83 8 allowing a purchaser a period of time in which to assemble  
83 9 financing for its purchase. During the interim between  
83 10 enactment of this division of this Act and completion of a  
83 11 sale, the services of a private-enterprise manager with  
83 12 experience operating telecommunications networks can  
83 13 reasonably be expected to reduce the costs of operating the  
83 14 Iowa communications network, thereby lowering annual  
83 15 appropriations.

83 16 2. DEFINITIONS. As used in this division of this Act,  
83 17 unless the context otherwise requires:

83 18 a. "Board" means the state network privatization board.  
83 19 b. "Commission" means the Iowa telecommunications and  
83 20 technology commission established in section 8D.3 to oversee  
83 21 the operations of the network.  
83 22 c. "Management contract" means an agreement between the  
83 23 board and the manager for services to oversee and operate the  
83 24 network on behalf of the state.  
83 25 d. "Manager" means the private entity selected by the  
83 26 board to oversee and operate the network on behalf of the  
83 27 state.

**VETOED**

83 28 e. "Network" means the Iowa or state communications  
83 29 network as defined in section 8D.2.

83 30 f. "Out-of-pocket expenses" means moneys paid to an  
83 31 unaffiliated third party for engineering, legal, consulting,  
83 32 or other services or goods by a manager or purchaser.

83 33 g. "Purchaser" means the entity that is selected by the  
83 34 board to purchase the network from the state.

83 35 h. "Required third-party approval" means any consent,  
84 1 conveyance, approval, or waiver that must be granted by a  
84 2 private, governmental, or quasi-governmental third party in  
84 3 order for the purchaser to receive clear title to all network  
84 4 assets and the right to use the network assets free of adverse  
84 5 claims. Required third-party approvals include but are not  
84 6 limited to all of the following:

84 7 (1) Approvals of assignments to the purchaser of the  
84 8 state's rights under leases or contracts between the state and  
84 9 the third party.

84 10 (2) Conveyance to the purchaser of property that the third  
84 11 party currently leases to the state on a term with less than  
84 12 fifteen years remaining.

84 13 (3) Release of restrictions in contracts that require that  
84 14 the state operate the network.

84 15 i. "Sales contract" means the contract between the state  
84 16 as seller, represented by the board, and the purchaser, for  
84 17 sale of the network to the purchaser.

84 18 Sec. 172. STATE NETWORK PRIVATIZATION BOARD CREATED —  
84 19 DUTIES.

84 20 1. A state network privatization board is created. The  
84 21 board shall consist of the following members:

84 22 a. A chairperson member appointed by the legislative  
84 23 council, subject to confirmation by the senate.

84 24 b. A member, who shall not be of the same political party  
84 25 as the chairperson, appointed by the governor subject to  
84 26 confirmation by the senate.

84 27 c. The adjutant general or the adjutant general's  
84 28 designee.

84 29 2. The board shall do all of the following:

84 30 a. Issue a request for proposals from qualified entities

**VETOED**

84 31 interested in serving as the manager of the network. This  
84 32 request for proposals shall be issued by July 1, 2004, and  
84 33 responses to the request for proposals shall be due by August  
84 34 1, 2004.

84 35 b. Select a manager and enter into a management contract  
85 1 with the manager by October 1, 2004. The management contract  
85 2 shall provide for the continuation of all services currently  
85 3 being provided to state and federal agencies and military  
85 4 installations pursuant to chapter 8D, at the rates specified  
85 5 therein, for the duration of the contract. The contract shall  
85 6 also specify the manager's authority in relation to the duties  
85 7 of the commission during the period between execution of the  
85 8 management contract and closing of the sale of the network.  
85 9 The commission shall establish a dispute resolution process  
85 10 regarding rate increases, quality of service issues, and other  
85 11 areas of dispute involving network subscribers. The  
85 12 commission shall also make recommendations regarding  
85 13 imposition of an ongoing dispute resolution and appeals  
85 14 process commencing with the closing of the sale of the  
85 15 network.

85 16 c. Issue a request for proposals from qualified entities  
85 17 for the purchase of the network. This request for proposals  
85 18 shall be issued by January 1, 2005, and responses to the  
85 19 request for proposals shall be due by May 1, 2005.

85 20 d. Utilizing the criteria set forth in sections 173 and  
85 21 174 of this Act, select a purchaser and enter into a sales  
85 22 contract with the purchaser by October 1, 2005.

85 23 e. Immediately upon execution of the management contract  
85 24 and the sales contract by the majority of the board, transmit  
85 25 the executed contract to the general assembly and to the  
85 26 governor. The board shall have full authority to enter into  
85 27 the management contract and the sales contract on behalf of  
85 28 the state, provided that the general assembly by legislation  
85 29 enacted regarding the specific purchase and approved by the  
85 30 governor, within thirty days after transmittal to the general  
85 31 assembly and the governor in the case of the management  
85 32 contract, and within sixty days after transmittal to the  
85 33 general assembly and the governor in the case of the sales

**VETOED**

85 34 contract, may disapprove the board's action, in which case the  
85 35 disapproved contract shall have no force and effect. In the  
86 1 event of such disapproval, the state shall pay the manager or  
86 2 the purchaser, as the case may be, reasonable out-of-pocket  
86 3 expenses incurred in preparing a proposal and performing prior  
86 4 to disapproval, but such expenses shall not exceed two hundred  
86 5 thousand dollars in the case of disapproval of the management  
86 6 contract and five hundred thousand dollars in the case of  
86 7 disapproval of the sales contract.

86 8 f. Cause the sales contract to require closing by October  
86 9 1, 2007, allowing time for the state to obtain third-party  
86 10 approvals as required by section 176 of this Act, including  
86 11 the filing of any necessary eminent domain actions, and for  
86 12 the purchaser to secure financing.

86 13 g. Execute all necessary documents relating to the closing  
86 14 of the sale of the network. The board may direct any other  
86 15 applicable official to assist in the execution of necessary  
86 16 documents relating to the closing.

86 17 h. Require by written directive that all state officials  
86 18 provide information and records concerning the network to the  
86 19 board, to the manager, or to a person submitting a proposal to  
86 20 purchase the network, whenever the board requires such  
86 21 provision of such records and other information.

86 22 i. Take all other steps necessary and proper as needed to  
86 23 carry out its responsibilities enumerated in this subsection.  
86 24 The board may adopt necessary rules pursuant to chapter 17A to  
86 25 administer this division of this Act.

86 26 Sec. 173. MINIMUM QUALIFICATIONS OF PURCHASER. The  
86 27 purchaser shall meet the following requirements:

86 28 1. The principal place of business of the purchaser and  
86 29 any parent of the purchaser shall be located in the state of  
86 30 Iowa.

86 31 2. For national security reasons, and because of the  
86 32 extensive military use of the network, the purchaser shall  
86 33 possess national security approval.

86 34 Sec. 174. CRITERIA FOR SELECTION OF PURCHASER. After  
86 35 issuing a request for proposals for the purchase of the  
87 1 network and considering the proposals received, the board



**VETOED**

87 2 shall select the highest and best offer for purchase of the  
87 3 network from those persons submitting proposals which meet all  
87 4 of the following criteria:

87 5 1. Satisfy the minimum qualifications of this division of  
87 6 this Act.

87 7 2. Submit a proposal in compliance with the request for  
87 8 proposals.

87 9 3. Demonstrate a likelihood of being able to obtain any  
87 10 financing necessary to close the transaction. However, the  
87 11 board shall not require that the purchaser have a commitment  
87 12 for financing to award the contract, but shall allow the  
87 13 purchaser at least one year to obtain any necessary financing.  
87 14 The board may also in its discretion consider proposals  
87 15 involving financing of the sale by the state.

87 16 4. Agree to continue all services currently being provided  
87 17 to state and federal agencies and military installations for  
87 18 the next ten years, with any annual rate increase not to  
87 19 exceed five percent per year, provided that the purchaser  
87 20 shall not be required to supply at such restricted prices a  
87 21 quantity or quality of service greater than that provided by  
87 22 the network as of execution of the contract for sale of the  
87 23 network.

87 24 Sec. 175. CLOSING OF SALE. Any debt of the state related  
87 25 to the network or other liens against network assets shall be  
87 26 discharged out of the state's proceeds of closing, so that the  
87 27 purchaser receives marketable title to the network. The  
87 28 purchaser shall receive bills of sale, in the case of personal  
87 29 property, and deeds, in the case of real property,  
87 30 transferring all network assets to the purchaser. The state  
87 31 shall also transfer its interest in right-of-way and leases  
87 32 and easements for uses of rights-of-way.

87 33 Sec. 176. THIRD-PARTY APPROVALS.

87 34 1. The state shall exercise all reasonable efforts to  
87 35 obtain each required third-party approval, including where  
88 1 necessary by use of eminent domain proceedings. To the extent  
88 2 feasible, the state may pay the costs of obtaining required  
88 3 third-party approvals out of the proceeds of sale rather than  
88 4 from the general fund of the state. In the event the state

VETOED
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88 5 fails to obtain a required third-party approval, the purchaser  
88 6 may terminate the sales contract without penalty and shall be  
88 7 reimbursed by the state for reasonable out-of-pocket expenses  
88 8 incurred in preparing its proposal and fulfilling its  
88 9 obligations under the sales contract, not to exceed two  
88 10 million dollars.

88 11 2. The board and the purchaser shall develop a list of  
88 12 required third-party approvals and persons who may have claims  
88 13 that would constitute required third-party approvals if valid.  
88 14 The board shall mail to each person on the list at their last  
88 15 known address a notice that provides a description of the sale  
88 16 and invites the recipient to submit a claim on a form  
88 17 developed by the board by a deadline set by the board. The  
88 18 claim or interest of any person who fails to timely file a  
88 19 claim shall be deemed discharged and forfeited, and such  
88 20 person shall be forever barred and estopped from taking any  
88 21 action against the state or purchaser that would in any way  
88 22 interfere with the purchaser's use of the network. In  
88 23 addition, the board shall publish the notice in newspapers of  
88 24 general circulation in the state of Iowa, and failure to file  
88 25 a timely claim shall bar all persons whose rights could  
88 26 constitutionally be affected by such notice, just as if such  
88 27 person had been mailed notice.

88 28 3. Any eminent domain or other proceeding to obtain a  
88 29 required third-party approval shall be promptly filed by the  
88 30 attorney general at the request of the board and shall be  
88 31 added to the calendar of any trial or appellate court of this  
88 32 state so that the deadline in section 172 of this Act for  
88 33 closing the sale can be met.

88 34 Sec. 177. REMOVAL OF RESTRICTIONS — REPEAL OF CHAPTER 8D.

88 35 Chapter 8D is repealed, effective as of the date of the  
89 1 closing of the sale of the network under this division of this  
89 2 Act, as certified by the chairperson of the board to the  
89 3 governor.

89 4 Sec. 178. ASSISTANCE OF OTHER STATE AGENCIES.

89 5 1. The attorney general shall provide legal advice to the  
89 6 board.

89 7 2. All other state agencies shall provide whatever

89 8 assistance may reasonably be required by the board in carrying  
89 9 out its duties under this division of this Act.]

89 10 DIVISION X  
89 11 GOVERNMENT ORGANIZATION REVIEW COMMITTEE

89 12 [Sec. 179. Section 331.264, subsection 1, unnumbered  
89 13 paragraph 1, and paragraphs a through d, if enacted by 2003  
89 14 Iowa Acts, Senate File 390, section 25, are amended to read as  
89 15 follows:

89 16 A local government organization review committee may be  
89 17 created in a county having a population in excess of one  
89 18 hundred thousand. The committee shall be composed of the  
89 19 following members:

89 20 a. Three city council members appointed by the city  
89 21 council of each participating city with a population of  
89 22 twenty-five thousand or more.

89 23 b. Three county supervisors appointed by the county board  
89 24 of supervisors.

89 25 c. One city council member appointed by each participating  
89 26 city with a population of less than twenty-five thousand.

89 27 d. One member shall be appointed by each state legislator  
89 28 whose legislative district is located in the county if a  
89 29 majority of the constituents of that legislative district  
89 30 reside in the county. However, if a county does not have a  
89 31 state representative's legislative district which has a  
89 32 majority of a state representative's constituency residing in  
89 33 the county, the state representative having the largest  
89 34 plurality of constituents residing in the county shall appoint  
89 35 a member. The member appointed by each state legislator shall  
90 1 be a person who is not holding elected office and who is a  
90 2 resident of the legislative district of the state legislator.  
90 3 If any portion more than one-half of the population of a  
90 4 legislative district is in the unincorporated area of the  
90 5 county, the member appointed by that legislator shall be a  
90 6 resident of the unincorporated area of the county.]

VETOED

CODE: Makes changes to language related to organization of local governments, if enacted in SF 390 (Local Government Reorganization). Makes the language applicable only to counties with populations in excess of 100,000. Also specifies a change related to appointment of members to the review committee.

DETAIL: Senate File 390 was enacted by the General Assembly but was vetoed by the Governor.

VETOED: The Governor vetoed this Section as a result of the veto of SF 390. The Governor stated limiting reorganizations based on population was not equitable.

PG LN	Senate File 458	Explanation
90 7 90 8 90 9	Sec. 180. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.	
90 10 90 11	SF 458 mg/cc/26	

# General Fund Revenue Report

(Dollars in Millions)

Act	Short Title/Provision	Revenue / Tax Type	Fiscal Impact Estimate		
			FY 2003	FY 2004	FY 2005
S.F. 458	Endowment Fund Transfer	Transfer	\$0.000	\$20.000	\$0.000
S.F. 458	Infrastructure Fund Transfer	Transfer	0.000	10.000	0.000
S.F. 453	Property Rent Fund Transfer	Transfer	0.000	0.900	0.900
S.F. 453	Area Education Agency Balances	Other Income	0.000	10.000	0.000
H.F. 692	Wall Street Settlement	Other Income	0.000	3.700	0.000
S.F. 236	Unclaimed Property	Other Income	0.000	26.700	12.200
S.F. 180	Abandoned Property	Other Income	0.000	3.700	4.000
S.F. 458	Interest on Reserve Funds	Interest	0.000	7.600	0.000
S.F. 458	Accelerated Education Credits Reduced	Income Tax	0.000	2.000	0.000
H.F. 594	Mechanical Amusement Devices	Fees	0.000	0.118	0.118
H.F. 694	Court Practices & Procedures	Fees	0.000	0.500	0.500
H.F. 655	Real Estate License	Fees	0.100	0.086	0.000
H.F. 541	Birth Registration Fees	Fees	0.000	0.120	0.120
H.F. 675	Assisted Living Fees	Fees	0.000	0.075	0.075
H.F. 672	Adult Day Services Fees	Fees	0.000	0.075	0.075
H.F. 65	Driving .08 Fines	Fines	0.000	0.114	0.273
H.F. 683	Reduced Corporate Tax Refund Delay	Refunds	0.000	0.100	0.100
H.F. 655	Department of Revenue Increased Enforcement	Taxes	0.000	1.300	2.600
H.F. 655	Gambling Enforcement Costs Recovered	Fees	0.000	0.174	0.174
S.F. 442	Internal Revenue Code Update	Income Tax	0.000	-0.717	0.000
H.F. 576	Enterprise Zones	Taxes	0.000	-0.280	-0.280
S.F. 441	Housing Credits Bifurcation	Taxes	0.000	0.000	-0.210
H.F. 682	Wine Gallonage Tax	Liquor Transfers	-0.075	-0.075	-0.075
H.F. 654	Foundry Sales Tax & Refunds	Sales/Use Tax	0.000	-0.253	-0.258
H.F. 677	New Capital Investment Program (NJIP, Jr.)	Taxes	0.000	0.000	-2.700
H.F. 674	Active Duty Pay & Military Tax Exemption	Income Tax	0.000	-1.700	-0.160
H.F. 692	Income Tax Rate Reductions	Income Tax	0.000	-49.400	-65.500
H.F. 692	Utility Tax Phase-out Delay	Sales Tax	0.000	9.000	27.000
H.F. 693	University-Based Research Tax Credits	Taxes	0.000	0.000	-0.080
H.F. 683	Endow Iowa Tax Credits	Taxes	0.000	-0.667	-0.417
S.F. 458	Mutual Insurance Premium Tax Reduction	Insurance Tax	0.248	0.015	-0.162
H.F. 683	Streamlined Sales Tax Agreement	Sales/Use Tax	0.000	1.000	15.000
Federal	Federal Tax Reductions	Taxes	0.000	40.300	35.000
			<u>\$0.273</u>	<u>\$124.885</u>	<u>\$66.793</u>

Note: Shaded items were vetoed by the Governor and are not included in the total.

## **EXECUTIVE SUMMARY BIRTH CERTIFICATE REGISTRATION FEES ACT**

**HOUSE FILE 541**

### **MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS**

- House File 541 increases the registration fee for a birth certificate from \$10.00 to \$15.00 for FY 2004 and FY 2005. Ten dollars of each fee will continue to fund primary and secondary child abuse prevention programs, and \$5.00 will provide funding for the Birth Defects Institute Central Registry.
- Effective in FY 2006, the Act increases the registration fee for a birth certificate from \$15.00 to \$20.00. Ten dollars of each fee will continue to fund the primary and secondary child abuse prevention programs, and \$10.00 will provide funding for the Birth Defects Institute Central Registry.

### **FISCAL IMPACT**

- The Act is expected to increase revenues generated by birth certificate registration fees by \$120,000 in both FY 2004 and FY 2005. In FY 2006, these revenues are expected to increase by \$240,000. All additional revenues will be used to provide funding to the Birth Defects Institute Central Registry.

### **ENACTMENT DATE**

- The Act was approved by the General Assembly on April 22, 2003, and signed by the Governor on May 1, 2003.

# EXECUTIVE SUMMARY ENTERPRISE ZONE PROGRAM ACT

HOUSE FILE 576

## SIGNIFICANT CHANGES TO THE CODE OF IOWA

- House File 576 amends the Enterprise Zone Program allowing for the following changes:
  - Allows current zone boundaries to be amended, provided that the area being incorporated in the zone meets all the criteria on its own.
  - Allows an existing zone or portion of a zone that is unutilized to be decertified to make room under the 1.0% cap for a subsequent zone, provided that decertifying the portion of the zone does not invalidate the remaining portion of the zone. Amending a zone will have no impact on the original expiration date of the zone.
  - Extends the July 1, 2003, sunset date for counties that qualified under the 1990 census distress criteria to December 1, 2003, to allow counties to make the changes to the zones.
  - Allows a development business to apply for benefits without a lease in hand. Requires the lease to be obtained in order to receive benefits.
  - Provides the Department of Economic Development with some recourse when a business approved for tax incentives and assistance experiences a layoff or closes a facility within Iowa.
  - Amends Program eligibility requirements to allow for greater participation of certain Development Business Projects in the Enterprise Zone Program.

## FISCAL IMPACT

- General Fund revenues would be reduced by approximately \$280,000 annually starting in FY 2004, and by an additional \$4.0 million over a period of five to ten years starting in FY 2006.

## ENACTMENT DATE

- The Act was approved by the General Assembly April 28, 2003, and signed by the Governor May 15, 2003.

# EXECUTIVE SUMMARY ELECTRICAL AND MECHANICAL AMUSEMENT DEVICES ACT

HOUSE FILE 594

## SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Amends Section 99B.10, Code of Iowa, as follows:
  - Requires licensure of all electrical and mechanical amusement devices where the outcome is not primarily based on skill.
  - Requires owners of electrical and mechanical amusement devices to obtain a registration tag for each device owned.
  - Requires persons that own or lease registered devices to purchase or lease the devices from manufacturers, manufacturers' representatives, or distributors that have registered with the Department of Inspections and Appeals (DIA).
  - Specifies that an organization wanting to obtain up to four devices must be exempt from paying federal income tax, must have 12 or more members, and cannot have a self-perpetuating governing body. An organization that does not meet these requirements is limited to two devices.
  - Requires an annual fee of \$25 for each device. The \$25 fee is to be deposited into a special fund for use by the DIA and Department of Public Safety (DPS) for expenses.
  - Requires that awards given for use of the devices can only be redeemed on the premises where the devices are located and only for merchandise sold in the normal course of business for the premises.
- Creates Section 99B.10A, Code of Iowa, and requires that:
  - Manufacturers, manufacturer's representatives, and distributors of amusement devices to register with the Department of Inspections and Appeals.
  - Manufacturers and distributors of electrical and mechanical amusement devices to pay an annual registration fee of \$2,500. These fees are to be deposited into the General Fund.
- Creates Section 99B.10B, Code of Iowa, authorizing the DIA to revoke registrations of amusement devices and specifies the procedures and reasons for revocation.
- Amends Section 725.16, Code of Iowa, reducing the penalty for violations of the provisions of Section 99B.10, Code of Iowa, as it relates to offenses committed by owners of electronic or mechanical amusement devices, from a Class D felony to a serious misdemeanor.
- Requires fees generated from the licensing of the amusement devices be deposited in a special fund and appropriated to the DIA and DPS during FY 2004 and FY 2005 for administration and enforcement purposes.
- The Departments estimate there are between 10,000 and 18,000 of these devices in Iowa. The amount of fees generated would be between \$250,000 and \$450,000. These fees would be deposited into the special fund created by the Act for use by the DIA and DPS for FY 2004 and FY 2005.
- The Departments estimate there are approximately 45 distributors and two manufacturers of these devices in Iowa. This would generate an additional \$118,000 annually for the General Fund.
- Specifies the Act is effective upon enactment.
- The Act was approved by the General Assembly on April 22, 2003, and signed by the Governor on May 23, 2003.

## FISCAL IMPACT

## EFFECTIVE DATE ENACTMENT DATE



## **EXECUTIVE SUMMARY FOUNDRY MACHINERY TAX EXEMPTION ACT**

**HOUSE FILE 654**

### **FOUNDRY MACHINERY SALES TAX EXEMPTION**

- House File 654 exempts sand handling and core and mold making equipment used by a foundry in mold making from the State sales and use tax. The exemption is retroactive to July 1, 1997. Refunds are limited to \$600,000 in total and are to be paid in equal installments over five years.

### **FISCAL IMPACT**

- The tax exemption is projected to reduce net General Fund revenues by the following amounts:
  - FY 2004 -- \$253,000
  - FY 2005 -- \$258,000
  - FY 2006 -- \$263,000
  - FY 2007 -- \$268,000
  - FY 2009 -- \$273,000
  - FY 1010 -- \$158,000

### **EFFECTIVE DATE**

- Specifies the Act was effective upon enactment and applies retroactively to purchases made on or after July 1, 1997.

### **ENACTMENT DATE**

- The Act was approved by the General Assembly April 29, 2003, and signed by the Governor May 30, 2003.

## EXECUTIVE SUMMARY FIRE FIGHTER LICENSE PLATES ACT

HOUSE FILE 656

### NEW PROGRAMS, SERVICES, OR ACTIVITIES

- Creates a Paul Ryan Memorial Fire Fighter Safety Training Fund in the State Treasury under the control of the Department of Public Safety (DPS). Fees charged for the issuance of special fire fighter license plates will be transferred from the State Treasurer to the Paul Ryan Memorial Fire Fighter Safety Training Fund. The funds will be used by the Fire Service Training Bureau to offset costs for fire fighter training.

### FEE REVENUES TO THE DEPARTMENT OF PUBLIC SAFETY

- Specifies that the special plates fees will not revert to the General Fund.
- Specifies that retired fire fighters, as well as current fire fighters, are eligible to receive the special plates.
- Between October 2001 and October 2002, approximately 1,100 fire fighter plates were issued.
- The special fee for initial issuance of fire fighter registration plates will remain at \$25. This is in addition to the regular annual registration fee.
- Previously, the \$25 fee was collected by the State Treasurer and credited to the Road Use Tax Fund. Under HF 656, the \$25 fee will be transferred from the State Treasurer to the Paul Ryan Memorial Fire Fighter Safety Training Fund.

### FISCAL IMPACT

- Administrative costs to the Department of Public Safety and the State Treasurer are not estimated to be significant.
- The estimated fiscal impact of HF 656 is an increase in revenue of \$28,000 annually for the Paul Ryan Memorial Fire Fighter Safety Training Fund, and a decrease in revenue of \$28,000 annually for the Road Use Tax Fund.

### ENACTMENT DATE

- The Act was approved by the General Assembly on April 15, 2003, and signed by the Governor on May 1, 2003.

## EXECUTIVE SUMMARY

### ADULT DAY SERVICES REGULATION ACT

## HOUSE FILE 672

#### NEW PROGRAMS, SERVICES, OR ACTIVITIES

#### SPECIAL CLASSIFICATIONS

#### CERTIFICATION REQUIREMENTS

#### CERTIFICATION FEES

#### CERTIFICATION DENIAL, SUSPENSION, OR REVOCATION

#### CONDITIONAL CERTIFICATION

#### PUBLIC DISCLOSURE OF FINDINGS

#### PENALTIES AND PROHIBITIONS

- Requires the Department of Elder Affairs to establish a system for certification, monitoring, and complaint investigation for adult day services programs by administrative rule, in consultation with the Department of Inspections and Appeals and affected industry, professional, and consumer groups.
- Permits the Department of Elder Affairs to establish special classifications for adult day service providers and requires the Department of Inspections and Appeals to issue certificates for each classification.
- Prohibits the establishment or operation of an adult day services program without certification and prohibits programs from providing services to clients that require a level or type of service that the program is not certified to provide.
- Requires the Department of Inspections and Appeals to accept voluntary accreditation by a recognized accrediting entity as the basis for certification.
- Prohibits the approval of payment or reimbursement with public funds to any adult day services program that is not certified.
- Requires the Department of Inspections and Appeals to collect adult day services certification fees and requires the fees be deposited into the General Fund.
- Establishes monetary amounts for adult day services certification and related fees.
- Permits the Department of Inspections and Appeals to deny, suspend, or revoke certification if there has been a substantial or repeated failure on the part of an adult day services program to comply with Chapter 231D, Code of Iowa, or the related administrative rules.
- Permits the Department of Inspections and Appeals to issue a conditional certification as an alternative to denial, suspension, or revocation, if the adult day services program demonstrates efforts to comply with the prescribed conditions.
- Prohibits an adult day services program from operating under conditional certification for more than one year.
- Requires the Department of Inspections and Appeals to provide final certification compliance findings to the public in a readily available form and place.
- Permits the Department of Inspections and Appeals to assess and collect a monetary penalty from a program that discriminates or retaliates against a client or to revoke the program's certification. Funds collected from penalties are to be deposited into the General Fund.

# EXECUTIVE SUMMARY

## ADULT DAY SERVICES REGULATION ACT

HOUSE FILE 672

### CRIMINAL RECORD CHECKS

- Requires adult day services programs to conduct criminal record checks of employees in compliance with Section 135C.33, Code of Iowa.

### LIFE SAFETY

- Requires the State Fire Marshal to adopt rules, in coordination with the Department of Elder Affairs and the Department of Inspections and Appeals, for the certification and monitoring of fire and safety standards for adult day services programs.

### TRANSITIONAL PROVISIONS

- Requires adult day services programs that are voluntarily accredited prior to July 1, 2003, to be in compliance with Chapter 231D, Code of Iowa, by June 30, 2004.
- Requires adult day services programs serving two to five persons that are not voluntarily accredited prior to July 1, 2003, to be in compliance with Chapter 231D, Code of Iowa, by June 20, 2005.

### REQUIRED REPORT

- Requires the Department of Inspections and Appeals, in consultation with the Departments of Elder Affairs and Public Safety, to submit a report to the General Assembly and the Joint Health and Human Services Appropriations Subcommittee regarding the implementation of the oversight system for adult day services programs by December 31, 2004.

### VOLUNTARY ACCREDITATION OF ADULT DAY SERVICES PROGRAMS SERVING PERSONS WITH MENTAL RETARDATION

- Requires the Department of Inspections and Appeals to accept voluntary accreditation for the period of July, 1, 2003, to June 30, 2004, as the basis for certification if a program serving persons with mental retardation is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) for personal and social services or by the Council on Quality and Leadership in Supports for Persons with Disabilities prior to July 1, 2003.

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Creates Chapter 231D, Code of Iowa, to provide for the regulation of adult day services programs and repeals Section 231.61, Code of Iowa, relating to current regulatory provisions for these programs.
- Amends Section 100.1(6), Code of Iowa, to allow the Fire Marshal to designate a fee to be assessed to facilities required by law to have a plan reviewed for fire safety standards. The Act requires the fees be deposited into the General Fund.

### FISCAL IMPACT

- House File 667 (FY 2004 Health and Human Services Appropriations Act) appropriates \$800,000 and 6.0 FTE positions to the Department of Inspections and Appeals from the Senior Living Trust Fund for the oversight of assisted living and adult day services programs. Certification fees will be collected and deposited into the General Fund. It is estimated that less than \$100,000 in fees will be collected in FY 2004, if 40 adult day services providers are certified.

### EFFECTIVE DATE

- Specifies that Section 22 of the Act relating to accepting voluntary accreditation for adult day services programs that serve persons with mental retardation is effective upon enactment.

### ENACTMENT DATE

- The Act was approved by the General Assembly on April 28, 2003, and signed by the Governor on May 30, 2003.

# EXECUTIVE SUMMARY

## MILITARY AND VETERAN'S TAX BENEFITS ACT

HOUSE FILE 674

### MILITARY PERSONNEL TAX BENEFITS

- Provides several tax-related benefits to persons serving in the National Guard or military reserve units. The Act:
  - Allows penalty-free withdrawals from the Iowa Education Savings Plan Trust if the withdrawn funds are used to pay educational expenses at a U.S. military academy.
  - Exempts military student loan repayments from State income tax if received while on active duty.
  - Exempts military death payments from State income tax if received for deaths occurring after September 10, 2001.
  - Expands the instances where military personnel may delay filing State income tax returns.
  - Exempts military active duty pay from State income tax if received after January 1, 2003, and the pay is received through participation in Operation Iraqi Freedom, Operation Noble Eagle, or Operation Enduring Freedom.
  - Allows a deduction of up to \$1,500 for qualified travel expenses of a member of the National Guard or military reserve. The deduction is available to standard and itemized filers.
- Exempts from State income tax certain military organizations that do not qualify for federal income tax exemption due to the inclusion of ancestors or lineal descendants as members of the organization.
- The Act is projected to reduce General Fund receipts by \$1.7 million in FY 2004 and by \$160,000 in FY 2005 and succeeding fiscal years.
- Specifies the Act takes effect upon enactment. Several sections are retroactive to the current and prior tax years.
- The Act was approved by the General Assembly May 1, 2003, and signed by the Governor May 21, 2003.

### VETERAN'S ORGANIZATION TAX EXEMPTION

### FISCAL IMPACT

### EFFECTIVE DATES

### ENACTMENT DATE

# EXECUTIVE SUMMARY

## ELDER GROUP HOMES AND ASSISTED LIVING REGULATION ACT

## HOUSE FILE 675

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- House File 675 provides for changes to several sections of the Code of Iowa relating to the oversight of elder group homes and assisted living programs including, but not limited to, the following:
  - Amends Section 100.1(6), Code of Iowa, to allow the State Fire Marshal to designate a fee to be assessed to facilities required by law to have a plan reviewed for fire safety standards and requires the fees collected be deposited into the General Fund.
  - Amends Section 231B.2(2)(c), Code of Iowa, to require an elder group home be staffed by an on-site manager 24-hours per day, seven days per week.
  - Amends Section 231C.1, Code of Iowa, to specify it is the intent of the General Assembly that the Department of Elder Affairs establish policy for assisted living programs and that the Department of Inspections and Appeals enforce regulations.
  - Amends Section 231C.3, Code of Iowa, to include the following:
    - Requires the Department of Elder Affairs to establish a system for the certification and monitoring of assisted living programs.
    - Requires that administrative rules include recognized accrediting entities and provisions related to dementia-specific programs.
    - Requires the Department of Inspections and Appeals to accept voluntary accreditation by a recognized accrediting entity as the basis for certification.
    - Permits services to be provided by individuals employed by the tenant, if the tenant agrees to assume the responsibility and risk associated with the contractual relationship.
    - Permits assisted living programs to enter into written agreements with Medicare-certified hospice programs for tenants that are terminally ill that elect to receive hospice services under the federal Medicare Program.
    - Permits the Department of Elder Affairs to establish special classifications for affordable assisted living programs.
    - Prohibits the approval of payment or reimbursement with public funds to any assisted living program that is not certified.
  - Amends Section 231C.5, Code of Iowa, to prohibit an assisted living program from operating unless a written occupancy agreement is executed between the program and each tenant or tenant's representative.

# EXECUTIVE SUMMARY

## ELDER GROUP HOMES AND ASSISTED LIVING REGULATION ACT

HOUSE FILE 675

### SIGNIFICANT CHANGES TO THE CODE OF IOWA (CONTINUED)

### NEW PROGRAMS, SERVICES, OR ACTIVITIES

### FISCAL IMPACT

### ENACTMENT DATE

- Amends Section 231C.6, Code of Iowa, to provide for the procedure required to be followed by an assisted living program that initiates the involuntary transfer of a tenant.
- Repeals Chapter 231A, Code of Iowa, relating to elder family homes.
- Requires the Department of Inspections and Appeals to collect assisted living program certification fees and requires the fees be deposited into the General Fund.
- Establishes monetary amounts for assisted living certification and related fees.
- House File 667 (FY 2004 Health and Human Services Appropriations Act) appropriates \$800,000 and 6.0 FTE positions to the Department of Inspections and Appeals from the Senior Living Trust Fund for the oversight of assisted living and adult day services programs. The Department of Inspections and Appeals estimates that \$75,000 in assisted living program certification fees will be collected in FY 2004, which will be deposited into the General Fund. In addition, the Department of Inspections and Appeals estimates that up to \$120,000 in certification fees collected in FY 2003 may carryover and be used for activities associated with assisted living regulation in FY 2004.
- The Act was approved by the General Assembly on April 29, 2003, and signed by the Governor on May 30, 2003.

## EXECUTIVE SUMMARY NEW CAPITAL INVESTMENT ACT

## HOUSE FILE 677

### NEW CAPITAL INVESTMENT PROGRAM INCENTIVES

- House Fil 677 creates a New Capital Investment Program designed to promote capital investment and job creation through tax credits. The Program has a capital investment threshold requirement of \$1.0 million. The tax incentives include:
  - Refunds of sales and use taxes paid during construction.
  - A Research Activities Tax Credit.
  - A tax credit from 1.0% to 5.0% of the capital investment. The number of qualified new jobs created determines the actual credit percentage.

### NEW JOBS AND INCOME PROGRAM WAIVER REQUIREMENTS

- Changes the authority of the Department of Economic Development related to the New Jobs and Income Program (NJIP). The waiver authority allows the Department to approve a business that does not meet the capital investment and job creation requirements of the NJIP.

### FISCAL IMPACT

- The tax incentives included in the Act are projected to reduce net General Fund receipts by the following amounts:
  - FY 2005 – \$2.7 million
  - FY 2006 – \$4.3 million
  - FY 2007 – \$6.0 million
  - FY 2008 – \$7.6 million

### ENACTMENT DATE

- This Act was approved by the General Assembly April 30, 2003, and signed by the Governor May 12, 2003.



## EXECUTIVE SUMMARY

### WINE GALLONAGE TAX REVENUE ACT

HOUSE FILE 682

#### NEW PROGRAMS, SERVICES, OR ACTIVITIES

- Creates a Class B and Class C native retail wine permit with an annual fee of \$25. The Class B native retail wine permit is for off-premises consumption and allows gift shops or other tourist-related businesses to sell only Iowa wine. The Class C native retail wine permit allows businesses to sell Iowa wine for on or off-premises consumption, and allows an Iowa winery to obtain one Class C native retail wine permit for on-premises consumption. Specifies the application process for a Class B or Class C native retail wine permit is the same as the application process for other types of wine permits.

#### FISCAL IMPACT

- The annual allocation from the wholesale wine gallonage taxes to the Grape and Wine Development Fund will not exceed \$75,000 per year. An allocation will occur only if the wine gallonage tax revenues exceed the previous year's wine tax collections. It is difficult to determine the number of businesses that will apply for a native retail wine permit, but the increase in revenue from the permit fee is expected to be minimal.
- The deposit of funds from the wine gallonage tax into the Grape and Wine Development Fund is retroactive to July 1, 2002, if there is an increase over the previous year. The maximum deposit would be \$75,000.

#### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Specifies that the Grape and Wine Development Fund receive an annual allocation from wholesale wine gallonage taxes when there is an increase over the previous fiscal year.
- Current law allows wine gallonage taxes collected in excess of the Revenue Estimating Conference's wine gallonage tax estimate, up to \$75,000, to be deposited in the Grape and Wine Development Fund. This Act allows any wine gallonage taxes collected in excess of the previous year's collections, up to \$75,000, to be deposited in the Grape and Wine Development Fund.

#### ENACTMENT DATE

- The Act was approved by the General Assembly on April 28, 2003, and signed by the Governor on May 21, 2003.

## EXECUTIVE SUMMARY

# TAXATION CHANGES, GROW IOWA VALUES, AND REGULATORY REFORM ACT

## HOUSE FILE 692

### PROPERTY TAX CHANGES

- House File 692 makes changes to the method of property assessment and taxation.
  - For the assessment year beginning January 1, 2006, taxable structures are taxed on a square footage basis. Adjustments are made to the taxable square foot value only when additions or substantial changes are made to the structure that change the number of taxable square feet of the structure.
  - Land is assessed separately and taxed on a per acre basis.
  - The assessment process corrects for inflation using cumulative inflation factors calculated by Iowa State University and establishes the January 2005 assessment as the base.
  - Residential, commercial, and industrial purchases made after January 1, 2005, use the purchase price in calculating the square footage value. The Act permits the assessor to adjust assessed value relative to purchase price to reflect an arm's-length transaction and market value.
  - In making these changes, Section 441.21, Code of Iowa, is repealed and replaced, which removes the rollback language. The rollback is a valuation procedure in which taxable value is set as a percentage of assessed value in order to restrict growth in taxable value to statutory limits or to maintain comparability in growth between the residential and agricultural classes.
  - Agricultural land continues to be taxed with the current productivity value method. Agricultural structures are to be taxed on an agricultural productivity basis using a value per square foot. Farm residences are to be treated as other residential property.

### IMPLEMENTATION PROCEDURE

- Establishes an Implementation Committee to devise a system for testing and implementing the property taxation system.
  - The Department of Management (DOM) and the Department of Revenue and Finance (DRF) are to initiate and coordinate the Committee and provide staff support.
  - The Committee is made up of four members of the General Assembly, one each appointed by the Majority and Minority Leaders of the Senate, the Speaker of the House, and the Minority Leader of the House. Other members of the Committee include representatives of DOM; DRF; counties; cities; school districts; local assessors; commercial, residential, and agricultural taxpayers; and other appropriate stakeholders. The members appointed by the Majority Leader of the Senate and the Speaker of the House will chair the Committee.
  - The Committee will oversee the design phase, testing in three counties during the second year, and statewide testing during the third year, with tax collections beginning under the new system in FY 2008. It will also make recommendations relating to the land tax, square footage tax, tax rate limitations, computer hardware and software, data collection and system testing, implementation budgets, and related issues.

## EXECUTIVE SUMMARY

## HOUSE FILE 692

### TAXATION CHANGES, GROW IOWA VALUES, AND REGULATORY REFORM ACT

#### PROPERTY TAX REVIEW

#### FISCAL IMPACT

#### SUNSET PROVISION

#### INCOME TAX CHANGES – RATE REDUCTION

- Provides that the property assessment and taxing process is subject to periodic legislative review with the first report due by January 1, 2010.
- The implementation of the new system is to be revenue neutral in its impact on classes of property and maintain equity among classes of taxpayers and among taxpayers in the same class.
- Sunsets these changes to property taxes on June 30, 2005, thus requiring a vote of the General Assembly and approval by the Governor for the final implementation of the property tax changes.
- Reduces the tax rates associated with Iowa's nine income tax brackets incrementally over four years. The tax reductions apply first to tax years beginning on or after January 1, 2004, and are fully implemented with tax year 2007. After the fourth year's reduction, each rate would be approximately 14.0% lower than current law and the revenue raised by the personal income tax would be approximately 15.1% less.

- The fiscal impact of the four-year incremental reduction is projected to be:

- FY 2004 – \$49.4 million
- FY 2005 – \$65.5 million
- FY 2006 – \$197.2 million
- FY 2007 – \$311.5 million
- FY 2008 – \$306.9 million

- *The Governor vetoed this language. See below.*

#### INCOME TAX CHANGES – NEW THREE-RATE SYSTEM

- Replaces the fourth year of the incremental income tax rate reduction with a three-rate system, if a constitutional amendment is adopted that makes tax increases more difficult. The three-rate system would have a top tax rate of 4.99% and would not allow Iowans to deduct their federal income taxes from their Iowa taxable income. *The Governor vetoed this language. See below.*

## EXECUTIVE SUMMARY

## HOUSE FILE 692

### TAXATION CHANGES, GROW IOWA VALUES, AND REGULATORY REFORM ACT

#### GROW IOWA VALUES

- Creates the Grow Iowa Values Board within the Department of Economic Development, specifying the membership and duties of the Board members.
- Establishes a Due Diligence Committee within the Department of Economic Development to oversee expenditure of the Grow Iowa Values Fund and to provide recommendations to the Grow Iowa Values Board.
- Creates a Grow Iowa Values Review Commission within the Office of the Auditor to provide program evaluation of specified goals and objectives.
- Creates a Grow Iowa Values Fund to be administered by the Grow Iowa Values Board.
- Establishes an Economic Development Marketing Board within the Department of Economic Development to administer and implement the approval process for marketing strategies.
- Amends the Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP) requiring the Department of Economic Development to give preference to producer-owned, value-added businesses and public and private joint ventures involving an institution of higher learning under the Board of Regents, or a private college or university acquiring assets, research facilities, and leveraging moneys in a manner that meets the goals of the Grow Iowa Values Fund.
- Expands the type of entities or activities eligible for assistance under the Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP) to include the following:
  - Business facilities in the agricultural biotechnical, agricultural biomass, and alternative energy industries.
  - Facilities that add value to Iowa agricultural commodities through further processing and development of organic products and emerging markets.
  - Producer-owned, value-added businesses, education of producers and management boards in value-added businesses, and other activities that would support the infrastructure in the development of value-added agriculture.
- Allows the Department to reserve up to 50.0% of the Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP) funds for persons requiring up to \$500,000 in financial assistance.

## EXECUTIVE SUMMARY

## HOUSE FILE 692

### TAXATION CHANGES, GROW IOWA VALUES, AND REGULATORY REFORM ACT

#### GROW IOWA VALUES (CONTINUED)

- Creates the Endow Iowa Program Act and requires the Department of Economic Development to identify a lead philanthropic entity to encourage the development of qualified community foundations in the State. Allows the Board of the lead philanthropic entity to award Endow Iowa Grants to qualified community foundations and affiliate organizations, provided certain specified criteria is met.
- Requires the lead philanthropic entity to submit an annual report of activities conducted by January 31 of each year to the Governor and the General Assembly.
- Specifies the Endow Iowa Program Act is effective upon enactment and is made retroactive to tax years beginning on or after January 1, 2003.
- Requires a report to be submitted annually by January 15 of each year to the Governor and the General Assembly regarding the commercialization of research at the Regents Institutions. Requires the Board of Regents to work with the Department of Economic Development, other State agencies, and the private sector to facilitate the commercialization of research.
- Requires the governor to appoint a Director of Technology to serve within the office to help advance technology transfer and commercialization issues and coordinate activities. *The Governor vetoed this language. See below.*
- Creates a Loan and Credit Guarantee Program to be administered by the Department of Economic Development to assist qualified businesses with an annual average of 200 employees or less and targeted industry businesses to receive a loan from a financial institution.
- Requires the Department of Economic Development to provide business start-up information through a toll-free telephone service and an Internet web site.
- Requires the Department of Economic Development to collect information regarding reasons an Iowa business closed or why a business considering locating in Iowa decided to locate elsewhere. *The Governor vetoed this language. See below.*
- Requires the Department of Cultural Affairs to establish and administer a Cultural and Entertainment District Certification Program, and allows cities and counties to create cultural and entertainment districts.

## EXECUTIVE SUMMARY

# TAXATION CHANGES, GROW IOWA VALUES, AND REGULATORY REFORM ACT

HOUSE FILE 692

### REGULATORY REFORM

- Requires a bond not to exceed 110.0% of a monetary judgment and allows for an appeal without the filing of a supersedeas bond.
- Prohibits liability under civil conspiracy unless a person knowingly and voluntarily entered into an agreement, express or implied, to participate in a common plan with the intent to commit a tortious act upon another. *The Governor vetoed this language. See below.*
- Requires a jury or a court in a trial of a claim involving the request for punitive or exemplary damages to find whether the conduct of the defendant constituted actual malice. *The Governor vetoed this language. See below.*
- Requires punitive or exemplary damages only be awarded where the plaintiff proves by clear and convincing evidence that the plaintiff's harm was the result of actual malice. *The Governor vetoed this language. See below.*
- Extends the length of time for an employer to provide required information or reports to the Workers' Compensation Commissioner and raises the penalty if the employer fails to comply to \$1,000.
- Requires the Labor Commissioner to monitor and enforce compliance of timely workers' compensation payments and allows the Commissioner to assess a penalty for noncompliance, payable to the second injury fund.
- Requires employers only be responsible for paying workers compensation benefits directly tied to injuries or illness sustained on the job without regard to pre-existing injuries or illness. *The Governor vetoed this language. See below.*
- Extends the repeal on the Unemployment Compensation Surcharge from July 1, 2003 to July 1, 2006, and allows the Department of Workforce Development to continue to collect \$6.5 million for FY 2004 and FY 2005. In FY 2006 the cap on the surcharge is reduced to \$3.3 million.
- Allows cities, counties, and regions to designate an area for targeted economic development and allows them to apply to the Department of Economic Development to certify the area as a preapproved development site.
- Requires the Department of Economic Development to coordinate all regulatory assistance for business in the State.

## EXECUTIVE SUMMARY

## HOUSE FILE 692

### TAXATION CHANGES, GROW IOWA VALUES, AND REGULATORY REFORM ACT

#### REGULATORY REFORM (CONTINUED)

#### UNIVERSITY-BASED RESEARCH TAX CREDIT

- Requires a state agency that requires a permit, license, or other regulatory approval, to issue or deny the permit, license, or other regulatory approval within 90 days. If an agency does not take action within 90 days, the permit, license, or other regulatory approval is deemed to be issued and valid.
- Creates a corporate/personal income tax credit for qualified businesses utilizing university-based research and new patents. The university where the patent was developed would also receive a General Fund appropriation based on the approved tax credits.
- The fiscal impact of the tax credits and appropriations is projected to reduce General Fund receipts by the following amounts:
  - FY 2005 – \$0.1 million
  - FY 2006 – \$0.8 million
  - FY 2007 – \$1.4 million
  - FY 2008 – \$2.0 million
  - FY 2009 – \$2.7 million

#### UTILITY TAX PHASE-OUT DELAYED

- Freezes Iowa's current-law residential energy utility sales tax phase-out. The tax is currently 3.0% and current law reduces the rate by 1.0% on January 1 of each year until the rate is 0.0% starting January 1, 2006. The freeze would maintain the 3.0% rate until July 1, 2008, when the rate would fall to 2.0%. Each July, the rate would be lowered 1.0% until eliminated after June 30, 2010.
- The fiscal impact of the phase-out freeze would be increases in General Fund revenues of the following amounts:
  - FY 2004 – \$9.0 million
  - FY 2005 – \$27.0 million
  - FY 2006 – \$45.0 million
  - FY 2007 – \$54.0 million
  - FY 2008 – \$54.0 million
- *The Governor vetoed this language, indicating that Iowans are expecting this tax decrease and low and middle income Iowans will need the help with projected high winter heating bills.*

## EXECUTIVE SUMMARY

HOUSE FILE 692

## TAXATION CHANGES, GROW IOWA VALUES, AND REGULATORY REFORM ACT

### GOVERNOR'S VETOES

- The Governor vetoed Sections 44 through 72 of this Act, related to changes in Iowa's income tax rates and structure, stating that he was only able to accept tax changes that were revenue neutral. The Governor also stated that the income tax cut was nothing more than a cut in services to Iowans.
- The Governor vetoed Section 99 of this Act, related to the creation of a technology transfer agent in the Office of the Governor, stating this would disrupt the administration of the Office, affect the delivery of service to the State, and diminish the control the Governor has over staffing the Office.
- The Governor vetoed Section 108 of this Act, requiring the Department of Economic Development to collect data about companies that considered locating in Iowa but decided to locate elsewhere, stating this requirement would impose an additional burden to the Department and hinder its efficient delivery of services.
- The Governor vetoed Sections 116 through 120 prohibiting liability under civil conspiracy unless a person knowingly and voluntarily entered into an agreement, express or implied, to participate in a common plan with the intent to commit a tortious act upon another; requiring a jury or a court in a trial of a claim involving the request for punitive or exemplary damages to find whether the conduct of the defendant constituted actual malice; and requiring punitive or exemplary damages only be awarded where the plaintiff proves by clear and convincing evidence that the plaintiff's harm was the result of actual malice. The Governor stated this would make it much harder to hold those who hurt others with unsafe products, on particularly egregious conduct, accountable for the harm they cause.
- The Governor vetoed Section 121 of this Act, requiring employers only be responsible for paying workers' compensation benefits directly tied to injuries or illness sustained on the job without regard to pre-existing injuries or illness, stating workers injured multiple times on a job could be under compensated for their injuries or illness.
- The Governor vetoed Section 132 of this Act, related to freezing the sales tax phase-out on residential energy utility bills, stating that the utility tax cut is promised in current law.
- The Act was passed by the General Assembly on June 4, 2003, and was item vetoed and signed by the Governor June 19, 2003.

### ENACTMENT DATE



# EXECUTIVE SUMMARY COURTS PRACTICES AND PROCEDURES ACT

HOUSE FILE 694

## SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Specifies the ineligibility of a judicial nominating commissioner to be nominated for a judgeship during the term for which they were elected or appointed to the commission. A commissioner is not eligible to vote for a family member, current law partner, or current business partner.
- Extends the regular term of office of a District Associate Judge retained by judicial election from four years to six years.
- Clarifies that the regular term of office of a District Associate Judge is four years, until they stand for re-election, and then the term is extended to six years.
- Clarifies that a county sheriff must serve a summons, subpoena, or notice in a juvenile delinquency or a child in need of assistance (CINA) proceeding.
- Eliminates the participation of the Foster Care Review Board in voluntary foster care placements and delinquency cases involving foster care.
- Eliminates the discrepancy between securing a no-contact order and bringing a contempt action to enforce a no-contact order by requiring that in a contempt action for violation of a no-contact order, the filing fee and court costs for the victim will be waived by the court.
- Requires a vehicle owner or driver to present proof of liability insurance coverage to the clerk of court before the date of the person's court appearance.
- Allows a vehicle owner to have a ticket dismissed if the owner can furnish proof to the county attorney that another person had custody of the vehicle when the ticket was issued.
- Requires a clerk of court to give notice to the originating county that an initial dissolution decree has been modified in a county other than where the original decree was entered.
- Allows a person to serve as clerk of the district court for more than one, but not more than four, contiguous counties in the same judicial district. This Section removes the requirement to maintain a clerk of court in each county and the associated residency requirement.
- Eliminates alternative district associate judges.

# EXECUTIVE SUMMARY COURTS PRACTICES AND PROCEDURES ACT

HOUSE FILE 694

## SIGNIFICANT CHANGES TO THE CODE OF IOWA (CONTINUED)

- Permits satellite magistrate offices to reopen in cities other than the county seat if the following criteria are met:
  - Magistrate court was regularly scheduled in the city on or after July 1, 2001.
  - The population of the city is at least two times greater than the population of the county seat or the population of the city is at least 30,000.
  - The city requests the Chief Judge to schedule magistrate court.
  - Requires the city requesting the magistrate court to pay for all costs associated with holding magistrate court in the city other than the county seat.
- Requires the Supreme Court to review the division of judicial districts and judicial election districts beginning January 1, 2012, and at least every ten years. Specifies procedures for submission and adoption of reorganization plans.
- Eliminates the option of establishing regional litigation centers.
- Removes the courts from approving and overseeing medical care to indigents at county expense and specifies that the petitioning for medical treatment of indigent persons is a county matter. This brings the Code of Iowa in compliance with current practice of the counties working directly with University of Iowa Hospitals and Clinics to secure and pay for medical services for indigents.
- Provides that if judicial election districts are reorganized, the State Court Administrator will reapportion the number of judgeships to each judicial election district according to Section 602.6201(3), Code of Iowa.
- Requires persons filing documents with a clerk of court to provide their date of birth as a means of additional personal identification. Section 602.6111, Code of Iowa, requires that the clerk of court issue a personal identification number (PIN) to each party to a lawsuit in order to facilitate the use of an automated docket. The additional information required under this Section of the Act would help distinguish between individuals with the same name.

## EXECUTIVE SUMMARY COURTS PRACTICES AND PROCEDURES ACT

HOUSE FILE 694

### SIGNIFICANT CHANGES TO THE CODE OF IOWA (CONTINUED)

- Specifies that an incumbent district judge cannot be removed from office due to a reduction in the number of authorized positions. A judgeship may not be apportioned unless a majority of the judicial council approves the apportionment. The Chief Justice may authorize a voluntary permanent transfer of a district judge from one judicial election district to another upon approval by the judicial council. A voluntary transfer should not cause a vacancy of a judgeship in the judicial election district from which the district judge transferred.
- Amends Section 602.6201(12), Code of Iowa, by sunseting the Section that provides voluntary permanent transfers of district judges effective July 1, 2008.
- Permits the Department of Corrections to have access to deferred judgment records on a searchable database. Current law permits only the courts and the county attorneys to have access to the records.
- Sunsets the following Sections of the Code of Iowa effective July 1, 2006: Sections 46.12, 602.6304(2) and (3), 602.6403, 602.7103B, and 633.20B.

### MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Specifies the number of district associate judges that counties may have based on the county population. District associate judges are appointed by the district judges of the judicial election district from people nominated by the county magistrate appointing commission. Specifies guidelines for filling the vacancy of a district associate judge.
- Extends docketing of a case from one business day to two.
- Eliminates the redundant practice of sending out two types of hearing notices for a small claims case.
- Amends the Probate Code to increase efficiencies.
- Clarifies the appropriate interest rate on judgments by basing the interest calculated for court costs on the one-year constant maturity rate published by the Federal Reserve, plus two percent. The State Court Administrator will distribute the notice of the monthly rate and any change to that rate to all the district courts.
- Permits the clerk of court to deliver by regular mail, rather than by certified mail, the court's final order from a reconsideration of sentence hearing. The fiscal impact of this change is minimal.

# EXECUTIVE SUMMARY COURTS PRACTICES AND PROCEDURES ACT

HOUSE FILE 694

## FISCAL IMPACT

- Allows a Chief Judge to delay, up to 180 days, the nomination process of a judge for appointment to the Iowa Supreme Court, Court of Appeals, or district court for budgetary reasons. The 180-day delays would most likely occur at the District Court Judge and District Associate Judge levels. The average number of vacancies for a District Court Judge is three and a half per year. The average number of vacancies for a District Associate Judge is one per year.

FISCAL IMPACT: The Judicial Branch would receive some salary savings from these changes, but the amount cannot be determined. The following chart shows the number of judges in each position and salary amount for each position that could be affected by a delay.

	Number of Judges	Salary
Supreme Court Justice	7	\$ 120,100
Court of Appeals Judge	9	115,540
District Court Judge	116	109,810
District Associate Judge	54	95,700
Associate Juvenile Judge	12	95,700
Associate Probate Judge	1	95,700
Magistrate	135	28,530

- Increases the minimum amount of an unpaid judgment from \$1 to \$3.

FISCAL IMPACT: The fiscal impact of this change cannot be determined but is anticipated to be minimal.

- Establishes two levels of filing fees for simple misdemeanors: \$8 for parking and \$17 for all other simple misdemeanors.

FISCAL IMPACT: The provision is estimated to increase General Fund revenue by approximately \$500,000 annually, beginning in FY 2004.

- Permits a clerk of court to charge a flat fee of \$8 for postage in small claims cases when a plaintiff requests service by mail. In FY 2002, there were approximately 89,000 small claims cases. Approximately 30.0% to 50.0% are served by certified mail as opposed to personal mail service.

FISCAL IMPACT: This Section is expected to result in minimal fiscal impact based on the increase in postage rates from \$0.34 to \$0.37 that occurred two years ago. The average cost is currently \$7 per mailing, but current practice is to charge actual cost for certified mailings. Establishing a flat fee is expected to streamline this process.

## **EXECUTIVE SUMMARY COURTS PRACTICES AND PROCEDURES ACT**

**HOUSE FILE 694**

### **STUDIES AND INTENT LANGUAGE**

- Establishes an interim study committee to study the judicial district and judicial election district redistricting and the allocation of Judicial Branch resources. If the committee determines that redistricting should occur, the Committee will adopt a redistricting plan and submit the plan to the General Assembly by December 15, 2003. If the Committee determines that redistricting should not occur, the Committee will submit to the General Assembly other recommendations for achieving an optimum allocation of Judicial Branch resources by December 15, 2003. The Committee will consist of 31 members as specified in this Act.

### **ENACTMENT DATE**

- The Act was approved by the General Assembly on April 28, 2003, and was signed by the Governor on May 23, 2003.

## **EXECUTIVE SUMMARY BREAST CANCER AWARENESS LICENSE PLATES ACT**

**SENATE FILE 127**

### **NEW PROGRAMS, SERVICES, OR ACTIVITIES**

- Creates a Breast Cancer Awareness license plate. Revenues generated from the sale of the plates will be appropriated to the Department of Public Health for grants to Iowa affiliates of the Susan G. Komen Foundation or similar nonprofit organizations.

### **FEE REVENUES TO THE DEPARTMENT OF PUBLIC HEALTH**

- An issuance fee of \$35 per plate will be appropriated to the Department of Public Health. An additional fee of \$25 will be collected for the initial issuance of personalized plates, which will be credited to the Road Use Tax Fund.
- The annual fee for renewal of the plates will be \$10, which will be appropriated to the Department of Public Health. An additional \$5 will be collected for the renewal of personalized plates, which will be credited to the Road Use Tax Fund.
- Costs for the Department of Transportation that will be associated with administration and programming and manufacturing the plates are estimated at \$5,000.
- Administrative costs for the Department of Public Health are not estimated to be significant.

### **FISCAL IMPACT**

- The fiscal impact of SF 127 cannot be determined as it is uncertain how many plates will be sold annually. The following is an example of the amount of revenue that may be generated based on the sale of 500 to 1,000 plates:
  - Year 1: Between \$17,000 and \$35,000
  - Subsequent Years: Between \$5,000 and \$10,000
- The net fiscal impact to the Road Use Tax Fund will be insignificant.

### **ENACTMENT DATE**

- The Act was approved by the General Assembly on March 6, 2003, and signed by the Governor on March 12, 2003.

## EXECUTIVE SUMMARY ABANDONED PROPERTY ACT

## SENATE FILE 180

### ABANDONED PROPERTY

- Senate File 180 amends Chapter 566, Code of Iowa, as follows:
  - Accelerates the liquidation process for property received by the Treasurer of State that is determined or presumed to be abandoned. Currently, the Treasurer of State must attempt to find the owners of property valued at \$25.00 and above prior to disposal of the property. The Act changes this requirement to \$50.00 and above.
  - Allows the Treasurer of State to liquidate securities received after one year. The current provision requires that the securities be held three years before liquidation.
  - Indemnifies the Treasurer of State when property is received that has no commercial value. This property can be disposed of at any time without liability to the Treasurer of State.
- The Act is expected to increase General Fund revenues by approximately \$3.7 million in FY 2004 and approximately \$4.0 million in FY 2005 and each succeeding year.
- The Act was approved by the General Assembly on April 17, 2003, and signed by the Governor on April 25, 2003.

### FISCAL IMPACT

### ENACTMENT DATE

## EXECUTIVE SUMMARY

### UNCLAIMED DEMUTUALIZATION PROCEEDS AND WAGES ACT

SENATE FILE 236

#### MAJOR INCREASES, DECREASES, OF TRANSFERS OF EXISTING PROGRAMS

- Senate File 236 amends Chapter 556, Code of Iowa, and accelerates the time periods that unclaimed demutualization proceeds held by an insurance company and unpaid wages reported to the Treasurer of State are presumed abandoned as follows:
  - Unclaimed demutualization proceeds are presumed abandoned the earlier of two years after the first distribution date or two years after the last contact with the policyholder.
  - Unpaid wages are presumed abandoned after one year versus the current three years.

#### FISCAL IMPACT

- This Act is expected to increase General Fund revenues by approximately \$26.7 million in FY 2004 and \$12.2 million in FY 2005 and each succeeding year. A breakdown by the two areas is as follows:
  - Unclaimed Demutualization Proceeds:
    - FY 2004 -- \$24.5 million
    - FY 2005 -- \$10.0 million
  - Unpaid Wages:
    - FY 2004 -- \$2.2 million
    - FY 2005 -- \$2.2 million

#### ENACTMENT DATE

- This Act was approved by the General Assembly on April 15, 2002, and signed by the Governor on April 21, 2002.



# EXECUTIVE SUMMARY

## UTILITY REPLACEMENT TAX ACT

## SENATE FILE 275

### UTILITY REPLACEMENT TAX

- Senate File 275 makes changes to the utility replacement tax, which is paid by utilities instead of property tax. The Act:
  - Makes adjustments that affect taxes of an out-of-state utility and changes the gas delivery tax charged to suppliers of natural gas to new gas-fired stand-alone electric plants.
  - Establishes a statewide natural gas delivery tax rate of 0.0111 cents per therm for natural gas delivered to new gas-fired electric plants. The current threshold recalculation for certain increases and decreases in total tax revenues from delivered natural gas (plus or minus 2.0%) does not apply to deliveries to new gas-fired electricity generating plants.

### FISCAL IMPACT

- The changes made by the Act are projected to increase the transmission tax paid by out-of-state utilities to local governments by \$108,000 annually. Four counties are affected – Chickasaw, Fayette, Howard, and Mitchell.
- The change affecting new gas-fired electric plants will begin generating revenues to offset school aid and for local government after a new plant becomes operational.
  - While there are four gas-fired electric plants currently in the planning stage, it has not been determined when new gas-fired electric plants will begin buying natural gas and how much new revenue will be generated. A typical new 700 megawatt gas-fired electricity generating plant would have an estimated taxable valuation of \$109.0 million under this Act; it would generate an estimated \$3.5 million of additional gas delivery excise taxes annually for local government and \$589,000 for school aid through the uniform levy, thus reducing the annual General Fund appropriation by a comparable amount.

### EFFECTIVE DATE

- The Act is retroactively effective to January 1, 2003.

### ENACTMENT DATE

- The Act was approved by the General Assembly on April 24, 2003, and signed by the Governor on May 2, 2003.

## **EXECUTIVE SUMMARY FISHING LICENSE FEE ACT**

**SENATE FILE 348**

### **NEW PROGRAMS, SERVICES, OR ACTIVITIES**

### **MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS**

### **FISCAL IMPACT**

### **SIGNIFICANT CHANGES TO THE CODE OF IOWA**

### **EFFECTIVE DATE**

### **ENACTMENT DATE**

- Creates a one-day fishing license for residents and a one-day and a three-day fishing license for nonresidents. The new licenses will encourage people to participate in fishing activities during short trips to Iowa or when visiting other regions of Iowa.
- Increases the resident fishing license fees for the fishing season that begins on or after January 1, 2004. Combines the fishing habitat fee with the fishing license fee to eliminate one transaction fee.
- The estimated net fiscal impact from the increase in fishing license fees to the Fish and Wildlife Trust Funds is estimated to be \$1.3 million FY 2004 and \$763,000 for FY 2005 and subsequent years. County Conservation Boards will receive approximately \$375,000 annually from the increased license fees.
- Specifies that \$3.00 from the sale of each resident and nonresident annual fishing license and seven-day fishing license fee be used for fish habitat development. Further specifies that 50.0% of the funds collected will be given to County Conservation Boards for fish habitat development.
- The Act takes effect on December 15, 2003, and is applicable to licenses and fees for fishing seasons that begin on or after January 1, 2004.
- The Act was approved by the General Assembly on May 1, 2003, and signed by the Governor on May 30, 2003.

# EXECUTIVE SUMMARY HOUSING TAX CREDIT BIFURCATION ACT

SENATE FILE 441

## SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Senate File 441 amends the Code of Iowa allowing for the following changes:
  - Allows for the transfer (sale) of State housing investment tax credits under the Enterprise Zone Program if the project is also financed with low-income housing tax credits authorized under Section 42 of the Internal Revenue Code.
  - Specifies certain requirements that must be met in the awarding and claiming of the tax credits.
  - Requires the Departments of Economic Development and Revenue and Finance to adopt procedures relating to the issuance, transfer, and redemption of these tax credits.
  - Allows a person receiving a historic property rehabilitation tax credit to transfer all or a portion of the unused tax credit to any other person.
  - Allows the transferee to use the amount of the tax credit against personal or corporate income tax liability, franchise tax liability, or insurance premium tax liability for any tax year the transferor could have claimed the tax credit.
  - Prohibits the transfer of tax credits from being considered as income or deducted from income for State tax purposes.

## FISCAL IMPACT

- Senate File 441 would reduce General Fund revenues by approximately \$210,000 annually starting in FY 2005.

## EFFECTIVE DATE

- The Act takes effect upon enactment and is retroactively applicable to tax years beginning on or after January 1, 2003.

## ENACTMENT DATE

- The Act was passed by the General Assembly on May 1, 2003, and was signed by the Governor on May 16, 2003.

# **EXECUTIVE SUMMARY**

## **INTERNAL REVENUE CODE (IRC) UPDATE ACT**

## **SENATE FILE 442**

### **INTERNAL REVENUE CODE UPDATE**

- Senate File 442 amends Iowa law to reflect and adjust for recent changes to the federal Internal Revenue Code (IRC). By adopting the IRC through January 1, 2003, and by specific adjustment, the Act:
  - Allows teachers to claim a classroom supply tax credit for tax years 2002 and 2003 on their Iowa income tax form.
  - Decouples Iowa tax law from recent business expense “bonus depreciation” changes at the federal level.

### **FISCAL IMPACT**

- The Act is projected to reduce net General Fund receipts by \$717,000 in FY 2004, with no fiscal impact after that year.

### **EFFECTIVE DATE**

- Sections of the Act related to bonus depreciation are retroactive to tax years beginning on or after September 10, 2001. The remainder of the Act is retroactive to tax years beginning on or after January 1, 2002.

### **ENACTMENT DATE**

- The Act was approved by the General Assembly April 29, 2003, and signed by the Governor May 21, 2003.

## EXECUTIVE SUMMARY AGRIFUTURES ACT

## SENATE FILE 459

### SIGNIFICANT CHANGES TO THE CODE OF IOWA

- Senate File 459 amends the Iowa Agricultural Industry Finance Act outlined in the Code of Iowa as follows:
  - Allows the Department of Economic Development, upon agreement between the Department and the Iowa Agricultural Finance Corporation, to accept the assignment of a loan made by the Iowa Agricultural Finance Corporation providing financing to an eligible person as a grant to the Corporation's right to payment under the Iowa Agricultural Industry Finance Loan.
  - Requires the payment made by the eligible person receiving financing from the Corporation plus loan repayments made by the Corporation to the Department of Economic Development to total the annual amount due (4.0% of the loan to the Corporation or \$1.0 million). Allows the eligible person to repay more or less than 4.0% of the Iowa Agricultural Industry Finance Loan in a given year.
  - Specifies certain conditions to be contained in the assignment agreement, such as securing the payment obligation to allow the Department to enforce debt against the property of an eligible person. Prohibits the Department of Economic Development from taking any recourse against the Corporation for any amount required to be applied from the assigned loan to the Iowa Agricultural Finance Corporation Loan.
  - Prohibits the Corporation from being subject to a prepayment penalty.
- DETAIL: Senate File 2415 (FY 1999 Iowa Agricultural Industry Finance Act) created the Iowa Agricultural Finance Corporation for the purpose of expanding the availability of financing to value-added agriculture in the State and allocated \$25.0 million in Motor Vehicle Use Tax receipts to the Department of Economic Development for providing a loan to the Iowa Agricultural Finance Corporation. The Corporation is required to repay \$1.0 million each year for 25 years starting in FY 2005. The repayment is to be deposited into the Road Use Tax Fund.
- Specifies the provisions of this Act take effect upon enactment.
- The Act was passed by the General Assembly on May 1, 2003, and was signed by the Governor on May 12, 2003.

EFFECTIVE DATE

ENACTMENT DATE

## ISSUE REVIEW SERIES

As part of the continuing effort to provide legislative oversight, the staff of Fiscal Services monitors a variety of issues that develop in state agencies. Many of the issues are reported through the *Fiscal Update* newsletter, but some require more detailed review to present sufficient information and some may require legislative action. To meet the need, Fiscal Services developed an **Issue Review** series in 1992 that presents selected issues to members of the Fiscal Committee, Oversight Committee, and the General Assembly. Where appropriate, each paper contains a specific issue topic, a brief background on information related to the topic, the current situation, affected agencies, Code of Iowa authority, alternatives the General Assembly may wish to consider, and budgetary impacts.

The following Issue **Reviews** have been published during the 2002 Legislative Session, the 2002 Interim, or the 2003 Legislative Session and are available from Fiscal Services (listed alphabetically).

- [Alcoholic Beverages Division State Liquor Wholesaling](#)
- [Assisted Living in Iowa](#)
- [Board of Regents Unit Cost of Instruction](#)
- [City Tax Increment Financing](#)
- [Community College Governance](#)
- [County Tax Increment Financing](#)
- [Endowment for Iowa's Health Account](#)
- [Farm Security Act Conservation Programs](#)
- [General Fund Budget Transfers for FY 2002 through FY 2004](#)
- [Governor's Office of Drug Control Policy](#)
- [Health Insurance Portability and Accountability Act \(HIPAA\)](#)
- [Impact of Changing Iowa's OWI Statute](#)
- [Iowa Priority](#)
- [Iowa's Economic Growth](#)
- [Iowa's Tobacco Settlement](#)
- [Judicial Branch Retirement Fund](#)
- [Judicial Branch Revenue](#)
- [Linked Investments for Tomorrow Program](#)
- [Overview of the State Nursery](#)
- [Prison Farms](#)
- [Public Health Professional Licensure Boards](#)
- [Restricted Capital Fund \(Tobacco Settlement Trust Fund\)](#)
- [Road Use Tax Fund Revenue Update](#)
- [School Aid FY 2002-FY 2004](#)
- [State Funded Aviation Programs](#)
- [State Medical Library](#)
- [State Vehicle Fleet](#)

# FISCAL SERVICES REPORTS

## ANNUAL REPORTS

[Factbook](#)

[Fiscal Facts](#)

Legislative Intent Language

Expenditure Oversight

Budget and Departmental Request  
Summary

[Governor's Recommendations  
Summary and Detailed Analysis by  
Department](#)

Standing Appropriations and Built-In  
Increases Report

- This report contains historical information on issues and questions commonly asked by the General Assembly about departmental activities or funds. The subject matter, both financial and non-financial, is arranged topically.
- This is a condensed, pocket-sized version of the Factbook and also contains revenue and expenditure information from the most recent Legislative Session.
- Fiscal Services annually conducts an analysis of departmental compliance with the legislative intent language specified in enacted legislation (primarily appropriations bills). Intent language compliance is also monitored periodically throughout the fiscal year. Significant items and noncompliance items are reported in the ***Fiscal Update***.
- Fiscal Services annually conducts an analysis of the expenditures of departments, comparing expected to actual levels. The report is issued in November as a special edition of the ***Fiscal Update*** and includes an analysis of FTE position usage by the departments and reversions for the fiscal year. Additionally, analysts conduct a monthly review of expenditures and FTE position usage. Any significant deviations are included in the ***Fiscal Update***.
- This report reviews receipts and expenditures of the current fiscal year and summarizes departmental requests for the next fiscal year. It is issued in December or January.
- This report contains a detailed analysis of departmental requests and Governor's recommendations related to those requests. It is issued in January, one week after the Governor's budget message is delivered to the General Assembly. A separate report is issued containing analysis of departments for each appropriations subcommittee. The report includes each department's mission statement, a brief history of the department, an overall analysis of the departmental requests, an analysis of issues which may need to be addressed by the appropriations subcommittee, and a summary of the recent legislative oversight reports. The report may also include summary tables of past, current, and requested appropriations.
- This report provides information concerning State General Fund expenditures for Standing Appropriations and Built-In Increases. Examples include spending for property tax assistance to local governments and entitlement programs, education funding including school foundation aid, and other standing appropriations.

# FISCAL SERVICES REPORTS

## WEEKLY/MONTHLY REPORTS

[General Fund Receipts Memo](#)

[\*Fiscal Update\*](#)

- This memo, issued on the first working day of each month, details the status of General Fund receipts comparable to the same time period of the previous year. The memo includes growth figures for the fiscal year and the prior month, as well as information on the unemployment rate and labor force in Iowa.
- This is Fiscal Services's weekly (during session) and semimonthly (during the interim) newsletter. It contains summaries of issues which are important to members of the General Assembly. Examples include summaries of fund transfers and board or commission meetings, action on all appropriations bills at each stage of the appropriations process, expenditure oversight issues, and summaries of reports issued by Fiscal Services. Special issues are also published periodically.

## SESSION-ONLY REPORTS

[Appropriations Tracking Document](#)

[Notes On Bills and Amendments  
\(NOBA\)](#)

- These reports contain an updated summary, in table form, of the prior fiscal year's appropriation, the Governor's recommendations, and legislative action to that point in the Legislative Session. Tracking documents are published weekly during session and more frequently as necessary.
- These reports contain the actual text of a bill and/or amendment to the bill in the left column and provide a section by section analysis of the action in the right column. The reports are issued for each appropriations bill at every step in the appropriations process. The report also highlights all changes to the Code of Iowa and provides an appropriations summary and comparison of prior fiscal year appropriations.



# FISCAL SERVICES REPORTS

## PERIODIC REPORTS

Program Evaluation And Other  
Mandated Studies

## Issue Reviews

## INTERNET ADDRESS

- These reports are issued periodically to all members of the Legislature. A research team is assigned within Fiscal Services to work with a sponsoring legislative committee to refine the specific evaluation criteria to be addressed to insure relevancy to the General Assembly. The studies are recommended by either the Legislative Fiscal Committee or the Legislative Studies Committee and then must be approved by the Legislative Council. The studies may review departmental or program implementation, operations or outcomes, or offer recommendations for program and administrative improvement or programmatic alternatives.
- As part of the continuing effort to provide legislative oversight, the staff of Fiscal Services monitors a variety of issues that develop in State agencies. Many of these are reported through the ***Fiscal Update*** newsletter, but some require more detailed review to present sufficient information and some may require legislative action. To meet this need, Fiscal Services has developed an ***Issue Review*** series, which presents selected issues to the Fiscal Committee. Where appropriate, each paper contains a specific issue topic, a brief background on information related to the topic, the current situation, affected agencies, Code of Iowa authority, alternatives the General Assembly may wish to consider, and budgetary impacts.
- Visit the Fiscal Services web site located at <http://staffweb.legis.state.ia.us/lfb/>